

City of Streator, Illinois

Comprehensive Annual Financial Report
For the Fiscal Year Ended
December 31, 2018



Prepared by:
Office of the City Manager

CITY OF STREATOR, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2018

Prepared by the Office of the City Manager

David Plyman
City Manager

Julie Lucas
Office Manager/City Treasurer

Wes Levy
Chief Financial Officer

CITY OF STREATOR, ILLINOIS
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INTRODUCTORY SECTION

CITY OF STREATOR, ILLINOIS

PRINCIPAL OFFICIALS

December 31, 2018

Mayor

Jimmie Lansford

City Council

Tara Bedei
Brian Crouch

Edgar Brozak
Joseph Scarbeary

City Manager

David Plyman

Assistant to the City Manager/City Clerk

Patricia Henderson

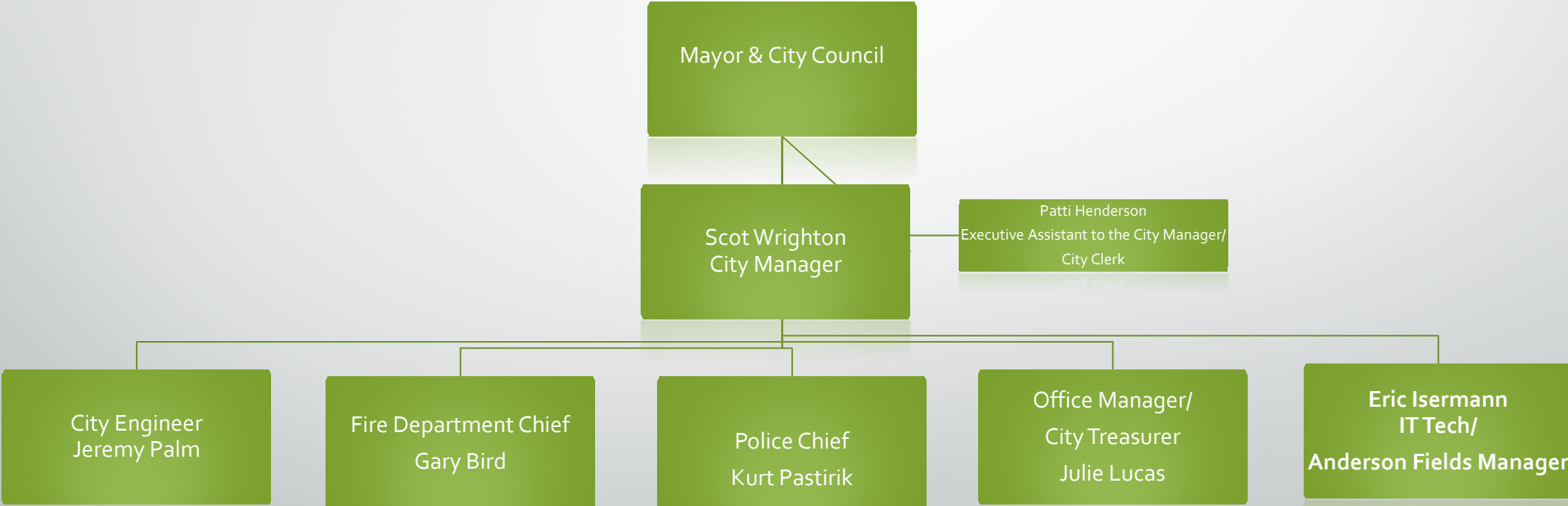
Office Manager/City Treasurer

Julie Lucas

Chief Financial Officer

Wes Levy

City of Streator Organizational Chart



City of Streator

204 South Bloomington Street • Streator, Illinois 61364-0517 • (815) 672-2517 • Fax (815) 672-7566



April 7, 2020

Mayor Jimmie Lansford and City Council
City of Streator, Illinois

The Comprehensive Annual Financial Report (CAFR) of the City of Streator for the calendar year ended December 31, 2018 is hereby submitted. State law requires an annual audit for local governments. The audit must be conducted in accordance with generally-accepted auditing standards, include all of the accounts and funds of the City, and generally be completed within six months after the close of the calendar year. The City is required to issue a report on its financial position and activity presented in conformance with generally-accepted accounting principles (GAAP). This report represents a comprehensive picture of the City's financial activities and has been published to fulfill the requirements for the fiscal year January 1, 2018 – December 31, 2018.

The financial report consists of management's representations concerning the finances of the City of Streator. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City of Streator's financial statements have been audited by Sikich LLP, a firm of licensed certified public accounts. The independent auditor issued an unmodified ("clean") opinion on the City's financial statements for the year ended December 31, 2018. The independent auditor's report is located at the beginning of the financial section of this report.

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

Profile of government

The City of Streator, founded in 1868, located 100 miles south of Chicago and equidistant to three interstate highways, serves a population of 13,710. The City of Streator is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Streator operates under the Council Manager form of government that was approved by public referendum in 1986. The City operates under the City Manager Statutes of the State of Illinois which states that “The City Manager shall be the Chief Administrative Officer of the City and shall be responsible to the City Council for the proper administration of all affairs of the City.” The City Manager also serves as the city’s budget officer.

Working closely with the City Council, city staff, community organizations, the business community and citizens, the City Manager’s office ensures that quality services and programs are available to meet the needs of the City of Streator, in accordance with the policy direction of the Mayor and City Council.

The City of Streator provides a full range of services, including police and fire protection, sewer and refuse collection, snow removal, traffic control, on-and off-street parking, building inspections, flood control, park maintenance, plus community and economic development services.

The City Council is required to adopt an initial budget for the calendar year no later than December 31, preceding the beginning of the calendar year on January 1. This annual budget serves as the foundation for the City of Streator’s financial planning and control. The budget is prepared by fund and department. Department heads may transfer resources within a department as they see fit. The City Manager may transfer resources between departments; however, transfers between funds requires approval from the City Council.

Local economy

The City of Streator has a manufacturing and service-based economy. More than 200 Chamber of Commerce businesses call Streator home including Stock and Field (formerly Big R), Walmart, Vactor Manufacturing, Owens-IL, Steril ALM, Flink Co., US Foods, Heritage Health, R.P. Lumber, SCI Corporation, Conagra Foods, Eagle 6 Theatre, Results, Teleweld, Plymouth Tube, Transco, Liberty Village, Cora’s Welding, Streator Dependable, Kroger, U.S. Truck Body and others.

In the past twenty years, the city has invested significantly in new public infrastructure. After an economic downturn following the Great Recession of 2008, the city’s economy has begun to rebound. Sales tax revenues are improving and many of the city’s major employers are hiring.

Long-term financial planning and major development initiatives

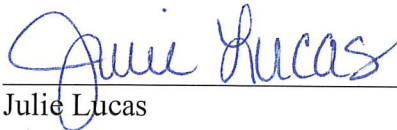
The City of Streator is an active participant in the development of a vibrant downtown. Since 2016, the City of Streator has created three new tax increment financing (TIF) districts, expanded its Enterprise Zone, and obtained Opportunity Zone designation for one of its poorer census tracts. These efforts have resulted in new, planned or promised development that will increase the city’s tax base.

Relevant financial policies

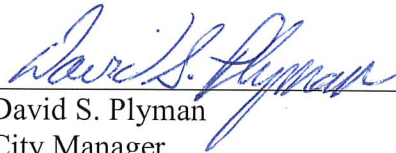
The City of Streator updated its Financial Policies, Human Resource Policy, Annexation Policy, Public Safety Policy, and Park Use policies. These policies are to assist the decision-making process of the City Council and the Administration to provide guidelines for evaluating both current activities and proposals for future programs and budgets.

Financial policies aid the City by improving financial management, financial position and the credit worthiness of the City. They also serve to ensure that all financial transactions conducted by or on behalf of the City are made in a manner and method which provides for the most proficient and effective management of the financial resources and funds of the City.

Yours in Public Service,



Julie Lucas
City Treasurer



David S. Plyman
City Manager

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 Streator, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Streator, Illinois (the City) as of and for the year ended December 31, 2018 and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Streator Public Library, a 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Streator, Illinois, as of December 31, 2018, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 12, the City adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses; and modified certain disclosures in the notes to financial statements and required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
April 15, 2020

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

Our discussion and analysis of the City of Streator's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the transmittal letter, which begins on page iii and the City's financial statements, which begin on page 4.

FINANCIAL HIGHLIGHTS

- The City's net position decreased as a result of this year's operations. While net position of business-type activities increased by \$2,183,386, or 7.3 percent, net position of the governmental activities decreased by \$3,096,151, or 17.5 percent.
- During the year, government-wide revenues before transfers for the primary government totaled \$19,321,006, while expenses totaled \$20,233,771, resulting in a decrease to net position of \$912,765.
- The City's net position totaled \$46,559,671 on December 31, 2018, which includes \$73,019,803 net investment in capital assets, \$3,127,768 subject to external restrictions, and \$29,587,900 unrestricted deficit net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a deficit for the year of \$347,595, resulting in ending fund balance of \$3,171,171, a decrease of 9.9 percent.
- The City restated beginning net position to implement GASB Statement No. 75, *Accounting and Financial reporting for Postemployment Benefits Other Than Pensions* and correct the allocation of IMRF between the government activities and business-type activities as presented in Note 12 to the financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4-6) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which City acts solely as a trustee or agent for the benefit of those outside of the government.

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 4-6 of this report.

The Statement of Net Position reports information on all of the City's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, is needed to assess the overall health of the City.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and economic development. The business-type activities of the City include sewer, golf and solid waste operations.

The City includes one separate legal entity in its report. The Streator Public Library is presented as a discretely presented component unit. Although legally separate, this "component unit" is important because the City is financially accountable for it. Financial information for the 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 local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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 the City's near-term financing requirements.

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

The City maintains nine 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, which is considered to be a major fund. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 7 of this report.

Proprietary Funds

The City maintains one proprietary fund type: enterprise. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City utilizes enterprise funds to account for its sewer, golf, and solid waste operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Fund, Golf Course Fund and Solid Waste Fund, which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 11-15 of this report.

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

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 statements because the resources of those funds are not available to support the City's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 16-17 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 18-65 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's IMRF., Sheriff's Law Enforcement, police and fire employee pension obligations, total OPEB liability, and budgetary comparison schedule for the General Fund. Required supplementary information can be found on pages 66-79 of this report. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 80-93 of this report.

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the City, assets/deferred outflows exceeded liabilities/deferred inflows by \$46,559,990.

	Governmental Activities		Net Position		Total	
			Business-type Activities			
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 8,564,872	11,047,119	3,568,314	2,232,597	12,133,186	13,279,716
Capital Assets	49,823,793	50,452,911	39,125,662	39,118,991	88,949,455	89,571,902
Total Assets	58,388,665	61,500,030	42,693,976	41,351,588	101,082,641	102,851,618
Deferred Outflows	4,229,239	3,305,590	77,538	-	4,306,777	3,305,590
Total Assets/Deferred Outflows	62,617,904	64,805,620	42,771,514	41,351,588	105,389,418	106,157,208
Long-Term Debt	39,967,704	32,907,334	9,431,376	10,115,401	49,399,080	43,022,735
Other Liabilities	1,492,501	1,653,482	1,077,296	743,832	2,569,797	2,397,314
Total Liabilities	41,460,205	34,560,816	10,508,672	10,859,233	51,968,877	45,420,049
Deferred Inflows	6,518,494	5,813,487	342,376	-	6,860,870	5,813,487
Total Liabilities/Deferred Inflows	47,978,699	40,374,303	10,851,048	10,859,233	58,829,747	51,233,536
Net Position						
Net Investment in Capital Assets	43,250,307	42,046,696	29,769,496	28,531,278	73,019,803	70,577,974
Restricted	1,653,435	3,336,968	1,474,333	1,019,044	3,127,768	4,356,012
Unrestricted (Deficit)	(30,264,537)	(20,952,347)	676,637	942,033	(29,587,900)	(20,010,314)
Total Net Position	14,639,205	24,431,317	31,920,466	30,492,355	46,559,671	54,923,672

A large portion of the City's net position, \$73,019,803, reflects its investment in capital assets (for example, land, 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, \$3,127,768, of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit of \$29,587,900, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF STREATOR, ILLINOIS

**Management's Discussion and Analysis
December 31, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Change in Net Position					
	Governmental		Business-Type		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues						
Charges for Services	\$ 571,778	549,620	4,164,585	4,075,751	4,736,363	4,625,371
Operating Grants/Contributions	386,961	549,375	-	-	386,961	549,375
Capital Grants/Contributions	127,800	72,200	1,583,328	-	1,711,128	72,200
General Revenues						
Property and Replacement Taxes	4,553,420	4,552,448	-	-	4,553,420	4,552,448
Sales Taxes	3,308,126	3,090,472	-	-	3,308,126	3,090,472
Use Taxes	290,808	339,009	-	-	290,808	339,009
Other Taxes	1,404,729	1,394,196	-	-	1,404,729	1,394,196
Income Taxes	1,379,652	1,323,745	-	-	1,379,652	1,323,745
Other General Revenues	1,306,041	1,206,707	243,778	14,399	1,549,819	1,221,106
Total Revenues	13,329,315	13,077,772	5,991,691	4,090,150	19,321,006	17,167,922
Expenses						
General Government	2,786,291	3,209,437	-	-	2,786,291	3,209,437
Public Safety	7,347,710	7,836,141	-	-	7,347,710	7,836,141
Public Works	2,922,175	2,819,260	-	-	2,922,175	2,819,260
Economic Development	2,018,752	2,279,460	-	-	2,018,752	2,279,460
Interest on Long-Term Debt	219,604	249,597	-	-	219,604	249,597
Sewer	-	-	3,584,602	2,785,792	3,584,602	2,785,792
Golf Course	-	-	161,512	149,952	161,512	149,952
Solid Waste	-	-	1,193,125	1,192,260	1,193,125	1,192,260
Total Expenses	15,294,532	16,393,895	4,939,239	4,128,004	20,233,771	20,521,899
Change in Net Position						
Before Transfers	(1,965,217)	(3,316,123)	1,052,452	(37,854)	(912,765)	(3,353,977)
Transfers	(1,130,934)	(558,339)	1,130,934	558,339	-	-
Change in Net Position	(3,096,151)	(3,874,462)	2,183,386	520,485	(912,765)	(3,353,977)
Net Position - Beginning as Restated	17,735,356	28,305,779	29,737,080	29,971,870	47,472,436	58,277,649
Net Position - Ending	14,639,205	24,431,317	31,920,466	30,492,355	46,559,671	54,923,672

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the City's governmental activities decreased by 17.5 percent (\$14,639,205 in 2018 compared to a restated \$17,735,356 in 2017). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled a deficit of \$30,264,537 at December 31, 2018.

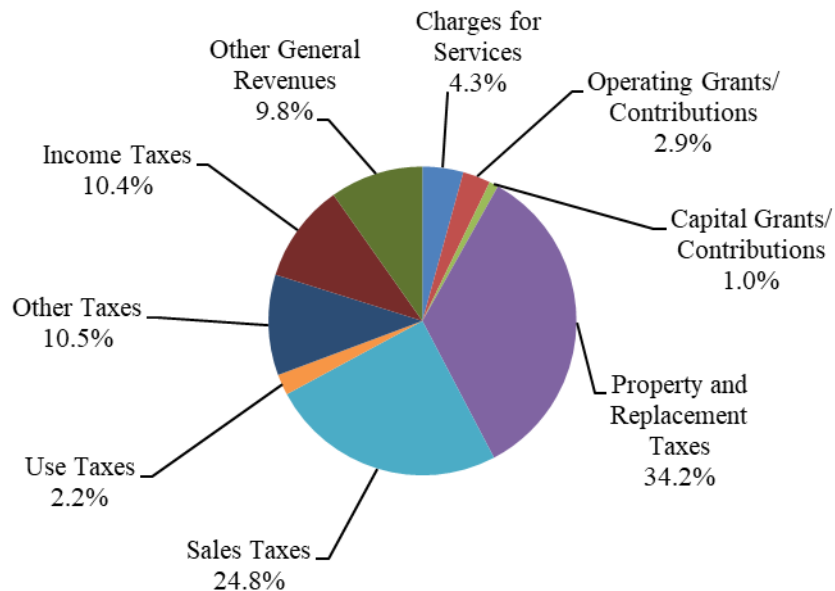
Net position of business-type activities increased by 7.3 percent (\$31,920,466 in 2018 compared to a restated \$29,737,080 in 2017).

Governmental Activities

Revenues for governmental activities totaled \$13,329,315, while the cost of all governmental functions totaled \$15,294,532. This results in a deficit of \$1,965,217 prior to transfers out of \$1,130,934. In 2017, expenses of \$16,393,895 exceeded revenues of \$13,077,772, resulting in a deficit of \$3,316,123 prior to transfers out of \$558,339. The deficit in 2018 was due in large part to the increases in net pension liability for police and fire.

The following table graphically depicts the major revenue sources of the City. It depicts very clearly the reliance of property taxes, utility taxes and use taxes to fund governmental activities. It also clearly identifies the less significant percentage the City receives from income taxes.

Revenues by Source - Governmental Activities



CITY OF STREATOR, ILLINOIS

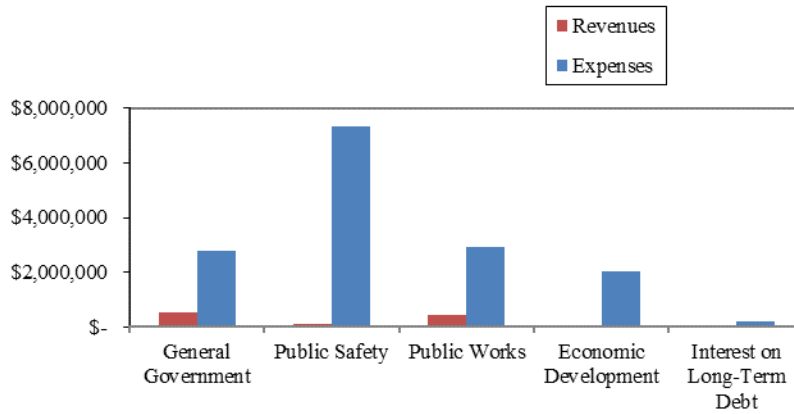
**Management’s Discussion and Analysis
December 31, 2018**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues.

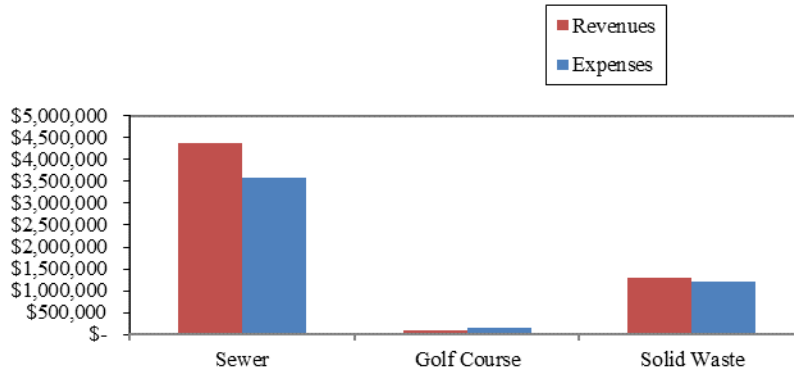
Expenses and Program Revenues - Governmental Activities



Business-Type activities

Business-Type activities posted total revenues of \$5,991,691, while the cost of all business-type activities totaled \$4,939,239. This results in a surplus of \$1,052,452 prior to transfers in of \$1,130,934. In 2017, expenses of \$4,128,004 exceed revenues of \$4,090,150, resulting in a deficit of \$37,854 prior to transfers in of \$558,339

Expenses and Program Revenues - Business-Type Activities



The above graph compares program revenues to expenses for utility operations.

