

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Urbana, Illinois
For the Fiscal Year Ended June 30, 2018



**CITY OF URBANA
URBANA, ILLINOIS**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

As of and for the Year Ended
June 30, 2018

Officials Issuing Report
Elizabeth Hannan, Finance Director

CITY OF URBANA

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**CITY OF URBANA, ILLINOIS
FINANCE DEPARTMENT**

December 19, 2018

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

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2018.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that has been established for this purpose, rests with management of the City of Urbana, and in particular, the City Finance Director. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City of Urbana. All disclosures necessary to enable the reader to gain an understanding of the City of Urbana's financial condition and activities have been included.

The City of Urbana financial statements have been audited by Baker Tilly Virchow Krause, LLP, licensed certified public accountants. The independent audit provides reasonable assurance that the statements are free of material misstatements. This audit involved examining selected records to support amounts and disclosures in the financial statements, assessing the accounting principles applied and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, Baker Tilly Virchow Krause, LLP, concluded that there was a reasonable basis for rendering an unmodified opinion that the statements are fairly presented in accordance with generally accepted accounting standards. Their letter is located at the front of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements, in the form of Management's Discussion and Analysis (MD&A), which immediately follows the

independent auditor's report. The MD&A complements this letter of transmittal and should be read in conjunction with it. As a recipient of various federal and state financial assistance programs, the City of Urbana is also required under the Federal Single Audit Act, to have an annual audit of certain major federal grant programs performed. This audit contains information concerning whether grant activity is presented fairly in the general purpose financial statements, whether internal control is sufficient to provide reasonable assurance that the funds are managed properly, and whether material grant compliance requirements have been met. The auditor's report relative to the Federal Single Audit Act is reported separately.

Profile of the City of Urbana

The City of Urbana, chartered in 1855, is a home-rule municipality located in Champaign County, which is situated in east central Illinois, approximately 135 miles south of Chicago and 45 miles west of the Indiana border. Twelve square miles are within the City boundaries. The University of Illinois is located in both Urbana and Urbana's twin city of Champaign. Urbana's population is estimated at 41,989 for 2017 and tends to be younger and more diverse than the population of the State as a whole. Residents are also highly educated, with nearly 54% holding a bachelor's degree or higher. About 60% of housing units are in multi-unit structures, which is much higher than for the State as a whole. All of these factors contribute to making Urbana a unique and vibrant community.

The City operates under the mayor/aldermanic form of government. The legislative authority of the City is vested in a seven-member council, each elected from their respective districts. The Mayor is elected at large. Each member and the Mayor serve a four-year term. The Mayor recommends and the City Council approves appointment of the City Administrator, and department and division heads.

The City of Urbana provides a full range of municipal services, as outlined below:

Police:	Patrol, Traffic Control, and Criminal Investigation
Fire:	Fire Suppression, Fire Prevention, and Emergency Medical Assistance
Public Works:	Street Maintenance and Reconstruction, Traffic Maintenance, Street Lighting Maintenance and Reconstruction, Sanitary and Storm Sewer Maintenance and Reconstruction, Arbor Maintenance and Improvement, Parking (on an enterprise basis)
Community Development:	Planning and Zoning Enforcement, Building Inspection, Economic Development, and Housing Improvement
Other Services:	Library Services, Human Relations

This report includes all funds of the City of Urbana. The Urbana Free Library and the Fire and Police Pension funds are included. There are no other entities in which the primary government is considered financially accountable or other organizations that, if excluded, would cause these statements to be misleading or incomplete. The City also participates in a joint venture with the City of Champaign, the Champaign-Urbana Solid Waste Disposal System (CUSWDS). This joint venture is responsible for overseeing closeout and long-term maintenance of the old regional landfill site. Urbana's share of the joint venture (38.2%) is shown as an asset called Investment in Joint Ventures. It is contemplated that the City's investment will remain at the same level. This joint venture does not meet the criteria for inclusion in the City's financial report. However, financial information for the joint venture is included in the notes to the financial statements.

Financial Planning

Finance staff develops a financial forecast annually, which is used for developing a strategy for the budget process. This informs decisions such as requiring departments to make budget reductions, or considering new or enhanced programs or services. The City Council has also adopted a set of financial policies to guide in preparation of the annual budget.

The annual budget serves as the foundation for the City's financial planning and control. All departments submit budget requests to the Finance Department, which are then reviewed by Finance staff, the City Administrator, and the Mayor. The Mayor makes final decisions on the proposed budget, which is then presented to the City Council for review. The City Council reviews the proposed budget in several open meetings, holds a public hearing and adopts the budget before the beginning of the new fiscal year. The budget is prepared by fund, department, program, and expenditure classification (e.g., supplies, services). The level of expenditures cannot exceed budgeted amounts within certain basic expenditure categories within an individual department for the General Fund or for the fund in whole for non-general funds. All funds have balanced annual budgets, prepared on a cash basis, and approved by the City Council, except for pension trust funds. Pension trust funds are managed by appointed Trustees and budgetary control is maintained through an annual actuarial review.

The Finance Director is authorized to transfer amounts within basic expenditure categories of personnel, supplies, services, and capital with the approval of the City Administrator. This budgetary control is maintained through regular financial reports. Budget to actual comparisons are provided in this report for each individual governmental fund for which a budget has been adopted.

Local Economy

The information presented in the financial statements is, perhaps best understood in the context of the specific environment in which the City of Urbana operates.

The presence of the University of Illinois has a significant, stabilizing influence on the local economy. In addition to bringing 45,800 students from every state as well as more than 100 foreign countries to the Urbana-Champaign area, the University employs more than 10,000, including many residents of the City of Urbana. The health care sector employs more than 8,600 people in the metro area.

The University of Illinois “Flash Index,” which is the most current measure of the State’s economic performance, is at 105.3 for November 2018. An index over 100 indicates growth. In addition, the local unemployment rate was at 3.8% in September. Both of these are positive indicators for the local economy.

State and local sales tax revenue make up nearly one-third of General Fund revenues. Sales tax performance was relatively weak in FY2018, with State and Home Rule sales tax increasing by less than 1% on an annualized basis. This weak performance is due, in part, to imposition of a 2% State fee for collection of Home Rule sales tax revenue. Absent that new fee, growth would have been closer to 2% on an annualized basis. Use tax, which includes sales from large online retailers increased by about 6.7% on an annualized basis, which may reflect increasing online sales. Reliance on sales tax as a revenue source can be problematic during economic downturns. However, the City’s reserves provide a cushion against these fluctuations.

The City’s taxable assessed value increased by about 2.18% for the 2017 tax levy. That was the second year of significant growth in assessments following the 2008-2009 recession. The City has maintained a relatively stable tax rate for the past few years. City staff anticipates that growth will be about 1.8% for the 2018 tax levy, when assessments are finalized.

Major Initiatives

The City is actively engaged in developing and implementing new strategies to foster economic growth. Significant initiatives for the City in fiscal year 2018 were:

- a) During FY2018, the City issued building permits for 251,000 square feet of construction, valued at \$29.6 million.
- b) The City’s new Enterprise Zone went into effect in January 2016, and includes a residential program marketed as Think Urbana. To date, Think Urbana, which provides property tax abatements and sales tax exemptions for eligible development, has resulted in 48 projects containing 230 residential units, with a value of \$53.3 million.

- c) The Enterprise Zone has also resulted in 22 commercial development projects with a value of \$10.4 million, which are expected to result in 251 new and retained jobs.
- d) The City continued to use Tax Increment Financing District funds to incentivize redevelopment in several areas, including Downtown Urbana. The City currently has three active development agreements leveraging \$2.9 million in private investment in the new Central Redevelopment Area TIF District.
- e) Several significant development projects are currently in the planning stages.
- f) Significant capital improvement projects include the following –
 - Completion of the first phase of MCORE improvements between Wright Street and Busey Avenue. This work is part of the MCORE (Multimodal Corridor Enhancement) project. In late 2014, the City of Urbana, along with the City of Champaign, the University of Illinois, and the Champaign-Urbana Mass Transit District were awarded a \$15.7 million federal grant to rebuild infrastructure in the core of the community. The MCORE project will have a transformative impact on the core of our community, including upcoming improvements on Green Street from Lincoln to Race.
 - Resurfacing sections of Lincoln Avenue between Green Street and University Avenue, and between Killarney and Saline Court.
 - Beginning reconstruction of Airport Road West from Willow Road to Cunningham Avenue.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Urbana for its CAFR for the fiscal year ended June 30, 2017. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR in conformance with GAAP. The report satisfied both GAAP and legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes that the current CAFR continues to meet the Certificate of Achievement program requirements and we plan to submit it to GFOA to determine eligibility for another certificate.

I would like to express my appreciation to staff in the Finance Department for their efficient and dedicated service in helping prepare this report. In particular, I want to thank Jing Lin, Staff Accountant; Don Ho, Financial Analyst; Theresa Hoffman, Financial Services Specialist; and Kris Francisco, Financial Services Manager for their work. I would also like to commend the Mayor, members of the City Council, City Administrator, and staff throughout the City of Urbana for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Elizabeth A. Hannan
Finance Director

CITY OF URBANA

LIST OF PRINCIPAL OFFICIALS

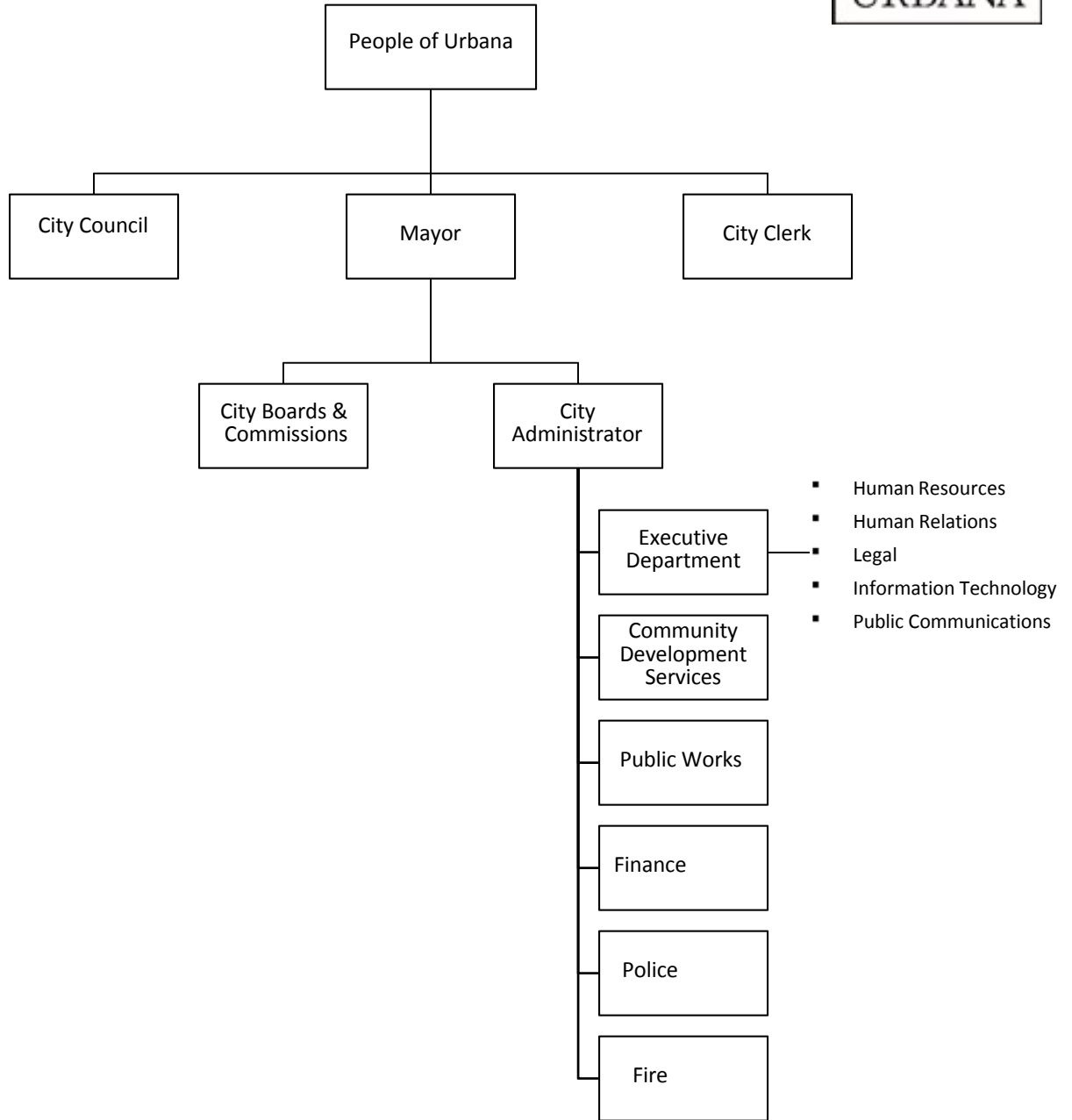
Elected Officials

Mayor	Diane Wolfe Marlin
Aldersperson, Ward 1	Maryalice Wu
Aldersperson, Ward 2	Eric Jakobsson
Aldersperson, Ward 3	Vacant
Aldersperson, Ward 4	Bill Brown
Aldersperson, Ward 5	Dennis Roberts
Aldersperson, Ward 6	H. Dean Hazen
Aldersperson, Ward 7	Jared Miller
City Clerk	Charles A. Smyth

Appointed Officials

City Administrator	Carol J. Mitten
Finance Director	Elizabeth Hannan
Interim Police Chief	Bryant Seraphin
Public Works Director	Vacant
Fire Chief	Charles Lauss
Community Development Director	John Schneider

CITY OF URBANA ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Urbana
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Urbana, 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 Urbana, Illinois, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Urbana'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.

Auditors' 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Urbana Free Library, the City of Urbana Police Pension Fund, and the City of Urbana Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 over financial reporting relevant to the City of Urbana'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 of Urbana'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.

To the Honorable Mayor and Members of the City Council
City of Urbana, Illinois

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 Urbana, Illinois, as of June 30, 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.

Emphasis of Matter

As discussed in Note I, the City of Urbana adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. Our opinions are 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 required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Urbana's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

To the Honorable Mayor and Members of the City Council
City of Urbana, Illinois

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Urbana's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2018 on our consideration of the City of Urbana'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 *Government Auditing Standards* in considering the City of Urbana's internal control over financial reporting and compliance.

Baker Tilly Voichau Krause, LLP

Oak Brook, Illinois
December 19, 2018

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

The discussion and analysis of City of Urbana's (the "City") financial performance provides an overall review of the City's financial activities for the year ended June 30, 2018. The management of the City encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the City's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$105.8 million (net position). Of this amount \$(1.7) million is unrestricted.
- In total, net position remained consistent with prior year after the impacts of restatement for the implementation of GASB Statement No. 75.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$39.6 million, an increase of \$0.9 million in comparison with the prior year. Approximately \$10.6 million is available for spending at the government's discretion (unrestricted fund balance).
- General revenues accounted for \$29.3 million in revenue or 67% of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$14.4 million or 33% of total governmental revenues of \$43.7 million.
- The City had \$44.3 million in expenses related to government activities. However, only \$14.4 million of these expenses were offset by program specific charges and grants.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10.6 million, or 35% of the total General Fund expenditures. This includes revenues that were owed to the City, but not yet received as of June 30.
- Long-term liabilities, which include pension obligations, decrease by \$6.6 million to \$42.4 million. This is primarily due to decreased net pension liabilities related to the Illinois Municipal Retirement Fund (IMRF). IMRF net pension liabilities decreased by \$6.3 million due to an increase in plan net investment income (\$5.9 million), among other factors.
- The City has relatively little outstanding debt, with a total of \$5.6 million outstanding as of the end of 2018.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

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, and are reported using the accrual basis of accounting and economic resources measurement focus.

The statement of net position presents information on all of the City's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between these 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 fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be divided into two types of activities: governmental and business type. Governmental activities present the functions of the City that are principally supported by taxes and intergovernmental revenues. Business type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The City's governmental activities include functions like general government, public safety, highways and streets, and urban redevelopment and housing. The City's business type activities include motor vehicle parking.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds, enterprise funds, and fiduciary funds.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. 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 City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 5 major 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, Vehicle and Equipment Replacement Fund, General Reserve Fund, Capital Improvement and Replacement Fund, and Motor Fuel Tax Fund. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The City adopts an annual budget for each of the major funds listed above. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds

The City maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business type activities in the government-wide financial statements. The City utilizes enterprise funds to account for its motor vehicle parking system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The City of Urbana uses internal service funds to account for equipment services. Because these services predominantly benefit governmental rather than business type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Motor Vehicle Parking Fund, which is considered to be a major fund of the City. The internal service fund is also presented separately in the proprietary fund financial statements.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Fiduciary funds

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

Notes to basic financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's Illinois Municipal Retirement Fund, Police Pension Fund, Firefighters' Pension Fund and Retiree Health Insurance Plan; as well as, budget to actual comparisons of the funds. Supplementary schedules include combining and individual fund schedules of all non-major funds and Fiduciary Funds.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Government-Wide Financial Analysis

Table 1 Condensed Statements of Net Position (in millions of dollars)						
	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>2018</u>	<u>2017*</u>
	<u>2018</u>	<u>2017*</u>	<u>2018</u>	<u>2017*</u>	<u>2018</u>	<u>2017*</u>
Assets						
Current and other assets	\$ 46.2	\$ 46.3	\$ 1.8	\$ 2.3	\$ 48.0	\$ 48.6
Capital assets	<u>98.9</u>	<u>96.7</u>	<u>6.2</u>	<u>6.1</u>	<u>105.1</u>	<u>102.8</u>
Total assets	<u>145.1</u>	<u>143.0</u>	<u>8.0</u>	<u>8.4</u>	<u>153.1</u>	<u>151.4</u>
Deferred outflows of resources						
Deferred outflows related to pensions	<u>9.4</u>	<u>18.0</u>	<u>-</u>	<u>0.1</u>	<u>9.4</u>	<u>18.1</u>
Total deferred outflows of resources	<u>9.4</u>	<u>18.0</u>	<u>-</u>	<u>0.1</u>	<u>9.4</u>	<u>18.1</u>
Liabilities						
Long-term liabilities	42.4	43.8	-	0.1	42.4	43.9
Other liabilities	<u>2.8</u>	<u>7.4</u>	<u>0.2</u>	<u>0.4</u>	<u>3.0</u>	<u>7.8</u>
Total liabilities	<u>45.2</u>	<u>51.2</u>	<u>0.2</u>	<u>0.5</u>	<u>45.4</u>	<u>51.7</u>
Deferred inflows of resources						
Property taxes levied for future periods	2.7	2.6	-	-	2.7	2.6
Deferred inflows related to OPEB	0.1	-	-	-	0.1	-
Deferred inflows related to pensions	<u>8.4</u>	<u>7.1</u>	<u>0.1</u>	<u>-</u>	<u>8.5</u>	<u>7.1</u>
Total deferred inflows of resources	<u>11.2</u>	<u>9.7</u>	<u>0.1</u>	<u>-</u>	<u>11.3</u>	<u>9.7</u>
Net position						
Net investment in capital assets	93.3	90.3	6.2	6.1	99.5	96.4
Restricted	8.0	8.0	-	-	8.0	8.0
Unrestricted	<u>(3.2)</u>	<u>1.8</u>	<u>1.5</u>	<u>1.9</u>	<u>(1.7)</u>	<u>3.7</u>
Total net position	<u>\$ 98.1</u>	<u>\$ 100.1</u>	<u>\$ 7.7</u>	<u>\$ 8.0</u>	<u>\$ 105.8</u>	<u>\$ 108.1</u>

*Prior year information has not been updated for the City's implementation of GASB Statement No. 75 in fiscal year 2018.

Normal Impacts

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

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

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

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net investment in capital assets.

Spending of non-borrowed current assets on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net position and increase the net investment in capital assets.

Principal payment on debt – which will: (a) reduce current assets and reduce long-term debt; and, (b) reduce unrestricted net position and increase the net investment in capital assets.

Reduction of capital assets through depreciation – which will reduce capital assets and the net investment in capital assets.

Current Year Impacts

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, total net position decreased by \$2.4 million from \$108.2 million to \$105.8 million. The City's total assets/deferred outflows of resources equal \$162.5 million. The City's total liabilities/deferred inflows of resources equal \$56.7 million.

The decrease in net position is primarily driven by the decrease in the City's long-term obligations, which was offset by the decrease in deferred outflows and increase in deferred inflows. Specifically, the changes in the IMRF Pension net pension liability, deferred inflows, and deferred outflows resulted in a total of \$1.2 million in expenses. This was offset by a decrease in unearned revenue of \$1.7 million.

A portion of the net position of the governmental activities is restricted for various purposes, including urban housing and development, public safety, and capital projects. The negative unrestricted net position of \$(1.7) million is due to an increase of \$2.9 million in the net investment in capital assets. This is related to significant capital improvements completed in 2018.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2018
(Unaudited)

Table 2							
Condensed Statements of Activities							
(in millions of dollars)							
	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>		
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	
	2018	2017*	2018	2017*	2018	2017*	
Revenues							
<i>Program revenues</i>							
Charges for services	\$ 8.2	\$ 8.8	\$ 1.3	\$ 1.4	\$ 9.5	\$ 10.2	
Operating grants and contributions	3.0	1.3	-	-	3.0	1.3	
Capital grants and contributions	3.2	1.3	-	-	3.2	1.3	
<i>General revenues</i>							
Property taxes	6.6	6.7	-	-	6.6	6.7	
Other taxes	11.6	12.1	-	-	11.6	12.1	
Intergovernmental	10.5	10.6	-	-	10.5	10.6	
Other general revenues	<u>0.6</u>	<u>0.2</u>	<u>-</u>	<u>-</u>	<u>0.6</u>	<u>0.2</u>	
Total revenues	<u>43.7</u>	<u>41.0</u>	<u>1.3</u>	<u>1.4</u>	<u>45.0</u>	<u>42.4</u>	
Expenses							
General government	6.9	5.7	-	-	6.9	5.7	
Public safety	21.9	20.3	-	-	21.9	20.3	
Highways and streets	10.8	13.0	-	-	10.8	13.0	
Urban redevelopment and housing	4.6	5.0	-	-	4.6	5.0	
Interest and fiscal charges	0.1	0.1	-	-	0.1	0.1	
Motor vehicle parking	<u>-</u>	<u>-</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	
Total expenses	<u>44.3</u>	<u>44.1</u>	<u>0.7</u>	<u>0.7</u>	<u>45.0</u>	<u>44.8</u>	
Transfers	<u>0.9</u>	<u>0.8</u>	<u>(0.9)</u>	<u>(0.8)</u>	<u>-</u>	<u>-</u>	
Change in net position	0.3	(2.3)	(0.3)	(0.1)	-	(2.4)	
Net position, beginning of year	<u>97.8</u>	<u>102.4</u>	<u>8.0</u>	<u>8.2</u>	<u>105.8</u>	<u>110.6</u>	
Net position, end of year	<u>\$ 98.1</u>	<u>\$ 100.1</u>	<u>\$ 7.7</u>	<u>\$ 8.1</u>	<u>\$ 105.8</u>	<u>\$ 108.2</u>	

*Prior year information has not been updated for the City's implementation of GASB Statement No. 75 in fiscal year 2018.

