

**CITY OF NAPERVILLE,
ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**



**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020**

CITY OF NAPERVILLE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2020

Prepared by:
The Finance Department

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INTRODUCTORY SECTION

CITY OF NAPERVILLE, ILLINOIS

Elected and Appointed Officers and Officials

For the fiscal year ended December 31, 2020

Mayor

Steve Chirico

Council

Patrick Kelly
Theresa Sullivan
Judith A. Brodhead
Kevin M. Coyne

Patricia A. Gustin
Paul J. Hinterlong
John J. Krummen
Dr. Benjamin White

City Manager

Douglas A. Krieger

Deputy City Manager

Marcie J. Schatz

City Clerk

Pamela Gallahue

Finance Director

Rachel Mayer

Chief of Police

Robert W. Marshall

Fire Chief

Mark J. Puknaitis

Director of Public Works

Richard E. Dublinski

Director of T.E.D. Business Group

William J. Novack

**Director of Public Utilities –
Electric**

Brian Groth

**Director of Public Utilities –
Water**

Darrell Blenniss

Director of Human Resources

James Sheehan

City Attorney

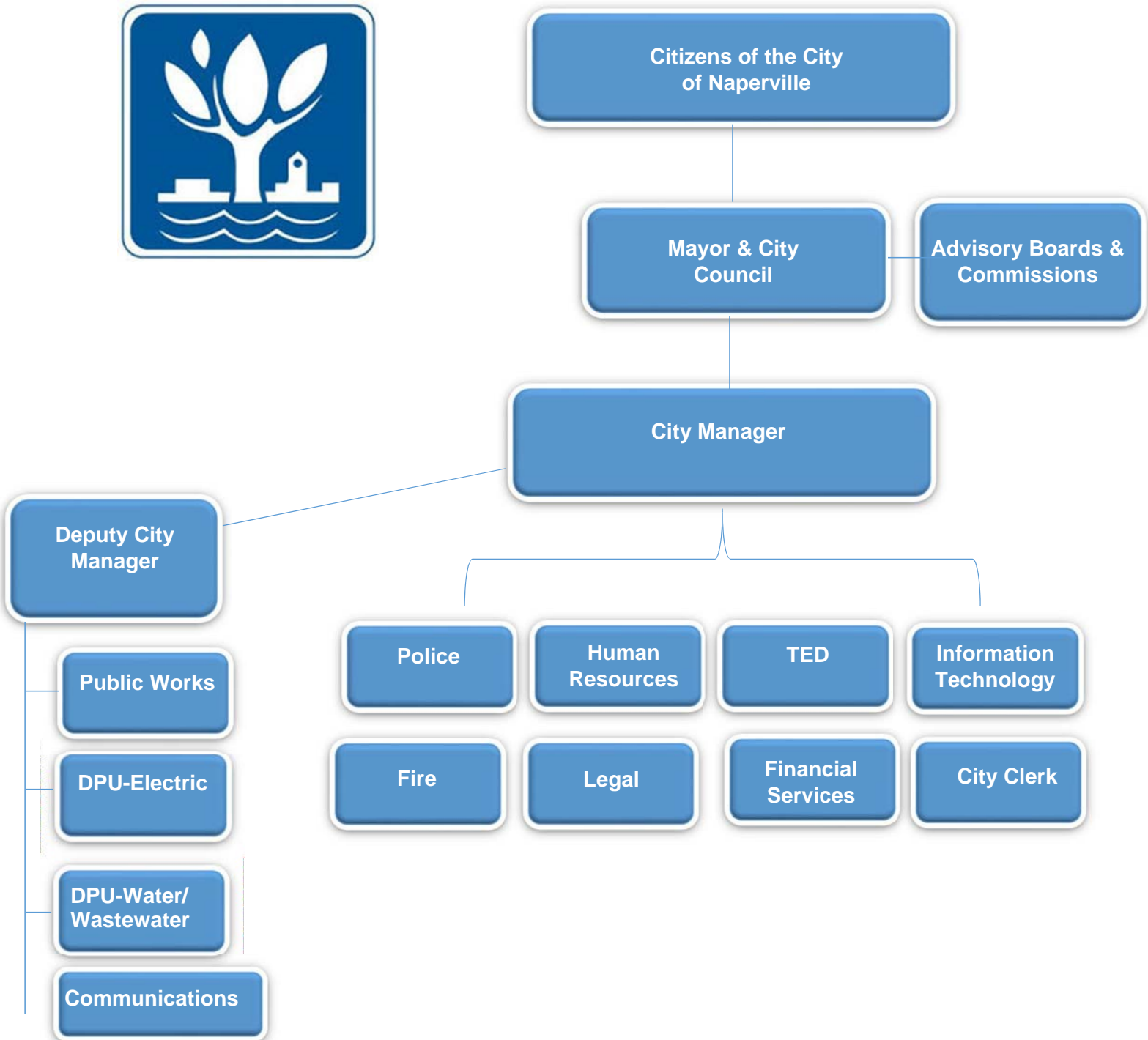
Michael DiSanto

Director of IT

Jackie Nguyen



Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Naperville
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO



August 9, 2021

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

We are pleased to submit the Comprehensive Annual Financial Report of the City of Naperville for the fiscal year ended December 31, 2020. State law and local ordinances require that we publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

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

The City of Naperville's basic financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants, with the goal of providing reasonable assurance that the basic financial statements of the City of Naperville for the fiscal year ended December 31, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Naperville's basic financial statements for the fiscal year ended December 31, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

CITY OF NAPERVILLE, ILLINOIS

Letter of Transmittal

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

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

Profile of the Government

The City of Naperville, incorporated in 1857, is located in the northeastern part of Illinois. The City of Naperville currently occupies a land area of 39.76 square miles and serves a population of 148,449. The City of Naperville is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which has occurred periodically when deemed appropriate by the City Council.

The City has operated under the Council-Manager form of government since 1969. Policymaking and legislative authority are vested in the City Council, which consists of a mayor and eight councilmembers. The City Council sets policy for the City, passes ordinances, adopts resolutions and the annual budget, and approves all expenditures. The Mayor and the Councilmembers are elected at large, on a non-partisan basis.

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

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

The utility funds, providing electricity, water, and wastewater services, are reported as enterprise funds of the City. In addition, the Commuter Parking Fund, is treated as an enterprise fund, due to the business-like nature of its operations. Discretely presented component units are reported as a separate column in the basic financial statements to

CITY OF NAPERVILLE, ILLINOIS

Letter of Transmittal

emphasize that these funds are legally separate from the primary government, and to differentiate their financial position, changes in financial position and cash flows from those of the primary government. The Naperville Public Library is reported as a discretely presented component unit.

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

Factors Affecting Financial Condition

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

For the past 25 years, the City has maintained its AAA bond rating and managed its finances to support a consistently low property tax rate while providing high quality services to the community. Following several decades of rapid growth beginning in the 1980s, the City transitioned to a maintenance community in recent years. As the expansion of revenue streams fueled by development waned, the City experienced depleted cash reserves and increased reliance on borrowing for infrastructure maintenance projects.

In 2016, the City Council developed and passed a financial strategy that put the City on a road to long-term financial stability, understanding that any future growth would involve limited infill versus expansion and that assets developed in Naperville's growth phase would require more extensive maintenance in the coming decades as those assets aged. That financial strategy included the adoption of a new mission statement and ends policies to support and guide the everyday operations of all City departments. Financial management was a significant component of the new ends policies which led staff to modify the philosophies that surround the budget process and financial state of the City.

As part of this financial management and planning, the City Council established the following three financial principles as a guideline for long-term financial stability of the community.

CITY OF NAPERVILLE, ILLINOIS

Letter of Transmittal

Principle #1

- The City will pass a structurally balanced operating budget annually

Principle #2

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

Principle #3

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

Since their adoption, these principles have guided the City's financial planning and budgeting, and financial decisions have consistently tested against these principles. The impact of the City's active financial management can be seen in its rising cash balances, decreasing debt burden, and reaffirmation of the City's AAA credit rating by both Moody's and Standard & Poor's in 2018 and 2020. Both ratings agencies cite the City's strong fiscal management as one of the driving factors in its AAA rating.

The City's financial stability took on added importance in 2020 when Naperville felt the affects of the COVID-19 global pandemic. In early 2020, it appeared the local economy was headed for a sharp downturn that would have significant impact on City finances. The City once again engaged in a collaborative effort of City Council and City staff to actively manage the potential financial impacts of the global pandemic. Throughout 2020, the City embraced the theme of financial flexibility and enacted several measures to mitigate the financial downturn. Those measures included a reduction in capital spending, the issuance of new debt and the refinancing of existing debt to preserve cash balances in capital funds, and the temporary loosening of restrictions on certain revenue streams to sustain core service delivery. These actions, combined with federal assistance provided under the CARES Act, helped the City avoid significant financial hardships. At the end of 2020, the City had overcome the fiscal challenges presented by the pandemic and has further strengthened its balance sheet.

As the local economy recovers from the pandemic, the City continues to monitor the financial climate at the state and federal level. At the federal level, the City monitors those factors that directly impact Naperville, including changes in monetary policy and legislation that could have potential impacts on City revenues and expenditures. The State of Illinois continues to be a significant external risk for the City's financial stability. The state's overall financial status impacts Naperville in several ways; including the potential for higher borrowing costs, unfunded mandates, and fiscal uncertainty regarding economic development. Staff continues to monitor activity at the federal and state level and plans conservatively based on potential financial impacts that could reach the City.

Aside from the global events of 2020 and continuing uncertainty surrounding state and federal financial climates, the City continues to see positive economic trends including both residential and commercial redevelopment, increased real estate sales activity, above-average employment, and consistent retail sales. These trends, when combined with the

CITY OF NAPERVILLE, ILLINOIS

Letter of Transmittal

City's strong balance sheet, show Naperville has established a stable financial status. That said, the City will stay its course of conservative planning so that it may be prepared to react to any future financial volatility at the federal, state, or local level.

Awards and Acknowledgements

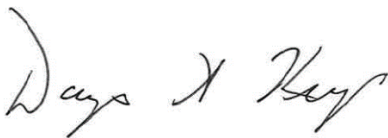
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Naperville for its annual comprehensive financial report (ACFR) for the fiscal year ended December 31, 2019. This was the 27th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

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

In addition, the City has applied for the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2021. The City has received this prestigious award for 28 consecutive years. In order to qualify for the Distinguished Budget Presentation Award, a government's budget document must be judged to be proficient in several categories, including policy documentation, financial planning, and organization. As of the publication of this report, the City had not received a determination on its application.

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

Respectfully submitted,



Douglas A. Krieger
City Manager



Rachel Mayer
Finance Director

FINANCIAL SECTION

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

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Naperville, Illinois (the City), as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Firefighters' Pension Fund of the City which represents 42%, 43%, and 23%, respectively, of the assets, fund balances/net position and revenue/additions of the aggregate remaining fund information of the City. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Firefighters' Pension Fund of the City is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States. The Firefighters' Pension Fund (fiduciary component unit), the Police Pension Fund (fiduciary component unit), and the Naperville Public Library (discretely presented component unit) were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Naperville, Illinois, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We and the other auditors do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund statements and schedules and other supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund statements and schedules and other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated August 9, 2021 on our consideration of the City of Naperville, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Naperville, Illinois' internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
August 9, 2021

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

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

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

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$820 million (net position) for the fiscal year ended December 31, 2020.
- The City's total net position increased by \$17 million. The governmental net position increased by \$9 million or 2.6% and the business-type net position increased by \$8 million or 1.7%.
- The City's governmental funds reported combined ending fund balances of \$96.8 million. The General Fund accounted for \$38.0 million or 38% of the total. The General Fund ending balance increased \$3.9 million or 11.4% from the previous reporting period.
- The City refunded \$23.7 million in bonded debt for a cash flow savings of \$2.1 million and issued \$16 million in new debt during the reporting period.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements (see pages 4-7) are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The focus of the Statement of Net Position (the Unrestricted Net Position) is designed to be similar to bottom-line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

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

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

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

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

Fund Financial Statements

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund, which are considered to be major funds. Data from the other 21 governmental funds are combined into a single, aggregated presentation.

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

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

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Proprietary Funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Electric Utility, Water and Wastewater Utility, Solid Waste, and Commuter Parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities. Because these services predominantly benefit governmental functions, they have been allocated to the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric Utility, Water and Wastewater Utility, Solid Waste, and Commuter Parking operations. The Electric Utility Fund and the Water and Wastewater Utility both are considered to be major funds of the City.

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

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-72 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the budgetary comparison to actual for the General Fund, as well as the City's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages 73-83 of this report.

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Government-wide Financial Analysis

Statement of Net Position

The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$820 million for the fiscal year ended December 31, 2020. By far the largest portion of the City's net position (\$794 million) reflects its investment in capital assets (e.g., land, infrastructures, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$22 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$4 million) may be used to meet the City's ongoing obligations to citizens and creditors.

The following table presents a condensed summary of Net Position as of December 31, 2020 and December 31, 2019:

	Net Position (in Millions)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 165	138	105	92	271	230
Capital Assets	483	495	434	445	917	940
Total Assets	648	633	539	538	1,188	1,170
Deferred Outflows	34	31	3	4	37	35
Total Assets/Deferred Outflows	682	664	542	542	1,224	1,206
Long-Term Liabilities	227	236	38	50	266	286
Other Liabilities	20	20	25	25	45	45
Total Liabilities	247	257	64	75	311	332
Deferred Inflows	84	66	10	6	94	72
Total Liabilities/Deferred Inflows	331	322	74	81	405	403
Net Position						
Net Investment in Capital Assets	393	409	402	394	794	803
Restricted	21	20	-	-	21	20
Unrestricted (Deficit)	(63)	(87)	67	67	4	(21)
Total Net Position	350	342	469	461	819	802

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Normal Impacts

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

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

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

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

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

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

Current Year Impacts

For the fiscal year ended December 31, 2020, the City reported positive balances in two of the three categories of net position for the governmental activities. For business-type activities, the City reported positive balances in all three categories of net position. The deficit in unrestricted net position for the governmental activities is the result of the net pension liabilities and related activity for the City's Illinois Municipal Retirement Fund, Police Pension Fund, and Firefighters' Pension Fund.

During the current fiscal year, total unrestricted net position improved to \$4.0 million versus a deficit of \$21 million. The governmental unrestricted net position increased by \$24 million due to increases in investment income and sales tax revenue and the business-type unrestricted net position remained at \$67 million, primarily due to consistent operating income in the City's Electric Utility Fund and Water and Wastewater Utility Fund.

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

The following table presents a condensed summary of Changes in Net Position as of December 31, 2020 and December 31, 2019:

	Change in Net Position (in Millions)					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues						
Charges for Services	\$ 21	32	224	213	245	245
Operating Grants/Contributions	11	3	1	0	11	3
Capital Grants/Contributions	9	5	4	4	13	9
General Revenues						
Property Taxes	38	37	-	-	38	37
Other Taxes	94	101	-	-	94	101
Other Revenues	7	7	5	5	12	12
Total Revenues	180	184	233	222	414	406
Expenses						
General Government	15	16	-	-	15	16
Physical Environment	13	12	-	-	13	12
Public Safety	85	96	-	-	85	96
Culture and Recreation	10	8	-	-	10	8
Transportation	47	48	-	-	47	48
Interest on Long-Term Debt	3	3	-	-	3	3
Electric	-	-	153	154	153	154
Water and Wastewater	-	-	64	64	64	64
Burlington Commuter Parking	-	-	2	2	2	2
Solid Waste	-	-	7	-	7	-
Total Expenses	171	183	226	220	397	403
Change in Net Position	9	2	8	2	17	4
Net Position - Beginning	342	339	461	459	802	798
Net Position - Ending	350	342	469	461	819	802

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Normal Impacts

Revenues

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

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

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

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

Expenses

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

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

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

Current Year Impacts

Governmental Activities. Governmental activities increased the City's net position by \$2 million.

Revenue

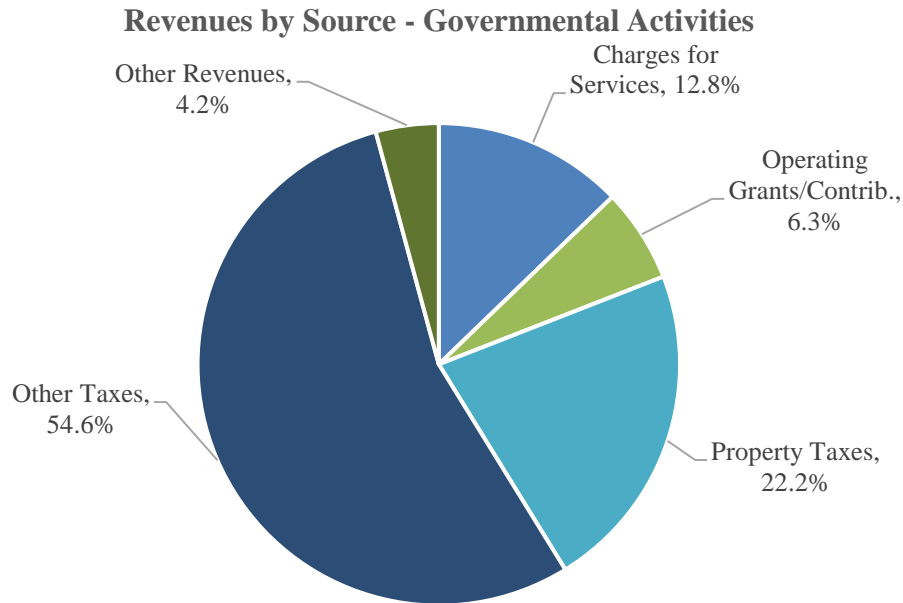
Total revenues from governmental activities decreased by \$4.6 million from the prior year. Other Taxes decreased by \$2.9 which is due predominantly to the decrease in local tax revenue, such as food and beverage and hotel and motel taxes. Charges for services decreased \$9.8 million primarily due to the reallocation of refuse/recycling fees to an enterprise fund.

CITY OF NAPERVILLE, ILLINOIS

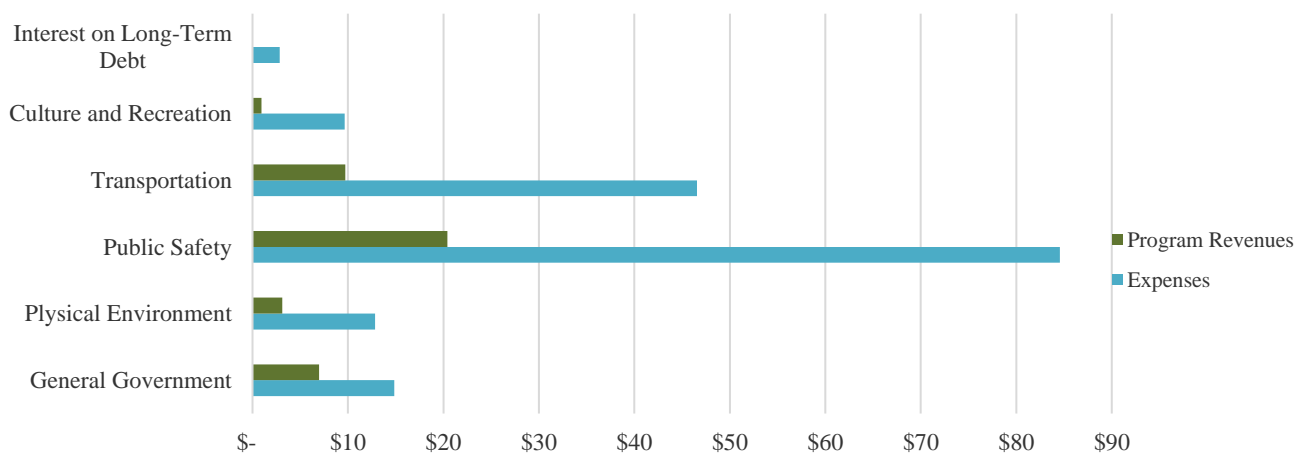
Management's Discussion and Analysis

Expenses

Total expenses related to governmental activities decreased by \$12 million or 7.0% to \$171 million, with the decrease predominantly coming from the public safety function due to the City's net pension liabilities.



Expenses and Program Revenues - Governmental Activities (in \$ Millions)



CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Business-type activities. The net position for business-type activities increased by \$8 million.

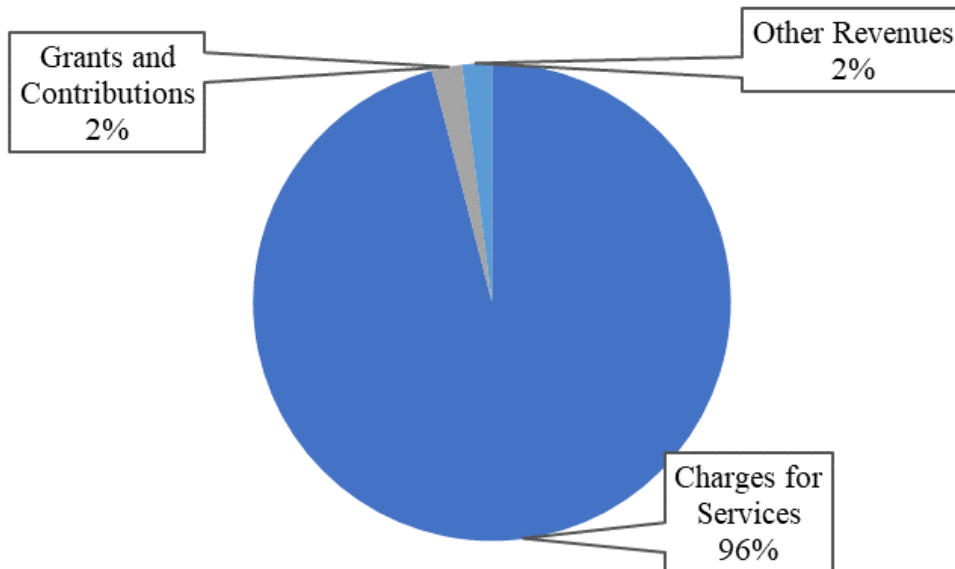
Revenue

Overall revenues from business-type activities increased \$11 million or 5.0% from the prior year with the majority of the increase coming from charges for services. The increase is the result of a planned rate increase in the water utility and the creation of the enterprise fund to account for the solid waste collection activities previously included within the General Fund.

Expenses

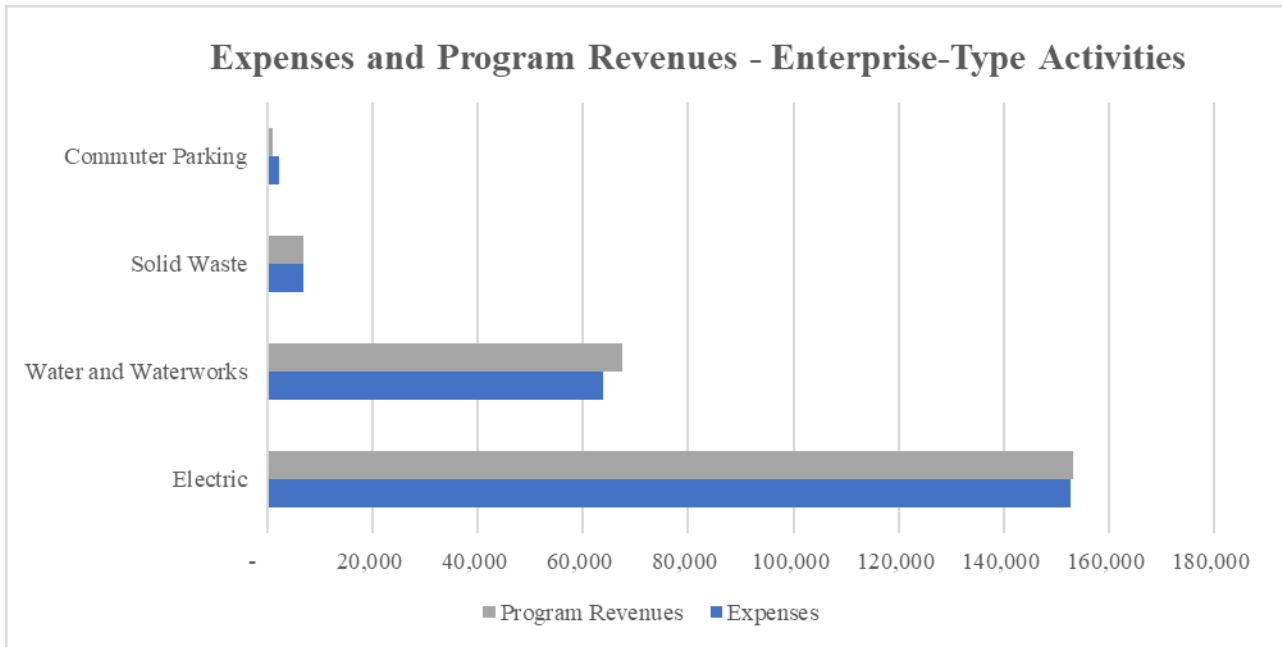
Total expenses increased \$6 million or 0.5%. Expenses remained consistent across all segments of the business-type funds, except for the Solid Waste Fund.

Revenues by Source - Business-Type Activities



CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis



Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City's governmental funds, which includes the General Fund and 22 other funds, is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$96.8 million, an increase of \$17.4 million in comparison with the prior fiscal year. Of the total fund balance amount, \$36.5 million constitutes unassigned fund balance, the remainder of fund balance is for a variety of restricted, committed, and assigned purposes and is not available for new spending.

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

The following schedule presents the governmental funds summary of revenues for the years ended December 31, 2020 and December 31, 2019:

	12/31/2020	Percent of Total	12/31/2019	Amount of Increase (Decrease)	Percent of Increase (Decrease)
(Amounts Expressed in Thousands)					
Revenues					
Taxes	\$ 64,538	35.82%	67,521	(2,983)	-4.42%
Licenses and Permits	2,006	1.11%	2,970	(964)	-32.44%
Fines and Forfeits	1,012	0.56%	1,386	(374)	-26.97%
Net Investment Income	3,868	2.15%	3,352	516	15.38%
Intergovernmental	86,904	48.24%	77,192	9,713	12.58%
Charges for Services	18,041	10.01%	27,891	(9,849)	-35.31%
Fees	2,909	1.61%	3,119	(210)	-6.73%
Contributions and Miscellaneous	877	0.49%	1,296	(419)	-32.33%
Total Revenues	180,156	100.00%	184,726	(4,570)	-2.47%

The largest dollar value in revenues came from intergovernmental revenues, which increased \$9.7 million or 12.6%. Intergovernmental revenues include state shared taxes, such as sales and income taxes. Taxes accounted for \$64.5 million in revenue. This category includes such items as utility tax, property tax (including those levied for pension purposes), hotel/motel tax, real estate transfer tax, and food and beverage tax. Charges for Services decreased by \$9.6 million or 35.3% primarily due to the transition of refuse/recycling fees to the solid waste fund. Investment income reported a positive result for the year, increasing \$516 thousand due to strong market returns.

	12/31/2020	Percent of Total	12/31/2019	Amount of Increase (Decrease)	Percent of Increase (Decrease)
(Amounts Expressed in Thousands)					
Expenditures					
Current					
General Government	\$ 13,713	7.66%	12,510	1,202	-9.61%
Transportation/Physical Environment	30,185	16.87%	36,869	(6,684)	-18.13%
Public Safety	90,104	50.34%	81,088	9,016	11.12%
Culture and Recreation	7,456	4.17%	7,360	95	1.30%
Debt Service					
Principal	10,233	5.72%	10,485	(252)	-2.40%
Interest, Fees and Issuance Costs	3,042	1.70%	3,019	23	0.76%
Capital Outlay	24,241	13.54%	23,263	979	4.21%
Total Expenditures	178,974	100.00%	174,595	4,379	2.51%

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Expenditures increased \$4.4 million or 2.5% from the prior fiscal year. Public safety expenditures account for the largest increase, rising by \$9.0 million or 11.1%, with a portion of that increase attributable to increased salary and benefit costs.