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'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 is to provide information on near-term inflows, outflows, and balances of spendable resources. 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.

The City's governmental funds reported combining ending fund balances of \$4,330,282, which is \$2,042,572, or 32.1 percent, lower than last year's total of \$6,372,854. Of the \$4,330,282 total, \$2,586,570, or approximately 59.7 percent, of the fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the City. At December 31, 2018, unassigned fund balance in the General Fund was \$2,598,014, which represents 81.9 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 22.2 percent of total General Fund expenditures.

Proprietary Funds

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

The City reports the Sewer Fund, the Golf Course Fund and the Solid Waste Fund as major proprietary funds.

The Sewer Fund accounts for all of the operations of the sewer system. The City intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The surplus in the Sewer Fund during the current fiscal year was \$2,104,692. Unrestricted net position in the Sewer Fund totaled \$522,594 at December 31, 2018.

The Golf Course Fund reported a decrease in net position of \$28,387.

The Solid Waste Fund reported an increase to net position for the year of \$107,081.

CITY OF STREATOR, ILLINOIS

**Management’s Discussion and Analysis
December 31, 2018**

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, 2018 was \$88,949,455 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, equipment, parks, infrastructure, and sewer system and plant.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land and Land Right of Way	\$ 2,884,769	2,819,704	289,364	289,364	3,174,133	3,109,068
Construction in Progress	-	568,161	-	-	-	568,161
Buildings and Improvements	6,716,235	5,993,403	524,797	538,005	7,241,032	6,531,408
Equipment	979,929	990,115	11,461	14,771	991,390	1,004,886
Parks	2,397,551	2,139,302	-	-	2,397,551	2,139,302
Infrastructure	36,845,309	37,942,226	-	-	36,845,309	37,942,226
Sewer System and Plant	-	-	38,300,040	38,276,851	38,300,040	38,276,851
Total	49,823,793	50,452,911	39,125,662	39,118,991	88,949,455	89,571,902

Current year additions to capital assets were as follows:

	Governmental Activities	Business-Type Activities
Land and Land Right of Way	\$ 65,065	-
Buildings and Improvements	425,607	-
Equipment	138,396	-
Parks	327,887	-
Infrastructure	158,071	-
Sewer System and Plant	-	1,235,704
	1,115,026	1,235,704

Additional information on the City’s capital assets can be found in note 5 on pages 27-28 of this report.

CITY OF STREATOR, ILLINOIS

**Management’s Discussion and Analysis
December 31, 2018**

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the City had total outstanding debt of \$17,184,660 as compared to \$18,977,233 the previous year, a decrease of 9.4 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation Alternate Bonds	\$ 7,395,000	7,890,000	-	-	7,395,000	7,890,000
Installment Contracts	433,494	499,494	-	-	433,494	499,494
IEPA Loan Payables	-	-	9,356,166	10,587,739	9,356,166	10,587,739
Total	7,828,494	8,389,494	9,356,166	10,587,739	17,184,660	18,977,233

Standard and Poor’s analyzed the City’s financial position in 2019 as part of the issuance of bonds to fund economic development incentives and capital improvements related to the Vactor plant expansion project. S & P maintained the City’s “A” rating, with a negative outlook, for general obligation debt. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt limit for the City is \$24,796,920.

Additional information on the City’s long-term debt can be found in Note 6 on pages 29-32 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Economic conditions in Streator continue to improve, with low unemployment and modest growth in area jobs and wages. In prior years, the City Council deliberately froze its property tax levy. In 2020, unfortunately, the City Council determines it is necessary to increase the levy by 4.81 percent. This increase is needed to offset higher general fund operating and police and fire pension expenses.

General Fund expenses continue to outpace revenues. In 2020, we are expecting that the General Fund will experience a short-fall of \$216,851. To address this structural deficit, the City Council has directed management to reduce staffing levels through an early retirement inducement program. We intend to implement this program in the first quarter of the calendar (fiscal) year.

The City’s pension contributions have significantly increased over the past few years due to low investment returns, the granting of pensions earlier than expected to former public safety employees who suffered disabilities, and inadequate City contributions in years past. The City continues to struggle to meet its public safety pension obligations. The 2020 Budget provides a property tax levy that will fund 90 percent of the contributions that the actuary recommended. As mentioned above, the City intends to continue to shed costs by reducing personnel expenses. If the planned early retirement inducements provide savings beyond offsetting the deficit, the City Council intends to supplement its budgeted pension contributions.

CITY OF STREATOR, ILLINOIS

Management's Discussion and Analysis December 31, 2018

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES – Continued

To reduce expenses in the recent past, Streator has outsourced services, converted full-time positions to part-time, and left positions vacant when employees retired or otherwise left our employ. The City also took advantage of lower interest rates by refinancing outstanding debt, enacted an employee wellness program to reduce increases in group insurance premiums, sold assets, and enlarged the tax base through annexation and a modest increase in new building/business starts. While all of these measures make the City more efficient, they did not fully correct the fundamental structural imbalance described above. Moreover, the City must continue to shrink its operations because it will be losing a large General Fund revenue source next year (\$230,000 payment from local wind energy producers).

There is no single solution to correcting the structural imbalance in the City budget. Staff will continue to present the City Council with new options for making changes that will improve the financial health of the City of Streator.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the Office of the City Manager, City of Streator, and P.O. Box 517, Streator, IL 61364.

CITY OF STREATOR, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2018

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Streator Public Library
ASSETS				
Cash and Investments	\$ 3,615,799	\$ 1,133,246	\$ 4,749,045	\$ 571,721
Accounts Receivable	319,064	704,661	1,023,725	-
Property Taxes Receivable	3,515,000	-	3,515,000	165,020
Other Taxes Receivable	1,992	-	1,992	-
Accrued Interest Receivable	-	-	-	-
Due from Other Governments	1,022,740	43,297	1,066,037	-
Inventory	-	2,158	2,158	-
Prepaid Items	90,277	4,899	95,176	-
Restricted Assets				
Cash and Investments	-	1,474,333	1,474,333	93,186
Loan receivable	-	205,720	205,720	-
Capital Assets not Being Depreciated	2,884,769	289,364	3,174,133	5,100
Capital Assets (Net of Accumulated Depreciation)	46,939,024	38,836,298	85,775,322	688,240
Total Assets	58,388,665	42,693,976	101,082,641	1,523,267
DEFERRED OUTFLOWS OF RESOURCES				
Pension Items	4,229,239	77,538	4,306,777	19,662
Total Deferred Outflows of Resources	4,229,239	77,538	4,306,777	19,662
Total Assets and Deferred Outflows of Resources	62,617,904	42,771,514	105,389,418	1,542,929
LIABILITIES				
Accounts Payable	378,357	425,364	803,721	4,467
Accrued Payroll	341,233	13,460	354,693	9,035
Accrued Interest Payable	38,572	9,608	48,180	-
Noncurrent Liabilities				
Due Within One Year	734,339	628,864	1,363,203	45,000
Due in More Than One Year	39,967,704	9,431,376	49,399,080	524,458
Total Liabilities	41,460,205	10,508,672	51,968,877	582,960
DEFERRED INFLOWS OF RESOURCES				
Pension Items	2,672,421	235,233	2,907,654	59,650
OPEB Items	331,073	107,143	438,216	-
Deferred Property Taxes	3,515,000	-	3,515,000	165,020
Total Deferred Inflows of Resources	6,518,494	342,376	6,860,870	224,670
Total Liabilities and Deferred Inflows of Resources	47,978,699	10,851,048	58,829,747	807,630
NET POSITION				
Net Investment in Capital Assets	43,250,307	29,769,496	73,019,803	148,340
Restricted for				
Capital Projects	269,959	-	269,959	-
Public Benefit	27,488	-	27,488	-
Grant Projects	91,613	-	91,613	-
Public Safety	90,547	-	90,547	-
Employee Benefits	1,250	-	1,250	-
Public Works	369,280	-	369,280	-
Economic Development	803,298	-	803,298	-
Debt Service	-	1,474,333	1,474,333	-
Specific Purposes	-	-	-	93,186
Unrestricted (Deficit)	(30,264,537)	676,637	(29,587,900)	493,773
TOTAL NET POSITION	\$ 14,639,205	\$ 31,920,466	\$ 46,559,671	\$ 735,299

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 2,786,291	\$ 362,701	\$ 34,044	\$ 127,800
Public Safety	7,347,710	107,679	2,000	-
Public Works	2,922,175	101,398	350,917	-
Economic Development	2,018,752	-	-	-
Interest and Fiscal Charges	219,604	-	-	-
Total Governmental Activities	15,294,532	571,778	386,961	127,800
Business-Type Activities				
Sewer	3,584,602	2,780,376	-	1,583,328
Golf Course	161,512	86,205	-	-
Solid Waste	1,193,125	1,298,004	-	-
Total Business-Type Activities	4,939,239	4,164,585	-	1,583,328
TOTAL PRIMARY GOVERNMENT	\$ 20,233,771	\$ 4,736,363	\$ 386,961	\$ 1,711,128
STREATOR PUBLIC LIBRARY	\$ 371,043	\$ 19,488	\$ 93,838	\$ -

	Net (Expense) Revenue and Change in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Streator Public Library
	\$ (2,261,746)	\$ -	\$ (2,261,746)	\$ -
	(7,238,031)	-	(7,238,031)	-
	(2,469,860)	-	(2,469,860)	-
	(2,018,752)	-	(2,018,752)	-
	(219,604)	-	(219,604)	-
	(14,207,993)	-	(14,207,993)	-
	-	779,102	779,102	-
	-	(75,307)	(75,307)	-
	-	104,879	104,879	-
	-	808,674	808,674	-
	(14,207,993)	808,674	(13,399,319)	-
	-	-	-	(257,717)
General Revenues				
Taxes				
Property and Replacement	4,553,420	-	4,553,420	236,732
Sales	3,308,126	-	3,308,126	-
Use	290,808	-	290,808	-
Other	1,404,729	-	1,404,729	-
Intergovernmental				
Income Tax	1,379,652		1,379,652	-
Investment Income	27,739	8,858	36,597	(1,274)
Miscellaneous	1,278,302	234,920	1,513,222	-
Transfers	(1,130,934)	1,130,934	-	-
Total	11,111,842	1,374,712	12,486,554	235,458
CHANGE IN NET POSITION	(3,096,151)	2,183,386	(912,765)	(22,259)
NET POSITION, JANUARY 1	24,175,265	30,492,355	54,667,620	806,194
Prior period adjustment	(6,439,909)	(755,275)	(7,195,184)	(48,636)
NET POSITION, JANUARY 1, RESTATED	17,735,356	29,737,080	47,472,436	757,558
NET POSITION, DECEMBER 31	\$ 14,639,205	\$ 31,920,466	\$ 46,559,671	\$ 735,299

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2018

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 2,197,754	\$ 1,418,045	\$ 3,615,799
Accounts Receivable	319,064	-	319,064
Property Taxes Receivable	3,515,000	-	3,515,000
Taxes Receivable	-	1,992	1,992
Due from Other Funds	9,898	-	9,898
Due from Other Governments	991,576	31,164	1,022,740
Prepaid Items	90,277	-	90,277
TOTAL ASSETS	\$ 7,123,569	\$ 1,451,201	\$ 8,574,770
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 96,165	\$ 282,192	\$ 378,357
Accrued Payroll	341,233	-	341,233
Due to Other Funds	-	9,898	9,898
Total Liabilities	437,398	292,090	729,488
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Taxes	3,515,000	-	3,515,000
Total Deferred Inflows of Resources	3,515,000	-	3,515,000
Total Liabilities and Deferred Inflows of Resources	3,952,398	292,090	4,244,488
FUND BALANCES			
Nonspendable	90,277	-	90,277
Restricted			
Capital Projects	269,959	-	269,959
Public Benefit	27,488	-	27,488
Grant Projects	91,613	-	91,613
Public Safety	90,547	-	90,547
Employee Benefits	1,250	-	1,250
Public Works	2,023	367,257	369,280
Economic Development	-	803,298	803,298
Unassigned			
General Fund	2,598,014	-	2,598,014
Special Revenue Fund (Deficit)	-	(11,444)	(11,444)
Total Fund Balances	3,171,171	1,159,111	4,330,282
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 7,123,569	\$ 1,451,201	\$ 8,574,770

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

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

December 31, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 4,330,282
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	49,823,793
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	(7,828,494)
Accrued interest on long-term debt is reported as a liability on the statement of net position	(38,572)
Compensated absences payable is not due and payable in the current period and, therefore, is not reported in governmental funds	(633,144)
Total other postemployment benefit liability is not due and payable in the current period and, therefore, is not reported in governmental funds	(6,006,020)
Differences between assumption changes for OPEB are recognized as deferred inflows of resources on the statement of net position	(331,073)
Net pension liability for the Illinois Municipal Retirement Fund (IMRF) is shown as a liability on the statement of net position	(273,579)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for IMRF are recognized as deferred outflows and inflows of resources on the statement of net position	(447,291)
Net pension liability for the Police Pension Plan is shown as a liability on the statement of net position	(13,157,699)
Net pension liability for the Firefighters' Pension Plan is shown as a liability on the statement of net position	(12,803,107)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Police Pension Plan are recognized as deferred outflows and inflows of resources on the statement of net position	(532,911)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Firefighters' Pension Plan are recognized as deferred outflows and inflows of resources on the statement of net position	<u>2,537,020</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 14,639,205</u>

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes	\$ 6,827,564	\$ 754,445	\$ 7,582,009
Intergovernmental	3,370,673	350,917	3,721,590
Licenses and Permits	472,899	-	472,899
Fines, Fees and Forfeits	73,162	-	73,162
Charges for Services	422,694	-	422,694
Investment Income	18,094	9,645	27,739
Miscellaneous	1,004,490	24,732	1,029,222
	<hr/>	<hr/>	<hr/>
Total Revenues	12,189,576	1,139,739	13,329,315
EXPENDITURES			
Current			
General Government	2,967,815	-	2,967,815
Public Safety	6,710,940	-	6,710,940
Public Works	1,284,253	100,499	1,384,752
Economic Development	-	2,018,752	2,018,752
Capital Outlay	297,236	64,452	361,688
Debt Service			
Principal	341,000	220,000	561,000
Interest and Fiscal Charges	121,591	114,415	236,006
	<hr/>	<hr/>	<hr/>
Total Expenditures	11,722,835	2,518,118	14,240,953
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<hr/>	<hr/>	<hr/>
	466,741	(1,378,379)	(911,638)
OTHER FINANCING SOURCES (USES)			
Transfers In	130,000	1,159,465	1,289,465
Transfers (Out)	(944,336)	(1,476,063)	(2,420,399)
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(814,336)	(316,598)	(1,130,934)
NET CHANGE IN FUND BALANCES			
	<hr/>	<hr/>	<hr/>
	(347,595)	(1,694,977)	(2,042,572)
FUND BALANCES, JANUARY 1			
	<hr/>	<hr/>	<hr/>
	3,518,766	2,854,088	6,372,854
FUND BALANCES, DECEMBER 31			
	<hr/>	<hr/>	<hr/>
	\$ 3,171,171	\$ 1,159,111	\$ 4,330,282

See accompanying notes to financial statements.

CITY OF STREATOR, 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, 2018

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ (2,042,572)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	1,115,026
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(1,744,144)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	561,000
The change in the accrual of interest is reported as interest expense on the statement of activities	(319)
The amortization of bond premium and loss on refunding are reported as interest expense on the statement of activities	16,721
The change in compensated absences payable is shown as an expense on the statement of activities	(29,816)
The change in total OPEB liability is not a current financial resource and, therefore, is not reported in the governmental funds	542,311
The change in deferred inflows and outflows of resources for OPEB is reported only in the statement of activities	(331,073)
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	863,488
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(1,040,345)
The change in the net pension liability for the Police Pension Plan is reported only in the statement of activities	(1,466,097)
The change in deferred inflows and outflows for the Police Pension Plan is reported only in the statement of activities	1,506,914
The change in the net pension liability for the Firefighters' Pension Plan is reported only in the statement of activities	(774,999)
The change in deferred inflows and outflows for the Firefighters' Pension Plan is reported only in the statement of activities	(272,246)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (3,096,151)</u></u>

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2018

	Business-Type Activities			Total
	Sewer	Golf Course	Solid Waste	
CURRENT ASSETS				
Cash and Investments	\$ 948,986	\$ 300	\$ 183,960	\$ 1,133,246
Accounts Receivable	437,489	-	267,172	704,661
Due from Other Governments	43,297	-	-	43,297
Inventory	-	2,158	-	2,158
Prepaid Items	3,651	-	1,248	4,899
Restricted Assets				
Cash and Investments	1,474,333	-	-	1,474,333
Total Current Assets	2,907,756	2,458	452,380	3,362,594
NONCURRENT ASSETS				
Loan receivable	205,720	-	-	205,720
Capital Assets				
Land	211,620	77,744	-	289,364
Sewer System/Plant	61,531,347	-	-	61,531,347
Buildings	107,595	719,756	-	827,351
Machinery and Equipment	430,607	124,602	-	555,209
Less Accumulated Depreciation	(23,767,522)	(310,087)	-	(24,077,609)
Net Capital Assets	38,513,647	612,015	-	39,125,662
Total Noncurrent Assets	38,719,367	612,015	-	39,331,382
Total Assets	41,627,123	614,473	452,380	42,693,976
DEFERRED OUTFLOWS OF RESOURCES				
IMRF	60,381	8,499	8,658	77,538
Total Deferred Outflows of Resources	60,381	8,499	8,658	77,538
Total Assets and Deferred Outflows of Resources	41,687,504	622,972	461,038	42,771,514
CURRENT LIABILITIES				
Accounts Payable	333,040	909	91,415	425,364
Accrued Payroll	10,511	1,106	1,843	13,460
Accrued Interest Payable	9,608	-	-	9,608
Current portion of long-term debt	626,633	683	1,548	628,864
Total Current Liabilities	979,792	2,698	94,806	1,077,296
LONG-TERM LIABILITIES				
Net Pension Liability	75,111	10,572	10,770	96,453
Total OPEB Liability	402,700	56,683	57,740	517,123
Due in More Than One Year	8,808,873	2,734	6,193	8,817,800
Total Long-Term Liabilities	9,286,684	69,989	74,703	9,431,376
Total Liabilities	10,266,476	72,687	169,509	10,508,672

(This statement is continued on the following page.)