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues

Economic condition – which can reflect a declining, stable or growing economic environment, and has substantial impact on state sales, replacement and hotel/motel tax revenue; as well as, public spending habits for building permits, elective user fees, and volumes of consumption.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Increase/decrease in City approved rates – while certain tax rates are set by statute, the City has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the City's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses

Introduction of new programs – within the functional expense categories (general government, public safety, public works, and community development), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the City to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the City.

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

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

Current Year Impacts

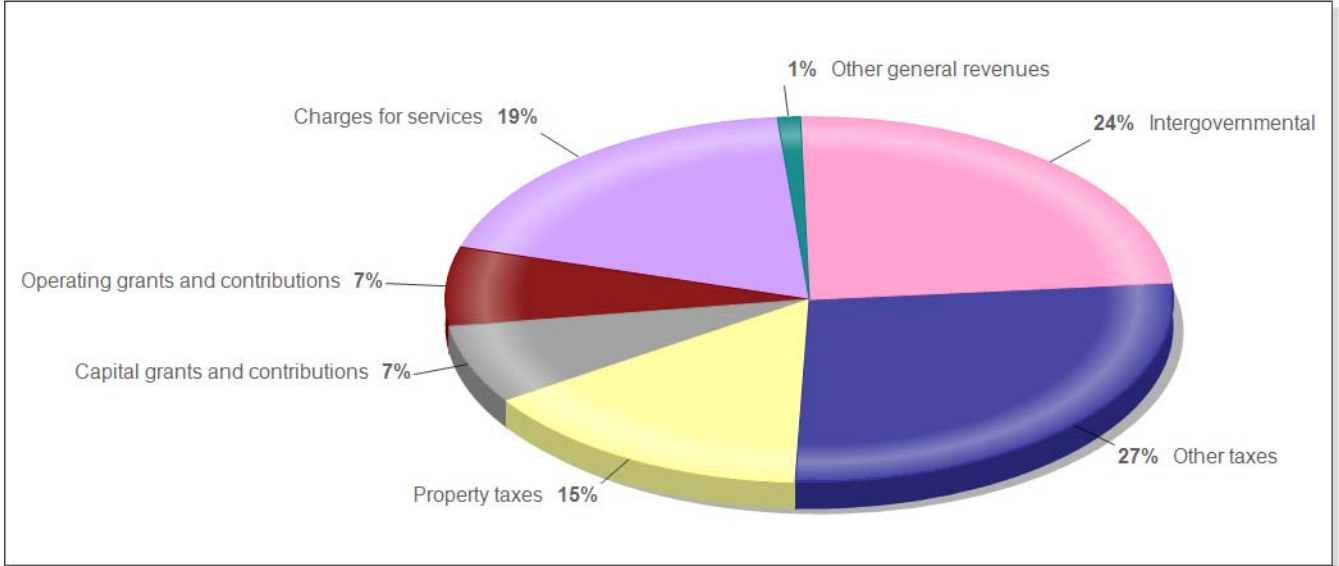
Governmental activities experienced an increase in revenue of \$2.7 million from \$41.0 million to \$43.7 million. Expenses remained steady between fiscal years which resulted in an increase of \$0.3 million in the City's governmental activities net position.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Governmental Activities

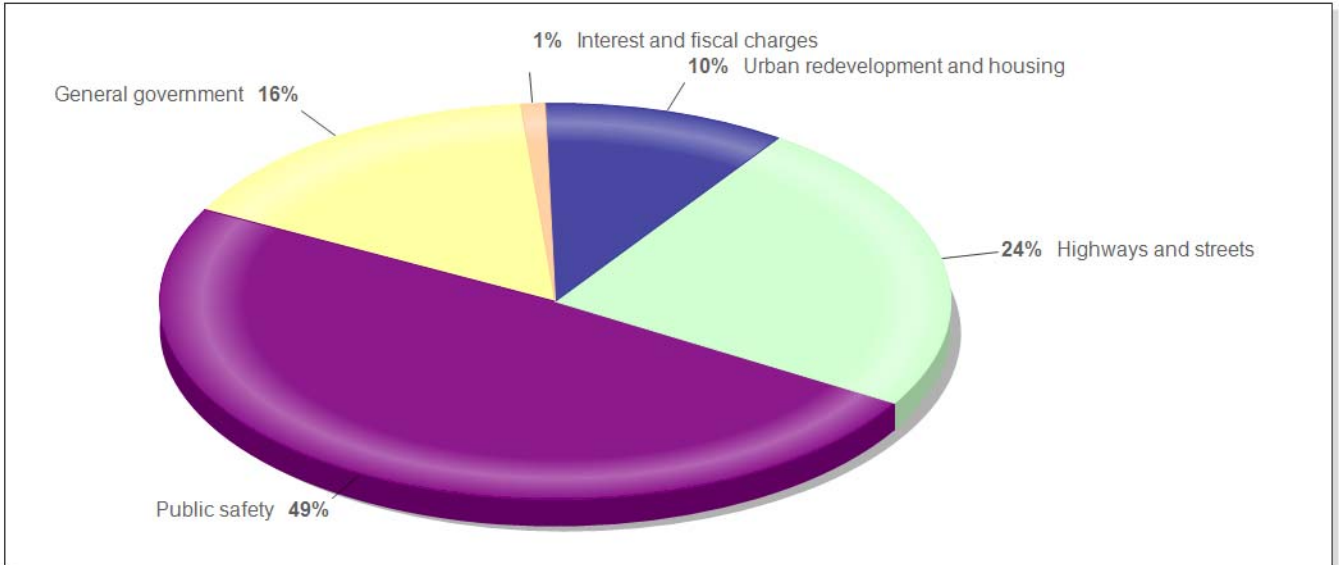
Governmental Revenues by Source



Revenues

Revenues increased by 7% compared to the previous fiscal year. It was partly because of the recognition of previously unearned grant revenue.

Governmental Expenses by Function



CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Expenses

The City's overall expenses in governmental activities for the current fiscal year increased by \$0.2 million over the previous year. Expenses in public safety activities increased while highway and street activities decreased. The increase of \$1.6 million in public safety expenses and \$0.8 million in general government expenses is due, in part, to increases in pension and post-retirement benefit obligations. The decrease of \$2.2 million in highways and streets is related to the timing of construction projects.

Financial Analysis of the City's Funds

The fund balance in governmental funds increased slightly from \$38.8 million to \$39.6 million, an increase of \$0.8 million or 2.1%. The increase is largely driven by the recognition of previously unearned revenue. This is largely related to the timing of receipt of State revenues for the Lincoln Avenue and Olympian Drive projects.

The General Fund had an increase of \$2.8 million in fund balance because of \$5.0 million of transfers in from other funds. This largely relates to the consolidation of City funds as part of the conversion of the chart of accounts and implementation of a new financial management system. \$2.35 million in reserves for workers compensation and liability claims were combined into the Retained Risk Fund, which is presented as a sub-fund of the General Fund.

General Fund Budgetary Highlights

General Fund revenues of \$30.4 million were less than the final budget by \$0.9 million. However, it was only at 98.5% of the original budget largely because the City's budget is prepared on a cash basis, whereas the audited financial statements are prepared on a modified accrual basis. The cash basis budget, in which 14 months of income tax revenue were received, is compared to the modified accrual revenues, which reflect 12 months of revenues. Expenditures were \$1.3 million below budget, largely because expenditures in police and public works were significantly below the final budget. In the police department, equipment maintenance charges and employee insurance costs were less than budgeted. In addition, police pension costs were lower than expected. The public works department was under budget for City utilities, supplies for street lighting, and funds designated for the Greenscapes program in the arbor division.

Capital Assets and Debt Administration

Capital assets

By the end of 2018, the City had compiled a total investment of \$177.0 million (\$105.1 million net of accumulated depreciation) in a broad range of capital assets including land, buildings, infrastructure, equipment, and vehicles. Total depreciation expense for the year was \$5.2 million. More detailed information about capital assets can be found in Note III of the basic financial statements.

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Table 3 Capital Assets (net of depreciation) (in millions of dollars)						
	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
Land	\$ 7.9	\$ 7.9	\$ 3.8	\$ 3.8	\$ 11.7	\$ 11.7
Construction in progress	12.0	7.2	0.6	0.4	12.6	7.6
Buildings and improvements	5.3	5.4	1.7	1.8	7.0	7.0
Infrastructure	70.0	72.6	-	-	70.0	72.6
Equipment	3.7	3.6	0.1	0.1	3.8	3.7
Total	<u>\$ 98.9</u>	<u>\$ 96.7</u>	<u>\$ 6.2</u>	<u>\$ 6.1</u>	<u>\$ 105.1</u>	<u>\$ 102.6</u>

Debt Administration

The debt administration discussion covers two types of debt reported by the City's financial statements. The City's governmental activities include the general obligation bond issuance for the Boneyard improvement project as well as the general obligation bond issuance for the Windsor Road improvement project. Overall, the City's governmental activities report a total debt of \$5.6 million. The City began the fiscal year with a balance of \$6.8 million in debt and reduced debt by \$1.2 million, leaving a June 30, 2018 debt balance of \$5.6 million. More detailed information about debt administration can be found in Note III of the basic financial statements.

Table 4 Long-Term Debt (in millions of dollars)		
	<u>Governmental Activities</u>	
	2018	2017
General obligation bonds	\$ 5.3	\$ 6.5
Loans payable	0.3	0.3
Total	<u>\$ 5.6</u>	<u>\$ 6.8</u>

CITY OF URBANA

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended June 30, 2018 (Unaudited)

Factors Bearing on the City's Future

The City continues to work to respond constructively to financial challenges. Those challenges include both declining Stateshared revenues and a loss in property tax revenue due to the 2012 State law that grants property exemptions to local hospitals. While significant challenges remain, the City took an important step with approval of a new funding policy for police and fire pensions. With the 2018 tax levy, the City will begin a five-year transition to a higher level of funding designed to fully fund these pensions within twenty years. The City will continue to make difficult decisions to address a structural deficit in the General Operating Fund, and will explore funding options for infrastructure maintenance.

The State's ongoing budget crisis has directly affected the City with imposition of a 2% "collection fee" on Home Rule sales tax revenue and changes in income tax distributions. The collection fee on Home Rule sales tax was reduced to 1.5% for FY2019, but the diversion of revenue continues. A onetime acceleration of income tax payments was designed to offset the 10% reduction in income tax distributions in fiscal year 2018, but a reduction of 5% is still in place for FY2019.

The impact of the U.S. Supreme Court decision in *South Dakota v. Wayfair Inc.* remains to be determined. This will increase the local government share of use tax revenues, but no Home Rule sales tax will be collected on those transactions.

While the City has maintained its \$1.355 property tax rate, other taxing bodies have increased rates to the point where the City's total tax rate is 15% higher than the neighboring City of Champaign. This gap is reduced from the 28% differential for the 2016 tax levy due in part to costs for school construction projects in Champaign. This puts the City at a competitive disadvantage and is not sustainable. The City and other taxing districts continue to deal with fallout from the 2012 State law that grants hospitals tax relief. Because the local hospitals made up about 11% of the City's EAV, the result was a shift in the tax burden to other taxpayers.

Any reductions in State funding for the University of Illinois, which is a significant driver for the local economy and the City's largest employer, would also have a significant impact on the City. Depending on the magnitude of reductions, there could be wide ranging impacts on the local economy, affecting sales taxes and other City revenues.

The City will continue to develop a financial forecast annually to ensure that we can identify and use appropriate strategies to ensure long-term financial sustainability.

Requests for Information

This financial report is designed to provide the City's citizens, taxpayers, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like a copy of the financial statements for the Urbana Free Library, contact the Finance Office:

Elizabeth Hannan, Finance Director
City of Urbana
400 S. Vine Street
Urbana, Illinois 61801

CITY OF URBANA

STATEMENT OF NET POSITION As of June 30, 2018

	Governmental Activities	Business-Type Activities	Totals	Component Unit - Urbana Free Library
ASSETS				
Cash and investments	\$ 36,187,344	\$ 1,726,831	\$ 37,914,175	\$ 2,271,440
Receivables				
Property taxes	3,189,403	-	3,189,403	1,509,255
Other taxes	843,310	-	843,310	-
Accrued interest	60,912	-	60,912	145
Accounts	658,333	20,364	678,697	-
Due from other governments	4,146,231	-	4,146,231	13,095
Grants	839,771	-	839,771	-
Internal balances	(21,835)	21,835	-	-
Prepaid items	130,686	-	130,686	9,288
Inventory	115,967	-	115,967	-
Restricted assets				
Cash and investments	-	-	-	573,911
Investment in joint venture	72,498	-	72,498	-
Capital Assets				
Land	7,867,289	3,765,739	11,633,028	594,362
Construction in progress	12,016,720	674,328	12,691,048	-
Other capital assets, net of depreciation	79,003,641	1,797,501	80,801,142	8,261,089
Total Assets	<u>145,110,270</u>	<u>8,006,598</u>	<u>153,116,868</u>	<u>13,232,585</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	<u>9,379,616</u>	<u>13,683</u>	<u>9,393,299</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>9,379,616</u>	<u>13,683</u>	<u>9,393,299</u>	<u>-</u>
LIABILITIES				
Accounts payable	999,467	5,449	1,004,916	11,080
Claims payable	499,722	-	499,722	-
Accrued interest	25,704	-	25,704	-
Accrued salaries and taxes	504,776	1,942	506,718	63,293
Unearned revenue	777,238	163,532	940,770	42,404
Noncurrent Liabilities				
Due within one year	3,025,378	-	3,025,378	161,942
Due in more than one year	<u>39,359,500</u>	<u>39,322</u>	<u>39,398,822</u>	<u>62,793</u>
Total Liabilities	<u>45,191,785</u>	<u>210,245</u>	<u>45,402,030</u>	<u>341,512</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for future periods	2,667,566	-	2,667,566	1,284,000
Deferred inflows related to pensions	8,391,266	60,133	8,451,399	-
Deferred inflows related to OPEB	<u>100,120</u>	<u>319</u>	<u>100,439</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>11,158,952</u>	<u>60,452</u>	<u>11,219,404</u>	<u>1,284,000</u>
NET POSITION				
Net investment in capital assets	93,267,650	6,237,568	99,505,218	8,855,451
Restricted for				
Public safety	90,816	-	90,816	-
Urban redevelopment and housing	3,674,261	-	3,674,261	-
Capital projects	3,436,036	-	3,436,036	-
Highways and streets	825,015	-	825,015	-
Trust	-	-	-	556,547
Unrestricted	<u>(3,154,629)</u>	<u>1,512,016</u>	<u>(1,642,613)</u>	<u>2,195,075</u>
TOTAL NET POSITION	<u>\$ 98,139,149</u>	<u>\$ 7,749,584</u>	<u>\$ 105,888,733</u>	<u>\$ 11,607,073</u>

See accompanying notes to financial statements.

CITY OF URBANA

STATEMENT OF ACTIVITIES For the Year Ended June 30, 2018

	Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 6,925,737	\$ 296,356	\$ 26,887	\$ -
Public safety	21,879,591	3,191,188	19,174	-
Highways and streets	10,759,336	3,471,018	493,528	3,218,820
Urban redevelopment & housing	4,607,327	1,258,817	2,429,141	-
Interest and fiscal charges	<u>93,561</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>44,265,552</u>	<u>8,217,379</u>	<u>2,968,730</u>	<u>3,218,820</u>
Business-type Activities				
Parking	<u>735,765</u>	<u>1,371,928</u>	<u>-</u>	<u>-</u>
Total Business-type Activities	<u>735,765</u>	<u>1,371,928</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 45,001,317</u>	<u>\$ 9,589,307</u>	<u>\$ 2,968,730</u>	<u>\$ 3,218,820</u>
Component Unit				
Urbana Free Library	<u>\$ 3,687,888</u>	<u>\$ 216,254</u>	<u>\$ 132,935</u>	<u>\$ -</u>
General Revenues				
Taxes				
Property taxes				
Local sales taxes				
Hotel/motel taxes				
Sewer benefit taxes				
Utility taxes				
Intergovernmental				
State sales taxes				
Corporate personal property replacement taxes				
State income taxes				
Other intergovernmental				
Investment income				
Miscellaneous				
Total General Revenues				
Transfers				
Total General Revenues and Transfers				
Change in net position				
NET POSITION - Beginning of Year (as restated)				
NET POSITION - END OF YEAR				

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Totals	Urbana Free Library
\$ (6,602,494)	\$ -	\$ (6,602,494)	\$ -
(18,669,229)	-	(18,669,229)	-
(3,575,970)	-	(3,575,970)	-
(919,369)	-	(919,369)	-
(93,561)	-	(93,561)	-
<u>(29,860,623)</u>	<u>-</u>	<u>(29,860,623)</u>	<u>-</u>
-	<u>636,163</u>	<u>636,163</u>	-
-	<u>636,163</u>	<u>636,163</u>	-
<u>(29,860,623)</u>	<u>636,163</u>	<u>(29,224,460)</u>	-
-	-	-	(3,338,699)
6,634,141	-	6,634,141	3,156,935
5,466,572	-	5,466,572	-
921,857	-	921,857	-
1,342,597	-	1,342,597	-
3,818,698	-	3,818,698	-
6,227,062	-	6,227,062	-
240,878	-	240,878	77,150
3,704,059	-	3,704,059	-
335,207	-	335,207	-
137,506	4,293	141,799	9,799
469,888	-	469,888	113,797
<u>29,298,465</u>	<u>4,293</u>	<u>29,302,758</u>	<u>3,357,681</u>
<u>872,977</u>	<u>(872,977)</u>	<u>-</u>	<u>-</u>
<u>30,171,442</u>	<u>(868,684)</u>	<u>29,302,758</u>	<u>3,357,681</u>
310,819	(232,521)	78,298	18,982
<u>97,828,330</u>	<u>7,982,105</u>	<u>105,810,435</u>	<u>11,588,091</u>
<u>\$ 98,139,149</u>	<u>\$ 7,749,584</u>	<u>\$ 105,888,733</u>	<u>\$ 11,607,073</u>

See accompanying notes to financial statements.

CITY OF URBANA

BALANCE SHEET
GOVERNMENTAL FUNDS
As of June 30, 2018

	<u>General</u>	<u>Vehicle and Equipment Replacement</u>	<u>General Reserve</u>	<u>Capital Improvement and Replacement</u>
ASSETS				
Cash and investments	\$ 9,844,523	\$ 7,837,363	\$ 5,313,361	\$ 4,849,817
Receivables				
Property taxes	2,044,489	-	-	-
Other taxes	434,122	-	-	65,860
Accounts	73,698	-	-	455,627
Accrued interest	60,912	-	-	-
Due from other governments	3,384,368	-	-	-
Grants	-	-	-	600,783
Due from other funds	136,397	-	-	-
Prepaid items	<u>130,686</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 16,109,195</u>	<u>\$ 7,837,363</u>	<u>\$ 5,313,361</u>	<u>\$ 5,972,087</u>

See accompanying notes to financial statements.

<u>Motor Fuel Tax</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 2,051,576	\$ 5,914,136	\$ 35,810,776
-	1,144,914	3,189,403
-	343,328	843,310
-	129,008	658,333
-	-	60,912
429,074	332,789	4,146,231
-	238,988	839,771
-	-	136,397
<u>-</u>	<u>-</u>	<u>130,686</u>
<u>\$ 2,480,650</u>	<u>\$ 8,103,163</u>	<u>\$ 45,815,819</u>

See accompanying notes to financial statements.

CITY OF URBANA

BALANCE SHEET
GOVERNMENTAL FUNDS
As of June 30, 2018

	<u>General</u>	<u>Vehicle and Equipment Replacement</u>	<u>General Reserve</u>	<u>Capital Improvement and Replacement</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 354,818	\$ 15,536	\$ -	\$ 204,868
Claims payable	499,722	-	-	-
Accrued salaries and taxes	477,370	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	<u>408,235</u>	<u>-</u>	<u>-</u>	<u>219,193</u>
Total Liabilities	<u>1,740,145</u>	<u>15,536</u>	<u>-</u>	<u>424,061</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	1,767,854	-	-	-
Unavailable revenues for grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>592,397</u>
Total Deferred Inflows of Resources	<u>1,767,854</u>	<u>-</u>	<u>-</u>	<u>592,397</u>
Fund Balances				
Nonspendable for prepaid items	130,686	-	-	-
Restricted for urban housing and development	-	-	-	-
Restricted for capital projects	-	-	-	979,499
Restricted for public safety	-	-	-	-
Restricted for highways and streets	-	-	-	-
Committed for capital projects	-	-	-	-
Assigned for public safety	-	7,821,827	-	-
Assigned for urban housing and development	-	-	-	-
Assigned for workers' compensation	1,825,034	-	-	-
Assigned for public television	-	-	-	-
Assigned for capital projects	-	-	-	3,976,130
Assigned for property tax reserve	-	-	5,313,361	-
Unassigned	<u>10,645,476</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>12,601,196</u>	<u>7,821,827</u>	<u>5,313,361</u>	<u>4,955,629</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 16,109,195</u>	<u>\$ 7,837,363</u>	<u>\$ 5,313,361</u>	<u>\$ 5,972,087</u>

See accompanying notes to financial statements.

Motor Fuel Tax	Nonmajor Governmental Funds	Totals
\$ 24,113	\$ 353,212	\$ 952,547
-	-	499,722
-	22,324	499,694
-	136,397	136,397
-	149,810	777,238
<u>24,113</u>	<u>661,743</u>	<u>2,865,598</u>
-	899,712	2,667,566
-	63,603	656,000
-	<u>963,315</u>	<u>3,323,566</u>
-	-	130,686
-	3,674,261	3,674,261
2,456,537	-	3,436,036
-	90,816	90,816
-	825,015	825,015
-	1,047,156	1,047,156
-	150,438	7,972,265
-	524,490	524,490
-	-	1,825,034
-	165,929	165,929
-	-	3,976,130
-	-	5,313,361
-	-	10,645,476
<u>2,456,537</u>	<u>6,478,105</u>	<u>39,626,655</u>
<u>\$ 2,480,650</u>	<u>\$ 8,103,163</u>	<u>\$ 45,815,819</u>

See accompanying notes to financial statements.

