

DuPage Airport Authority

West Chicago, Illinois

(A COMPONENT UNIT OF DUPAGE COUNTY, ILLINOIS)



**Comprehensive Annual Financial Report
For the Year Ended December 31, 2017**

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
(A COMPONENT UNIT OF DUPAGE COUNTY, ILLINOIS)

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
December 31, 2017

Prepared by the Finance Department
Patrick Hoard, Director of Finance

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WEST CHICAGO, ILLINOIS
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WEST CHICAGO, ILLINOIS
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INTRODUCTORY SECTION

DUPAGE AIRPORT AUTHORITY

PRINCIPAL OFFICIALS

DECEMBER 31, 2017

BOARD OF COMMISSIONERS

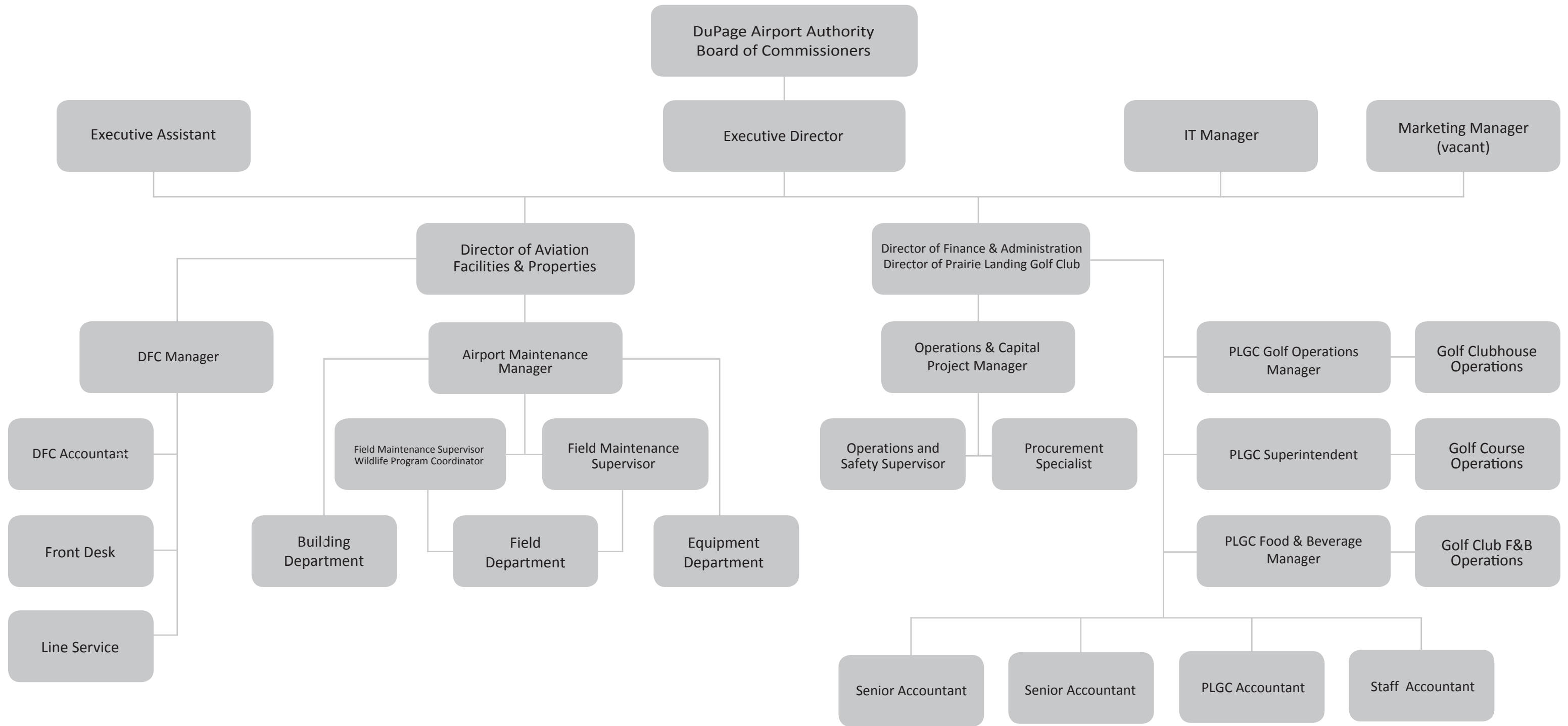
Stephen L. Davis, Chairman
Juan E. Chavez, Vice Chairman
Peter H. Huizenga, Treasurer
Gina R. LaMantia, Secretary
Donald C. Sharp, Commissioner
Charles E. Donnelly, Commissioner
Gregory J. Posch, Commissioner
Daniel J. Wagner, Commissioner
Michael V. Ledonne, Commissioner

ADMINISTRATIVE

David Bird, Executive Director



ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

DuPage Airport Authority
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO



DUPAGE AIRPORT AUTHORITY

May 3, 2018

Board of Commissioners
DuPage Airport Authority
2700 International Drive, Suite 200
West Chicago, IL 60185

Honorable Commissioners:

We respectfully present for your review this Comprehensive Annual Financial Report (CAFR) for the DuPage Airport Authority (the Authority) for the fiscal year ended December 31, 2017. This CAFR is prepared and presented by the Finance Department and represents the Authority's commitment to provide accurate financial information to the Board of Commissioners and to the community we serve.

The CAFR contains financial statements and statistical information that fully disclose all the material financial operations of the Authority. The financial statements and statistical information contained herein are representations of the Authority's management, which bears the responsibility for the accuracy, completeness, and fairness of the CAFR. A narrative overview and analysis of the financial activities of the Authority, that occurred during the fiscal year ended December 31, 2017, are presented in the Management's Discussion and Analysis (MD&A) found in the Financial Section.

This year's annual financial report is presented as a comprehensive document prepared in accordance with the guidelines set forth by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awards a Certificate of Achievement to all public entities whose annual financial reports are judged to conform to the high standards of public financial reporting, including generally accepted accounting principles promulgated by the Government Accounting Standards Board (GASB). It is our belief that the accompanying fiscal year December 31, 2017 CAFR meets the program standards, and will be submitted to the GFOA for review.

THE DUPAGE AIRPORT AUTHORITY

The Authority is an independent government body established by law by the State of Illinois. It was created after the State adopted the Airport Authorities Act of 1945. The Authority operates and manages the DuPage Airport (DPA), the fixed-base operations of the DuPage Flight Center (DFC), and the Prairie Landing Golf Club (PLGC). The Authority also manages and provides accounting for the DuPage Business Center Property Owners Association, a joint-partnership that operates the DuPage Business Center, an 800-acre business development park south of the Airport.

The Airport encompasses 2,800+ acres of land. This land was formerly sheep-grazing land that was purchased in 1927 and converted into a grass strip airfield. The U.S. Navy requisitioned the DuPage Airport in 1941, built brick hangars, and paved two runways in order to use the facility to train pilots for the war efforts during WWII. The airport was officially activated in March 1943. In 1946, the Navy sold the airport to DuPage County for one dollar. In the late 1970s, the Airport was designated a reliever airport for general aviation aircraft. In the 1980s, the Authority began an expansion project to accommodate increased traffic. The Airport grew from 900 acres in 1985 to 2,800 acres by 1992 through land acquisitions that provided a large buffer zone and allowed the Authority to maintain control of the property surrounding the runway complex. Since 1992, there have been several land sales and land acquisitions, but the total land owned by the Authority remains around 2,800 acres. Between 2012 and 2014, the Airport's secondary runway 2R/20L was extended to 6,451 feet, and the main runway 2L/20R was widened to 150 feet in order to accommodate larger corporate jet aircraft. With its main runway measuring 7,570 feet, the Airport boasts the second longest runway in the Chicago market outside of Chicago O'Hare International (ORD).

The Authority is located within DuPage County, approximately 29 miles west of downtown Chicago in West Chicago, and is empowered to levy a property tax on real properties located within DuPage County, which encompasses an area of approximately 336 square miles and includes nine townships within the County's boundaries. The physical land owned by the Authority for the airport, golf course, and an associated business park straddles two townships, Wayne and Winfield, and is located on the far western edge of the County along the border with Kane County.

The Authority is governed by a nine-member Board of Commissioners (Board). Commissioners are appointed to staggered five-year terms. Commissioners are appointed by the DuPage County Chairman with the advice and consent of the DuPage County Board. Policy-making and legislative authority rests with the Board, which is responsible for passing ordinances, resolutions, adopting the budget, and hiring the Executive Director. The Executive Director is responsible for carrying out the policies, ordinances and resolutions of the Board, for overseeing the day-to-day operations of the Authority, and overseeing hiring practices. Meetings of the Board are scheduled six times per year in January, March, May, June, September, and November. Meetings are open to the public.

FINANCIAL REPORTING ENTITY

The Authority's financial reporting entity has been defined in accordance with GASB Statement No. 14 as amended by GASB Statement No. 61. The financial statements contained within this CAFR include all departments and operations for which the Authority is financially accountable. Financial accountability is defined in Note 1 to the financial statements. While the Authority is a component unit of DuPage County, no governmental organizations other than the Authority itself are included in the financial reporting entity.

ECONOMIC CONDITION

The financial condition of the Authority is primarily dependent upon aircraft utilization, aviation fuel sales, and the leasing of hangars, tie-down spots, and office space. The Authority's operational revenue is derived from three main operations: the DuPage Airport, the DuPage Flight Center, and Prairie Landing Golf Club.

Total operating revenues increased \$197,938 (1%) from FY16 while total direct operating expenses decreased \$583,553 (-4.59%). General and Administrative expenses (including Real Estate Taxes) decreased \$13,363 (-0.27%) vs. FY16. The net result from operations was an overall increase of \$794,853 vs. last year's operating income. A more detailed discussion of the financial results is contained in the Management's Discussion and Analysis found in the Financial Section of this report.

Hangar and tie-down (HTD) rentals continue to be sluggish and have not recovered from the deep recession of 2008. At December 31, 2017, only 47% of available hangars and tie-downs were leased vs. 44% at year-end in FY16. Airport Operations (takeoffs and landings) were down 8.5% (91.7K in FY17 vs. 100.2K in FY16), which is down 11.3% from nine years prior. However, operations are up 19.8K (27.5%) from the Airport's lowest point in the past 10 years (FY14). Aviation fuel sales increased in total vs. last year. Jet A fuel was up 42K gallons (1.78%) and up \$1.06M (13.2%) from FY16, while General Aviation fuel (100LL) was down 34.7K gallons (-14%) and down \$96K (-8.53%). Revenue from other airport services provided by DFC (e.g. transient plane storage, customs, de-icing, etc.) was up about 0.89% from last year (\$572K in FY17 vs. \$567K in FY16). Prairie Landing had a 0.22% increase in number of rounds of golf played (26.7K in FY17 vs. 26.6K in FY16), and had a 5.76% decrease in net greens fees collected for the year (\$1.07M in FY17 vs. \$1.136M in FY16).

LONG-TERM FINANCIAL PLANNING

To augment our financial planning process, five-year projections will be developed each year for both operating and capital budget needs as a part of the budget development process. The projections will allow us to determine the impact of capital projects on future operating expense budgets, future revenue requirements, and plans to achieve them.

RELEVANT FINANCIAL POLICIES

The DuPage Airport Authority Code contains policies and regulations that affect the financial operation and results of the Authority. The Code includes relevant financial policies for capital improvements, investments, and procurement.