CITY OF STREATOR, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

December 31, 2018

	Business-Type Activities			
	Sewer	Golf Course	Solid Waste	Total
DEFERRED OUTFLOWS OF RESOURCES				
IMRF	\$ 183,184	\$ 25,784	\$ 26,265	\$ 235,233
OPEB	83,436	11,744	11,963	107,143
Total Deferred Outflows of Resources	<u>266,620</u>	<u>37,528</u>	<u>38,228</u>	<u>342,376</u>
Total Liabilities and Deferred Inflows of Resources	<u>10,533,096</u>	<u>110,215</u>	<u>207,737</u>	<u>10,851,048</u>
NET POSITION				
Net Investment in Capital Assets	\$ 29,157,481	\$ 612,015	\$ -	\$ 29,769,496
Restricted for				
Debt Service	1,474,333	-	-	1,474,333
Unrestricted	<u>522,594</u>	<u>(99,258)</u>	<u>253,301</u>	<u>676,637</u>
TOTAL NET POSITION	<u>\$ 31,154,408</u>	<u>\$ 512,757</u>	<u>\$ 253,301</u>	<u>\$ 31,920,466</u>

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

	Business-Type Activities			
	Sewer	Golf Course	Solid Waste	Total
OPERATING REVENUES				
Charges for Sales and Services	\$ 2,780,376	\$ -	\$ 1,298,004	\$ 4,078,380
Membership and Daily Fees	-	48,088	-	48,088
Rental Clubs and Carts	-	26,067	-	26,067
Concessions	-	11,785	-	11,785
Miscellaneous	-	265	-	265
Total Operating Revenues	2,780,376	86,205	1,298,004	4,164,585
OPERATING EXPENSES				
Salaries	471,514	87,365	52,173	611,052
Payroll Taxes	70,773	12,296	9,557	92,626
Life and Medical Insurance	74,558	-	16,267	90,825
Contractual Services	937,604	-	1,086,128	2,023,732
Repairs and Maintenance	474,058	4,371	-	478,429
Utilities and Telephone	-	16,184	-	16,184
Legal and Accounting Services	13,059	-	-	13,059
Office Expenses and Postage	12,450	-	9,000	21,450
Data Processing	3,036	-	-	3,036
Other Fees	25,000	-	-	25,000
Other Supplies and Equipment	5,654	3,450	-	9,104
Concession Stand Products	-	6,085	-	6,085
Golf Supplies for Resale	-	833	-	833
Gasoline and Oil	-	2,913	-	2,913
Chemicals	-	11,043	-	11,043
Miscellaneous	235,974	454	20,000	256,428
Depreciation and Amortization	1,212,515	16,518	-	1,229,033
Total Operating Expenses	3,536,195	161,512	1,193,125	4,890,832
OPERATING INCOME (LOSS)	(755,819)	(75,307)	104,879	(726,247)
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	8,178	-	680	8,858
Interest and Fiscal Charges	(48,407)	-	-	(48,407)
Intergovernmental	1,583,328	-	-	1,583,328
Reimbursements	233,398	-	1,522	234,920
Total Non-Operating Revenues (Expenses)	1,776,497	-	2,202	1,778,699
NET INCOME (LOSS) BEFORE TRANSFERS	1,020,678	(75,307)	107,081	1,052,452
TRANSFERS				
Transfers In	1,084,014	46,920	-	1,130,934
CHANGE IN NET POSITION	2,104,692	(28,387)	107,081	2,183,386
NET POSITION, JANUARY 1	29,637,873	623,931	230,551	30,492,355
Prior period adjustment	(588,157)	(82,787)	(84,331)	(755,275)
NET POSITION, JANUARY 1, RESTATED	29,049,716	541,144	146,220	29,737,080
NET POSITION, DECEMBER 31	\$ 31,154,408	\$ 512,757	\$ 253,301	\$ 31,920,466

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Business-Type Activities			
	Sewer	Golf Course	Solid Waste	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 2,798,054	\$ 85,940	\$ 1,282,448	\$ 4,166,442
Receipts from Miscellaneous Revenues	-	265	-	265
Payments to Suppliers	(1,774,083)	(44,707)	(1,113,383)	(2,932,173)
Payments to Employees	(521,340)	(88,118)	(71,817)	(681,275)
Net Cash from Operating Activities	502,631	(46,620)	97,248	553,259
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grants	822,646	-	-	822,646
Transfers from other funds	1,084,014	46,920	-	1,130,934
Net Cash from Noncapital Financing Activities	1,906,660	46,920	-	1,953,580
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(902,955)	-	-	(902,955)
Issuance of Long-Term Debt	92,646	-	-	92,646
Principal Paid on Long-Term Debt	(606,831)	-	-	(606,831)
Interest Payments on Long-Term Debt	(43,835)	-	-	(43,835)
Net Cash from Capital and Related Financing Activities	(1,460,975)	-	-	(1,460,975)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	8,178	-	680	8,858
Net Cash from Investing Activities	8,178	-	680	8,858
NET INCREASE IN CASH AND CASH EQUIVALENTS	956,494	300	97,928	1,054,722
CASH AND CASH EQUIVALENTS, JANUARY 1	1,466,825	-	86,032	1,552,857
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 2,423,319	\$ 300	\$ 183,960	\$ 2,607,579
CASH AND INVESTMENTS				
Cash and Investments	\$ 948,986	\$ 300	\$ 183,960	\$ 1,133,246
Restricted Cash and Investments	1,474,333	-	-	1,474,333
TOTAL CASH AND INVESTMENTS	\$ 2,423,319	\$ 300	\$ 183,960	\$ 2,607,579

(This statement is continued on the following page.)

CITY OF STREATOR, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Business-Type Activities			
	Sewer	Golf Course	Solid Waste	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (755,819)	\$ (75,307)	\$ 104,879	\$ (726,247)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
Depreciation and Amortization	1,212,515	16,518	-	1,229,033
Other Non-Operating Revenues	233,398	-	1,522	234,920
(Increase) Decrease in				
Accounts Receivable	(215,720)	-	(17,078)	(232,798)
Prepaid Items	(3,651)	-	(1,249)	(4,900)
Increase (Decrease) in				
Accounts Payable	(63,597)	626	2,994	(59,977)
Accrued Payroll	(4,124)	(2,115)	(7,934)	(14,173)
Compensated Absences	3,736	161	365	4,262
IMRF/OPEB	95,893	13,497	13,749	123,139
NET CASH FROM OPERATING ACTIVITIES	\$ 502,631	\$ (46,620)	\$ 97,248	\$ 553,259

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

December 31, 2018

ASSETS	
Cash	\$ 912,228
Investments	
U.S. Treasury and Agency Obligations	913,921
State and Local Obligations	2,139,088
Corporate Bonds	3,079,844
Money Market Mutual Funds	162,135
Certificates of Deposit (Negotiable)	146,209
Certificates of Deposit (Non-Negotiable)	508,136
Common Stock	3,221,711
Fixed Income Mutual Funds	127,503
Equity Mutual Funds	1,547,807
Insurance Contracts	1,394,319
Receivables	
Accrued Interest	37,672
Due from Municipality	2,696
	<hr/>
Total Assets	14,193,269
LIABILITIES	
None	-
	<hr/>
NET POSITION RESTRICTED FOR PENSIONS	<hr/> \$ 14,193,269 <hr/>

See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

ADDITIONS

Contributions

Employer	\$ 1,542,910
Employee	261,692

Total Contributions	<u>1,804,602</u>
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Investment Income

Net Depreciation in Fair Value of Investments	(422,138)
Interest	<u>303,787</u>

Total Investment Income	(118,351)
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Less Investment Expense	<u>(32,671)</u>
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Net Investment Income	<u>(151,022)</u>
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Total Additions	<u>1,653,580</u>
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DEDUCTIONS

Pension Benefits	1,813,964
Administrative Expenses	<u>28,440</u>

Total Deductions	<u>1,842,404</u>
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NET DECREASE	(188,824)
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**NET POSITION RESTRICTED
FOR PENSIONS**

January 1	<u>14,382,093</u>
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December 31	<u>\$ 14,193,269</u>
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See accompanying notes to financial statements.

CITY OF STREATOR, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Streator, Illinois (the City) are in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the City.

A. Reporting Entity

The City was incorporated in 1868 and is a municipal corporation governed by an elected board under the mayor/council form of government. The City is considered to be a primary government as defined by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statement No. 14 and 34*, since its council is separately elected and fiscally independent. In accordance with these pronouncements, the basic financial statements include all funds for which the City is financially accountable.

Discretely Presented Component Unit

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

The Streator Public Library

The Streator Public Library (the Library) operates and maintains the City's public library facilities. The Library's Board of Trustees is appointed by the Mayor with the consent of the City Council. The Library may not issue bonded debt without the City Council's approval and its annual budget and property tax levy request are subject to the City Council's approval. Separate audited financial statements as of December 31, 2018 are available from the Library's administrative offices located at 130 S. Park Street, Streator, Illinois 61364.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City utilizes a pension trust fund which is generally used to account for assets that the City holds in a fiduciary capacity.

A fund is a separate accounting entity with a self-balancing set of accounts. A minimum number of funds are maintained consistent with legal and managerial requirements.

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

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

C. Government-Wide and Fund Financial Statements

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The City reports the following major governmental funds:

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

The City reports the following major proprietary funds:

The Sewer Fund accounts for the activities of the City's sewer collection system.

The Golf Course Fund accounts for the activities of the Anderson Fields Golf Course. The City has elected to report this fund as major.

The Solid Waste Fund accounts for the City's solid waste collection activities.

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales tax and telecommunication tax revenues which are generally collected within 90 days of the end of the current fiscal period.

The City recognizes property taxes when they become both measurable and available in the period the levy is intended to finance. Taxpayer assessed tax revenues are recognized as revenue when owed to the intermediary collecting agent for sales taxes and telecommunications taxes. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, sales taxes, income taxes, telecommunication taxes, franchise taxes, licenses, interest revenue and charges for services. Permit revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and highly liquid investments with a maturity of three months or less when purchased.

F. Investments

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

G. Inventory

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, storm sewers and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of the \$5,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-40
Sewer System	50
Equipment	5-10
Infrastructure	20-45

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Compensated Absences

Vested or accumulated vacation and sick leave that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees.

J. Interfund Transactions

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

All other interfund transactions, except interfund services transactions and reimbursements, are reported as transfers.

K. Long-Term Obligations

In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

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

L. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the City. Committed fund

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balance/Net Position (Continued)

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 Manager. Any residual fund balance of the General Fund or any deficit fund balances in other governmental funds are reported as unassigned.

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

M. Deferred Outflows/Inflows of Resources

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

N. Use of Estimates

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

2. PROPERTY TAX CALENDAR

The City's property tax becomes a lien on real property on January 1 of the year it is levied. The 2018 levy was adopted December 19, 2018 and attached as an enforceable lien as of January 1, 2018. Property taxes are deposited with the County Treasurers who remit to the City its respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, on or about June 1 and September 1. The 2018 levy is intended to finance the 2019 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2018.

3. DEPOSITS AND INVESTMENTS

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

The City maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as cash and investments. The deposits and investments of the pension trust fund are held separately from those of other funds.

Permitted Deposits and Investments - The City's investment policy allows for deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds and Illinois Metropolitan Investment Fund (IMET).

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

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.

A. Deposits

To guard against custodial credit risk for deposits with financial institutions, the City's investment policy requires that deposits with financial institutions in excess of FDIC be collateralized with collateral in amounts ranging from 105% of the uninsured deposits with the collateral held by a third party acting as the agent of the City. The bank balances are covered by federal depository insurance or by collateral held by the City or its agent in the City's name.

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

3. DEPOSITS AND INVESTMENTS (Continued)

B. City Investments

In accordance with its investment policy, the City limits its exposure to interest rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment, by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The City did not have any investments reported at fair value as of December 31, 2018.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in external investment pools, municipal bonds and negotiable certificates of deposit.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. The Illinois Funds, IMET and money market mutual funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. The City's investment policy requires diversification of investments to avoid unreasonable risk.

4. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position:

GOVERNMENTAL ACTIVITIES	
Sales Tax	\$ 520,005
Accounts Receivable	226,510
Grants Receivable	212,500
Infrastructure Tax	32,561
Motor Fuel Tax	<u>31,164</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u><u>\$ 1,022,740</u></u>
BUSINESS-TYPE ACTIVITIES	
Grants	<u>\$ 43,297</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u><u>\$ 43,297</u></u>

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

5. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land and Land Right of Way	\$ 2,819,704	\$ 65,065	\$ -	\$ 2,884,769
Construction in Progress	568,161	-	568,161	-
Total Capital Assets not Being Depreciated	<u>3,387,865</u>	<u>65,065</u>	<u>568,161</u>	<u>2,884,769</u>
Capital Assets Being Depreciated				
Buildings and Improvements	10,163,343	993,768	-	11,157,111
Equipment	3,437,212	138,396	-	3,575,608
Parks	3,082,028	327,887	-	3,409,915
Infrastructure	52,429,479	158,071	-	52,587,550
Total Capital Assets Being Depreciated	<u>69,112,062</u>	<u>1,618,122</u>	<u>-</u>	<u>70,730,184</u>
Less Accumulated Depreciation for				
Buildings and Improvements	4,169,940	270,936	-	4,440,876
Equipment	2,447,097	148,582	-	2,595,679
Parks	942,726	69,638	-	1,012,364
Infrastructure	14,487,253	1,254,988	-	15,742,241
Total Accumulated Depreciation	<u>22,047,016</u>	<u>1,744,144</u>	<u>-</u>	<u>23,791,160</u>
Total Capital Assets Being Depreciated, Net	<u>47,065,046</u>	<u>(126,022)</u>	<u>-</u>	<u>46,939,024</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 50,452,911</u>	<u>\$ (60,957)</u>	<u>\$ 568,161</u>	<u>\$ 49,823,793</u>

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

GOVERNMENTAL ACTIVITIES	
General Government	\$ 258,994
Public Safety	170,011
Public Works	<u>1,315,139</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 1,744,144</u>

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

5. CAPITAL ASSETS (Continued)

	Beginning Balances (Restated)	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 289,364	\$ -	\$ -	\$ 289,364
Total Capital Assets not Being Depreciated	289,364	-	-	289,364
Capital Assets Being Depreciated				
Sewer System and Plant	60,295,643	1,235,704	-	61,531,347
Buildings	827,351	-	-	827,351
Equipment	555,209	-	-	555,209
Total Capital Assets Being Depreciated	61,678,203	1,235,704	-	62,913,907
Less Accumulated Depreciation for				
Sewer System and Plant	22,018,792	1,212,515	-	23,231,307
Buildings	289,346	13,208	-	302,554
Equipment	540,438	3,310	-	543,748
Total Accumulated Depreciation	22,848,576	1,229,033	-	24,077,609
Total Capital Assets Being Depreciated, Net	38,829,627	6,671	-	38,836,298
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 39,118,991	\$ 6,671	\$ -	\$ 39,125,662

Depreciation expense was charged to the business-type activities as follows:

BUSINESS-TYPE ACTIVITIES	
Sewer	\$ 1,212,515
Golf Course	16,518
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	\$ 1,229,033

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

6. LONG-TERM DEBT

The following is a summary in long-term liabilities during the year ended December 31, 2018:

	Balances January 1, Restated	Additions	Reductions	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES					
General Obligation Bonds	\$ 7,890,000	\$ -	\$ 495,000	\$ 7,395,000	\$ 540,000
Bond Premium	27,841	-	27,841	-	-
Installment Contracts	499,494	-	66,000	433,494	67,710
Compensated Absences*	603,328	150,482	120,666	633,144	126,629
Net Pension Liability - IMRF*	1,137,067	-	863,488	273,579	-
Net Pension Liability - Police*	11,691,602	1,466,097	-	13,157,699	-
Net Pension Liability - Fire*	12,028,108	774,999	-	12,803,107	-
Total OPEB Liability*	6,548,331	-	542,311	6,006,020	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 40,425,771	\$ 2,391,578	\$ 2,115,306	\$ 40,702,043	\$ 734,339

*These liabilities are typically liquidated by the General Fund.

	Balances January 1, Restated	Additions	Reductions/ Forgiveness	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES					
IEPA Loans - Sewer	\$ 10,587,739	\$ 92,646	\$ 1,324,219	\$ 9,356,166	\$ 610,764
Compensated Absences	86,236	21,509	17,247	90,498	18,100
Net Pension Liability - IMRF	400,883	-	304,430	96,453	-
Total OPEB Liability	563,479	-	46,356	517,123	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 11,638,337	\$ 114,155	\$ 1,692,252	\$ 10,060,240	\$ 628,864

Long-term liabilities payable from governmental activities at December 31, 2018 comprise the following:

	Total	Current Portion
\$3,040,000 General Obligation Bonds (Alternate Revenue Source), Series 2015 dated December 7, 2015, in annual installments of \$155,000 to \$255,000 to May 1, 2030, interest at 2.55%.	\$ 2,695,000	\$ 195,000

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

6. LONG-TERM DEBT (Continued)

	Total	Current Portion
\$2,340,000 General Obligation Bonds (Alternate Revenue Source), Series 2016B dated December 13, 2016, in annual installments of \$145,000 to \$175,000 to December 1, 2030, interest from 2% to 4%.	\$ 2,055,000	\$ 145,000
\$1,485,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017A dated December 5, 2017, in annual installments of \$85,000 to \$190,000 to May 1, 2027, interest from 1.45% to 3.00%.	1,400,000	120,000
\$1,325,000 General Obligation Bonds (Alternate Revenue Source), Series 2017B dated December 5, 2017, in annual installments of \$80,000 to \$120,000 to December 31, 2030, interest from 2.00% to 3.125%.	1,245,000	80,000
TOTAL	\$ 7,395,000	\$ 540,000

Alternate Revenue Source Bonds

The City has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams. The General Obligation Bonds (Alternate Revenue Source), Series 2015 are payable from a pledge of the City's sales and use tax revenues, with a remaining total pledge of \$3,127,797 and the bonds maturing May 1, 2030. During the current fiscal year, \$190,000 principal and \$71,145 of interest payments were due on the bonds. During the current fiscal year, the pledge of taxes of \$261,145 was approximately 7% of total available pledged revenues.

The Series 2016B General Obligation Alternate Revenue Source Bonds are payable from a pledge of the City's incremental property tax in the City's four tax increment financing (TIF) districts, with a total remaining pledge of \$2,581,250 and the bonds maturing December 1, 2030. During the current fiscal year, \$140,000 principal and \$76,250 of interest payments were due on the bonds. During the current fiscal year, the pledge of taxes of \$216,250 was approximately 30% of total available pledged revenues.

The City has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams. The General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017A are payable from a pledge of the City's sales and use tax revenues, with a remaining total pledge of \$1,604,000 and the bonds maturing May 1, 2027. During the current fiscal year, \$85,000 principal and \$36,636 of interest payments were due on the bonds. During the current fiscal year, the pledge of taxes of \$122,636 was approximately 4% of total available pledged revenues.

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

6. LONG-TERM DEBT (Continued)

Alternate Revenue Source Bonds (Continued)

The Series 2017B General Obligation Alternate Revenue Source Bonds are payable from a pledge of the City's incremental property tax in the City's four TIF districts, with a total remaining pledge of \$1,506,190 and the bonds maturing December 1, 2030. During the current fiscal year, \$80,000 principal and \$38,165 of interest payments were due on the bonds. During the current fiscal year, the pledge of taxes of \$118,165 was approximately 24% of total available pledged revenues.