The City Council is committed to maintaining the City's infrastructure. Capital outlay increased by \$979 thousand in the current year. Major capital projects during the reporting period included: continued roadway, bridge, and public facility maintenance and well as investments in technology infrastructure throughout the City.

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

Electric Utility – The Electric Utility recorded net income of \$1.35 million before capital fees for the fiscal year ended December 31, 2020, compared to a \$524 thousand net loss for the prior year.

In 2018, the utility commissioned a rate study to provide direction for the following three years. As an outcome of this study, the City Council approved a rate decrease of 2% each year through 2021. The Purchased Power Adjustment (PPA) was also realigned as a result of the study. PPA is a rate-setting tool that allows the utility to smooth rate fluctuations using a six-month average.

Megawatt hour consumption for 2020 totaled 1.30 million which was a 3.1% decrease from 2019. Purchased power expense for the twelve months ended December 31, 2020 is 77.9% of operating expense and fluctuates based on heating degree days, cooling degree days, rate for purchased electricity, and demand charges.

Water/Wastewater Utility – The Water/Wastewater Utility recorded net income of \$3.5 million before capital fees for the fiscal year ended December 31, 2020 compared to a net loss of \$2.5 million for the year ended December 31, 2019.

The City completed a Water and Wastewater rate study during 2017 and as a result, water and wastewater rates were scheduled for annual increases at the beginning of each year through 2021. City Council approved rate increases to provide a balanced operation in the Water and Wastewater Utilities Funds. The structure of the new rates included significant increases in 2018 to support the needs of aging infrastructure. Retail water rates were increased 19%, while customer charges were adjusted between 15% and 30% depending on meter size. A phosphorus surcharge was also approved to provide funding for anticipated facility upgrades to the City's reclamation center, which will be required by the State of Illinois by 2028.

Wholesale water rates, which are passed through by the City to customers based on rates applied by the DuPage Water Commission, remained \$3.72 per hundred cubic feet. The rate was held flat after the DuPage Water Commission previously increased the rate from \$3.70 on May 1, 2019.

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Overall, the City experienced a 7.7% increase in gallons purchased compared to 2019. Purchased water expenses for the fiscal year ended December 31, 2020 were 43.4% of total operating expense and fluctuate based on rainfall and the wholesale water rate set by the Du Page Water Commission. The purchased water rate (per 1,000 gallons) increased May 1, 2019 from \$4.94 to \$4.97 and remained the same throughout 2020.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounts to \$901 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, furniture and fixtures, infrastructure, and IMEA participation right, and other intangible assets. The City's investment in capital assets decreased from the prior year due to current year additions being less than depreciation expense for the year.

	Capital Assets - Net of Depreciation (in Millions)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land and land improvements	\$ 183	184	18	17	202	201
Building and building improvements	84	87	3	3	87	90
Machinery and equipment	15	15	4	3	19	18
Infrastructure	188	200	364	383	552	583
Construction in progress	12	9	29	24	42	34
IMEA participation right	-	-	16	14	16	14
Total	483	495	434	445	917	940

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

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

Debt Administration

For the fiscal year ended December 31, 2020, the City had a total of \$118.01 million of outstanding debt. These issues were all general obligation bonds. The City maintained its AAA rating on general obligation bond issues from both Standard and Poor's Rating Group and Moody's Investors Service.

Data as of December 31, 2020, is as follows:

	Amount	Ratio of Bonded Debt to Assessed Valuation	Bonded Debt Per Capita
General Obligation Bonded Debt	\$ 118,005,000	1.58%	\$ 795

	Long-Term Debt Outstanding (in Thousands)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 88,491	83,810	29,515	35,945	118,005	119,755

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

The City implemented Statement No. 75 of the Governmental Accounting Standards Board (Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions) effective for fiscal years beginning after June 15, 2017. The total actuarial accrued liability is \$21.4 million on December 31, 2020. For additional information please refer to Note 10 in the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

- The following three financial principles guide the City's budgetary process and financial management: 1) The City will pass a structurally balanced operating budget annually; 2) The City commits to continuous improvement in the delivery of necessary and cost-effective services; and 3) The City will actively seek to increase its services to twenty-five percent and reduce its debt by twenty-five percent in the next eight years.
- For 2021, the City budget totals \$502.42 million across all funds, with the General Fund accounting for \$130.29 million of the total budget.
- Salaries and wages account for \$103.43 million in the annual budget across all funds, an increase of \$2.47 million over 2020.

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

- Pensions continue to be an expense that is a significant variable in the City's annual budget. The City's actuarial required contributions for police and fire pension funds increased by \$1.07 million for the 2021 budget period. However, the City's estimated IMRF contributions increase by only \$77 thousand after the City experienced a decrease in its contribution rate to 10.85% for 2021.
- The City Council is committed to maintaining a low property tax rate, which is the primary funding source for pensions. The 2020 property tax rate for the City is 0.6949, which continues to be one of the lowest rates compared to neighboring communities and one of the City's lowest over the past 50 years.
- The effects of the global coronavirus pandemic are expected to linger into 2021 impacting some revenue streams. Retail sales tax revenue is expected to remain under pressure and is budgeted at \$33.36 million for the 2021 fiscal year.
- The reduction in retail sales tax is offset by continued strength in local use tax resulting from increased e-commerce activity and is budgeted at \$5.82 million in 2021.
- As a result of legislative changes stemming from the South Dakota vs. Wayfair Supreme Court decision, the State of Illinois anticipates that local use tax revenue will decline in 2021 in favor of higher retail sales tax revenue. Destination-based taxation of goods purchased online is expected to increase retail sales tax distributions.
- Destination-based taxation of online sales is also expected to have a positive impact on the City's home rule sales tax, which is budgeted at \$13.06 million for 2021.
- In 2017, City Council approved a new rate schedule for the Water and Wastewater Utility. New rates went into effect in 2017 and annual increases are projected through 2021, include a 2% increase in the coming year. Additionally, a graduated phosphorus surcharge went into effect for wastewater customers, which will be used to fund EPA-mandated improvements at the treatment facility. A new rate study will be undertaken in 2021 to establish rates for the following three years.
- The City conducted a rate study update for the Electric Utility in 2018; 2% rate decreases will be implemented for customers through 2020. These reductions are due to the projected decrease in IMEA power supply costs. The rate study also adjusted the Purchased Power Adjustment (PPA) base to re-align with power costs. Electric rates will also be reexamined in 2021.

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

Requests for Information

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

BASIC FINANCIAL STATEMENTS

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2020

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Naperville Public Library
ASSETS				
Cash and investments	\$ 97,691,472	\$ 65,075,618	\$ 162,767,090	\$ 1,458,544
Receivables (net of allowance for uncollectable)	49,425,378	30,054,834	79,480,212	14,967,926
Internal balances	13,609	(13,609)	-	-
Due from other governments	12,270,278	579,377	12,849,655	-
Inventories	-	5,925,042	5,925,042	-
Prepaid items	197,433	-	197,433	-
Capital assets (net of accumulated depreciation)				
Capital assets not depreciated	193,252,920	47,567,637	240,820,557	-
Capital assets depreciated, net	289,518,917	370,444,280	659,963,197	9,014,188
Net pension asset - IMRF	5,632,192	3,818,876	9,451,068	1,592,312
IMEA participation right	-	15,961,447	15,961,447	-
Total assets	648,002,199	539,413,502	1,187,415,701	27,032,970
DEFERRED OUTFLOWS OF RESOURCES				
Deferred items - IMRF	1,894,038	1,284,243	3,178,281	535,476
Deferred items - Police Pension	10,565,541	-	10,565,541	-
Deferred items - Firefighters' Pension	14,345,152	-	14,345,152	-
Deferred items - OPEB	4,616,751	409,124	5,025,875	142,135
Asset retirement obligation	-	385,920	385,920	-
Unamortized refunding loss	2,138,772	939,860	3,078,632	-
Total deferred outflows of resources	33,560,254	3,019,147	36,579,401	677,611
Total assets and deferred outflows of resources	681,562,453	542,432,649	1,223,995,102	27,710,581
LIABILITIES				
Accounts payable and other current liabilities	14,693,436	24,352,904	39,046,340	667,141
Accrued interest payable	238,263	95,118	333,381	-
Due to other governments	592,192	590,499	1,182,691	-
Unearned revenue	4,508,943	20,617	4,529,560	-
Long-term liabilities				
Due within one year	12,595,746	4,570,919	17,166,665	84,397
Due in more than one year	214,743,427	33,750,830	248,494,257	924,911
Total liabilities	247,372,007	63,380,887	310,752,894	1,676,449
DEFERRED INFLOWS OF RESOURCES				
Deferred items - IMRF	15,347,624	10,406,371	25,753,995	4,339,023
Deferred items - Police Pension	15,573,346	-	15,573,346	-
Deferred items - Firefighters' Pension	12,031,435	-	12,031,435	-
Deferred items - OPEB	580,682	51,459	632,141	17,877
Deferred property taxes revenues	40,240,561	-	40,240,561	14,935,000
Total deferred inflows of resources	83,773,648	10,457,830	94,231,478	19,291,900
Total liabilities and deferred inflows of resources	331,145,655	73,838,717	404,984,372	20,968,349

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2020

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Naperville Public Library
NET POSITION				
Net investment in capital assets	\$ 392,642,118	\$ 401,727,663	\$ 794,369,781	\$ 9,014,188
Restricted for				
Debt service	7,971,512	-	7,971,512	-
Highways, streets, and parking facilities	8,314,636	-	8,314,636	-
Public safety	3,904,510	-	3,904,510	-
Capital projects	50,356	-	50,356	-
Culture and recreation	683,918	-	683,918	-
Physical environment	25,324	-	25,324	-
Unrestricted (deficit)	(63,175,576)	66,866,269	3,690,693	(2,271,956)
TOTAL NET POSITION	\$ 350,416,798	\$ 468,593,932	\$ 819,010,730	\$ 6,742,232

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 14,854,599	\$ 6,972,030	\$ -	\$ -
Physical environment	12,822,811	1,876,391	1,227,863	-
Public safety	84,570,665	11,853,563	8,565,428	-
Culture and recreation	9,655,940	53,623	39,260	-
Transportation	46,544,491	88,527	701,533	8,945,202
Interest on long-term debt	2,864,386	-	-	-
Total governmental activities	171,312,892	20,844,134	10,534,084	8,945,202
Business-Type Activities				
Electric	152,677,747	150,717,478	100,000	2,395,969
Water and wastewater	63,844,747	65,128,633	785,145	1,456,114
Burlington commuter parking	2,228,268	1,062,433	-	-
Solid waste	6,840,879	6,752,303	-	-
Total business-type activities	225,591,641	223,660,847	885,145	3,852,083
TOTAL PRIMARY GOVERNMENT	\$ 396,904,533	\$ 244,504,981	\$ 11,419,229	\$ 12,797,285
COMPONENT UNIT				
Naperville Public Library	\$ 14,266,908	\$ 250,248	\$ 208,301	\$ -

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Naperville Public Library
	\$ (7,882,569)	\$ -	\$ (7,882,569)	\$ -
	(9,718,557)	-	(9,718,557)	-
	(64,151,674)	-	(64,151,674)	-
	(9,563,057)	-	(9,563,057)	-
	(36,809,229)	-	(36,809,229)	-
	(2,864,386)	-	(2,864,386)	-
	(130,989,472)	-	(130,989,472)	-
	-	535,700	535,700	-
	-	3,525,145	3,525,145	-
	-	(1,165,835)	(1,165,835)	-
	-	(88,576)	(88,576)	-
	-	2,806,434	2,806,434	-
	(130,989,472)	2,806,434	(128,183,038)	-
	-	-	-	(13,808,359)
General Revenues				
Property taxes	38,312,092	-	38,312,092	15,025,372
Utility taxes	14,764,374	-	14,764,374	-
Real estate transfer taxes	4,265,262	-	4,265,262	-
Food and beverage taxes	3,811,909	-	3,811,909	-
Other taxes	3,384,518	-	3,384,518	132,137
Franchise fees	2,909,128	-	2,909,128	-
Intergovernmental - unrestricted				
Sales taxes	52,044,272	-	52,044,272	-
Income taxes	16,023,125	-	16,023,125	-
Net investment income	3,940,511	3,365,920	7,306,431	18,632
Miscellaneous	449,933	1,549,179	1,999,112	42,650
Total	139,905,124	4,915,099	144,820,223	15,218,791
CHANGE IN NET POSITION	8,915,652	7,721,533	16,637,185	1,410,432
NET POSITION, JANUARY 1	341,501,146	460,872,399	802,373,545	5,331,800
NET POSITION, DECEMBER 31	\$ 350,416,798	\$ 468,593,932	\$ 819,010,730	\$ 6,742,232

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2020

	General	Debt		
	Fund	Service Fund	Nonmajor	Total
ASSETS				
Cash and investments	\$ 33,415,094	\$ 6,497,277	\$ 54,536,817	\$ 94,449,188
Receivables				
Property taxes	26,392,764	9,447,663	4,481,525	40,321,952
Accrued interest	105,221	28,112	200,081	333,414
Accounts receivable less				
allowance for doubtful accounts	4,139,862	-	4,483,583	8,623,445
Loans and installments	218	-	23,729	23,947
Due from other funds	382,782	-	-	382,782
Advances to other funds	521,153	-	-	521,153
Due from other governments	9,971,334	472,939	1,826,005	12,270,278
Other	105,372	-	-	105,372
TOTAL ASSETS	\$ 75,033,800	\$ 16,445,991	\$ 65,551,740	\$ 157,031,531

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2020

	General Fund	Debt Service Fund	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 2,214,291	\$ 4,126	\$ 3,969,585	\$ 6,188,002
Accrued wages and benefits	5,323,933	-	224,697	5,548,630
Due to other governmental agencies	590,159	-	2,033	592,192
Due to other funds	-	-	369,173	369,173
Advances from other funds	-	-	521,153	521,153
Deposits	2,146,044	-	-	2,146,044
Contract retainage payable	-	-	98,303	98,303
Unearned grant revenues and others	413,144	-	4,095,799	4,508,943
Total liabilities	10,687,571	4,126	9,280,743	19,972,440
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	26,342,954	9,427,981	4,469,626	40,240,561
Total deferred inflows of resources	26,342,954	9,427,981	4,469,626	40,240,561
Total liabilities and deferred inflows of resources	37,030,525	9,432,107	13,750,369	60,213,001
FUND BALANCES				
Nonspendable				
Loans	218	-	-	218
Advances	521,153	-	-	521,153
Restricted for				
Debt service	-	-	7,971,512	7,971,512
Highways, streets, and parking facilities	-	-	8,314,636	8,314,636
Public safety	-	-	3,904,510	3,904,510
Capital projects	-	-	1,631,177	1,631,177
Culture and recreation	-	-	683,918	683,918
Physical environment	-	-	25,324	25,324
Committed to				
Highways, streets, and parking facilities	-	-	1,096,927	1,096,927
Assigned to				
Debt service	-	7,013,884	-	7,013,884
Capital projects	-	-	29,162,695	29,162,695
Unassigned	37,481,904	-	(989,328)	36,492,576
Total fund balances	38,003,275	7,013,884	51,801,371	96,818,530
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 75,033,800	\$ 16,445,991	\$ 65,551,740	\$ 157,031,531

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

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

December 31, 2020

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 96,818,530
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	482,771,837
Deferred outflows (inflows) of resources related to the pensions not reported in the funds	
Deferred items - IMRF	\$ (13,453,586)
Deferred items - Police Pension	(5,007,805)
Deferred items - Firefighters' Pension	2,313,717
Deferred items - OPEB	<u>4,036,069</u>
	(12,111,605)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term are reported in the statement of net position	
Accrued interest payable	(238,263)
Deferred loss on refunding	2,138,772
Net pension liability	
Police Pension	(42,419,225)
Firefighters' Pension	(57,840,351)
Compensated absences	(9,040,959)
OPEB liability	(19,084,756)
General obligation debt	<u>(93,849,312)</u>
Total long-term liabilities	(222,234,603)
The net pension asset is reported only on the statement of net position	
IMRF	5,632,192
Internal service funds are used by management to charge the costs of self-insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	
	<u>(2,360,062)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 350,416,798</u>

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	General Fund	Debt Service Fund	Nonmajor	Total
REVENUES				
Property taxes	\$ 24,104,495	\$ 9,523,074	\$ 4,684,523	\$ 38,312,092
Utility tax	14,764,374	-	-	14,764,374
Other taxes	5,591,623	-	5,870,066	11,461,689
Licenses and permits	1,958,134	-	48,191	2,006,325
Fines and forfeits	977,089	-	34,746	1,011,835
Net investment income	1,169,997	437,385	2,260,537	3,867,919
Contributions	-	-	426,852	426,852
Intergovernmental	63,367,564	1,672,939	21,863,835	86,904,338
Charges for services	12,269,753	-	5,771,714	18,041,467
Fees	2,909,128	-	-	2,909,128
Miscellaneous revenues	143,105	-	306,828	449,933
Total revenues	127,255,262	11,633,398	41,267,292	180,155,952
EXPENDITURES				
Current				
General government	13,709,425	-	3,187	13,712,612
Physical environment	7,853,526	-	568,821	8,422,347
Public safety	81,783,303	-	8,320,907	90,104,210
Culture and recreation	75,964	-	7,379,745	7,455,709
Transportation	18,819,953	-	2,942,324	21,762,277
Capital outlay	-	-	24,241,387	24,241,387
Debt service				
Principal	-	9,744,323	489,113	10,233,436
Interest and fees	-	2,706,219	335,971	3,042,190
Total expenditures	122,242,171	12,450,542	44,281,455	178,974,168
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,013,091	(817,144)	(3,014,163)	1,181,784
OTHER FINANCING SOURCES (USES)				
Bonds issued, at par	-	-	15,225,000	15,225,000
Premium on bonds issued	-	382,731	955,491	1,338,222
Refunding bonds issued, at par	-	4,465,000	-	4,465,000
Payment to escrow agent	-	(4,776,521)	-	(4,776,521)
Transfers in	-	2,432,400	2,454,081	4,886,481
Transfers (out)	(1,196,727)	-	(3,689,754)	(4,886,481)
Total other financing sources (uses)	(1,196,727)	2,503,610	14,944,818	16,251,701
NET CHANGE IN FUND BALANCES	3,816,364	1,686,466	11,930,655	17,433,485
FUND BALANCES, JANUARY 1	34,186,911	5,327,418	39,870,716	79,385,045
FUND BALANCES, DECEMBER 31	\$ 38,003,275	\$ 7,013,884	\$ 51,801,371	\$ 96,818,530

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 17,433,485
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period</p>		
Capital outlays	\$ 7,614,166	
Disposals	(16,803)	
Depreciation	<u>(19,763,248)</u>	(12,165,885)
<p>Deferred outflows (inflows) of resources related to the pensions not reported in the funds</p>		
Change in deferred items - IMRF	(9,334,812)	
Change in deferred items - Police Pension	(4,602,731)	
Change in deferred items - Firefighters' Pension	(2,920,030)	
Change in deferred items - OPEB	<u>3,736,433</u>	(13,121,140)
<p>The issuance of long-term debt (e.g., bond, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction; however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items</p>		
Principal repayments - G.O. Bonds, SSA Bonds, and notes payable	10,233,436	
Change in unamortized premium	444,131	
Change in loss on refunding	<u>(249,180)</u>	10,428,387
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds</p>		
Decrease in net pension liability		
IMRF	13,959,920	
Police Pension	9,180,990	
Firefighters' Pension	5,436,698	
Increase in accrued interest payable	(17,147)	
Increase in compensated absences	(841,821)	
Increase in other postemployment benefit obligation	<u>(7,597,761)</u>	20,120,879
<p>The issuance of bonds is reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of activities</p>		
Bonds issued	(19,690,000)	
Premium on bonds issued	(1,338,222)	
Payment to escrow agent	<u>4,776,521</u>	(16,251,701)
<p>Internal service funds are used by management to charge the costs of information technology, fleet services, vehicle replacement, and self-insurance to individual funds. The net revenue of certain activities of internal service funds are reported with governmental activities</p>		
		<u>2,471,627</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 8,915,652</u>

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2020

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Electric Utility Fund	Water and Wastewater Utility Fund	Nonmajor Enterprise Funds		Activities - Internal Service Self- Insurance Fund
CURRENT ASSETS					
Cash and investments	\$ 36,917,067	\$ 25,023,025	\$ 3,135,526	\$ 65,075,618	\$ 3,242,284
Receivables					
Accrued interest	170,414	102,845	17,937	291,196	6,394
Accounts receivable less allowance for doubtful accounts	7,955,231	3,981,640	529,177	12,466,048	10,854
Due from other governments	100,000	479,377	-	579,377	-
Other receivables	12,264,028	4,185,390	-	16,449,418	-
Inventory	4,997,269	927,773	-	5,925,042	-
Prepaid items	-	-	-	-	197,433
Total current assets	62,404,009	34,700,050	3,682,640	100,786,699	3,456,965
NONCURRENT ASSETS					
Capital assets (net of accumulated depreciation)					
Capital assets not depreciated	13,419,663	22,353,118	11,794,856	47,567,637	-
Capital assets depreciated, net	188,241,576	180,989,351	1,213,353	370,444,280	-
Net capital assets	201,661,239	203,342,469	13,008,209	418,011,917	-
Installments receivable	848,172	-	-	848,172	-
Net pension asset - IMRF	2,226,564	1,592,312	-	3,818,876	-
Intangible assets (net of accumulated amortization)					
IMEA participation right	15,961,447	-	-	15,961,447	-
Total assets	283,101,431	239,634,831	16,690,849	539,427,111	3,456,965
DEFERRED OUTFLOWS OF RESOURCES					
Deferred items - IMRF	748,767	535,476	-	1,284,243	-
Deferred items - OPEB	193,833	215,291	-	409,124	-
Unamortized refunding loss	608,547	331,313	-	939,860	-
Asset retirement obligation	-	385,920	-	385,920	-
Total deferred outflows of resources	1,551,147	1,468,000	-	3,019,147	-
Total assets and deferred outflows of resources	284,652,578	241,102,831	16,690,849	542,446,258	3,456,965

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

December 31, 2020

	Business-Type Activities - Enterprise Funds				Governmental
	Electric Utility Fund	Water and Wastewater Utility Fund	Nonmajor Enterprise Funds	Total	Activities - Internal Service Self- Insurance Fund
CURRENT LIABILITIES					
Accounts payable	\$ 9,559,545	\$ 5,317,776	\$ 640,216	\$ 15,517,537	\$ 689,907
Accrued wages and benefits payable	889,279	599,984	37,651	1,526,914	22,550
Accrued interest payable	41,924	53,194	-	95,118	-
Compensated absences - current portion	290,310	135,703	-	426,013	-
Deposits	6,926,197	143,089	895	7,070,181	-
Contract retainage payable	-	238,272	-	238,272	-
Claims and judgments	-	-	-	-	635,201
Due to other funds	-	-	13,609	13,609	-
Due to other government	590,499	-	-	590,499	-
Unearned revenue	89	20,528	-	20,617	-
General obligation bonds payable - current portion	2,497,300	1,580,000	-	4,077,300	-
OPEB liability - current portion	33,803	33,803	-	67,606	-
Total current liabilities	20,828,946	8,122,349	692,371	29,643,666	1,347,658
NONCURRENT LIABILITIES					
General obligation bonds payable	12,714,559	16,393,702	-	29,108,261	-
Compensated absences	1,783,331	833,603	-	2,616,934	-
Claims and judgments	-	-	-	-	4,469,369
OPEB liability	767,466	856,169	-	1,623,635	-
Asset retirement obligation	-	402,000	-	402,000	-
Total noncurrent liabilities	15,265,356	18,485,474	-	33,750,830	4,469,369
Total liabilities	36,094,302	26,607,823	692,371	63,394,496	5,817,027
DEFERRED INFLOWS OF RESOURCES					
Deferred items - IMRF	6,067,348	4,339,023	-	10,406,371	-
Deferred items - OPEB	24,380	27,079	-	51,459	-
Total deferred inflows of resources	6,091,728	4,366,102	-	10,457,830	-
Total liabilities and deferred inflows of resources	42,186,030	30,973,925	692,371	73,852,326	5,817,027
NET POSITION					
Net investment in capital assets	203,019,374	185,700,080	13,008,209	401,727,663	-
Unrestricted (deficit)	39,447,174	24,428,826	2,990,269	66,866,269	(2,360,062)
TOTAL NET POSITION	\$ 242,466,548	\$ 210,128,906	\$ 15,998,478	\$ 468,593,932	\$ (2,360,062)

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Electric Utility Fund	Water and Wastewater Utility Fund	Nonmajor Enterprise Funds		Activities - Internal Service Self-Insurance Fund
OPERATING REVENUES					
Charges for services	\$ 150,717,478	\$ 65,128,633	\$ 7,814,736	\$ 223,660,847	\$ 24,283,047
Miscellaneous	1,243,530	305,649	-	1,549,179	-
Total operating revenues	151,961,008	65,434,282	7,814,736	225,210,026	24,283,047
OPERATING EXPENSES					
Purchased power	108,147,663	-	-	108,147,663	-
Purchased water	-	26,392,832	-	26,392,832	-
Operations	7,765,991	14,559,961	8,436,451	30,762,403	-
Distribution	1,134,968	2,693,664	-	3,828,632	-
Other operating expenses	21,660,799	9,767,409	455,385	31,883,593	21,884,012
Total operating expenses	138,709,421	53,413,866	8,891,836	201,015,123	21,884,012
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	13,251,587	12,020,416	(1,077,100)	24,194,903	2,399,035
Depreciation and amortization	(13,503,147)	(9,740,192)	(177,311)	(23,420,650)	-
OPERATING INCOME (LOSS)	(251,560)	2,280,224	(1,254,411)	774,253	2,399,035
NON-OPERATING REVENUES (EXPENSES)					
Net investment income	1,968,806	1,199,325	197,789	3,365,920	72,592
Operating grant/intergovernmental	100,000	785,145	-	885,145	-
Interest expense	(465,179)	(690,689)	-	(1,155,868)	-
Total non-operating revenues (expenses)	1,603,627	1,293,781	197,789	3,095,197	72,592
NET INCOME (LOSS) BEFORE CAPITAL FEES	1,352,067	3,574,005	(1,056,622)	3,869,450	2,471,627
CAPITAL FEES	2,395,969	1,456,114	-	3,852,083	-
CHANGE IN NET POSITION	3,748,036	5,030,119	(1,056,622)	7,721,533	2,471,627
NET POSITION (DEFICIT), JANUARY 1	238,718,512	205,098,787	17,055,100	460,872,399	(4,831,689)
NET POSITION (DEFICIT), DECEMBER 31	\$ 242,466,548	\$ 210,128,906	\$ 15,998,478	\$ 468,593,932	\$ (2,360,062)

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds			Governmental	
	Electric Utility Fund	Water and Wastewater Utility Fund	Nonmajor Enterprise Funds	Activities - Internal Service Self-Insurance Fund	
			Total		
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 152,276,245	\$ 66,228,558	\$ 7,300,254	\$ 225,805,057	\$ -
Receipts from interfund services provided	-	-	-	-	24,090,865
Payments to other funds	(1,051,992)	(1,181,160)	-	(2,233,152)	-
Payments to suppliers	(129,748,211)	(43,324,749)	(7,843,286)	(180,916,246)	(21,109,152)
Payments to employees	(14,463,846)	(10,176,161)	(547,721)	(25,187,728)	(416,992)
Net cash from operating activities	7,012,196	11,546,488	(1,090,753)	17,467,931	2,564,721
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating grant	-	468,638	-	468,638	-
Due to/from other funds	-	-	13,609	13,609	-
Net cash from noncapital financing activities	-	468,638	13,609	482,247	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(6,954,298)	(4,238,164)	(869,025)	(12,061,487)	-
Payments of bond principal	(2,674,650)	(1,566,915)	-	(4,241,565)	-
Payment of bond interest	(670,845)	(664,388)	-	(1,335,233)	-
Net cash from capital and related financing activities	(10,299,793)	(6,469,467)	(869,025)	(17,638,285)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Net interest received	1,926,249	1,155,113	195,438	3,276,800	69,213
Net cash from investing activities	1,926,249	1,155,113	195,438	3,276,800	69,213
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,361,348)	6,700,772	(1,750,731)	3,588,693	2,633,934
CASH AND CASH EQUIVALENTS, JANUARY 1	38,278,415	18,322,253	4,886,257	61,486,925	608,350
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 36,917,067	\$ 25,023,025	\$ 3,135,526	\$ 65,075,618	\$ 3,242,284

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Electric Utility Fund	Water and Wastewater Utility Fund	Nonmajor Enterprise Funds		Activities - Internal Service Self- Insurance Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ (251,560)	\$ 2,280,224	\$ (1,254,411)	\$ 774,253	\$ 2,399,035
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Other non-operating revenues					
Capital fees	2,395,969	1,456,114	-	3,852,083	-
Depreciation and amortization expense	13,503,147	9,740,192	177,311	23,420,650	-
(Increase) decrease in assets and deferred outflows of resources	(3,137,891)	(269,350)	(514,482)	(3,921,723)	(192,182)
Increase (decrease) in liabilities and deferred inflows of resources	(5,497,469)	(1,660,692)	500,829	(6,657,332)	357,868
Total adjustments	7,263,756	9,266,264	163,658	16,693,678	165,686
NET CASH FROM OPERATING ACTIVITIES	\$ 7,012,196	\$ 11,546,488	\$ (1,090,753)	\$ 17,467,931	\$ 2,564,721
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets acquired through accounts payable	\$ -	\$ 195,600	\$ -	\$ 195,600	\$ -
Payment to refunding escrow agent	(5,348,623)	(13,622,758)	-	(18,971,381)	-
Issuance of refunding bonds	5,406,213	13,758,766	-	19,164,979	-
Issuance costs on refunding bonds	(57,590)	(136,008)	-	(193,598)	-
TOTAL NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	\$ -	\$ 195,600	\$ -	\$ 195,600	\$ -

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

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

December 31, 2020

ASSETS	
Cash and short-term investments	<u>\$ 16,110,882</u>
Receivables	
Interest receivable	<u>868,690</u>
Total receivables	<u>868,690</u>
Investments at fair value	
U.S. Treasury obligations	72,565,594
U.S. Government agencies	15,432,312
Municipal bonds	3,081,837
Corporate bonds	44,605,961
Annuities	31,587,103
Common stock	26,181,934
Mutual funds	<u>228,951,641</u>
Total investments	<u>422,406,382</u>
Due from municipality	277,240
Prepaid items	<u>13,561</u>
Total assets	439,676,755
LIABILITIES	
Accounts payable	<u>46,574</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 439,630,181</u></u>

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

ADDITIONS

Contributions	
Employer	\$ 17,002,956
Employee	3,949,194
	<u>32,078</u>
 Total contributions	 <u>20,984,228</u>
 Investment income	
Net appreciation in fair value of investments	37,113,196
Interest and dividends	<u>8,164,630</u>
 Total investment income	 45,277,826
Less investment expense	<u>578,195</u>
 Net investment income	 <u>44,699,631</u>
 Other income	 <u>7,215</u>
 Total additions	 <u>65,691,074</u>

DEDUCTIONS

Pension benefits	19,537,048
Refunds of contributions	134,974
Administrative expense	<u>200,658</u>
 Total deductions	 <u>19,872,680</u>

NET INCREASE 45,818,394

NET POSITION RESTRICTED FOR PENSIONS

January 1	<u>393,811,787</u>
 December 31	 <u>\$ 439,630,181</u>

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

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

1. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
2. Fiscal dependency on the primary government and there is a potential to provide specific financial benefits or to impose specific financial burdens.