The capital improvement policy states the Authority and the Board may make annual appropriation requests for specified capital improvements not to exceed three percent (3%) of the equalized assessed value of property subject to taxation by the Authority. The Authority's assessed value of property at year end 2016 was \$34,421,220,036, and the amount appropriated for capital improvements in 2017 was \$15,646,196, which is only 0.045% of the assessed value of property.

The investment policy states that all unrestricted cash funds shall be consolidated to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. The ending balance of unrestricted cash and cash equivalents in 2017 was \$7,730,880. Investment income earned in 2017 was \$36,000.

The procurement policy dictates approval thresholds for contracts and purchase orders, minimum competition requirements, and the appropriate use of Authority purchasing cards.

MAJOR INITIATIVES

Land Acquisition: Pheasant Run Golf Course - \$9,028,004



The Airport Authority acquired approximately 93.93 acres of property near the intersection of Kautz Road and North Avenue in the City of St. Charles, Illinois to ensure land use compatible with the operation of the DuPage Airport.

Land Acquisition: Oliver-Hoffman Property - \$3,139,220



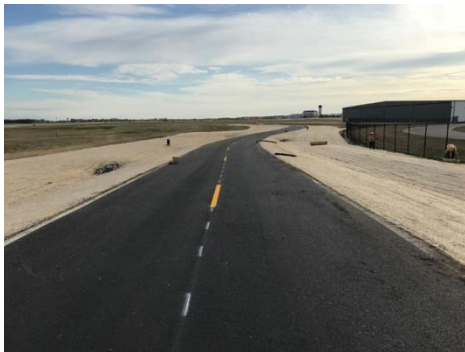
The Airport Authority acquired approximately 113.54 acres of property near the intersection of Powis and Smith Roads in the City of West Chicago, Illinois to ensure land use compatible with the operation of the DuPage Airport.

Construct West Airfield Perimeter Road - \$1,065,557



This FAA Runway Safety Action Team project received Federal and State funding through the Airport Improvement Program administered by the Illinois Department of Transportation Division of Aeronautics. A west airside roadway was constructed to serve fuel trucks, emergency vehicles, airport vehicles, and equipment; reducing runway crossings and allowing non-movement vehicle travel from the Flight Center Ramp to and from the Fuel Farm and Echo T-Hangars.

Construct North Airfield Perimeter Road - \$802,094



This FAA Runway Safety Action Team project received Federal and State funding through the Airport Improvement Program administered by the Illinois Department of Transportation Division of Aeronautics. A north airside roadway was constructed to serve fuel trucks, emergency vehicles, airport vehicles and equipment; reducing runway crossings and allowing non-movement vehicle travel from the Echo Taxiway to and from the North Ramp.

Flight Center Boilers and Pumps Replacement - \$492,727



This project consisted of replacing two (2) existing boilers with four (4) high-efficiency boilers, building hot water pumps, and the retrofit of controls for variable air volume boxes. Also, new software and networking for the boilers and the building automation systems were added. This high-efficiency improvement qualified for a \$70,000 Nicor energy savings rebate.

SW Airfield Drainage Project - \$333,477



This project corrected inadequate drainage due to damaged farm tile by installing approximately 2,500 LF of 36" High-density Polyethylene Pipe (HDPE) to convey water from existing farm tiles. The new pipe discharges into the existing golf course detention system.

Hangar Apron Replacement Project - \$318,969



This project consisted of the full-depth removal and replacement of significantly-deteriorated PCC pavement located at a corporate hangar apron on the east side of the North Hightail Ramp (approximately 180'x 130').

INTERNAL CONTROLS

We believe that the Authority's internal control framework adequately safeguards assets and provides reasonable assurance of the proper recording of financial transactions. Management also believes that the data in this CAFR, as presented, is accurate in all material respects, that it presents fairly the financial position, results of operations and cash flows of the Authority, and that all disclosures necessary to enable the reader to gain maximum understanding of the Authority's financial affairs have been included.

While it is always management's goal to present the Authority's financial statements as accurately as possible, we understand the costs of any internal controls should not exceed the benefits to be derived. Therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

THE BUDGET

Authority management recognizes the importance of proper and accurate budgeting. Management annually creates a comprehensive line-item budget that is adopted by the Board of Commissioners in a public meeting at the beginning of each fiscal year. The budget includes detailed projections of the expected financial operation over the next year in accordance with the Authority's long-range financial and master plans.

Preparation of the annual budget begins with development of the Capital Improvement Plans in July. The process continues in August with departmental Operating Budget requests. In September, the proposed Operating and Capital Budgets are refined by department managers and directors, followed by a thorough review of overall projections by the Executive Director. The proposed Budget is then presented to the Finance Committee in October for review before the formal presentation of the tentative budget to the entire Board of Commissioners in November. The tentative budget is then sent to the DuPage County Chairman, who has 30 days to enact any line-item vetoes. In January, a public meeting is held for the general public to review and comment on the tentative budget. At the January meeting of the Board of Commissioners, the Board approves the official Budget and Appropriation Ordinance. Finally, the Budget Ordinance is filed with the DuPage County Recorder's office.

Management's control of the budget is maintained at the department level. It is the responsibility of each department to administer its operations in such a manner as to ensure that the use of funds is consistent with the goals and programs authorized by the Board of Commissioners. The annual budget is presented on our website site at <http://www.dupageairport.com/airport-authority/finance/>.

INDEPENDENT AUDITOR

The Authority's independent accounting firm, Sikich LLP, has rendered an unmodified opinion on the Authority's financial statements for the fiscal year ended December 31, 2017, which states that the financial statements present fairly, in all material respects, the results of the Authority's financial position, changes in financial position and cash flows. The Auditor's report on the financial statements is included in the financial section of the report.

AWARDS AND ACHIEVEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DuPage Airport Authority for its comprehensive annual financial report for the fiscal year ended December 31, 2016. This was the first year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

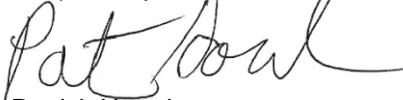
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The publication of this CAFR is a reflection of the level of excellence and professionalism of the Authority's entire staff. We wish to express our appreciation specifically to all members of the Finance Department, who contributed to the preparation of the CAFR.

We would also like to thank the Board of Commissioners for their guidance and support provided in the planning and conducting of the financial operations of the Authority. Their direction and counsel have helped the DuPage Airport Authority to become an airport of distinction in the general aviation industry.

Respectfully submitted,



Patrick Hoard
Director of Finance

FINANCIAL SECTION

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Naperville, IL 60563
630.566.8400

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
DuPage Airport Authority
West Chicago, Illinois

We have audited the accompanying financial statements of the DuPage Airport Authority, West Chicago, Illinois (the Authority), a component unit of DuPage County, Illinois, as of and for the year ended December 31, 2017, and the related notes to financial statements which collectively comprise the Authority'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. 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 Authority'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 Authority'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 financial position of the DuPage Airport Authority, West Chicago, Illinois, as of December 31, 2017, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

The supplemental data is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental data is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, other data and statistical section 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 it.

Sikich LLP

Naperville, Illinois
March 16, 2018

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

Management's Discussion and Analysis

As management of the DuPage Airport Authority ("Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2017.

Basic Financial Statements

The Authority uses fund accounting to report on its financial position and the results of its operations. 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 Authority, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a separate accounting entity with a self-balancing set of accounts.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. The Authority uses one enterprise fund to account for those activities which include providing goods and services to outside parties. The Authority currently has three divisions within a single enterprise fund in order to appropriately account for its daily activities.

Under this method of accounting, revenue is recorded when earned and expenses are recorded when incurred. The basic financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows.

The *Statement of Net Position* reports information on all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with assets plus deferred outflows of resources less liabilities and deferred inflows of resources reported as net position . Over time, increases or decreases in net position may serve as a useful indicator of the Authority's financial position.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the Authority's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods.

The *Statement of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in this statement. A reconciliation is provided at the bottom of the Statement of Cash Flows to assist in the understanding of the difference between cash flows from operating activities and operating income.

Financial Highlights

- ➔ Operating loss before depreciation and amortization was \$692,548. This compares to an operating loss of \$1,487,401 in the prior year. This improvement was driven by a reduction of One-time major maintenance costs. In 2017, \$277K was spent on updating the Airport's Master Plan and Airfield Layout Plan and final repairs and upgrades to the PLGC. This was approximately \$450K less than was spent on major maintenance projects in 2016. IMRF expenses were down \$466K YOY related to the net pension liability. The liability is calculated in accordance with GASB 68. Operating profit from Fuel sales was up \$163K. On the negative side, non-airfield lease/maintenance revenues were down \$581K from 2016, mainly due to the expiration of long-term agreements.

- Operating revenues were up 1.2% from \$16.2 million to \$16.4 million. The biggest share of the increase was driven by higher Fueling Revenues in Line Service (up \$923K). The total volume of fuel sold in 2017 was up only 0.3%, but the average selling price of a gallon of fuel was up 9.7% (or \$0.34 per gallon). Lease revenue was down 32% from 2016 due to loss/expiration of long-term agreements and the sale of previously-leased land, including: FAA for the Control Tower (\$228K), Centerpoint Properties at the DBC (\$157K), Civil Air Patrol office space (\$97K), and reduced farm land (\$75K). Revenue from Golf operations and banquets was down \$142K, while Golf food & beverage sales were down \$30K.
- Operating expenses decreased 3.4% from \$17.7 million to \$17.1 million. Direct Costs were down \$593K from 2016 mostly due to reduced Major Maintenance expenses.
- Net position decreased by \$374,164 compared to a \$31,645 increase the year prior. The ending Net Position is \$169.6 million.
- The DuPage Airport Authority designates all property tax income to be used for capital and major maintenance projects. The Authority had \$7.9 million designated for these purposes at the end of 2016. The Authority received an additional \$6.05 million in property tax revenues in 2017. The Authority spent \$17.3 million in 2017 on capital and major maintenance projects. The balance of designated money was zero at 2017 year end. Cash from land sales and retained operating profits were used to make up the difference. Most of the \$17.3 million was spent on land acquisitions (\$9 million for the Pheasant Run golf course and \$3.1 million for the Oliver-Hoffman farm land), and completion of the new transient hangar (\$2.1 million).