Long-term liabilities payable from business-type activities at December 31, 2018 comprise the following:

	Total	Current Portion
EPA Loan I	\$ 721,926	\$ 36,060
EPA Loan II	7,083,684	505,976
EPA Loan III	1,550,556	68,728
TOTAL	\$ 9,356,166	\$ 610,764

The annual debt service requirements to retire these outstanding obligations at December 31, 2018 are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds	
	Principal	Interest
2019	\$ 540,000	\$ 214,880
2020	570,000	200,744
2021	590,000	184,330
2022	605,000	167,414
2023	630,000	149,995
2024-2028	3,305,000	457,883
2029-2030	1,155,000	48,991
TOTAL	\$ 7,395,000	\$ 1,424,237

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

6. LONG-TERM DEBT (Continued)

Alternate Revenue Source Bonds (Continued)

Fiscal Year	Installment Contracts	
	Principal	Interest
2019	\$ 67,710	\$ 11,230
2020	69,463	9,477
2021	71,263	7,677
2022	73,109	5,831
2023	75,003	3,937
2024	76,946	1,994
TOTAL	\$ 433,494	\$ 40,146

Fiscal Year	Business-Type Activities	
	IEPA Loans Payable	
	Principal	Interest
2019	\$ 610,764	\$ 42,746
2020	612,772	40,739
2021	614,817	38,693
2022	616,902	36,608
2023	619,028	34,482
2024-2028	3,128,466	139,085
2029-2033	2,682,092	79,504
2034-2036	471,325	18,244
TOTAL	\$ 9,356,166	\$ 430,101

Legal Debt Margin

A computation of the legal debt margin of the City as of December 31, 2018 is as follows:

Assessed Valuation - 2018	<u>\$ 287,500,516</u>
Legal Debt Limit - 8.625% of Assessed Valuation	\$ 24,796,920
Less General Obligation Debt General Obligation Bonds	<u>-</u>
LEGAL DEBT MARGIN	<u>\$ 24,796,920</u>

7. DEFINED BENEFIT PENSION PLANS

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

A. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

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

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

Plan Membership

At December 31, 2017 (the measurement date), IMRF membership consisted of:

Inactive Employees or Their Beneficiaries	
Currently Receiving Benefits	51
Inactive Employees Entitled to but not yet	
Receiving Benefits	28
Active Employees	32
 TOTAL	 111

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

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

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rates for calendar year 2018 was 13.16% of covered payroll.

Net Pension Liability

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Net Pension Liability (Continued)

Actuarial Valuation Date	December 31, 2017
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.39% to 14.25%
Interest Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market Value

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

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the employer's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 12,721,129	\$ 11,081,523	\$ 1,639,606
Changes for the Period			
Service Cost	200,236	-	200,236
Interest	933,805	-	933,805
Difference Between Expected and Actual Experience	90,890	-	90,890
Changes in Assumptions	(405,641)	-	(405,641)
Employer Contributions	-	214,029	(214,029)
Employee Contributions	-	74,777	(74,777)
Net Investment Income	-	1,958,217	(1,958,217)
Benefit Payments and Refunds	(741,021)	(741,021)	-
Other (Net Transfer)	-	(182,617)	182,617
Net Changes	78,269	1,323,385	(1,245,116)
BALANCES AT DECEMBER 31, 2017	\$ 12,799,398	\$ 12,404,908	\$ 394,490

The amounts presented above include amounts for both the City and the Library. The City's collective share of the net pension liability at January 1, 2017, the employer contributions and the net pension liability at December 31, 2017 was \$1,137,067, \$148,429 and \$200,759, respectively. The Library's collective share of the net pension liability at January 1, 2017, the employer contributions and the net pension liability at December 31, 2017 was \$101,656, \$13,270 and \$24,458, respectively.

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

For the year ended December 31, 2018, the City recognized pension expense of \$471,245.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 99,703	\$ 96,456
Changes in Assumption	1,200	268,575
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	597,072
Contributions Subsequent to Measurement Date	216,226	-
TOTAL	\$ 317,129	\$ 962,103

\$216,226 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. The City's collective share of the contributions subsequent to measurement date was \$202,820. The Library's collective share of the contributions subsequent to measurement date was \$13,406. The remaining amounts reported as deferred outflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2019	\$ (253,998)
2020	(157,193)
2021	(219,828)
2022	(230,181)
2023	-
Thereafter	-
TOTAL	\$ (861,200)

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The deferred outflows presented in the table above include amounts for both the City and the Library. The City's collective share of the deferred outflows and inflows of resources at December 31, 2018 was \$94,647 and \$902,453, respectively. The Library's collective share of the deferred outflows and inflows of resources at December 31, 2018 was \$6,256 and \$59,650, respectively.

Discount Rate Sensitivity

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability (Asset)	\$ 1,841,139	\$ 394,490	\$ (811,992)

Police Pension Plan

Plan Administration

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

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Administration (Continued)

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

Plan Membership

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

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	23
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	23
 TOTAL	48

Benefits Provided

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

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the 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, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the plan. The City has adopted a plan to fund 100% of the past service costs by 2040. For the year ended December 31, 2018, the City's contribution was 52.84% of covered payroll.

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts.

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	36.00%	5.23%
Mid Cap Domestic Equity	1.20%	9.19%
Small Cap Domestic Equity	1.20%	7.27%
International Stock Funds	1.60%	3.02%
Fixed Income	55.00%	1.91%
Cash	5.00%	0.32%

The long-term expected real rates of return are net of a 2.18% factor for inflation. ILCS limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund.

Investment Concentrations

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

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (1.37%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Agency Obligations	\$ 913,921	\$ 100,327	\$ 577,306	\$ 98,655	\$ 137,633
Municipal Bonds	2,139,088	436,310	1,652,926	49,852	-
Corporate Bonds	146,209	-	146,209	-	-
Negotiable Certificates of Deposit	2,136,262	561,809	1,343,827	230,626	-
TOTAL	\$ 5,335,480	\$ 1,098,446	\$ 3,720,268	\$ 379,133	\$ 137,633

The Fund has the following recurring fair value measurements as of December 31, 2018: The common stock and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. Treasury obligations, U.S. agency obligations, negotiable certificates of deposits, corporate bonds and municipal bonds are valued using quoted matrix pricing models (Level 2 inputs).

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

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

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment-grade corporate bonds and municipal bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. The Fund's investment in municipal bonds are rated from AA- to AA+ by Standard and Poor's. The Fund's investment in corporate bonds are rated at BBB to A by Standard and Poor's.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. As of December 31, 2018, the Fund's investments were subject to custodial credit risk.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 21,681,800	\$ 9,990,198	\$ 11,691,602
Changes for the Period			
Service Cost	401,107	-	401,107
Interest	1,508,575	-	1,508,575
Difference Between Expected and Actual Experience	(16,472)	-	(16,472)
Changes in Assumptions	490,159	-	490,159
Employer Contributions	-	907,843	(907,843)
Employee Contributions	-	175,332	(175,332)
Net Investment Income	-	(148,074)	(146,625)
Benefit Payments and Refunds	(1,063,667)	(1,063,668)	-
Administrative Expense	-	(17,828)	19,278
Net Changes	1,319,702	(146,395)	1466,097
BALANCES AT DECEMBER 31, 2018	\$ 23,001,502	\$ 9,843,803	\$ 13,157,699

For the December 31, 2018 measurement date, the following assumption changes were made:

- The mortality rates were updated to reflect the PubS-2010 tables
- The payroll growth rate was reduced from 4.50% to 4.00%.

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

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

Actuarial Valuation Date	December 31, 2018
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.50% to 11.00%
Interest Rate	5.50%
Cost of Living Adjustments	3.00% - Tier 1 1.25% - Tier 2
Asset Valuation Method	Market

Mortality assumptions were based upon the PubS-2010 employee mortality table, projected five years past the valuation date with Scale MP-2018.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 16,366,470	\$ 13,157,699	\$ 10,420,173

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

For the year ended December 31, 2018, the City recognized police pension expense of \$867,026. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 526,249
Changes in Assumption	408,465	1,116,436
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	701,309	-
TOTAL	\$ 1,109,774	\$ 1,642,685

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

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

<u>Year Ending</u> <u>December 31,</u>	
2019	\$ (185,146)
2020	(185,146)
2021	(216,166)
2022	(25,401)
2023	78,948
Thereafter	<u>-</u>
 TOTAL	 <u>\$ (532,911)</u>

Firefighters' Pension Plan

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

At December 31, 2018, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	19
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	16
TOTAL	36

Benefits Provided

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

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighter's 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, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the plan. The City has adopted a plan to fund 100% of the past service costs by 2040. For the year ended December 31, 2018, the City's contribution was 67.19% of covered payroll.

Investment Policy

Permitted Deposits and Investments - Statutes and the Firefighter's Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities.

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	27.00%	5.23%
Mid Cap Domestic Equity	0.90%	9.19%
Small Cap Domestic Equity	0.90%	7.27%
International Stock Funds	1.20%	3.02%
Fixed Income	65.00%	1.91%
Cash	5.00%	0.32%

The long-term expected real rates of return are net of a 2.18% factor for inflation. ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund.

Investment Concentrations

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

Investment Rate of Return

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

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Corporate Bonds	\$ 943,582	\$ 200,664	\$ 648,069	\$ 44,797	\$ 50,052
TOTAL	\$ 943,582	\$ 200,664	\$ 648,069	\$ 44,797	\$ 50,052

The Fund has the following recurring fair value measurements as of December 31, 2018: the fixed income and equity mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The corporate bonds are valued using quoted matrix pricing models (Level 2 inputs). The insurance contracts are valued at cash surrender value (Level 3 inputs).

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

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Fund's investment policy allows investment in corporate bonds rated as investment grade by one of the two largest rating services at the time of purchase.

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund's investment policy requires investments to be held by a third party custodian in a custodian trust account designated by the Treasurer or authorized depository. All individual security transactions are required to be conducted on a delivery versus payment (DVP) basis. As of December 31, 2018, the Fund's investments were subject to custodial credit risk.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions:

Actuarial Valuation Date	December 31, 2018
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases (Service-related table)	3.50% to 12.50%
Interest Rate	5.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

Mortality assumptions were based upon the PubS-2010 employee mortality table, projected five years past the valuation date with Scale MP-2018.

Discount Rate

The discount rate used to measure the total pension liability was 5.28%. 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 employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate (Continued)

Fund's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 5.50% was blended with the index rate of 4.10% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2018 to arrive at a discount rate of 5.28% used to determine the total pension liability. The discount rate used to measure the total pension liability at December 31, 2017 was 5.14%.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 16,420,003	\$ 4,391,895	\$ 12,028,108
Changes for the Period			
Service Cost	394,606	-	394,606
Interest	844,988	-	844,988
Difference Between Expected and Actual Experience	135,176	-	135,176
Changes in Assumptions	108,096	-	108,096
Employer Contributions	-	635,067	(635,067)
Employee Contributions	-	86,360	(86,360)
Net Investment Income	-	(2,948)	2,948
Benefit Payments and Refunds	(750,296)	(750,296)	-
Administrative Expense	-	(10,612)	10,612
Net Changes	732,570	(42,429)	774,999
BALANCES AT DECEMBER 31, 2018	\$ 17,152,573	\$ 4,349,466	\$ 12,803,107

For the December 31, 2018 measurement date, the following assumption changes were made: Mortality rates were based on the PubS-2010 Employee mortality, projected five years past the valuation date with Scale MP-2018 and PubS-2010 Disabled mortality, projected five years past the valuation date with Scale MP-2018.

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

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

For the eight months ended December 31, 2018, the City recognized firefighters' pension expense of \$1,682,312.

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the Fund from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 240,355	\$ 362,516
Changes of Assumptions	2,345,238	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	313,943	-
TOTAL	\$ 2,899,536	\$ 362,516

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

<u>Year Ending December 31,</u>	
2019	\$ 758,931
2020	758,931
2021	509,175
2022	469,438
2023	40,545
Thereafter	-
TOTAL	\$ 2,537,020

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

7. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (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 net pension liability of the City calculated using the discount rate of 5.28% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.28%) or 1 percentage point higher (6.28%) than the current rate:

	1% Decrease (4.28%)	Current Discount Rate (5.28%)	1% Increase (6.28%)
Net Pension Liability	\$ 15,404,103	\$ 12,803,107	\$ 10,699,517

8. INDIVIDUAL FUND DISCLOSURES

At December 31, 2018, the General Fund reported amounts due from other funds of \$9,898 to cover a temporary operating deficit in the East Route 18 TIF (Nonmajor Governmental) Fund.

Interfund transfers during the year ended December 31, 2018 consisted of the following:

	Transfers In	Transfers Out
Governmental Activities		
General Fund	\$ 130,000	\$ 944,336
Nonmajor Governmental Funds	1,159,465	1,476,063
Business-Type Activities		
Sewer Fund	1,084,014	-
Golf Course Fund	46,920	-
TOTAL	\$ 2,240,399	\$ 2,420,399

8. INDIVIDUAL FUND DISCLOSURES (Continued)

The purposes of significant interfund transfers are as follows:

- \$505,902 transferred from the General Fund to the Sewer Fund for debt service on the Kent Street Interceptor Project. This transfer will not be repaid.
- \$602,308 transferred from TIF II to TIF III for the Northpoint Redevelopment. This transfer will not be repaid.
- \$461,195 transferred from TIF II to TIF VI for the FEMA Riverside Lift Station and Armory Grant EDA local match. This transfer will no be repaid.

The TIF III (Northpoint) Fund and East Route 18 TIF Fund reported deficit fund balances of \$1,546 and \$9,898 at December 31, 2018, respectively.

9. CONTINGENT LIABILITIES

Litigation

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

10. RISK MANAGEMENT

The City participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. MICA provides \$1,800,000 of coverage after a \$1,000 deductible. The City's payments to MICA are displayed on the financial statements as expenditures/expenses in appropriate funds.

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are three officers, a Risk Manager and a Treasurer. The City does not exercise any control over activities of MICA beyond its representation on the Board of Directors. MICA functions solely as an administrative agent for each member.

The City purchases third party coverage for health, dental and vision insurance.

11. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

B. Benefits Provided

A retired employee and his or her spouse are eligible to continue health insurance identical to active employees if they meet the eligibility for retirements under the applicable plan. For IMRF and Police employees hired prior to May 1, 1988 and Firefighters' hired prior to May 1, 1991, the City pays 100% of the premium. Retirees hired subsequent to those dates that participate in the group insurance plans offered by the City are required to contribute 100% of the active premium rate for them and their covered dependents. For certain disabled public safety employees who qualify under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for retirees and their dependents for their lifetime. The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy.

All health care benefits are provided through the City commercial health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

C. Membership

At December 31, 2018, membership consisted of:

Inactive Employees Currently Receiving Benefit Payments	42
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments	-
Active Employees	<u>60</u>
 TOTAL	 <u><u>102</u></u>
 Participating employers	 <u><u>1</u></u>

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

D. Total OPEB Liability

The City's total OPEB liability of \$6,523,143 was measured as of December 31, 2018 and was determined by an actuarial valuation as of January 1, 2019.

E. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2018, as determined by an actuarial valuation as of January 1, 2018 and was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to December 31, 2018, including updating the discount rate at December 31, 2018, as noted below.

Actuarial Cost Method	Entry-Age Normal
Actuarial Value of Assets	Market Value
Inflation	2.50%
Salary Increases	3.00%
Discount Rate	4.10%
Healthcare Cost Trend Rates	6.00% Initial 5.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

F. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2018	<u>\$ 7,111,811</u>
Changes for the Period	
Service Cost	60,508
Interest	238,421
Changes in Assumptions	(516,891)
Contributions - Employer	<u>(370,706)</u>
Net Changes	<u>(588,668)</u>
BALANCES AT DECEMBER 31, 2018	<u>\$ 6,523,143</u>

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Changes in the Total OPEB Liability (Continued)

Changes in assumptions reflect a change in the discount rate from 3.44% for the fiscal year ended December 31, 2017 to 4.10% for the fiscal year ended December 31, 2018.

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 4.10% 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 (3.10%) or 1 percentage point higher (5.10%) than the current rate:

	1% Decrease (3.10%)	Current Discount Rate (4.10%)	1% Increase (5.10%)
Total OPEB Liability	\$ 7,336,490	\$ 6,523,143	\$ 5,851,018

The table below presents the total OPEB liability of the City calculated using the healthcare rate 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 (Varies)	Current Healthcare Rate (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 5,768,412	\$ 6,523,143	\$ 7,435,768

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

For the year ended December 31, 2018, the City recognized OPEB expense of \$150,452. At December 31, 2018, the City did not have any deferred outflows or inflows of resources to report.

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

12. PRIOR PERIOD ADJUSTMENT

The City adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended December 31, 2018. The implementation of this guidance resulted in changes to the postemployment benefit related liability, revenue, expense, notes presented in the notes to financial statements and to the required supplementary information. Additionally, the City restated balances to allocate IMRF to the business-type activities and Library.

	Governmental Activities	Business-Type Activities	Sewer Fund
NET POSITION - JANUARY 1, 2018 (AS REPORTED)	\$ 24,175,265	\$ 30,492,355	\$ 29,637,873
Write Off Net OPEB Asset	(132,010)	-	-
Record Total OPEB Liability at January 1, 2018	(6,548,331)	(563,479)	(438,799)
Correct IMRF Allocation	240,432	(191,796)	(149,358)
NET POSITION - JANUARY 1, 2018 (AS RESTATED)	\$ 17,735,356	\$ 29,737,080	\$ 29,049,716
		Golf Course	Solid Waste
NET POSITION - JANUARY 1, 2018 (AS REPORTED)		\$ 623,931	\$ 230,551
Record Total OPEB Liability at January 1, 2018		(61,764)	(62,916)
Correct IMRF Allocation		(21,023)	(21,415)
NET POSITION - JANUARY 1, 2018 (AS RESTATED)		\$ 541,144	\$ 146,220

13. SUBSEQUENT EVENT

On December 5, 2019, the City issued \$2,500,000 General Obligation Bonds (Alternate Revenue Source), Series 2019, to (i) finance eligible redevelopment projects within the City's Streator South Industrial Tax Increment Financing District, (ii) pay capitalized interest through December 1, 2020, and (iii) pay for costs associated with the issuance of the bonds.

14. COMPONENT UNIT - STREATOR PUBLIC LIBRARY

A. Financial Information

Financial statements for the Streator Public Library (the Library), including government-wide and fund financial statements, are available in the Library's separately audited financial statements as of December 31, 2018, which can be obtained from the Library's administrative offices located at 130 S. Park Street, Streator, Illinois 61364.

B. Deposits and Investments

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. At December 31, 2018, the Library had no assets required to be reported at fair value.

Permitted Deposits and Investments - In accordance with the City's investment policy, the Library's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and agencies obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and The Illinois Funds.

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

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

14. COMPONENT UNIT - STREATOR PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Library's deposits may not be returned to it. The City's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with collateral held by the City's agent in the City's name.

Library Investments

In accordance with the City's investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow, the Library does not directly invest in securities maturing more than three years from the date of purchase.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and U.S. agency notes and state and local obligations rated in the highest three categories by national rating agencies.

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

Concentration of credit risk - the Library's investment policy is silent on concentration of credit risk.

C. Receivables

Property taxes for 2018 attach as an enforceable lien on January 1, 2018, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a tax levy ordinance), December 20 in the current fiscal year. Taxes levied in one year become due and payable in two installments, on or about June 1 and September 1 of the following year.

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

14. COMPONENT UNIT - STREATOR PUBLIC LIBRARY (Continued)

C. Receivables (Continued)

The 2018 levy is intended to finance the 2019 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2018.