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

Blended Component Unit

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Discretely Presented Component Unit

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

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

Fiduciary Component Units

Police Pension Employees Retirement System

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members are appointed by the City's Mayor, one elected by pension beneficiaries, and two elected police employees constitute the pension board. The City is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the City. 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, which results in the PPERS being fiscally dependent upon the City. PPERS is reported as a pension trust fund. PPERS issues a stand-alone financial report.

Firefighters' Pension Employees Retirement System

The City's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members are appointed by the City's Mayor, one elected pension beneficiary, and two elected fire employees constitute the pension board. The City is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial on the City. 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, which results in the FPERS being fiscally dependent on the City. FPERS is reported as a pension trust fund. FPERS issues a stand-alone financial report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

The City reports the following major governmental funds:

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

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

The City reports the following major proprietary funds:

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

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

Additionally, the City reports the following fund types:

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

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

c. Measurement Focus and Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the City receives value without directly giving equal value in exchange, include property tax revenue, grants, and other contributions. On an accrual basis, revenues from property taxes are recognized in the period for which the levy is intended to finance, which is the year after the taxes are levied. For example, the 2019 levy is recognized as revenue for the fiscal year ended December 31, 2020. Revenue from grants and other contributions are recognized in the fiscal year in which all

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus and Basis of Accounting (Continued)

eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues, except for property taxes, to be available if they are collected within 90 days of the end of the current fiscal period. Revenues for property taxes are considered to be available if they are collected within 60 days of the end of the current fiscal year for the year intended to finance. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, claims and judgments are recorded only when payment is due. Compensated absences are recorded only when retirement or separation has occurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Cash and Cash Equivalents

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

e. Investments

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

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

Investments are generally reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Short-term investments are reported at cost, which approximates fair value. For investments, the City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs valued using quoted matrix pricing models; Level 3 inputs are significant unobservable inputs.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Investments (Continued)

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

f. Unbilled Receivables

Estimated sales for electric, water, and wastewater usage prior to December 31, 2020, which are unbilled at year end, are recognized as current year revenue and are included in accounts receivables.

g. Interfund Transactions

The City has the following types of interfund transactions:

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Inventory and Prepaid Items

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

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

i. Capital Assets

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences

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

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

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

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

Employees hired after July 1, 2011 are on a PTO plan that eliminated the distinction between vacation and sick leave. The City revised that plan on January 21, 2020. Under the revised PTO plan, vacation leave is based on years of service, with a minimum accrual of 120 hours annually. Sick leave is also provided at 80 hours annually, with a maximum accrual of 480 hours. However, sick leave is not paid out at separation or retirement.

k. Deposits

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Bond Premiums, Discounts, and Issuance Costs

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

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

m. Fund Balance/Net Position

Governmental funds equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance is reported for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City's finance director through the approved fund balance policy of the City. Any residual fund balance of the General Fund and any deficits in other funds, if any, are reported as unassigned.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the City considers committed funds to be expended first followed by assigned and then unassigned funds.

The City has a policy to maintain fund balance in the General Fund equal to 20% for the subsequent year's appropriations, net of interfund transfers as of December 31 each year. As noted in GASB Statement No. 54, fund balance policies in the General Fund are reported as unassigned but disclosed in the notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

In the government-wide and proprietary fund financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets, represents the City's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset. Unrestricted net position consists of net position that does not meet the definition of restricted or invested in capital assets, net of related debt. None of the restricted net position or restricted fund balance results from enabling legislation adopted by the City except for the fund balance of \$6,931 in the Fair Share Assessment Fund and the fund balance of \$683,918 in the Food and Beverage Tax Fund.

n. Property Taxes

Property taxes are levied each year on all taxable real property located in the City. The City must file its tax levy ordinance by the last Tuesday of December of each year. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year. Property taxes are collected by the DuPage and Will County Collectors/Treasurers who remit to the City its share of the collection. Taxes levied for calendar year 2019 were due, payable, and collected in two installments in June and September 2020.

Revenue for property taxes is recognized in the governmental funds in the year for which the taxes are intended to finance and the funds are available. Accordingly, the City recognized revenue during the fiscal year ended December 31, 2020 for collections from the calendar year 2019 levy if it was received by year end or within 60 days after year end. Property taxes levied for calendar year 2020, which will be collected in fiscal year 2021 are recorded as receivables and unavailable revenue.

o. Deferred Outflows/Inflows of Resources

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Use of Estimates

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

q. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the City has delayed the implementation of GASB Statement No. 87, *Leases*, to December 31, 2022.

2. DEPOSITS AND INVESTMENTS

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

a. Deposits

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

b. Investments

The following table presents the investments and durations of the debt securities of the City and the Library as of December 31, 2020.

City and Library

Investment Type	Fair Value	Modified Duration (Years)
U.S. Treasury and agency securities	\$ 154,739,167	6.35

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

City and Library (Continued)

The City has the following recurring fair value measurements as of December 31, 2020:

- U.S. Treasury securities of \$74,349,839 are valued using quoted market prices (Level 1 inputs)
- U.S. agency securities of \$80,389,328 are valued using significant other observable inputs (Level 2 inputs)

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

Police Pension

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury obligations	\$ 34,609,404	\$ 5,877,916	\$ 15,369,449	\$ 13,148,099	\$ 213,940
U.S. agency obligations	4,347,958	-	818,507	394,587	3,134,864
Municipal bonds	1,725,911	70,601	703,354	608,168	343,788
Corporate bonds	26,006,885	914,042	12,500,097	10,098,531	2,494,215
TOTAL	\$ 66,690,158	\$ 6,862,559	\$ 29,391,407	\$ 24,249,385	\$ 6,186,807

The Police Pension Fund has the following recurring fair value measurements as of December 31, 2020:

Investment by Fair Value Level	December 31	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
U.S. Treasury obligations	\$ 34,609,404	\$ 34,609,404	\$ -	\$ -
U.S. agency obligations	4,347,958	-	4,347,958	-
Municipal bonds	1,725,911	-	1,725,911	-
Corporate bonds	26,006,885	-	26,006,885	-

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Police Pension (Continued)

Investment by Fair Value Level	December 31	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity securities				
Annuity contract	\$ 15,927,226	\$ -	\$ -	\$ 15,927,226
Equity mutual funds	128,640,483	128,640,483	-	-
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	\$ 211,257,867	\$ 163,249,887	\$ 32,080,754	\$ 15,927,226

Firefighters' Pension

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury obligations	\$ 37,956,190	\$ -	\$ 15,398,105	\$ 19,573,160	\$ 2,984,925
U.S. agency obligations	11,084,354	-	3,349,810	2,402,760	5,331,784
Municipal bonds	1,355,926	-	327,157	767,301	261,468
Corporate bonds	18,599,076	-	8,217,556	8,324,171	2,057,349
TOTAL	\$ 68,995,546	\$ -	\$ 27,292,628	\$ 31,067,392	\$ 10,635,526

The Firefighters' Pension Fund has the following recurring fair value measurements as of December 31, 2020:

Investment by Fair Value Level	December 31	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
U.S. Treasury obligations	\$ 37,956,190	\$ 37,956,190	\$ -	\$ -
U.S. agency obligations	11,084,354	-	11,084,354	-
Municipal bonds	1,355,926	-	1,355,926	-
Corporate bonds	18,599,076	-	18,599,076	-

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Firefighters' Pension (Continued)

Investment by Fair Value Level	December 31	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity securities				
Annuity contract	\$ 15,659,877	\$ 15,659,877	\$ -	\$ -
Common stock	26,181,934	26,181,934	-	-
Equity mutual funds	100,311,158	100,311,158	-	-
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	\$ 211,148,515	\$ 180,109,159	\$ 31,039,356	\$ -

The investments in the securities of U.S. Government agencies were all rated AAA by Moody's Investors Services. The municipal bonds were rated at or above A2 by Moody's Investors Services. Corporate bonds were rated at or above Baa3 by Moody's Investors Services.

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

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

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City and the Police and Firefighters' Pension Funds investment policies require all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the City's or Police and Firefighters' Pension Funds agent separate from where the investment was purchased.

Credit Risk - The City's investment and cash management policy, as well as the investment policies of the Police and Firefighters' Pension Funds, prescribe to the "prudent person" rule, which states "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The City and the Police and Firefighters' Pension Funds limits their exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government. The Police and Firefighters' Pension Funds investment policies also allow investment grade corporate bonds rated at or above BBB-by Standard and Poor's, Baa3 by Moody's; and BBB-by Fitch by at least two of the three rating agencies. However, the City's and the Police and Firefighters' Pension Funds investment policies do not specifically limit the City and Police and Firefighters' Pension Funds to these types of investments.

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

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Police Pension Fund

Investment	Amount
Vanguard Institutional Index Fund	\$ 35,877,282
Vanguard Small Cap Fund	14,029,248
Vanguard Mid Cap Fund	13,912,250
Vanguard Index Fund	11,417,382
DFA Emerging Markets Core Equity	11,242,871
American Europacific Growth Fund	14,190,975
Principal Annuity Contract	15,927,226

Firefighter's Pension Fund

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of net position available for benefits.

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

Asset Class	Target	Long-Term Expected Real Return
Fixed income	35.00%	2.10%
Domestic equities	32.50%	5.80%
International equities	17.50%	6.30%
Real estate	10.00%	5.50%
Global tactical	5.00%	3.00%

ILCS limits the Police Pension Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The long-term expected rate of return on the Police Pension Fund’s investments was determined using an asset allocation study conducted by the Police Pension Fund’s investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Police Pension Fund’s target asset allocation as of December 31, 2020 are listed in the table on the previous page.

For the fiscal year ended December 31, 2020, the annual money-weighted rate of return on police pension plan investments, net of pension plan investment expense, was 12.78%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

Asset Class	Target	Long-Term Expected Real Return
Fixed income	35.00%	2.10%
Domestic equities	32.50%	5.80%
International equities	17.50%	6.30%
Real estate	10.00%	5.50%
Global tactical	5.00%	3.00%
Cash	0.00%	0.10%

ILCS limits the Firefighters’ Pension Fund’s investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The long-term expected rate of return on the Firefighters' Pension Fund's investments was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Firefighters' Pension Fund's target asset allocation as of December 31, 2020 are listed in the table on the previous page.

For the fiscal year ended December 31, 2020, the annual money-weighted rate of return on the firefighters' pension plan investments, net of pension plan investment expense, was 10.03%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

3. RECEIVABLES

a. Installment Loans

The outstanding loans that are not expected to be collected within one year of December 31, 2020 are as follows:

	Term	Due	Amount
Loan to the SSA 33 property owners	Various	Various	\$ 23,729
Electric loans	Various	Various	848,172

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

4. CAPITAL ASSETS

A summary of changes in capital assets of the City and the Library for the fiscal year ended December 31, 2020 is as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 19,412,947	\$ -	\$ -	\$ 19,412,947
Land - infrastructure	161,526,935	-	-	161,526,935
Construction in progress	9,196,863	3,116,175	-	12,313,038
Total capital assets not being depreciated	190,136,745	3,116,175	-	193,252,920
Capital assets being depreciated				
Land improvements	5,456,271	-	-	5,456,271
Buildings	156,820,815	1,117,196	-	157,938,011
Equipment	62,775,927	2,957,509	354,827	65,378,609
Infrastructure	486,630,705	423,286	-	487,053,991
Total capital assets being depreciated	711,683,718	4,497,991	354,827	715,826,882
Less accumulated depreciation for				
Land improvements	2,613,564	361,525	-	2,975,089
Buildings	69,578,609	3,924,562	-	73,503,171
Equipment	48,056,383	2,924,376	338,024	50,642,735
Infrastructure	286,634,185	12,552,785	-	299,186,970
Total accumulated depreciation	406,882,741	19,763,248	338,024	426,307,965
Total capital assets being depreciated, net	304,800,977	(15,265,257)	16,803	289,518,917
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 494,937,722	\$ (12,149,082)	\$ 16,803	\$ 482,771,837

Depreciation expense for governmental activities for the fiscal year ended December 31, 2020 was charged to functions as follows:

General government	\$ 2,569,223
Physical environment	1,976,325
Public safety	1,778,692
Culture and recreation	988,162
Transportation	12,450,846
TOTAL	\$ 19,763,248

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

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES -				
ELECTRIC UTILITY				
Capital assets not being depreciated				
Land	\$ 3,836,327	\$ -	\$ -	\$ 3,836,327
Construction in progress	7,794,419	1,788,917	-	9,583,336
Total capital assets not being depreciated	11,630,746	1,788,917	-	13,419,663
Tangible capital assets being depreciated				
Building and building improvements	7,707,096	-	-	7,707,096
Equipment	15,032,064	97,810	-	15,129,874
Infrastructure	420,239,550	1,795,667	-	422,035,217
Total tangible capital assets being depreciated	442,978,710	1,893,477	-	444,872,187
Intangible capital assets being amortized				
IMEA participation right	37,454,536	3,271,904	-	40,726,440
Total intangible capital assets being amortized	37,454,536	3,271,904	-	40,726,440
Less accumulated depreciation for tangible capital assets				
Building and building improvements	5,562,117	210,136	-	5,772,253
Equipment	14,062,948	146,951	-	14,209,899
Infrastructure	225,058,446	11,590,013	-	236,648,459
Total accumulated depreciation for tangible capital assets	244,683,511	11,947,100	-	256,630,611
Less accumulated amortization for intangible capital assets				
IMEA participation right	23,208,946	1,556,047	-	24,764,993
Total accumulated amortization for intangible capital assets	23,208,946	1,556,047	-	24,764,993
Total tangible and intangible capital assets being depreciated and amortized, net	212,540,789	(8,337,766)	-	204,203,023
BUSINESS-TYPE ACTIVITIES -				
ELECTRIC UTILITY CAPITAL ASSETS, NET				
	\$ 224,171,535	\$ (6,548,849)	\$ -	\$ 217,622,686

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

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES -				
WATER AND WASTEWATER UTILITY				
Capital assets not being depreciated				
Land	\$ 2,565,671	\$ -	\$ -	\$ 2,565,671
Construction in progress	16,669,300	3,118,147	-	19,787,447
Total capital assets not being depreciated	19,234,971	3,118,147	-	22,353,118
Capital assets being depreciated				
Equipment	11,834,039	905,979	-	12,740,018
Infrastructure	449,150,844	409,638	-	449,560,482
Total capital assets being depreciated	460,984,883	1,315,617	-	462,300,500
Less accumulated depreciation for				
Equipment	10,054,969	358,602	-	10,413,571
Infrastructure	261,515,988	9,381,590	-	270,897,578
Total accumulated depreciation	271,570,957	9,740,192	-	281,311,149
Total capital assets being depreciated, net	189,413,926	(8,424,575)	-	180,989,351
BUSINESS-TYPE ACTIVITIES -				
WATER AND WASTEWATER UTILITY				
CAPITAL ASSETS, NET				
	\$ 208,648,897	\$ (5,306,428)	\$ -	\$ 203,342,469
BUSINESS-TYPE ACTIVITIES -				
NONMAJOR ENTERPRISE				
Capital assets not being depreciated				
Land	\$ 10,925,831	\$ 869,025	\$ -	\$ 11,794,856
Total capital assets not being depreciated	10,925,831	869,025	-	11,794,856
Capital assets being depreciated				
Building and building improvements	6,460,233	-	-	6,460,233
Machinery and equipment	1,420,847	-	-	1,420,847
Total capital assets being depreciated	7,881,080	-	-	7,881,080
Less accumulated depreciation for				
Building and building improvements	5,718,587	105,227	-	5,823,814
Machinery and equipment	771,829	72,084	-	843,913
Total accumulated depreciation	6,490,416	177,311	-	6,667,727
Total capital assets being depreciated, net	1,390,664	(177,311)	-	1,213,353
Total nonmajor enterprise net capital assets	12,316,495	691,714	-	13,008,209
BUSINESS-TYPE ACTIVITIES -				
NONMAJOR ENTERPRISE CAPITAL				
ASSETS, NET				
	\$ 430,891,337	\$ (12,879,420)	\$ -	\$ 418,011,917

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

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
COMPONENT UNIT - NAPERVILLE				
PUBLIC LIBRARY				
Capital assets being depreciated				
Building and building improvements	\$ 16,853,975	\$ -	\$ -	\$ 16,853,975
Machinery and equipment	2,256,300	92,469	44,333	2,304,436
Total capital assets being depreciated	<u>19,110,275</u>	<u>92,469</u>	<u>44,333</u>	<u>19,158,411</u>
Less accumulated depreciation for				
Building and building improvements	7,800,260	830,823	-	8,631,083
Machinery and equipment	1,419,149	127,345	33,354	1,513,140
Total accumulated depreciation	<u>9,219,409</u>	<u>958,168</u>	<u>33,354</u>	<u>10,144,223</u>
COMPONENT UNIT - NAPERVILLE				
PUBLIC LIBRARY CAPITAL ASSETS, NET	<u>\$ 9,890,866</u>	<u>\$ (865,699)</u>	<u>\$ 10,979</u>	<u>\$ 9,014,188</u>

5. INTERFUND BALANCES AND ACTIVITY

a. Balances Due to/from Other Funds

Balances due to/from other funds at December 31, 2020 were as follows:

Receivable Fund	Payable Fund	Amount
General	Special Service Area #30 Fund	\$ 74,318
General	Solid Waste Fund	13,609
General	Special Service Area #31 Fund	<u>294,855</u>
TOTAL		<u><u>\$ 382,782</u></u>

Balances due from the Special Service Area #30 Fund, Special Service Area #31 Fund (Nonmajor Governmental) and Solid Waste Fund (Nonmajor Enterprise) to General are to cover cash accounts temporarily overdrawn at year end.

b. Advances

Advances at December 31, 2020 were as follows:

Receivable Fund	Payable Fund	Amount
General	Special Service Area #25 Fund	\$ 521,153
TOTAL		<u><u>\$ 521,153</u></u>

Balances due from Special Service Area #25 (Nonmajor Governmental) to General are to cover cash accounts overdrawn at year end.

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

5. INTERFUND BALANCES AND ACTIVITY (Continued)

c. Transfers to/from Other Funds

Interfund transfers for the fiscal year ended December 31, 2020 were as follows:

Transfers In	Transfers Out	Amount
Water Street TIF Fund	Bond Project Fund	\$ 1,089,519
Debt Service Fund	Water Street TIF Fund	2,264,467
Debt Service Fund	Special Service Area #23 Fund	99,931
Debt Service Fund	Special Service Area #25 Fund	68,002
Downtown Parking	Water Street TIF Fund	167,835
Special Service Area #33 Fund	General Fund	<u>1,196,727</u>
TOTAL		<u>\$ 4,886,481</u>

The purpose of significant transfers is as follows:

- \$1,089,519 was transferred from the Bond Project Fund to the Water Street TIF Fund for capital projects. This transfer will not be repaid.
- \$2,264,467 was transferred from the Water Street TIF Fund to the Debt Service Fund for debt service payments.
- \$1,196,727 transferred from the General Fund to the Special Service Area #33 - Downtown Maintenance Fund for the City's subsidy of the downtown maintenance. This transfer will not be repaid.

d. Deficit Fund Balances/Net Position

As of December 31, 2020, the following funds had deficit fund balances/net position:

Fund	Deficit
Self Insurance Fund	\$ 2,360,062
Naper Settlement Fund	192,185
Special Service Area #25	427,970
Special Service Area #30	74,318
Special Service Area #31	294,855

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

6. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term debt of the City for the fiscal year ended December 31, 2020:

Type of Debt	Beginning Balance	Additions	Deductions/ Refundings	Ending Balances	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Net pension liability					
IMRF*	\$ 8,327,728	\$ -	\$ 8,327,728	\$ -	\$ -
Police Pension	51,600,215	-	9,180,990	42,419,225	-
Firefighters' Pension	63,277,049	-	5,436,698	57,840,351	-
Compensated absences	8,199,138	6,745,199	5,903,378	9,040,959	1,265,734
OPEB liability	11,486,995	7,597,761	-	19,084,756	752,110
General obligation bonds	83,810,458	19,690,000	15,009,957	88,490,501	9,942,701
Premium (discount)	4,464,720	1,338,222	444,131	5,358,811	-
Claims and judgements	4,943,155	15,136,209	14,974,794	5,104,570	635,201
TOTAL	\$ 236,109,458	\$ 50,507,391	\$ 59,277,676	\$ 227,339,173	\$ 12,595,746
BUSINESS-TYPE ACTIVITIES -					
ELECTRIC UTILITY					
Net pension liability - IMRF*	\$ 3,729,771	\$ -	\$ 3,729,771	\$ -	\$ -
Compensated absences	1,536,917	1,858,473	1,321,749	2,073,641	290,310
OPEB liability	1,866,454	-	1,065,185	801,269	33,803
General obligation bonds	16,830,150	4,640,000	8,010,650	13,459,500	2,497,300
Premium (discount)	1,327,245	766,214	341,100	1,752,359	-
Total electric utility	25,290,537	7,264,687	14,468,455	18,086,769	2,821,413
BUSINESS-TYPE ACTIVITIES -					
WATER AND WASTEWATER UTILITY					
Net pension liability - IMRF*	2,617,181	-	2,617,181	-	-
Compensated absences	547,271	892,688	470,653	969,306	135,703
OPEB liability	1,644,955	-	754,983	889,972	33,803
Asset retirement obligation	402,000	-	-	402,000	-
General obligation bonds	19,114,392	12,095,000	15,154,392	16,055,000	1,580,000
Premium (discount)	408,797	1,663,766	153,861	1,918,702	-
Total water and wastewater utility	24,734,596	14,651,454	19,151,070	20,234,980	1,749,506
TOTAL	\$ 50,025,133	\$ 21,916,141	\$ 33,619,525	\$ 38,321,749	\$ 4,570,919
COMPONENT UNIT -					
NAPERVILLE PUBLIC LIBRARY					
Net pension liability - IMRF*	\$ 2,565,980	\$ -	\$ 2,565,980	\$ -	\$ -
Compensated absences	398,085	366,019	342,353	421,751	59,045
OPEB liability	1,288,276	-	700,719	587,557	25,352
TOTAL	\$ 4,252,341	\$ 366,019	\$ 3,609,052	\$ 1,009,308	\$ 84,397

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

6. LONG-TERM OBLIGATIONS (Continued)

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

*The IMRF net pension liability is a net pension asset of December 31, 2020.

Long-term debt at December 31, 2020 consists of the following:

a. General Obligation Bonds

	Governmental Activities	Business-Type Activities	Total
April 2010, Series D, 2% to 4%, due serially through December 1, 2021	\$ 855,001	\$ -	\$ 855,001
September 2012, 2% to 4%, due serially through December 1, 2025	5,280,500	3,669,500	8,950,000
July 2013, 3% to 4%, due serially through December 1, 2031	3,920,000	-	3,920,000
May 2014, 2.00% to 3.50%, due serially through December 1, 2032	13,800,000	-	13,800,000
June 2016, 2.00% to 3.50%, due serially through December 1, 2035	34,455,000	9,110,000	43,565,000
November 2018, 3%, due serially through December 1, 2037	6,185,000	-	6,185,000
November 2019, 3.125% to 5.000%, due serially through December 1, 2038	4,305,000	-	4,305,000
November 2020, 2% to 5%, due serially through December 1, 2040	19,690,000	16,735,000	36,425,000
TOTAL	\$ 88,490,501	\$ 29,514,500	\$ 118,005,001

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

6. LONG-TERM OBLIGATIONS (Continued)

a. General Obligation Bonds (Continued)

The annual requirements to amortize all short and long-term general obligation bonds outstanding at December 31, 2020 are as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 9,942,701	\$ 2,890,656	\$ 4,077,300	\$ 1,141,412
2022	9,527,300	2,541,631	3,912,700	964,388
2023	9,779,700	2,233,739	3,915,300	819,580
2024	7,922,550	1,891,451	3,777,450	659,918
2025	7,383,250	1,624,849	3,526,750	504,670
2026-2030	23,440,000	5,061,506	10,305,000	901,000
2031-2035	14,025,000	2,054,975	-	-
2036-2040	6,470,000	454,419	-	-
TOTAL	\$ 88,490,501	\$ 18,753,226	\$ 29,514,500	\$ 4,990,968

b. Enterprise Fund Commitments

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

Bonds Series	Electric Utility	Water and Wastewater Utility	Governmental Activities	Total
G.O. 2012 Refunding	\$ 3,669,500	\$ -	\$ 5,280,500	\$ 8,950,000
G.O. 2016	5,150,000	3,960,000	34,455,000	43,565,000
G.O. 2020 Refunding	4,640,000	12,095,000	19,690,000	36,425,000

The general obligation bonds outstanding amount for the enterprise funds at December 31, 2020 is \$29,514,500.