CITY OF URBANA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of June 30, 2018

Total Fund Balances - Governmental Funds	\$ 39,626,655
 Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note III C.	98,887,650
Less amount reported in internal service funds below:	(62,572)
 Deferred outflows of resources related to pensions do not related to current financial resources and are not included in the Governmental Funds Balance Sheet.	 9,379,616
Less amounts reported in internal service funds below.	(27,670)
 Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	 656,000
 An asset is reported in the statement of net position for the equity interest in the Champaign-Urbana Waste Disposal System joint venture.	 72,498
 Internal service funds are reported in the statement of net position as governmental activities.	 334,999
 Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.	 (8,391,266)
Less amounts reported in internal service funds above.	118,884
 Deferred inflows related to other post employment benefits do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.	 (100,120)
 Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds payable	(5,305,000)
Loan payable	(315,000)
Compensated absences	(1,852,878)
Accrued interest	(25,704)
Net pension liabilities	(31,322,924)
Total other post employment benefits liability	(3,589,076)
Less amounts reported in internal service funds above.	<u>55,057</u>
 NET POSITION OF GOVERNMENTAL ACTIVITIES	 <u>\$ 98,139,149</u>

CITY OF URBANA

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

For the Year Ended June 30, 2018

	<u>General</u>	<u>Vehicle and Equipment Replacement</u>	<u>General Reserve</u>	<u>Capital Improvement and Replacement</u>
REVENUES				
Property taxes	\$ 4,323,892	\$ -	\$ -	\$ -
Other taxes	10,207,127	-	-	-
Intergovernmental	10,597,925	-	-	2,083,350
Licenses, fines, and service charges	4,949,920	-	-	1,506,365
Investment income	7,028	28,230	50,597	19,275
Miscellaneous	<u>350,135</u>	<u>17,625</u>	-	<u>27,114</u>
Total Revenues	<u>30,436,027</u>	<u>45,855</u>	<u>50,597</u>	<u>3,636,104</u>
EXPENDITURES				
Current				
General government	5,036,467	-	-	-
Public safety	16,761,305	-	-	-
Highways and streets	6,877,032	-	-	604,005
Urban redevelopment and housing	1,632,031	-	-	-
Capital Outlay	-	879,089	-	2,728,022
Debt Service				
Principal	-	17,500	-	270,000
Interest and fiscal charges	-	-	-	<u>35,968</u>
Total Expenditures	<u>30,306,835</u>	<u>896,589</u>	-	<u>3,637,995</u>
Excess (deficiency) of revenues over expenditures	<u>129,192</u>	<u>(850,734)</u>	<u>50,597</u>	<u>(1,891)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,995,248	1,524,374	-	821,135
Transfers out	<u>(2,323,577)</u>	<u>(223,394)</u>	<u>(72,581)</u>	<u>(597,516)</u>
Total Other Financing Sources (Uses)	<u>2,671,671</u>	<u>1,300,980</u>	<u>(72,581)</u>	<u>223,619</u>
Net Change in Fund Balances	2,800,863	450,246	(21,984)	221,728
FUND BALANCES - Beginning of Year	<u>9,800,333</u>	<u>7,371,581</u>	<u>5,335,345</u>	<u>4,733,901</u>
FUND BALANCES - END OF YEAR	<u>\$ 12,601,196</u>	<u>\$ 7,821,827</u>	<u>\$ 5,313,361</u>	<u>\$ 4,955,629</u>

See accompanying notes to financial statements.

Motor Fuel Tax	Nonmajor Governmental Funds	Totals
\$ -	\$ 2,310,249	\$ 6,634,141
-	1,342,597	11,549,724
1,628,998	2,037,415	16,347,688
-	1,579,046	8,035,331
8,249	22,344	135,723
-	75,014	469,888
<u>1,637,247</u>	<u>7,366,665</u>	<u>43,172,495</u>
-	233,626	5,270,093
-	20,882	16,782,187
-	1,180,530	8,661,567
-	2,840,466	4,472,497
1,987,853	1,145,449	6,740,413
-	865,000	1,152,500
-	63,778	99,746
<u>1,987,853</u>	<u>6,349,731</u>	<u>43,179,003</u>
<u>(350,606)</u>	<u>1,016,934</u>	<u>(6,508)</u>
-	585,231	7,925,988
<u>(27,087)</u>	<u>(3,802,930)</u>	<u>(7,047,085)</u>
<u>(27,087)</u>	<u>(3,217,699)</u>	<u>878,903</u>
(377,693)	(2,200,765)	872,395
<u>2,834,230</u>	<u>8,678,870</u>	<u>38,754,260</u>
<u>\$ 2,456,537</u>	<u>\$ 6,478,105</u>	<u>\$ 39,626,655</u>

See accompanying notes to financial statements.

CITY OF URBANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds	\$	872,395
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Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		6,757,913
Some items reported as operating expenditures in the fund financial statements but are capitalized in the government-wide statements		464,832
Depreciation is reported in the government-wide financial statements		(5,020,164)
Less amounts reported in internal service funds below.		7,645

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Grants receivable		529,116
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position

Principal repaid		1,152,500
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences		(115,886)
Accrued interest on debt		6,185
Total other post employment benefit liability		(293,416)
Net pension liability		5,808,683
Landfill post-closure monitoring		28,650
Deferred outflows of resources due to pensions		(8,631,348)
Deferred inflows of resources due to pensions		(1,272,217)
Deferred inflows of resources due to other post employment benefits		(100,120)
Less amounts reported in internal service funds below		24,839

The proportionate share of the change in net position related to joint ventures reported in the statement of activities neither provides nor uses current financial resources and is not reported in the fund financial statements.

		6,146
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Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities.

		<u>85,066</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

	\$	<u>310,819</u>
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See accompanying notes to financial statements.

CITY OF URBANA

STATEMENT OF NET POSITION
 PROPRIETARY FUND
 As of June 30, 2018

	Business-type Activities - Enterprise Fund	
	Parking	Governmental Activities - Internal Service Fund
ASSETS		
Current Assets		
Cash and investments	\$ 1,726,831	\$ 376,568
Accounts receivable	20,364	-
Inventories	-	115,967
Total Current Assets	1,747,195	492,535
Noncurrent Assets		
Capital Assets		
Land	3,765,739	-
Construction in progress	674,328	-
Parking improvements	8,119,112	-
Equipment	413,394	265,446
Less: Accumulated depreciation	(6,735,005)	(202,874)
Total Noncurrent Assets	6,237,568	62,572
Total Assets	7,984,763	555,107
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	13,683	27,670
Total Deferred Outflows of Resources	13,683	27,670

CITY OF URBANA

STATEMENT OF NET POSITION
 PROPRIETARY FUND
 As of June 30, 2018

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
	Parking	Fund
LIABILITIES		
Current Liabilities		
Accounts payable	5,449	46,920
Accrued salaries and taxes	1,942	5,082
Unearned revenues	163,532	-
Total Current Liabilities	170,923	52,002
Noncurrent Liabilities		
Net pension liability	27,891	55,057
Total OPEB liability	11,431	-
Total Noncurrent Liabilities	39,322	55,057
Total Liabilities	210,245	107,059
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	60,133	118,884
Deferred inflows related to OPEB	319	-
Total Deferred Inflows of Resources	60,452	118,884
NET POSITION		
Net investment in capital assets	6,237,568	62,572
Unrestricted	1,490,181	294,262
TOTAL NET POSITION	\$ 7,727,749	\$ 356,834
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.	21,835	(21,835)
Net Position Business-type Activities	\$ 7,749,584	
Net internal service funds reported in the statement of net position as governmental activities		\$ 334,999

See accompanying notes to financial statements.

CITY OF URBANA

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

For the Year Ended June 30, 2018

	<u>Business-type Activities - Enterprise Fund</u>	<u>Governmental Activities - Internal Service Fund</u>
	<u>Parking</u>	<u>Service Fund</u>
OPERATING REVENUES		
Parking meters	\$ 1,129,060	\$ -
Parking rentals	242,868	-
Charges for services	-	950,884
Total Operating Revenues	<u>1,371,928</u>	<u>950,884</u>
OPERATING EXPENSES		
Personnel	218,584	382,327
Supplies	47,660	16,095
Contractual services	269,125	88,008
Equipment parts	-	150,639
Fuel	-	209,683
Depreciation	207,674	7,645
Total Operating Expenses	<u>743,043</u>	<u>854,397</u>
Operating Income	<u>628,885</u>	<u>96,487</u>
NONOPERATING REVENUES		
Investment income	<u>4,293</u>	<u>1,783</u>
Total Nonoperating Revenues	<u>4,293</u>	<u>1,783</u>
Income Before Transfers	<u>633,178</u>	<u>98,270</u>
TRANSFERS		
Transfers out	<u>(872,977)</u>	<u>(5,926)</u>
Total Transfers	<u>(872,977)</u>	<u>(5,926)</u>
Change in Net Position	(239,799)	92,344
NET POSITION - Beginning of Year (as restated)	<u>7,967,548</u>	<u>264,490</u>
NET POSITION- END OF YEAR	<u>\$ 7,727,749</u>	<u>\$ 356,834</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds	<u>7,278</u>	
Change in Net Position of Business-type Activities	<u>\$ (232,521)</u>	

See accompanying notes to financial statements.

CITY OF URBANA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2018

	<u>Parking</u>	<u>Governmental Activities - Internal Service Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from customers	\$ 1,365,611	\$ 950,884
Paid to suppliers for goods and services	(319,033)	(451,523)
Paid to employees for services	(203,817)	(357,852)
Net Cash Flows From Operating Activities	<u>842,761</u>	<u>141,509</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	4,293	1,783
Investments purchased	293,313	-
Net Cash Flows From Investing Activities	<u>297,606</u>	<u>1,783</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers	(872,977)	(5,926)
Net Cash Flows From Noncapital Financing Activities	<u>(872,977)</u>	<u>(5,926)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(486,641)	-
Net Cash Flows From Capital and Related Financing Activities	<u>(486,641)</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	(219,251)	137,366
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>916,360</u>	<u>239,202</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 697,109</u>	<u>\$ 376,568</u>

See accompanying notes to financial statements.

CITY OF URBANA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the Year Ended June 30, 2018

	Parking	Governmental Activities - Internal Service Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 628,885	\$ 96,487
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities		
Depreciation	207,674	7,645
Changes in assets, deferred outflows of resources, and liabilities		
Accounts receivable	(15,675)	-
Inventory	-	(1,141)
Deferred outflows related to pensions	47,127	97,915
Accounts payable	(2,248)	14,043
Accrued salaries	(2,018)	(364)
Unearned revenue	9,358	-
Net pension liability	(84,785)	(177,620)
Total OPEB liability	935	-
Deferred inflows related to pensions	53,189	104,544
Deferred inflows related to OPEB	319	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 842,761	\$ 141,509
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS		
Cash and investments - statement of net position	\$ 1,726,831	\$ 376,568
Less: Investments	(1,029,722)	-
CASH AND CASH EQUIVALENTS	\$ 697,109	\$ 376,568
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
None		

See accompanying notes to financial statements.

CITY OF URBANA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
As of June 30, 2018

	<u>Pension Trusts</u>
ASSETS	
Cash	\$ 2,309,273
Investments	
Certificates of deposit	2,305,788
Money market funds	156,796
U.S. Government and agency securities	18,702,729
Mutual funds	52,386,027
Domestic common stocks	4,658,715
Corporate bonds	7,054,700
Municipal bonds	559,458
Receivables	
Accrued interest	<u>142,005</u>
Total Assets	<u>88,275,491</u>
LIABILITIES	
Accounts payable	<u>17,340</u>
Total Liabilities	<u>17,340</u>
NET POSITION	
Restricted for pensions	<u>\$ 88,258,151</u>

CITY OF URBANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended June 30, 2018

	<u>Pension Trusts</u>
ADDITIONS	
Contributions	
Employer contributions	\$ 2,229,871
Employee contributions	<u>852,791</u>
Total Contributions	<u>3,082,662</u>
Investment income	
Investment income	2,836,223
Net appreciation in fair value of investments	4,142,666
Investment expense	<u>(258,837)</u>
Total Investment Income	<u>6,720,052</u>
Total Additions	<u>9,802,714</u>
DEDUCTIONS	
Benefits	5,130,735
Refunds of contributions	75,650
Administrative costs	<u>39,257</u>
Total Deductions	<u>5,245,642</u>
 Change in Net Position	 4,557,072
NET POSITION - Beginning of Year	<u>83,701,079</u>
 NET POSITION - END OF YEAR	 <u><u>\$ 88,258,151</u></u>

See accompanying notes to financial statements.

CITY OF URBANA

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CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Urbana, Illinois (the City) was incorporated in 1855. The City is a home-rule municipality, under the 1970 Illinois Constitution, located in Champaign County, Illinois. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, public improvements, planning and zoning, urban housing and redevelopment, and general administrative services. In addition, the City provides public parking services as an enterprise activity and participates in a joint venture association that oversees landfill post-closure operations.

The accounting policies of the City of Urbana, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Pension Trust Funds

The Police Pension Employees Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The City and the 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 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 and the data for the component unit is included in the government's fiduciary fund financial statements. Complete financial statements for the PPERS may be obtained from the City's finance department.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the City's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members are appointed by the City's Mayor, one pension beneficiary is elected by the membership, and two fire employees are elected by the membership. The City and the 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 because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund and the data for the component unit is included in the government's fiduciary fund financial statements. Complete financial statements for the FPERS may be obtained from the City's finance department.

Discretely Presented Component Unit

Urbana Free Library

The government-wide financial statements include the Urbana Free Library (Library) as a component unit. The Library is a legally separate organization. The board of the Library is appointed by the Mayor and confirmed by the City Council. The economic resources received and held by the Library are entirely for the direct benefit of the residents of the City of Urbana and statutes provide for circumstances whereby the City can impose its will on the Library. See Note II.H. As a component unit, the Library's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended June 30, 2018. Separately issued financial statements of the Urbana Free Library may be obtained from the Library's office.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In June 2015, the GASB issued statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. This standard was implemented July 1, 2017.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund equity, revenues, and expenditures/expenses.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

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

The City reports the following major governmental funds:

- General Fund - accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Vehicle and Equipment Replacement Fund - accounts for the fees, grants, and transfers used to pay for the replacement of public safety vehicles and equipment.
- General Reserve Fund - accounts for funds held related to the ongoing dispute about hospital property taxes.
- Capital Improvement and Replacement Fund - accounts for the payments of capital improvements that do not have a designated revenue sources, or for improvements for which the designated funding source is not adequate.
- Motor Fuel Tax Fund - accounts for the receipts of state-shared motor fuel tax revenue, which is used to pay for eligible transportation improvements.

The City reports the following major enterprise fund:

- Parking Fund - accounts for operations of the City's parking lots and garages.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The City reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Police Special	Farmer's Market
Community Development Special	Community Development Grants
TIF #2	TIF #4
Central TIF	Post TIF Closure
Recycling	Cable TV PEG
Arms Programming	Social Services
Insurance Financing	

Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Sanitary Sewer

In addition, the City reports the following fund types:

Internal Service Fund - used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Equipment Services

Pension Trust Funds - used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans.

Firefighters' Pension
Police Pension

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. However for intergovernmental taxes, the City considers revenues to be available if they are collected within 90 days of the end of the current fiscal period due to the historic lag in payments from the State. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Motor Vehicle Parking System are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles 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.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Illinois Statutes authorize the City to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities, and corporate bonds meeting certain requirements. Pension funds with net assets in excess of \$10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements. The police pension fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The firefighters' pension fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Interest Rate Risk

The City's and Pensions' investment policies seek to minimize exposure to declines in fair values as follows:

City - The portfolio is structured such that securities mature to meet cash requirements, thereby avoiding the need to sell securities prior to maturity.

Firefighters' Pension Fund and Police Pension Fund - The investment policies establish a goal that the fixed income portion be structured such that maturity dates are staggered so as to avoid an undue concentration of assets in a given time period. The policy also requires diversification of the portfolio so that the impact of a potential drop in interest rates in a particular type of security will be minimized, setting desired minimum and maximum levels for each category of investment.

Credit Risk

The City investment policy only allows investments to be in obligations of the U.S. Treasury and its agencies, non-negotiable certificates of deposit, obligations of the State of Illinois and its political subdivisions, savings accounts, money market mutual funds regulated by the SEC whose portfolios consist only of dollar-denominated securities, bankers acceptances, and local government investment pools (such as Illinois Funds and the Illinois Metropolitan Investment Trust Fund). The Police and Firefighters' Pension Funds are also authorized to invest in general and separate accounts of approved life insurance companies (up to a maximum of 10% of the fund's net position), corporate bonds, mutual funds, domestic corporate common stock (up to a maximum of 55% of the fund's net position or 45% if the fund is invested in 10% of general and separate accounts of approved life insurance companies), and money market mutual funds which are backed by U.S. government securities and agencies.

Concentration of Credit Risk

The City's and Pensions' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The City operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the City.

Custodial Credit Risk - Deposits

The City's and Pensions' investment policies limit the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution equal to at least 100% of the value of the deposit.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Custodial Credit Risk - Investments

The City's and Pensions' investment policies require all securities to be insured, registered, or held by the City's or Pensions' agent in the City's or Pensions' name.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold.

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. Investments in IMET's 1 - 3 Year Fund may be redeemed with 5 business days' notice.

See Note II. A. for further information.

2. Receivables

Property taxes for levy year 2017 attaches as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2018 tax levy, which attached as an enforceable lien on the property as of January 1, 2018, has not been recorded as a receivable as of June 30, 2018, as the tax has not yet been levied by the City and will not be levied until December 2018, and therefore, the levy is not measurable at June 30, 2018.

Tax bills for levy year 2017 are prepared by the Champaign County Clerk and issued on or about May 1, 2018 and August 1, 2018, and are payable in two installments, on or about June 1, 2018 and September 1, 2018 or within 30 days of the tax bills being issued.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

The county collects such taxes and remits them periodically. The 2017 property tax levy is recognized as a receivable and deferred inflows of resources in fiscal 2018, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At June 30, 2018, the property taxes receivable and related deferred inflows of resources consisted of the estimated amount collectible from the 2017 levy.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

3. Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO, and charged to construction and/or operation and maintenance expense when used.

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

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as land, infrastructure, buildings, and improvements with an initial cost of more than \$10,000 and an estimated useful life in excess of 10 years and equipment with an initial cost of more than \$5,000 and an estimated useful life in excess of 2 years. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their acquisition value at the date of donation.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	75 Years
Building Improvements	20-30 Years
Vehicles	7-10 Years
Office Equipment	10 Years
Other Equipment	5 Years
Infrastructure	15-50 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

7. Compensated Absences

City employees are granted vacation pay and sick leave in various amounts. Sick leave and vacation benefits may be accumulated; however, upon death or retirement, employees are eligible to receive only a portion of accumulated time. Such amounts are accrued when incurred in the government-wide and proprietary statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In prior years, the General Fund has been used to liquidate the accumulated absences for governmental funds. There were no accumulated amounts for the proprietary funds at June 30, 2018.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2018, are determined on the basis of current salary rates and include salary related payments.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable, loans payable, accrued compensated absences, net other post-employment benefit obligation, landfill post-closure monitoring liabilities and net pension liabilities.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt is reported as an other financing source and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

10. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. The City has adopted a financial policy authorizing the Finance Director to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance are available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and, lastly, unassigned amounts of unrestricted fund balance when expenditures are made.

The City has a formal minimum fund balance policy. That policy is to maintain a minimum unassigned fund balance in the General Fund of \$3 million. The balance at year end was \$10,645,476.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The City's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 11,323,108	\$ 11,563,631	Custodial credit risk - deposits
Non-negotiable certificates of deposit	13,084,425	13,065,302	Custodial credit risk - deposits
Money market mutual funds - bond funds	156,796	156,796	Credit risk, interest rate risk
Money market mutual funds - other	52,386,027	52,386,027	N/A
Illinois Funds	1,343,199	1,343,199	Credit risk
IMET (Convenience Fund)	511,987	511,987	Credit risk
IMET (1-3 Year Fund)	5,511,805	5,511,805	Credit risk, interest rate risk
U.S. Treasury obligations	12,436,037	12,436,037	Interest rate risk, custodial credit risk - investments
U.S. Agency obligations (implicitly guaranteed)	17,011,576	17,011,576	Credit risk, interest rate risk, concentration of credit risk, custodial credit risk - investments
U.S. Agency obligations (explicitly guaranteed)	6,757	6,757	Interest rate risk, custodial credit risk - investments
Municipal bonds	559,458	559,458	Credit risk, interest rate risk, concentration of credit risk, custodial credit risk - investments
Corporate bonds	7,054,700	7,054,700	Credit risk, interest rate risk, concentration of credit risk, custodial credit risk - investments
Corporate stock	4,658,715	4,658,715	Concentration of credit risk, custodial credit risk - investments
Cash on hand	<u>3,071</u>	<u>-</u>	N/A
Total Deposits and Investments	<u>\$126,047,661</u>	<u>\$126,265,990</u>	

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Reconciliation to financial statements

Per statement of net position

Unrestricted cash and investments \$ 37,914,175

Per statement of net position - fiduciary funds

Cash 2,309,273

Certificates of deposit 2,305,788

Money market funds 156,796

U.S. Government and agency securities 18,702,729

Mutual funds 52,386,027

Domestic common stocks 4,658,715

Corporate bonds 7,054,700

Municipal bonds 559,458

Total Deposits and Investments \$126,047,661

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

As of June 30, 2018, \$11,563,631 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 189,567
Uninsured and collateral held by the pledging financial institution	<u>11,374,064</u>
Total	<u>\$ 11,563,631</u>

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

Investments (cont.)

The City does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of June 30, 2018, the City's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
Illinois Funds	Aaa
IMET (Convenience Fund)	Not Rated
IMET (1-3 Year Fund)	Aaa-bf
U.S. Agency obligations (implicitly guaranteed)	Aaa

As of June 30, 2018, the Police Pension Fund's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
U.S. Agency obligations (implicitly guaranteed)	AAA
Municipal bonds	Aa3-Aaa
Corporate bonds	Baa3-Aaa

As of June 30, 2017, the Firefighters' Pension Fund's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
U.S. Agency obligations (implicitly guaranteed)	Aaa
Municipal bonds	A2
Corporate bonds	Baa3-A1
Money market mutual funds	Aaa-mf

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At June 30, 2018, the City's and Pensions' investment portfolios were concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
<u>City:</u>		
Federal National Mortgage Association	U.S. Agency obligation (implicitly guaranteed)	28.52%
Federal Home Loan Mortgage Corporation	U.S. Agency obligation (implicitly guaranteed)	6.97%
Federal Home Loan Banks	U.S. Agency obligation (implicitly guaranteed)	14.95%
<u>Firefighters' Pension Fund:</u>		
Federal National Mortgage Association	U.S. Agency obligation (implicitly guaranteed)	6.99%

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of June 30, 2018, the City's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	Greater than 10
IMET (1-3 Year Fund)	\$ 5,511,805	\$ -	\$ 5,511,805	\$ -	\$ -
U.S. Treasury obligations	793,108	793,108	-	-	-
U.S. Agency obligations	<u>9,958,533</u>	<u>1,329,576</u>	<u>5,977,244</u>	<u>2,651,713</u>	-
Totals	<u>\$ 16,263,446</u>	<u>\$ 2,122,684</u>	<u>\$ 11,489,049</u>	<u>\$ 2,651,713</u>	<u>\$ -</u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk (cont.)