D. Capital Assets

The following is a summary of the capital asset activity for the year ended December 31, 2018:

	Beginning Balances, Restated	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land and Land Improvements	\$ 5,100	\$ -	\$ -	\$ 5,100
Total Capital Assets not Being Depreciated	5,100	-	-	5,100
Capital Assets Being Depreciated				
Buildings	3,009,459	-	-	3,009,459
Total Capital Assets Being Depreciated	3,009,459	-	-	3,009,459
Less Accumulated Depreciation for Buildings	2,291,296	29,923	-	2,321,219
Total Accumulated Depreciation	2,291,296	29,923	-	2,321,219
Total Capital Assets Being Depreciated, Net	718,163	(29,923)	-	688,240
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 723,263	\$ (29,923)	\$ -	\$ 693,340

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

GOVERNMENTAL ACTIVITIES	
Culture and Recreation	\$ 29,923
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	\$ 29,923

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

14. COMPONENT UNIT - STREATOR PUBLIC LIBRARY (Continued)

E. Long-Term Debt

1. Bonds payable at December 31, 2018 are comprised of the following:

General Obligation Bonds

\$585,000 General Obligation Refunding Bonds, Series 2017C, due in annual installments of \$40,000 to \$55,000 from December 30, 2018 to December 30, 2029, interest from 2% to 3%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy.

\$ 545,000

TOTAL

\$ 545,000

2. Debt Service to Maturity

Annual debt service requirements to maturity are as follows:

<u>Year Ending December 31,</u>	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 45,000	\$ 15,900
2020	45,000	15,000
2021	45,000	13,650
2022	45,000	12,300
2023	45,000	10,950
2024-2028	265,000	32,850
2029-2032	55,000	1,650
TOTAL	<u>\$ 545,000</u>	<u>\$ 102,300</u>

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

14. COMPONENT UNIT - STREATOR PUBLIC LIBRARY (Continued)

E. Long-Term Debt (Continued)

3. Changes in Long-Term Liabilities

Changes in long-term debt during the year ended December 31, 2018 is as follows:

	Balance January 1, Restated	Additions	Deletions	Balance December 31	Current Portion
General Obligation Bonds	\$ 585,000	\$ -	\$ 40,000	\$ 545,000	\$ 45,000
Unamortized Bond Premium	3,911	-	3,911	-	-
Net Pension Liability - IMRF	101,656	-	77,198	24,458	
TOTAL	\$ 690,567	\$ -	\$ 121,109	\$ 569,458	\$ 45,000

F. Prior Period Adjustment

Net position has been restated to report the Library's share of the net pension liability and related deferred outflows/inflows of resources related to IMRF. The details of these restatements are as follows:

	Governmental Activities
NET POSITION - JANUARY 1, 2018 (AS REPORTED)	<u>\$ 806,194</u>
Record IMRF Net Pension Liability and Deferred Outflows/Inflows	<u>(48,636)</u>
NET POSITION - JANUARY 1, 2018 (AS RESTATED)	<u><u>\$ 757,558</u></u>

G Other Postemployment Benefits

The Library has evaluated its potential other postemployment benefits liability. The Library provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Library is required to pay 100% of the current premium.

14. COMPONENT UNIT - STREATOR PUBLIC LIBRARY (Continued)

G Other Postemployment Benefits (Continued)

However, no former employees have chosen to stay in the Library's health insurance plan. Additionally, the Library had no former employees for which the Library was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. As a result, the Library has determined that no material liability is required to be reported under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Therefore, the Library has not recorded any postemployment benefit liability as of December 31, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Real Estate	\$ 3,468,186	\$ 3,439,646	\$ (28,540)
Road and Bridge	85,850	79,792	(6,058)
Sales	3,125,000	3,308,126	183,126
Intergovernmental			
State Income Tax and Use Tax	1,781,000	1,670,459	(110,541)
Replacement Tax	340,200	315,461	(24,739)
Other State	1,206,000	1,234,329	28,329
Grants	907,600	150,424	(757,176)
Licenses and Permits	386,100	472,899	86,799
Fines and Forfeits	96,501	73,162	(23,339)
Charges for Services	444,452	422,694	(21,758)
Investment Income	5,180	18,094	12,914
Miscellaneous			
Reimbursements	729,736	822,107	92,371
Sale of City Property	65,000	1,700	(63,300)
Other Miscellaneous	196,501	180,683	(15,818)
Total Revenues	<u>12,837,306</u>	<u>12,189,576</u>	<u>(647,730)</u>
EXPENDITURES			
General Government			
Administrative Division:			
Personal Services	1,198,591	1,132,966	(65,625)
Other Services and Charges	1,288,905	1,338,263	49,358
Supplies	18,650	11,835	(6,815)
Capital Outlay	1,643,750	484,751	(1,158,999)
Total General Government	<u>4,149,896</u>	<u>2,967,815</u>	<u>(1,182,081)</u>
Public Safety			
Police Division			
Personal Services	3,819,503	3,966,040	146,537
Other Services and Charges	142,550	122,440	(20,110)
Supplies	124,500	90,571	(33,929)
Capital Outlay	105,200	142,987	37,787
Total Police Division	<u>4,191,753</u>	<u>4,322,038</u>	<u>130,285</u>
Fire Division			
Personal Services	2,085,714	2,175,146	89,432
Other Services and Charges	148,800	91,568	(57,232)
Supplies	28,400	28,561	161
Capital Outlay	192,100	93,627	(98,473)
Total Fire Division	<u>2,455,014</u>	<u>2,388,902</u>	<u>(66,112)</u>
Total Public Safety	<u>6,646,767</u>	<u>6,710,940</u>	<u>64,173</u>

(This schedule is continued on the following page.)

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)			
Public Works			
Personal Services	\$ 693,745	\$ 734,491	\$ 40,746
Other Services and Charges	258,100	290,297	32,197
Supplies	164,200	158,792	(5,408)
Capital Outlay	115,400	100,673	(14,727)
Total Public Works	<u>1,231,445</u>	<u>1,284,253</u>	<u>52,808</u>
Capital Outlay	<u>760,000</u>	<u>297,236</u>	<u>(462,764)</u>
Debt Service			
Principal	260,000	341,000	81,000
Interest and Fiscal Charges	128,815	121,591	(7,224)
Total Debt Service	<u>388,815</u>	<u>462,591</u>	<u>73,776</u>
Total Expenditures	<u>13,176,923</u>	<u>11,722,835</u>	<u>(991,324)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(339,617)</u>	<u>466,741</u>	<u>343,594</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	368,500	130,000	-
Transfers (Out)	(562,550)	(944,336)	-
Total Other Financing Sources (Uses)	<u>(194,050)</u>	<u>(814,336)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (533,667)</u>	<u>(347,595)</u>	<u>\$ 343,594</u>
FUND BALANCE, JANUARY 1		<u>3,518,766</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 3,171,171</u></u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2018

1. BUDGETS AND BUDGETARY ACCOUNTING

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

1. The budgets for the governmental funds are adopted on a basis consistent with GAAP (modified accrual basis).
2. The City each year must file and pass the budget ordinance for the fiscal year ended December 31. This budget can be subsequently amended by the budget officer and/or a vote of the Board of Trustees. The amounts shown in the final budget column reflect several amendments that have been adopted since the original budget was passed.
3. Budgets are adopted and integrated in the accounting system as a control device during the year for the general, special revenue, debt service, capital project and proprietary funds.
4. All budgets lapse at the end of the fiscal year for which the budget is adopted.
5. The budget officer can transfer budget amounts between line items within a department. However, transfers between departments require approval of the City Council. The legal level of budgetary control is at the department level.

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of appropriations:

Fund	Excess
Hotel/Motel Tax Fund	\$ 631
Development - Revolving Loan Fund	65,521

CITY OF STREATOR, ILLINOIS

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

Last Five Fiscal Years

FISCAL YEAR ENDED	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018
Actuarially Determined Contribution	\$ 247,641	\$ 247,711	\$ 142,349	\$ 214,113	\$ 216,226
Contributions in Relation to the Actuarially Determined Contribution	247,641	247,711	142,349	214,113	216,226
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 2,066,015	\$ 2,067,581	\$ 1,158,249	\$ 1,662,369	\$ 1,643,052
Contributions as a Percentage of Covered-Employee Payroll	11.99%	11.98%	12.29%	12.88%	13.16%

*Eight months ended December 31, 2016.

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the least 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 STREATOR, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION PLAN

Last Five Fiscal Years

FISCAL YEAR ENDED	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018
Actuarially Determined Contribution	\$ 747,370	\$ 943,235	\$ 943,235	\$ 907,286	\$ 974,590
Contributions in Relation to the Actuarially Determined Contribution	747,370	943,235	875,476	936,443	907,843
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ 67,759	\$ (29,157)	\$ 66,747
Covered-Employee Payroll	\$ 1,503,481	\$ 1,652,429	\$ 1,784,454	\$ 1,737,713	\$ 1,717,963
Contributions as a Percentage of Covered-Employee Payroll	49.71%	57.08%	49.06%	53.89%	52.84%

*Eight months ended December 31, 2016.

Notes to Required Supplementary Information

Valuation Date Actuarially determined contribution rates are calculated as of January 1 of the prior fiscal year.

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percent of Pay, Closed; 100% through 2040
Remaining Amortization Period	23 Years
Asset Valuation Method	Market
Return on Investments	7.00%
Inflation	2.50%
Salary Increases	Service-related table with rates grading from 11.00% to 3.50% at 31 years of service
Payroll Growth	4.50%
Retirement Age	Based on 2017 experience study performed for the State of Illinois Department of Insurance.
Mortality	PubS-2010 Employee Mortality, projected five years past the valuation date with Scale MP-

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

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

Last Five Fiscal Years

FISCAL YEAR ENDED	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018
Actuarially Determined Contribution	\$ 535,381	\$ 572,363	\$ 605,414	\$ 775,395	\$ 765,636
Contributions in Relation to the Actuarially Determined Contribution	535,392	571,726	605,414	625,963	635,067
CONTRIBUTION DEFICIENCY (Excess)	\$ (11)	\$ 637	\$ -	\$ 149,432	\$ 130,569
Covered Payroll	\$ 877,704	\$ 908,207	\$ 874,762	\$ 918,903	\$ 945,242
Contributions as a Percentage of Covered Payroll	61.00%	62.95%	69.21%	68.12%	67.19%

*Eight months ended December 31.

Notes to Required Supplementary Information

Valuation Date Actuarially determined contribution rates are calculated as of May 1 of the prior fiscal year.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percent of Pay, Closed; 100% through 2040
Remaining Amortization Period	23 Years
Asset Valuation Method	Market
Return on Investments	5.50%
Inflation	2.50%
Salary Increases	Service-related table with rates grading from 12.50% to 3.50% at 31 years of service
Payroll Growth	3.50%
Retirement Age	Based on 2017 experience study performed for the State of Illinois Department of Insurance.
Mortality	PubS-2010 Employee Mortality, projected five years past the valuation date with Scale MP-2018.

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

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

Last Three Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service Cost	\$ 227,222	\$ 229,022	\$ 200,236
Interest	815,745	922,186	933,805
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	1,019,010	(282,378)	90,890
Changes of Assumptions	28,596	(42,256)	(405,641)
Benefit Payments, including Refunds of Member Contributions	(602,545)	(672,261)	(741,021)
Net Change in Total Pension Liability	1,488,028	154,313	78,269
Total Pension Liability - Beginning	11,078,788	12,566,816	12,721,129
TOTAL PENSION LIABILITY - ENDING	\$ 12,566,816	\$ 12,721,129	\$ 12,799,398
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ 242,707	\$ 225,617	\$ 214,029
Contributions - Member	92,323	82,610	74,777
Net Investment Income	50,026	739,251	1,958,217
Benefit Payments, including Refunds of Member Contributions	(602,545)	(672,261)	(741,021)
Other (Net Transfer)	830,104	(45,212)	(182,617)
Net Change in Plan Fiduciary Net Position	612,615	330,005	1,323,385
Plan Fiduciary Net Position - Beginning	10,138,903	10,751,518	11,081,523
PLAN FIDUCIARY NET POSITION - ENDING	\$ 10,751,518	\$ 11,081,523	\$ 12,404,908
EMPLOYER'S NET PENSION LIABILITY	\$ 1,815,298	\$ 1,639,606	\$ 394,490
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.55%	87.11%	96.92%
Covered Payroll	\$ 2,051,625	\$ 1,835,776	\$ 1,661,719
Employer's Net Pension Liability as a Percentage of Covered Payroll	88.48%	89.31%	23.74%
Notes to Required Supplementary Information			
Changes of Assumptions			
2015 - Bond rate and investment rate of return			
2016 - Bond rate and investment rate of return			
2017 - Bond rate, price inflation rate, salary increases, retirement age and mortality			

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 STREATOR, ILLINOIS

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

Last Three Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service Cost	\$ -	\$ -	\$ -
Interest	-	-	-
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	-	-
Changes of Assumptions	-	-	-
Benefit Payments, including Refunds of Member Contributions	-	-	-
Net Change in Total Pension Liability	-	-	-
Total Pension Liability - Beginning	-	-	-
TOTAL PENSION LIABILITY - ENDING	\$ -	\$ -	\$ -
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ -	\$ -	\$ -
Contributions - Member	-	-	-
Net Investment Income	308	3,701	11,613
Benefit Payments, including Refunds of Member Contributions	-	-	-
Other	(8,101)	109	(124)
Net Change in Plan Fiduciary Net Position	(7,793)	3,810	11,489
Plan Fiduciary Net Position - Beginning	61,672	53,879	57,689
PLAN FIDUCIARY NET POSITION - ENDING	\$ 53,879	\$ 57,689	\$ 69,178
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (53,879)	\$ (57,689)	\$ (69,178)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	N/A	N/A	N/A
Covered Payroll	\$ -	\$ -	\$ -
Employer's Net Pension Liability (Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A

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 STREATOR, ILLINOIS

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

Last Five Fiscal Years

MEASUREMENT DATE	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018
TOTAL PENSION LIABILITY					
Service Cost	\$ 206,157	\$ 243,887	\$ 310,979	\$ 470,894	\$ 401,107
Interest	48,893	61,707	1,036,899	1,560,031	1,508,575
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(492,320)	(637,641)	(118,599)	(662,045)	(16,472)
Changes of Assumptions	-	2,659,255	(769,901)	(981,743)	490,159
Contributions - Buy Back	-	-	-	2,000	-
Benefit Payments, including Refunds of Member Contributions	-	-	(681,530)	(1,045,213)	(1,063,667)
Net Change in Total Pension Liability	(237,270)	2,327,208	(222,152)	(656,076)	1,319,702
Total Pension Liability - Beginning	17,530,228	17,292,958	22,560,028	22,337,876	21,681,800
TOTAL PENSION LIABILITY - ENDING	\$ 17,292,958	\$ 19,620,166	\$ 22,337,876	\$ 21,681,800	\$ 23,001,502
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 644,099	\$ 748,097	\$ 875,746	\$ 936,443	\$ 907,843
Contributions - Member	147,787	161,260	129,691	172,161	175,332
Contributions - Buy Back	-	-	-	2,000	-
Net Investment Income	605,670	472,955	323,647	713,149	(148,074)
Benefit Payments, including Refunds of Member Contributions	(965,180)	(984,755)	(681,530)	(1,045,213)	(1,063,667)
Administrative Expense	246,328	(14,726)	(8,451)	(20,530)	(17,828)
Net Change in Plan Fiduciary Net Position	678,704	382,831	639,103	758,010	(146,394)
Plan Fiduciary Net Position - Beginning (Restated)	8,351,652	9,030,356	9,436,440	9,232,188	9,990,198
PLAN FIDUCIARY NET POSITION - ENDING	\$ 9,030,356	\$ 9,413,187	\$ 10,075,543	\$ 9,990,198	\$ 9,843,804
EMPLOYER'S NET PENSION LIABILITY	\$ 8,262,602	\$ 10,206,979	\$ 12,262,333	\$ 11,691,602	\$ 13,157,698
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.22%	47.98%	45.11%	46.08%	42.80%
Covered Payroll	\$ 1,503,481	\$ 1,652,429	\$ 1,784,454	\$ 1,737,713	\$ 1,717,963
Employer's Net Pension Liability as a Percentage of Covered Payroll	549.56%	617.70%	687.18%	672.82%	765.89%

*Eight months ended December 31, 2016.

Note to Required Supplementary Information

See Note 7 for additional information on the 2018 changes in assumptions.

Opening Plan Fiduciary Net Position was restated in 2017.

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 STREATOR, ILLINOIS

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

Last Five Fiscal Years

MEASUREMENT DATE	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018
TOTAL PENSION LIABILITY					
Service Cost	\$ 311,338	\$ 311,338	\$ 253,777	\$ 268,997	\$ 394,606
Interest	32,398	32,398	811,271	909,784	844,988
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	813,894	813,894	(435,717)	(543,776)	135,176
Changes of Assumptions	-	-	-	2,825,034	108,096
Benefit Payments, including Refunds of Member Contributions	(656,684)	(714,755)	(737,761)	(498,639)	(750,296)
Net Change in Total Pension Liability	500,946	442,875	(108,430)	2,961,400	732,570
Total Pension Liability - Beginning	12,623,212	13,124,158	13,567,033	13,458,603	16,420,003
TOTAL PENSION LIABILITY - ENDING	\$ 13,124,158	\$ 13,567,033	\$ 13,458,603	\$ 16,420,003	\$ 17,152,573
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 535,392	\$ 571,726	\$ 605,414	\$ 625,963	\$ 635,067
Contributions - Member	80,276	88,090	86,269	56,676	86,360
Net Investment Income	37,262	40,055	59,972	124,799	(2,948)
Benefit Payments, including Refunds of Member Contributions	(656,684)	(714,755)	(737,761)	(498,639)	(750,296)
Administrative Expense	(9,104)	(9,392)	(9,377)	(8,760)	(10,612)
Net Change in Plan Fiduciary Net Position	(12,858)	(24,276)	4,517	300,039	(42,429)
Plan Fiduciary Net Position - Beginning (Restated)	4,737,318	4,724,460	4,700,184	4,091,856	4,391,895
PLAN FIDUCIARY NET POSITION - ENDING	\$ 4,724,460	\$ 4,700,184	\$ 4,704,701	\$ 4,391,895	\$ 4,349,466
EMPLOYER'S NET PENSION LIABILITY	\$ 8,399,698	\$ 8,866,849	\$ 8,753,902	\$ 12,028,108	\$ 12,803,107
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	36.00%	34.64%	34.96%	26.75%	25.36%
Covered Payroll	\$ 850,244	\$ 908,207	\$ 874,762	\$ 918,903	\$ 945,242
Employer's Net Pension Liability as a Percentage of Covered Payroll	987.92%	976.30%	1,000.72%	1,308.96%	1,354.48%

*Eight months ended December 31, 2016.

Note to Required Supplementary Information

See Note 7 for additional information on the 2018 changes in assumptions.

Opening Plan Fiduciary Net Position was restated in 2017.