6. LONG-TERM OBLIGATIONS (Continued)

c. Asset Retirement Obligation

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated useful lives of the water wells are 50 years.

d. Debt Refunding

On November 18, 2020, the City issued \$7,110,000 of the Series 2020 General Obligation Bonds to currently refund \$7,975,000 of the Series 2010A General Obligation Bonds. The refunded bonds were paid from escrow on December 21, 2020. As a result of the refunding, the City achieved cash flow savings of \$404,230 and an economic gain on the refunding of \$523,259.

On November 18, 2020, the City issued \$6,095,000 of the Series 2020 General Obligation Bonds to currently refund \$6,525,000 of the Series 2010B General Obligation Bonds. The refunded bonds were paid from escrow on December 21, 2020. As a result of the refunding, the City achieved cash flow savings of \$218,193 and an economic gain on the refunding of \$216,979.

On November 18, 2020, the City issued \$7,995,000 of the Series 2020 General Obligation Bonds to currently refund \$9,200,000 of the Series 2011A General Obligation Bonds. The refunded bonds were paid from escrow on December 21, 2020. As a result of the refunding, the City achieved cash flow savings of \$1,510,352 and an economic gain on the refunding of \$1,421,671.

7. RISK MANAGEMENT

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

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

7. RISK MANAGEMENT (Continued)

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

The Self-Insurance Fund is supported by payments from the General Fund, Naper Settlement Fund, Electric, Water and Wastewater Utility Funds, Commuter Parking Fund, Information Technology Fund, Fleet Services Fund, and the Library (component unit) based upon an estimate of the annual claims and administration costs. In addition, the City has recognized a liability for claims, which were incurred but not reported at year end. At December 31, 2020, this liability totaled \$635,201. The claims liability reported in the Self-Insurance Fund of \$4,469,369 at December 31, 2020 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. There were no significant reductions in insurance coverage from the previous year.

Changes in the Self-Insurance Fund's claims liability amount for the fiscal year ended December 31, 2020 and 2019 were:

	2020	2019
CLAIMS LIABILITY, BEGINNING OF YEAR	\$ 4,943,155	\$ 2,578,957
Incurred claims	15,481,241	20,832,784
Claim payments	(15,319,826)	(18,468,586)
CLAIMS LIABILITY, END OF YEAR	\$ 5,104,570	\$ 4,943,155

8. COMMITMENTS AND CONTINGENCIES

DuPage Water Commission

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

8. COMMITMENTS AND CONTINGENCIES (Continued)

Illinois Municipal Electric Agency (IMEA)

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

The City's Power Sales Contract includes a premium adjustment to IMEA to secure additional capacity and energy resources to add to its existing mix of resources in order to be able to service the City. The premium payments to be made to IMEA through 2025 are to offset the projected increase to the average power supply costs to IMEA's 29 existing participating members resulting in acquisition of the resources necessary to serve the City. The projected premium payments are approximately \$59.2 million. The cumulative premium payments through December 31, 2020 are \$40.8 million.

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

Naperville Renewable Energy Program

The City participates in a Renewable Energy Program to make the choice for a clean energy future. This program enables customers to support clean energy resources such as wind and sun that protect our environment and make a difference for future generations. The program is comprised predominantly of unbundled wind "renewable energy certificates" (RECs), as well as a small volume of unbundled solar RECs. The current REC mix is 100% wind. The number of RECs purchased was to meet the State of Illinois' goal of 25% renewable energy by the year 2025. This would include RECs produced from generators online after June 1, 2017: first attempted to be purchased from Illinois or surrounding states, and then from the U.S.

The City holds primary responsibility for the program on behalf of its customers and has retained the services of IMEA to manage the program's administration and renewable offerings. During fiscal year 2020, the City collected \$0.3 million and due to management efficiencies will make all funds, less minimum administration costs, available through grants to directly fund local community based renewable energy projects within the City. The fund balance of this subfund of the electric fund at December 31, 2020 is \$1.4 million.

Development Assistance

The City has entered into various agreements with private organizations to encourage economic development in the City. Some of these agreements provide for rebating a portion of sales tax and hotel tax to the private organizations if certain benchmarks of development are achieved. During the year ended December 31, 2020, \$147,224 in sales tax and \$410,924 in hotel tax were rebated under these agreements. Estimated remaining \$25.5 million will be payable throughout 18 years.

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

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

The table below is a summary for all pension plans as of and for the year ended December 31, 2020:

	IMRF (City Share)	Police Pension	Firefighters' Pension	Total
Net pension liability (asset)	\$ (9,451,068)	\$ 42,419,225	\$ 57,840,351	\$ 90,808,508
Deferred outflows of resources	3,178,281	10,565,541	14,345,152	28,088,974
Deferred inflows of resources	25,753,995	15,573,346	12,031,435	53,358,776
Pension expense	(3,445,300)	2,713,469	7,194,560	6,462,729

The pension expense recognized for all plans was \$6,462,729 for the City and (\$720,350) for the Library for the year ended December 31, 2020.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

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

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

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

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

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

As of December 31, 2020, the following employees were covered by the benefit terms:

Inactive plan members currently receiving benefits	825
Inactive plan members entitled to but not yet receiving benefits	708
Active plan members	<u>811</u>
TOTAL	<u><u>2,344</u></u>

Contributions

As set by statute, the City's RP Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2020 was 11.17% of covered payroll.

Net Pension Liability

The City's net pension liability (asset) was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial cost method	Entry-age normal
Asset valuation method	Fair value
Actuarial assumptions	
Interest rate	7.25%
Salary increases	2.85% to 13.75%
Cost of living adjustments	3.00%
Inflation	2.25%

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following presents the plan's net pension liability (asset), calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset) \$	31,487,975	\$ (11,043,380)	\$ (44,606,355)

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 357,605,672	\$ 340,365,012	\$ 17,240,660
Changes for the period			
Service cost	5,532,729	-	5,532,729
Interest	25,520,573	-	25,520,573
Difference between expected and actual experience	1,395,718	-	1,395,718
Changes in assumptions	(2,662,728)	-	(2,662,728)
Employer contributions	-	6,266,110	(6,266,110)
Employee contributions	-	2,567,185	(2,567,185)
Net investment income	-	47,837,703	(47,837,703)
Benefit payments and refunds	(16,728,260)	(16,728,260)	-
Other (net transfer)	-	1,399,334	(1,399,334)
BALANCES AT DECEMBER 31, 2020	<u>\$ 370,663,704</u>	<u>\$ 381,707,084</u>	<u>\$ (11,043,380)</u>

Changes in assumptions related to the inflation rate, salary increases, and mortality rates were made in 2020.

	City	Library	Total
BEGINNING NET PENSION LIABILITY AT JANUARY 1, 2020	<u>\$ 14,674,680</u>	<u>\$ 2,565,980</u>	<u>\$ 17,240,660</u>
EMPLOYER CONTRIBUTIONS - 2020	<u>\$ 5,362,618</u>	<u>\$ 903,492</u>	<u>\$ 6,266,110</u>
ENDING NET PENSION LIABILITY (ASSET) AT DECEMBER 31, 2020	<u>\$ (9,451,068)</u>	<u>\$ (1,592,312)</u>	<u>\$ (11,043,380)</u>

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the fiscal year ended December 31, 2020, the City recognized pension expense of \$(3,445,300) and the Library recognized \$(720,350). At December 31, 2020, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	\$ 2,105,533	\$ -	\$ 2,105,533
Changes in assumption	1,608,224	(1,899,659)	(291,435)
Net difference between projected and actual earnings on pension plan investments	-	(28,193,359)	(28,193,359)
TOTAL	\$ 3,713,757	\$ (30,093,018)	\$ (26,379,261)

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

Fiscal Year	City Net Deferred Inflows of Resources	Library Net Deferred Inflows of Resources	Total
2021	\$ (5,779,340)	\$ (973,699)	\$ (6,753,039)
2022	(3,015,732)	(508,089)	(3,523,821)
2023	(9,776,002)	(1,647,057)	(11,423,059)
2024	(4,004,641)	(674,701)	(4,679,342)
2025	-	-	-
Thereafter	-	-	-
TOTAL	\$ (22,575,715)	\$ (3,803,546)	\$ (26,379,261)

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

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

Plan Membership

At December 31, 2020, the measurement date, membership consisted of the following:

Inactive plan members currently receiving benefits	106
Inactive plan members entitled to but not yet receiving benefits	8
Active plan members	<u>168</u>
TOTAL	<u><u>282</u></u>

Benefits Provided

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City is funding using the entry age normal actuarial cost method to fund 100% of the past service cost by the year 2033. For the fiscal year ended December 31, 2020, the City's contribution was 38.09% of covered payroll.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial cost method	Entry-age normal
Asset valuation method	Fair value
Actuarial assumptions	
Interest rate	6.85%
Salary increases	3.00% to 10.00%
Cost of living adjustments	3.00%
Inflation	2.50%

Mortality rates were based on the PubS-2010 Mortality Table projected five years past the valuation date with Scale MP-2018. The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated 2019.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2020 was 6.85%. The discount rate at December 31, 2019 was 6.90%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that city contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

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

	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Net pension liability	\$ 81,446,422	\$ 42,419,225	\$ 10,676,373

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2020	\$ 247,687,606	\$ 196,087,391	\$ 51,600,215
Changes for the period			
Service cost	3,975,082	-	3,975,082
Interest	17,044,614	-	17,044,614
Difference between expected and actual experience	2,077,633	-	2,077,633
Changes in assumptions	1,744,714	-	1,744,714
Changes of benefit terms	-	-	-
Employer contributions	-	7,291,728	(7,291,728)
Employee contributions	-	1,896,927	(1,896,927)
Buy back contributions	32,078	32,078	-
Net investment income	-	24,922,152	(24,922,152)
Benefit payments and refunds	(9,278,600)	(9,278,600)	-
Other (net transfer)	-	(87,774)	87,774
BALANCES AT DECEMBER 31, 2020	<u>\$ 263,283,127</u>	<u>\$ 220,863,902</u>	<u>\$ 42,419,225</u>

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

There was a change in assumptions related to the discount rate, which was updated from 6.90% to 6.85%.

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

For the fiscal year ended December 31, 2020, the City recognized pension expense of \$2,716,205. At December 31, 2020, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	\$ 2,610,732	\$ (2,602,457)	\$ 8,275
Changes in assumption	7,954,809	-	7,954,809
Net difference between projected and actual earnings on pension plan investments	-	(12,970,889)	(12,970,889)
TOTAL	<u>\$ 10,565,541</u>	<u>\$ (15,573,346)</u>	<u>\$ (5,007,805)</u>

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

Fiscal Year	Net Deferred Outflows (Inflows) of Resources
2021	\$ (2,616,156)
2022	700,446
2023	(3,674,609)
2024	(54,544)
2025	637,058
Thereafter	-
TOTAL	<u>\$ (5,007,805)</u>

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

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

Plan Membership

At December 31, 2020, the measurement date, membership consisted of the following:

Inactive plan members currently receiving benefits	130
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	193
TOTAL	326

Benefits Provided

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

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded.

The annual benefit shall be increased by 2.50% of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City is funding using the entry age normal actuarial cost method to fund 100% of the past service cost by the year 2033. For the fiscal year ended December 31, 2020, the City's contribution was 44.74% of covered payroll.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial cost method	Entry-age normal
Asset valuation method	Fair value
Actuarial assumptions	
Interest rate	6.85%
Salary increases	3.00% to 9.00%
Cost of living adjustments	3.00%
Inflation	2.50%

Mortality rates were based on the PubS-2010 Mortality Table projected five years past the valuation date with Scale MP-2018. The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated 2019.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2020 was 6.85%. The discount rate at December 31, 2019 was 6.90%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that city contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate Sensitivity

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

	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Net pension liability	\$ 99,012,162	\$ 57,840,351	\$ 24,420,770

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2020	\$ 261,001,445	\$ 197,724,396	\$ 63,277,049
Changes for the period			
Service cost	5,343,193	-	5,343,193
Interest	18,019,207	-	18,019,207
Changes of benefit terms	-	-	-
Difference between expected and actual experience	797,795	-	797,795
Changes in assumptions	1,838,412	-	1,838,412
Employer contributions	-	9,711,228	(9,711,228)
Employee contributions	-	2,052,267	(2,052,267)
Net investment income	-	19,784,694	(19,784,694)
Benefit payments and refunds	(10,393,422)	(10,393,422)	-
Other (net transfer)	-	(112,884)	112,884
BALANCES AT DECEMBER 31, 2020	<u>\$ 276,606,630</u>	<u>\$ 218,766,279</u>	<u>\$ 57,840,351</u>

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

There was a change in assumptions related to the discount rate, which was updated from 6.90% to 6.85%.

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

For the fiscal year ended December 31, 2020, the City recognized pension expense of \$7,194,560. At December 31, 2020, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	\$ 2,071,664	\$ (3,357,819)	\$ (1,286,155)
Changes in assumption	12,273,488	-	12,273,488
Net difference between projected and actual earnings on pension plan investments	-	(8,673,616)	(8,673,616)
TOTAL	<u>\$ 14,345,152</u>	<u>\$ (12,031,435)</u>	<u>\$ 2,313,717</u>

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

<u>Fiscal Year</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2021	\$ (494,875)
2022	1,409,092
2023	(2,963,092)
2024	760,176
2025	1,636,445
Thereafter	<u>1,965,971</u>
TOTAL	<u>\$ 2,313,717</u>

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described in Note 9, the City provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the City and can be amended by the City through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan does not issue a separate report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The activity of the plan is reported in the City's governmental and business-type activities.

b. Benefits Provided

The City provides continued health insurance coverage at the active employee rates to all eligible retirees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance since the retiree does not pay an age adjusted premium. To be eligible for benefits, an employee must qualify for retirement under the City's retirement plan. The benefit levels are the same as those afforded to active employees. Once reaching Medicare age, retirees are covered by a Medicare supplement plan as opposed to the City's active employee health plan. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

c. Membership

At December 31, 2020, membership consisted of:

Inactive employees currently receiving benefit payments	125
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>1,208</u>
TOTAL	<u>1,333</u>
Participating employers	<u><u>1</u></u>

d. Total OPEB Liability

The City's total OPEB liability of \$21,363,554 was measured as of December 31, 2020 and was determined by an actuarial valuation as of December 31, 2020.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2020, as determined by an actuarial valuation as of December 31, 2020 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Salary increases	Varies by service
Discount rate	1.93%
Healthcare cost trend rates	7.50% initial trend rate to 4.00% ultimate trend rate

The discount rate used in the determination of the total OPEB liability is based on the municipal bond rate. The municipal bond rate was based on the index rate for 20-year tax exempt general obligation municipal bonds rated AA or better at December 31, 2020.

Firefighters' and Police Pension Plan Participants

For healthy lives, the PubS-2010 Mortality table with projection to five years past the valuation date with MP-2019 was used. For disabled lives, the PubS-2010 Disabled Mortality table with projection to 5 years past the valuation date with MP-2019 was used.

IMRF Participants

For female lives, 99% of the RP-2014 Blue Collar table was used. For male lives, 100% of the Blue Collar RP-2014 table was used. All tables include fully generational adjustments for mortality improvement scale MP-2017.

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

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2020	\$ 16,286,680
Changes for the period	
Service cost	657,205
Interest	538,707
Difference between expected and actual experience	20,112
Changes in benefit terms	-
Changes in assumptions	4,705,917
Benefit payments	<u>(845,067)</u>
Net changes	<u>5,076,874</u>
BALANCES AT DECEMBER 31, 2020	<u>\$ 21,363,554</u>

Changes in assumptions reflect a change in the discount rate from 3.26% for the reporting period ended December 31, 2019, to 1.93% for the reporting period ended December 31, 2020. Also reflected as assumption changes are updated retirement, termination, disability, and mortality tables, updated salary increase rates, updated health care costs and premiums and updated health care cost trend rates.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the City calculated using the discount rate of 1.93% as well as what the City total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (0.93%) or 1 percentage point higher (2.93%) than the current rate:

	1% Decrease (0.93%)	Current Discount Rate (1.93%)	1% Increase (2.93%)
Total OPEB liability	\$ 24,143,413	\$ 21,363,554	\$ 19,092,316

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

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.00% to 7.50% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current Healthcare Rate	1% Increase
Total OPEB liability	\$ 18,640,642	\$ 21,363,554	\$ 24,779,632

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

For the year ended December 31, 2020, the City and Library recognized OPEB expense of \$1,775,090 and \$(791,372), respectively. At December 31, 2020, the City and Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	\$ 17,598	\$ -	\$ 17,598
Changes in assumption	5,150,412	(650,018)	4,500,394
TOTAL	\$ 5,168,010	\$ (650,018)	\$ 4,517,992

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

Year Ending December 31,	
2021	\$ 632,873
2022	632,873
2023	632,873
2024	632,873
2025	632,870
Thereafter	1,353,630
TOTAL	\$ 4,517,992

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

11. DISCRETELY PRESENTED COMPONENT UNIT - NAPERVILLE PUBLIC LIBRARY

The following is summary fund financial information for the Library for the fiscal year ended December 31, 2020:

Balance Sheet

	General Operating	Special Revenue		Total	Adjustment	Statement of Net Position
		Building Reserve	Gift and Memorial			
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and cash equivalents	\$ 1,351,805	\$ 45,485	\$ 61,254	\$ 1,458,544	\$ -	\$ 1,458,544
Property taxes receivable, net of allowance for uncollectible accounts	14,966,046	-	-	14,966,046	-	14,966,046
Interest receivable	1,218	459	203	1,880	-	1,880
Capital assets (net)						
Capital assets depreciated, net	-	-	-	-	9,014,188	9,014,188
Net pension asset	-	-	-	-	1,592,312	1,592,312
Total assets	16,319,069	45,944	61,457	16,426,470	10,606,500	27,032,970
DEFERRED OUTFLOWS OF RESOURCES						
Deferred items - IMRF	-	-	-	-	535,476	535,476
Deferred items - OPEB	-	-	-	-	142,135	142,135
Total deferred outflows of resources	-	-	-	-	677,611	677,611
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 16,319,069	\$ 45,944	\$ 61,457	\$ 16,426,470	\$ 11,284,111	\$ 27,710,581

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

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

Balance Sheet (Continued)

	General Operating	Special Revenue			Adjustment	Statement of Net Position
		Building Reserve	Gift and Memorial	Total		
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/ NET POSITION						
LIABILITIES						
Accounts payable	\$ 129,719	\$ -	\$ 181	\$ 129,900	\$ -	\$ 129,900
Accrued wages and benefits	537,241	-	-	537,241	-	537,241
Compensated absences	-	-	-	-	421,751	421,751
OPEB liability	-	-	-	-	587,557	587,557
Total liabilities	666,960	-	181	667,141	1,009,308	1,676,449
DEFERRED INFLOWS OF RESOURCES						
Deferred items - IMRF	-	-	-	-	4,339,023	4,339,023
Deferred items - OPEB	-	-	-	-	17,877	17,877
Unavailable/earned property tax revenue	14,935,000	-	-	14,935,000	-	14,935,000
Total deferred inflows of resources	14,935,000	-	-	14,935,000	4,356,900	19,291,900
FUND BALANCES/ NET POSITION						
Fund balances						
Committed for culture and recreation	-	45,944	61,276	107,220	(107,220)	-
Unassigned	717,109	-	-	717,109	(717,109)	-
Net position						
Invested in capital assets	-	-	-	-	9,014,188	9,014,188
Unrestricted	-	-	-	-	(2,271,956)	(2,271,956)
Total fund balances/ net position	717,109	45,944	61,276	824,329	5,917,903	6,742,232
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/ NET POSITION	\$ 16,319,069	\$ 45,944	\$ 61,457	\$ 16,426,470	\$ 11,284,111	\$ 27,710,581

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

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

Statement of Net Position

	General Operating	Special Revenue		Total	Adjustment	Statement of Activities
		Building Reserve	Gift and Memorial			
REVENUES						
Property taxes	\$ 15,025,372	\$ -	\$ -	\$ 15,025,372	\$ -	\$ 15,025,372
Other taxes - personal property replacement tax	132,137	-	-	132,137	-	132,137
Fines and forfeits	154,383	-	-	154,383	-	154,383
Net investment income	11,348	4,955	2,329	18,632	-	18,632
Charges for services	5,335	-	-	5,335	-	5,335
Fees	90,530	-	-	90,530	-	90,530
Contribution	184,311	-	23,990	208,301	-	208,301
Miscellaneous	41,153	1,497	-	42,650	-	42,650
Total revenues	15,644,569	6,452	26,319	15,677,340	-	15,677,340
EXPENDITURES/EXPENSES						
Current						
Culture and recreation	15,336,129	438,938	6,712	15,781,779	(1,514,871)	14,266,908
Total expenditures/ expenses	15,336,129	438,938	6,712	15,781,779	(1,514,871)	14,266,908
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	308,440	(432,486)	19,607	(104,439)	1,514,871	1,410,432
OTHER FINANCING SOURCES (USES)						
Transfers in	-	340,000	-	340,000	(340,000)	-
Transfers (out)	(340,000)	-	-	(340,000)	340,000	-
Total other financing sources (uses)	(340,000)	340,000	-	-	-	-
NET CHANGE IN FUND BALANCES/NET POSITION	(31,560)	(92,486)	19,607	(104,439)	1,514,871	1,410,432
FUND BALANCES/ NET POSITION AT JANUARY 1, 2020	748,669	138,430	41,669	928,768	4,403,032	5,331,800
FUND BALANCES/ NET POSITION AT DECEMBER 31, 2020	\$ 717,109	\$ 45,944	\$ 61,276	\$ 824,329	\$ 5,917,903	\$ 6,742,232

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Budgeted Amount		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 23,950,908	\$ 23,950,908	\$ 24,104,495	\$ 153,587
Utility tax	15,833,000	15,833,000	14,764,374	(1,068,626)
Other taxes	7,177,603	7,177,603	5,591,623	(1,585,980)
Licenses and permits	2,516,305	2,516,305	1,958,134	(558,171)
Fines	1,491,000	1,491,000	977,089	(513,911)
Net investment income	489,225	489,225	1,169,997	680,772
Intergovernmental	56,233,716	56,233,716	63,367,564	7,133,848
Charges for services	14,235,070	14,235,070	12,269,753	(1,965,317)
Franchise fees	3,060,000	3,060,000	2,909,128	(150,872)
Miscellaneous	339,500	339,500	143,105	(196,395)
Total revenues	125,326,327	125,326,327	127,255,262	1,928,935
EXPENDITURES				
Current				
General government	13,097,950	13,097,950	13,709,425	(611,475)
Physical environment	8,465,152	8,465,152	7,853,526	611,626
Public safety	81,024,254	81,024,254	81,783,303	(759,049)
Transportation	21,398,299	21,398,299	18,819,953	2,578,346
Culture and recreation	68,244	68,244	75,964	(7,720)
Total expenditures	124,053,899	124,053,899	122,242,171	1,811,728
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,272,428	1,272,428	5,013,091	3,740,663
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(1,196,727)	(1,196,727)	(1,196,727)	-
Total other financing sources (uses)	(1,196,727)	(1,196,727)	(1,196,727)	-
NET CHANGE IN FUND BALANCE	\$ 75,701	\$ 75,701	3,816,364	\$ 3,740,663
FUND BALANCE, JANUARY 1			34,186,911	
FUND BALANCE, DECEMBER 31			\$ 38,003,275	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
BUDGETARY COMPARISON SCHEDULE**

December 31, 2020

Budgets are adopted on a basis consistent with GAAP. Annual budgets are adopted at the fund level for the Governmental and Proprietary Funds except for the Fair Share Assessment and Special Service Area #31 Funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end. Several budget amendments were made during the current fiscal year. No funds had actual expenditures that exceeded appropriations during the year ended December 31, 2020.