Financial Information

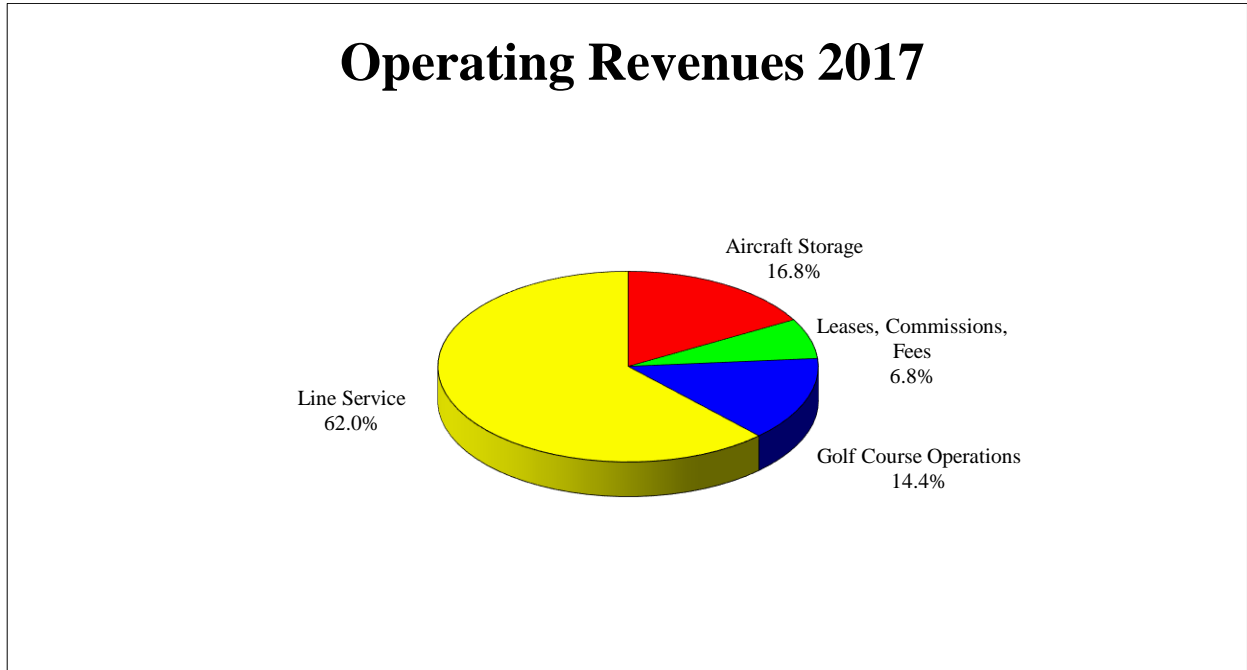
The following schedule presents a summary of net position for the fiscal years ended December 31, 2016 and 2017:

	2017	2016	Increase (Decrease)	% Increase -Decrease
ASSETS				
Current and Other Assets	14,952,555	27,434,137	(12,481,583)	-45.50%
Capital Assets	164,731,975	154,707,476	10,024,500	6.48%
TOTAL ASSETS	179,684,530	182,141,613	(2,457,083)	-1.35%
Deferred Outflows of Resources	1,389,796	1,658,851	(269,056)	-16.22%
TOTAL ASSETS AND DEFERRED OUTFLOWS	181,074,326	183,800,464	(2,726,139)	-1.48%
LIABILITIES				
Current Liabilities	2,224,154	4,513,315	(2,289,162)	-50.72%
Noncurrent Liabilities	3,173,958	3,316,523	(142,564)	-4.30%
TOTAL LIABILITIES	5,398,112	7,829,838	(2,431,726)	-31.06%
Deferred Inflows of Resources	6,101,417	6,021,665	79,751	1.32%
TOTAL LIABILITIES AND DEFERRED INFLOWS	11,499,529	13,851,503	(2,351,975)	-16.98%
NET POSITION				
Net Investment in Capital Assets	164,731,975	154,707,476	10,024,500	6.48%
Restricted for Aeronautical Purposes	-	-	-	0.00%
Unrestricted	4,842,822	15,241,485	(10,398,664)	-68.23%
TOTAL NET POSITION	169,574,797	169,948,961	(374,164)	-0.22%

The following schedule presents a summary of revenues, expenses, and changes in net position for the fiscal years ended December 31, 2016 and 2017:

	2017	2016	Increase (Decrease)	% Increase -Decrease
OPERATING REVENUES				
Airport Operations	14,072,642	13,704,373	368,269	2.69%
Golf Course Operations	2,347,041	2,517,372	(170,331)	-6.77%
Total Operating Revenues	<u>16,419,683</u>	<u>16,221,745</u>	<u>197,938</u>	<u>1.22%</u>
OPERATING EXPENSES				
Direct Costs	12,122,147	12,705,700	(583,553)	-4.59%
General and Administrative	4,537,150	4,611,799	(74,649)	-1.62%
Real Estate Tax	452,934	391,647	61,287	15.65%
Total Operating Expenses	<u>17,112,231</u>	<u>17,709,146</u>	<u>(596,915)</u>	<u>-3.37%</u>
OPERATING INCOME (LOSS)				
BEFORE DEPRECIATION	(692,548)	(1,487,401)	794,853	53.44%
Depreciation	6,973,239	6,928,721	44,518	0.64%
OPERATING INCOME (LOSS)	<u>(7,665,787)</u>	<u>(8,416,122)</u>	<u>750,335</u>	<u>8.92%</u>
NON-OPERATING REVENUES (EXPENSES)				
Property Taxes	6,050,368	6,051,679	(1,311)	-0.02%
Gain (Loss) on Disposal of Capital Assets	422,856	1,086,921	(664,065)	-61.10%
Other	151,530	169,822	(18,292)	-10.77%
Total Non-Operating Revenues (Expenses)	<u>6,624,754</u>	<u>7,308,422</u>	<u>(683,668)</u>	<u>-9.35%</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS				
	<u>(1,041,033)</u>	<u>(1,107,700)</u>	<u>66,667</u>	<u>6.02%</u>
Contributions	666,869	-	666,869	0.00%
CHANGE IN NET POSITION	<u>(374,164)</u>	<u>(1,107,700)</u>	<u>733,536</u>	<u>66.22%</u>
Change in Accounting Principle	-	1,139,344	(1,139,344)	-100.00%
NET POSITION AT YEAR END				
Net Investment in Capital Assets	164,731,976	154,707,476	10,024,500	6.48%
Unrestricted	4,842,821	15,241,485	(10,398,664)	-68.23%
TOTAL NET POSITION	<u>169,574,797</u>	<u>169,948,961</u>	<u>(374,164)</u>	<u>-0.22%</u>

Revenue - The chart below shows major sources of operating revenue for the year ending December 31, 2017.

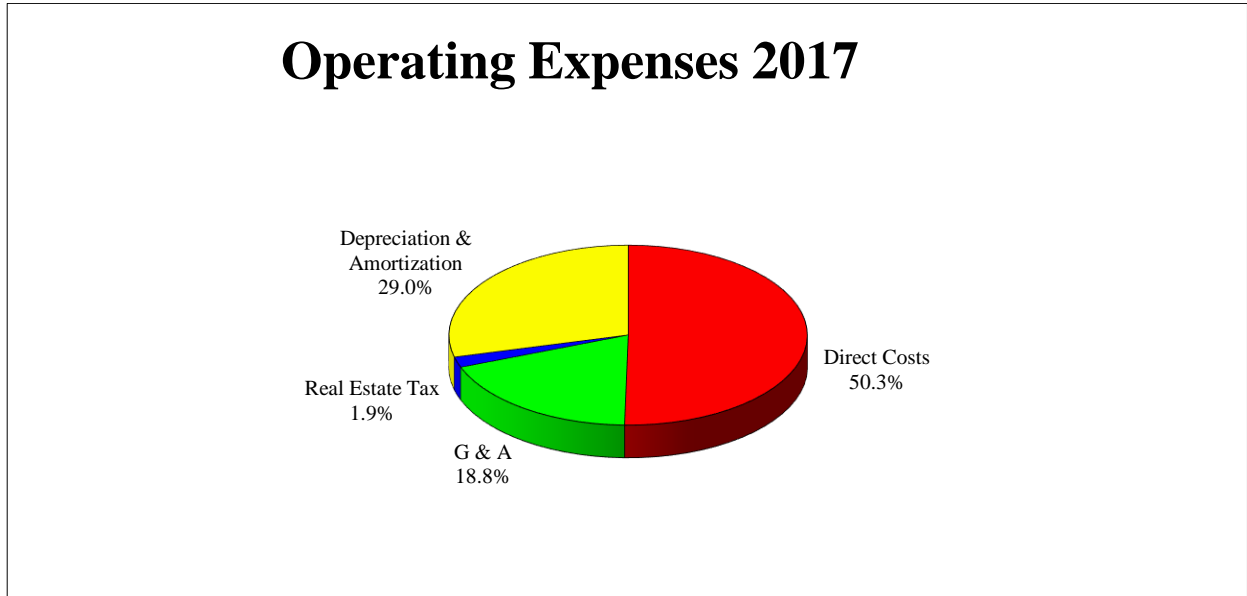


Total Revenues decreased 2.1% from the previous year. The biggest factors for the revenue decrease are related to gain on the disposal of capital assets, which decreased \$644K from the prior year, and lower lease revenues, which are down \$523K. There was \$1 million in gain from the sale of land at the DBC in 2016. In 2017 we had a gain of \$397K from the sale of land to IDOT. The reduction in lease and capital gains revenues were nearly offset by increased Line Service revenues, which are up 9.6% from 2016. Total quantities of fuel sold increased by 0.3% from 2016. However, the average selling price increased by almost 10%. This combination resulted in a 10% increase in total fuel revenue (up \$923K). The average selling price per gallon of Jet A fuel was \$3.77 in 2017 compared to \$3.40 in 2016. This operation continues to be a major revenue source for the Authority with 62% of total operating revenues coming from fuel sales in the line service.

In 2017, the Golf Course saw a decrease in operating revenues. Overall, Golf Operation rounds were up 0.2%, but Golf Operation revenues were down 4.6%. Poor weather early in the season resulted in fewer rounds through June. Beginning in July, heavier discounting was used to increase our rounds. Wedding and Banquet revenues were down almost 12% from 2016 while bookings for 2017 weddings were trending positive. Food and Beverage decreased 9.6%.

Aircraft Storage revenue increased \$56K (2.1%) over last year driven by an increasing utilization of our available storage and leasing space. Revenue from Leases, Commissions, and Fees had a decrease of \$580K (34%). Of this, \$228K was due to the loss of Tower revenue from the FAA, \$157K was from the loss of Centerpoint Properties revenue at the DBC, \$97K was from the loss of the Civil Air Patrol's lease of office space at the Government Center, and \$75K was from reduced acreage of leased farm land. There were also a couple small leases that were not renewed.

Expenses - The chart below shows major categories of expenses for the year ending December 31, 2017.



Total expenses decreased 2.2%. Direct Costs decreased due to lower Major Maintenance expenses in 2017 (down \$730K) and IMRF costs (down \$466K). This was mostly offset by the higher price of fuel purchased for sale by Line Service (up \$674K). General & Administrative costs decreased 1.6% vs. 2016. The net decrease in G&A costs was mostly due to an adjustment to IMFR costs in 2016, whereby the Authority changed the measurement date for the Net Pension Liability for IMRF. Real Estate Tax increased \$61K (up 15.7%) and was driven by the 2016 re-assessment of property values related to the Golf Course.

Capital Assets

Total Capital Assets put into service in 2017 was \$25.7 million, of which \$9 million was carried over from prior year “Construction in Progress” balances. Current year “Construction in Progress” ended 2017 at \$1.4 million. Depreciation expense in 2017 was \$6.97 million.

The major impacts to Capital Assets during the fiscal year were: Land purchases totaling \$12.4 million including \$9.1 million for the Pheasant Run Golf Course and \$3.3 million for the Oliver-Hoffman land north of Route 64. Buildings & Improvements had \$11 million in capitalized projects including \$10.3 million for the new transient hangar, and \$493,000 to replace the Flight Center’s boilers and pumps. Land Improvements had \$2.2 million in capitalized costs, the largest of which included \$836,000 to upgrade the airport perimeter security & wildlife fencing, \$417,000 for southwest airfield drainage repairs, \$326,000 for hangar apron concrete panel replacement at 1955 Aviation Drive, \$187,000 for phase two of fuel farm facility hardening, \$179,000 to mill and overlay International Drive, and \$206,000 in various smaller projects. Machinery & Equipment purchases of \$177,000 included access control & camera upgrades for \$101,000 and \$76,000 in various smaller projects.

A summary of capital assets can be found in Note 4 of the Financial Statements.

Requests for Information

This financial report is designed to provide a general overview of the DuPage Airport Authority’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, DuPage Airport Authority, 2700 International Drive, Suite 200, West Chicago, IL 60185.