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 STREATOR, ILLINOIS

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

OTHER POSTEMPLOYMENT BENEFIT PLAN

December 31, 2018

MEASUREMENT DATE DECEMBER 31,	2018
TOTAL OPEB LIABILITY	
Service Cost	\$ 60,508
Interest	238,421
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes of Assumptions	(516,891)
Benefit Payments, including Refunds of Member Contributions	<u>(370,706)</u>
Net Change in Total OPEB Liability	(588,668)
Total OPEB Liability - Beginning	<u>7,111,811</u>
TOTAL OPEB LIABILITY - ENDING	<u><u>\$ 6,523,143</u></u>
Covered Payroll	\$ 4,269,517
Employer's Total OPEB Liability as a Percentage of Covered Payroll	152.78%

Notes to Required Supplementary Information

Changes of assumptions reflect a change in the discount rate from 3.89% for the fiscal year ended December 31, 2017 to 4.10% for the fiscal year ended December 31, 2018.

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 STREATOR, ILLINOIS
SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Five Fiscal Years

FISCAL YEAR ENDED	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	7.58%	1.41%	3.94%	7.89%	(1.37%)

*Eight months ended December 31, 2016.

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

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

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

Last Five Fiscal Years

FISCAL YEAR ENDED	April 30, 2015	April 30, 2016	December 31, 2016*	December 31, 2017	December 31, 2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	0.91%	0.99%	1.53%	4.45%	(3.46%)

*Eight months ended December 31, 2016.

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

(See independent auditor's report.)

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

NONMAJOR GOVERNMENTAL FUNDS

CITY OF STREATOR, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2018

	Motor Fuel Tax	Hotel/Motel Tax	Development- Revolving Loan
ASSETS			
Cash and Investments	\$ 339,754	\$ 54,399	\$ -
Taxes Receivable	-	1,992	-
Due from Other Governments	31,164	-	-
	\$ 370,918	\$ 56,391	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 3,661	\$ 341	\$ -
Due to Other Funds	-	-	-
	3,661	341	-
DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
	-	-	-
Total Deferred Inflows of Resources	-	-	-
	-	-	-
Total Liabilities and Deferred Inflows of Resources	3,661	341	-
	3,661	341	-
FUND BALANCES (DEFICIT)			
Restricted			
Public Works	367,257	-	-
Economic Development	-	56,050	-
Unassigned (Deficit)	-	-	-
	367,257	56,050	-
Total Fund Balances (Deficit)	367,257	56,050	-
	367,257	56,050	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 370,918	\$ 56,391	\$ -

TIF I (Oakley)	TIF II (Downtown)	TIF III (Northpoint)	Streator South Industrial TIF	East Route 18 TIF	Total Nonmajor Governmental Funds
\$ -	\$ 886,969	\$ -	\$ 136,923	\$ -	\$ 1,418,045
-	-	-	-	-	1,992
-	-	-	-	-	31,164
\$ -	\$ 886,969	\$ -	\$ 136,923	\$ -	\$ 1,451,201
\$ -	\$ 200,191	\$ 1,546	\$ 76,453	\$ -	\$ 282,192
-	-	-	-	9,898	9,898
-	200,191	1,546	76,453	9,898	292,090
-	-	-	-	-	-
-	-	-	-	-	-
-	200,191	1,546	76,453	9,898	292,090
-	-	-	-	-	367,257
-	686,778	-	60,470	-	803,298
-	-	(1,546)	-	(9,898)	(11,444)
-	686,778	(1,546)	60,470	(9,898)	1,159,111
\$ -	\$ 886,969	\$ -	\$ 136,923	\$ -	\$ 1,451,201

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

	Motor Fuel Tax	Hotel/Motel Tax	Development- Revolving Loan
REVENUES			
Property Taxes	\$ -	\$ 35,924	\$ -
Intergovernmental	350,917	-	-
Investment Income	1,572	440	50
Miscellaneous	1,386	3,828	3,518
Total Revenues	353,875	40,192	3,568
EXPENDITURES			
Current			
Public Works	100,499	-	-
Economic Development	-	36,181	475,521
Capital Outlay	64,452	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	164,951	36,181	475,521
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	188,924	4,011	(471,953)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers (Out)	(186,598)	-	-
Total Other Financing Sources (Uses)	(186,598)	-	-
NET CHANGE IN FUND BALANCES	2,326	4,011	(471,953)
FUND BALANCES, JANUARY 1	364,931	52,039	471,953
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 367,257	\$ 56,050	\$ -

TIF I (Oakley)	TIF II (Downtown)	TIF III (Northpoint)	Streator South Industrial TIF	East Route 18 TIF	Total Nonmajor Governmental Funds
\$ 99,735	\$ 538,598	\$ 18,675	\$ 61,513	\$ -	\$ 754,445
-	-	-	-	-	350,917
211	6,149	18	1,205	-	9,645
-	-	-	-	16,000	24,732
99,946	544,747	18,693	62,718	16,000	1,139,739
-	-	-	-	-	100,499
7,317	449,973	631,627	392,235	25,898	2,018,752
-	-	-	-	-	64,452
-	80,000	140,000	-	-	220,000
-	38,165	76,250	-	-	114,415
7,317	568,138	847,877	392,235	25,898	2,518,118
92,629	(23,391)	(829,184)	(329,517)	(9,898)	(1,378,379)
-	95,962	602,308	461,195	-	1,159,465
(95,962)	(1,063,503)	-	(130,000)	-	(1,476,063)
(95,962)	(967,541)	602,308	331,195	-	(316,598)
(3,333)	(990,932)	(226,876)	1,678	(9,898)	(1,694,977)
3,333	1,677,710	225,330	58,792	-	2,854,088
\$ -	\$ 686,778	\$ (1,546)	\$ 60,470	\$ (9,898)	\$ 1,159,111

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental	\$ 340,000	\$ 350,917	\$ 10,917
Investment Income	100	1,572	1,472
Miscellaneous	-	1,386	1,386
	<hr/>		
Total Revenues	340,100	353,875	13,775
	<hr/>		
EXPENDITURES			
Highways and Streets			
Commodities	130,500	100,499	(30,001)
Capital Outlay	110,000	64,452	(45,548)
	<hr/>		
Total Expenditures	240,500	164,951	(75,549)
	<hr/>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	99,600	188,924	89,324
	<hr/>		
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	-	(186,598)	(186,598)
	<hr/>		
Total Other Financing Sources (Uses)	-	(186,598)	(186,598)
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 99,600</u>	2,326	<u>\$ (97,274)</u>
FUND BALANCE, JANUARY 1		<hr/>	364,931
FUND BALANCE, DECEMBER 31		<u>\$ 367,257</u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes	\$ 27,500	\$ 35,924	\$ 8,424
Investment Income	10	440	430
Other Revenue	6,000	3,828	(2,172)
	<hr/>	<hr/>	<hr/>
Total Revenues	33,510	40,192	6,682
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
Economic Development	35,550	36,181	631
	<hr/>	<hr/>	<hr/>
Total Expenditures	35,550	36,181	631
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (2,040)</u>	4,011	<u>\$ 6,051</u>
FUND BALANCE, JANUARY 1		<u>52,039</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 56,050</u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEVELOPMENT - REVOLVING LOAN FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment Income	\$ 400	\$ 50	\$ (350)
Miscellaneous	67,490	3,518	(63,972)
Total Revenues	67,890	3,568	(64,322)
EXPENDITURES			
Current			
Economic Development	410,000	475,521	65,521
Total Expenditures	410,000	475,521	65,521
NET CHANGE IN FUND BALANCE	<u>\$ (342,110)</u>	<u>(471,953)</u>	<u>\$ (129,843)</u>
FUND BALANCE, JANUARY 1		<u>471,953</u>	
FUND BALANCE, DECEMBER 31		<u>\$ -</u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TIF I (OAKLEY) FUND

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property Taxes	\$ 109,800	\$ 99,735	\$ (10,065)
Investment Income	50	211	161
Total Revenues	109,850	99,946	(9,904)
EXPENDITURES			
Current			
Economic Development	8,350	7,317	(1,033)
Total Expenditures	8,350	7,317	(1,033)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	101,500	92,629	(8,871)
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(100,000)	(95,962)	4,038
Total Other Financing Sources (Uses)	(100,000)	(95,962)	4,038
NET CHANGE IN FUND BALANCE	\$ 1,500	(3,333)	\$ (4,833)
FUND BALANCE, JANUARY 1		3,333	
FUND BALANCE, DECEMBER 31		\$ -	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TIF II (DOWNTOWN) FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property Taxes	\$ 550,000	\$ 538,598	\$ (11,402)
Investment Income	50	6,149	6,099
Miscellaneous	2,500	-	(2,500)
	<hr/>		
Total Revenues	552,550	544,747	(7,803)
EXPENDITURES			
Current			
Economic Development	486,500	449,973	(36,527)
Debt Service			
Principal	115,000	80,000	(35,000)
Interest	31,800	38,165	6,365
	<hr/>		
Total Expenditures	633,300	568,138	(65,162)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<hr/>		
	(80,750)	(23,391)	57,359
OTHER FINANCING SOURCES (USES)			
Bonds Issued, at Par	1,300,000	-	(1,300,000)
Transfers In	100,000	95,962	(4,038)
Transfers (Out)	(1,219,250)	(1,063,503)	155,747
	<hr/>		
Total Other Financing Sources (Uses)	180,750	(967,541)	(1,148,291)
NET CHANGE IN FUND BALANCE			
	<hr/>		
	\$ 100,000	(990,932)	\$ (1,090,932)
FUND BALANCE, JANUARY 1			
		<hr/>	
		1,677,710	
FUND BALANCE, DECEMBER 31			
		<hr/>	
		\$ 686,778	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TIF III (NORTHPOINT) FUND

For the Year Ended December 31, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Property Taxes	\$ 50,000	\$ 18,675	\$ (31,325)
Investment Income	-	18	18
Total Revenues	<u>50,000</u>	<u>18,693</u>	<u>(31,307)</u>
EXPENDITURES			
Current			
Economic Development	1,325,500	631,627	(693,873)
Debt Service			
Principal	140,000	140,000	-
Interest	76,250	76,250	-
Total Expenditures	<u>1,541,750</u>	<u>847,877</u>	<u>(693,873)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,491,750)</u>	<u>(829,184)</u>	<u>662,566</u>
OTHER FINANCING SOURCES (USES)			
Issuance of Bonds	500,000	-	(500,000)
Transfers In	729,750	602,308	(127,442)
Total Other Financing Sources (Uses)	<u>1,229,750</u>	<u>602,308</u>	<u>(627,442)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (262,000)</u>	<u>(226,876)</u>	<u>\$ 35,124</u>
FUND BALANCE, JANUARY 1		<u>225,330</u>	
FUND BALANCE (DEFICIT), DECEMBER 31		<u>\$ (1,546)</u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREATOR SOUTH INDUSTRIAL TIF FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property Taxes	\$ 60,000	\$ 61,513	\$ 1,513
Investment Income	50	1,205	1,155
Total Revenues	60,050	62,718	2,668
EXPENDITURES			
Current			
Economic Development	421,000	392,235	(28,765)
Total Expenditures	421,000	392,235	(28,765)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(360,950)	(329,517)	31,433
OTHER FINANCING SOURCES (USES)			
Transfers In	221,000	461,195	240,195
Transfers (Out)	(130,000)	(130,000)	-
Total Other Financing Sources (Uses)	91,000	331,195	240,195
NET CHANGE IN FUND BALANCE	\$ (269,950)	1,678	\$ 271,628
FUND BALANCE, JANUARY 1		58,792	
FUND BALANCE, DECEMBER 31		\$ 60,470	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EAST ROUTE 18 TIF FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Miscellaneous	\$ 26,100	\$ 16,000	\$ (10,100)
Total Revenues	<u>26,100</u>	<u>16,000</u>	<u>(10,100)</u>
EXPENDITURES			
Current			
Economic Development	<u>26,100</u>	<u>25,898</u>	<u>(202)</u>
Total Expenditures	<u>26,100</u>	<u>25,898</u>	<u>(202)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(9,898)</u>	<u>\$ (9,898)</u>
FUND BALANCE, JANUARY 1		<u>-</u>	
FUND BALANCE (DEFICIT), DECEMBER 31		<u><u>\$ (9,898)</u></u>	

(See independent auditor's report.)

SUPPLEMENTARY FINANCIAL INFORMATION

CITY OF STREATOR, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
SEWER FUND (BUDGETARY BASIS)

For the Year Ended December 31, 2018

	Budget	Actual	Variance Over (Under)
OPERATING REVENUES			
Charges for Services	\$ 2,760,000	\$ 2,780,376	\$ 20,376
Total Operating Revenues	<u>2,760,000</u>	<u>2,780,376</u>	<u>20,376</u>
OPERATING EXPENSES			
Salaries	390,474	471,514	81,040
Payroll Taxes	76,944	70,773	(6,171)
Life and Medical Insurance	92,248	74,558	(17,690)
Contractual Services	918,300	937,604	19,304
Repairs and Maintenance	3,084,424	474,058	(2,610,366)
Legal, Accounting and Collection	17,750	13,059	(4,691)
Office Expense and Postage	16,000	12,450	(3,550)
Data Processing	1,300	3,036	1,736
Other Fees	22,500	25,000	2,500
Other Supplies and Equipment	15,500	5,654	(9,846)
Miscellaneous Expense	282,000	235,974	(46,026)
Total Operating Expenses	<u>4,917,440</u>	<u>2,323,680</u>	<u>(2,593,760)</u>
OPERATING INCOME (LOSS)	<u>(2,157,440)</u>	<u>456,696</u>	<u>2,614,136</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	850	8,178	7,328
Principal Payments	(606,350)	(606,832)	(482)
Loan Proceeds	1,600,000	92,082	(1,507,918)
Interest and Fiscal Charges	(45,500)	(48,407)	(2,907)
Intergovernmental	450,000	1,583,328	1,133,328
Reimbursements	12,000	233,398	221,398
Total Non-Operating Revenues (Expenses)	<u>1,411,000</u>	<u>1,261,747</u>	<u>(149,253)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	<u>(746,440)</u>	<u>1,718,443</u>	<u>2,464,883</u>
TRANSFERS			
Transfers In	<u>727,000</u>	<u>1,084,014</u>	<u>357,014</u>
CHANGE IN NET POSITION - BUDGETARY BASIS	<u><u>\$ (19,440)</u></u>	<u>2,802,457</u>	<u><u>\$ 2,821,897</u></u>
ADJUSTMENTS TO GAAP BASIS			
Depreciation and Amortization Expense		(1,212,515)	
Principal Payments		606,832	
Loan Proceeds		<u>(92,082)</u>	
CHANGE IN NET POSITION - GAAP BASIS		<u>2,104,692</u>	
NET POSITION, JANUARY 1		29,637,873	
Prior Period Adjustment		<u>(588,157)</u>	
NET POSITION, JANUARY 1, RESTATED		<u>29,049,716</u>	
NET POSITION, DECEMBER 31		<u><u>\$ 31,154,408</u></u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
GOLF COURSE FUND

For the Year Ended December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
OPERATING REVENUES			
Membership and Daily Fees	\$ 55,000	\$ 48,088	\$ (6,912)
Rental Clubs and Carts	25,800	26,067	267
Concessions	13,200	11,785	(1,415)
Miscellaneous	400	265	(135)
	<hr/>		
Total Operating Revenues	94,400	86,205	(8,195)
<hr/>			
OPERATING EXPENSES			
Salaries	76,377	87,365	10,988
Payroll Taxes	13,550	12,296	(1,254)
Repairs and Maintenance	19,424	4,371	(15,053)
Utilities and Telephone	15,400	16,184	784
Other Supplies and Equipment	4,300	3,450	(850)
Concession Stand Products	5,000	6,085	1,085
Golf Supplies for Resale	500	833	333
Gasoline and Oil	3,000	2,913	(87)
Chemicals	12,000	11,043	(957)
Miscellaneous Expense	500	454	(46)
Depreciation and Amortization Expense	-	16,518	16,518
	<hr/>		
Total Operating Expenses	150,051	161,512	11,461
<hr/>			
OPERATING INCOME (LOSS)	(55,651)	(75,307)	(19,656)
TRANSFERS			
Transfers In	56,550	46,920	(9,630)
<hr/>			
CHANGE IN NET POSITION	\$ 899	(28,387)	\$ (29,286)
<hr/>			
NET POSITION, JANUARY 1		623,931	
Prior period adjustment		(82,787)	
<hr/>			
NET POSITION, JANUARY 1, RESTATED		541,144	
<hr/>			
NET POSITION, DECEMBER 31		<u>\$ 512,757</u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
SOLID WASTE FUND

For the Year Ended December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
OPERATING REVENUES			
Charges for Sales and Services	\$ 1,278,400	\$ 1,298,004	\$ 19,604
Total Operating Revenues	<u>1,278,400</u>	<u>1,298,004</u>	<u>19,604</u>
OPERATING EXPENSES			
Salaries	54,094	52,173	(1,921)
Payroll Taxes	10,301	9,557	(744)
Life and Medical Insurance	20,280	16,267	(4,013)
Contractual Services	1,156,000	1,086,128	(69,872)
Office Expense and Postage	9,000	9,000	-
Miscellaneous Expense	20,000	20,000	-
Total Operating Expenses	<u>1,269,675</u>	<u>1,193,125</u>	<u>(76,550)</u>
OPERATING INCOME	<u>8,725</u>	<u>104,879</u>	<u>96,154</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	10	680	670
Reimbursements	1,800	1,522	(278)
Total Non-Operating Revenues (Expenses)	<u>1,810</u>	<u>2,202</u>	<u>392</u>
CHANGE IN NET POSITION	<u>\$ 10,535</u>	<u>107,081</u>	<u>\$ 96,546</u>
NET POSITION, JANUARY 1		230,551	
Prior period adjustment		<u>(84,331)</u>	
NET POSITION, JANUARY 1, RESTATED		<u>146,220</u>	
NET POSITION, DECEMBER 31		<u>\$ 253,301</u>	

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

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

December 31, 2018

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and Cash Equivalents	\$ 537,070	\$ 375,158	\$ 912,228
Investments			
U.S. Treasury and U.S. Agency Obligations	913,921	-	913,921
State and Local Obligations	2,139,088	-	2,139,088
Corporate Bonds	2,136,262	943,582	3,079,844
Money Market Mutual Funds	-	162,135	162,135
Certificates of Deposit (Negotiable)	146,209	-	146,209
Certificates of Deposit (Non-Negotiable)	-	508,136	508,136
Common Stock	3,221,711	-	3,221,711
Fixed Income Mutual Funds	-	127,503	127,503
Equity Mutual Funds	710,406	837,401	1,547,807
Insurance Contracts	-	1,394,319	1,394,319
 Total Cash and Investments	 9,804,667	 4,348,234	 14,152,901
 Accrued Interest Receivable	 37,672	 -	 37,672
Due from Municipality	1,464	1,232	2,696
 Total Assets	 9,843,803	 4,349,466	 14,193,269
LIABILITIES			
None	-	-	-
 Total Liabilities	 -	 -	 -
NET POSITION RESTRICTED FOR PENSIONS			
	\$ 9,843,803	\$ 4,349,466	\$ 14,193,269

(See independent auditor's report.)