CITY OF NAPERVILLE, ILLINOIS

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

Last Six Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019	2020
Actuarially determined contributions	\$ 6,026,372	\$ 6,217,283	\$ 6,233,486	\$ 6,037,819	\$ 5,155,923	\$ 6,266,110
Contributions in relation to the actuarially determined contribution	6,026,372	6,217,283	6,233,486	6,037,819	5,155,923	6,266,110
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 51,417,441	\$ 51,486,313	\$ 52,718,201	\$ 52,896,450	\$ 53,906,933	\$ 56,081,457
Contributions as a percentage of covered payroll	11.72%	12.08%	11.82%	11.41%	9.56%	11.17%

Notes to the Required Supplementary Information

Actuarial cost method	Entry-age normal
Amortization method	Level % pay (closed)
Remaining amortization period	23 years
Asset valuation method	Five-year smoothed market
Inflation	2.50%
Salary increases	3.35% to 14.25%
Investment rate of return	7.25%
Retirement age	See the notes to financial statements
Mortality	See the notes to financial statements

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

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Seven Fiscal Years

FISCAL YEAR ENDED	April 30,	December 31,					
	2015*	2015	2016	2017	2018	2019	2020
Actuarially determined contributions	\$ 5,156,419	\$ 4,809,036	\$ 5,829,394	\$ 6,538,474	\$ 7,129,194	\$ 7,043,970	\$ 7,290,728
Contributions in relation to the actuarially determined contribution	5,156,419	4,809,036	5,829,394	6,538,474	7,129,194	7,043,970	7,291,728
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,000)
Additional voluntary contribution	484,761	536,397	500,194	139,333	95,127	92,532	-
Total contributions	<u>\$ 5,641,180</u>	<u>\$ 5,345,433</u>	<u>\$ 6,329,588</u>	<u>\$ 6,677,807</u>	<u>\$ 7,224,321</u>	<u>\$ 7,136,502</u>	<u>\$ 7,291,728</u>
Covered payroll	\$ 16,365,735	\$ 16,683,031	\$ 17,893,623	\$ 18,050,807	\$ 17,795,368	\$ 18,791,726	\$ 19,141,544
Contributions as a percentage of covered payroll	34.47%	32.04%	35.37%	36.99%	40.60%	37.98%	38.09%

Notes to the Required Supplementary Information

Actuarial cost method	Entry-age normal
Amortization method	Level % pay (closed)
Remaining amortization period	13 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	5.00%
Investment rate of return	6.90%
Retirement age	Tier 1: Age 50 and 20 years of Credited Service Tier 2: Age 55 and 10 years of Credited Service
Mortality	PubS-2010, projected 5 years past the valuation date with Scale MP-2018

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

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

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Seven Fiscal Years

FISCAL YEAR ENDED	April 30,	December 31,					
	2015*	2015	2016	2017	2018	2019	2020
Actuarially determined contributions	\$ 5,183,001	\$ 4,820,338	\$ 5,871,947	\$ 7,237,440	\$ 8,896,264	\$ 8,939,980	\$ 9,711,228
Contributions in relation to the actuarially determined contribution	5,183,001	4,820,338	5,871,947	7,237,440	8,896,264	8,939,980	9,711,228
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional voluntary contribution	487,038	535,385	543,549	100,760	107,960	110,126	-
Total contributions	<u>\$ 5,670,039</u>	<u>\$ 5,355,723</u>	<u>\$ 6,415,496</u>	<u>\$ 7,338,200</u>	<u>\$ 9,004,224</u>	<u>\$ 9,050,106</u>	<u>\$ 9,711,228</u>
Covered payroll	\$ 17,165,868	\$ 18,315,408	\$ 18,576,954	\$ 19,262,676	\$ 19,168,091	\$ 20,110,175	\$ 21,705,627
Contributions as a percentage of covered payroll	30.19%	26.32%	31.61%	37.57%	46.41%	44.46%	44.74%

Notes to the Required Supplementary Information

Actuarial cost method	Entry-age normal
Amortization method	Level % pay (closed)
Remaining amortization period	13 years
Asset valuation method	Five-year smoothed market
Inflation	2.50%
Salary increases	5.00%
Investment rate of return	6.90%
Retirement age	Tier 1: Age 50 and 20 years of Credited Service Tier 2: Age 55 and 10 years of Credited Service
Mortality	PubS-2010, project 5 years past the valuation date with Scale MP-2018

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

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

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service cost	\$ 5,623,110	\$ 5,569,481	\$ 5,538,779
Interest	20,562,051	21,744,892	22,718,596
Changes in benefit terms	-	-	-
Differences between expected and actual experience	626,724	(2,265,178)	4,058,008
Change of assumptions	358,132	(740,500)	(9,514,997)
Benefit payments, including refunds of member contributions	(10,515,189)	(11,410,419)	(12,761,262)
Net change in total pension liability	16,654,828	12,898,276	10,039,124
Total pension liability - beginning	276,972,756	293,627,584	306,525,860
TOTAL PENSION LIABILITY - ENDING	\$ 293,627,584	\$ 306,525,860	\$ 316,564,984
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 6,026,372	\$ 6,217,283	\$ 6,233,486
Contributions - members	2,325,703	2,364,110	2,431,700
Net investment income	1,278,894	17,659,805	46,307,985
Benefit payments, including refunds of member contributions	(10,515,189)	(11,410,419)	(12,761,262)
Other	(715,829)	1,156,632	(3,683,564)
Net change in plan fiduciary net position	(1,600,049)	15,987,411	38,528,345
Plan fiduciary net position - beginning	256,860,331	255,260,282	271,247,693
PLAN FIDUCIARY NET POSITION - ENDING	\$ 255,260,282	\$ 271,247,693	\$ 309,776,038
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 38,367,302	\$ 35,278,167	\$ 6,788,946
Plan fiduciary net position as a percentage of the total pension liability	86.93%	88.49%	97.86%
Covered payroll	\$ 51,417,441	\$ 51,486,313	\$ 52,718,201
Employer's net pension liability as a percentage of covered payroll	74.62%	68.52%	12.88%

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

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

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

Measurement Date December 31, 2018 - There was a change with respect to actuarial assumptions. Changes in assumptions related to the discount rate. The discount rate was changed from 7.50% to 7.25%.

Measurement Date December 31, 2020 - There was a change with respect to actuarial assumptions. Changes in assumptions related to the inflation rate, salary increases, and the mortality rate.

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

2018	2019	2020
\$ 5,185,160	\$ 5,406,119	\$ 5,532,729
23,410,727	24,350,281	25,520,573
-	-	-
480,406	2,382,717	1,395,718
9,247,031	-	(2,662,728)
(14,029,079)	(15,392,674)	(16,728,260)
24,294,245	16,746,443	13,058,032
316,564,984	340,859,229	357,605,672
<u>\$ 340,859,229</u>	<u>\$ 357,605,672</u>	<u>\$ 370,663,704</u>
\$ 6,037,819	\$ 5,155,923	\$ 6,266,110
2,500,845	2,665,789	2,567,185
(15,495,449)	53,839,947	47,837,703
(14,029,079)	(15,392,674)	(16,728,260)
4,271,932	1,033,921	1,399,334
(16,713,932)	47,302,906	41,342,072
309,776,038	293,062,106	340,365,012
<u>\$ 293,062,106</u>	<u>\$ 340,365,012</u>	<u>\$ 381,707,084</u>
<u>\$ 47,797,123</u>	<u>\$ 17,240,660</u>	<u>\$ (11,043,380)</u>
85.98%	95.18%	102.98%
\$ 52,896,450	\$ 53,906,933	\$ 56,081,457
90.36%	31.98%	(19.69%)

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

Last Seven Fiscal Years

MEASUREMENT DATE	April 30,	December 31,		
	2015*	2015	2016	2017
TOTAL PENSION LIABILITY				
Service cost	\$ 3,442,284	\$ 2,635,406	\$ 4,113,967	\$ 4,277,831
Interest	12,150,401	8,904,818	13,993,038	14,216,220
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(2,006,971)	(1,398,497)	(11,518,319)	1,578,661
Change of assumptions	8,387,367	-	3,016,340	-
Contributions - buy back	-	-	-	-
Benefit payments, including refunds of member contributions	(5,506,966)	(3,958,442)	(6,365,209)	(6,817,646)
Net change in total pension liability	16,466,115	6,183,285	3,239,817	13,255,066
Total pension liability - beginning	176,330,635	192,796,750	198,980,035	202,219,852
TOTAL PENSION LIABILITY - ENDING	\$ 192,796,750	\$ 198,980,035	\$ 202,219,852	\$ 215,474,918
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 5,641,180	\$ 5,345,433	\$ 6,329,588	\$ 6,677,807
Contributions - members	1,599,368	1,117,257	1,773,258	1,788,835
Contributions - other	8,066	2,237	21,704	-
Net investment income	8,726,002	(4,333,440)	11,562,097	20,204,239
Benefit payments, including refunds of member contributions	(5,506,966)	(3,950,028)	(6,386,913)	(6,817,646)
Administrative expense	(130,073)	(67,226)	(53,912)	(66,441)
Net change in plan fiduciary net position	10,337,577	(1,885,767)	13,245,822	21,786,794
Plan fiduciary net position - beginning	130,457,028	140,794,605	138,908,838	152,154,660
PLAN FIDUCIARY NET POSITION - ENDING	\$ 140,794,605	\$ 138,908,838	\$ 152,154,660	\$ 173,941,454
EMPLOYER'S NET PENSION LIABILITY	\$ 52,002,145	\$ 60,071,197	\$ 50,065,192	\$ 41,533,464
Plan fiduciary net position as a percentage of the total pension liability	73.03%	69.81%	75.24%	80.72%
Covered payroll	\$ 16,365,735	\$ 16,683,031	\$ 17,893,623	\$ 18,050,807
Employer's net pension liability as a percentage of covered payroll	317.75%	360.07%	279.79%	230.09%

*The City changed from fiscal years ended April 30 to December 31 effective December 31, 2015.

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

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

For healthy lives, the mortality rates were updated from RP-2000 Combined Healthy Mortality with a blue collar adjustment to RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date using Scale BB.

For disabled lives, the mortality rates were updated from RP-2000 Disabled Retiree Mortality to RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.

The Salary Scale assumptions was changed from 5.00% to service based.

Measurement Date December 31, 2019, change of assumptions related to changes in mortality rates updated to reflect PubS-2010 tables, discount rate was updated from 7.00% to 6.90%, termination and disability rates were updated to the rates determined in the State of Illinois Department of Insurance experience study dated October 5, 2017, and retirement and salary increase rates were updated to the rates determined in the experience study dates June 25, 2019. Changes in benefit terms were a result of Public Act 101-0610.

Measurement Date December 31, 2020, amounts reported as changes of assumptions resulted from the following assumption changes:

The discount rate was updated from 6.90% to 6.85%.

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

			December 31,		
			2018	2019	2020
\$	4,341,621	\$	4,181,667	\$	3,975,082
	15,123,748		15,819,177		17,044,614
	-		595,481		-
	(1,365,474)		529,725		2,077,633
	-		8,997,231		1,744,714
	-		-		32,078
	(7,525,979)		(8,484,509)		(9,278,600)
	10,573,916		21,638,772		15,595,521
	215,474,918		226,048,834		247,687,606
\$	226,048,834	\$	247,687,606	\$	263,283,127
\$	7,224,321	\$	7,136,502	\$	7,291,728
	1,763,521		1,862,260		1,896,927
	-		-		32,078
	(8,335,403)		28,666,783		24,922,152
	(7,525,979)		(8,484,509)		(9,278,600)
	(78,441)		(83,118)		(87,774)
	(6,951,981)		29,097,918		24,776,511
	173,941,454		166,989,473		196,087,391
\$	166,989,473	\$	196,087,391	\$	220,863,902
\$	59,059,361	\$	51,600,215	\$	42,419,225
	73.87%		79.17%		83.89%
\$	17,795,368	\$	18,791,726	\$	19,141,544
	331.88%		274.59%		221.61%

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

Last Seven Fiscal Years

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

*The City changed from fiscal years ended April 30 to December 31 effective December 31, 2015.

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

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

For healthy lives, the mortality rates were updated from RP-2000 Combined Healthy Mortality with a blue collar adjustment to RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date using Scale BB.

For disabled lives, the mortality rates were updated from RP-2000 Disabled Retiree Mortality to RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.

The Salary Scale assumptions was changed from 5.00% to service based.

Measurement Date December 31, 2019, change of assumptions related to changes in mortality rates updated to reflect PubS-2010 tables, discount rate was updated from 7.00% to 6.90%, termination and disability rates were updated to the rates determined in the State of Illinois Department of Insurance experience study dated October 5, 2017, and retirement and salary increase rates were updated to the rates determined in the experience study dates June 25, 2019. Changes in benefit terms were a result of Public Act 101-0610.

Measurement Date December 31, 2020, amounts reported as changes of assumptions resulted from the following assumption

The discount rate was updated from 6.90% to 6.85%.

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

December 31,		
2018	2019	2020
\$ 5,195,663	\$ 5,419,442	\$ 5,343,193
15,645,078	16,654,316	18,019,207
-	770,343	-
2,403,795	(1,444,815)	797,795
-	11,900,170	1,838,412
22,660	-	-
(8,551,855)	(9,594,725)	(10,393,422)
14,715,341	23,704,731	15,605,185
222,581,373	237,296,714	261,001,445
<u>\$ 237,296,714</u>	<u>\$ 261,001,445</u>	<u>\$ 276,606,630</u>
\$ 9,004,224	\$ 9,050,106	\$ 9,711,228
1,812,343	1,901,417	2,052,267
22,660	-	-
(9,573,948)	29,456,020	19,784,694
(8,551,855)	(9,594,725)	(10,393,422)
(109,783)	(131,445)	(112,884)
(7,396,359)	30,681,373	21,041,883
174,439,382	167,043,023	197,724,396
<u>\$ 167,043,023</u>	<u>\$ 197,724,396</u>	<u>\$ 218,766,279</u>
<u>\$ 70,253,691</u>	<u>\$ 63,277,049</u>	<u>\$ 57,840,351</u>
70.39%	75.76%	79.09%
\$ 19,168,091	\$ 63,277,049	\$ 57,840,351
366.51%	100.00%	100.00%

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020
TOTAL OPEB LIABILITY			
Service cost	\$ 592,889	\$ 530,088	\$ 657,205
Interest	530,864	602,786	538,707
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	20,112
Changes of assumptions	(1,040,027)	1,376,979	4,705,917
Benefit payments, including refunds of member contributions	(721,170)	(782,469)	(845,067)
Net change in total OPEB liability	(637,444)	1,727,384	5,076,874
Total OPEB liability - beginning	15,196,740	14,559,296	16,286,680
TOTAL OPEB LIABILITY - ENDING	\$ 14,559,296	\$ 16,286,680	\$ 21,363,554
Covered payroll	\$ 85,747,519	\$ 88,525,739	\$ 96,082,777
Employer's total OPEB liability as a percentage of covered payroll	16.98%	18.40%	22.23%

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

December 31, 2020: Changes in assumptions reflect a change in the discount rate from 3.26% to 1.93%, updated retirement, termination, disability, and mortality tables, updated salary increase rates, updated health care costs and premiums and updated health care cost trend rates

December 31, 2019: Changes in assumptions relate to a decrease in the discount rate from 4.10% to 3.26%.

December 31, 2018: Because this is implementation year of GASB 74/75, the beginning Total OPEB Liability is based on the same data and plan provisions as the ending total OPEB liability. For the purpose of developing changes in OPEB Liability for GABS 74/75 reporting, the only change in assumptions was the discount rate.

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

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Seven Fiscal Years

FISCAL YEAR ENDED	April 30,	December 31,					
	2015*	2015	2016	2017	2018	2019	2020
Annual money-weighted rate of return, net of investment expense	6.60%	(3.10%)	8.41%	13.29%	(4.73%)	16.89%	12.78%

*The City changed from fiscal years ended April 30 to December 31 effective December 31, 2015.

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

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Seven Fiscal Years

FISCAL YEAR ENDED	April 30,	December 31,					
	2015*	2015	2016	2017	2018	2019	2020
Annual money-weighted rate of return, net of investment expense	6.00%	(3.20%)	8.32%	13.31%	(5.43%)	17.67%	10.03%

*The City changed from fiscal years ended April 30 to December 31 effective December 31, 2015.

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

(See independent auditor's report.)

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

DEBT SERVICE FUND

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

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
TAXES				
Property taxes				
General	\$ 8,067,092	\$ 8,067,092	\$ 8,121,155	\$ 54,063
Police Pension	6,731,658	6,731,658	6,774,447	42,789
Firefighters' Pension	9,152,158	9,152,158	9,208,893	56,735
Total property taxes	23,950,908	23,950,908	24,104,495	153,587
Utility tax	15,833,000	15,833,000	14,764,374	(1,068,626)
Other taxes				
Auto rental tax	115,000	115,000	106,718	(8,282)
Real estate transfer tax	4,771,454	4,771,454	4,265,262	(506,192)
Hotel/motel tax	1,966,000	1,966,000	825,750	(1,140,250)
Charitable games tax	790	790	-	(790)
Cannabis tax	-	-	85,574	85,574
Personal property replacement tax	324,359	324,359	308,319	(16,040)
Total other taxes	7,177,603	7,177,603	5,591,623	(1,585,980)
Total taxes	46,961,511	46,961,511	44,460,492	(2,501,019)
LICENSES AND PERMITS				
Licenses				
Liquor	550,000	550,000	177,174	(372,826)
Business license	6,030	6,030	1,455	(4,575)
Basset	42,000	42,000	21,570	(20,430)
Electric license	29,425	29,425	37,160	7,735
Contractor license	34,400	34,400	21,590	(12,810)
Other licenses	2,000	2,000	-	(2,000)
Total licenses	663,855	663,855	258,949	(404,906)
Permits				
Commercial	990,000	990,000	974,311	(15,689)
Residential	745,000	745,000	640,592	(104,408)
Plan review	200	200	250	50
Fire alarm/sprinkler	70,000	70,000	35,935	(34,065)
Tobacco	18,000	18,000	15,250	(2,750)
Other	29,250	29,250	32,847	3,597
Total permits	1,852,450	1,852,450	1,699,185	(153,265)
Total licenses and permits	2,516,305	2,516,305	1,958,134	(558,171)

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
FINES				
Traffic	\$ 1,000,000	\$ 1,000,000	\$ 743,628	\$ (256,372)
Ordinance violations	27,000	27,000	5,092	(21,908)
Parking	170,000	170,000	56,217	(113,783)
Other	294,000	294,000	172,152	(121,848)
Total fines	1,491,000	1,491,000	977,089	(513,911)
NET INVESTMENT INCOME	489,225	489,225	1,169,997	680,772
INTERGOVERNMENTAL REVENUE				
Sales and use tax	40,142,843	40,142,843	39,364,061	(778,782)
State income tax	15,080,841	15,080,841	16,023,125	942,284
Federal grants	810,032	810,032	7,969,856	7,159,824
State grants	-	-	8,026	8,026
Other	200,000	200,000	2,496	(197,504)
Total intergovernmental revenue	56,233,716	56,233,716	63,367,564	7,133,848
CHARGES FOR SERVICES				
Operational transfer	4,197,686	4,197,686	4,328,349	130,663
Developer contributions	170,000	170,000	164,195	(5,805)
Rental income	67,000	67,000	61,767	(5,233)
Administrative tow fee	150,000	150,000	134,732	(15,268)
DPW - services for DPU	196,710	196,710	144,754	(51,956)
N.F.P.D. - contract	1,235,000	1,235,000	1,195,414	(39,586)
Ambulance fees	5,628,000	5,628,000	3,906,841	(1,721,159)
Fire services	382,972	382,972	239,856	(143,116)
Fire alarm monitoring	700,000	700,000	697,348	(2,652)
Police services	737,702	737,702	466,269	(271,433)
Billable TED service	40,000	40,000	37,988	(2,012)
TED services	-	-	75,508	75,508
Engineering fees	100,000	100,000	199,192	99,192
Entitlement fees	100,000	100,000	135,602	35,602
Household hazardous waste	155,000	155,000	180,000	25,000
Other charges for services	375,000	375,000	301,938	(73,062)
Total charges for services	14,235,070	14,235,070	12,269,753	(1,965,317)

(This schedule is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
FRANCHISE FEES				
WideOpenWest - cable franchise fee	\$ 510,000	\$ 510,000	\$ 429,346	\$ (80,654)
WideOpenWest - 1% support fee	100,000	100,000	85,869	(14,131)
Comcast - cable franchise fee	1,570,000	1,570,000	1,540,913	(29,087)
Comcast - 1% support fee	320,000	320,000	308,171	(11,829)
Lease revenue	200,000	200,000	242,707	42,707
AT&T - cable franchise fee	300,000	300,000	251,768	(48,232)
AT&T - 1% support fee	60,000	60,000	50,354	(9,646)
 Total franchise fees	 3,060,000	 3,060,000	 2,909,128	 (150,872)
MISCELLANEOUS				
Late payment charge	30,000	30,000	22,529	(7,471)
Sale of surplus property	100,000	100,000	48,941	(51,059)
Bad debt recovery (loss)	50,000	50,000	(18,165)	(68,165)
Damage to city property	10,000	10,000	-	(10,000)
Rebate programs	80,000	80,000	58,633	(21,367)
Tree reimbursement	49,500	49,500	-	(49,500)
Miscellaneous revenues	20,000	20,000	31,167	11,167
 Total miscellaneous	 339,500	 339,500	 143,105	 (196,395)
 TOTAL REVENUES	 \$ 125,326,327	 \$ 125,326,327	 \$ 127,255,262	 \$ 1,928,935

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
GENERAL GOVERNMENT				
Legislative				
Mayor and City Council				
Salaries and wages	\$ 241,190	\$ 241,190	\$ 157,555	\$ 83,635
Benefits and related	69,966	69,966	54,517	15,449
Contracted services	19,260	19,260	20,044	(784)
Internal services	12,357	12,357	12,360	(3)
Supplies	2,450	2,450	638	1,812
Total Mayor and City Council	345,223	345,223	245,114	100,109
Alcohol and Tobacco Commission				
Contracted services	21,700	21,700	7,414	14,286
Supplies	3,050	3,050	1,567	1,483
Total Alcohol and Tobacco Commission	24,750	24,750	8,981	15,769
Legal				
Legal department				
Salaries and wages	530,042	530,042	535,263	(5,221)
Benefits and related	178,551	178,551	180,124	(1,573)
Contracted services	49,000	49,000	23,463	25,537
Internal services	12,357	12,357	12,348	9
Supplies	22,500	22,500	3,214	19,286
Total legal department	792,450	792,450	754,412	38,038
Executive				
City Manager's Office				
Salaries and wages	382,693	382,693	490,270	(107,577)
Benefits and related	124,800	124,800	186,884	(62,084)
Contracted services	226,827	226,827	95,306	131,521
Internal services	19,770	19,770	19,776	(6)
Supplies	16,800	16,800	18,416	(1,616)
Total City Manager's Office	770,890	770,890	810,652	(39,762)
Sister Cities Commission				
Contracted services	3,350	3,350	1,172	2,178
Supplies	-	-	1,999	(1,999)
Total Sister Cities Commission	3,350	3,350	3,171	179

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
GENERAL GOVERNMENT (Continued)				
Executive (Continued)				
Board of Fire and Police				
Salaries and wages	\$ 66,608	\$ 66,608	\$ 46,063	\$ 20,545
Benefits and related	28,256	28,256	15,715	12,541
Contracted services	122,826	122,826	98,296	24,530
Supplies	2,100	2,100	918	1,182
Total Board of Fire and Police	219,790	219,790	160,992	58,798
Communications				
Salaries and wages	373,692	373,692	341,183	32,509
Benefits and related	114,762	114,762	108,570	6,192
Contracted services	159,712	159,712	191,086	(31,374)
Supplies	1,500	1,500	2,095	(595)
Total communications	649,666	649,666	642,934	6,732
Human resources				
Salaries and wages	548,629	548,629	536,558	12,071
Benefits and related	194,229	194,229	190,728	3,501
Contracted services	230,890	230,890	145,734	85,156
Internal services	9,885	9,885	9,888	(3)
Supplies	9,861	9,861	5,521	4,340
Total human resources	993,494	993,494	888,429	105,065
City Clerk				
City Clerk's Office				
Salaries and wages	450,589	450,589	414,015	36,574
Benefits and related	165,652	165,652	165,564	88
Contracted services	35,657	35,657	20,419	15,238
Internal services	9,885	9,885	9,888	(3)
Supplies	3,750	3,750	1,817	1,933
Total City Clerk's Office	665,533	665,533	611,703	53,830
Reproduction micrographics service				
Salaries and wages	125,923	125,923	128,890	(2,967)
Benefits and related	64,931	64,931	62,823	2,108
Contracted services	170,586	170,586	145,452	25,134
Internal services	(39,206)	(39,206)	(40,428)	1,222
Supplies	29,650	29,650	16,980	12,670
Total reproduction micrographics service	351,884	351,884	313,717	38,167

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
GENERAL GOVERNMENT (Continued)				
City Clerk (Continued)				
Information technology				
Salaries and wages	\$ 2,345,415	\$ 2,345,415	\$ 2,316,884	\$ 28,531
Benefits and related	748,221	748,221	1,115,082	(366,861)
Contracted services	3,353,545	3,353,545	2,555,335	798,210
Supplies	866,425	866,425	585,718	280,707
Internal services	(932,536)	(932,536)	(932,544)	8
Capital maintenance	124,000	124,000	13,626	110,374
Total information technology	6,505,070	6,505,070	5,654,101	850,969
Financial administration				
Administration				
Salaries and wages	445,202	445,202	481,226	(36,024)
Benefits and related	169,079	169,079	153,393	15,686
Contracted services	721,203	721,203	755,611	(34,408)
Internal services	48,781	48,781	48,780	1
Supplies	19,519	19,519	184,478	(164,959)
Total administration	1,403,784	1,403,784	1,623,488	(219,704)
Billing and collection				
Salaries and wages	40,473	40,473	57,254	(16,781)
Benefits and related	15,019	15,019	18,228	(3,209)
Contracted services	35,500	35,500	16,998	18,502
Supplies	-	-	95	(95)
Total billing and collection	90,992	90,992	92,575	(1,583)
Procurement services				
Salaries and wages	295,742	295,742	343,933	(48,191)
Benefits and related	112,743	112,743	130,780	(18,037)
Contracted services	-	-	45	(45)
Total procurement services	408,485	408,485	474,758	(66,273)
General services	(127,411)	(127,411)	1,424,398	(1,551,809)
Total general government	13,097,950	13,097,950	13,709,425	(611,475)
PHYSICAL ENVIRONMENT				
Development review team				
Salaries and wages	1,802,363	1,802,363	1,751,288	51,075
Benefits and related	659,645	659,645	662,277	(2,632)
Contracted services	89,000	89,000	6,464	82,536
Capital maintenance	10,400	10,400	14,100	(3,700)
Total development review team	2,561,408	2,561,408	2,434,129	127,279

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
PHYSICAL ENVIRONMENT (Continued)				
Special projects team				
Salaries and wages	\$ 801,747	\$ 801,747	\$ 848,826	\$ (47,079)
Benefits and related	313,536	313,536	320,303	(6,767)
Contracted services	116,155	116,155	53,611	62,544
Internal services	276,787	276,787	276,792	(5)
Supplies	55,450	55,450	23,638	31,812
Total special projects team	<u>1,563,675</u>	<u>1,563,675</u>	<u>1,523,170</u>	<u>40,505</u>
Planning				
Salaries and wages	384,481	384,481	395,814	(11,333)
Benefits and related	91,288	91,288	94,612	(3,324)
Contracted services	145,000	145,000	22,617	122,383
Total planning	<u>620,769</u>	<u>620,769</u>	<u>513,043</u>	<u>107,726</u>
Public buildings				
Salaries and wages	987,227	987,227	937,493	49,734
Benefits and related	352,484	352,484	330,717	21,767
Contracted services	1,150,529	1,150,529	1,009,946	140,583
Supplies	1,229,060	1,229,060	1,105,028	124,032
Total public buildings	<u>3,719,300</u>	<u>3,719,300</u>	<u>3,383,184</u>	<u>336,116</u>
Total physical environment	<u>8,465,152</u>	<u>8,465,152</u>	<u>7,853,526</u>	<u>611,626</u>
PUBLIC SAFETY				
Police				
Police administration				
Salaries and wages	1,914,740	1,914,740	2,049,570	(134,830)
Benefits and related	7,676,321	7,676,321	7,696,855	(20,534)
Contracted services	613,190	613,190	511,463	101,727
Internal services	793,291	793,291	793,284	7
Supplies	544,250	544,250	554,486	(10,236)
Total police administration	<u>11,541,792</u>	<u>11,541,792</u>	<u>11,605,658</u>	<u>(63,866)</u>
Patrol				
Salaries and wages	15,789,283	15,789,283	15,459,368	329,915
Benefits and related	2,446,316	2,446,316	2,387,800	58,516
Contracted services	60,075	60,075	80,385	(20,310)
Supplies	93,150	93,150	65,397	27,753
Total patrol	<u>18,388,824</u>	<u>18,388,824</u>	<u>17,992,950</u>	<u>395,874</u>

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
PUBLIC SAFETY (Continued)				
Police (Continued)				
Investigations				
Salaries and wages	\$ 7,495,764	\$ 7,495,764	\$ 8,138,317	\$ (642,553)
Benefits and related	1,358,292	1,358,292	1,307,261	51,031
Contracted services	246,997	246,997	214,861	32,136
Supplies	229,500	229,500	199,021	30,479
Total investigations	9,330,553	9,330,553	9,859,460	(528,907)
Communications				
Salaries and wages	2,436,138	2,436,138	2,364,228	71,910
Benefits and related	810,911	810,911	796,226	14,685
Contracted services	662,507	662,507	557,064	105,443
Supplies	36,575	36,575	35,941	634
Total communications	3,946,131	3,946,131	3,753,459	192,672
Fire				
Fire administration				
Salaries and wages	1,711,188	1,711,188	1,931,554	(220,366)
Benefits and related	9,954,235	9,954,235	10,063,087	(108,852)
Contracted services	652,799	652,799	498,751	154,048
Internal services	271,844	271,844	271,836	8
Supplies	56,400	56,400	36,449	19,951
Total fire administration	12,646,466	12,646,466	12,801,677	(155,211)
Operations division				
Salaries and wages	20,631,822	20,631,822	21,370,209	(738,387)
Benefits and related	3,271,250	3,271,250	3,311,803	(40,553)
Contracted services	500,318	500,318	385,630	114,688
Internal services	4,048	4,048	-	4,048
Supplies	763,050	763,050	702,457	60,593
Total operations division	25,170,488	25,170,488	25,770,099	(599,611)
Total public safety	81,024,254	81,024,254	81,783,303	(759,049)
TRANSPORTATION				
Public works				
Administration				
Salaries and wages	1,159,017	1,159,017	1,037,193	121,824
Benefits and related	571,490	571,490	488,897	82,593
Contracted services	634,870	634,870	232,705	402,165
Internal services	360,811	360,811	360,816	(5)
Supplies	357,300	357,300	347,591	9,709
Total administration	3,083,488	3,083,488	2,467,202	616,286

(This schedule is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
TRANSPORTATION (Continued)				
Public works (Continued)				
Operations and maintenance				
Salaries and wages	\$ 5,087,189	\$ 5,087,189	\$ 4,778,387	\$ 308,802
Benefits and related	1,667,295	1,667,295	1,556,785	110,510
Contracted services	2,396,180	2,396,180	2,096,892	299,288
Supplies	1,948,184	1,948,184	1,776,359	171,825
Total operations and maintenance	11,098,848	11,098,848	10,208,423	890,425
Fleet services				
Salaries and wages	1,365,757	1,365,757	1,344,024	21,733
Benefits and related	491,455	491,455	461,843	29,612
Contracted services	667,095	667,095	705,976	(38,881)
Supplies	2,244,905	2,244,905	1,298,076	946,829
Capital maintenance	-	-	2,157	(2,157)
Total fleet services	4,769,212	4,769,212	3,812,076	957,136
Transportation and engineering				
Administration				
Salaries and wages	995,168	995,168	1,024,206	(29,038)
Benefits and related	312,338	312,338	353,891	(41,553)
Contracted services	989,245	989,245	811,611	177,634
Supplies	150,000	150,000	142,544	7,456
Total administration	2,446,751	2,446,751	2,332,252	114,499
Total transportation	21,398,299	21,398,299	18,819,953	2,578,346
CULTURE AND RECREATION				
Riverwalk				
Salaries and wages	14,856	14,856	37,403	(22,547)
Benefits and related	2,878	2,878	4,986	(2,108)
Contracted services	50,360	50,360	33,575	16,785
Supplies	150	150	-	150
Total Riverwalk	68,244	68,244	75,964	(7,720)
Total culture and recreation	68,244	68,244	75,964	(7,720)
TOTAL EXPENDITURES	\$ 124,053,899	\$ 124,053,899	\$ 122,242,171	\$ 1,811,728

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	\$ 9,900,400	\$ 9,900,400	\$ 9,523,074	\$ (377,326)
Intergovernmental revenues				
Sales tax	1,600,000	1,600,000	1,450,000	(150,000)
Other	-	-	222,939	222,939
Net investment income	35,189	35,189	437,385	402,196
Total revenues	11,535,589	11,535,589	11,633,398	97,809
EXPENDITURES				
Debt service				
Principal	9,744,323	9,744,323	9,744,323	-
Interest and fees	3,004,389	3,004,389	2,706,219	298,170
Total expenditures	12,748,712	12,748,712	12,450,542	298,170
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,213,123)	(1,213,123)	(817,144)	395,979
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued, at par	-	-	4,465,000	4,465,000
Premium on bonds issued	-	-	382,731	382,731
Payment to escrow agent	-	(4,478,351)	(4,776,521)	(298,170)
Transfers in	1,316,312	1,316,312	2,432,400	1,116,088
Total other financing sources (uses)	1,316,312	(3,162,039)	2,503,610	5,665,649
NET CHANGE IN FUND BALANCE	\$ 103,189	\$ (4,375,162)	1,686,466	\$ 6,061,628
FUND BALANCE, JANUARY 1			5,327,418	
FUND BALANCE, DECEMBER 31			\$ 7,013,884	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Food and Beverage Tax Fund - to account for the accumulation of 75% of the Food and Beverage tax, restricted to fund the social and artistic events and entities, providing cultural experiences for the Naperville community and its visitors, and also a portion is used to fund police and fire pensions.