Police Pension Fund

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	Greater than 10
U.S. Treasury obligations	\$ 7,902,374	\$ 1,190,345	\$ 4,209,916	\$ 1,806,664	\$ 695,449
U.S. Agency obligations	1,226,044	500,098	246,360	457,337	22,249
Municipal bonds	244,038	-	96,743	30,751	116,544
Corporate bonds	<u>3,868,387</u>	<u>465,300</u>	<u>1,722,537</u>	<u>981,732</u>	<u>698,818</u>
Totals	<u>\$ 13,240,843</u>	<u>\$ 2,155,743</u>	<u>\$ 6,275,556</u>	<u>\$ 3,276,484</u>	<u>\$ 1,533,060</u>

Firefighters' Pension Fund

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	Greater than 10
U.S. Treasury obligations	\$ 3,740,555	\$ -	\$ 2,090,720	\$ 1,649,835	\$ -
U.S. Agency obligations	5,833,756	1,052,914	2,664,156	1,792,164	324,522
Municipal bonds	315,420	-	-	315,420	-
Corporate bonds	3,186,313	281,418	1,629,203	1,275,692	-
Money market mutual funds	<u>156,796</u>	<u>156,796</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 13,232,840</u>	<u>\$ 1,491,128</u>	<u>\$ 6,384,079</u>	<u>\$ 5,033,111</u>	<u>\$ 324,522</u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2018, the City's investments are measured using the market valuation method and valuation inputs as follows:

Investment Type	Level 1	Level 2	Level 3	Total
U.S. Treasury obligations	\$ -	\$ 793,108	\$ -	\$ 793,108
U.S. Agency obligations	-	9,958,533	-	9,958,533
Illinois Funds	<u>1,343,199</u>	<u>-</u>	<u>-</u>	<u>1,343,199</u>
Totals	<u>\$ 1,343,199</u>	<u>\$ 10,751,641</u>	<u>\$ -</u>	<u>\$ 12,094,840</u>

Police Pension Fund

Investment Type	Level 1	Level 2	Level 3	Total
U.S. Treasury obligations	\$ -	\$ 7,902,374	\$ -	\$ 7,902,374
U.S. Agency obligations	-	1,226,044	-	1,226,044
Corporate stock	4,658,715	-	-	4,658,715
Corporate bonds	-	3,868,387	-	3,868,387
Municipal bonds	-	244,038	-	244,038
Mutual funds - other than bonds	<u>19,846,458</u>	<u>-</u>	<u>-</u>	<u>19,846,458</u>
Totals	<u>\$ 24,505,173</u>	<u>\$ 13,240,843</u>	<u>\$ -</u>	<u>\$ 37,746,016</u>

Firefighters' Pension Fund

Investment Type	Level 1	Level 2	Level 3	Total
U.S. Treasury obligations	\$ -	\$ 3,740,555	\$ -	\$ 3,740,555
U.S. Agency obligations	-	5,833,756	-	5,833,756
Corporate bonds	-	3,186,313	-	3,186,313
Municipal bonds	-	315,420	-	315,420
Mutual funds - other than bonds	32,539,569	-	-	32,539,569
Money market mutual funds - bond funds	<u>-</u>	<u>156,796</u>	<u>-</u>	<u>156,796</u>
Totals	<u>\$ 32,539,569</u>	<u>\$ 13,232,840</u>	<u>\$ -</u>	<u>\$ 45,772,409</u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

See Note I.D.1. for further information on deposit and investment policies.

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 2,667,566	\$ -
License fees	408,235	-
Grants	-	656,000
Stormwater fees	219,193	-
Intergovernmental	149,810	-
 Total Unearned/Unavailable Revenue for Governmental Funds	 \$ 3,444,804	 \$ 656,000
 Unearned revenue included in liabilities	 \$ 777,238	
Unearned revenue included in deferred inflows	2,667,566	
 Total Unearned Revenue for Governmental Funds	 \$ 3,444,804	

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 7,867,289	\$ -	\$ -	\$ 7,867,289
Construction in progress	7,229,611	5,135,519	348,410	12,016,720
Total Capital Assets Not Being Depreciated	<u>15,096,900</u>	<u>5,135,519</u>	<u>348,410</u>	<u>19,884,009</u>
Capital assets being depreciated				
Building and improvements	9,758,245	139,773	-	9,898,018
Infrastructure	118,919,608	1,364,776	-	120,284,384
Equipment	<u>12,969,541</u>	<u>931,087</u>	<u>-</u>	<u>13,900,628</u>
Total Capital Assets Being Depreciated	<u>141,647,394</u>	<u>2,435,636</u>	<u>-</u>	<u>144,083,030</u>
Total Capital Assets	<u>156,744,294</u>	<u>7,571,155</u>	<u>348,410</u>	<u>163,967,039</u>
Less: Accumulated depreciation for				
Building and improvements	\$ (4,371,035)	\$ (216,806)	\$ -	\$ (4,587,841)
Infrastructure	(46,356,205)	(3,891,176)	-	(50,247,381)
Equipment	<u>(9,331,985)</u>	<u>(912,182)</u>	<u>-</u>	<u>(10,244,167)</u>
Total Accumulated Depreciation	<u>(60,059,225)</u>	<u>(5,020,164)</u>	<u>-</u>	<u>(65,079,389)</u>
Net Capital Assets Being Depreciated	<u>81,588,169</u>	<u>(2,584,528)</u>	<u>-</u>	<u>79,003,641</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 96,685,069</u>	<u>\$ 2,550,991</u>	<u>\$ 348,410</u>	<u>\$ 98,887,650</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
Public safety	\$ 1,894,338
Highways and streets	2,285,896
General government	738,029
Urban redevelopment and housing	<u>101,901</u>
Total Governmental Activities Depreciation Expense	<u>\$ 5,020,164</u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 3,765,739	\$ -	\$ -	\$ 3,765,739
Construction in progress	<u>352,754</u>	<u>321,574</u>	<u>-</u>	<u>674,328</u>
Total Capital Assets Not Being depreciated	<u>4,118,493</u>	<u>321,574</u>	<u>-</u>	<u>4,440,067</u>
Capital assets being depreciated				
Buildings and improvements	8,111,822	7,290	-	8,119,112
Equipment	<u>413,394</u>	<u>-</u>	<u>-</u>	<u>413,394</u>
Total Capital Assets Being Depreciated	<u>8,525,216</u>	<u>7,290</u>	<u>-</u>	<u>8,532,506</u>
Total Capital Assets	<u>12,643,709</u>	<u>328,864</u>	<u>-</u>	<u>12,972,573</u>
Less: Accumulated depreciation for				
Buildings and improvements	(6,203,431)	(190,871)	-	(6,394,302)
Equipment	<u>(323,900)</u>	<u>(16,803)</u>	<u>-</u>	<u>(340,703)</u>
Total Accumulated Depreciation	<u>(6,527,331)</u>	<u>(207,674)</u>	<u>-</u>	<u>(6,735,005)</u>
Net Capital Assets Being Depreciated	<u>\$ 1,997,885</u>	<u>\$ (200,384)</u>	<u>\$ -</u>	<u>\$ 1,797,501</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u><u>\$ 6,116,378</u></u>	<u><u>\$ 121,190</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,237,568</u></u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	<u>\$ 136,397</u>
Total - Fund Financial Statements		136,397
Less: Interfund receivables created with internal service fund eliminations		(21,835)
Less: Government-wide eliminations		<u>(136,397)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u><u>\$ (21,835)</u></u>

All amounts are due within one year.

The principal purpose of these interfunds is to temporarily support expenditures reported in multiple funds with resources from one fund. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES (cont.)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount
General	Vehicle and Equipment Replacement	\$ 108,566
General	Capital Improvement and Replacement	560,772
General	Motor Fuel Tax	27,087
General	Nonmajor Governmental	3,419,920
General	Parking	872,977
General	Internal Service	5,926
Vehicle and Equipment Replacement	General	1,479,068
Vehicle and Equipment Replacement	Capital Improvement and Replacement	36,744
Vehicle and Equipment Replacement	Nonmajor Governmental	8,562
Capital Improvement and Replacement	General	821,135
Nonmajor Governmental	General	23,374
Nonmajor Governmental	Vehicle and Equipment Replacement	114,828
Nonmajor Governmental	General Reserve	72,581
Nonmajor Governmental	Nonmajor Governmental	<u>374,448</u>
Total - Fund Financial Statements		7,925,988
Less: Government-wide eliminations		<u>(7,053,011)</u>
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ 872,977</u></u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended June 30, 2018, was as follows:

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 6,440,000	\$ -	\$ 1,135,000	\$ 5,305,000	\$ 1,155,000
Loans payable	<u>332,500</u>	<u>-</u>	<u>17,500</u>	<u>315,000</u>	<u>17,500</u>
Sub-totals	<u>6,772,500</u>	<u>-</u>	<u>1,152,500</u>	<u>5,620,000</u>	<u>1,172,500</u>
Other Liabilities					
Compensated absences	1,736,992	2,271,296	2,155,410	1,852,878	1,852,878
Landfill post-closure monitoring	28,650	-	28,650	-	-
Total OPEB liability	3,295,660	364,906	71,490	3,589,076	-
Net pension liability - IMRF	8,297,063	3,724,032	9,917,388	2,103,707	-
Net pension liability - Police	19,732,460	2,144,127	1,263,112	20,613,475	-
Net pension liability - Fire	<u>9,102,084</u>	<u>470,417</u>	<u>966,759</u>	<u>8,605,742</u>	<u>-</u>
Total Other Liabilities	<u>42,192,909</u>	<u>8,974,778</u>	<u>14,402,809</u>	<u>36,764,878</u>	<u>1,852,878</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 48,965,409</u>	<u>\$ 8,974,778</u>	<u>\$ 15,555,309</u>	<u>\$ 42,384,878</u>	<u>\$ 3,025,378</u>
Business-type Activities					
Other Liabilities					
Total OPEB liability	\$ 10,496	\$ 1,163	\$ 228	\$ 11,431	\$ -
Net pension liability - IMRF	<u>112,676</u>	<u>50,981</u>	<u>135,766</u>	<u>27,891</u>	<u>-</u>
Total Other Liabilities	<u>123,172</u>	<u>52,144</u>	<u>135,994</u>	<u>39,322</u>	<u>-</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 123,172</u>	<u>\$ 52,144</u>	<u>\$ 135,994</u>	<u>\$ 39,322</u>	<u>\$ -</u>

Compensated absences, total OPEB liability, landfill post-closure monitoring, and portions of the net pension liability, related to the Police and Firefighters' pensions, are paid out of the General Fund. The portion of net pension liability related to IMRF will be paid out of the applicable fund in which the City pays for the employees' salaries.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by future property tax levies.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Governmental Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance June 30, 2018</u>
Series 2012 General Obligation Bonds	December 20, 2012	January 1, 2022	1.43%	\$ 7,800,000	\$ 3,595,000
Series 2014 General Obligation Bonds	July 1, 2014	January 1, 2024	1.92%	2,800,000	<u>1,710,000</u>
Total Governmental Activities - General Obligation Debt					<u>\$ 5,305,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 1,155,000	\$ 85,959
2020	1,165,000	69,662
2021	1,185,000	52,260
2022	1,205,000	33,859
2023	295,000	14,432
2024	<u>300,000</u>	<u>7,500</u>
Totals	<u>\$ 5,305,000</u>	<u>\$ 263,672</u>

Loans Payable

The City entered into a loan arrangement on November 16, 2015 to purchase a fire truck. Loan payments are made out of the Vehicle and Equipment Replacement Fund.

Loans Payable at June 30, 2018 consist of the following:

<u>Governmental Activities Loans Payable</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance June 30, 2018</u>
Fire truck revolving loan payable	November 16, 2015	November 1, 2035	0%	\$ 350,000	<u>\$ 315,000</u>
Total Governmental Activities Loans Payable					<u>\$ 315,000</u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities Loans Payable	
	Principal	Interest
2019	\$ 17,500	\$ -
2020	17,500	-
2021	17,500	-
2022	17,500	-
2023	17,500	-
2024-2028	87,500	-
2029-2033	87,500	-
2034-2036	52,500	-
Totals	\$ 315,000	\$ -

Conduit Debt

The following bonds, which are not included in the financial statements of the City, bear the City's name. These bonds are special limited obligations of nongovernmental entities. The bonds are not general obligations of the City and the City is not liable for the repayment of the bonds.

On December 30, 2015, the City issued \$10,000,000 in promissory notes for Clark-Lindsey Village, Inc. to support renovation and new construction for improving and extending the retirement facilities. Repayment of the notes are the responsibility of Clark-Lindsey Village, Inc. At the end of the fiscal year, \$9,873,468 of the note was outstanding. These notes are in addition to a similar loan issued by the City on May 20, 2004 to Clark-Lindsey Village of which there was an outstanding balance of \$2,785,208 as of the fiscal year-end.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

F. NET POSITION

Net position reported on the government wide statement of net position at June 30, 2018, includes the following:

Governmental Activities

Net Investment in Capital Assets	
Land	\$ 7,867,289
Construction in progress	12,016,720
Other capital assets, net of accumulated depreciation	79,003,641
Less: Long-term debt outstanding	<u>(5,620,000)</u>
Total Net Investment in Capital Assets	<u><u>\$ 93,267,650</u></u>

Business-type Activities

Net Investment in Capital Assets	
Land	\$ 3,765,739
Construction in progress	674,328
Other capital assets, net of accumulated depreciation	<u>1,797,501</u>
Total Net Investment in Capital Assets	<u><u>\$ 6,237,568</u></u>

G. RESTATEMENT OF NET POSITION

Net position has been restated due to the implementation of GASB No. 75. The restatement is necessary to record the prior year net other postemployment liability.

	Governmental Activities	Business-Type Activities
Net position as of June 30, 2017 (as reported)	\$ 100,082,817	\$ 7,992,601
Adjustment to record the total OPEB liability as of June 30, 2017	(3,295,660)	(10,496)
Adjustment to remove prior year net OPEB obligation	<u>1,041,173</u>	<u>-</u>
Net position as of June 30, 2017 (as restated)	<u><u>\$ 97,828,330</u></u>	<u><u>\$ 7,982,105</u></u>
	Urbana Free Library	Parking Fund
Net position as of June 30, 2017 (as reported)	\$ 11,625,920	\$ 7,978,044
Adjustment to record the total OPEB liability as of June 30, 2017	(57,659)	(10,496)
Adjustment to remove prior year net OPEB obligation	<u>19,830</u>	<u>-</u>
Net position as of June 30, 2017 (as restated)	<u><u>\$ 11,588,091</u></u>	<u><u>\$ 7,967,548</u></u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

H. COMPONENT UNIT

URBANA FREE LIBRARY

This report contains the Urbana Free Library (Library), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

The Library follows the full accrual basis of accounting and the flow of financial resources measurement focus.

b. Deposits and Investments

	Carrying Value	Statement Balances	Associated Risks
Deposits - Library	\$ 2,291,168	\$ 2,356,173	Custodial credit risk - deposits
Deposits - Foundation	441,437	441,437	Custodial credit risk - deposits
Illinois Funds	112,230	112,230	Credit risk
Petty cash	516	-	N/A
 Total Deposits and Investments	 \$ 2,845,351	 \$ 2,909,840	

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Library's deposits may not be returned to the Library.

The Library does not have any deposits exposed to custodial credit risk.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

H. COMPONENT UNIT (cont.)

URBANA FREE LIBRARY (cont.)

b. Deposits and Investments (cont.)

Custodial Credit Risk (cont.)

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Library does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of June 30, 2018, the Library's investments were rated as follows:

Investment Type	Standard & Poors
Illinois Funds	AAAm

c. Capital Assets

	Beginning Balance	Additions	Deletions	Ending Balance	Useful Lives (Years)
Land	\$ 594,362	\$ -	\$ -	\$ 594,362	N/A
Construction in progress	28,980	36,741	65,721	-	N/A
Buildings and improvements	10,551,983	65,721	-	10,617,704	75
Equipment	669,116	-	-	669,116	5 - 25
Less: Accumulated depreciation	(2,820,840)	(204,891)	-	(3,025,731)	
Totals	\$ 9,023,601	\$ (102,429)	\$ 65,721	\$ 8,855,451	

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE II - DETAILED NOTES ON ALL FUNDS (cont.)

H. COMPONENT UNIT (cont.)

URBANA FREE LIBRARY (cont.)

d. Long-Term Obligations

Long-term obligations activity for the year ended June 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Compensated absences	\$ 204,474	\$ 56,986	\$ 99,518	\$ 161,942	\$ 161,942
Total OPEB liability	<u>57,659</u>	<u>6,385</u>	<u>1,251</u>	<u>62,793</u>	<u>-</u>
Totals	<u>\$ 224,304</u>	<u>\$ 63,371</u>	<u>\$ 100,769</u>	<u>\$ 224,735</u>	<u>\$ 161,942</u>

NOTE III - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

The City contributes to three defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefits levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund

Plan description. All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of 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 (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3% for each year thereafter.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of 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 the first 15 years of service credit, plus 2% for each year of service after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan membership. At December 31, 2017, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	188
Inactive, non-retired members	119
Active members	<u>178</u>
Total	<u><u>485</u></u>

Contributions. As set by statute, City employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's actuarially determined contribution rate for calendar year 2017 was 11.86% of annual covered payroll for IMRF. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies. For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial Assumptions. The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2017 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.50%
Inflation	3.50%
Salary increases	3.39% to 14.25%, including inflation
Price inflation	2.50%

Mortality. For non-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 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 non-disabled 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.

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00%	8.30%	6.85%
International equities	18.00%	8.45%	6.75%
Fixed income	28.00%	3.05%	3.00%
Real estate	9.00%	6.90%	5.75%
Alternatives	7.00%		
Private equity		12.45%	7.35%
Hedge funds		5.35%	5.05%
Commodities		4.25%	2.65%
Cash equivalents	1.00%	2.25%	2.25%

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Discount rate. The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2016 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the 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 investments was applied to all periods of projected benefits to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents net pension liability/(asset) of the City calculated using the discount rate of 7.50% as well as what the net pension liability/(asset) would be if it were to be 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	Current Discount Rate	1% Increase
Total pension liability	\$ 70,142,598	\$ 62,645,518	\$ 56,501,698
Plan fiduciary net pension	60,513,920	60,513,920	60,513,920
Net pension liability/(asset)	\$ 9,628,678	\$ 2,131,598	\$ (4,012,222)

Changes in net pension liability/(asset). The changes in net pension liability/(asset) for the calendar year ended December 31, 2017 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2016	\$ 61,753,704	\$ 53,343,965	\$ 8,409,739
Service cost	1,102,255	-	1,102,255
Interest on total pension liability	4,564,742	-	4,564,742
Differences between expected and actual experience of the total pension liability	(60,305)	-	(60,305)
Change of assumptions	(1,831,679)	-	(1,831,679)
Benefit payments, including refunds of employee contributions	(2,883,199)	(2,883,199)	-
Contributions - employer	-	1,267,561	(1,267,561)
Contributions - employee	-	482,590	(482,590)
Net investment income	-	9,411,497	(9,411,497)
Other (net transfer)	-	(1,108,494)	1,108,494
Balances at December 31, 2017	\$ 62,645,518	\$ 60,513,920	\$ 2,131,598

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended June 30, 2018, the City recognized pension expense of \$2,360,408. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 272,165	\$ 247,320
Assumption changes	222,486	1,517,484
Net difference between projected and actual earnings on pension plan investments	-	2,680,449
Contributions subsequent to the measurement date	569,421	-
Total	\$ 1,064,072	\$ 4,445,253

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$(3,950,602)) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2018	\$ (436,437)
2019	(805,434)
2020	(1,478,434)
2021	(1,230,297)
Total	\$ (3,950,602)

Police Pension

Plan description. Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police officer shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or onehalf the annual unadjusted percentage increase in the CPI, whichever is less.

Plan membership. At July 1, 2017, the actuarial valuation date, the Police Pension membership consisted of:

Retirees and beneficiaries	52
Inactive, non-retired members	4
Active members	<u>57</u>
Total	<u><u>113</u></u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending June 30, 2018 was 26.35% of annual covered payroll.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies. The financial statements of the Police Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed as of June 30, 2018 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.50%
Projected salary increases	2.50 - 4.25%
Cost-of-living adjustments	2.50%

Mortality rates were based on the independent actuary's 2016 Illinois Police Mortality Table.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Long-term expected real rate of return. The long-term expected rate of return on the Police Pension Plan's investments was determined using a building block method. The best estimate for future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target allocation within the Plan investment policy. Expectation inflation is added back in. Adjustment is made to reflect geometric returns. Best estimated or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2018 are as follows:

Asset Class	Target	Long-Term Expected Real Rate of Return
Equities	55%	6.0%
Fixed income	43%	2.7%
Cash	2%	-%

Illinois Compiled Statutes (ILCS) limit the Plan's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

Discount rate. The discount rate used to measure the total pension liability for the Police Pension Plan was 7.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan'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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.00% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 68,725,708	\$ 59,881,095	\$ 52,731,457
Plan fiduciary net position	<u>39,267,620</u>	<u>39,267,620</u>	<u>39,267,620</u>
Net pension liability	<u>\$ 29,458,088</u>	<u>\$ 20,613,475</u>	<u>\$ 13,463,837</u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Changes in net pension liability/(asset). The City's changes in net pension liability/(asset) for the calendar year ended June 30, 2018 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at June 30, 2017	\$ 57,327,818	\$ 37,595,358	\$ 19,732,460
Service cost	1,126,879	-	1,126,879
Interest on total pension liability	3,919,160	-	3,919,160
Differences between expected and actual experience of the total pension liability	186,905	-	186,905
Benefit payments, including refunds of employee contributions	(2,679,667)	(2,679,667)	-
Contributions - employer	-	1,263,112	(1,263,112)
Contributions - employee	-	452,353	(452,353)
Net investment income	-	2,659,165	(2,659,165)
Administration	-	(22,701)	22,701
Balances at June 30, 2018	\$ 59,881,095	\$ 39,267,620	\$ 20,613,475

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended June 30, 2018, the City recognized pension expense of \$2,960,600. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,622,262	\$ 2,124,776
Assumption changes	1,321,093	444,395
Net difference between projected and actual earnings on pension plan investments	353,674	-
Total	\$ 5,297,029	\$ 2,569,171

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$2,727,858) will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2019	\$ 941,348
2020	363,496
2021	55,345
2022	586,858
2023	599,264
Thereafter	<u>181,547</u>
Total	<u>\$ 2,727,858</u>

Firefighters' Pension

Plan description. Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan membership. At July 1, 2017, the actuarial valuation date,, the Firefighters' Pension Plan membership consisted of:

Table with 2 columns: Category and Count. Rows include Retirees and beneficiaries (51), Inactive, non-retired members (5), Active members (55), and Total (111).

Contributions. Participants contribute a fixed percentage of their base salary to the plans. At June 30, 2018, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending June 30, 2018 was 18.05% of annual covered payroll.

Net pension liability/(asset). The net pension liability/(asset) was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of significant accounting policies. The financial statements of the Firefighters' Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Actuarial assumptions. The total pension liability was determined by an actuarial valuation performed as of June 30, 2018 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.50%
Projected salary increases	4.25 - 7.19%
Cost-of-living adjustments	2.50%

Mortality rates were based on the independent actuary's 2016 Illinois Firefighters Mortality Table.

Long-term expected real rate of return. The long-term expected rate of return on the Firefighters' Pension Plan's investments was determined using a building block method. The best estimate for future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target allocation within the Plan investment policy. Expectation inflation is added back in. Adjustment is made to reflect geometric returns. Best estimated or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2018 are as follows:

Asset Class	Target	Long-Term Expected Real Rate of Return
U.S. Government and Agency securities	15%	5.0%
Certificates of deposit	10%	0.5%
Municipal bonds	5%	0.5%
Corporate bonds	5%	3.8%
Equity	65%	5.4%

Illinois Compiled Statutes (ILCS) limit the Plan'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 URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Discount rate. The discount rate used to measure the total pension liability for the Firefighters' Pension Plan was 7.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan'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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.00% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 65,837,817	\$ 57,596,273	\$ 50,877,443
Plan fiduciary net position	48,990,531	48,990,531	48,990,531
Net pension liability	\$ 16,847,286	\$ 8,605,742	\$ 1,886,912

Changes in net pension liability/(asset). The City's changes in net pension liability/(asset) for the calendar year ended June 30, 2018 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at June 30, 2017	\$ 55,207,805	\$ 46,105,721	\$ 9,102,084
Service cost	1,114,730	-	1,114,730
Interest on total pension liability	3,776,268	-	3,776,268
Differences between expected and actual experience of the total pension liability	24,188	-	24,188
Benefit payments, including refunds of employee contributions	(2,526,718)	(2,526,718)	-
Contributions - employer	-	966,759	(966,759)
Contributions - employee	-	400,438	(400,438)
Net investment income	-	4,060,887	(4,060,887)
Administration	-	(16,556)	16,556
Balances at June 30, 2018	\$ 57,596,273	\$ 48,990,531	\$ 8,605,742

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended June 30, 2018, the City recognized pension expense of \$2,111,504. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources ⁵
Difference between expected and actual experience	\$ 1,426,434	\$ 346,849
Assumption changes	1,605,764	-
Net difference between projected and actual earnings on pension plan investments	-	943,126
Total	\$ 3,032,198	\$ 1,289,975

The amounts reported as deferred outflows and inflows of resources related to pensions (\$1,742,223) will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2019	\$ 790,784
2020	481,490
2021	(40,944)
2022	202,037
2023	305,981
Thereafter	2,875
Total	\$ 1,742,223

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City purchases commercial insurance to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission; and health care of its employees. However, other risks, such as workers compensation and general liability are accounted for and financed by the City in the General Fund.