BASIC FINANCIAL STATEMENTS

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2017

CURRENT ASSETS

Cash and cash equivalents	\$ 7,730,880
Receivables	
Property taxes	6,025,053
Accounts	449,038
Long-term note receivable, current portion	24,915
Prepaid expenses	480,745
Inventories	<u>241,924</u>

Total current assets 14,952,555

Capital assets

Not being depreciated	73,358,732
Being depreciated	283,072,125
Less accumulated depreciation	<u>(191,698,882)</u>

Net capital assets 164,731,975

Total assets 179,684,530

DEFERRED OUTFLOWS OF RESOURCES

Pension items - IMRF	<u>1,389,796</u>
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Total deferred outflows of resources 1,389,796

Total assets and deferred outflows of resources 181,074,326

(This statement is continued on the following page.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

December 31, 2017

CURRENT LIABILITIES

Accounts payable	\$ 910,791
Accrued liabilities	659,718
Compensated absences	90,191
Customer deposits and advances	244,807
Security deposits	193,852
Unearned revenue	<u>124,795</u>

Total current liabilities 2,224,154

NONCURRENT LIABILITIES

Unearned revenue	1,403,941
Net pension liability - IMRF	1,409,253
Compensated absences	<u>360,764</u>

Total noncurrent liabilities 3,173,958

Total liabilities 5,398,112

DEFERRED INFLOWS OF RESOURCES

Deferred revenue - property taxes	6,025,053
Pension items - IMRF	<u>76,364</u>

Total deferred inflows of resources 6,101,417

Total liabilities and deferred inflows of resources 11,499,529

NET POSITION

Net investment in capital assets	164,731,975
Unrestricted	<u>4,842,822</u>

TOTAL NET POSITION \$ 169,574,797

See accompanying notes to financial statements.

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended December 31, 2017

OPERATING REVENUES	
Aircraft storage	\$ 2,764,189
Leases, commissions and fees	1,121,093
Golf course operations	2,347,041
Line service	<u>10,187,360</u>
Total operating revenues	<u>16,419,683</u>
OPERATING EXPENSES	
Direct costs	
Airport operations	4,402,772
Golf course operations	1,935,815
Line service	5,783,560
General and administrative	
Salaries and benefits	3,212,172
Utilities	63,842
Office expense	194,990
Insurance	180,710
Professional services	442,882
Postage	6,477
Real estate tax	452,934
Advertising and promotions	182,607
Miscellaneous	<u>253,470</u>
Total operating expenses	<u>17,112,231</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	<u>(692,548)</u>
Depreciation	<u>6,973,239</u>
OPERATING INCOME (LOSS)	<u>(7,665,787)</u>
NON-OPERATING REVENUES (EXPENSES)	
Property taxes	6,050,368
Personal property replacement tax	59,007
Investment income	36,000
Miscellaneous income	56,523
Gain (loss) on disposal of capital assets	<u>422,856</u>
Total non-operating revenues (expenses)	<u>6,624,754</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS	(1,041,033)
CONTRIBUTIONS	<u>666,869</u>
CHANGE IN NET POSITION	(374,164)
NET POSITION, JANUARY 1	<u>169,948,961</u>
NET POSITION, DECEMBER 31	<u><u>\$ 169,574,797</u></u>

See accompanying notes to financial statements.

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 16,310,827
Payments to suppliers	(11,634,846)
Payments to and on behalf of employees	<u>(5,911,127)</u>
Net cash from operating activities	<u>(1,235,146)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Non-operating revenues - property taxes	6,050,368
Non-operating revenues - replacement taxes	<u>59,007</u>
Net cash from noncapital financing activities	<u>6,109,375</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Grant monies received	152,147
Acquisition and construction of capital assets	(17,914,224)
Proceeds from sale of capital assets	<u>422,856</u>
Net cash from capital and related financing activities	<u>(17,339,221)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Sale of investments	6,886,763
Investment income	<u>72,858</u>
Net cash from investing activities	<u>6,959,621</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,505,371)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>13,236,251</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 7,730,880</u></u>
PRESENTED AS	
Cash and cash equivalents	<u>\$ 7,730,880</u>
Total cash and cash equivalents	<u><u>\$ 7,730,880</u></u>

(This statement is continued on the following page.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2017

**RECONCILIATION OF OPERATING INCOME (LOSS)
TO NET CASH FROM OPERATING ACTIVITIES**

Operating income (loss)	\$ (7,665,787)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation	6,973,239
Miscellaneous income	56,523
Changes in assets and liabilities	
Accounts receivable	(76,435)
Note receivable	47,517
Prepaid expenses	78,008
Inventories	3,500
Accounts payable	(798,282)
Accrued liabilities	(50,623)
Compensated absences	30,028
Net pension liability - IMRF	(41,792)
Pension items - IMRF	345,419
Customer deposits and advances	(46,179)
Security deposits	31,125
Unearned revenue	(121,407)

NET CASH FROM OPERATING ACTIVITIES \$ (1,235,146)

**NONCASH INVESTING, CAPITAL AND
FINANCING ACTIVITIES**

Contributions	\$ 514,722
Capital asset additions in accounts payable and retainage	226,904
Unrealized gain (loss) on investments	(36)

See accompanying notes to financial statements.

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Authority was created subject to "An Act in Relation to Airport Authorities" (70 ILCS 5/0 et seq) to operate an airport facility in western DuPage County, Illinois.

The Authority operates under the direction of the Board of Commissioners. As required by GAAP, these financial statements present the Authority. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government.

Based on these criteria, the Authority does not have any component units.

Effective September 1995, the DuPage County Board Chairman was given (by state statute) line item veto authority over the Authority's budget. The County Board Chairman also has the ability to appoint the nine Airport Authority Board Members with the County Board's approval. Based on the circumstances defined above, the Authority is considered a component unit of DuPage County (the County).

b. Measurement Focus and Basis of Accounting

The Authority's financial statements are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position.

The accounting policies for the Authority conform to GAAP applicable to proprietary funds of governmental units. The financial records of the Authority are maintained by utilizing the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liability is incurred or economic asset used.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Accounting

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for sales and services. Operating expenses for the Authority include the cost of sales and services, general and administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Authority reports unearned and deferred revenues on its financial statements. Deferred revenues arise when property taxes have been levied but are intended to finance the next fiscal period. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Authority before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Authority has a legal claim to the resources, the liability and deferred inflows of resources for unearned and deferred revenues are removed from the financial statements and revenue is recognized.

d. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

e. 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 are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Receivables

The Authority grants trade credit to its customers, primarily tenants and fuel purchasers. Receivables are valued at management's estimate of the amount that will ultimately be collected. The allowance for doubtful accounts, if any, is based on specific identification of uncollectible accounts and the Authority's historical collection experience. The allowance for bad debts at December 31, 2017 is \$17,242.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories are accounted for using the consumption method.

h. Prepaid Expenses

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

i. Capital Assets

Capital assets comprising buildings, office equipment, software, vehicles and airport improvements are recorded at cost. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$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 that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	35
Building improvements	10-20
Land improvements	10-20
Equipment and vehicles	3-10
Runways, ramps and parking lots	20
Office and other equipment	3-8

j. Compensated Absences

Authority employees are granted vacation pay and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation time. Accumulated unpaid sick leave is payable to an employee in the event of a voluntary termination of employment with the Authority or upon retirement from the Authority.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Deferred Outflows/Inflows of Resources

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

l. Net Position

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

None of the restricted net position results from enabling legislation adopted by the Authority. The Authority'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.

m. Accounting 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 and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Authority 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, 2017, the Authority held no investments required to be reported at fair value.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Permitted Deposits and Investments

Statutes authorize the Authority 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, and 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 Authority 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 Authority 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 objectives of the policy are safety of principal, liquidity and yield.

b. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Authority's deposits may not be returned to it. The Authority's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Authority, an independent third party, or the Federal Reserve Bank in the Authority's name.

c. Investments

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 Authority 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 Authority does not directly invest in securities maturing more than ten years from the date of purchase. The maturity/modified duration of the portfolio will be maintained at approximately three years and will range from two to seven years.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Investments (Continued)

The Authority 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 (Treasury obligations) or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government (Fannie Mae and Federal Home Loan Bank).

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Authority will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Authority'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 Authority's agent separate from where the investment was purchased.

Concentration of credit risk - The Authority's investment policy specifies the following preferred asset allocations by investment type:

Diversification by Instrument	Percent of Portfolio
Cash and equivalents	5%
U.S. Treasury Securities/U.S. agency securities	95%

3. PROPERTY TAXES

The Authority's property tax becomes a lien on real property on January 1 of the year it is levied. The 2017 levy attached as an enforceable lien as of January 1, 2017. Property taxes are deposited with the County Treasurer who remits to the Authority 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 2017 levy is intended to finance the 2018 fiscal year and, therefore, is reported as deferred revenue at December 31, 2017.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

The following is a summary of capital asset activity during the year ended December 31, 2017:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 59,635,913	\$ 12,360,677	\$ -	\$ 71,996,590
Construction in progress	10,111,614	17,002,221	25,751,693	1,362,142
Total capital assets not being depreciated	69,747,527	29,362,898	25,751,693	73,358,732
Capital assets being depreciated				
Land improvements	99,321,542	2,150,271	-	101,471,813
Buildings and improvements	83,147,107	11,051,728	-	94,198,835
Infrastructure	74,758,352	-	-	74,758,352
Software	206,380	-	-	206,380
Equipment and vehicles	12,437,752	184,534	185,541	12,436,745
Total capital assets being depreciated	269,871,133	13,386,533	185,541	283,072,125
Less accumulated depreciation for				
Land improvements	85,955,802	647,548	-	86,603,350
Buildings and improvements	47,070,495	3,134,868	-	50,205,363
Infrastructure	43,826,083	2,609,354	-	46,435,437
Software	168,329	38,051	-	206,380
Equipment and vehicles	7,890,475	543,418	185,541	8,248,352
Total accumulated depreciation	184,911,184	6,973,239	185,541	191,698,882
Total capital assets being depreciated, net	84,959,949	6,413,294	-	91,373,243
TOTAL CAPITAL ASSETS, NET	\$ 154,707,476	\$ 35,776,192	\$ 25,751,693	\$ 164,731,975

5. LONG-TERM LIABILITIES

During the fiscal year, the following changes occurred in long-term liabilities:

	Balances January 1	Increases	Decreases	Balances December 31	Current Portion
Net pension liability - IMRF	\$ 1,451,045	\$ -	\$ 41,792	\$ 1,409,253	\$ -
Compensated absences payable	420,927	114,214	84,186	450,955	90,191
TOTAL	\$ 1,871,972	\$ 114,214	\$ 125,978	\$ 1,860,208	\$ 90,191

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

7. MINIMUM LEASE RENTALS

The Authority has entered into long-term operating leases that expire on various dates within the next several years. Such lease revenue has been included in the Authority's financial statements to present the overall financial position and operations of the Authority. Future minimum lease revenues for the next five fiscal years and thereafter are as follows:

	2018	2019	2020	2021	2022
1525 Kautz Road, Lot 1	\$ 37,497	\$ 37,497	\$ 37,497	\$ 37,497	\$ 37,497
1955 North Aviation Avenue	168,398	169,706	174,805	177,556	179,138
2272 International Drive, Ground Lease	42,036	42,036	42,036	42,036	21,018
2727 Freedom Drive, Ground Lease	37,132	38,212	39,448	40,536	41,776
2735 International Drive, Bay #3	171,396	173,466	175,536	177,606	-
2715 International Drive, Bay #1 (Tree)	175,657	182,086	183,931	185,831	-
2750 North Aviation Avenue, Bay #2	45,682	47,053	7,880	-	-
2755 International Drive, Ground Lease	50,779	52,307	53,876	55,485	57,151
2760 International Drive, Ground Lease	29,877	30,771	31,698	32,643	33,627
3N060 Powis Road, Bay #2	132,600	110,500	-	-	-
3N040 Powis Road	24,480	-	-	-	-
32W731 Tower Road, Bay #1	70,455	72,568	74,745	76,988	79,297
32W581 Tower Road, E14	24,975	25,033	25,116	14,651	-
Cash Farm Lease, 216 tillable acres	36,180	-	-	-	-
Cash Farm Lease, 109 tillable acres	32,273	-	-	-	-
Cash Farm Lease, 155 tillable acres	16,275	-	-	-	-
2700 International Drive, Suite #304	30,408	-	-	-	-
2700 International Drive, Suite #301/302	60,750	-	-	-	-
2700 International Drive, Suite #303	5,091	-	-	-	-
2715 International Drive, Bay #01	224,530	231,436	19,317	-	-
TOTAL	\$ 1,416,470	\$ 1,212,671	\$ 865,885	\$ 840,829	\$ 449,504

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. MINIMUM LEASE RENTALS (Continued)

	2023-2027	2028-2032	2033-2037	2038-2042
1525 Kautz Road, Lot 1	\$ 187,484	\$ 187,484	\$ 187,484	\$ 49,996
1955 North Aviation Avenue	921,149	429,345	-	-
2272 International Drive, Ground Lease	-	-	-	-
2727 Freedom Drive, Ground Lease	228,044	265,184	137,688	-
2735 International Drive, Bay #3	-	-	-	-
2715 International Drive, Bay #1 (Tree)	-	-	-	-
2750 North Aviation Avenue, Bay #2	-	-	-	-
2755 International Drive, Ground Lease	310,907	138,534	-	-
2760 International Drive, Ground Lease	183,873	213,165	58,263	-
3N060 Powis Road, Bay #2	-	-	-	-
3N040 Powis Road	-	-	-	-
32W731 Tower Road, Bay #1	356,650	-	-	-
32W581 Tower Road, E14	-	-	-	-
Cash Farm Lease, 216 tillable acres	-	-	-	-
Cash Farm Lease, 109 tillable acres	-	-	-	-
Cash Farm Lease, 155 tillable acres	-	-	-	-
2700 International Drive, Suite #304	-	-	-	-
2700 International Drive, Suite #301/302	-	-	-	-
2700 International Drive, Suite #303	-	-	-	-
2715 International Drive, Bay #01 (Exelon)	-	-	-	-
TOTAL	\$ 2,188,107	\$ 1,233,712	\$ 383,435	\$ 49,996

8. DEFINED BENEFIT PENSION PLAN

The Authority contributes to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. 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.

Illinois Municipal Retirement Fund

Plan Administration

All employees 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.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2016 (measurement date), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	23
Inactive employees entitled to but not yet receiving benefits	57
Active employees	67
 TOTAL	 147

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 Authority is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for 2017 was 9.13% of covered payroll.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Authority's net pension liability was measured as of December 31, 2016 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.

Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
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-2014 (base year 2012). 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-2014 (base year 2012). 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-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate at December 31, 2016 used to measure the total pension liability was 7.50%. The discount rate at December 31, 2015 used to measure the total pension liability was 7.49%. 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 Authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (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 (Asset)
BALANCES AT JANUARY 1, 2016	\$ 15,961,206	\$ 14,510,161	\$ 1,451,045
Changes for the period			
Service cost	444,308	-	444,308
Interest	1,196,831	-	1,196,831
Difference between expected and actual experience	(74,271)	-	(74,271)
Changes in assumptions	(22,447)	-	(22,447)
Employer contributions	-	355,537	(355,537)
Employee contributions	-	177,133	(177,133)
Net investment income	-	990,869	(990,869)
Benefit payments and refunds	(408,617)	(408,617)	-
Administrative expense	-	-	-
Other	-	62,674	(62,674)
Net changes	1,135,804	1,177,596	(41,792)
BALANCES AT DECEMBER 31, 2016	\$ 17,097,010	\$ 15,687,757	\$ 1,409,253

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

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the fiscal year ended December 31, 2017, the Authority recognized pension expense of \$673,434. At December 31, 2017, the Authority 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	\$ 86,440	\$ 58,641
Changes in assumption	160,947	17,723
Net difference between projected and actual earnings on pension plan investments	772,602	-
Contributions subsequent to the measurement date	369,807	-
TOTAL	\$ 1,389,796	\$ 76,364

\$369,807 reported as deferred outflows of resources related to pensions resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. 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>	
2018	\$ 366,685
2019	344,429
2020	226,934
2021	5,577
TOTAL	\$ 943,625

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

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 Authority calculated using the discount rate of 7.50% as well as what the Authority'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)	\$ 3,843,430	\$ 1,409,253	\$ (568,671)

9. OTHER POSTEMPLOYMENT BENEFITS

The Authority has evaluated its potential other postemployment benefits liability. The Authority provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statues, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Authority are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Authority's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Authority had no former employees for whom the Authority was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Authority has not recorded any postemployment benefit liability as of December 31, 2017.

10. NOTE RECEIVABLE

On April 1, 2013, the Authority entered into a note receivable with one tenant. The note receivable is non-interest-bearing and payable in 68 monthly installments of \$3,950 and a final payment of \$1,332 on July 1, 2018. The note receivable balance was \$24,915 as of December 31, 2017.

Payments due are as follows:

Year Ending December 31,	Principal	Interest
2018	\$ 24,915	\$ -
TOTAL	\$ 24,915	\$ -

REQUIRED SUPPLEMENTARY INFORMATION

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

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

Last Three Fiscal Years

FISCAL YEAR ENDING DECEMBER 31,	2015	2016	2017
Actuarially determined contribution	\$ 367,196	\$ 356,217	\$ 368,923
Contributions in relation to the actuarially determined contribution	<u>367,196</u>	<u>356,217</u>	<u>368,923</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,070,917	\$ 3,946,327	\$ 4,041,279
Contributions as a percentage of covered-employee payroll	9.02%	9.03%	9.13%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar 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 27 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

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

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016
TOTAL PENSION LIABILITY			
Service cost	\$ 481,036	\$ 441,871	\$ 444,308
Interest	990,545	1,099,927	1,196,831
Changes of benefit terms	-	-	-
Differences between expected and actual experience	45,802	119,893	(74,271)
Changes of assumptions	400,581	21,909	(22,447)
Benefit payments, including refunds of member contributions	(545,624)	(334,301)	(408,617)
Net change in total pension liability	1,372,340	1,349,299	1,135,804
Total pension liability - beginning	13,239,567	14,611,907	15,961,206
TOTAL PENSION LIABILITY - ENDING	\$ 14,611,907	\$ 15,961,206	\$ 17,097,010
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 388,516	\$ 367,196	\$ 355,537
Contributions - member	190,666	183,191	177,133
Net investment income	845,326	74,133	990,869
Benefit payments, including refunds of member contributions	(545,624)	(334,301)	(408,617)
Other	(1,273)	(498,691)	62,674
Net change in plan fiduciary net position	877,611	(208,472)	1,177,596
Plan fiduciary net position - beginning	13,841,022	14,718,633	14,510,161
PLAN FIDUCIARY NET POSITION - ENDING	\$ 14,718,633	\$ 14,510,161	\$ 15,687,757
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (106,726)	\$ 1,451,045	\$ 1,409,253
Plan fiduciary net position as a percentage of the total pension liability	100.73%	90.91%	91.76%
Covered-employee payroll	\$ 3,946,327	\$ 4,070,917	\$ 3,936,287
Employer's net pension liability as a percentage of covered-employee payroll	(2.70%)	35.64%	35.80%

Changes in assumptions were made related to retirement age and mortality in 2014 and the discount rate in 2015 and 2016.

Note: 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.)

SUPPLEMENTAL DATA

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION - BY SUBFUND

December 31, 2017

	Airport Operations	DuPage Flight Center	Prairie Landing Golf Course	Eliminations	Total
CURRENT ASSETS					
Cash and cash equivalents	\$ (5,714,506)	\$ 14,429,701	\$ (984,315)	\$ -	\$ 7,730,880
Property taxes	6,025,053	-	-	-	6,025,053
Accounts	98,363	350,260	415	-	449,038
Long-term note receivable, current portion	24,915	-	-	-	24,915
Prepaid expenses	446,113	21,799	12,833	-	480,745
Inventories	27,845	156,025	58,054	-	241,924
Total current assets	907,783	14,957,785	(913,013)	-	14,952,555
Capital assets					
Not being depreciated	73,358,732	-	-	-	73,358,732
Being depreciated	279,775,044	880,465	2,416,616	-	283,072,125
Less accumulated depreciation	(188,540,240)	(772,816)	(2,385,826)	-	(191,698,882)
Net capital assets	164,593,536	107,649	30,790	-	164,731,975
Total assets	165,501,319	15,065,434	(882,223)	-	179,684,530
DEFERRED OUTFLOWS OF RESOURCES					
Pension items - IMRF	753,372	314,374	322,050	-	1,389,796
Total deferred outflows of resources	753,372	314,374	322,050	-	1,389,796
Total assets and deferred outflows of resources	166,254,691	15,379,808	(560,173)	-	181,074,326

(This schedule is continued on the following page.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION - BY SUBFUND (Continued)

December 31, 2017

	Airport Operations	DuPage Flight Center	Prairie Landing Golf Course	Eliminations	Total
CURRENT LIABILITIES					
Accounts payable	\$ 691,574	\$ 194,273	\$ 24,944	\$ -	\$ 910,791
Accrued liabilities	354,305	44,425	260,988	-	659,718
Compensated absences	63,835	18,480	7,876	-	90,191
Customer deposits and advances	72,381	73,784	98,642	-	244,807
Security deposits	90,174	-	103,678	-	193,852
Unearned revenue	124,795	-	-	-	124,795
Total current liabilities	1,397,064	330,962	496,128	-	2,224,154
NONCURRENT LIABILITIES					
Advance from other subfunds	-	-	-	-	-
Unearned revenue	1,403,941	-	-	-	1,403,941
Net pension liability - IMRF	763,919	318,776	326,558	-	1,409,253
Compensated absences	255,341	73,920	31,503	-	360,764
Total noncurrent liabilities	2,423,201	392,696	358,061	-	3,173,958
Total liabilities	3,820,265	723,658	854,189	-	5,398,112
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	6,025,053	-	-	-	6,025,053
Pension items-IMRF	41,395	17,274	17,695	-	76,364
Total deferred inflows of resources	6,066,448	17,274	17,695	-	6,101,417
Total liabilities and deferred inflows of resources	9,886,713	740,932	871,884	-	11,499,529
NET POSITION					
Net investment in capital assets	164,593,536	107,649	30,790	-	164,731,975
Unrestricted	(8,225,558)	14,531,227	(1,462,847)	-	4,842,822
TOTAL NET POSITION	\$ 156,367,978	\$ 14,638,876	\$ (1,432,057)	\$ -	\$ 169,574,797

(See independent auditor's report.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BY SUBFUND