Special Service Area #33 - Downtown Maintenance Fund - to account for the cost-sharing paid by property owners and the City, restricted to fund the maintenance and support services for enhancing downtown Naperville including improvements to the Chicago Avenue parking deck.

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Special Service Area #30 Fund - to account for a capital project involving design and construction of improvements to renovate the streetscape in the Downtown Central Business District. Work will include installation of new sidewalks, curbs, and parkway features as identified in the Naperville Downtown 2030 Plan. Bonds will be issued to pay for 2021 construction work. SSA 30 will provide a financing mechanism for the debt service.

Special Service Area #31 Fund - to account for City-required streetscape improvements following the redevelopment of the downtown property at 41 W. Jefferson Ave. Due to the cost to bring the streetscape up to current City standards, the City considered an SSA as a mechanism for financing these improvements. The City reimbursed the property owner for the full costs related to the improvements in 2019 and will begin to levy property taxes in 2021 to recoup the amount, plus interest, over the next 15 years.

ETSB Fund - to account for the receipt of all surcharge and other monies paid or collected to fund the operation of the E911 system and to account for the disbursement of funds associated with the design, implementation, and maintenance of an emergency telephone system.

DEBT SERVICE FUNDS

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

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

Bond Project Fund – to account for bond proceeds utilized to fund capital improvements, including upgrades and repairs to capital equipment, municipal buildings/lots, and technology items; construction of traffic signals and streets including upgrading intersections; stormwater management programs; citywide LED street lighting conversion; Emerald Ash Bore tree removal and replacement; reconstruction/rehabilitation of bridges; and Riverwalk improvements. The City borrows on a project reimbursement basis and all issuances are accounted for in a single fund.

CITY OF NAPERVILLE, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Special Revenue Funds					
	Motor Fuel Tax Fund	Community Development Block Grant Fund	Fair Share Assessment Fund	Road and Bridge Fund	Naper Settlement Fund	Foreign Fire Insurance Tax Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and investments	\$ 8,330,829	\$ 8,533	\$ 6,931	\$ 196,162	\$ 15,508	\$ 419,901
Receivables						
Property taxes	-	-	-	840	2,802,771	-
Interest	29,339	-	-	3,679	1,117	-
Accounts receivable less allowance for doubtful accounts	-	-	-	191,053	-	-
Loans and installments	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Due from other governments	489,475	265,086	-	-	-	-
Total assets	8,849,643	273,619	6,931	391,734	2,819,396	419,901
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 8,849,643	\$ 273,619	\$ 6,931	\$ 391,734	\$ 2,819,396	\$ 419,901
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 797,623	\$ 248,295	\$ -	\$ 35,003	\$ 74,735	\$ -
Accrued wages and benefits	-	-	-	36,586	139,424	-
Due to other governments	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Contract retainage payable	98,303	-	-	-	-	-
Unearned grant revenues and others	-	-	-	5,067	470	-
Total liabilities	895,926	248,295	-	76,656	214,629	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property taxes	-	-	-	-	2,796,952	-
Total deferred inflows of resources	-	-	-	-	2,796,952	-
Total liabilities and deferred inflows of resources	895,926	248,295	-	76,656	3,011,581	-
FUND BALANCES						
Restricted for						
Debt service	-	-	-	-	-	-
Highways, streets, and parking facilities	7,953,717	-	6,931	315,078	-	-
Public safety	-	-	-	-	-	419,901
Capital projects	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Physical environment	-	25,324	-	-	-	-
Committed to						
Highways, streets, and parking facilities	-	-	-	-	-	-
Assigned to						
Capital projects	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(192,185)	-
Total fund balances (deficit)	7,953,717	25,324	6,931	315,078	(192,185)	419,901
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 8,849,643	\$ 273,619	\$ 6,931	\$ 391,734	\$ 2,819,396	\$ 419,901

Special Revenue Funds										
E-911 Surcharge Fund	Food and Beverage Tax Fund	Special Service Area #33 Downtown Maintenance Fund	Test Track Fund	Water Street TIF Fund	Drug Forfeiture Fund	Special Service Area #25 Fund	Special Service Area #30 Fund	Special Service Area #31 Fund	ETSB Fund	Total Special Revenue Funds
\$ 731,349	\$ 972,408	\$ 1,269,940	\$ 30,661	\$ 45,722	\$ 973,484	\$ 92,661	\$ -	\$ -	\$ 448,873	\$ 13,542,962
-	-	1,151,942	-	359,033	-	68,000	-	-	-	4,382,586
2,549	4,422	6,684	-	4,733	4,836	522	-	-	5,339	63,220
-	339,526	-	18,915	-	-	-	-	-	572,141	1,121,635
-	-	23,729	-	-	-	-	-	-	-	23,729
-	-	-	-	-	-	-	-	-	-	-
748,071	-	-	-	-	-	-	-	-	-	1,502,632
1,481,969	1,316,356	2,452,295	49,576	409,488	978,320	161,183	-	-	1,026,353	20,636,764
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
\$ 1,481,969	\$ 1,316,356	\$ 2,452,295	\$ 49,576	\$ 409,488	\$ 978,320	\$ 161,183	\$ -	\$ -	\$ 1,026,353	\$ 20,636,764
\$ -	\$ 628,117	\$ 164,300	\$ -	\$ 99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,948,172
-	4,321	44,366	-	-	-	-	-	-	-	224,697
-	-	-	-	-	2,033	-	-	-	-	2,033
-	-	-	-	-	-	-	74,318	294,855	-	369,173
-	-	-	-	-	-	521,153	-	-	-	521,153
-	-	-	-	-	-	-	-	-	-	98,303
-	-	-	10,666	-	-	-	-	-	-	16,203
-	632,438	208,666	10,666	99	2,033	521,153	74,318	294,855	-	3,179,734
-	-	1,146,702	-	359,033	-	68,000	-	-	-	4,370,687
-	-	1,146,702	-	359,033	-	68,000	-	-	-	4,370,687
-	632,438	1,355,368	10,666	359,132	2,033	589,153	74,318	294,855	-	7,550,421
-	-	-	-	-	-	-	-	-	-	-
1,481,969	-	-	38,910	-	976,287	-	-	-	1,026,353	8,314,636
-	-	-	-	50,356	-	-	-	-	-	50,356
-	683,918	-	-	-	-	-	-	-	-	683,918
-	-	-	-	-	-	-	-	-	-	25,324
-	-	1,096,927	-	-	-	-	-	-	-	1,096,927
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(427,970)	(74,318)	(294,855)	-	(989,328)
1,481,969	683,918	1,096,927	38,910	50,356	976,287	(427,970)	(74,318)	(294,855)	1,026,353	13,086,343
\$ 1,481,969	\$ 1,316,356	\$ 2,452,295	\$ 49,576	\$ 409,488	\$ 978,320	\$ 161,183	\$ -	\$ -	\$ 1,026,353	\$ 20,636,764

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Debt Service Funds			Capital Projects Funds		
	Special Service Areas Funds		Downtown Parking Fund	Capital Projects Fund	Bond Project Fund	Total Nonmajor Governmental Funds
	#21	#23				
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and investments	\$ 600,121	\$ 106,967	\$ 7,130,375	\$ 24,013,272	\$ 9,143,120	\$ 54,536,817
Receivables						
Property taxes	-	98,939	-	-	-	4,481,525
Interest	3,420	632	28,307	71,757	32,745	200,081
Accounts receivable less allowance for doubtful accounts	-	-	107,585	3,254,363	-	4,483,583
Loans and installments	-	-	-	-	-	23,729
Advances to other funds	-	-	-	-	-	-
Due from other governments	-	-	-	323,373	-	1,826,005
Total assets	603,541	206,538	7,266,267	27,662,765	9,175,865	65,551,740
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 603,541	\$ 206,538	\$ 7,266,267	\$ 27,662,765	\$ 9,175,865	\$ 65,551,740
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 5,895	\$ 558,996	\$ 1,456,522	\$ 3,969,585
Accrued wages and benefits	-	-	-	-	-	224,697
Due to other governments	-	-	-	-	-	2,033
Due to other funds	-	-	-	-	-	369,173
Advances from other funds	-	-	-	-	-	521,153
Contract retainage payable	-	-	-	-	-	98,303
Unearned grant revenues and others	-	-	-	4,079,596	-	4,095,799
Total liabilities	-	-	5,895	4,638,592	1,456,522	9,280,743
DEFERRED INFLOWS OF BALANCES						
Unavailable revenue - property taxes	-	98,939	-	-	-	4,469,626
Total deferred inflows of resources	-	98,939	-	-	-	4,469,626
Total liabilities and deferred inflows of resources	-	98,939	5,895	4,638,592	1,456,522	13,750,369
FUND BALANCES						
Restricted for						
Debt service	603,541	107,599	7,260,372	-	-	7,971,512
Highways, streets, and parking facilities	-	-	-	-	-	8,314,636
Public safety	-	-	-	-	-	3,904,510
Capital projects	-	-	-	-	1,580,821	1,631,177
Culture and recreation	-	-	-	-	-	683,918
Physical environment	-	-	-	-	-	25,324
Committed to						
Highways, streets, and parking facilities	-	-	-	-	-	1,096,927
Assigned to						
Capital projects	-	-	-	23,024,173	6,138,522	29,162,695
Unassigned (deficit)	-	-	-	-	-	(989,328)
Total fund balances (deficit)	603,541	107,599	7,260,372	23,024,173	7,719,343	51,801,371
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 603,541	\$ 206,538	\$ 7,266,267	\$ 27,662,765	\$ 9,175,865	\$ 65,551,740

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Special Revenue Funds					
	Motor Fuel Tax Fund	Community Development Block Grant Fund	Fair Share Assessment Fund	Road and Bridge Fund	Naper Settlement Fund	Foreign Fire Insurance Tax Fund
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ 307,154	\$ 2,815,694	\$ -
Other taxes	-	-	-	2,058,157	-	-
Licenses and permits	-	-	-	48,191	-	-
Fines and forfeits	-	-	-	-	-	-
Net investment income (loss)	338,563	-	(252)	42,423	12,066	543
Contributions	-	-	-	-	-	-
Intergovernmental	8,945,202	578,071	-	-	39,260	311,241
Charges for services	-	-	-	-	53,623	-
Miscellaneous	-	-	-	(1,282)	-	-
Total revenues	9,283,765	578,071	(252)	2,454,643	2,920,643	311,784
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Physical environment	-	568,821	-	-	-	-
Public safety	-	-	-	-	-	327,790
Culture and recreation	-	-	-	-	3,808,266	-
Transportation	-	-	-	706,667	-	-
Capital outlay	4,915,150	-	-	2,193,344	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	4,915,150	568,821	-	2,900,011	3,808,266	327,790
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,368,615	9,250	(252)	(445,368)	(887,623)	(16,006)
OTHER FINANCING SOURCES (USES)						
Bonds issued, at par	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	4,368,615	9,250	(252)	(445,368)	(887,623)	(16,006)
FUND BALANCES (DEFICIT), JANUARY 1	3,585,102	16,074	7,183	760,446	695,438	435,907
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 7,953,717	\$ 25,324	\$ 6,931	\$ 315,078	\$ (192,185)	\$ 419,901

Special Revenue Funds									
E-911 Surcharge Fund	Food and Beverage Tax Fund	Special Service Area #33 Downtown Maintenance Fund	Test Track Fund	Water Street TIF Fund	Drug Forfeiture Fund	Special Service Area #25 Fund	Special Service Area #30 Fund	Special Service Area #31 Fund	ETSB Fund
\$ -	\$ -	\$ 1,056,695	\$ -	\$ 337,047	\$ -	\$ 68,002	\$ -	\$ -	\$ -
-	3,311,002	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	34,746	-	-	-	-	-	-	-
29,450	50,549	76,559	-	53,543	55,274	6,033	-	-	61,688
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	58,317	-	-	-	-
3,187,869	-	5,590	21,860	-	-	-	-	-	2,383,384
-	5,775	-	-	-	-	-	-	-	-
3,217,319	3,367,326	1,173,590	21,860	390,590	113,591	74,035	-	-	2,445,072
-	-	-	-	3,187	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
3,053,547	-	-	-	-	142,917	-	-	-	4,796,653
-	3,571,479	-	-	-	-	-	-	-	-
-	-	2,164,527	18,919	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
3,053,547	3,571,479	2,164,527	18,919	3,187	142,917	-	-	-	4,796,653
163,772	(204,153)	(990,937)	2,941	387,403	(29,326)	74,035	-	-	(2,351,581)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	1,196,727	-	1,089,519	-	-	-	-	-
-	-	-	-	(2,432,302)	-	(68,002)	-	-	-
-	-	1,196,727	-	(1,342,783)	-	(68,002)	-	-	-
163,772	(204,153)	205,790	2,941	(955,380)	(29,326)	6,033	-	-	(2,351,581)
1,318,197	888,071	891,137	35,969	1,005,736	1,005,613	(434,003)	(74,318)	(294,855)	3,377,934
\$ 1,481,969	\$ 683,918	\$ 1,096,927	\$ 38,910	\$ 50,356	\$ 976,287	\$ (427,970)	\$ (74,318)	\$ (294,855)	\$ 1,026,353

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Debt Service Funds			Capital Projects Funds		
	Special Service Area Funds		Downtown	Capital	Bond	Total
	#21	#23	Parking Fund	Projects Fund	Project Fund	Nonmajor Governmental Funds
REVENUES						
Property taxes	\$ -	\$ 99,931	\$ -	\$ -	\$ -	\$ 4,684,523
Other taxes	-	-	500,907	-	-	5,870,066
Licenses and permits	-	-	-	-	-	48,191
Fines and forfeits	-	-	-	-	-	34,746
Net investment income (loss)	39,517	7,118	316,682	803,096	367,685	2,260,537
Contributions	-	-	-	426,852	-	426,852
Intergovernmental	-	-	754,179	11,177,565	-	21,863,835
Charges for services	-	-	119,388	-	-	5,771,714
Miscellaneous	-	-	-	302,335	-	306,828
Total revenues	39,517	107,049	1,691,156	12,709,848	367,685	41,267,292
EXPENDITURES						
Current						
General government	-	-	-	-	-	3,187
Physical environment	-	-	-	-	-	568,821
Public safety	-	-	-	-	-	8,320,907
Culture and recreation	-	-	-	-	-	7,379,745
Transportation	-	-	52,211	-	-	2,942,324
Capital outlay	-	-	-	2,888,451	14,244,442	24,241,387
Debt service						
Principal	204,113	-	285,000	-	-	489,113
Interest	21,737	-	38,145	-	276,089	335,971
Total expenditures	225,850	-	375,356	2,888,451	14,520,531	44,281,455
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(186,333)	107,049	1,315,800	9,821,397	(14,152,846)	(3,014,163)
OTHER FINANCING SOURCES (USES)						
Bonds issued, at par	-	-	80,000	-	15,145,000	15,225,000
Premium on bonds issued	-	-	18,474	-	937,017	955,491
Transfers in	-	-	167,835	-	-	2,454,081
Transfers (out)	-	(99,931)	-	-	(1,089,519)	(3,689,754)
Total other financing sources (uses)	-	(99,931)	266,309	-	14,992,498	(1,235,673)
NET CHANGE IN FUND BALANCES	(186,333)	7,118	1,582,109	9,821,397	839,652	11,930,655
FUND BALANCES (DEFICIT), JANUARY 1	789,874	100,481	5,678,263	13,202,776	6,879,691	39,870,716
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 603,541	\$ 107,599	\$ 7,260,372	\$ 23,024,173	\$ 7,719,343	\$ 51,801,371

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 30,218	\$ 30,218	\$ 338,563	\$ 308,345
Intergovernmental revenue - allotments from state and grants	5,745,760	5,745,760	8,945,202	3,199,442
Total revenues	5,775,978	5,775,978	9,283,765	3,507,787
EXPENDITURES				
Capital outlay	5,770,000	5,770,000	4,915,150	854,850
Total expenditures	5,770,000	5,770,000	4,915,150	854,850
NET CHANGE IN FUND BALANCE	\$ 5,978	\$ 5,978	4,368,615	\$ 4,362,637
FUND BALANCE, JANUARY 1			3,585,102	
FUND BALANCE, DECEMBER 31			\$ 7,953,717	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental - federal grant	\$ 535,000	\$ 535,000	\$ 578,071	\$ 43,071
Total revenues	535,000	535,000	578,071	43,071
EXPENDITURES				
Physical environment				
Grants and contributions	535,000	568,822	568,821	1
Total expenditures	535,000	568,822	568,821	1
NET CHANGE IN FUND BALANCE	\$ -	\$ (33,822)	9,250	\$ 43,072
FUND BALANCE, JANUARY 1			16,074	
FUND BALANCE, DECEMBER 31			\$ 25,324	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property tax	\$ 297,250	\$ 297,250	\$ 307,154	\$ 9,904
Other taxes				
Local gasoline	2,650,000	2,650,000	2,022,588	(627,412)
Personal property replacement tax	37,420	37,420	35,569	(1,851)
Licenses and permits	45,000	45,000	48,191	3,191
Net investment income	10,934	10,934	42,423	31,489
Miscellaneous	-	-	(1,282)	(1,282)
Total revenues	3,040,604	3,040,604	2,454,643	(585,961)
EXPENDITURES				
Transportation				
Salaries and wages	548,481	548,481	507,021	41,460
Benefits and related	196,325	196,325	197,123	(798)
Contracted services	-	-	2,523	(2,523)
Capital outlay	2,295,000	2,295,000	2,193,344	101,656
Total expenditures	3,039,806	3,039,806	2,900,011	139,795
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	798	798	(445,368)	(446,166)
NET CHANGE IN FUND BALANCES	\$ 798	\$ 798	(445,368)	\$ (446,166)
FUND BALANCE, JANUARY 1			760,446	
FUND BALANCE, DECEMBER 31			\$ 315,078	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	\$ 2,796,952	\$ 2,796,952	\$ 2,815,694	\$ 18,742
Net investment income	26,103	26,103	12,066	(14,037)
Intergovernmental	-	-	39,260	39,260
Charges for services				
School services and programs	185,000	185,000	26,942	(158,058)
Museum tours	14,000	14,000	835	(13,165)
Public program revenue	72,000	72,000	5,381	(66,619)
Gate admissions	52,000	52,000	5,498	(46,502)
Settlement - weddings	70,000	70,000	13,114	(56,886)
Settlement - other	103,000	103,000	1,853	(101,147)
 Total revenues	 3,319,055	 3,319,055	 2,920,643	 (398,412)
EXPENDITURES				
Culture and recreation				
Settlement administration				
Salaries and wages	(195,913)	(43,996)	655,454	(699,450)
Benefits and related	285,061	285,061	236,730	48,331
Contracted services	86,887	86,887	47,474	39,413
Supplies	20,055	20,055	11,942	8,113
Internal services	129,859	129,859	129,864	(5)
Visitor services				
Salaries and wages	831,194	831,194	560,363	270,831
Benefits and related	257,594	257,594	132,966	124,628
Contracted services	15,250	15,250	24,781	(9,531)
Supplies	23,300	183,819	172,969	10,850
Building and grounds				
Salaries and wages	148,111	148,111	119,396	28,715
Benefits and related	62,405	62,405	60,559	1,846
Contracted services	355,432	355,432	303,764	51,668
Internal services	8,189	8,189	8,184	5
Supplies	170,667	170,667	117,086	53,581
Capital maintenance	90,000	90,000	133,130	(43,130)
Development				
Salaries	356,992	356,992	338,125	18,867
Employee benefits	129,400	129,400	107,836	21,564

(This schedule is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)				
Culture and recreation (Continued)				
Artifact and preservation				
Salaries and wages	\$ 166,585	\$ 166,585	\$ 216,949	\$ (50,364)
Benefits and related	57,567	57,567	56,333	1,234
Contracted services	5,800	5,800	8,275	(2,475)
Supplies	4,625	4,625	842	3,783
Public relations/marketing				
Salaries and wages	228,092	228,092	209,094	18,998
Benefits and related	99,840	99,840	66,790	33,050
Contracted services	156,693	156,693	88,271	68,422
Supplies	2,145	2,145	1,089	1,056
Total expenditures	<u>3,495,830</u>	<u>3,808,266</u>	<u>3,808,266</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (176,775)</u>	<u>\$ (489,211)</u>	(887,623)	<u>\$ (398,412)</u>
FUND BALANCE, JANUARY 1			<u>695,438</u>	
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ (192,185)</u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE TAX FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 750	\$ 750	\$ 543	\$ (207)
Insurance tax	225,000	225,000	311,241	86,241
Total revenues	<u>225,750</u>	<u>225,750</u>	<u>311,784</u>	<u>86,034</u>
EXPENDITURES				
Public safety				
Supplies	323,000	327,790	327,790	-
Total expenditures	<u>323,000</u>	<u>327,790</u>	<u>327,790</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (97,250)</u>	<u>\$ (102,040)</u>	(16,006)	<u>\$ 86,034</u>
FUND BALANCE, JANUARY 1			<u>435,907</u>	
FUND BALANCE, DECEMBER 31			<u><u>\$ 419,901</u></u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 5,675	\$ 5,675	\$ 29,450	\$ 23,775
Charges for services	2,900,000	2,900,000	3,187,869	287,869
Total revenues	<u>2,905,675</u>	<u>2,905,675</u>	<u>3,217,319</u>	<u>311,644</u>
EXPENDITURES				
Public safety				
Internal services	2,900,000	3,053,548	3,053,547	1
Total expenditures	<u>2,900,000</u>	<u>3,053,548</u>	<u>3,053,547</u>	<u>1</u>
NET CHANGE IN FUND BALANCE	<u>\$ 5,675</u>	<u>\$ (147,873)</u>	163,772	<u>\$ 311,645</u>
FUND BALANCE, JANUARY 1			<u>1,318,197</u>	
FUND BALANCE, DECEMBER 31			<u><u>\$ 1,481,969</u></u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Food and beverage tax	\$ 4,570,071	\$ 4,570,071	\$ 3,311,002	\$ (1,259,069)
Net investment income	9,428	9,428	50,549	41,121
Miscellaneous	9,000	9,000	5,775	(3,225)
Total revenues	4,588,499	4,588,499	3,367,326	(1,221,173)
EXPENDITURES				
Culture and recreation				
Salaries and wages	530,891	530,891	86,478	444,413
Benefits and related	1,167,837	1,167,837	1,082,312	85,525
Contracted services	291,851	291,851	295,845	(3,994)
Supplies	23,048	23,048	2,327	20,721
Grants and contributions	1,695,171	1,695,171	2,104,517	(409,346)
Total expenditures	3,708,798	3,708,798	3,571,479	137,319
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	879,701	879,701	(204,153)	(1,083,854)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(903,312)	(903,312)	-	903,312
Total other financing sources (uses)	(903,312)	(903,312)	-	903,312
NET CHANGE IN FUND BALANCE	\$ (23,611)	\$ (23,611)	(204,153)	\$ (180,542)
FUND BALANCE, JANUARY 1			888,071	
FUND BALANCE, DECEMBER 31			\$ 683,918	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #33 - DOWNTOWN MAINTENANCE FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	\$ 1,046,216	\$ 1,046,216	\$ 1,056,695	\$ 10,479
Fines	60,000	60,000	34,746	(25,254)
Net investment income	21,380	21,380	76,559	55,179
Charges for services	10,000	10,000	5,590	(4,410)
Miscellaneous	15,225	15,225	-	(15,225)
Total revenues	1,152,821	1,152,821	1,173,590	20,769
EXPENDITURES				
Transportation				
Salaries and wages	657,214	657,214	502,579	154,635
Benefits and related	199,904	199,904	155,252	44,652
Contracted services	1,252,006	1,252,006	1,000,011	251,995
Supplies	276,600	276,600	146,301	130,299
Internal services	72,922	72,922	72,924	(2)
Capital maintenance	243,000	243,000	287,460	(44,460)
Total expenditures	2,701,646	2,701,646	2,164,527	537,119
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,548,825)	(1,548,825)	(990,937)	557,888
OTHER FINANCING SOURCES (USES)				
Transfers in	1,196,727	1,196,727	1,196,727	-
Total other financing sources (uses)	1,196,727	1,196,727	1,196,727	-
NET CHANGE IN FUND BALANCE	\$ (352,098)	\$ (352,098)	205,790	\$ 557,888
FUND BALANCE, JANUARY 1			891,137	
FUND BALANCE, DECEMBER 31			\$ 1,096,927	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Charges for services	\$ 56,000	\$ 56,000	\$ 21,860	\$ (34,140)
Total revenues	<u>56,000</u>	<u>56,000</u>	<u>21,860</u>	<u>(34,140)</u>
EXPENDITURES				
Transportation				
Contracted services	34,715	34,715	14,198	20,517
Supplies	21,100	21,100	4,721	16,379
Total expenditures	<u>55,815</u>	<u>55,815</u>	<u>18,919</u>	<u>36,896</u>
NET CHANGE IN FUND BALANCE	<u>\$ 185</u>	<u>\$ 185</u>	2,941	<u>\$ 2,756</u>
FUND BALANCE, JANUARY 1			<u>35,969</u>	
FUND BALANCE, DECEMBER 31			<u><u>\$ 38,910</u></u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	\$ 280,000	\$ 280,000	\$ 337,047	\$ 57,047
Net investment income	114,704	114,704	53,543	(61,161)
Total revenues	394,704	394,704	390,590	(4,114)
EXPENDITURES				
General government				
Contracted services	3,800	3,800	3,187	613
Total expenditures	3,800	3,800	3,187	613
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	390,904	390,904	387,403	(3,501)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,089,519	1,089,519
Transfers (out)	(280,000)	(1,342,171)	(2,432,302)	(1,090,131)
Total other financing sources (uses)	(280,000)	(1,342,171)	(1,342,783)	(612)
NET CHANGE IN FUND BALANCE	\$ 110,904	\$ (951,267)	(955,380)	\$ (4,113)
FUND BALANCE, JANUARY 1			1,005,736	
FUND BALANCE, DECEMBER 31			\$ 50,356	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 18,940	\$ 18,940	\$ 55,274	\$ 36,334
Intergovernmental	281,500	281,500	58,317	(223,183)
Total revenues	300,440	300,440	113,591	(186,849)
EXPENDITURES				
Public safety				
Contracted services	66,500	66,500	51,208	15,292
Internal services	25,000	25,000	2,105	22,895
Supplies	151,000	151,000	89,604	61,396
Capital maintenance	30,000	30,000	-	30,000
Outside agencies	9,000	9,000	-	9,000
Total expenditures	281,500	281,500	142,917	138,583
NET CHANGE IN FUND BALANCE	\$ 18,940	\$ 18,940	(29,326)	\$ (48,266)
FUND BALANCE, JANUARY 1			1,005,613	
FUND BALANCE, DECEMBER 31			\$ 976,287	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Property taxes	\$ 68,000	\$ 68,000	\$ 68,002	\$ 2
Net investment income	-	-	6,033	6,033
 Total revenues	 68,000	 68,000	 74,035	 6,035
EXPENDITURES				
None	-	-	-	-
 Total expenditures	 -	 -	 -	 -
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(68,000)	(68,000)	(68,002)	(2)
 Total other financing sources (uses)	 (68,000)	 (68,000)	 (68,002)	 (2)
 NET CHANGE IN FUND BALANCE	 \$ -	 \$ -	 6,033	 \$ 6,033
 FUND BALANCE (DEFICIT), JANUARY 1			 (434,003)	
 FUND BALANCE (DEFICIT), DECEMBER 31			 \$ (427,970)	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #30 FUND