Self Insurance

For workers compensation claims, the uninsured risk of loss is \$600,000 per incident for EMTs, firefighters, and police officers and \$500,000 per incident for all other employees. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance (cont.)

All funds of the City participate in the risk management program. Charges for premiums and claims are paid from the General Fund.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability.

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims - Beginning of Year	\$ 464,290	\$ 209,344
Current year claims and changes in estimates	228,543	645,652
Claim payments	<u>(483,489)</u>	<u>(355,274)</u>
Unpaid Claims - End of Year	<u>\$ 209,344</u>	<u>\$ 499,722</u>

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has active construction projects as of June 30, 2018. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

D. JOINT VENTURES

Champaign-Urbana Waste Disposal System

The City of Urbana and the City of Champaign have entered into a joint venture, which is called the Champaign-Urbana Waste Disposal System (system) and oversees the post-closure operations of a local sanitary landfill.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

D. JOINT VENTURES (cont.)

Champaign-Urbana Waste Disposal System (cont.)

The governing body is made up of the Mayor of Urbana and the City Manager of Champaign, each with equal voting rights in respect to the system's operations. The annual budget is approved by both City Councils. The City made \$19,494 in payments to the system in fiscal year 2018. The City believes that the system's future revenues will approximate future expenses.

The City accounts for its share of the operation in the General Fund. The City has an equity interest in the organization equal to its percentage share of participation of the population of the cities on the date the joint venture was established. The City of Urbana owns 38.2% of the net worth of the joint venture. The equity interest relative to financial assets is reported in the governmental activities column of the government-wide statement of net position. Changes in the equity interest are reported on the statement of activities.

E. OTHER POSTEMPLOYMENT BENEFITS

The City and Library provide postemployment health insurance benefits for retired employees through a cost-sharing defined benefit plan administered by the City.

Plan description. The City and Library's cost-sharing defined benefit OPEB plan, the Retiree Health Insurance Plan, provides group health insurance plan coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. The plan is funded on a pay-as-you-go basis and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

Contributions and benefits provided. The City and Library provide continued health insurance coverage at the active employee rate to all eligible employees in accordance with ILCS, which creates an OPEB for retirees, commonly referred to as an implicit rate subsidy. To be eligible for benefits, an employee must qualify for retirement under the City or Library's retirement plans. For City and Library employees, upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan. Retired employees are required to pay 100% of the premiums for such coverage.

Total OPEB Liability. At June 30, 2018, the City reported a liability for its proportionate share of the total OPEB liability of \$3,600,507 and the Library reported a liability for its proportionate share of the total OPEB liability of \$62,793. The total liability was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2016. The proportions of the total OPEB liability were based on the share of OPEB cost between the City and Library, as determined by the independent actuary, for the measurement year ended June 30, 2018. At June 30, 2018, the City and Library's proportions were 98.29% and 1.71%, respectively.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Health care participation rate	30% participation with 50% electing spouse coverage
Healthcare cost trend rates	Initial rate of 8.75%, grading down to the ultimate trend rate of 4.00% in 2073
Retirees' share of benefit-related costs	100%

The discount rate was based on the June 38, 2018 Bond Buyer 20-Bond Index, as published by the Federal Reserve.

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate with adjustments for mortality improvements based on Scale AA (for IMRF, Library, and disabled employees) and Scale BB (for Police and Fire employees).

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study conducted by the independent actuary.

Discount Rate. At June 30, 2018, the discount rate used to measure the total OPEB liability was a blended rate of 3.87%, which was a change from the June 30, 2017 rate of 3.58%. Since the plan is financed on a pay-as-you-go basis, the discount rate is based on the 20-year general obligation bond index.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at June 30, 2017	\$ <u>3,363,815</u>
Changes for the year:	
Service cost	392,809
Interest	133,193
Changes in assumptions or other inputs	(153,548)
Benefit payments	<u>(72,969)</u>
Net changes	<u>299,485</u>
Balances at June 30, 2018	\$ <u><u>3,663,300</u></u>
Total OPEB liability - City proportion	\$ <u>3,600,507</u>
Total OPEB liability - Library proportion	\$ <u><u>62,793</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58% for the reporting period ended June 30, 2017, to 3.87% for the reporting period ended June 30, 2018.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City and Library, as well as what the City and Library's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current discount rate:

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB liability - City	\$ 4,160,016	\$ 3,600,507	\$ 3,141,420
Total OPEB liability - Library	<u>72,551</u>	<u>62,793</u>	<u>54,786</u>
Total OPEB liability	<u><u>\$ 4,232,567</u></u>	<u><u>\$ 3,663,300</u></u>	<u><u>\$ 3,196,206</u></u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City and Library, as well as what the City and Library's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.75 percent decreasing to 3.00 percent) or 1-percentage-point higher (9.75 percent decreasing to 5.00 percent) than the current healthcare cost trend rates:

	1% Decrease (7.75% Decreasing to 3.00%)	Healthcare Cost Trend Rates (8.75% Decreasing to 4.00%)	1% Increase (9.75% Decreasing to 5.00%)
Total OPEB liability - City	\$ 2,904,363	\$ 3,600,507	\$ 4,520,286
Total OPEB liability - Library	<u>50,652</u>	<u>62,793</u>	<u>78,834</u>
Total OPEB liability	<u>\$ 2,955,015</u>	<u>\$ 3,663,300</u>	<u>\$ 4,599,120</u>

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended June 30, 2018, the City and Library recognized OPEB expense of \$516,342. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB (no such amounts were reported for the Library) from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	<u>\$ -</u>	<u>\$ 100,439</u>
Total	<u>\$ -</u>	<u>\$ 100,439</u>

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

Year Ending June 30:	Amount
2019	\$ (11,160)
2020	(11,160)
2021	(11,160)
2022	(11,160)
2023	(11,160)
Thereafter	<u>(44,639)</u>
Total	<u>\$ (100,439)</u>

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

F. SUBSEQUENT EVENT

Subsequent to June 30, 2018, the investment markets have experienced significant volatility. It is highly likely that the values of the Police Pension Fund's investments have changed by material amounts since year end.

G. TAX INCREMENT FINANCING DISTRICT

The City of Urbana has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the City and its surrounding areas. As part of the redevelopment plans, the City has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

Construction and development in the RPA's were the responsibility of developers and are substantially complete. To entice development of the areas, the City created tax increment financing (TIF) districts to finance public improvements made within the RPA's.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

H. TAX ABATEMENT

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

The City is disclosing all abatement agreements individually.

The City through its Tax Incremental Financing Districts has entered into tax abatement agreements with developers in the form of tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the individual development agreements which are approved by City Council. The developers pay property taxes as they become due, and after meeting the criteria established in the development agreements, are entitled to future incentive payments that directly correlate to the taxes paid.

<u>Agreement Description</u>	<u>Calculation Method</u>	<u>Developer Commitment</u>	<u>2018 Payments</u>
Archont (Creative Thermal)	70% of property taxes due to incremental value; 10 years or until maximum of \$1,400,000	Owners must pay property taxes to the County before receiving the rebates	\$ 84,894
Five Points NW	80% of property taxes due to incremental value for retail and 50% for non-retail; ends at end of CY 2022	Owners must pay property taxes to the County before receiving the rebates	155,455
Interchange Properties, LLC (O'Brien)	36% of property taxes due to incremental value; 15 years	Owners must pay property taxes to the County before receiving the rebates	94,772
Central Illinois Soccer Enterprises, LLC	70% of property taxes due to incremental value; 10 years or until maximum of \$300,000	Owners must pay property taxes to the County before receiving the rebates	45,462
Baku Patel	50% of property taxes due to incremental value; 10 years or until maximum of \$75,000	Owners must pay property taxes to the County before receiving the rebates	5,948

CITY OF URBANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE III - OTHER INFORMATION (cont.)

I. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 86, *Certain Debt Extinguishment Issues*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt Including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61.*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF URBANA

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the year ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property taxes	\$ 4,266,470	\$ 4,318,508	\$ 4,323,892
Local sales and use taxes	5,578,899	5,355,100	5,466,572
Utility taxes	3,144,471	3,135,000	3,149,298
Telecommunication taxes	696,388	692,000	669,400
Hotel/motel taxes	926,500	925,000	921,857
State income tax	4,104,375	4,550,000	3,704,059
Personal property replacement tax	234,586	228,769	240,878
State sales and use taxes	6,218,718	6,120,125	6,227,062
Other intergovernmental	520,639	384,999	413,526
State aid - law enforcement improvement	700	7,300	1,000
State aid - culture, recreation and education	-	11,400	11,400
Miscellaneous	224,815	300,965	350,135
Licenses, fines, and service charges	4,851,438	5,178,906	4,949,920
Investment income	121,375	120,350	7,028
Total Revenues	<u>30,889,374</u>	<u>31,328,422</u>	<u>30,436,027</u>
EXPENDITURES			
GENERAL GOVERNMENT			
Executive			
Personnel services	2,127,713	1,992,253	1,991,745
Materials and supplies	75,533	76,733	55,155
Other services and charges	635,531	672,195	829,325
Contractual services	559,818	558,805	477,321
Total executive	<u>3,398,595</u>	<u>3,299,986</u>	<u>3,353,546</u>
Finance			
Personnel services	977,547	976,925	946,255
Materials and supplies	51,884	52,692	31,639
Other services and charges	556,832	582,839	444,026
Total finance	<u>1,586,263</u>	<u>1,612,456</u>	<u>1,421,920</u>
City Clerk			
Personnel services	218,969	221,413	211,305
Materials and supplies	13,944	13,405	11,041
Other services and charges	13,002	11,097	7,120
Total city clerk	<u>245,915</u>	<u>245,915</u>	<u>229,466</u>
Legislative			
Personnel services	49,569	49,569	30,714
Materials and supplies	353	353	-
Other services and charges	6,363	6,363	821
Total legislative	<u>56,285</u>	<u>56,285</u>	<u>31,535</u>
Total General government	<u>5,287,058</u>	<u>5,214,642</u>	<u>5,036,467</u>

CITY OF URBANA

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the year ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
PUBLIC SAFETY			
Police			
Personnel services	\$ 7,906,161	\$ 7,970,668	\$ 7,874,711
Materials and services	145,352	154,345	116,472
Other services and charges	<u>1,278,679</u>	<u>1,283,856</u>	<u>1,175,903</u>
Total police	<u>9,330,192</u>	<u>9,408,869</u>	<u>9,167,086</u>
Fire			
Personnel services	6,727,038	6,806,412	6,833,155
Materials and supplies	136,776	135,477	120,447
Other services and charges	<u>691,390</u>	<u>696,548</u>	<u>640,617</u>
Total fire	<u>7,555,204</u>	<u>7,638,437</u>	<u>7,594,219</u>
Total Public Safety	<u>16,885,396</u>	<u>17,047,306</u>	<u>16,761,305</u>
HIGHWAYS AND STREETS			
Personnel services	4,933,814	5,034,575	4,878,495
Materials and supplies	656,134	714,483	448,476
Other services and charges	<u>1,611,588</u>	<u>1,854,652</u>	<u>1,550,061</u>
Total Highways and Streets	<u>7,201,536</u>	<u>7,603,710</u>	<u>6,877,032</u>
URBAN REDEVELOPMENT AND HOUSING			
Personnel services	1,341,792	1,345,556	1,323,675
Materials and supplies	53,957	57,474	33,594
Other services and charges	<u>288,912</u>	<u>320,070</u>	<u>274,762</u>
Total Urban redevelopment and housing	<u>1,684,661</u>	<u>1,723,100</u>	<u>1,632,031</u>
 Total Expenditures	 <u>31,058,651</u>	 <u>31,588,758</u>	 <u>30,306,835</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(169,277)</u>	 <u>(260,336)</u>	 <u>129,192</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,620,853	2,579,257	4,995,248
Transfers out	<u>(2,368,577)</u>	<u>(2,323,577)</u>	<u>(2,323,577)</u>
Total Other Financing Sources (Uses)	<u>252,276</u>	<u>255,680</u>	<u>2,671,671</u>
 Net Change in Fund Balance	 <u>\$ 82,999</u>	 <u>\$ (4,656)</u>	 2,800,863
 FUND BALANCE - Beginning of Year			 <u>9,800,333</u>
 FUND BALANCE - END OF YEAR			 <u>\$ 12,601,196</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - VEHICLE AND EQUIPMENT REPLACEMENT FUND
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Investment income	\$ 50,000	\$ 50,000	\$ 28,230
Miscellaneous	5,000	5,000	17,625
Total Revenues	55,000	55,000	45,855
EXPENDITURES			
General Government			
Contractual services	20,000	-	-
Total general government	20,000	-	-
Capital Outlay	842,544	1,684,320	879,089
Debt Service			
Principal	-	-	17,500
Total debt service	-	-	17,500
Total Expenditures	862,544	1,684,320	896,589
Excess (deficiency) of revenues over (under) expenditures	(807,544)	(1,629,320)	(850,734)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,519,374	1,524,374	1,524,374
Transfers out	(108,566)	(108,566)	(223,394)
Total Other Financing Sources (Uses)	1,410,808	1,415,808	1,300,980
Net Change in Fund Balance	\$ 603,264	\$ (213,512)	450,246
FUND BALANCE - Beginning of Year			7,371,581
FUND BALANCE - END OF YEAR			\$ 7,821,827

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL RESERVE FUND
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Investment income	\$ 75,000	\$ 60,000	\$ 50,597
Total Revenues	75,000	60,000	50,597
EXPENDITURES			
Total Expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	75,000	60,000	50,597
OTHER FINANCING USES			
Transfers out	-	-	(72,581)
Total Other Financing Uses	-	-	(72,581)
Net Change in Fund Balance	\$ 75,000	\$ 60,000	(21,984)
FUND BALANCE - Beginning of Year			5,335,345
FUND BALANCE - END OF YEAR			\$ 5,313,361

CITY OF URBANA
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
Four Most Recent Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total pension liability				
Service cost	\$ 1,112,513	\$ 1,089,547	\$ 1,065,320	\$ 1,102,255
Interest	3,785,492	4,201,414	4,346,036	4,564,742
Differences between expected and actual experience	1,297,327	(662,826)	275,732	(60,305)
Changes of assumptions	2,034,739	69,408	(214,733)	(1,831,679)
Benefit payments, including refunds of member contributions	<u>(2,429,671)</u>	<u>(2,616,681)</u>	<u>(2,731,713)</u>	<u>(2,883,199)</u>
Net change in total pension liability	5,800,400	2,080,862	2,740,642	891,814
Total pension liability - beginning	<u>51,131,800</u>	<u>56,932,200</u>	<u>59,013,062</u>	<u>61,753,704</u>
Total pension liability - ending (a)	<u>\$ 56,932,200</u>	<u>\$ 59,013,062</u>	<u>\$ 61,753,704</u>	<u>\$ 62,645,518</u>
Plan fiduciary net position				
Employer contributions	\$ 1,305,023	\$ 1,269,129	\$ 1,369,797	\$ 1,267,561
Employee contributions	492,715	458,147	466,761	482,590
Net investment income	2,897,188	249,334	3,467,889	9,411,497
Benefit payments, including refunds of member contributions	(2,429,671)	(2,616,681)	(2,731,713)	(2,883,199)
Other (net transfer)	<u>235,392</u>	<u>673,394</u>	<u>426,415</u>	<u>(1,108,494)</u>
Net change in plan fiduciary net position	2,500,647	33,323	2,999,149	7,169,955
Plan fiduciary net position - beginning	<u>47,810,846</u>	<u>50,311,493</u>	<u>50,344,816</u>	<u>53,343,965</u>
Plan fiduciary net position - ending (b)	<u>\$ 50,311,493</u>	<u>\$ 50,344,816</u>	<u>\$ 53,343,965</u>	<u>\$ 60,513,920</u>
Employer's net pension liability - ending (a) - (b)	<u>\$ 6,620,707</u>	<u>\$ 8,668,246</u>	<u>\$ 8,409,739</u>	<u>\$ 2,131,598</u>
Plan fiduciary net position as a percentage of the total pension liability	88.37%	85.31%	86.38%	96.60%
Covered payroll	\$ 10,237,128	\$ 9,991,290	\$ 10,372,480	\$ 10,689,380
Employer's net pension liability as a percentage of covered payroll	64.67%	86.76%	81.08%	19.94%

Notes to Schedule:

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Actuary valuations are as of December 31st, which is 6 months prior to the end of the fiscal year.

CITY OF URBANA
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Four Most Recent Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,264,285	\$ 1,254,906	\$ 1,350,497	\$ 1,264,554
Contributions in relation to the actuarially determined contribution	<u>(1,305,023)</u>	<u>(1,269,129)</u>	<u>(1,369,797)</u>	<u>(1,267,561)</u>
Contribution deficiency (excess)	<u>\$ (40,738)</u>	<u>\$ (14,223)</u>	<u>\$ (19,300)</u>	<u>\$ (3,007)</u>
Covered payroll	\$ 10,237,128	\$ 9,991,290	\$ 10,372,480	\$ 10,689,380
Contributions as a percentage of covered payroll	12.75%	12.70%	13.21%	11.86%

Notes to Schedule:

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.75% -- approximate
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information:

There were no benefit changes during the year.

CITY OF URBANA
POLICE PENSION FUND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
Last Five Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total pension liability			
Service cost	\$ 1,202,918	\$ 1,194,543	\$ 1,085,728
Interest	3,084,785	3,228,731	3,541,423
Differences between expected and actual experience	(136,267)	(610,133)	(4,005,503)
Changes of assumptions	-	1,761,301	1,937,667
Benefit payments, including refunds of member contributions	(1,971,517)	(2,209,086)	(2,196,232)
Net change in total pension liability	<u>2,179,919</u>	<u>3,365,356</u>	<u>363,083</u>
Total pension liability - beginning	<u>45,058,874</u>	<u>47,238,793</u>	<u>50,604,149</u>
Total pension liability - ending (a)	<u>\$ 47,238,793</u>	<u>\$ 50,604,149</u>	<u>\$ 50,967,232</u>
Plan fiduciary net position			
Employer contributions	\$ 2,254,203	\$ 1,850,383	\$ 1,396,843
Employee contributions	393,954	416,575	444,105
Net investment income	3,673,877	632,290	861,378
Benefit payments, including refunds of member contributions	(1,971,517)	(2,209,086)	(2,196,232)
Administration	(33,074)	(33,421)	(60,788)
Net change in plan fiduciary net position	<u>4,317,443</u>	<u>656,741</u>	<u>445,306</u>
Plan fiduciary net position - beginning	<u>29,542,951</u>	<u>33,860,394</u>	<u>34,517,135</u>
Plan fiduciary net position - ending (b)	<u>\$ 33,860,394</u>	<u>\$ 34,517,135</u>	<u>\$ 34,962,441</u>
City's net pension liability - ending (a) - (b)	<u>\$ 13,378,399</u>	<u>\$ 16,087,014</u>	<u>\$ 16,004,791</u>
Plan fiduciary net position as a percentage of the total pension liability	71.68%	68.21%	68.60%
Covered payroll	\$ 4,124,681	\$ 4,111,495	\$ 4,481,382
City's net pension liability as a percentage of covered payroll	324.35%	391.27%	357.14%

Notes to Schedule:

The Police Pension Plan implemented GASB Statement No. 67 in fiscal year 2014. The City implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2014 is not available.

<u>2017</u>	<u>2018</u>
\$ 1,053,158	\$ 1,126,879
3,485,734	3,919,160
4,777,112	-
(613,367)	186,905
<u>(2,342,051)</u>	<u>(2,679,667)</u>
6,360,586	2,553,277
<u>50,967,232</u>	<u>57,327,818</u>
<u>\$ 57,327,818</u>	<u>\$ 59,881,095</u>
\$ 1,230,207	\$ 1,263,112
442,500	452,353
3,356,407	2,659,165
(2,342,051)	(2,679,667)
<u>(54,146)</u>	<u>(22,701)</u>
2,632,917	1,672,262
<u>34,962,441</u>	<u>37,595,358</u>
<u>\$ 37,595,358</u>	<u>\$ 39,267,620</u>
<u>\$ 19,732,460</u>	<u>\$ 20,613,475</u>
65.58%	65.58%
\$ 4,597,710	\$ 4,564,608
429.18%	451.59%

CITY OF URBANA
POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Ten Fiscal Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Actuarially determined contribution	\$ 1,225,637	\$ 1,381,577	\$ 1,500,579	\$ 1,524,579
Contributions in relation to the actuarially determined contribution	1,604,475	1,783,576	1,981,806	1,980,275
Contribution deficiency (excess)	<u>\$ (378,838)</u>	<u>\$ (401,999)</u>	<u>\$ (481,227)</u>	<u>\$ (455,696)</u>
Covered payroll	\$ 3,516,159	\$ 3,485,147	\$ 3,547,806	\$ 3,859,220
Contributions as a percentage of covered payroll	45.63%	51.18%	55.86%	51.31%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	19 years
Asset valuation method	Market
Inflation	2.50%
Salary increases	2.5% - 4.25%
Investment rate of return	7.00%, including inflation, net of investment expenses
Mortality	Independent actuary's 2016 Illinois Police Mortality Rates

2013	2014	2015	2016	2017	2018
\$ 1,648,164	\$ 1,642,577	\$ 1,642,577	\$ 1,619,190	\$ 1,721,661	\$ 1,202,926
2,138,159	2,254,203	1,850,383	1,396,843	1,230,207	1,263,112
\$ (489,995)	\$ (611,626)	\$ (207,806)	\$ 222,347	\$ 491,454	\$ (60,186)
\$ 3,972,920	\$ 4,124,681	\$ 4,111,495	\$ 4,481,382	\$ 4,597,710	\$ 4,564,608
53.82%	54.65%	45.01%	31.17%	26.76%	27.67%

CITY OF URBANA
FIREFIGHTERS' PENSION FUND
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
Last Five Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total pension liability			
Service cost	\$ 1,214,058	\$ 1,196,507	\$ 1,168,377
Interest	2,893,786	3,002,629	3,275,512
Differences between expected and actual experience	(521,056)	(17,671)	(686,638)
Changes of assumptions	-	685,724	2,156,908
Benefit payments, including refunds of member contributions	(1,991,181)	(2,072,600)	(2,201,873)
Net change in total pension liability	<u>1,595,607</u>	<u>2,794,589</u>	<u>3,712,286</u>
Total pension liability - beginning	<u>42,335,397</u>	<u>43,931,004</u>	<u>46,725,593</u>
Total pension liability - ending (a)	<u><u>\$ 43,931,004</u></u>	<u><u>\$ 46,725,593</u></u>	<u><u>\$ 50,437,879</u></u>
Plan fiduciary net position			
Employer contributions	\$ 1,517,629	\$ 1,236,008	\$ 1,038,747
Employee contributions	350,475	374,389	402,718
Net investment income	5,208,327	1,954,325	313,386
Benefit payments, including refunds of member contributions	(1,991,181)	(2,072,600)	(2,201,873)
Administration	(37,219)	(36,908)	(43,824)
Net change in plan fiduciary net position	<u>5,048,031</u>	<u>1,455,214</u>	<u>(490,846)</u>
Plan fiduciary net position - beginning	<u>35,692,771</u>	<u>40,740,802</u>	<u>42,196,016</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 40,740,802</u></u>	<u><u>\$ 42,196,016</u></u>	<u><u>\$ 41,705,170</u></u>
Employer's net pension liability - ending (a) - (b)	<u><u>\$ 3,190,202</u></u>	<u><u>\$ 4,529,577</u></u>	<u><u>\$ 8,732,709</u></u>
Plan fiduciary net position as a percentage of the total pension liability	92.74%	90.31%	82.69%
Covered payroll	\$ 3,777,788	\$ 3,942,216	\$ 4,063,754
City's net pension liability as a percentage of covered payroll	84.45%	114.90%	214.89%

Notes to Schedule:

The Firefighters' Pension Plan implemented GASB Statement No. 67 in fiscal year 2014. The City implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2014 is not available. The net pension liability is reported on the statement of net position beginning in fiscal year 2015.