CITY OF STREATOR, ILLINOIS

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

For the Year Ended December 31, 2018

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 907,843	\$ 635,067	\$ 1,542,910
Employee	175,332	86,360	261,692
Total Contributions	<u>1,083,175</u>	<u>721,427</u>	<u>1,804,602</u>
Investment Income			
Net Depreciation in Fair Value of Investments	(396,903)	(25,235)	(422,138)
Interest Earned	278,107	25,680	303,787
Total Investment Income	<u>(118,796)</u>	<u>445</u>	<u>(118,351)</u>
Less Investment Expenses	<u>(29,278)</u>	<u>(3,393)</u>	<u>(32,671)</u>
Net Investment Income	<u>(148,074)</u>	<u>(2,948)</u>	<u>(151,022)</u>
Total Additions	<u>935,101</u>	<u>718,479</u>	<u>1,653,580</u>
DEDUCTIONS			
Pension Benefits and Refunds	1,063,668	750,296	1,813,964
Contractual Services	17,828	10,612	28,440
Total Deductions	<u>1,081,496</u>	<u>760,908</u>	<u>1,842,404</u>
CHANGE IN NET POSITION	<u>(146,395)</u>	<u>(42,429)</u>	<u>(188,824)</u>
NET POSITION RESTRICTED FOR PENSIONS			
January 1	9,990,198	4,391,895	14,382,093
December 31	<u>\$ 9,843,803</u>	<u>\$ 4,349,466</u>	<u>\$ 14,193,269</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the City of Streator, 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.	97-106
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	107-110
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.	111-114
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.	115-116
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.	117-121

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

CITY OF STREATOR, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 40,555,097	\$ 39,572,380	\$ 38,520,886	\$ 38,268,318
Restricted	1,136,195	1,199,297	1,174,082	1,222,883
Unrestricted	622,421	1,249,536	1,145,888	2,096,211
TOTAL GOVERNMENTAL ACTIVITIES	\$ 42,313,713	\$ 42,021,213	\$ 40,840,856	\$ 41,587,412
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 26,304,408	\$ 26,532,981	\$ 26,920,154	\$ 27,014,495
Restricted	-	-	-	-
Unrestricted	1,552,766	1,916,849	1,623,408	1,651,879
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 27,857,174	\$ 28,449,830	\$ 28,543,562	\$ 28,666,374
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 66,859,505	\$ 66,105,361	\$ 65,441,040	\$ 65,282,813
Restricted	1,136,195	1,199,297	1,174,082	1,222,883
Unrestricted	2,175,187	3,166,385	2,769,296	3,748,090
TOTAL PRIMARY GOVERNMENT	\$ 70,170,887	\$ 70,471,043	\$ 69,384,418	\$ 70,253,786

*The City implemented GASB Statement No. 68 for the year ended April 30, 2016.

**The City changed to a December 31 fiscal year end effective December 31, 2016.

***Net investment in capital assets increased during the year ended December 31, 2017 as a results of the City capitalizing prior year infrastructure costs. Prior year data was not reclassified.

****The City implemented GASB Statement No. 75 for the year ended December 31, 2018.

Data Source

Audited Financial Statements

	2014	2015	2016*	2016**	2017***	2018****
\$	37,202,593	\$ 36,048,080	\$ 31,180,072	\$ 30,473,947	\$ 43,371,696	\$ 43,250,307
	1,233,582	990,393	2,046,600	4,443,965	2,005,690	1,653,435
	2,990,842	2,957,331	(14,203,728)	(17,694,225)	(21,202,121)	(30,264,537)
\$	41,427,017	\$ 39,995,804	\$ 19,022,944	\$ 17,223,687	\$ 24,175,265	\$ 14,639,205
\$	27,311,946	\$ 27,801,292	\$ 28,425,694	\$ 29,000,217	\$ 28,531,278	\$ 29,769,496
	-	-	781,350	882,104	1,019,044	1,474,333
	1,336,920	1,226,069	222,428	(222,706)	942,033	676,637
\$	28,648,866	\$ 29,027,361	\$ 29,429,472	\$ 29,659,615	\$ 30,492,355	\$ 31,920,466
\$	64,514,539	\$ 63,849,372	\$ 59,605,766	\$ 59,474,164	\$ 71,902,974	\$ 73,019,803
	1,233,582	990,393	2,827,950	5,326,069	3,024,734	3,127,768
	4,327,762	4,183,400	(13,981,300)	(17,916,931)	(20,260,088)	(29,587,900)
\$	70,075,883	\$ 69,023,165	\$ 48,452,416	\$ 46,883,302	\$ 54,667,620	\$ 46,559,671

CITY OF STREATOR, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
EXPENSES				
Governmental Activities				
General Government	\$ 1,698,014	\$ 1,858,955	\$ 2,074,498	\$ 1,792,133
Public Safety	4,491,257	4,804,422	4,767,322	4,772,693
Public Works	2,988,067	2,982,689	3,213,517	2,825,115
Culture and Recreation	296,658	337,126	506,813	318,837
Economic Development	889,059	571,638	939,979	1,057,889
Interest and Fiscal Charges	120,377	116,310	120,397	129,235
Total Governmental Activities Expenses	10,483,432	10,671,140	11,622,526	10,895,902
Business-Type Activities				
Sewer	2,467,231	2,615,132	2,731,363	2,769,007
Golf Course	149,498	139,536	146,934	144,272
Solid Waste	783,166	886,093	937,284	982,224
Total Business-Type Activities Expenses	3,399,895	3,640,761	3,815,581	3,895,503
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 13,883,327	\$ 14,311,901	\$ 15,438,107	\$ 14,791,405
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 167,560	\$ 181,167	\$ 146,770	\$ 164,423
Public Safety	67,278	58,508	61,448	133,908
Public Works	-	-	-	-
Culture and Recreation	11,952	19,742	15,829	14,862
Economic Development	-	-	-	-
Operating Grants and Contributions	91,152	-	-	-
Capital Grants and Contributions	-	-	-	-
Total Governmental Activities Program Revenues	337,942	259,417	224,047	313,193
Business-Type Activities				
Charges for Services				
Sewer	2,765,827	2,661,565	2,828,671	2,881,415
Golf Course	130,621	118,512	75,414	99,018
Solid Waste	717,534	859,850	949,121	996,785
Operating Grants and Contributions	-	126,128	-	-
Capital Grants and Contributions	-	-	-	-
Total Business-Type Activities Program Revenues	3,613,982	3,766,055	3,853,206	3,977,218
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 3,951,924	\$ 4,025,472	\$ 4,077,253	\$ 4,290,411
NET (EXPENSE) REVENUE				
Governmental Activities	\$ (10,145,490)	\$ (10,411,723)	\$ (11,398,479)	\$ (10,582,709)
Business-Type Activities	214,087	125,294	37,625	81,715
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (9,931,403)	\$ (10,286,429)	\$ (11,360,854)	\$ (10,500,994)

	2014	2015	2016	2016*	2017**	2018
\$	2,019,759	\$ 1,864,806	\$ 1,916,746	\$ 1,326,663	\$ 3,209,437	\$ 2,786,291
	5,023,668	5,147,777	5,670,883	5,371,442	7,998,601	7,347,710
	3,071,959	3,687,705	2,970,621	1,645,685	2,819,260	2,922,175
	470,940	346,839	334,832	290,903	-	-
	1,015,004	1,796,420	1,153,222	1,458,412	2,279,460	2,018,752
	115,710	103,104	133,455	129,584	249,597	219,604
	<u>11,717,040</u>	<u>12,946,651</u>	<u>12,179,759</u>	<u>10,222,689</u>	<u>16,556,355</u>	<u>15,294,532</u>
	2,801,935	2,839,759	3,114,547	1,844,099	2,785,792	3,584,602
	150,932	159,778	153,609	118,091	149,952	161,512
	1,026,888	1,118,711	1,186,719	850,817	1,192,260	1,193,125
	<u>3,979,755</u>	<u>4,118,248</u>	<u>4,454,875</u>	<u>2,813,007</u>	<u>4,128,004</u>	<u>4,939,239</u>
\$	<u>15,696,795</u>	<u>\$ 17,064,899</u>	<u>\$ 16,634,634</u>	<u>\$ 13,035,696</u>	<u>\$ 20,684,359</u>	<u>\$ 20,233,771</u>
\$	262,419	\$ 377,877	\$ 373,228	\$ 235,212	\$ 336,568	\$ 362,701
	147,906	148,293	101,619	73,525	180,064	107,679
	-	-	-	-	32,988	101,398
	16,910	15,902	15,049	6,611	-	-
	-	-	-	-	-	-
	-	-	-	-	549,375	386,961
	-	-	-	-	72,200	127,800
	<u>427,235</u>	<u>542,072</u>	<u>489,896</u>	<u>315,348</u>	<u>1,171,195</u>	<u>1,086,539</u>
	2,774,959	2,723,878	2,788,060	1,826,550	2,717,908	2,780,376
	99,212	92,408	90,815	65,918	91,940	86,205
	1,046,172	1,094,454	1,161,069	872,131	1,265,903	1,298,004
	-	-	-	-	-	-
	-	-	-	-	-	1,583,328
	<u>3,920,343</u>	<u>3,910,740</u>	<u>4,039,944</u>	<u>2,764,599</u>	<u>4,075,751</u>	<u>5,747,913</u>
\$	<u>4,347,578</u>	<u>\$ 4,452,812</u>	<u>\$ 4,529,840</u>	<u>\$ 3,079,947</u>	<u>\$ 5,246,946</u>	<u>\$ 6,834,452</u>
\$	(11,289,805)	\$ (12,404,579)	\$ (11,689,863)	\$ (9,907,341)	\$ (15,385,160)	\$ (14,207,993)
	(59,412)	(207,508)	(414,931)	(48,408)	(52,253)	808,674
\$	<u>(11,349,217)</u>	<u>\$ (12,612,087)</u>	<u>\$ (12,104,794)</u>	<u>\$ (9,955,749)</u>	<u>\$ (15,437,413)</u>	<u>\$ (13,399,319)</u>

CITY OF STREATOR, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GENERAL REVENUES AND OTHER CHANGES IN NET ACTIVITIES				
Governmental Activities				
Taxes				
Property and Replacement	\$ 3,124,745	\$ 3,325,182	\$ 3,461,728	\$ 3,537,110
Sales	2,558,073	2,571,242	2,794,951	3,063,111
Use	-	-	-	-
Other	1,393,524	1,390,012	1,457,460	2,160,511
Intergovernmental				
Income Tax	1,265,058	2,152,597	1,778,397	1,740,018
Investment Income	61,265	50,199	27,899	19,698
Miscellaneous	1,077,772	1,094,863	752,687	848,817
Transfers	(521,000)	(464,872)	(55,000)	(40,000)
Total Governmental Activities	<u>8,959,437</u>	<u>10,119,223</u>	<u>10,218,122</u>	<u>11,329,265</u>
Business-Type Activities				
Investment Income	8,729	2,490	1,107	1,097
Miscellaneous	-	-	-	-
Transfers	521,000	464,872	55,000	40,000
Total Business-Type Activities	<u>529,729</u>	<u>467,362</u>	<u>56,107</u>	<u>41,097</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 9,489,166</u>	<u>\$ 10,586,585</u>	<u>\$ 10,274,229</u>	<u>\$ 11,370,362</u>
CHANGES IN NET POSITION				
Governmental Activities	\$ (1,186,053)	\$ (292,500)	\$ (1,180,357)	\$ 746,556
Business-Type Activities	743,816	592,656	93,732	122,812
TOTAL PRIMARY GOVERNMENT CHANGES IN NET POSITION	<u>\$ (442,237)</u>	<u>\$ 300,156</u>	<u>\$ (1,086,625)</u>	<u>\$ 869,368</u>

*The City changed to a December 31 fiscal year end effective December 31, 2016.

**The City changed classifications for certain amounts for the year ended December 31, 2017.

Data Source

Audited Financial Statements

	2014	2015	2016	2016*	2017**	2018
\$	3,464,686	\$ 3,544,186	\$ 3,522,997	\$ 3,090,168	\$ 4,552,448	\$ 4,553,420
	2,930,198	2,999,675	2,859,806	2,271,063	3,090,472	3,308,126
	-	-	-	-	339,009	290,808
	2,147,361	2,030,977	1,975,877	1,384,754	1,394,196	1,404,729
	1,671,272	1,667,281	1,714,869	872,547	1,323,745	1,379,652
	16,756	14,418	14,689	11,849	15,631	27,739
	939,137	1,301,698	1,174,866	755,703	1,191,076	1,278,302
	(40,000)	(584,869)	(558,950)	(278,000)	(558,339)	(1,130,934)
	11,129,410	10,973,366	10,704,154	8,108,084	11,348,238	11,111,842
	1,904	1,134	1,064	551	1,919	8,858
	-	-	257,028	-	12,480	234,920
	40,000	584,869	558,950	278,000	558,339	1,130,934
	41,904	586,003	817,042	278,551	572,738	1,374,712
\$	11,171,314	\$ 11,559,369	\$ 11,521,196	\$ 8,386,635	\$ 11,920,976	\$ 12,486,554
\$	(160,395)	\$ (1,431,213)	\$ (985,709)	\$ (1,799,257)	\$ (4,036,922)	\$ (3,096,151)
	(17,508)	378,495	402,111	230,143	520,485	2,183,386
\$	(177,903)	\$ (1,052,718)	\$ (583,598)	\$ (1,569,114)	\$ (3,516,437)	\$ (912,765)

CITY OF STREATOR, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GENERAL FUND				
Unreserved	\$ (1,128,822)	\$ (910,200)	\$ (640,838)	\$ (19,026)
Nonspendable	-	-	-	-
Restricted				
Capital Projects	-	-	-	-
Public Benefit	-	-	-	-
Grant Projects	-	-	-	-
Public Safety	-	-	-	-
Employee Benefits	-	-	-	-
Public Works	-	-	-	-
Economic Development	-	-	-	-
Unassigned	-	-	-	-
TOTAL GENERAL GOVERNMENT	\$ (1,128,822)	\$ (910,200)	\$ (640,838)	\$ (19,026)
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 2,887,438	\$ 3,359,033	\$ 2,960,808	\$ 3,338,120
Restricted				
Specific Purposes	-	-	-	-
Public Works	-	-	-	-
Economic Development	-	-	-	-
Unassigned (Deficit)	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 2,887,438	\$ 3,359,033	\$ 2,960,808	\$ 3,338,120

*The City implemented GASB Statement No. 54 as of April 30, 2016.

**The City changed to a December 31 fiscal year end effective December 31, 2016.

***The City recategorized certain amounts in FY17.

Data Source

Audited Financial Statements

2014	2015	2016*	2016**	2017***	2018
\$ 1,163,059	\$ 1,510,054	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	90,277
-	-	-	-	269,959	269,959
-	-	-	-	27,488	27,488
-	-	-	-	91,613	91,613
-	-	-	-	90,547	90,547
-	-	-	-	1,250	1,250
-	-	-	-	2,023	2,023
-	-	-	-	-	-
-	-	5,603,295	4,086,053	3,035,886	2,598,014
\$ 1,163,059	\$ 1,510,054	\$ 5,603,295	\$ 4,086,053	\$ 3,518,766	\$ 3,171,171
\$ 3,061,365	\$ 2,437,670	\$ -	\$ -	\$ -	\$ -
-	-	2,046,600	4,443,965	-	-
-	-	-	-	364,931	367,257
-	-	-	-	2,489,157	803,298
-	-	-	-	-	(11,444)
\$ 3,061,365	\$ 2,437,670	\$ 2,046,600	\$ 4,443,965	\$ 2,854,088	\$ 1,159,111

CITY OF STREATOR, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
REVENUES				
Taxes	\$ 6,419,322	\$ 6,575,074	\$ 6,932,989	\$ 7,842,790
Intergovernmental	2,072,632	2,863,995	2,438,830	2,322,837
Licenses and Permits	133,745	155,386	125,484	136,448
Fines, Fees and Forfeits	71,979	67,170	65,890	138,958
Charges for Services	45,767	36,861	32,673	37,787
Investment Income	61,265	50,199	27,899	19,698
Miscellaneous	1,013,669	1,094,827	939,142	1,216,448
Total Revenues	9,818,379	10,843,512	10,562,907	11,714,966
EXPENDITURES				
Current				
General Government	1,698,014	1,858,205	2,073,148	1,777,425
Public Safety	4,352,103	4,672,817	4,867,097	4,687,302
Public Works	2,074,402	2,103,695	2,097,380	2,675,995
Culture and Recreation	237,876	1,165,758	473,031	285,488
Economic Development	564,301	325,496	411,633	373,383
Non-Home Rule Sales Tax	324,758	246,142	528,346	684,506
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	120,377	116,310	120,397	129,235
Total Expenditures	9,371,831	10,488,423	10,571,032	10,613,334
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	446,548	355,089	(8,125)	1,101,632
OTHER FINANCING SOURCES (USES)				
Issuance of Refunding Bonds	-	-	-	-
Premium on Refunding Bonds	-	-	-	-
Payment to Escrow Agent	-	-	-	-
Issuance of Capital Lease	-	-	-	-
Bonds Issued, at Par	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Transfers In	-	-	-	-
Transfers (Out)	(521,000)	335,128	(120,738)	(102,508)
Total Other Financing Sources (Uses)	(521,000)	335,128	(120,738)	(102,508)
NET CHANGE IN FUND BALANCES	\$ (74,452)	\$ 690,217	\$ (128,863)	\$ 999,124
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES*	N/A	N/A	N/A	N/A

*Capital outlay figures are unavailable for FY09-FY16.

**The City changed to a December 31 fiscal year end effective December 31, 2016. Information is presented for eight months.