For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Transportation				
Contracted services	100,000	-	-	-
Capital maintenance	2,500,000	-	-	-
Total expenditures	2,600,000	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,600,000)	-	-	-
OTHER FINANCING SOURCES (USES)				
Bonds issued, at par	2,600,000	2,600,000	-	(2,600,000)
Total other financing sources (uses)	2,600,000	2,600,000	-	(2,600,000)
NET CHANGE IN FUND BALANCE	\$ -	\$ 2,600,000	-	\$ (2,600,000)
FUND BALANCE (DEFICIT), JANUARY 1			(74,318)	
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (74,318)	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 18,399	\$ 18,399	\$ 61,688	\$ 43,289
Charges for services	2,300,000	2,300,000	2,383,384	83,384
Total revenues	<u>2,318,399</u>	<u>2,318,399</u>	<u>2,445,072</u>	<u>126,673</u>
EXPENDITURES				
Public safety				
Grants and contributions	2,300,000	4,796,653	4,796,653	-
Total expenditures	<u>2,300,000</u>	<u>4,796,653</u>	<u>4,796,653</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 18,399</u>	<u>\$ (2,478,254)</u>	<u>(2,351,581)</u>	<u>\$ 126,673</u>
FUND BALANCE, JANUARY 1			<u>3,377,934</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 1,026,353</u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 17,447	\$ 17,447	\$ 39,517	\$ 22,070
Total revenues	<u>17,447</u>	<u>17,447</u>	<u>39,517</u>	<u>22,070</u>
EXPENDITURES				
Debt service				
Principal	204,113	204,113	204,113	-
Interest	21,737	21,737	21,737	-
Total expenditures	<u>225,850</u>	<u>225,850</u>	<u>225,850</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (208,403)</u>	<u>\$ (208,403)</u>	(186,333)	<u>\$ 22,070</u>
FUND BALANCE, JANUARY 1			<u>789,874</u>	
FUND BALANCE, DECEMBER 31			<u><u>\$ 603,541</u></u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	\$ 65,000	\$ 65,000	\$ 99,931	\$ 34,931
Net investment income	-	-	7,118	7,118
Total revenues	65,000	65,000	107,049	42,049
EXPENDITURES				
None	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	65,000	65,000	107,049	42,049
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(65,000)	(99,931)	(99,931)	-
Total other financing sources (uses)	(65,000)	(99,931)	(99,931)	-
NET CHANGE IN FUND BALANCE	\$ -	\$ (34,931)	7,118	\$ 42,049
FUND BALANCE, JANUARY 1			<u>100,481</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 107,599</u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Other taxes				
Food and beverage tax	\$ 719,679	\$ 719,679	\$ 500,907	\$ (218,772)
Net investment income	86,135	86,135	316,682	230,547
Intergovernmental				
Sales tax	700,330	700,330	754,179	53,849
Charges for services	-	-	119,388	119,388
Total revenues	1,506,144	1,506,144	1,691,156	185,012
EXPENDITURES				
Transportation				
Contracted services	53,460	53,460	52,211	1,249
Capital maintenance	729,960	729,960	-	729,960
Debt service				
Principal	285,000	285,000	285,000	-
Interest	37,200	37,200	38,145	(945)
Total expenditures	1,105,620	1,105,620	375,356	730,264
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	400,524	400,524	1,315,800	(545,252)
OTHER FINANCING SOURCES (USES)				
Bonds issued, at par	-	-	80,000	80,000
Premium on bonds issued	-	-	18,474	18,474
Transfers in	-	-	167,835	167,835
Total other financing sources (uses)	-	-	266,309	266,309
NET CHANGE IN FUND BALANCE	\$ 400,524	\$ 400,524	1,582,109	\$ (278,943)
FUND BALANCE, JANUARY 1			5,678,263	
FUND BALANCE, DECEMBER 31			\$ 7,260,372	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 378,997	\$ 378,997	\$ 803,096	\$ 424,099
Contributions	5,902,393	5,902,393	426,852	(5,475,541)
Intergovernmental				
Sales taxes	11,706,271	11,706,271	10,476,032	(1,230,239)
Grants	330,124	330,124	701,533	371,409
Miscellaneous	166,000	166,000	302,335	136,335
Total revenues	<u>18,483,785</u>	<u>18,483,785</u>	<u>12,709,848</u>	<u>(5,773,937)</u>
EXPENDITURES				
Capital outlay	<u>18,198,717</u>	<u>4,887,036</u>	<u>2,888,451</u>	<u>1,998,585</u>
Total expenditures	<u>18,198,717</u>	<u>4,887,036</u>	<u>2,888,451</u>	<u>1,998,585</u>
NET CHANGE IN FUND BALANCE	<u>\$ 285,068</u>	<u>\$ 13,596,749</u>	9,821,397	<u>\$ (7,772,522)</u>
FUND BALANCE, JANUARY 1			<u>13,202,776</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 23,024,173</u>	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	\$ 113,015	\$ 113,015	\$ 367,685	\$ 254,670
Total revenues	113,015	113,015	367,685	254,670
EXPENDITURES				
Capital outlay	13,657,967	16,000,000	14,244,442	1,755,558
Debt service				
Interest	-	-	276,089	(276,089)
Total expenditures	13,657,967	16,000,000	14,520,531	1,479,469
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,544,952)	(15,886,985)	(14,152,846)	1,734,139
OTHER FINANCING SOURCES (USES)				
Bonds issued, at par	13,500,000	13,500,000	15,145,000	1,645,000
Premium on bonds issued	-	-	937,017	937,017
Transfers out	-	-	(1,089,519)	(1,089,519)
Total other financing sources (uses)	13,500,000	13,500,000	14,992,498	1,492,498
NET CHANGE IN FUND BALANCE	\$ (44,952)	\$ (2,386,985)	839,652	\$ 3,226,637
FUND BALANCE, JANUARY 1			6,879,691	
FUND BALANCE, DECEMBER 31			\$ 7,719,343	

(See independent auditor's report.)

NONMAJOR ENTERPRISE FUNDS

CITY OF NAPERVILLE, ILLINOIS

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

December 31, 2020

	Burlington Commuter Fund	Solid Waste Fund	Total
CURRENT ASSETS			
Cash and investments	\$ 3,133,427	\$ 2,099	\$ 3,135,526
Receivables			
Accrued interest	17,937	-	17,937
Accounts receivable less allowance for doubtful accounts	33,141	496,036	529,177
Total current assets	3,184,505	498,135	3,682,640
NONCURRENT ASSETS			
Capital assets (net of accumulated depreciation)			
Capital assets not depreciated	11,794,856	-	11,794,856
Capital assets depreciated, net	1,213,353	-	1,213,353
Net capital assets	13,008,209	-	13,008,209
Total assets	16,192,714	498,135	16,690,849
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	16,192,714	498,135	16,690,849
CURRENT LIABILITIES			
Accounts payable	67,114	573,102	640,216
Accrued wages and benefits payable	37,651	-	37,651
Deposits	895	-	895
Due to other funds	-	13,609	13,609
Total current liabilities	105,660	586,711	692,371
Total liabilities	105,660	586,711	692,371
DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	105,660	586,711	692,371
NET POSITION			
Net investment in capital assets	13,008,209	-	13,008,209
Unrestricted (deficit)	3,078,845	(88,576)	2,990,269
TOTAL NET POSITION	\$ 16,087,054	\$ (88,576)	\$ 15,998,478

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2020

	Burlington Commuter Fund	Solid Waste Fund	Total
OPERATING REVENUES			
Charges for services	\$ 1,062,433	\$ 6,752,303	\$ 7,814,736
Total operating revenues	1,062,433	6,752,303	7,814,736
OPERATING EXPENSES			
Operations	1,595,572	6,840,879	8,436,451
Other operating expenses	455,385	-	455,385
Total operating expenses	2,050,957	6,840,879	8,891,836
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	(988,524)	(88,576)	(1,077,100)
Depreciation and amortization	(177,311)	-	(177,311)
OPERATING INCOME (LOSS)	(1,165,835)	(88,576)	(1,254,411)
NON-OPERATING REVENUES (EXPENSES)			
Net investment income	197,789	-	197,789
Total non-operating revenues (expenses)	197,789	-	197,789
CHANGE IN NET POSITION	(968,046)	(88,576)	(1,056,622)
NET POSITION, JANUARY 1	17,055,100	-	17,055,100
NET POSITION (DEFICIT), DECEMBER 31	\$ 16,087,054	\$ (88,576)	\$ 15,998,478

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS**

For the Year Ended December 31, 2020

	Burlington Commuter Fund	Solid Waste Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,043,987	\$ 6,256,267	\$ 7,300,254
Payments to suppliers	(1,575,509)	(6,267,777)	(7,843,286)
Payments to employees	(547,721)	-	(547,721)
Net cash from operating activities	<u>(1,079,243)</u>	<u>(11,510)</u>	<u>(1,090,753)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Due to/from other funds	-	13,609	13,609
Net cash from noncapital financing activities	<u>-</u>	<u>13,609</u>	<u>13,609</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(869,025)	-	(869,025)
Net cash from capital and related financing activities	<u>(869,025)</u>	<u>-</u>	<u>(869,025)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net interest received	195,438	-	195,438
Net cash from investing activities	<u>195,438</u>	<u>-</u>	<u>195,438</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,752,830)	2,099	(1,750,731)
CASH AND CASH EQUIVALENTS, JANUARY 1	4,886,257	-	4,886,257
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 3,133,427</u>	<u>\$ 2,099</u>	<u>\$ 3,135,526</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,165,835)	\$ (88,576)	\$ (1,254,411)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation and amortization expense	177,311	-	177,311
(Increase) decrease in assets and deferred outflows of resources	(18,446)	(496,036)	(514,482)
Increase (decrease) in liabilities and deferred inflows of resources	(72,273)	573,102	500,829
Total adjustments	<u>86,592</u>	<u>77,066</u>	<u>163,658</u>
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (1,079,243)</u>	<u>\$ (11,510)</u>	<u>\$ (1,090,753)</u>

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

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

CITY OF NAPERVILLE, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

December 31, 2020

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 9,075,925	\$ 7,034,957	\$ 16,110,882
Receivables			
Interest receivable	418,371	450,319	868,690
Investments at fair value			
U.S. Treasury obligations	34,609,404	37,956,190	72,565,594
U.S. Government agencies	4,347,958	11,084,354	15,432,312
Municipal bonds	1,725,911	1,355,926	3,081,837
Corporate bonds	26,006,885	18,599,076	44,605,961
Annuities	15,927,226	15,659,877	31,587,103
Common stock	-	26,181,934	26,181,934
Mutual funds	128,640,483	100,311,158	228,951,641
Total investments	211,257,867	211,148,515	422,406,382
Due from municipality	143,078	134,162	277,240
Prepaid items	12,506	1,055	13,561
Total assets	220,907,747	218,769,008	439,676,755
LIABILITIES			
Accounts payable	43,845	2,729	46,574
NET POSITION RESTRICTED FOR PENSIONS	\$ 220,863,902	\$ 218,766,279	\$ 439,630,181

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 7,291,728	\$ 9,711,228	\$ 17,002,956
Employee	1,896,927	2,052,267	3,949,194
Other	32,078	-	32,078
	<hr/>	<hr/>	<hr/>
Total contributions	9,220,733	11,763,495	20,984,228
	<hr/>	<hr/>	<hr/>
Investment income			
Net appreciation in fair value of investments	21,077,339	16,035,857	37,113,196
Interest and dividends	4,076,261	4,088,369	8,164,630
	<hr/>	<hr/>	<hr/>
Total investment income	25,153,600	20,124,226	45,277,826
Less investment expense	231,448	346,747	578,195
	<hr/>	<hr/>	<hr/>
Net investment income	24,922,152	19,777,479	44,699,631
	<hr/>	<hr/>	<hr/>
Other income	-	7,215	7,215
	<hr/>	<hr/>	<hr/>
Total additions	34,142,885	31,548,189	65,691,074
	<hr/>	<hr/>	<hr/>
DEDUCTIONS			
Pension benefits	9,221,481	10,315,567	19,537,048
Refunds of contributions	57,119	77,855	134,974
Administrative expense	87,774	112,884	200,658
	<hr/>	<hr/>	<hr/>
Total deductions	9,366,374	10,506,306	19,872,680
	<hr/>	<hr/>	<hr/>
NET INCREASE	24,776,511	21,041,883	45,818,394
	<hr/>	<hr/>	<hr/>
NET POSITION RESTRICTED FOR PENSIONS			
January 1	196,087,391	197,724,396	393,811,787
	<hr/>	<hr/>	<hr/>
December 31	\$ 220,863,902	\$ 218,766,279	\$ 439,630,181
	<hr/>	<hr/>	<hr/>

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2020

CSFA Number	Program Name	State	Federal	Other	Total
420-00-2263	City of Naperville for Costs Associated With Capital Improvements	\$ 200,000	\$ -	\$ -	\$ 200,000
444-26-1565	Tobacco Enforcement Program	8,470	-	-	8,470
493-60-1652	NG9-1-1 Expenses Grant Program	323,373	-	-	323,373
494-00-0967	High-Growth Cities Program	340,183	-	-	340,183
494-00-1488	Motor Fuel Tax Program	4,574,967	-	-	4,574,967
494-10-0343	State and Community Highway Safety/ National Priority Safety Program	-	31,712	-	31,712
494-42-0495	Local Surface Transportation Program	-	279,007	-	279,007
546-00-2094	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	-	37,450	-	37,450
588-40-0450	Emergency Management Performance Grants	34,375	98,322	-	132,697
	Other grant programs and activities	-	8,408,424	-	8,408,424
	All other costs not allocated	-	-	382,568,250	382,568,250
TOTALS		<u>\$ 5,481,368</u>	<u>\$ 8,854,915</u>	<u>\$ 382,568,250</u>	<u>\$ 396,904,533</u>

(See independent auditor's report.)

STATISTICAL SECTION (UNAUDITED)

STATISTICAL SECTION (Unaudited)

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	129-138
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	139-145
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.	146-149
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	150-151
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	152-154

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

CITY OF NAPERVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 427,459	\$ 419,148	\$ 412,387	\$ 409,027
Restricted	6,031	6,787	8,042	9,623
Unrestricted	40,417	41,836	38,904	30,529
TOTAL GOVERNMENTAL ACTIVITIES	\$ 473,907	\$ 467,771	\$ 459,333	\$ 449,179
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 439,216	\$ 432,913	\$ 437,827	\$ 442,720
Restricted	-	-	-	-
Unrestricted	19,899	27,522	11,846	6,674
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 459,115	\$ 460,435	\$ 449,673	\$ 449,394
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 866,675	\$ 852,061	\$ 850,214	\$ 851,747
Restricted	6,031	6,787	8,042	9,623
Unrestricted	60,316	69,358	50,750	37,203
TOTAL PRIMARY GOVERNMENT	\$ 933,022	\$ 928,206	\$ 909,006	\$ 898,573

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

**The City implemented GASB Statement No. 68 as of December 31, 2015.

Data Source

Audited Financial Statements

2015**/**	2016	2017	2018	2019	2020
\$ 420,617	\$ 425,260	\$ 411,982	\$ 413,491	\$ 409,050	\$ 392,642
9,635	7,993	17,301	16,902	19,684	20,950
(87,728)	(86,883)	(83,615)	(91,112)	(87,250)	(63,176)
\$ 342,524	\$ 346,370	\$ 345,668	\$ 339,281	\$ 341,484	\$ 350,416
\$ 426,461	\$ 422,141	\$ 416,692	\$ 406,121	\$ 394,245	\$ 401,728
-	-	-	-	-	-
8,693	18,661	34,704	53,107	66,627	66,866
\$ 435,154	\$ 440,802	\$ 451,396	\$ 459,228	\$ 460,872	\$ 468,594
\$ 847,078	\$ 847,401	\$ 828,674	\$ 819,612	\$ 803,295	\$ 794,370
9,635	7,993	17,301	16,902	19,684	20,950
(79,035)	(68,222)	(48,911)	(38,005)	(20,623)	3,690
\$ 777,678	\$ 787,172	\$ 797,064	\$ 798,509	\$ 802,356	\$ 819,010

CITY OF NAPERVILLE, ILLINOIS

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	2012	2013	2014	2015
EXPENSES				
Governmental activities				
General government	\$ 6,742	\$ 7,986	\$ 8,901	\$ 8,925
Physical environment	8,514	9,455	8,608	8,381
Public safety	66,165	65,017	67,578	70,241
Culture and recreation	8,531	8,426	9,779	8,687
Transportation	51,352	47,120	49,587	56,446
Interest on long-term debt	4,593	4,161	3,782	4,288
Total governmental activities expenses	<u>145,897</u>	<u>142,165</u>	<u>148,235</u>	<u>156,968</u>
Business-type activities				
Electric	136,090	145,585	152,352	144,954
Water and wastewater	40,724	46,037	50,981	51,287
Burlington commuter parking	1,309	2,033	1,559	2,061
Solid waste	-	-	-	-
Total business-type activities expenses	<u>178,123</u>	<u>193,655</u>	<u>204,892</u>	<u>198,302</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 324,020</u>	<u>\$ 335,820</u>	<u>\$ 353,127</u>	<u>\$ 355,270</u>
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 1,539	\$ 1,609	\$ 1,517	\$ 1,245
Physical environment	1,414	1,746	2,000	2,099
Public safety	8,416	7,700	7,788	7,875
Culture and recreation	910	855	832	883
Transportation	1,491	1,467	1,677	2,478
Operating grants and contributions				
General government				
Physical environment	572	1,422	610	540
Public safety	1,703	1,932	1,808	2,316
Culture and recreation	16	87	171	-
Transportation	4,746	4,405	4,489	5,013
Interest on long-term debt	285	209	192	297
Capital grants and contributions				
Transportation	2,869	1,086	3,012	12,118
Total governmental activities program revenues	<u>23,961</u>	<u>22,518</u>	<u>24,096</u>	<u>34,864</u>
Business-type activities				
Charges for services				
Electric	131,064	134,580	134,089	135,708
Water and wastewater	38,659	47,518	47,313	48,201
Burlington commuter parking	2,185	2,191	2,257	2,211
Solid waste	-	-	-	-
Operating grants and contributions				
Electric	-	82	17	-
Water and wastewater	176	336	230	234
Burlington commuter parking	65	-	-	-
Capital grants and contributions				
Electric	3,943	7,957	5,612	2,230
Water and wastewater	1,356	1,879	5,074	4,537
Total business-type activities program revenues	<u>177,448</u>	<u>194,543</u>	<u>194,592</u>	<u>193,121</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 201,409</u>	<u>\$ 217,061</u>	<u>\$ 218,688</u>	<u>\$ 227,985</u>

	2015*	2016	2017	2018	2019	2020
\$	11,331	\$ 14,918	\$ 15,250	\$ 14,725	\$ 15,957	\$ 14,855
	6,784	9,996	10,376	10,396	11,706	12,823
	63,792	78,039	74,934	87,692	95,907	84,571
	4,846	7,516	8,366	8,535	8,452	9,656
	25,941	37,830	48,964	41,110	47,730	46,544
	2,512	3,524	3,122	3,087	2,790	2,864
	115,206	151,823	161,012	165,545	182,542	171,313
	103,759	151,588	150,148	154,474	154,110	152,678
	41,990	56,926	60,591	64,494	64,141	63,845
	905	1,770	1,423	1,907	2,289	2,228
	-	-	-	-	-	6,841
	146,654	210,284	212,162	220,875	220,540	225,592
\$	261,860	\$ 362,107	\$ 373,174	\$ 386,420	\$ 403,082	\$ 396,905
\$	4,133	\$ 13,151	\$ 12,252	\$ 13,485	\$ 14,699	\$ 6,972
	1,357	2,215	2,401	2,143	2,176	1,876
	5,021	8,081	10,448	12,232	14,853	11,854
	301	467	538	439	536	54
	164	195	129	151	127	89
	1,003	1,737	968	1,558	1,083	1,228
	1,731	1,185	899	1,135	1,473	8,565
	-	-	-	-	-	39
	-	38	361	316	41	702
	-	-	-	-	-	-
	2,541	3,736	3,679	3,814	4,872	8,945
	16,251	30,805	31,675	35,273	39,860	40,324
	96,128	155,122	157,317	162,771	150,322	150,717
	35,071	51,004	53,627	58,755	60,242	65,129
	1,473	2,298	2,528	2,392	2,369	1,062
	-	-	-	-	-	6,753
	-	(18)	-	-	-	100
	235	224	307	267	143	785
	-	-	-	-	-	-
	2,226	3,157	4,070	3,869	3,322	2,396
	931	1,778	1,978	1,437	1,080	1,456
	136,064	213,565	219,827	229,491	217,478	228,398
\$	152,315	\$ 244,370	\$ 251,502	\$ 264,764	\$ 257,338	\$ 268,722

CITY OF NAPERVILLE, ILLINOIS

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2012	2013	2014	2015
NET (EXPENSE) REVENUE				
Governmental activities	\$ (121,936)	\$ (119,647)	\$ (124,139)	\$ (122,104)
Business-type activities	(675)	888	(10,300)	(5,181)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (122,611)	\$ (118,759)	\$ (134,439)	\$ (127,285)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 38,479	\$ 36,227	\$ 33,639	\$ 33,169
Utility	16,580	16,604	16,993	16,123
Sales and use	30,610	32,263	34,498	35,580
State income	11,581	12,784	13,823	13,892
Real estate transfer	2,558	3,337	4,517	4,125
Food and beverage	3,389	3,583	3,262	3,138
Other	4,730	5,086	5,612	6,037
Franchise fees	2,141	2,437	2,455	2,538
Net investment income (loss)	3,130	1,190	(293)	1,925
Miscellaneous	-	-	-	-
Transfers	(62)	-	-	(4,577)
Total governmental activities	113,136	113,511	114,506	111,950
Business-type activities				
Net investment income (loss)	825	432	(462)	282
Miscellaneous revenues	-	-	-	-
Transfers	62	-	-	4,577
Total business-type activities	887	432	(462)	4,859
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 114,023	\$ 113,943	\$ 114,044	\$ 116,809
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ (8,588)	\$ (4,816)	\$ (20,395)	\$ (10,476)

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

** The City moved the Solid Waste Fund from Governmental activities to Business-type activities as of December 31, 2020.

Data Source

Audited Financial Statements

	2015*	2016	2017	2018	2019	2020
\$	(98,955)	\$ (121,018)	\$ (129,337)	\$ (130,272)	\$ (142,682)	\$ (130,989)
	(10,590)	3,281	7,665	8,616	(3,062)	2,806
\$	(109,545)	\$ (117,737)	\$ (121,672)	\$ (121,656)	\$ (145,744)	\$ (128,183)
\$	34,849	\$ 33,355	\$ 34,129	\$ 34,495	\$ 36,555	\$ 38,312
	10,108	15,137	15,399	16,008	15,775	14,764
	25,189	44,355	46,082	49,249	54,348	52,044
	9,925	13,809	13,029	13,617	15,694	16,023
	3,537	5,221	5,506	4,665	4,845	4,265
	2,835	4,955	3,907	5,335	5,480	3,812
	3,448	4,313	6,049	4,442	4,867	3,385
	2,162	3,230	3,423	3,097	3,119	2,909
	198	(109)	355	636	3,390	3,941
	609	597	756	652	831	450
	-	-	-	-	-	-
	92,860	124,863	128,635	132,196	144,904	139,905
	137	310	580	546	2,810	3,366
	1,189	2,057	2,351	1,885	1,896	1,550
	-	-	-	-	-	-
	1,326	2,367	2,931	2,431	4,706	4,916
\$	94,186	\$ 127,230	\$ 131,566	\$ 134,627	\$ 149,610	\$ 144,821
\$	(6,095)	\$ 3,845	\$ (702)	\$ 1,924	\$ 2,222	\$ 8,916
	(9,264)	5,648	10,596	11,047	1,644	7,722
\$	(15,359)	\$ 9,493	\$ 9,894	\$ 12,971	\$ 3,866	\$ 16,638

CITY OF NAPERVILLE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	2012	2013	2014	2015
GENERAL FUND				
Nonspendable	\$ 122	\$ 158	\$ 75	\$ 343
Assigned	-	6,000	-	-
Unassigned	27,037	25,573	25,513	28,961
TOTAL GENERAL FUND	\$ 27,159	\$ 31,731	\$ 25,588	\$ 29,304
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 54	\$ 75	\$ 62	\$ 39
Restricted	7,819	6,825	10,895	21,619
Committed	4,563	3,860	2,459	1,717
Assigned	5,002	3,278	5,033	5,115
Unassigned (deficit)	-	(55)	(190)	(543)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 17,438	\$ 13,983	\$ 18,259	\$ 27,947

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

Data Source

Audited Financial Statements

2015*	2016	2017	2018	2019	2020
\$ 13	\$ 32	\$ 529	\$ 522	\$ 521	\$ 521
-	-	-	-	-	-
28,358	26,826	27,884	27,754	33,666	37,482
\$ 28,370	\$ 26,858	\$ 28,413	\$ 28,276	\$ 34,187	\$ 38,003
\$ 38	\$ 35	\$ -	\$ -	\$ -	\$ -
8,772	15,723	19,906	22,057	19,684	22,532
1,268	638	858	893	891	1,097
5,780	12,076	12,455	18,502	25,410	36,177
(763)	(576)	(543)	(474)	(803)	(989)
\$ 15,095	\$ 27,896	\$ 32,676	\$ 40,978	\$ 45,182	\$ 58,817

CITY OF NAPERVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	2012	2013	2014	2015
REVENUES				
Taxes	\$ 107,927	\$ 109,884	\$ 112,344	\$ 112,064
Licenses and permits	1,926	2,319	2,480	2,548
Fines and forfeitures	2,554	1,718	1,709	1,770
Investment income	2,155	855	(98)	1,603
Intergovernmental	9,164	8,177	6,737	8,762
Charges for services	7,870	7,894	8,348	9,242
Fees	2,893	3,311	2,822	3,009
Contributions	58	106	1,890	1,875
Miscellaneous	1,012	1,209	908	628
Total revenues	135,559	135,473	137,140	141,501
EXPENDITURES				
General government	5,126	6,165	6,967	7,241
Physical environment	8,414	9,082	8,633	8,371
Public safety	64,069	63,090	71,862	70,040
Culture and recreation	7,571	7,275	8,165	7,142
Transportation	21,080	21,072	24,317	26,916
Capital outlay	14,624	16,067	16,997	22,250
Debt service				
Principal	6,087	12,010	5,648	6,841
Interest	4,527	3,880	3,766	4,031
Other charges	-	126	127	205
Total expenditures	131,498	138,767	146,482	153,037
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,061	(3,294)	(9,342)	(11,536)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,448	5,573	7,129	10,200
Transfers (out)	(9,665)	(5,224)	(6,779)	(3,504)
Sale of capital assets	819	200	-	515
Payment to refunded bond escrow agent	-	(16,550)	-	-
Bonds issued, at par	-	-	5,620	17,340
Refunding bonds issued	-	17,963	-	-
Premium on bonds issued	-	2,449	310	389
Total other financing sources (uses)	(4,398)	4,411	6,280	24,940
NET CHANGE IN FUND BALANCES	\$ (337)	\$ 1,117	\$ (3,062)	\$ 13,404
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	8.16%	11.89%	6.68%	7.63%

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

**At December 31, 2015, sales and income taxes were moved from the "Taxes" category to the "Intergovernmental" category.

Data Source

Audited Financial Statements.