For the Year Ended December 31, 2017

	Airport Operations	DuPage Flight Center	Prairie Landing Golf Course	Total
OPERATING REVENUES				
Aircraft storage	\$ 2,504,999	\$ 259,190	\$ -	\$ 2,764,189
Leases, commissions, fees	1,121,093	-	-	1,121,093
Golf course operations	-	-	2,347,041	2,347,041
Line service	-	10,187,360	-	10,187,360
Total operating revenues	3,626,092	10,446,550	2,347,041	16,419,683
OPERATING EXPENSES				
Direct costs				
Airport operations	4,402,772	-	-	4,402,772
Golf course operations	-	-	1,935,815	1,935,815
Line service	-	5,783,560	-	5,783,560
General and administrative				
Salaries and benefits	1,626,539	1,487,683	97,950	3,212,172
Utilities	-	3,097	60,745	63,842
Office expense	57,961	42,482	94,547	194,990
Insurance	43,277	80,236	57,197	180,710
Professional services	440,130	-	2,752	442,882
Postage	4,908	-	1,569	6,477
Real estate tax	217,037	-	235,897	452,934
Advertising and promotions	82,795	42,102	57,710	182,607
Miscellaneous	248,145	5,325	-	253,470
Total operating expenses	7,123,564	7,444,485	2,544,182	17,112,231
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(3,497,472)	3,002,065	(197,141)	(692,548)
Depreciation	6,926,038	15,192	32,009	6,973,239
OPERATING INCOME (LOSS)	(10,423,510)	2,986,873	(229,150)	(7,665,787)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	6,050,368	-	-	6,050,368
Personal property replacement tax	59,007	-	-	59,007
Investment income	36,000	-	-	36,000
Miscellaneous income	45,874	7,672	2,977	56,523
Gain (loss) on disposal of capital assets	422,856	-	-	422,856
Total non-operating revenues (expenses)	6,614,105	7,672	2,977	6,624,754
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(3,809,405)	2,994,545	(226,173)	(1,041,033)
CONTRIBUTIONS	666,869	-	-	666,869
TRANSFERS IN (OUT)	(93,950)	-	93,950	-
CHANGE IN NET POSITION	(3,236,486)	2,994,545	(132,223)	(374,164)
NET POSITION, JANUARY 1	159,604,464	11,644,331	(1,299,834)	169,948,961
NET POSITION, DECEMBER 31	\$ 156,367,978	\$ 14,638,876	\$ (1,432,057)	\$ 169,574,797

(See independent auditor's report.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
AIRPORT OPERATIONS

For the Year Ended December 31, 2017

	Original and Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES			
Aircraft storage	\$ 2,453,724	\$ 2,504,999	\$ 51,275
Leases, commissions, fees	1,293,373	1,121,093	(172,280)
Total operating revenues	3,747,097	3,626,092	(121,005)
OPERATING EXPENSES			
Direct costs			
Airport operations	4,957,607	4,402,772	(554,835)
General and administrative			
Salaries and benefits	1,549,382	1,626,539	77,157
Office expense	152,230	57,961	(94,269)
Insurance	67,356	43,277	(24,079)
Professional services	394,992	440,130	45,138
Postage	6,504	4,908	(1,596)
Real estate tax	213,000	217,037	4,037
Advertising and promotions	106,762	82,795	(23,967)
Miscellaneous	132,504	248,145	115,641
Total operating expenses	7,580,337	7,123,564	(456,773)
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(3,833,240)	(3,497,472)	335,768
Depreciation	6,926,964	6,926,038	(926)
OPERATING INCOME (LOSS)	(10,760,204)	(10,423,510)	336,694
NON-OPERATING REVENUES (EXPENSES)			
Property taxes	6,001,500	6,050,368	48,868
Personal property replacement tax	60,000	59,007	(993)
Investment income	24,996	36,000	11,004
Miscellaneous income	20,004	45,874	25,870
Gain (loss) on disposal of capital assets	30,000	422,856	392,856
Total non-operating revenues (expenses)	6,136,500	6,614,105	477,605
CONTRIBUTION REVENUE	1,012,279	666,869	(345,410)
INCOME (LOSS) BEFORE TRANSFERS	(3,611,425)	(3,142,536)	468,889
Transfers (out)	-	(93,950)	(93,950)
CHANGE IN NET POSITION	\$ (3,611,425)	\$ (3,236,486)	\$ 374,939

(See independent auditor's report.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
DUPAGE FLIGHT CENTER

For the Year Ended December 31, 2017

	Original and Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES			
Aircraft storage	\$ 230,004	\$ 259,190	\$ 29,186
Line service	9,566,460	10,187,360	620,900
Total operating revenues	9,796,464	10,446,550	650,086
OPERATING EXPENSES			
Direct costs			
Line service	5,142,456	5,783,560	641,104
General and administrative			
Salaries and benefits	1,438,530	1,487,683	49,153
Utilities	13,500	3,097	(10,403)
Office expense	75,504	42,482	(33,022)
Insurance	114,996	80,236	(34,760)
Advertising and promotions	36,000	42,102	6,102
Miscellaneous	3,504	5,325	1,821
Total operating expenses	6,824,490	7,444,485	619,995
OPERATING INCOME BEFORE DEPRECIATION	2,971,974	3,002,065	30,091
Depreciation	15,192	15,192	-
OPERATING INCOME	2,956,782	2,986,873	30,091
NON-OPERATING REVENUES (EXPENSES)			
Miscellaneous income	9,204	7,672	(1,532)
Total non-operating revenues (expenses)	9,204	7,672	(1,532)
CHANGE IN NET POSITION	\$ 2,965,986	\$ 2,994,545	\$ 28,559

(See independent auditor's report.)

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
PRAIRIE LANDING GOLF COURSE

For the Year Ended December 31, 2017

	Original and Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES			
Golf course operations	\$ 2,624,338	\$ 2,347,041	\$ (277,297)
Total operating revenues	<u>2,624,338</u>	<u>2,347,041</u>	<u>(277,297)</u>
OPERATING EXPENSES			
Direct costs			
Golf course operations	2,033,680	1,935,815	(97,865)
General and administrative			
Salaries and benefits	89,286	97,950	8,664
Utilities	72,300	60,745	(11,555)
Office expense	101,033	94,547	(6,486)
Insurance	74,796	57,197	(17,599)
Professional services	10,500	2,752	(7,748)
Postage	3,000	1,569	(1,431)
Real estate tax	249,996	235,897	(14,099)
Advertising and promotions	56,320	57,710	1,390
Total operating expenses	<u>2,690,911</u>	<u>2,544,182</u>	<u>(146,729)</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	<u>(66,573)</u>	<u>(197,141)</u>	<u>(130,568)</u>
Depreciation	<u>32,004</u>	<u>32,009</u>	<u>5</u>
OPERATING INCOME (LOSS)	<u>(98,577)</u>	<u>(229,150)</u>	<u>(130,573)</u>
NON-OPERATING REVENUES (EXPENSES)			
Miscellaneous income	<u>3,500</u>	<u>2,977</u>	<u>(523)</u>
Total non-operating revenues (expenses)	<u>3,500</u>	<u>2,977</u>	<u>(523)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(95,077)</u>	<u>(226,173)</u>	<u>(131,096)</u>
Transfers in	<u>-</u>	<u>93,950</u>	<u>93,950</u>
CHANGE IN NET POSITION	<u>\$ (95,077)</u>	<u>\$ (132,223)</u>	<u>\$ (37,146)</u>

(See independent auditor's report.)

OTHER DATA

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF INSURANCE IN FORCE

December 31, 2017

Line of Coverage	Insurance Company	Coverage Limits	Expiration Date
Airport General Liability	ACE USA	\$200 million	12/31/2017
War/Terrorism Coverage	ACE USA	\$100 million	12/31/2017
Hangars Keepers Liability	ACE USA	\$200 million	12/31/2017
Personal Advertising Liability	ACE USA	\$50 million	12/31/2017
Golf Course Liability	Cincinnati	\$200 million	12/31/2017
Auto Liability	EMC	\$50 million	12/31/2017
Employers Liability	EMC	\$50 million	12/31/2017
Public Officials Liability	ACE	\$5 million	12/31/2017
Treasurers Bond	Liberty Mutual	\$2 million per position	12/31/2017
Employee Dishonesty/Crime	EMC		12/31/2017
Employee Dishonesty		\$100,000	
Forgery		\$25,000	
Money and Securities		\$30,000	
Workers' Compensation	Wesco	Statutory Limits	12/31/2017
Commercial Property	EMC		12/31/2017
Building & Personal Property		\$103,105,565	
Business Income		\$7,500,000	
Flood		\$2,000,000	
Earthquake		\$50,000,000	
Equipment Breakdown		\$100,000,000	
Pollution Coverage	ACE	\$5 million/\$10 million	1/15/2019
Storage Tank Policy	Crum & Forster	\$1 million	9/16/2018
Prairie Landing	Selective		12/31/2017
Property - Building		\$5,291,334	
Property - Blanket		\$3,334,714	
General Liability		\$1 million/\$2 million	
Liquor Liability		\$1 million/\$2 million	
Business Income/Extra Expense		Actual loss sustained	

(See independent auditor's report.)

STATISTICAL SECTION

This part of DuPage Airport Authority's 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 Authority's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends This schedule contains trend information to help the reader understand how the Authority's financial performance and well-being have been changed over time.	31
Revenue Capacity These schedules contain information to help the readers assess the performance of both fuel sales and nonfuel sales, two of the Authority's most significant revenue sources.	32-35
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.	36-38
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.	39-44

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

Note: Due to an accounting system change in 2012, it is difficult and time consuming to extract statistical data prior to 2012 and combine it with current data. Unless otherwise noted, in the interests of time and consistency, the statistical reports in the FY2017 CAFR will report the past six (6) years of data, including the current year. Each subsequent year, the CAFR will add another year of data until such time the Authority's CAFR contains a rolling ten (10) years of statistical reporting.

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

NET POSITION AND CHANGES IN NET POSITION

Last Six Fiscal Years

Fiscal Year	2017	2016	2015	2014	2013	2012
REVENUES						
Operating revenues						
Aircraft storage	\$ 2,764,189	\$ 2,707,797	\$ 2,644,702	\$ 2,437,304	\$ 1,792,977	\$ 1,717,254
Leases, commissions and fees	1,121,093	1,700,798	1,959,818	2,448,750	2,742,047	3,005,073
Golf course operations	2,347,041	2,517,372	2,699,486	2,532,610	2,727,810	2,879,114
Line service	10,187,360	9,295,778	10,769,216	12,573,180	11,504,702	12,287,012
Total operating revenues	16,419,683	16,221,745	18,073,222	19,991,844	18,767,536	19,888,453
Non-operating revenues (expenses)						
Property taxes	6,050,368	6,051,679	6,044,405	5,532,310	5,497,104	6,039,877
Personal property replacement tax	59,007	55,875	63,058	59,136	57,442	51,815
Investment income (loss)	36,000	88,992	51,727	215,354	(154,976)	28,458
Miscellaneous income	56,523	24,956	147,187	75,506	76,450	217,933
Gain on disposal of capital assets	422,856	1,086,921	1,436,894	54,953	108,787	4,324,243
Interest expense	-	-	-	-	-	(97,152)
Total non-operating revenues (expenses)	6,624,754	7,308,423	7,743,271	5,937,259	5,584,807	10,565,174
Total revenues	23,044,437	23,530,168	25,816,493	25,929,103	24,352,343	30,453,627
EXPENSES						
Direct costs						
Airport operations	4,402,772	4,956,747	4,478,120	4,688,540	4,480,244	3,925,047
Golf course operations	1,935,815	2,686,852	2,097,960	1,928,637	2,023,831	1,943,425
Line service	5,783,560	5,062,101	6,019,762	8,708,980	8,306,016	9,021,673
General and administrative						
Salaries and benefits	3,212,172	3,240,760	2,903,727	2,987,406	2,992,921	2,891,303
Utilities	63,842	83,257	96,924	84,026	72,402	71,874
Office expense	194,990	235,348	223,050	207,125	227,160	216,277
Insurance	180,710	245,353	250,873	245,321	250,380	257,306
Professional services	442,882	454,383	343,394	329,820	422,312	288,592
Postage	6,477	11,647	10,712	8,700	11,617	10,883
Real estate tax	452,934	391,647	455,224	578,142	457,000	433,070
Advertising and promotions	182,607	191,985	216,128	170,766	179,987	220,299
Miscellaneous	253,470	149,066	226,630	130,881	(15,679)	(38,161)
Depreciation	6,973,239	6,928,721	6,830,418	7,553,236	8,405,852	9,000,660
Total expenses	24,085,470	24,637,867	24,152,922	27,621,580	27,814,043	28,242,248
CAPITAL CONTRIBUTIONS	666,869	-	614,826	225,883	812,784	393,682
CHANGE IN NET POSITION	(374,164)	(1,107,699)	2,278,397	(1,466,594)	(2,648,916)	2,605,061
NET POSITION						
Invested in capital assets, net of related debt	164,731,975	154,707,476	150,836,194	154,722,543	145,221,246	147,544,995
Restricted	-	-	4,329,631	2,685,777	2,629,721	2,772,000
Unrestricted	4,842,822	15,241,485	14,751,490	10,123,872	21,147,819	22,084,585
TOTAL NET POSITION	\$ 169,574,797	\$ 169,948,961	\$ 169,917,315	\$ 167,532,192	\$ 168,998,786	\$ 172,401,580