<u>2017</u>	<u>2018</u>
\$ 1,041,804	\$ 1,114,730
3,451,343	3,776,268
1,990,332	24,188
552,401	-
<u>(2,265,954)</u>	<u>(2,526,718)</u>
4,769,926	2,388,468
<u>50,437,879</u>	<u>55,207,805</u>
<u><u>\$ 55,207,805</u></u>	<u><u>\$ 57,596,273</u></u>
\$ 972,622	\$ 966,759
402,966	400,438
5,327,069	4,060,887
(2,265,954)	(2,526,718)
<u>(36,152)</u>	<u>(16,556)</u>
4,400,551	2,884,810
<u>41,705,170</u>	<u>46,105,721</u>
<u><u>\$ 46,105,721</u></u>	<u><u>\$ 48,990,531</u></u>
<u><u>\$ 9,102,084</u></u>	<u><u>\$ 8,605,742</u></u>
83.51%	85.06%
\$ 4,237,345	\$ 4,235,199
214.81%	203.20%

CITY OF URBANA
FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Ten Fiscal Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Actuarially determined contribution	\$ 1,025,535	\$ 1,133,720	\$ 1,220,290	\$ 1,182,977
Contributions in relation to the actuarially determined contribution	1,251,695	1,372,080	1,463,810	1,403,306
Contribution deficiency (excess)	<u>\$ (226,160)</u>	<u>\$ (238,360)</u>	<u>\$ (243,520)</u>	<u>\$ (220,329)</u>
Covered payroll	\$ 3,249,911	\$ 3,319,469	\$ 3,414,250	\$ 2,645,435
Contributions as a percentage of covered payroll	38.51%	41.33%	42.87%	53.05%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19 years
Asset valuation method	Market
Inflation	2.50%
Salary increases	4.25% - 7.19%
Investment rate of return	7.00%, including inflation, net of investment expenses
Mortality	

Independent actuary's 2016 Illinois Firefighters Mortality Rates

2013	2014	2015	2016	2017	2018
\$ 1,245,665	\$ 1,179,662	\$ 1,179,662	\$ 1,117,736	\$ 1,082,119	\$ 764,329
1,482,369	1,517,629	1,236,008	1,038,747	972,622	966,759
\$ (236,704)	\$ (337,967)	\$ (56,346)	\$ 78,989	\$ 109,497	\$ (202,430)
\$ 3,872,621	\$ 3,777,788	\$ 3,942,216	\$ 4,063,754	\$ 4,237,345	\$ 4,235,199
38.28%	40.17%	31.35%	25.56%	22.95%	22.83%

CITY OF URBANA
RETIREE HEALTH INSURANCE PLAN
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
 AND RELATED RATIOS
 Most Recent Fiscal Year

	2018
Total OPEB liability	
Service cost	\$ 392,809
Interest	133,193
Changes of assumptions	(153,548)
Benefit payments, including refunds of member contributions	(72,969)
Net change in total OPEB liability	299,485
Total OPEB liability - beginning	3,363,815
Total OPEB liability - ending	\$ 3,663,300
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered payroll	\$ 21,766,391
City's total OPEB liability as a percentage of covered payroll	16.83%

Notes to Schedule:

The City implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

The information presented above includes the total OPEB liability for the City and Library.

CITY OF URBANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION June 30, 2018

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The budget is as amended by the City Council. All annual appropriations lapse at fiscal year end.

Prior to June 30, the City Finance Director submits to the City Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to September 30, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year for all funds.

The City is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the City Council. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The appropriated budget is prepared by fund, function, and department. The City Finance Director is authorized to transfer budget amounts between departments within any fund; however, the City Council must approve revisions that alter the total expenditures of any fund.

SUPPLEMENTARY INFORMATION

CITY OF URBANA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of June 30, 2018

	Special Revenue			
	Police Special	Farmer's Market	Social Services	Community Development Special
ASSETS				
Cash and investments	\$ 117,941	\$ 101,640	\$ -	\$ 182,265
Receivables				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Accounts	-	-	-	-
Due from other governments	-	-	-	332,789
Grants	-	-	-	-
	<u>\$ 117,941</u>	<u>\$ 101,640</u>	<u>\$ -</u>	<u>\$ 515,054</u>
TOTAL ASSETS	<u>\$ 117,941</u>	<u>\$ 101,640</u>	<u>\$ -</u>	<u>\$ 515,054</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 859	\$ 16,529	\$ -	\$ 1,126
Accrued salaries and taxes	-	2,207	-	7,762
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	<u>859</u>	<u>18,736</u>	<u>-</u>	<u>8,888</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	-	-	-	-
Unavailable revenues for grants	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted for urban housing and development	-	-	-	64,580
Restricted for public safety	-	-	-	-
Restricted for highways and streets	-	-	-	-
Committed for capital projects	-	-	-	-
Assigned for public safety	117,082	-	-	-
Assigned for urban housing and development	-	82,904	-	441,586
Assigned for public television	-	-	-	-
Total Fund Balances	<u>117,082</u>	<u>82,904</u>	<u>-</u>	<u>506,166</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 117,941</u>	<u>\$ 101,640</u>	<u>\$ -</u>	<u>\$ 515,054</u>

Special Revenue

Community Development Grants	TIF #2	TIF #4	Central TIF	Post TIF Closure	Insurance Financing	Recycling
\$ -	\$ 1,411,491	\$ 1,914,222	\$ 12,234	\$ 218,860	\$ -	\$ 802,514
-	654,674	487,656	2,584	-	-	-
-	-	-	-	-	-	53,014
-	50,000	-	-	-	-	79,008
-	-	-	-	-	-	-
<u>238,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 238,988</u>	<u>\$ 2,116,165</u>	<u>\$ 2,401,878</u>	<u>\$ 14,818</u>	<u>\$ 218,860</u>	<u>\$ -</u>	<u>\$ 934,536</u>
\$ 21,572	\$ -	\$ 107,517	\$ 9,458	\$ 139,083	\$ -	\$ 38,713
-	1,617	2,069	-	-	-	5,172
136,397	-	-	-	-	-	-
-	-	-	-	-	-	65,636
<u>157,969</u>	<u>1,617</u>	<u>109,586</u>	<u>9,458</u>	<u>139,083</u>	<u>-</u>	<u>109,521</u>
-	508,626	388,911	2,175	-	-	-
<u>63,603</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>63,603</u>	<u>508,626</u>	<u>388,911</u>	<u>2,175</u>	<u>-</u>	<u>-</u>	<u>-</u>
17,416	1,605,922	1,903,381	3,185	79,777	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	825,015
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>17,416</u>	<u>1,605,922</u>	<u>1,903,381</u>	<u>3,185</u>	<u>79,777</u>	<u>-</u>	<u>825,015</u>
<u>\$ 238,988</u>	<u>\$ 2,116,165</u>	<u>\$ 2,401,878</u>	<u>\$ 14,818</u>	<u>\$ 218,860</u>	<u>\$ -</u>	<u>\$ 934,536</u>

CITY OF URBANA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of June 30, 2018

	Special Revenue		Capital Projects	Total Nonmajor Governmental Funds
	Cable TV PEG	Arms Programming	Sanitary Sewer	
ASSETS				
Cash and investments	\$ 168,291	\$ 125,517	\$ 859,161	\$ 5,914,136
Receivables				
Property taxes	-	-	-	1,144,914
Other taxes	-	-	290,314	343,328
Accounts	-	-	-	129,008
Due from other governments	-	-	-	332,789
Grants	-	-	-	238,988
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 168,291</u>	<u>\$ 125,517</u>	<u>\$ 1,149,475</u>	<u>\$ 8,103,163</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 164	\$ 46	\$ 18,145	\$ 353,212
Accrued salaries and taxes	2,198	1,299	-	22,324
Due to other funds	-	-	-	136,397
Unearned revenues	-	-	84,174	149,810
Total Liabilities	<u>2,362</u>	<u>1,345</u>	<u>102,319</u>	<u>661,743</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	-	-	-	899,712
Unavailable revenues for grants	-	-	-	63,603
Total Deferred Inflows of Resources	<u> </u>	<u> </u>	<u> </u>	<u>963,315</u>
Fund Balances				
Restricted for urban housing and development	-	-	-	3,674,261
Restricted for public safety	-	90,816	-	90,816
Restricted for highways and streets	-	-	-	825,015
Committed for capital projects	-	-	1,047,156	1,047,156
Assigned for public safety	-	33,356	-	150,438
Assigned for urban housing and development	-	-	-	524,490
Assigned for public television	165,929	-	-	165,929
Total Fund Balances	<u>165,929</u>	<u>124,172</u>	<u>1,047,156</u>	<u>6,478,105</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 168,291</u>	<u>\$ 125,517</u>	<u>\$ 1,149,475</u>	<u>\$ 8,103,163</u>

CITY OF URBANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	Special Revenue			
	Police Special	Farmer's Market	Social Services	Community Development Special
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental	18,174	5,000	-	516,598
Licenses, fines, and service charges	10,853	100,717	-	-
Investment income	1,155	616	-	392
Miscellaneous	4,550	-	-	70,307
Total Revenues	<u>34,732</u>	<u>106,333</u>	<u>-</u>	<u>587,297</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	20,882	-	-	-
Highways and streets	-	-	-	-
Urban redevelopment and housing	-	96,010	-	452,018
Capital Outlay	6,596	-	-	-
Debt Service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>27,478</u>	<u>96,010</u>	<u>-</u>	<u>452,018</u>
Excess (deficiency) of revenues over expenditures	<u>7,254</u>	<u>10,323</u>	<u>-</u>	<u>135,279</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	114,828	72,581	-	305,256
Transfers out	(5,000)	-	(31,040)	(37,170)
Total Other Financing Sources (Uses)	<u>109,828</u>	<u>72,581</u>	<u>(31,040)</u>	<u>268,086</u>
Net Change in Fund Balances	117,082	82,904	(31,040)	403,365
FUND BALANCES (DEFICIT) - Beginning of Year	<u>-</u>	<u>-</u>	<u>31,040</u>	<u>102,801</u>
FUND BALANCES - END OF YEAR	<u>\$ 117,082</u>	<u>\$ 82,904</u>	<u>\$ -</u>	<u>\$ 506,166</u>

Special Revenue

Community Development Grants	TIF #2	TIF #4	Central TIF	Post TIF Closure	Insurance Financing	Recycling
\$ -	\$ 1,279,105	\$ 1,025,223	\$ 5,921	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
1,383,427	-	-	-	-	-	-
-	-	-	-	-	-	1,322,727
(5)	4,197	4,763	621	1,532	-	2,477
-	-	-	157	-	-	-
<u>1,383,422</u>	<u>1,283,302</u>	<u>1,029,986</u>	<u>6,699</u>	<u>1,532</u>	<u>-</u>	<u>1,325,204</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,078,345
1,014,527	279,786	573,869	285,173	139,083	-	-
-	-	635,220	7,991	-	-	51,535
-	865,000	-	-	-	-	-
-	63,778	-	-	-	-	-
<u>1,014,527</u>	<u>1,208,564</u>	<u>1,209,089</u>	<u>293,164</u>	<u>139,083</u>	<u>-</u>	<u>1,129,880</u>
<u>368,895</u>	<u>74,738</u>	<u>(179,103)</u>	<u>(286,465)</u>	<u>(137,551)</u>	<u>-</u>	<u>195,324</u>
-	-	-	69,192	-	-	-
(305,256)	(98,506)	-	-	-	(2,354,138)	(137,659)
<u>(305,256)</u>	<u>(98,506)</u>	<u>-</u>	<u>69,192</u>	<u>-</u>	<u>(2,354,138)</u>	<u>(137,659)</u>
63,639	(23,768)	(179,103)	(217,273)	(137,551)	(2,354,138)	57,665
<u>(46,223)</u>	<u>1,629,690</u>	<u>2,082,484</u>	<u>220,458</u>	<u>217,328</u>	<u>2,354,138</u>	<u>767,350</u>
<u>\$ 17,416</u>	<u>\$ 1,605,922</u>	<u>\$ 1,903,381</u>	<u>\$ 3,185</u>	<u>\$ 79,777</u>	<u>\$ -</u>	<u>\$ 825,015</u>

CITY OF URBANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	Special Revenue		Capital Projects	Total Nonmajor Governmental Funds
	Cable TV PEG	Arms Programming	Sanitary Sewer	
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ 2,310,249
Other taxes	-	-	1,342,597	1,342,597
Intergovernmental	-	114,216	-	2,037,415
Licenses, fines, and service charges	144,749	-	-	1,579,046
Investment income	1,466	435	4,695	22,344
Miscellaneous	-	-	-	75,014
Total Revenues	<u>146,215</u>	<u>114,651</u>	<u>1,347,292</u>	<u>7,366,665</u>
EXPENDITURES				
Current				
General government	137,091	96,535	-	233,626
Public safety	-	-	-	20,882
Highways and streets	-	-	102,185	1,180,530
Urban redevelopment and housing	-	-	-	2,840,466
Capital Outlay	4,358	-	439,749	1,145,449
Debt Service				
Principal	-	-	-	865,000
Interest and fiscal charges	-	-	-	63,778
Total Expenditures	<u>141,449</u>	<u>96,535</u>	<u>541,934</u>	<u>6,349,731</u>
Excess (deficiency) of revenues over expenditures	<u>4,766</u>	<u>18,116</u>	<u>805,358</u>	<u>1,016,934</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	23,374	-	585,231
Transfers out	(4,141)	(26,359)	(803,661)	(3,802,930)
Total Other Financing Sources (Uses)	<u>(4,141)</u>	<u>(2,985)</u>	<u>(803,661)</u>	<u>(3,217,699)</u>
Net Change in Fund Balances	625	15,131	1,697	(2,200,765)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>165,304</u>	<u>109,041</u>	<u>1,045,459</u>	<u>8,678,870</u>
FUND BALANCES - END OF YEAR	<u>\$ 165,929</u>	<u>\$ 124,172</u>	<u>\$ 1,047,156</u>	<u>\$ 6,478,105</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - POLICE SPECIAL FUND
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 45,000	\$ 20,000	\$ 18,174
Licenses, fines, and service charges	11,500	8,000	10,853
Investment income	950	950	1,155
Miscellaneous	-	-	4,550
Total Revenues	<u>57,450</u>	<u>28,950</u>	<u>34,732</u>
EXPENDITURES			
Public Safety - Police			
Personnel services	50,000	50,000	-
Materials and services	2,500	2,500	1,667
Contractual services	<u>15,615</u>	<u>15,615</u>	<u>19,215</u>
Total public safety - police	<u>68,115</u>	<u>68,115</u>	<u>20,882</u>
Capital Outlay	<u>63,840</u>	<u>48,207</u>	<u>6,596</u>
Total Expenditures	<u>131,955</u>	<u>116,322</u>	<u>27,478</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(74,505)</u>	<u>(87,372)</u>	<u>7,254</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	114,828
Transfers out	-	(5,000)	(5,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(5,000)</u>	<u>109,828</u>
Net Change in Fund Balance	<u>\$ (74,505)</u>	<u>\$ (92,372)</u>	117,082
FUND BALANCE - Beginning of Year			<u>-</u>
FUND BALANCE - END OF YEAR			<u>\$ 117,082</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FARMER'S MARKET FUND For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 500	\$ 1,302	\$ 5,000
Licenses, fines, and service charges	98,800	90,000	100,717
Investment income	100	500	616
Total Revenues	<u>99,400</u>	<u>91,802</u>	<u>106,333</u>
EXPENDITURES			
Urban Redevelopment and Housing			
Personnel services	64,095	64,095	47,309
Contractual services	<u>69,483</u>	<u>69,565</u>	<u>48,701</u>
Total urban redevelopment and housing	<u>133,578</u>	<u>133,660</u>	<u>96,010</u>
Total Expenditures	<u>133,578</u>	<u>133,660</u>	<u>96,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(34,178)</u>	<u>(41,858)</u>	<u>10,323</u>
OTHER FINANCING SOURCES			
Transfers in	-	-	<u>72,581</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>72,581</u>
Net Change in Fund Balance	<u>\$ (34,178)</u>	<u>\$ (41,858)</u>	82,904
FUND BALANCE - Beginning of Year			<u>-</u>
FUND BALANCE - END OF YEAR			<u>\$ 82,904</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT SPECIAL FUND
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 455,802	\$ 408,541	\$ 516,598
Investment income	360	360	392
Miscellaneous	110,620	65,000	70,307
Total Revenues	<u>566,782</u>	<u>473,901</u>	<u>587,297</u>
EXPENDITURES			
Urban Redevelopment and Housing			
Personnel services	315,198	315,198	315,258
Materials and supplies	1,000	1,000	169
Contractual services	<u>275,923</u>	<u>193,662</u>	<u>136,591</u>
Total urban redevelopment and housing	<u>592,121</u>	<u>509,860</u>	<u>452,018</u>
Total Expenditures	<u>592,121</u>	<u>509,860</u>	<u>452,018</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,339)</u>	<u>(35,959)</u>	<u>135,279</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	315,198	293,205	305,256
Transfers out	<u>(16,592)</u>	-	<u>(37,170)</u>
Total Other Financing Sources (Uses)	<u>298,606</u>	<u>293,205</u>	<u>268,086</u>
Net Change in Fund Balance	<u>\$ 273,267</u>	<u>\$ 257,246</u>	403,365
FUND BALANCE - Beginning of Year			<u>102,801</u>
FUND BALANCE - END OF YEAR			<u>\$ 506,166</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT GRANTS FUND
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 2,379,154	\$ 1,952,936	\$ 1,383,427
Investment income	(40)	(40)	(5)
Total Revenues	2,379,114	1,952,896	1,383,422
EXPENDITURES			
Urban Redevelopment and Housing			
Materials and supplies	1,500	1,208	8
Contractual services	1,947,802	1,181,218	1,014,519
Total urban redevelopment and housing	1,949,302	1,182,426	1,014,527
Total Expenditures	1,949,302	1,182,426	1,014,527
Excess (deficiency) of revenues over (under) expenditures	429,812	770,470	368,895
OTHER FINANCING USES			
Transfers out	(298,606)	(293,205)	(305,256)
Total Other Financing Uses	(298,606)	(293,205)	(305,256)
Net Change in Fund Balance	\$ 131,206	\$ 477,265	63,639
FUND BALANCE (DEFICIT) - Beginning of Year			(46,223)
FUND BALANCE - END OF YEAR			\$ 17,416

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - TIF #2 FUND
For the Year Ended June 30, 2018

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Property taxes	\$ 1,299,673	\$ 1,272,118	\$ 1,279,105
Investment income	20,000	16,000	4,197
Total Revenues	1,319,673	1,288,118	1,283,302
EXPENDITURES			
Urban Redvelopemnt and Housing			
Personnel services	118,698	118,698	93,460
Contractual services	313,897	313,897	186,326
Total urban redvelopemnt and housing	432,595	432,595	279,786
Debt Service			
Principal	865,000	865,000	865,000
Interest and fiscal charges	63,778	63,778	63,778
Total debt service	928,778	928,778	928,778
Total Expenditures	1,361,373	1,361,373	1,208,564
Excess (deficiency) of revenues over (under) expenditures	(41,700)	(73,255)	74,738
OTHER FINANCING USES			
Transfers out	(357,829)	(823,265)	(98,506)
Total Other Financing Uses	(357,829)	(823,265)	(98,506)
Net Change in Fund Balance	\$ (399,529)	\$ (896,520)	(23,768)
FUND BALANCE - Beginning of Year			1,629,690
FUND BALANCE - END OF YEAR			\$ 1,605,922

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF #4 FUND For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property taxes	\$ 1,007,185	\$ 980,207	\$ 1,025,223
Investment income	15,000	15,000	4,763
Total Revenues	<u>1,022,185</u>	<u>995,207</u>	<u>1,029,986</u>
EXPENDITURES			
Urban Redevelopment and Housing			
Personnel services	149,489	149,489	147,213
Contractual services	<u>545,145</u>	<u>615,145</u>	<u>426,656</u>
Total urban redevelopment and housing	<u>694,634</u>	<u>764,634</u>	<u>573,869</u>
Capital Outlay	<u>195,000</u>	<u>1,241,098</u>	<u>635,220</u>
Total Expenditures	<u>889,634</u>	<u>2,005,732</u>	<u>1,209,089</u>
Net Change in Fund Balance	<u>\$ 132,551</u>	<u>\$ (1,010,525)</u>	(179,103)
FUND BALANCE - Beginning of Year			<u>2,082,484</u>
FUND BALANCE - END OF YEAR			<u>\$ 1,903,381</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - CENTRAL TIF FUND
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Property taxes	\$ 26,746	\$ 5,955	\$ 5,921
Investment income	1,200	1,000	621
Miscellaneous	-	-	157
Total Revenues	27,946	6,955	6,699
EXPENDITURES			
Urban Redevelopment and Housing			
Contractual services	275,215	982,878	285,173
Total urban redevelopment and housing	275,215	982,878	285,173
Capital Outlay	-	32,986	7,991
Total Expenditures	275,215	1,015,864	293,164
Excess (deficiency) of revenues over (under) expenditures	(247,269)	(1,008,909)	(286,465)
OTHER FINANCING SOURCES			
Transfers in	328,269	791,533	69,192
Total Other Financing Sources	328,269	791,533	69,192
Net Change in Fund Balance	\$ 81,000	\$ (217,376)	(217,273)
FUND BALANCE - Beginning of Year			220,458
FUND BALANCE - END OF YEAR			\$ 3,185

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - POST TIF CLOSURE FUND
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Investment income	\$ 500	\$ 500	\$ 1,532
Total Revenues	500	500	1,532
EXPENDITURES			
Urban Redevelopment and Housing			
Contractual services	-	220,000	139,083
Total urban redevelopment and housing	-	220,000	139,083
Total Expenditures	-	220,000	139,083
Excess (deficiency) of revenues over (under) expenditures	500	(219,500)	(137,551)
OTHER FINANCING SOURCES			
Transfers in	-	2,172	-
Total Other Financing Sources	-	2,172	-
Net Change in Fund Balance	\$ 500	\$ (217,328)	(137,551)
FUND BALANCE - Beginning of Year			217,328
FUND BALANCE - END OF YEAR			\$ 79,777