	2015**	2016	2017	2018	2019	2020
\$	54,777	\$ 63,391	\$ 64,990	\$ 64,944	\$ 67,521	\$ 64,538
	1,421	2,685	3,006	2,763	2,970	2,006
	1,162	1,659	1,473	1,276	1,385	1,012
	201	(125)	338	615	3,352	3,868
	40,368	64,221	64,462	68,323	77,192	86,904
	9,138	18,741	21,290	24,539	27,890	18,041
	2,173	3,247	3,423	3,097	3,119	2,909
	280	413	556	1,239	464	427
	609	597	756	652	832	450
	110,129	154,829	160,294	167,448	184,725	180,155
	7,737	12,091	12,482	12,064	12,510	13,713
	5,655	8,269	8,247	8,591	8,110	8,422
	50,462	72,028	73,845	78,263	81,088	90,104
	4,422	6,652	7,302	7,145	7,360	7,456
	17,879	28,115	26,443	27,198	28,759	21,762
	24,743	21,896	19,060	19,306	23,263	24,241
	9,448	6,920	10,654	10,613	10,485	10,233
	4,027	3,811	3,306	3,274	3,019	3,042
	-	-	-	-	-	-
	124,373	159,782	161,339	166,454	174,594	178,973
	(14,244)	(4,953)	(1,045)	994	10,131	1,182
	8,950	5,089	4,594	2,331	6,911	4,886
	(8,950)	(5,089)	(4,594)	(2,331)	(6,911)	(4,886)
	-	769	221	2,270	-	-
	-	(35,679)	-	-	-	(4,777)
	-	14,334	6,980	4,640	-	15,225
	-	33,900	-	-	-	4,465
	-	2,919	179	261	-	1,338
	-	16,243	7,380	7,171	-	16,251
\$	(14,244)	\$ 11,290	\$ 6,335	\$ 8,165	\$ 10,131	\$ 17,433
	13.67%	7.85%	9.21%	9.05%	8.19%	7.84%

CITY OF NAPERVILLE, ILLINOIS

GOVERNMENTAL FUNDS TAX REVENUE BY SOURCE

Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	Intergovernmental Taxes			Taxes				Total
	Sales and Use Tax	State Income Tax	Total Intergovernmental Taxes	Property Tax	Utility Tax	Other Tax	Total Taxes	
2012	\$ 30,610	\$ 11,581	\$ 42,191	\$ 38,479	\$ 16,580	\$ 10,677	\$ 65,736	\$ 107,927
2013	32,263	12,784	45,047	36,227	16,604	12,006	64,837	109,884
2014	34,498	13,823	48,321	33,639	16,993	13,391	64,023	112,344
2015	35,580	13,892	49,472	33,169	16,123	13,300	62,592	112,064
2015*	25,189	9,925	35,114	34,849	10,108	9,820	54,777	89,891
2016	44,355	13,809	58,164	33,355	15,137	14,489	62,981	121,145
2017	46,082	13,029	59,111	34,129	15,399	15,462	64,990	124,101
2018	49,249	13,617	62,866	34,495	16,008	14,442	64,945	127,811
2019	54,348	15,694	70,042	36,555	15,775	15,192	67,522	137,564
2020	52,044	16,023	68,067	38,312	14,764	11,462	64,538	132,605

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

Data Source

Audited Financial Statements

CITY OF NAPERVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Farm Property	Commercial and Industrial Property	Railroad Property	Total Taxable Assessed Value	Direct Tax Rate	Estimated Actual Taxable Value	Percent of Assessed Value
2010	\$ 5,486,898,369	\$ 228,129	\$ 1,229,589,941	\$ 2,023,287	\$ 6,718,739,726	0.7390	\$ 20,156,219,178	33.333%
2011	5,256,081,268	314,912	1,170,708,392	2,364,303	6,429,468,875	0.7515	19,288,406,625	33.333%
2012	4,964,302,585	334,456	1,105,830,624	2,509,329	6,072,976,994	0.7756	18,218,930,982	33.333%
2013	4,866,627,723	315,592	1,056,949,654	2,706,677	5,926,599,646	0.7828	17,779,798,938	33.333%
2014	4,917,955,140	215,985	1,071,651,247	2,731,565	5,992,553,937	0.8082	17,977,661,811	33.333%
2015	5,056,340,567	190,521	1,219,286,607	2,838,480	6,278,656,175	0.7392	18,835,968,525	33.333%
2016	5,384,396,867	130,047	1,279,947,209	3,194,886	6,667,669,009	0.7004	20,003,007,027	33.333%
2017	5,615,923,169	233,148	1,332,878,028	3,535,883	6,952,570,228	0.6815	20,857,710,684	33.333%
2018	5,951,453,369	359,566	1,263,550,068	4,322,495	7,219,685,498	0.6870	21,659,056,494	33.333%
2019	6,024,168,661	454,951	1,421,814,242	5,015,287	7,451,453,141	0.6937	22,354,359,423	33.333%

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

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
CITY DIRECT RATES										
General Corporate	0.1882	0.1381	0.1457	0.1009	0.0803	0.1060	0.0789	0.0188	0.0439	0.0739
Naperville Public Library	0.1872	0.2076	0.2374	0.2465	0.2481	0.2288	0.2119	0.2119	0.2055	0.2025
Police Pension	0.0652	0.0679	0.0787	0.0879	0.0845	0.0938	0.0917	0.0961	0.0911	0.0913
Firefighters' Pension	0.0706	0.0737	0.0820	0.0884	0.0846	0.0945	0.1023	0.1218	0.1177	0.1241
Bond and interest - general obligation bond	0.1472	0.1799	0.1403	0.1631	0.2153	0.1249	0.1297	0.1538	0.1591	0.1283
Illinois Municipal Retirement	0.0391	0.0409	0.0444	0.0461	0.0460	0.0441	0.0415	0.0369	0.0305	0.0356
Naper Settlement	0.0415	0.0434	0.0471	0.0499	0.0494	0.0471	0.0444	0.0422	0.0392	0.0380
Total direct rates	0.7390	0.7515	0.7756	0.7828	0.8082	0.7392	0.7004	0.6815	0.6870	0.6937
OVERLAPPING RATES										
Naperville Park District	0.2798	0.2969	0.3148	0.3358	0.3397	0.3317	0.3195	0.3162	0.3149	0.3060
Unit School #203	4.2265	4.5400	4.9909	5.3862	5.4756	5.3549	5.0547	5.0062	4.9259	4.9672
Unit School #204	4.8927	5.2200	5.7047	5.9498	6.0149	5.8505	5.6004	5.4967	5.4589	5.3600
College of DuPage #502	0.2349	0.2495	0.2681	0.2956	0.2975	0.2786	0.2626	0.2431	0.2317	0.2112
DuPage Forest Preserve	0.1321	0.1414	0.1542	0.1657	0.1691	0.1622	0.1514	0.1306	0.1278	0.1242
DuPage Airport Authority	0.0158	0.0169	0.0168	0.0178	0.0196	0.0188	0.0176	0.0166	0.0146	0.0141
DuPage County	0.1659	0.1773	0.1929	0.2040	0.2057	0.1971	0.1848	0.1749	0.1673	0.1655
Will County	0.5274	0.5351	0.5696	0.5994	0.6210	0.6408	0.6182	0.5986	0.5927	0.5842
Lisle Township	0.0445	0.0480	0.0261	0.0548	0.0561	0.0553	0.0528	0.0512	0.0496	0.0428
Naperville Township	0.0454	0.0483	0.0379	0.0515	0.0413	0.0452	0.0435	0.0426	0.0424	0.0419
Wheatland Township	0.0331	0.0328	0.0344	0.0378	0.0378	0.0336	0.0737	0.0738	0.0738	0.0725

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2019 Tax Levy			2010 Tax Levy		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
NS-MPG Inc.	\$ 24,068,685	1	0.32%	\$ 46,979,740	6	0.70%
FPAS Addison LLC	23,506,790	2	0.32%			
Allegan Warrenville LP	18,265,800	3	0.25%			
Ryan PTS	18,121,280	4	0.24%			
Sir Properties REIT LLC	18,004,910	5	0.24%			
CF Railway Multifamily	17,068,960	6	0.23%			
PBH Cress Creek LLC	17,047,790	7	0.23%			
Lincoln at the Parks	14,591,350	8	0.20%			
TGM McDowell Place LLC	14,531,880	9	0.20%			
Crane and Norcross	14,045,850	10	0.19%	45,446,510	7	0.68%
Wells Real Estate Funds				69,212,690	1	1.03%
AMLI Residential				62,925,020	2	0.94%
Chicago Title Land Trust				60,357,160	3	0.90%
AIMCO Country Lakes LLC				52,930,810	4	0.79%
North Star Trust Company				49,421,640	5	0.74%
Edward Hospital				32,900,130	8	0.49%
BP Amoco Oil Company				24,606,120	9	0.37%
Nalco Chemical Company				20,248,710	10	0.30%
	<u>\$ 179,253,295</u>		<u>2.42%</u>	<u>\$ 465,028,530</u>		<u>6.94%</u>

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

Prior year and eight years ago is the most up to date information that is available.

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Extended	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 49,651,487	\$ 49,321,096	99.33%	\$ 19,667	\$ 49,340,763	99.37%
2011	48,317,459	47,929,719	99.20%	21,943	47,951,662	99.24%
2012	47,102,010	46,358,636	98.42%	11,716	46,370,352	98.45%
2013	46,393,422	46,183,534	99.55%	2,530	46,186,064	99.55%
2014	48,431,821	48,159,391	99.44%	29,969	48,189,360	99.50%
2015	46,260,521	45,964,584	99.36%	43,167	46,007,751	99.45%
2016	48,062,829	47,802,851	99.46%	-	47,802,851	99.46%
2017	47,381,766	47,231,092	99.68%	-	47,231,092	99.68%
2018	49,572,297	49,411,057	99.67%	-	49,411,057	99.67%
2019	51,653,948	51,361,583	99.43%	106,357	51,467,940	99.64%

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

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

SALES TAXES BY CATEGORY

Last Ten Calendar Years

Calendar Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General merchandise	\$ 2,133,600	\$ 2,175,020	\$ 1,985,901	\$ 2,055,475	\$ 1,973,827	\$ 1,734,850	\$ 1,682,829	\$ 1,727,680	\$ 1,703,036	\$ 1,614,668
Food	3,268,563	3,440,483	3,586,963	3,457,404	3,537,170	4,030,651	4,277,657	4,126,200	4,119,877	4,502,795
Drinking and eating places	2,883,546	3,162,362	3,352,311	3,420,229	3,433,778	3,843,978	4,047,681	4,115,550	4,310,007	3,306,793
Apparel	933,475	1,004,555	1,067,110	1,088,821	1,152,420	1,210,325	1,203,706	1,174,380	1,155,698	734,756
Furniture, H.H., and radio	2,098,296	2,194,838	2,347,163	2,272,010	2,231,986	1,959,765	1,898,165	1,869,238	1,927,766	1,837,713
Lumber, building hardware	1,242,769	1,302,937	1,520,274	1,656,157	1,709,368	1,667,454	1,694,172	1,739,712	1,747,880	1,920,452
Automobile and filling stations	9,555,249	10,494,788	12,237,637	12,751,291	12,870,415	12,566,087	12,688,204	13,091,973	13,846,632	12,714,540
Drugs and miscellaneous retail	3,642,704	3,692,042	3,869,309	4,097,497	3,205,869	3,904,515	3,904,594	3,561,337	3,753,949	3,717,717
Agriculture and all others	1,483,822	1,501,727	1,509,790	1,620,270	2,576,081	1,866,766	1,997,162	2,220,590	2,223,796	1,917,751
Manufacturers	461,688	521,896	527,545	530,662	561,411	534,413	478,725	639,803	710,328	652,495
TOTAL	\$ 27,703,712	\$ 29,490,648	\$ 32,004,003	\$ 32,949,816	\$ 33,252,325	\$ 33,318,804	\$ 33,872,895	\$ 34,266,463	\$ 35,498,969	\$ 32,919,680
City's direct sales tax rate	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%

Data Source

Illinois Department of Revenue

CITY OF NAPERVILLE, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	City Direct Rate	City Home Rule Rate	State Rate	Regional Transportation Authority Rate	County Rate
2012	1.00%	0.00%	5.00%	0.75%	0.25%
2013	1.00%	0.00%	5.00%	0.75%	0.25%
2014	1.00%	0.00%	5.00%	0.75%	0.25%
2015	1.00%	0.00%	5.00%	0.75%	0.25%
2015*	1.00%	0.00%	5.00%	0.75%	0.25%
2016	1.00%	0.50%	5.00%	0.75%	0.25%
2017	1.00%	0.50%	5.00%	0.75%	0.25%
2018	1.00%	0.75%	5.00%	0.75%	0.25%
2019	1.00%	0.75%	5.00%	0.75%	0.25%
2020	1.00%	0.75%	5.00%	0.75%	0.25%

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

Data Source

Illinois Department of Revenue

CITY OF NAPERVILLE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	General Obligation Bonds	Revenue Bonds	IEPA Loan			
2012	\$ 105,219,222	\$ 75,012,910	\$ -	\$ -	\$ 180,232,132	2.79%	\$ 1,270.56
2013	97,950,479	71,886,351	-	-	169,836,830	2.63%	1,197.27
2014	97,958,819	66,354,322	-	-	164,313,141	2.55%	1,146.73
2015	108,548,121	60,391,308	-	-	168,939,429	2.56%	1,179.01
2015**	98,808,280	55,863,868	-	-	154,672,148	2.27%	1,058.47
2016	109,264,633	52,899,322	-	-	162,163,955	2.38%	1,117.92
2017	105,347,527	48,126,452	-	-	153,473,979	2.19%	1,052.71
2018	99,204,495	42,862,352	-	-	142,066,847	1.92%	963.50
2019	88,275,178	37,680,584	-	-	125,955,762	1.60%	848.48
2020	93,849,312	33,185,561	-	-	127,034,873	1.55%	855.75

*See the schedule of Demographic and Economic Information on page 147 for personal income and population data.

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

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

CITY OF NAPERVILLE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds		Less: Amounts Available In Debt	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
	Governmental Activities	Business-Type Activities	Service Funds**			
2012	\$ 105,219,222	\$ 75,012,910	\$ 5,156,557	\$ 175,075,575	0.87%	\$ 1,234.20
2013	97,950,479	71,886,351	4,717,628	165,119,202	0.86%	1,164.02
2014	97,958,819	66,354,322	5,272,118	159,041,023	0.87%	1,109.93
2015	108,548,121	60,391,308	6,355,932	162,583,497	0.91%	1,134.65
2015***	98,808,280	55,863,868	4,997,000	149,675,148	0.83%	1,024.27
2016	109,264,633	52,899,322	3,169,205	158,994,750	0.84%	1,096.08
2017	105,347,527	48,126,452	3,866,197	149,607,782	0.75%	1,023.81
2018	99,204,495	42,862,352	5,027,970	137,038,877	0.66%	937.80
2019	88,275,178	37,680,584	6,568,618	119,387,144	0.55%	817.00
2020	93,849,312	33,185,561	7,971,512	119,063,361	0.53%	814.79

*See the schedule of Assessed Value and Actual Value of Taxable Property on page 137 for property value data.

**Including restricted and assigned fund balances of Debt Service Fund, SSA 21, 23, and Downtown Parking Funds, which were set up for paying G.O. debt.

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

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

CITY OF NAPERVILLE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2020

Governmental Unit	Gross Debt	Percentage Debt Applicable to the City of Naperville (1)	City of Naperville's Share of Debt
City of Naperville	\$ 93,849,312	100.00%	\$ 93,849,312
School District #200	96,880,000	0.240%	232,512
School District #202	168,315,000	1.620%	2,726,703
School District #203	13,660,000	78.110%	10,669,826
School District #204	149,940,000	60.220%	90,293,868
School District #365	132,475,690	0.010%	13,248
Community College District #502	165,320,000	15.930%	26,335,476
Community College District #525	142,805,000	0.260%	371,293
Lisle Park District	7,555,000	0.450%	33,998
Naperville Park District	29,110,000	96.510%	28,094,061
Wheaton Park District	20,627,395	0.250%	51,568
Will County	324,165,000	11.050%	35,820,233
Will County Forest Preserve	86,200,000	11.050%	9,525,100
DuPage County	1,290,750,000	12.100%	156,180,750
DuPage County Forest Preserve	95,140,000	12.100%	11,511,940
	<u>2,722,943,085</u>		<u>371,860,576</u>
	<u>\$ 2,816,792,397</u>		<u>\$ 465,709,888</u>

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

Data Sources

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

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2020

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

CITY OF NAPERVILLE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling	School Enrollment	Unemployment Rate
2012	141,853	\$ 6,452,609,264	\$ 45,488	35.0	15.13	47,946	6.1
2013	141,853	6,452,609,264	45,488	37.9	15.41	47,572	6.7
2014	143,289	6,449,724,468	45,012	39.2	15.41	46,790	7.1
2015	143,289	6,606,769,212	46,108	38.7	14.97	46,790	5.7
2015*	146,128	6,809,272,544	46,598	38.2	17.81	45,020	4.6
2016	145,058	6,803,945,000	46,905	38.6	17.81	45,071	4.6
2017	145,789	7,018,136,671	48,139	38.5	17.81	44,524	4.0
2018	147,449	7,385,278,063	50,087	35.0	17.81	44,513	3.6
2019	148,449	7,876,852,389	53,061	38.7	17.81	43,952	3.5
2020	148,449	8,198,392,923	55,227	40.5	17.81	42,675	8.7

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

Data Sources

Population: U.S. Bureau of Census Estimate
 Per capita income: U.S. Bureau of Census Estimate
 Median age: U.S. Bureau of Census Estimate
 Education level: U.S. Bureau of Census Estimate
 School enrollment: Illinois Report Card
 Unemployment rate: Illinois Department of Employment Security

CITY OF NAPERVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Prior Year and Ten Years Ago

2019				2010			
Employer	Employees	Rank	% of Total City Population	Employer	Employees	Rank	% of Total City Population
Edward Hospital & Health Services	4,500	1	3.03%	Edward Hospital & Health Services	4,339	1	3.00%
Indian Prairie School District 204	3,071	2	2.07%	Nicor Gas	3,700	2	2.56%
Nokia	2,750	3	1.85%	Lucent/Alcatel	3,600	3	2.49%
Naperville School District 203	2,300	4	1.55%	Naperville School District 204	3,184	4	2.20%
BP America	1,200	5	0.81%	Naperville School District 203	2,575	5	1.78%
BMO Harris	1,200	6	0.81%	BP America	1,750	6	1.21%
Nalco	1,200	7	0.81%	Office Max	1,500	7	1.04%
City of Naperville	933	8	0.63%	Tellabs, Inc.	1,200	8	0.83%
North Central College	700	9	0.47%	Nalco Co.	1,000	9	0.69%
Coriant	600	10	0.40%	City of Naperville	960	10	0.66%
TOTAL	18,454		12.43%		23,808		16.46%

Data Sources

Naperville Development Partnership and Naperville Convention & Visitors Bureau

Prior year and ten years ago is the most up to date information that is available.

CITY OF NAPERVILLE, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015*	2016	2017	2018	2019	2020
Mayor and Council	11.12	11.12	11.12	11.12	11.00	11.00	11.00	11.00	11.00	11.00
Legal	10.50	10.50	10.50	14.00	14.00	13.50	13.50	9.00	9.00	9.00
City Manager's Office	10.12	10.12	13.12	11.12	11.12	11.12	10.13	11.63	12.63	13.63
City Clerk	5.50	5.50	5.50	5.50	6.50	8.00	7.25	6.00	6.00	6.00
Special Events and Cultural	0.50	0.50	0.50	0.50	0.62	0.62	1.00	1.00	1.00	1.00
Community Development Block Grant	1.00	0.75	0.50	0.67	0.67	0.67	1.00	1.00	1.00	1.00
Information Technology	19.37	18.75	19.75	21.75	27.00	27.00	26.00	26.00	30.00	35.00
Finance	35.63	35.63	35.63	36.63	35.63	35.63	33.63	33.13	35.13	35.14
Human Resources	9.50	9.50	9.50	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Board of Fire and Police	0.88	0.88	0.88	0.88	1.00	1.00	1.00	1.00	1.00	1.00
TED Business Group	67.03	65.87	66.60	66.18	66.66	68.66	64.00	63.00	63.00	63.00
Riverwalk Commission	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Public Works	108.96	108.55	108.30	108.76	108.88	109.39	103.63	103.63	100.63	100.63
Police	273.54	269.92	269.92	275.67	275.54	274.90	271.88	268.10	269.12	273.12
Fire	203.00	203.00	202.00	202.00	202.00	202.00	202.00	201.00	201.00	201.00
Electric Utility	120.00	118.50	117.00	114.00	112.00	112.00	106.00	106.00	106.00	103.00
Water Utility	92.07	83.50	82.94	82.94	83.56	83.79	84.50	82.50	83.00	84.00
TOTAL	969.22	953.09	954.26	961.22	965.68	968.78	946.02	933.49	939.01	947.02

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

Data Source

City Budget

CITY OF NAPERVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2015*	2016	2017	2018	2019	2020
PUBLIC SAFETY										
Police (1)										
Physical arrests (DUI)	574	549	424	374	369	312	266	272	295	240
Parking violations	15,654	16,600	14,148	13,630	13,582	18,206	17,246	15,488	15,918	5,784
Traffic violations	18,521	17,769	13,924	12,319	12,532	15,831	15,743	15,544	17,763	9,143
Fire										
Emergency responses	11,264	11,760	12,210	12,792	12,979	13,677	14,631	14,583	15,549	14,170
Fires extinguished	86	83	78	93	87	106	158	192	199	34
PUBLIC WORKS										
Total curbside refuse collected (tons)	38,367	37,803	37,077	36,657	36,272	37,405	37,539	36,982	41,227	42,881
Total curbside recycling collected (tons)	17,069	16,469	15,605	15,692	15,872	15,655	15,650	15,503	15,116	14,117
Snow and ice control events	16	18	49	25	24	29	17	19	25	17
Tons of salt used	8,251	13,686	21,964	11,768	11,692	10,908	6,525	9,700	6,344	5,177
WATER/WASTEWATER (1)										
New connections	107	171	283	291	342	300	733	290	203	209
Water main breaks	37	64	92	75	68	80	81	84	106	90
Average daily consumption	15.16	16.64	15.11	13.90	14.10	14.46	41.90	14.65	13.45	14.42
Peak daily consumption	30.79	34.19	29.55	22.90	24.26	25.21	26.20	26.14	26.13	28.83
Average daily wastewater treated (million gal)	21.59	18.30	19.70	19.40	18.16	19.47	26.25	19.74	19.55	20.22
ELECTRIC (1)										
Peak monthly demand	390,853	402,273	365,033	322,831	328,597	352,640	330,946	343,568	341,992	325,810
Peak month energy use (million)	172.70	184.10	151.90	142.80	143.40	154.60	144.60	145.60	150.70	148.90

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

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

Data Source

Various city departments

CITY OF NAPERVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area patrols	10	10	10	10	10	12	12	12	12	12
Patrol units	78	78	80	85	85	89	89	89	89	89
Fire										
Fire stations	10	10	10	10	10	10	10	10	10	10
Front line apparatus (engines and ambulance)	18	18	18	18	18	18	18	18	18	18
TRANSPORTATION										
Arterial streets (centerline miles)	127	127	127	127	138	140	140	140	140	140
Traffic signals	163	163	163	164	164	165	165	167	168	168
PUBLIC WORKS										
Streetlights	11,312	11,462	11,480	11,542	11,705	12,080	12,154	12,254	12,665	12,806
Storm sewers (miles)	861	870	879	886	895	987	852	855	639	745
WATER										
Water mains (miles)	641.1	688.7	693.7	708.2	714.5	723.2	732.7	735.6	741.0	742.8
Fire hydrants	8,897	8,967	9,055	9,157	9,236	9,378	9,451	9,480	9,522	9,559
Storage capacity (million gallons)	43.90	43.90	43.90	43.90	43.90	43.90	43.90	43.90	43.90	43.90
Sanitary sewers (miles)	492.80	530.93	534.09	539.34	543.28	551.40	553.26	562.31	564.52	565.94
Treatment capacity (million gallons per day)	26.20	26.25	26.25	26.25	26.25	26.25	26.25	26.25	26.25	26.25
ELECTRIC										
Number of distribution stations	16	16	16	16	16	16	16	16	16	16
Transmission and distribution line mileage (excluding secondary distribution)	973.89	977.83	979.98	984.19	999.49	1,007.90	1,017.77	1,017.77	1,028.50	1,028.50

Data Source

Various city departments.