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF OPERATING REVENUE BY SOURCE

Last Six Fiscal Years

Fiscal Year	2017	2016	2015	2014	2013	2012
AIRPORT OPERATIONS REVENUES						
Fuel sales	\$ 10,094,851	\$ 9,172,094	\$ 10,618,479	\$ 12,459,169	\$ 11,392,474	\$ 12,160,383
Hangar rentals	2,478,354	2,417,663	2,359,767	2,149,635	1,541,747	1,463,666
Non-airfield rentals	1,121,093	1,700,798	1,959,818	2,448,750	2,742,047	3,005,073
Ramp, tie-downs and overnight fees	174,579	188,479	159,558	180,751	169,248	186,442
Customs fees	110,660	104,433	121,650	101,850	77,250	72,375
Line service	43,625	63,384	76,494	50,433	58,149	45,845
Other	49,480	57,522	77,971	68,646	58,813	75,554
Total airport operations revenues	14,072,642	13,704,373	15,373,737	17,459,234	16,039,728	17,009,338
Percentage of total revenues	59.35%	58.24%	58.16%	66.75%	63.74%	54.97%
GOLF COURSE OPERATIONS REVENUES						
Greens fees	648,751	773,237	772,746	770,510	904,828	1,009,807
Cart and club rentals	303,679	364,020	364,247	258,860	249,433	260,321
Weddings	288,302	339,282	486,316	364,537	485,803	775,052
Food and beverage	261,496	289,533	288,437	263,774	268,150	272,001
Pro Shop merchandise and services	242,855	271,908	313,523	265,259	285,127	305,546
Golf outings	260,583	152,962	125,244	164,564	152,890	-
Memberships	140,348	124,389	129,961	170,197	145,046	148,507
Private events	115,514	114,820	109,714	161,328	178,406	-
Kitty Hawk Café	85,513	87,221	109,298	113,582	58,128	107,879
Total golf operations revenues	2,347,041	2,517,372	2,699,486	2,532,611	2,727,811	2,879,113
Percentage of total revenues	9.90%	10.70%	10.21%	9.68%	10.84%	9.30%
NON-OPERATING REVENUES						
Property taxes	6,050,368	6,051,679	6,044,405	5,532,310	5,497,104	6,039,876
Personal property replacement tax	59,007	55,875	63,058	59,136	57,442	51,816
Investment income (loss)	36,000	88,992	51,726	215,354	(154,976)	28,458
Miscellaneous income	56,523	24,956	147,185	75,506	76,450	217,933
Gain (loss) on disposal of capital assets	422,856	1,086,921	1,436,894	54,953	108,787	4,324,243
Total non-operating revenues	6,624,754	7,308,423	7,743,268	5,937,259	5,584,807	10,662,326
Percentage of total revenues	27.94%	31.06%	29.30%	22.70%	22.19%	34.46%
CONTRIBUTIONS						
	666,869	-	614,826	225,883	812,784	393,682
Percentage of total revenues	2.81%	0.00%	2.33%	0.86%	3.23%	1.27%
TOTAL REVENUES	\$ 23,711,306	\$ 23,530,168	\$ 26,431,317	\$ 26,154,987	\$ 25,165,130	\$ 30,944,459

Note: In 2017, Golf Operations changed the reporting of revenue from greens fees, cart/club rentals, and Pro Shop merchandise sales. Those revenues specifically derived from golf outings were separated from the P300 Golf Operations department and reported in the P700 Golf Outings department. Prior years have not been adjusted, and this change will be reported on a prospective basis.

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF PRINCIPAL REVENUE PAYERS -
REVENUE FROM FUEL SALES TRANSACTIONS

Current Year and Five Years Ago

JET-A JET FUEL

Customer	2017		Customer	2012	
	Revenue	% of Total Fuel Sales Revenue		Revenue	% of Total Fuel Sales Revenue
TRANSIENT - JETS	\$1,291,864	14.20%	NETJETS	\$ 1,206,254	11.17%
NETJETS	728,310	8.00%	I.F.R.	1,168,197	10.82%
I.F.R.	708,904	7.79%	TRANSIENT - JETS	1,088,813	10.08%
EXELON	633,400	6.96%	MCDONALD'S CORPORATION	639,067	5.92%
PLANEMASTERS LIMITED	441,635	4.85%	PLANEMASTERS LIMITED	386,478	3.58%
DUPAGE AEROSPACE	438,370	4.82%	PRIESTER AVIATION	330,514	3.06%
FLEX JET LLC	424,973	4.67%	MARINE HELICOPTER SQUADRON	279,748	2.59%
MCDONALD'S CORPORATION	415,065	4.56%	FLEX JET LLC	219,294	2.03%
JPC FALCON 1109 LLC	224,851	2.47%	SUN COKE ENERGY	220,529	2.04%
QUEST DIAGNOSTICS	162,625	1.79%	DUPAGE AEROSPACE	191,060	1.77%
TOTAL PRINCIPAL PAYERS	\$ 5,469,997	60.11%	TOTAL PRINCIPAL PAYERS	\$ 5,729,954	53.05%
TOTAL JET FUEL SALES REVENUE	\$ 9,100,136		TOTAL JET FUEL SALES REVENUE	\$ 10,800,064	

100LL AVIATION GASOLINE

Customer	2017		Customer	2012	
	Revenue	% of Total Fuel Sales Revenue		Revenue	% of Total Fuel Sales Revenue
ROBERT WERDERICH	\$ 221,524	19.69%	TRANSIENT - AVGAS	\$ 227,240	16.60%
TRANSIENT - AVGAS	193,648	17.21%	SELF FUEL - AVGAS	179,225	13.09%
SELF FUEL - AVGAS	120,872	10.74%	ROBERT WERDERICH	158,271	11.56%
TRAVEL EXPRESS	113,417	10.08%	TRAVEL EXPRESS	138,705	10.13%
METRO NETWORKS	102,098	9.07%	METRO NETWORKS	101,745	7.43%
VICTORY AVIATION	63,998	5.69%	AMERICAN FLYERS	95,920	7.01%
AVEL FLIGHT SCHOOL	45,367	4.03%	VICTORY AVIATION	73,510	5.37%
FOX FLYING CLUB	28,323	2.52%	FOX FLYING CLUB	46,372	3.39%
MIDWEST AVIATION	25,403	2.26%	ILLINOIS STATE POLICE	31,890	2.33%
INTERNATIONAL FLYING CLUB	15,854	1.41%	AIRNET SYSTEMS	25,127	1.84%
TOTAL PRINCIPAL PAYERS	\$ 930,504	82.69%	TOTAL PRINCIPAL PAYERS	\$ 1,078,005	78.75%
TOTAL AVIATION GAS FUEL SALES REVENUE	\$ 1,125,228		TOTAL AVIATION GAS FUEL SALES REVENUE	\$ 1,368,920	

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF PRINCIPAL REVENUE PAYERS -
REVENUE FROM NONFUEL SALES TRANSACTIONS

Current Year and Five Years Ago

Customer	<u>2017</u>		Customer	<u>2012</u>	
	Revenue	% of Total Nonfuel Revenue		Revenue	% of Total Nonfuel Revenue
CENTER POINT PROPERTIES	\$ 369,249	11.73%	CENTER POINT PROPERTIES	\$ 819,881	18.51%
EXELON BUSINESS SERVICES	191,912	6.10%	FEDERAL AVIATION ADMINISTRATION	273,305	6.17%
VICTORY AVIATION	169,326	5.38%	TRAVEL EXPRESS AVIATION	247,043	5.58%
TRAVEL EXPRESS AVIATION	135,070	4.29%	SEARS HOLDINGS CORP.	178,576	4.03%
ILLINOIS AVIATION ACADEMY	127,631	4.05%	VICTORY AVIATION	150,975	3.41%
TREEHOUSE FOODS	93,918	2.98%	F.S.D.O.	145,105	3.28%
J. CUBED HOLDINGS, LLC	89,376	2.84%	ILLINOIS AVIATION ACADEMY	111,616	2.52%
HARTER INVESTMENT STRATEGIES	75,912	2.41%	CONAGRA REFRIGERATED FOODS	109,442	2.47%
GENERAL SERVICES ADMIN (GS-05B-18692)	69,560	2.21%	MUKENSCHNABL INC.	103,641	2.34%
T-BIRD AVIATION INC.	68,004	2.16%	AIR NET SYSTEMS	89,590	2.02%
PLANEMASTER LIMITED	67,794	2.15%	AMERICAN FLYERS	87,846	1.98%
MUKENSCHNABL INC.	60,564	1.92%	N.T.S.B.	80,634	1.82%
FACTOR SYSTEMS, INC. dba BILLTRUST	58,962	1.87%	HARTER INVESTMENT STRATEGIES	76,333	1.72%
PHEASANT RUN RESORT	57,964	1.84%	T-BIRD AVIATION INC.	68,004	1.54%
TRAVEL EXPRESS MAINTENANCE	51,800	1.65%	PLANEMASTER LIMITED	67,544	1.52%
AGS PARTNERS	49,299	1.57%	GENERAL SERVICES ADMIN (GS-05B-18692)	56,538	1.28%
TEXTRON AVIATION	44,886	1.43%	PHEASANT RUN RESORT	52,273	1.18%
GENERAL SERVICES ADMIN (GS-05B-18903)	44,568	1.42%	CIVIL AIR PATROL	47,669	1.08%
McDONALD'S CORPORATION	42,332	1.34%	STEPHEN COSYNS	44,955	1.01%
GENERAL SERVICES ADMIN (GS-05B-17926) & (GS-05B-18839)	41,424	1.32%	AGS PARTNERS	42,528	0.96%
TOTAL PRINCIPAL PAYERS	<u>\$ 1,909,551</u>	<u>60.66%</u>	TOTAL PRINCIPAL PAYERS	<u>\$ 2,853,498</u>	<u>64.42%</u>
TOTAL NONFUEL REVENUE	<u>\$ 3,147,828</u>		TOTAL NONFUEL REVENUE	<u>\$ 4,429,227</u>	