Data Source

Audited Financial Statements

	2014	2015	2016	2016**	2017	2018
\$	7,729,310	\$ 7,741,465	\$ 7,540,604	\$ 6,049,593	\$ 7,335,843	\$ 7,582,009
	2,447,220	2,457,316	2,430,324	1,318,465	3,724,818	3,721,590
	236,786	350,127	344,276	221,559	373,816	472,899
	152,787	152,534	105,087	73,525	147,623	73,162
	37,662	39,411	40,533	20,264	156,645	422,694
	16,756	14,418	14,689	11,849	15,631	27,739
	1,008,031	1,376,069	1,127,377	1,006,177	1,323,396	1,029,222
	11,628,552	12,131,340	11,602,890	8,701,432	13,077,772	13,329,315
	2,005,051	1,839,944	1,891,884	1,281,834	3,078,480	2,967,815
	4,879,477	5,040,625	5,550,293	3,317,793	7,184,057	6,710,940
	2,170,455	2,679,122	1,921,304	946,366	1,577,358	1,384,752
	343,128	297,923	283,790	270,252	-	-
	430,618	680,572	712,229	908,013	2,279,460	2,018,752
	671,876	1,115,848	440,993	536,796	-	-
	-	-	1,022,803	2,367,671	1,171,040	361,688
	-	-	450,889	125,000	395,000	561,000
	115,710	103,104	133,455	129,584	211,344	236,006
	10,616,315	11,757,138	12,407,640	9,883,309	15,896,739	14,240,953
	1,012,237	374,202	(804,750)	(1,181,877)	(2,818,967)	(911,638)
	-	-	-	-	1,485,000	-
	-	-	-	-	21,563	-
	-	-	-	-	(1,466,120)	-
	-	-	-	-	499,494	-
	-	-	3,040,000	2,340,000	1,325,000	-
	-	-	-	-	6,278	-
	-	-	17,000	-	134,071	1,289,465
	(106,907)	(650,902)	(640,968)	(278,000)	(692,410)	(2,420,399)
	(106,907)	(650,902)	2,416,032	2,062,000	1,312,876	(1,130,934)
\$	905,330	\$ (276,700)	\$ 1,611,282	\$ 880,123	\$ (1,506,091)	\$ (2,042,572)
	N/A	N/A	N/A	3.39%	4.27%	6.07%

CITY OF STREATOR, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Farm Property	Residential Property	Commercial Property	Industrial Property	Railroad	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2008	\$ 221,675	\$ 77,096,864	\$ 23,915,998	\$ 4,470,073	\$ 1,049,134	\$ 106,753,744	3.03230	\$ 320,293,261	33.33%
2009	196,406	78,543,502	26,407,197	4,673,446	1,292,947	111,113,498	3.20410	333,373,831	33.33%
2010	199,167	77,859,390	25,060,376	4,641,053	1,355,070	109,115,056	3.42000	327,377,906	33.33%
2011	252,549	77,184,295	24,878,085	4,547,438	1,528,953	108,391,320	3.28093	325,206,481	33.33%
2012	262,477	71,742,586	28,468,933	5,467,094	1,591,322	107,532,412	3.29240	322,629,499	33.33%
2013	260,934	63,135,910	28,224,508	5,317,959	1,621,582	98,560,893	3.68521	295,712,250	33.33%
2014	269,832	62,768,534	28,198,146	5,446,283	1,628,127	98,310,922	3.82003	294,962,262	33.33%
2015	355,023	61,400,046	28,751,551	5,369,550	1,694,230	97,570,400	3.64221	292,740,474	33.33%
2016	68,881	62,669,307	28,408,312	5,400,350	1,794,867	98,341,717	3.55835	295,054,656	33.33%
2017	473,640	59,751,771	28,085,482	5,587,741	1,925,288	95,823,922	3.64522	287,500,516	33.33%

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

Data Source

LaSalle and Livingston County Clerks

CITY OF STREATOR, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
DIRECT CITY RATES										
City of Streator										
General Corporate	0.28400	0.28400	0.28400	0.28400	0.28400	0.28328	0.28400	0.28400	0.28140	0.28400
IMRF	0.11470	0.17010	0.18790	0.18640	0.21143	0.29037	0.27527	0.27468	0.24713	0.25733
Fire Protection	0.40000	0.40000	0.40000	0.40000	0.40000	0.39898	0.40000	0.40000	0.39633	0.40000
Firefighters' Pension	0.31920	0.34110	0.37320	0.39200	0.42669	0.45074	0.54582	0.58662	0.63533	0.66275
Police Protection	0.07500	0.07500	0.07500	0.07500	0.07500	0.07481	0.07500	0.07500	0.07432	0.07500
Police Pension	0.45260	0.57910	0.59080	0.57370	0.57863	0.66019	0.76194	0.96673	0.94801	0.94741
Garbage Disposal	0.04160	0.01760	0.01800	0.01810	0.01871	0.02233	0.01530	0.01538	0.02531	0.02609
Bond and Interest	-	-	-	-	-	-	-	-	-	-
Audit	0.01660	0.01630	0.01710	0.01720	0.01846	0.02040	0.02065	0.02307	0.02582	0.02505
Liability Insurance	0.27960	0.24980	0.25520	0.30890	0.48405	0.54096	0.58315	0.47658	0.45162	0.48386
Street Lighting	0.05000	0.05000	0.05000	0.05000	0.05000	0.04988	0.05000	0.05000	0.04955	0.05000
Park Maintenance	0.07500	0.07500	0.07500	0.07500	0.07500	0.07481	0.07500	0.07500	0.07432	0.05000
Public Benefit	0.05000	0.05000	0.05000	0.05000	0.05000	0.04988	0.05000	0.05000	0.04955	0.04955
Library	0.15000	0.15000	0.15000	-	-	-	-	-	-	-
Emergency Services	0.00330	0.00340	0.00350	0.00350	0.00289	0.00300	0.00204	0.00185	0.00183	0.00190
Social Security	0.16320	0.16520	0.17300	0.17310	0.18697	0.22895	0.23616	0.23553	0.20786	0.21446
School Crossing Guard	0.02000	0.02000	0.02000	0.02000	0.02000	0.01995	0.02000	0.02000	0.01976	0.02000
Lease Purchase/Rental	0.21530	0.02200	0.03330	0.03333	0.37574	0.47534	0.40224	0.02064	0.00441	0.00459
Unemployment Insurance	0.00780	0.01130	0.00530	0.04460	0.00651	0.00812	0.00816	0.07175	0.04049	0.04217
Workmen's Comp	0.21110	0.24490	0.39170	0.32330	-	-	-	-	-	-
Working Cash Bond	0.05000	0.05000	-	-	-	-	-	-	-	-
Library Building Construction	0.02000	0.20930	0.24700	0.23280	-	-	-	-	-	-
Public Comfort Station	0.03330	0.02000	0.02000	0.02000	0.02832	0.03322	0.01530	0.01538	0.02531	0.02609
TOTAL DIRECT CITY RATE	3.03230	3.20410	3.42000	3.28093	3.29240	3.68521	3.82003	3.64221	3.55835	3.62025
OVERLAPPING RATES										
LaSalle County	0.93330	0.94040	0.94210	0.94340	0.95358	0.97323	1.00885	1.02624	1.03354	1.06441
Bruce Township	0.33670	0.33740	0.34460	0.53010	0.55426	0.58443	0.59249	0.60356	0.54879	0.54041
Streator Library	0.00000	0.00000	0.00000	0.17000	0.17000	0.16957	0.17000	0.17000	0.16845	0.17000
Streator School District #44	3.32960	3.30700	3.34680	3.38440	3.41177	3.49819	3.52489	4.53410	3.52340	4.06744
Streator High School District #40	2.94640	2.96920	2.89230	2.87860	2.87264	2.89389	2.96227	3.08832	3.11598	3.12310
Community College No. 513	0.35550	0.34270	0.35120	0.35240	0.35379	0.36504	0.36689	0.37981	0.36854	0.36664
TOTAL OVERLAPPING RATES	7.90150	7.89670	7.87700	8.25890	8.31604	8.48435	8.62539	9.80203	8.75870	9.33200
TOTAL DIRECT AND OVERLAPPING RATES	10.93380	11.10080	11.29700	11.53983	11.60844	12.16956	12.44542	13.44424	12.31705	12.95225

Data Source

Office of the County Clerk

CITY OF STREATOR, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2018			2009		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Wal-Mart Real Estate Bus. Trust	Retail store	\$ 3,436,911	1	3.58%			
Kroger Limited Partnership	Grocery store	1,744,309	2	1.81%	\$ 1,527,137	1	1.40%
Burlington Northern SF RR Co.	Railroad property	1,309,848	3	1.36%	581,923	6	0.53%
LaSalle Bank NA TTEE	Apartment building	896,276	4	0.93%	877,841	3	0.80%
Residential Alternatives of Illinois Inc.	Nursing care facility	889,639	5	0.93%			
Centrue Bank	Bank	861,013	6	0.90%			
Walsh Rentals LLC 2330	Car dealership	848,810	7	0.88%			
Streator Semmes Dover LLC	Medical office	716,899	8	0.75%			
OSF Healthcare System	Healthcare system	706,095	9	0.73%			
Owens-Illinois Glass Container Inc.	Glass factory	680,394	10	0.71%	557,133	8	0.51%
Ontario Reality	Commercial				988,921	2	0.91%
Edwin Enterprises	Commercial				871,341	4	0.80%
Individual	Commercial				800,830	5	0.73%
Heritage Manor-Streator LLC	Commercial				564,105	7	0.52%
Carriage House Co Inc	Commercial				555,396	9	0.51%
Aldi, Inc.	Commercial				470,976	10	0.43%
TOTAL		<u>\$ 12,090,195</u>		<u>12.58%</u>	<u>\$ 7,795,603</u>		<u>7.14%</u>

Data Source

Office of the County Treasurer

CITY OF STREATOR, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy	Amount	Amount	Percentage of Levy
2008	\$ 3,308,679	\$ 3,288,540	99.39%	\$ -	\$ 3,288,540	99.39%
2009	3,643,873	3,573,214	98.06%	-	3,573,214	98.06%
2010	3,821,818	3,763,037	98.46%	-	3,763,037	98.46%
2011	3,631,747	3,585,621	98.73%	-	3,585,621	98.73%
2012	3,540,397	3,496,108	98.75%	-	3,496,108	98.75%
2013	3,631,837	3,590,288	98.86%	-	3,590,288	98.86%
2014	3,755,684	3,700,737	98.54%	-	3,700,737	98.54%
2015	3,554,321	3,485,242	98.06%	4,392	3,489,634	98.18%
2016	3,515,225	3,515,072	100.00%	-	3,515,072	100.00%
2017	3,493,005	3,439,645	98.47%	-	3,439,645	98.47%

Data Source

Office of the County Treasurer

CITY OF STREATOR, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Actual Taxable Value (1) of Property	Per Capita (2)	Debt Outstanding as a Percentage of Personal Income
	General Obligation Bonds	General Obligation TIF Bonds	Bond Premium	Installment Contract	Revenue Bonds	General Obligation Bonds	IEPA Revolving Loans	General Obligation Debt Certificates				
2010	\$ 2,045,000	\$ -	\$ -	\$ 935,767	\$ 880,000	\$ -	\$ 4,040,000	\$ 674,673	\$ 8,575,440	2.68%	\$ 619.17	3.02%
2011	2,790,000	-	-	1,017,195	720,000	-	3,265,000	9,417,573	17,209,768	5.16%	1,255.27	6.13%
2012	2,705,000	-	-	818,557	555,000	-	2,630,000	9,866,526	16,575,083	5.06%	1,203.97	5.88%
2013	2,610,000	-	-	992,840	400,000	-	1,960,000	9,866,526	15,829,366	4.87%	1,157.71	5.65%
2014	2,505,000	-	-	667,162	200,000	-	1,305,000	9,360,550	14,037,712	4.35%	1,037.91	5.07%
2015	2,395,000	-	-	335,889	-	-	650,000	9,609,552	12,990,441	4.39%	968.86	4.73%
2016	5,320,000	-	-	-	-	-	-	9,157,603	14,477,603	4.91%	1,088.87	5.26%
2016*	7,535,000	-	-	-	-	-	-	9,661,067	17,196,067	5.87%	1,301.94	6.04%
2017	6,565,000	1,325,000	27,841	499,494	-	-	-	10,587,739	19,005,074	6.44%	1,446.90	6.72%
2018	6,150,000	1,245,000	-	433,494	-	-	-	9,356,142	17,184,636	5.98%	1,308.31	6.01%

*Eight months ended December 31, 2016.

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

(1) Assessed value and actual value of taxable property.

(2) See the schedule of Demographic and Economic Information for personal income and population data.

Data Source

City Records

CITY OF STREATOR, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2018

Governmental Unit	Gross Debt	Percentage Debt Applicable to the City	City's Share of Debt
City of Streator	\$ 7,828,494	100.00%	\$ 7,828,494
LaSalle County	11,155,000	4.45%	496,046
Woodland USD #5	-	0.00%	-
Streator School District #44	7,500,000	68.19%	5,113,920
CCSD #95	1,390,000	0.17%	2,336
Streator HSD #40	4,335,000	57.29%	2,483,448
Subtotal	24,380,000		8,095,750
TOTAL	\$ 32,208,494		\$ 15,924,244

Data Source

Official Statements

CITY OF STREATOR, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activities	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2010	\$ 2,980,767	\$ 5,594,673	\$ 24,270	\$ 8,551,170	2.67%	\$ 617.41
2011	3,807,195	13,402,573	22,642	17,187,126	5.16%	1,253.62
2012	3,523,557	13,051,526	21,015	16,554,068	5.06%	1,202.45
2013	3,602,840	12,226,526	-	15,829,366	4.87%	1,157.71
2014	3,172,162	10,865,550	-	14,037,712	4.35%	1,037.91
2015	2,730,889	10,259,552	-	12,990,441	4.39%	968.86
2016	5,320,000	9,157,603	779,221	13,698,382	4.64%	1,030.26
2016**	7,535,000	9,661,067	879,946	16,316,121	5.57%	1,235.32
2017	8,417,335	10,587,739	-	19,005,074	6.44%	1,446.90
2018	7,828,494	9,356,142	-	17,184,636	5.98%	1,308.31

*See the Schedule of Assessed Value and Actual Value of Taxable Property on page 109 for property value data.

**Eight months ended December 31, 2016.

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

Data Source

City Records

CITY OF STREATOR, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2018

2018 Equalized Assess Valuation		\$ 287,500,516
Statutory Debt Limitation (8.625% of EAV)		24,796,920
General Obligation Debt		
Series 2015 (1)	\$ 2,695,000	
Series 2016B (1)	2,055,000	
Series 2017A (1)	1,400,000	
Series 2017B (1)	1,245,000	
Less Alternate Revenue Bonds (1)	<u>(7,395,000)</u>	
Total General Obligation Debt	-	
Total Applicable Debt		<u>-</u>
LEGAL DEBT MARGIN		<u><u>\$ 24,796,920</u></u>

(1) Alternate revenue bonds are not subject to the legal debt margin calculation.

Data Source

City Records

CITY OF STREATOR, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate*
2009	13,850	\$ 283,689,550	\$ 20,483	38.0	2,842	7.80%
2010	13,710	280,821,930	20,483	38.0	2,862	9.90%
2011	13,767	281,989,461	20,483	38.0	2,891	11.50%
2012	13,673	280,064,059	20,483	38.0	2,860	10.90%
2013	13,525	277,032,575	20,483	38.0	2,797	12.00%
2014	13,408	274,636,064	20,483	38.0	2,694	8.60%
2015	13,296	275,147,424	20,694	39.0	2,671	9.50%
2016	13,208	284,487,112	21,539	39.0	2,679	9.50%
2017*	13,135	282,914,765	21,539	39.1	2,643	6.40%
2018	13,135	286,093,435	21,781	39.3	2,651	5.40%

*Unemployment rate is the 12-month average.

Data Sources

City Records
U.S. Census Bureau
Office of the County Clerk
World Population Review
IL Board of Education

CITY OF STREATOR, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2018			2009		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Villag Population
Vactor Manufacturing, Inc.	575	1	4.38%	487	2	3.43%
Streator Results	450	2	3.43%			
DSI	350	3	2.66%			
Streator School District #44	296	4	2.25%	288	4	2.03%
Owens-Illinois Glass Container	320	5	2.44%			
OSF Healthcare System	280	6	2.13%	255	5	1.80%
Heritage Health Services	239	7	1.82%	109	10	0.77%
U.S. Food Service	175	8	1.33%	411	3	2.90%
Teleperformance	160	9	1.22%	100	11	0.70%
Kroger	139	10	1.06%			
Lucky Logistics				130	9	0.92%
St. Mary's Hospital				555	1	3.91%
Hilton Reservations Worldwide				226	6	1.59%
Vissering Constructionn				166	7	1.17%
Union Bank				164	8	1.16%
TOTAL	2,984		22.72%	2,891		20.38%

Data Source

Streator Chamber of Commerce

CITY OF STREATOR, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2016*	2017	2018
GENERAL FUND										
Mayor and Village Council	5	5	5	5	5	5	5	5	5	5
Village Manager	1	1	1	1	1	1	1	1	1	1
Municipal Building	5	5	5	6	6	6	5	4	4	4
Village Clerk	1	1	1	1	1	1	1	1	1	1
Dispatch	11	12	12	10	10	8	5	-	-	-
Engineering	2	2	2	2	2	2	2	2	2	2
Fire	16	16	15	16	16	16	16	16	16	16
Police	26	27	25	23	26	26	26	25	25	26
Street	11	11	10	10	10	10	10	11	11	11
ENTERPRISE FUND										
Utilities - Administration	1	1	1	1	1	1	1	1	1	1
Utilities - Water Reclamation	2	2	2	2	2	2	2	2	2	3

* The City changed its fiscal year end to December 31, effective December 31, 2016.
Municipal building includes IT Director/and FT Building inspector effective 2013
Police and fire includes administrative personnel

Data Source

City Budget File

CITY OF STREATOR, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012
COMMUNITY DEVELOPMENT				
New Construction Single Family Permits	2	5	1	-
Number of Permits Issued	325	422	299	301
Building and Engineering Inspections	813	1,055	748	753
POLICE				
DUI Arrests	581	564	526	442
Criminal Arrests	565	606	537	526
Accidents	68	80	80	96
Ordinance Enforcement*	925	812	766	826
Total Tickets	17,801	17,595	17,859	17,753
Total Calls				
FIRE				
Number of Fire Calls Answered	431	381	394	402
Number of EMS Calls Answered	65	44	50	38
PUBLIC WORKS				
Trees Planted	N/A	N/A	N/A	N/A
Trees Removed	N/A	N/A	N/A	N/A
Street Sweeping (Tons)	N/A	N/A	N/A	N/A
Street Sweeping (Hours)	864	986	986	950
Snow Removal (Hours)	1,372	1,184	1,395	1,320
Catch Basins/Inlets Cleaned	951	731	828	N/A
Sidewalk Replacement (Square Feet)	N/A	N/A	N/A	N/A
SEWER				
Sewer MGD Treated (Millions/Gallons)	1,407.34	1,193.83	1,358.69	922.08

N/A - Not Available

*Increase to total calls are due to officer initiated business checks.

Data Source

City Records

2013	2014	2015	2016	2017	2018
1	1	3	2	-	6
292	510	296	361	284	310
730	1,275	740	903	710	775
45	34	29	20	22	25
440	444	525	279	333	295
570	516	525	291	283	209
102	132	165	41	27	421
830	725	608	442	1,201	559
17,084	18,516	18,228	10,123	13,683	14,113
336	259	417	647	671	672
59	47	76	873	1,435	1,456
N/A	N/A	5	7	8	5
N/A	N/A	12	15	14	25
N/A	N/A	N/A	N/A	N/A	N/A
968	980	880	800	920	600
1,380	1,260	1,320	1,370	1,300	1,500
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
1,217.22	1,161.13	1,377.97	1,265.06	1,192.28	1,112.00

CITY OF STREATOR, ILLINOIS

CAPITAL ASSETS STATISTICS BY FUNCTION

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012
GENERAL GOVERNMENT				
General Government Buildings	8	8	8	8
PUBLIC SAFETY				
Police				
Number of Squad Cars	16	16	16	16
Fire				
Number of Vehicles	7	7	7	8
PUBLIC WORKS				
Number of Vehicles and Equipment	32	35	35	38
Streets (Lane Miles)	108.00	108.00	108.00	108.00
Alleys (Miles)	29	29	29	29
Bridges and Structures	21	21	21	21
SEWER				
Number of Vehicles and Equipment	3	4	4	4
Sanitary Sewers (Miles)	76.30	76.30	76.60	76.60
Lift Stations	8	8	9	9
Number of Manholes	1,293	1,293	1,302	1,302

Data Source

City Records

2013	2014	2015	2016	2017	2018
8	8	8	8	9	9
16	14	14	14	14	15
8	8	8	8	8	14
39	40	42	43	45	45
108.00	108.00	108.50	110.50	111.50	120.00
29	29	29	29	29	29
19	19	19	20	21	21
4	4	4	4	4	4
76.60	76.60	76.60	76.90	76.90	77.80
9	8	8	9	9	9
1,302	1,302	1,302	1,317	1,319	1,345