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - RECYCLING FUND
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Licenses, fines, and service charges	\$ 1,321,175	\$ 1,331,175	\$ 1,322,727
Investment income	7,500	7,500	2,477
Miscellaneous	50	50	-
Total Revenues	1,328,725	1,338,725	1,325,204
EXPENDITURES			
Highways and Streets			
Personnel services	427,182	427,182	416,192
Materials and supplies	121,209	123,709	79,175
Other services and charges	26,370	13,892	-
Contractual services	688,176	640,370	582,978
Total highways and streets	1,262,937	1,205,153	1,078,345
Capital Outlay	487,569	487,569	51,535
Total Expenditures	1,750,506	1,692,722	1,129,880
Excess (deficiency) of revenues over (under) expenditures	(421,781)	(353,997)	195,324
OTHER FINANCING USES			
Transfers out	(143,770)	(143,770)	(137,659)
Total Other Financing Uses	(143,770)	(143,770)	(137,659)
Net Change in Fund Balance	\$ (565,551)	\$ (497,767)	57,665
FUND BALANCE - Beginning of Year			767,350
FUND BALANCE - END OF YEAR			\$ 825,015

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CABLE TV PEG FUND For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Licenses, fines, and service charges	\$ 152,160	\$ 152,160	\$ 144,749
Investment income	300	700	1,466
Total Revenues	<u>152,460</u>	<u>152,860</u>	<u>146,215</u>
EXPENDITURES			
General Government			
Personnel services	138,638	138,638	124,042
Supplies	8,686	10,311	6,483
Contractual services	<u>8,696</u>	<u>8,696</u>	<u>6,566</u>
Total general government	<u>156,020</u>	<u>157,645</u>	<u>137,091</u>
Capital Outlay	<u>7,995</u>	<u>7,995</u>	<u>4,358</u>
Total Expenditures	<u>164,015</u>	<u>165,640</u>	<u>141,449</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,555)</u>	<u>(12,780)</u>	<u>4,766</u>
OTHER FINANCING USES			
Transfers out	<u>(4,141)</u>	<u>(4,141)</u>	<u>(4,141)</u>
Total Other Financing Uses	<u>(4,141)</u>	<u>(4,141)</u>	<u>(4,141)</u>
Net Change in Fund Balance	<u>\$ (15,696)</u>	<u>\$ (16,921)</u>	625
FUND BALANCE - Beginning of Year			<u>165,304</u>
FUND BALANCE - END OF YEAR			<u>\$ 165,929</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - ARMS PROGRAMMING FUND
 For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 113,512	\$ 113,512	\$ 114,216
Investment income	600	600	435
Total Revenues	114,112	114,112	114,651
EXPENDITURES			
General Government			
Personnel services	94,217	94,217	87,742
Supplies	2,010	2,010	1,498
Contractual services	15,232	15,232	7,295
Total general government	111,459	111,459	96,535
Total Expenditures	111,459	111,459	96,535
Excess (deficiency) of revenues over (under) expenditures	2,653	2,653	18,116
OTHER FINANCING SOURCES (USES)			
Transfers in	23,374	23,374	23,374
Transfers out	(26,359)	(26,359)	(26,359)
Total Other Financing Sources (Uses)	(2,985)	(2,985)	(2,985)
Net Change in Fund Balance	\$ (332)	\$ (332)	15,131
FUND BALANCE - Beginning of Year			109,041
FUND BALANCE - END OF YEAR			\$ 124,172

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SANITARY SEWER FUND For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Sewer benefit taxes	\$ 1,421,019	\$ 1,401,913	\$ 1,342,597
Investment income	6,000	6,000	4,695
Miscellaneous	4,500	4,500	-
Total Revenues	<u>1,431,519</u>	<u>1,412,413</u>	<u>1,347,292</u>
EXPENDITURES			
Highways and Streets			
Other services and charges	-	300	-
Contractual services	<u>160,800</u>	<u>135,221</u>	<u>102,185</u>
Total highways and streets	<u>160,800</u>	<u>135,521</u>	<u>102,185</u>
Capital Outlay	<u>455,000</u>	<u>689,455</u>	<u>439,749</u>
Total Expenditures	<u>615,800</u>	<u>824,976</u>	<u>541,934</u>
Excess of revenues over expenditures	<u>815,719</u>	<u>587,437</u>	<u>805,358</u>
OTHER FINANCING USES			
Transfers out	<u>(803,661)</u>	<u>(803,661)</u>	<u>(803,661)</u>
Total Other Financing Uses	<u>(803,661)</u>	<u>(803,661)</u>	<u>(803,661)</u>
Net Change in Fund Balance	<u>\$ 12,058</u>	<u>\$ (216,224)</u>	1,697
FUND BALANCE - Beginning of Year			<u>1,045,459</u>
FUND BALANCE - END OF YEAR			<u>\$ 1,047,156</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENT AND REPLACEMENT FUND For the Year Ended June 30, 2018

	Budgeted Amounts		Actual
	Original	Final	
REVENUES			
Intergovernmental	\$ 950,000	\$ 3,261,988	\$ 2,083,350
Licenses, fines, and service charges	1,506,977	1,519,667	1,506,365
Investment income	10,823	25,000	19,275
Miscellaneous	170,000	116,190	27,114
Total Revenues	<u>2,637,800</u>	<u>4,922,845</u>	<u>3,636,104</u>
EXPENDITURES			
Highways and Streets			
Materials and supplies	-	25,257	24,850
Contractual services	537,459	981,611	579,155
Total highways and streets	<u>537,459</u>	<u>1,006,868</u>	<u>604,005</u>
Capital Outlay	1,958,498	8,581,647	2,728,022
Debt Service			
Principal	270,000	270,000	270,000
Interest and fiscal charges	35,968	35,968	35,968
Total debt service	<u>305,968</u>	<u>305,968</u>	<u>305,968</u>
Total Expenditures	<u>2,801,925</u>	<u>9,894,483</u>	<u>3,637,995</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(164,125)</u>	<u>(4,971,638)</u>	<u>(1,891)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	821,135	821,135	821,135
Transfers out	(597,516)	(597,516)	(597,516)
Total Other Financing Sources (Uses)	<u>223,619</u>	<u>223,619</u>	<u>223,619</u>
Net Change in Fund Balance	<u>\$ 59,494</u>	<u>\$ (4,748,019)</u>	221,728
FUND BALANCE - Beginning of Year			<u>4,733,901</u>
FUND BALANCE - END OF YEAR			<u>\$ 4,955,629</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX FUND
For the Year Ended June 30, 2018

	Budgeted Amounts		
	Original	Final	Actual
REVENUES			
Intergovernmental	\$ 1,088,788	\$ 2,395,565	\$ 1,628,998
Investment income	13,000	16,000	8,249
Total Revenues	1,101,788	2,411,565	1,637,247
EXPENDITURES			
Capital Outlay	2,610,000	4,732,984	1,987,853
Total Expenditures	2,610,000	4,732,984	1,987,853
Excess (deficiency) of revenues over (under) expenditures	(1,508,212)	(2,321,419)	(350,606)
OTHER FINANCING USES			
Transfers out	(23,683)	(27,087)	(27,087)
Total Other Financing Uses	(23,683)	(27,087)	(27,087)
Net Change in Fund Balance	\$ (1,531,895)	\$ (2,348,506)	(377,693)
FUND BALANCE - Beginning of Year			2,834,230
FUND BALANCE - END OF YEAR			\$ 2,456,537

CITY OF URBANA

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

For the Year Ended June 30, 2018

	Budgeted Amounts		
	Original	Final	Actual
OPERATING REVENUES			
Parking meters	\$ 1,168,620	\$ 1,075,000	\$ 1,129,060
Parking rentals	<u>228,880</u>	<u>228,880</u>	<u>242,868</u>
Total Operating Revenues	<u>1,397,500</u>	<u>1,303,880</u>	<u>1,371,928</u>
OPERATING EXPENSES			
Personnel	212,217	212,217	218,584
Supplies	75,448	75,448	47,660
Contractual services	492,229	1,388,762	269,125
Depreciation	<u>-</u>	<u>-</u>	<u>207,674</u>
Total Operating Expenses	<u>779,894</u>	<u>1,676,427</u>	<u>743,043</u>
Operating Income (Loss)	<u>617,606</u>	<u>(372,547)</u>	<u>628,885</u>
NON-OPERATING REVENUES			
Investment income	<u>20,000</u>	<u>20,000</u>	<u>4,293</u>
Total Non-Operating Revenues	<u>20,000</u>	<u>20,000</u>	<u>4,293</u>
Net Income Before Transfers	<u>637,606</u>	<u>(352,547)</u>	<u>633,178</u>
TRANSFERS			
Transfers out	<u>(872,977)</u>	<u>(872,977)</u>	<u>(872,977)</u>
Net Transfers	<u>(872,977)</u>	<u>(872,977)</u>	<u>(872,977)</u>
Change in net position	<u>\$ (235,371)</u>	<u>\$ (1,225,524)</u>	(239,799)
NET POSITION - Beginning of Year (as restated)			<u>7,967,548</u>
NET POSITION - END OF YEAR			<u>\$ 7,727,749</u>

CITY OF URBANA

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
EQUIPMENT SERVICES FUND
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
OPERATING REVENUES			
Charges for services	\$ <u>1,045,927</u>	\$ <u>1,045,927</u>	\$ <u>950,884</u>
Total Operating Revenues	<u>1,045,927</u>	<u>1,045,927</u>	<u>950,884</u>
OPERATING EXPENSES			
Personnel	369,176	369,176	382,327
Supplies	19,054	19,054	16,095
Contractual services	135,603	148,103	88,008
Equipment parts	233,310	233,310	150,639
Fuel	224,000	224,000	209,683
Depreciation	<u>-</u>	<u>-</u>	<u>7,645</u>
Total Operating Expenses	<u>981,143</u>	<u>993,643</u>	<u>854,397</u>
Operating Income (Loss)	<u>64,784</u>	<u>52,284</u>	<u>96,487</u>
NON-OPERATING REVENUES			
Investment income	<u>1,000</u>	<u>1,000</u>	<u>1,783</u>
Total Non-Operating Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,783</u>
Net Income Before Transfers	<u>65,784</u>	<u>53,284</u>	<u>98,270</u>
TRANSFERS			
Transfers out	<u>(5,926)</u>	<u>(5,926)</u>	<u>(5,926)</u>
Net Transfers	<u>(5,926)</u>	<u>(5,926)</u>	<u>(5,926)</u>
Change in net position	\$ <u><u>59,858</u></u>	\$ <u><u>47,358</u></u>	92,344
NET POSITION - Beginning of Year			<u>264,490</u>
NET POSITION - END OF YEAR			\$ <u><u>356,834</u></u>

CITY OF URBANA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
As of June 30, 2018

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash	\$ 1,443,208	\$ 866,065	\$ 2,309,273
Investments			
Certificates of deposit	-	2,305,788	2,305,788
Money market funds	-	156,796	156,796
U.S. Government and agency securities	9,128,418	9,574,311	18,702,729
Mutual funds	19,846,458	32,539,569	52,386,027
Domestic common stocks	4,658,715	-	4,658,715
Corporate bonds	3,868,387	3,186,313	7,054,700
Municipal bonds	244,038	315,420	559,458
Receivables			
Accrued interest	<u>89,506</u>	<u>52,499</u>	<u>142,005</u>
Total Assets	<u>39,278,730</u>	<u>48,996,761</u>	<u>88,275,491</u>
LIABILITIES			
Accounts payable	<u>11,110</u>	<u>6,230</u>	<u>17,340</u>
Total Liabilities	<u>11,110</u>	<u>6,230</u>	<u>17,340</u>
NET POSITION			
Restricted for pensions	<u>\$ 39,267,620</u>	<u>\$ 48,990,531</u>	<u>\$ 88,258,151</u>

CITY OF URBANA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended June 30, 2018

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ADDITIONS			
Contributions			
Employer contributions	\$ 1,263,112	\$ 966,759	\$ 2,229,871
Employee contributions	452,353	400,438	852,791
Total Contributions	<u>1,715,465</u>	<u>1,367,197</u>	<u>3,082,662</u>
Investment income			
Investment income	841,656	1,994,567	2,836,223
Net appreciation in fair value of investments	<u>2,021,640</u>	<u>2,121,026</u>	<u>4,142,666</u>
Total Investment Income	2,863,296	4,115,593	6,978,889
Less Investment expense	<u>204,131</u>	<u>54,706</u>	<u>258,837</u>
Net Investment Income	<u>2,659,165</u>	<u>4,060,887</u>	<u>6,720,052</u>
Total Additions	<u>4,374,630</u>	<u>5,428,084</u>	<u>9,802,714</u>
DEDUCTIONS			
Benefits	2,611,505	2,519,230	5,130,735
Refunds of contributions	68,162	7,488	75,650
Administrative costs	<u>22,701</u>	<u>16,556</u>	<u>39,257</u>
Total Deductions	<u>2,702,368</u>	<u>2,543,274</u>	<u>5,245,642</u>
Change in Net Position	1,672,262	2,884,810	4,557,072
NET POSITION - Beginning of Year	<u>37,595,358</u>	<u>46,105,721</u>	<u>83,701,079</u>
NET POSITION - END OF YEAR	<u>\$ 39,267,620</u>	<u>\$ 48,990,531</u>	<u>\$ 88,258,151</u>

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	127 - 131
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source.	132 - 135
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.	136 - 139
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the City's financial activities take place.	140 - 142
Operating Information These schedules contain information about the City's service and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	143 - 144

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

CITY OF URBANA, ILLINOIS

SCHEDULE OF NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2009	2010	2011	2012	2013*	2014**	2015	2016	2017***	2018
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 77,101	\$ 79,853	\$ 81,466	\$ 87,036	\$ 83,380	\$ 86,212	\$ 90,695	\$ 90,099	\$ 90,269	\$ 93,268
Restricted	12,905	14,164	13,603	9,781	20,107	8,366	8,236	8,501	7,974	8,026
Unrestricted	24,615	21,977	22,085	27,336	25,589	291	1,985	3,832	(415)	(3,155)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	\$ 114,621	\$ 115,994	\$ 117,154	\$ 124,153	\$ 129,076	\$ 94,869	\$ 100,916	\$ 102,432	\$ 97,828	\$ 98,139
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	\$ 5,017	\$ 5,458	\$ 5,609	\$ 5,778	\$ 6,248	\$ 5,953	\$ 5,801	\$ 5,883	\$ 6,116	\$ 6,238
Unrestricted	3,571	3,189	3,048	2,970	2,353	2,295	2,357	2,217	1,866	1,512
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	\$ 8,588	\$ 8,647	\$ 8,657	\$ 8,748	\$ 8,601	\$ 8,248	\$ 8,158	\$ 8,100	\$ 7,982	\$ 7,750
PRIMARY GOVERNMENT										
Net investment in capital assets	\$ 82,118	\$ 85,311	\$ 87,075	\$ 92,814	\$ 89,628	\$ 92,165	\$ 96,496	\$ 95,982	\$ 96,385	\$ 99,506
Restricted	12,905	14,164	13,603	9,781	20,107	8,366	8,236	8,501	7,974	8,026
Unrestricted	28,186	25,166	25,133	30,306	27,942	2,586	4,342	6,049	1,451	(1,643)
TOTAL PRIMARY GOVERNMENT	\$ 123,209	\$ 124,641	\$ 125,811	\$ 132,901	\$ 137,677	\$ 103,117	\$ 109,074	\$ 110,532	\$ 105,810	\$ 105,889

Source:

The City of Urbana's Comprehensive Annual Financial Report

* Restated

**Restated due to the implementation of GASB Statement No. 68. Prior years have not been restated.

***Restated due to the implementation of GASB Statement No. 75. Prior years have not been restated.

CITY OF URBANA, ILLINOIS

SCHEDULE OF CHANGES IN NET POSITION
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2009	2010	2011	2012	2013 ^a	2014 ^{b, c}	2015	2016	2017 ^f	2018
EXPENSES										
Governmental activities										
Public safety	\$ 14,151	\$ 14,368	\$ 14,644	\$ 15,116	\$ 16,090	\$ 15,967	\$ 17,483	\$ 18,899	\$ 20,289	\$ 21,880
Highways and streets	10,591	10,956	10,980	10,376	11,527	12,386	11,892	14,348	12,956	10,759
General government	3,264	3,376	3,395	3,457	3,654	4,900	5,093	4,850	5,693	6,926
Urban redevelopment and housing	5,561	5,790	6,647	6,737	5,969	17,507	4,825	5,652	5,100	4,607
Interest on long-term debt	-	-	-	-	-	98	136	122	108	93
Library Services ^d	3,641	3,693	3,582	3,844	-	-	-	-	-	-
Total governmental activities expenses	37,208	38,183	39,248	39,530	37,240	50,858	39,429	43,871	44,146	44,265
Business-type activities										
Motor vehicle parking	715	747	758	698	735	717	675	681	707	736
Total business-type activities expenses	715	747	758	698	735	717	675	681	707	736
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 37,923	\$ 38,930	\$ 40,006	\$ 40,228	\$ 37,975	\$ 51,575	\$ 40,104	\$ 44,552	\$ 44,853	\$ 45,001
PROGRAM REVENUES										
Governmental activities										
Charges for services										
Public safety	\$ 3,089	\$ 2,717	\$ 2,763	\$ 2,883	\$ 2,988	\$ 3,182	\$ 3,796	\$ 3,346	\$ 3,498	\$ 3,191
Highways and streets	1,955	1,742	1,748	1,783	1,833	3,237	3,414	3,547	3,418	3,471
Other activities ^{c, d}	1,405	1,217	1,278	1,941	1,071	-	-	-	-	-
General government ^c	-	-	-	-	-	179	200	247	454	296
Urban redevelopment and housing ^c	-	-	-	-	-	1,080	1,308	1,551	1,442	1,259
Operating grants and contributions	1,797	2,200	1,799	1,826	2,430	1,859	2,818	2,041	1,292	2,969
Capital grants and contributions	252	1,998	1,874	6,200	3,890	4,434	2,010	1,245	1,335	3,219
Total governmental activities program revenues	8,498	9,874	9,462	14,633	12,212	13,971	13,546	11,977	11,439	14,405
Business-type activities program revenues										
Charges for services - motor vehicle parking	1,101	1,034	1,107	1,102	1,183	1,121	1,310	1,357	1,421	1,372
Total business-type activities program revenues	1,101	1,034	1,107	1,102	1,183	1,121	1,310	1,357	1,421	1,372
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 9,599	\$ 10,908	\$ 10,569	\$ 15,735	\$ 13,395	\$ 15,092	\$ 14,856	\$ 13,334	\$ 12,860	\$ 15,777
NET REVENUE (EXPENSE)										
Governmental activities	\$ (28,710)	\$ (28,309)	\$ (29,786)	\$ (24,897)	\$ (25,028)	\$ (36,887)	\$ (25,883)	\$ (31,894)	\$ (32,707)	\$ (29,860)
Business-type activities	386	287	349	404	448	404	635	676	714	636
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (28,324)	\$ (28,022)	\$ (29,437)	\$ (24,493)	\$ (24,580)	\$ (36,483)	\$ (25,248)	\$ (31,218)	\$ (31,993)	\$ (29,224)

Source:

The City of Urbana's Comprehensive Annual Financial Report

CITY OF URBANA, ILLINOIS

SCHEDULE OF CHANGES IN NET POSITION (Continued)
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2009	2010	2011	2012	2013 ^a	2014 ^{b, c}	2015	2016	2017 ^f	2018
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
Property taxes	\$ 10,968	\$ 10,401	\$ 11,614	\$ 10,583	\$ 8,674	\$ 7,901	\$ 7,179	\$ 8,778	\$ 6,695	\$ 6,634
Utility taxes	3,832	3,694	3,865	3,965	4,093	4,161	3,938	3,792	3,811	3,819
State and local sales taxes	8,736	8,422	9,070	9,791	10,170	10,902	11,494	12,277	12,033	11,694
Other taxes	1,530	1,660	1,801	2,128	2,211	2,332	2,203	2,292	2,296	2,264
Other intergovernmental	5,422	3,859	3,734	4,109	3,874	4,327	4,724	4,642	4,544	4,280
Investment income	954	1,152	418	769	(417)	562	458	745	73	137
Miscellaneous	86	144	47	44	71	55	1,157	83	80	470
Transfers	201	350	396	508	581	777	777	801	825	873
Total governmental activities	31,729	29,682	30,945	31,897	29,257	31,017	31,930	33,410	30,357	30,171
Business-type activities										
Investment income	111	122	58	94	(14)	54	50	66	5	4
Miscellaneous	-	-	-	100	-	-	3	-	-	-
Transfers	(201)	(350)	(396)	(508)	(581)	(777)	(777)	(801)	(825)	(873)
Total business-type activities	(90)	(228)	(338)	(314)	(595)	(723)	(724)	(735)	(820)	(869)
TOTAL PRIMARY GOVERNMENT	\$ 31,639	\$ 29,454	\$ 30,607	\$ 31,583	\$ 28,662	\$ 30,294	\$ 31,206	\$ 32,675	\$ 29,537	\$ 29,302
CHANGE IN NET POSITION										
Governmental activities	\$ 3,019	\$ 1,373	\$ 1,159	\$ 7,000	\$ 4,229	\$ (5,870)	\$ 6,047	\$ 1,516	\$ (2,350)	\$ 311
Business-type activities	296	59	11	90	(147)	(319)	(89)	(59)	(106)	(233)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 3,315	\$ 1,432	\$ 1,170	\$ 7,090	\$ 4,082	\$ (6,189)	\$ 5,958	\$ 1,457	\$ (2,456)	\$ 78

Source:

The City of Urbana's Comprehensive Annual Financial Report

^a Restated

^b Beginning in fiscal year 2014, replacement taxes, state sales taxes, and state use taxes are presented as intergovernmental revenues.

^c Prior to 2014, charges for services for general government and urban redevelopment and housing (along with library services) were combined in the schedule above.

^d In 2013, GASB Statement No. 61 was implemented, resulting in the Urbana Free Library no longer being reported within Governmental Activities.

^e In 2015, GASB Statement No. 68 and No. 71 were implemented, resulting in the restatement of 2014 net position. The effects of the restatement are not shown in this schedule.

^f In 2018, GASB Statement No. 75 was implemented, resulting in the restatement of 2017 net position. The effects of the restatement are not shown in this schedule.

CITY OF URBANA, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Amounts Expressed in Thousands)

	2009	2010	2011	2012	2013*	2014	2015	2016	2017	2018
GENERAL FUND										
Nonspendable										
Prepaid items	\$ 324	\$ 300	\$ 371	\$ 390	\$ 418	\$ 217	\$ 182	\$ 103	\$ 101	\$ 131
Unrestricted										
Assigned										
Workers' compensation	-	-	-	-	-	-	-	-	-	1,825
Unassigned / unreserved	6,904	6,018	4,715	5,830	4,645	8,894	11,362	15,594	9,699	10,645
TOTAL GENERAL FUND	\$ 7,228	\$ 6,318	\$ 5,086	\$ 6,220	\$ 5,063	\$ 9,111	\$ 11,544	\$ 15,697	\$ 9,800	\$ 12,601
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable										
Prepaid items	\$ 36	\$ 34	\$ 29	\$ 28	\$ 20	\$ 14	\$ -	\$ -	\$ -	\$ -
Restricted										
Library services	1,766	1,860	2,080	2,108	2,127	-	-	-	-	-
Urban redevelopment and housing	8,603	9,443	7,974	5,959	5,875	4,476	5,252	5,224	4,152	3,674
Public safety	-	-	-	-	-	20	47	56	73	91
Highways and streets	-	-	-	-	-	-	886	1,032	767	825
Capital projects	2,177	2,530	3,549	3,823	4,731	3,869	3,367	2,621	3,339	3,436
Unrestricted										
Committed										
Other purposes	670	484	205	293	783	-	-	-	-	-
Urban redevelopment and housing	591	521	683	600	388	-	-	-	-	-
Highways and streets	-	-	473	2,599	3,406	674	-	-	-	-
Workers' compensation	3,329	3,114	2,820	2,956	2,942	-	-	-	-	-
Capital projects	7,008	5,298	5,601	4,639	4,529	610	669	714	1,046	1,047
Assigned										
Public safety	-	-	-	-	-	5,190	5,314	6,703	7,408	7,972
Urban redevelopment and housing	-	-	-	-	-	539	451	116	5,437	525
Social services	-	-	-	-	-	13	35	36	31	-
Workers' compensation	-	-	-	-	-	2,998	2,760	2,730	2,354	-
Public television	-	-	-	-	-	27	30	24	165	166
Capital projects	-	-	-	-	-	3,473	2,836	2,736	4,229	3,976
Property tax reserve	-	-	-	-	-	-	-	-	-	5,313
Unassigned (deficit)	-	-	-	-	-	(388)	(443)	(96)	(47)	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 24,180	\$ 23,284	\$ 23,414	\$ 23,005	\$ 24,801	\$ 21,515	\$ 21,204	\$ 21,896	\$ 28,954	\$ 27,025
TOTAL ALL GOVERNMENTAL FUNDS	\$ 31,408	\$ 29,602	\$ 28,500	\$ 29,225	\$ 29,864	\$ 30,626	\$ 32,748	\$ 37,593	\$ 38,754	\$ 39,626

* Restated for the implementation of GASB Statement No. 54

Source:

The City of Urbana's Comprehensive Annual Financial Report

CITY OF URBANA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Amounts Expressed in Thousands)

	2009	2010	2011	2012	2013*	2014**	2015	2016	2017	2018
REVENUES										
Property taxes	\$ 10,560	\$ 10,533	\$ 11,768	\$ 10,522	\$ 8,673	\$ 7,901	\$ 7,179	\$ 8,778	\$ 6,695	\$ 6,634
Other taxes	14,097	13,776	14,736	15,884	16,475	10,863	11,009	11,308	11,213	11,550
Intergovernmental	9,110	9,973	9,188	13,827	12,422	18,595	18,490	17,922	16,619	16,348
Investment income	953	1,152	418	769	(417)	562	458	26	73	136
Licenses, fines and service charges	4,811	3,761	4,009	4,920	4,023	5,802	6,213	6,447	6,199	8,035
Miscellaneous	85	139	45	46	-	56	1,157	743	80	470
Total revenues	39,616	39,334	40,164	45,968	41,176	43,779	44,506	45,224	40,879	43,173
EXPENDITURES										
Public safety	14,011	14,552	14,899	15,212	16,097	16,422	16,345	16,046	16,783	16,782
Highways and streets	7,716	8,104	7,900	7,132	7,850	8,097	7,826	8,068	8,449	8,662
General government	3,078	3,273	3,349	3,334	3,704	4,895	4,666	4,197	4,833	5,270
Urban redevelopment and housing	5,468	5,755	6,628	6,675	5,946	17,413	4,970	5,534	5,061	4,473
Library services	3,379	3,507	3,427	3,598	-	-	-	-	-	-
Debt service										
Principal	-	-	-	-	-	815	1,115	1,105	1,125	1,153
Interest and fiscal charges	-	-	-	-	-	60	141	128	114	100
Capital outlay	6,479	6,299	5,459	9,800	9,887	13,434	10,898	6,452	4,178	6,740
Total expenditures	40,131	41,490	41,662	45,751	43,484	61,136	45,961	41,530	40,543	43,180
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(515)	(2,156)	(1,498)	217	(2,308)	(17,357)	(1,455)	3,694	336	(7)
OTHER FINANCING SOURCES (USES)										
Transfers in (out)	201	350	396	508	205	777	777	801	825	879
Bond proceeds	-	-	-	-	3,800	4,000	2,800	350	-	-
Total other financing sources (uses)	201	350	396	508	4,005	4,777	3,577	1,151	825	879
NET CHANGES IN FUND BALANCES	\$ (314)	\$ (1,806)	\$ (1,102)	\$ 725	\$ 1,697	\$ (12,580)	\$ 2,122	\$ 4,845	\$ 1,161	\$ 872
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	0.0%	0.0%	0.0%	0.0%	0.0%	1.8%	3.5%	2.6%	3.4%	3.5%

Source:
 The City of Urbana's Comprehensive Annual Financial Report

* Restated

** Beginning in fiscal year 2014, replacement taxes, sales taxes, and use taxes are presented as intergovernmental revenues.

CITY OF URBANA, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Total Taxable Assessed Value (a)	Total Direct Tax Rate (b)	Estimated Actual Taxable Value	Assessed Value as % of Actual Value	Percentage Change
2008	\$ 339,924,357	\$ 240,170,456	\$ 580,094,813	0.01294	\$ 1,740,284,439	33%	7.0%
2009	345,226,107	246,662,888	591,888,995	0.01294	1,775,666,985	33%	2.0%
2010	350,754,767	245,020,899	595,775,666	0.01294	1,787,326,998	33%	0.7%
2011	340,386,247	244,199,112	584,585,359	0.01319	1,753,756,077	33%	-1.9%
2012	329,368,177	239,673,992	569,042,169	0.01355	1,707,126,507	33%	-2.7%
2013	326,003,623	194,489,301	520,492,924	0.01355	1,561,478,772	33%	-8.5%
2014	321,888,953	201,494,560	523,383,513	0.01346	1,570,150,539	33%	0.6%
2015	320,668,273	201,974,287	522,642,560	0.01355	1,567,927,680	33%	-0.1%
2016	326,100,413	219,874,042	545,974,455	0.01355	1,637,923,365	33%	4.5%
2017	332,595,033	225,289,479	557,884,512	0.01355	1,673,653,536	33%	2.2%

Source: Champaign County Clerk

Note: Property in the City of Urbana is reassessed on a triennial basis. Property is assessed at 33.33% of estimated actual value. Tax rates are per \$100 of equalized assessed value.

^a County deducts the tax-exempt property from each property category before reporting this data.

^b City of Urbana rate only. Excludes all other taxing jurisdictions.

CITY OF URBANA, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

(Tax Rates per \$100 Assessed Valuation)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City of Urbana:										
Library	0.4853	0.4998	0.4927	0.5089	0.5347	0.5608	0.5577	0.5728	0.5694	0.5754
General	0.3312	0.2735	0.2339	0.2454	0.1998	0.1492	0.3081	0.3989	0.4238	0.3895
Police Pension	0.2704	0.2964	0.3266	0.3328	0.3689	0.3928	0.2842	0.2127	0.2031	0.2223
Fire Pension	0.2073	0.2245	0.2410	0.2319	0.2516	0.2522	0.1962	0.1706	0.1587	0.1678
Total City of Urbana:	<u>1.2942</u>	<u>1.2942</u>	<u>1.2942</u>	<u>1.3190</u>	<u>1.3550</u>	<u>1.3550</u>	<u>1.3462</u>	<u>1.3550</u>	<u>1.3550</u>	<u>1.3550</u>
School District	4.3507	4.3178	4.4083	4.5983	4.9537	5.7630	5.8637	5.9828	5.9249	5.9684
Champaign County	0.7426	0.7487	0.7688	0.7841	0.8138	0.8511	0.8636	0.8672	0.8458	0.8481
Park District	0.6962	0.8354	0.8586	0.9526	1.0115	1.1816	1.2013	1.2214	1.2106	1.2255
Parkland College	0.5115	0.5082	0.5064	0.5120	0.5191	0.5253	0.5259	0.5460	0.5436	0.5411
Mass Transit	0.2575	0.2619	0.2725	0.2831	0.2966	0.3198	0.3282	0.3332	0.3235	0.3274
Cunningham Town	0.1875	0.1885	0.1942	0.2030	0.2164	0.2472	0.2488	0.2154	0.2064	0.2020
Public Health	0.1052	0.1071	0.1075	0.1102	0.1163	0.1259	0.1290	0.1307	0.1267	0.1276
Forest Preserve	0.0783	0.0790	0.0817	0.0843	0.0880	0.0931	0.0944	0.0947	0.0928	0.0925
Total	<u>8.2237</u>	<u>8.3408</u>	<u>8.4922</u>	<u>8.8466</u>	<u>9.3704</u>	<u>10.4620</u>	<u>10.6011</u>	<u>10.7464</u>	<u>10.6293</u>	<u>10.6876</u>

Source: Champaign County Clerk

CITY OF URBANA, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	At Fiscal Year End June 30, 2018			At Fiscal Year End June 30, 2009		
	Equalized Assessed Value	Rank	Percentage of Total City Equalized Assessed Value	Equalized Assessed Value	Rank	Percentage of Total City Equalized Assessed Value
The Scion Group (One Illinois) LLC	11,180,350	1	2.00%	-		
MIMG XLV Town and Country Apartments	9,414,640	2	1.69%	8,490,360	4	1.52%
Bainbridge CC Urbana Apartment	9,049,100	3	1.62%	-		
Clark Lindsey Village	6,164,780	4	1.11%	4,661,880	9	0.84%
Amber Apartment LLC	4,364,270	5	0.78%	-		
Supervalu Inc	4,148,200	6	0.74%	-		
Carle Foundation	3,867,050	7	0.69%	55,998,280	1	10.04%
Campus Property Management	3,684,550	8	0.66%	12,018,170	3	2.15%
Walmart Property	3,682,380	9	0.66%	5,093,420	7	0.91%
Hunsinger Enterprises Inc	3,273,570	10	0.59%	-		
Urbana Campus Rentals II	3,170,720	11	0.57%	-		
Meijer Inc	3,143,880	12	0.56%	-		
JSM Management	3,039,760	13	0.54%	-		
The Pointe at U of I LLC	2,999,700	14	0.54%	-		
Total	<u>\$ 68,183,250</u>		<u>12.22%</u>	<u>\$ 86,262,110</u>		<u>15.46%</u>
 Total Urbana EAV	 \$ 557,884,512			 \$ 591,888,995		

Source: Champaign County Clerk

CITY OF URBANA, ILLINOIS

PROPERTY TAX LEVY AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	Total Tax Levy Extended	Collections in Fiscal Year	Levy Collected In Fiscal Year	Percent of Collections Subsequent Years	Total Tax Collections	Percent of Levy Collected
2008	\$ 7,507,666	\$ 3,786,555	50.44%	\$ 3,721,111	\$ 7,507,666	100.00%
2009	7,660,227	3,869,925	50.52%	3,768,393	7,638,318	99.71%
2010	7,710,529	3,949,073	51.22%	3,735,508	7,684,581	99.66%
2011	7,710,681	4,039,136	52.38%	3,626,140	7,665,276	99.41%
2012	7,710,681	3,574,872	46.36%	3,268,227	6,843,099	88.75%
2013	7,052,679	3,768,460	53.43%	3,248,843	7,017,303	99.50%
2014	7,045,789	3,738,041	53.05%	3,284,566	7,022,607	99.67%
2015	7,081,807	3,719,966	52.53%	3,338,651	7,058,617	99.67%
2016	7,397,954	3,945,600	53.33%	3,423,117	7,368,717	99.60%
2017	7,559,335	4,005,524	52.99%	-	4,005,524	52.99%

Source: Champaign County Clerk

Note: Does not include special service areas or incremental property taxes, but does include the Urbana Free Library

CITY OF URBANA, ILLINOIS

RATIO OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Loans Payable	Parking Bonds	Alternate Revenue Note			
2009	\$ -	\$ -	\$ 560,000	\$ 124,039	\$ 684,039	0.05%	\$ 17
2010	-	-	435,000	113,203	548,203	0.04%	14
2011	-	-	300,000	101,391	401,391	0.03%	10
2012	-	-	155,000	88,516	243,516	0.02%	6
2013	3,800,000	-	-	74,482	3,874,482	0.26%	92
2014	6,985,000	-	-	59,186	7,044,186	0.40%	167
2015	8,670,000	-	-	42,513	8,712,513	0.49%	206
2016	7,565,000	350,000	-	24,339	7,939,339	0.48%	188
2017	6,440,000	332,500	-	-	6,772,500	0.38%	161
2018	5,305,000	315,000	-	-	5,620,000	0.31%	134

Source:

The City of Urbana's Comprehensive Annual Financial Report

(a) Additional demographic information is available in the schedule of Demographic and Economic Statistics.

CITY OF URBANA, ILLINOIS

RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Loans Payable	Total	Percentage of Actual Taxable Value of Property	Per Capita
2009	\$ -	\$ -	\$ -	0.0%	\$ -
2010	-	-	-	0.0%	-
2011	-	-	-	0.0%	-
2012	-	-	-	0.0%	-
2013	3,800,000	-	3,800,000	0.7%	91
2014	6,985,000	-	6,985,000	1.3%	167
2015	8,670,000	-	8,670,000	1.7%	206
2016	7,565,000	350,000	7,915,000	1.5%	187
2017	6,440,000	332,500	6,772,500	1.2%	161
2018	5,305,000	315,000	5,620,000	1.0%	134

Note:

Revenue and special assessment debt not included. Details regarding the City's outstanding debt can be found in the notes to the financial statements. Population can be found in the schedule of Demographic and Economic Statistics. Information on taxable value can be found in the schedule of Assessed Value and Actual Value of Taxable Property.

CITY OF URBANA, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt (1)</u>
Overlapping debt			
Debt repaid with property taxes			
School District	\$ 39,179,000	86%	\$ 33,749,504
Champaign County	28,810,000	14%	4,026,856
Forest Preserve	406,692	14%	56,870
Parkland College	60,238,773	10%	6,190,806
C-U Health District	580,876	25%	144,617
C-U Mass Transit District	-	22%	-
Urbana Park District	13,142,219	99%	13,063,294
Subtotal, overlapping debt			57,231,947
City of Urbana direct debt			5,620,000
Total direct and overlapping debt			<u>\$ 62,851,947</u>

Source: Assessed value provided by Champaign County Clerk. Outstanding debt provided by each government unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City of Urbana. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Urbana. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) Computed by dividing Urbana's assessed value by the assessed value of the overlapping government and multiplying this rate by the overlapping government's outstanding debt. An overlapping government unit is any which levies a tax on a citizen of Urbana. This schedule does not include revenue supported debt.

CITY OF URBANA, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

As of June 30, 2018

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 essential 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 amounts."

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

CITY OF URBANA, ILLINOIS

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	(1) Population	(2) Personal Income <i>(thousands of dollars)</i>	(2) Per Capita Personal Income	(1) Median Age	(3) Education Level in Years of Formal Schooling	(4) School Enrollment	(5) Unemployment Rate
2009	39,170	\$ 1,423,242	\$ 36,335	24.0	14.1	4,155	8.7%
2010	40,210	1,440,483	35,824	24.0	14.1	4,206	10.4%
2011	41,440	1,544,303	37,266	24.0	14.1	4,242	8.6%
2012	41,511	1,576,859	37,461	24.0	14.1	4,331	8.8%
2013	41,581	1,625,235	38,409	24.0	14.1	4,454	8.5%
2014	41,752	1,638,223	39,237	23.8	14.9	4,494	5.7%
2015	42,044	1,649,680	39,237	23.8	14.9	4,451	4.5%
2016	42,311	1,660,157	39,237	23.9	14.9	4,444	5.2%
2017	42,014	1,800,846	42,863	24.0	15.3	4,604	4.5%
2018	41,889	1,825,523	43,584	24.0	15.3	4,590	4.4%

Sources:

(1) Estimate by city staff from U.S. Bureau of Census information. Median age and education levels are based on information from 2010-2014 American Community Survey 5-year estimates

(2) Bureau of Economic Analysis, U.S. Commerce Department, for Champaign-Urbana M.S.A. Amount is for total for the year, expressed in thousands.

(3) Estimate by city staff from American Community Survey.

(4) Urbana School District #116. Number is from start of school year.

(5) Bureau of Labor Statistics, U.S. Department of Labor, expressed as a percentage. Rate is for last quarter of fiscal year.

CITY OF URBANA, ILLINOIS

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

<u>Employer</u>	2018			2019		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
University of Illinois	13,857	1	12.2%	10,500	1	6.7%
Carle Group	6,386	2	5.6%	5,669	2	3.7%
Champaign Schools	1,624	3	1.4%	1,370	4	0.9%
Kraft Foods	1,025	4	0.9%	1,325	5	0.9%
Champaign County	923	5	0.8%	887	9	0.6%
Christie Clinic	911	6	0.8%			
Urbana Schools	830	7	0.7%			
Presence Covenant Medical Center	803	8	0.7%	1,200	6	0.8%
Plastipak	780	9	0.7%	800	10	0.5%
Parkland College	707	10	0.6%	1,200	7	0.8%
Fedex	681	11	0.6%			
City of Champaign	535	12	0.5%			
Total	29,062		25.5%	22,951		14.9%

Sources: Champaign County Economic Development Corporation.

CITY OF URBANA, ILLINOIS

NUMBER OF CITY EMPLOYEES BY FUNCTION (FULL-TIME EQUIVALENTS)
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public Safety										
Police safety										
Sworn	55.0	55.0	55.0	55.0	54.0	55.0	55.0	55.0	57.0	57.0
Civilian	22.0	22.0	22.0	22.0	22.0	17.8	17.3	17.0	15.5	15.25
Fire safety										
Sworn	57.0	57.0	56.0	57.0	57.0	57.0	57.0	57.0	57.0	57.0
Civilian	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5
Highways and Streets										
Administration	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0
Maintenance	32.5	32.5	29.5	32.5	32.5	32.7	29.0	28.5	28.45	28.5
Engineering	12.5	13.5	13.5	13.5	13.5	13.9	12.3	11.3	11.7	12.85
Fleet	4.5	4.5	4.5	4.5	4.5	4.5	4.1	4.1	4.1	4.1
Arbor	13.0	13.0	13.0	13.0	13.0	14.8	15.0	15.0	15.0	15.0
Facilities	9.5	9.5	9.5	9.5	9.5	9.8	8.8	8.3	8.3	8.25
Environmental	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
General Government										
Administration	4.5	4.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Legal	5.0	5.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0
Human resources	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Human relations	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.5
Finance	8.0	8.0	8.0	8.0	11.8	12.0	12.0	12.5	12.5	12.5
Information technology	11.0	11.0	11.0	11.0	10.0	10.3	11.3	10.9	11.2	10.65
City clerk	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Urban Redevelopment and Housing										
Planning	7.5	7.5	6.5	7.5	7.5	7.3	7.3	5.8	5.8	5.25
Economic development	4.3	4.3	4.3	4.3	4.3	4.8	5.8	5.8	6.0	5.9
Building safety	8.0	8.0	8.0	8.0	8.0	7.8	8.8	9.8	9.8	9.2
Housing	4.2	4.2	4.2	4.2	4.2	4.0	4.0	3.7	3.7	3.5
Total	<u>276.0</u>	<u>277.0</u>	<u>270.0</u>	<u>275.0</u>	<u>276.8</u>	<u>277.4</u>	<u>273.0</u>	<u>270.1</u>	<u>271.9</u>	<u>271.5</u>

Source: City Finance Department

CITY OF URBANA, ILLINOIS

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Safety										
Police Department										
Arrests	7,442	7,251	6,146	6,170	5,956	6,895	6,830	6,233	5,151	5,114
Service calls	21,967	20,964	20,066	20,646	20,100	20,487	19,397	17,418	24,166	23,518
Reports written	7,163	7,119	7,083	7,304	7,108	7,701	7,411	6,856	6,665	6,147
Parking tickets issued	35,143	33,601	24,436	24,666	22,744	21,823	22,439	16,382	22,255	18,720
Fire Department										
Fires	194	172	186	291	258	207	188	217	173	165
Overpressure, explosion, overheat	12	11	8	13	5	13	13	10	11	12
Rescue EMS	2,134	2,141	2,285	2,325	2,412	2,713	2,556	2,618	2,561	2,659
Hazardous condition	221	217	253	239	248	257	220	223	192	177
Service call	343	434	456	467	560	679	737	598	617	605
Good intent	452	475	434	430	380	486	464	407	372	400
False alarm or false call	1,097	1,072	1,004	1,000	1,064	1,065	1,002	1,046	829	887
Severe weather or natural disaster	-	2	4	5	2	5	3	2	-	2
Special incident	3	4	5	2	4	2	3	-	3	4
Uncoded	-	-	-	-	-	-	-	-	-	-
Inspections:										
Fire/CD combined	**	**	**	**	39	-	-	-	-	2
Certified housing	**	**	**	**	18	23	23	42	39	38
Commercial	**	**	**	**	842	1,037	1,056	848	997	796
Hotel/Motel	**	**	**	**	**	**	**	7	0	2
Multi family	**	**	**	**	252	333	355	384	284	205
Residential	**	**	**	**	49	23	31	23	5	5
U of I fire inspection	**	**	**	**	44	70	72	69	61	80
Highways and Streets										
Street resurfacing (sq. yard asphalt and concrete)	37,550	48,182	62,010	63,248	129,271	137,354	73,142	47,216	70,987	194,921
Recycling, tons of waste collected (1000's)										
Non-landscape	7.8	7.3	8.6	8.8	9.6	0.5	10.0	5.7	5.3	4.7
Landscape	19.0	20.3	16.9	21.9	17.9	17.3	16.5	10	11.8	11.4
General Government										
Licenses/permits processed	793	792	833	877	992	1,035	1,044	1,018	939	953
Parking rentals and permits	1,827	1,837	1,815	1,815	1,762	1,575	1,621	1,542	1,610	1,557
Urban Redevelopment and Housing										
Permits issued	1,642	1,627	1,456	1,513	1,346	1,610	1,417	1,472	1,635	1,662
Zoning/planning cases	76	54	51	75	43	85	91	77	84	55

Source: Various city departments.

* Records for responses are corrupted and accurate information is unable to be obtained.

** Changed tracking for inspections in 2013 to be able to break down into specific categories.

*** Information not available.

CITY OF URBANA, ILLINOIS

CAPITAL ASSET STATISTICS BY FUNCTION Last Ten Fiscal Years

<u>Function/Program</u>	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Highways and Streets										
Area City (sq. mi.)	11.7	11.9	11.9	11.9	11.9	11.9	11.9	11.9	11.9	11.9
Miles streets	144.6	145.5	145.5	143.8	143.8	143.8	143.8	138.4	145.5	146.7
Miles sewers	235.6	237.3	241.0	241.9	243.0	243.8	244.7	244.3	245.7	249.1
Street lights	3,569	3,619	3,659	3,688	3,651	3,768	3,781	3,791	3,793	3,796
City trees	12,610	12,640	12,670	12,700	11,572	11,479	11,165	10,793	10,750	10,824

Source: Various city departments.