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF REVENUE RATES AND CHARGES

Last Six Fiscal Years

	2017	2016	2015	2014	2013	2012
FUEL SALES						
Jet A Fuel						
Revenue	\$ 9,120,186	\$ 8,069,647	\$ 9,485,235	\$ 11,253,762	\$ 9,953,401	\$ 10,809,140
Gallons sold	2,415,350	2,373,012	2,472,510	2,353,181	2,055,382	2,205,981
<i>Average \$ per gallon</i>	\$3.78	\$ 3.40	\$ 3.84	\$ 4.78	\$ 4.84	\$ 4.90
100LL Fuel						
Revenue	\$ 1,030,350	\$ 1,125,315	\$ 1,118,725	\$ 1,224,120	\$ 1,422,321	\$ 1,367,914
Gallons sold	213,325	247,895	221,010	203,744	233,805	233,275
<i>Average \$ per gallon</i>	\$4.83	\$ 4.54	\$ 5.06	\$ 6.01	\$ 6.08	\$ 5.86
U.S. CUSTOMS SERVICE FEES						
Single engine - 7,000 lbs. or less MTW*	\$ 87	\$ 87	\$ 75	\$ 75	\$ 75	\$ 75
Twin engine - 7,000 lbs. or less MTW*	175	175	150	150	150	150
Any aircraft 7,001 - 29,999 lbs. MTW*	350	350	300	300	300	300
Any aircraft 30,000 lbs. or more MTW*	525	525	450	450	450	450
Off-hours additional surcharge**	225	225	150	150	150	150
LONG-TERM LEASES (PER YEAR)						
Aviation ground leases (average rent per sq. foot)	\$0.68	\$0.66	\$ 0.65	\$ 0.63	\$ 0.61	\$ 0.59
Hangar leases (average rent per sq. foot)	\$6.89	\$6.53	5.94	5.46	5.94	5.83
SHORT-TERM LEASES (PER MONTH)						
Hangar fees (average per hangar bay)						
Aviation business hangar	\$3,858	\$3,136	\$ 3,643	\$ 3,499	n/a	n/a
Hightail hangar	5,113	4,263	3,859	3,537	n/a	n/a
Small corporate hangar	2,566	2,679	2,676	2,804	\$ 2,974	n/a
T-Hangar (twin)	995	993	994	1,022	\$ 968	\$ 954
T-Hangar (heated)	540	552	562	578	579	563
T-Hangar (unheated)	385	375	392	409	435	433
Tiedown fees (per month)	75	75	75	75	75	75

*Maximum take-off weight (MTW) as published

**New U.S. Customs service fees effective 08/01/2016

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF CERTAIN EXPENSES BY FUNCTION AND DEPARTMENT

Last Six Fiscal Years

	2017	%	2016	%	2015	%	2014	%	2013	%	2012	%
Administration	\$ 2,567,734	15.31%	\$ 2,679,950	16.12%	\$ 2,508,324	14.68%	\$ 2,432,842	12.47%	\$ 2,384,707	12.64%	\$ 2,349,164	12.15%
Project and procurement management	373,189	2.22%	258,770	1.56%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Field maintenance	1,704,980	10.16%	1,884,608	11.33%	1,848,921	10.82%	1,679,843	8.61%	1,631,886	8.65%	1,491,066	7.71%
Building maintenance	903,943	5.39%	957,992	5.76%	998,796	5.84%	1,150,610	5.90%	1,016,840	5.39%	956,109	4.95%
Flight center building	336,272	2.00%	435,120	2.62%	341,267	2.00%	376,328	1.93%	323,213	1.71%	344,699	1.78%
Equipment maintenance	513,089	3.06%	549,624	3.31%	498,472	2.92%	448,219	2.30%	439,403	2.33%	381,991	1.98%
Commissioners	104,835	0.62%	105,011	0.63%	100,553	0.59%	94,181	0.48%	95,477	0.51%	114,973	0.59%
Business development	75,650	0.45%	135,392	0.81%	168,251	0.98%	139,228	0.71%	127,264	0.67%	190,557	0.99%
Accounting	361,040	2.15%	383,961	2.31%	335,422	1.96%	304,869	1.56%	344,359	1.83%	266,312	1.38%
Flight center	7,444,484	44.38%	6,694,519	40.26%	7,553,673	44.19%	10,150,003	52.01%	9,790,455	51.91%	10,512,483	54.38%
Golf administration	650,878	3.88%	683,708	4.11%	825,079	4.83%	972,842	4.99%	871,857	4.62%	857,472	4.44%
Golf maintenance	747,648	4.46%	786,795	4.73%	761,709	4.46%	703,654	3.61%	725,426	3.85%	692,761	3.58%
Golf operations	340,147	2.03%	413,313	2.49%	406,385	2.38%	313,524	1.61%	333,737	1.77%	355,695	1.84%
Golf food and beverage	311,263	1.86%	326,170	1.96%	351,414	2.06%	320,468	1.64%	389,760	2.07%	248,830	1.29%
Golf weddings	254,161	1.52%	235,344	1.42%	306,518	1.79%	299,063	1.53%	324,132	1.72%	516,753	2.67%
Golf private events	25,151	0.15%	25,268	0.15%	28,895	0.17%	47,283	0.24%	31,728	0.17%	-	0.00%
Golf outings	32,392	0.19%	31,909	0.19%	28,927	0.17%	46,345	0.24%	13,000	0.07%	-	0.00%
Kitty Hawk Café	28,139	0.17%	40,069	0.24%	29,523	0.17%	35,246	0.18%	16,061	0.09%	51,082	0.26%
TOTAL	\$ 16,774,995		\$ 16,627,523		\$ 17,092,129		\$ 19,514,548		\$ 18,859,305		\$ 19,329,947	

Note: Total expenses do not include depreciation or major maintenance expenses.

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Total Personal Income (in 000s)	Per Capita Personal Income	Per Capita Income	County Unemployment Rate
2008	909,798	\$ 52,536,414	\$ 57,745	\$ 38,458	5.00%
2009	912,732	47,721,393	52,284	37,592	8.40%
2010	916,924	48,516,778	52,913	37,849	8.30%
2011	923,222	50,323,760	54,509	38,405	8.00%
2012	927,987	52,971,536	57,082	38,398	7.30%
2013	932,126	54,123,390	58,064	38,570	7.40%
2014	932,708	56,600,761	60,684	38,931	5.80%
2015	933,736	59,813,856	64,059	39,336	4.70%
2016	929,368	61,404,832	66,072	40,547	4.80%
2017	930,128	N/A	N/A	N/A	4.10%

N/A - Not available at time of publication.

Data Sources

U.S. Census Bureau, Illinois Department of Employment Security and Office of the County Clerk

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

FULL-TIME EQUIVALENT EMPLOYEES BY DEPARTMENT

Last Six Fiscal Years

	2017	2016	2015	2014	2013	2012
DEPARTMENT						
Airport Authority						
DAA Commissioners	9	9	9	9	8	9
Administration/finance	11	11	10	10	13	13
Facilities/equipment maintenance	6	7	7	6	7	7
Field maintenance	9	9	10	10	10	10
Marketing	-	-	1	1	1	1
Total Airport Authority	35	36	37	36	39	40
Flight Center	20	19	20	20	20	20
Golf Course	10	9	10	11	11	10
TOTAL	65	64	67	67	70	70

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

PRINCIPAL EMPLOYERS

Last Year and Nine Years Prior

Employer	2016		Employer	2007	
	Employees	% of Total County (Jobs) Employment		Employees	% of Total County (Jobs) Employment
Edward Hospital & Health Services	7,900	1.01%	Lucent Technologies	4,250	0.58%
Heartland Food Corporation	5,000	0.64%	Edward Hospital	4,247	0.57%
Abercrombie & Kent Inc	3,300	0.42%	Central DuPage Hospital	4,000	0.54%
Readerlink Distribution	3,245	0.42%	BP America	3,200	0.43%
Footprint Acquisition LLC	3,200	0.41%	Elmhurst Memorial Hospital	3,156	0.43%
Argonne National Laboratory	3,190	0.41%	College of DuPage	3,111	0.42%
DuPage County	2,785	0.36%	DuPage County	2,900	0.39%
McDonald's Corp	2,600	0.33%	Argonne National Laboratory	2,800	0.38%
Tellabs Inc	2,000	0.26%	Advocate Good Samaritan	2,525	0.34%
Advocate Good Samaritan	2,000	0.26%	Nalco	2,400	0.32%
TOTAL PRINCIPAL EMPLOYERS	35,220	4.51%	TOTAL PRINCIPAL EMPLOYERS	32,589	4.41%
TOTAL NUMBER OF JOBS IN DUPAGE COUNTY	780,818		TOTAL NUMBER OF JOBS IN DUPAGE COUNTY	738,623	

Includes ten largest employers

Note

The Principal Employers and Total Number of Jobs in DuPage County is obtained from the DuPage County CAFR and is one year in arrears as the current year's CAFR is not available at the time of publishing.

Data Sources

DuPage County, Illinois' 2016 CAFR

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF CAPITAL CONTRIBUTIONS

Last Six Fiscal Years

Fiscal Year	Federal Grants	State Grants	Total Grants
2012	\$ 362,956	\$ 34,763	\$ 397,719
2013	1,207,461	22,275	1,229,736
2014	215,199	6,645	221,845
2015	291,260	15,757	307,017
2016	-	-	-
2017	1,048,132	58,927	1,107,059
TOTAL	\$ 3,125,008	\$ 138,367	\$ 3,263,375

Note: This schedule of capital contributions is compiled from project status reports from the Illinois Department of Transportation (IDOT). There may be a timing difference between the date IDOT recorded certain project expenses and the date the Authority recorded those expenses. Therefore, this schedule of capital contributions may be different from the contributions reported on the Authority's audited financial statements.

Data Sources

Illinois Department of Transportation, "Project Status Report"
For Airport: DuPage Airport

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF PROPERTY TAX DATA

Last Seven Levy Years

Levy Year	Assessed Valuation	Tax Levy	Tax Rates		The Authority's % of County
			Authority	County	
2011	\$ 35,896,051,402	\$ 6,066,433	\$ 0.0169	\$ 6.8900	0.25%
2012	32,982,950,130	5,541,136	0.0168	7.6982	0.22%
2013	31,194,972,325	5,552,705	0.0178	8.4427	0.21%
2014	30,908,021,332	6,057,972	0.0196	8.6086	0.23%
2015	32,244,251,239	6,061,919	0.0188	8.4556	0.22%
2016	34,421,220,036	6,058,135	0.0176	7.9723	0.22%
2017	N/A	N/A	N/A	N/A	N/A

N/A - Not available at time of publication.

Data Source

County of DuPage, Illinois

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

MISCELLANEOUS STATISTICAL DATA

Last Six Fiscal Years

Fiscal Year	Operating Income (Loss) Before Depreciation	(1) Changes in Net Position	(2) Airport Operations	Fuel Sales JetA & 100LL (Gallons)	(3) Size (Acres)
2012	\$ 646,865	\$ 2,605,061	79,866	2,439,170	2,543
2013	(640,654)	(2,648,915)	74,412	2,288,986	2,543
2014	(76,500)	(1,466,593)	71,879	2,556,945	2,543
2015	750,719	2,278,397	76,499	2,693,697	2,529
2016	(1,487,401)	(1,107,700)	100,235	2,621,219	2,518
2017	(692,548)	(374,164)	91,667	2,628,675	2,517

(1) Changes in net position does not include any prior period adjustments.

(2) As defined, one operation is one takeoff or landing.

(3) Sold 14.55 acres in 2015 and 10.51 acres in 2016. Both land sales were the Authority-owned parcels of land located within the DuPage Business Center, south of the airport. Sold 0.795 acres to the Illinois Department of Transportation in 2017.

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION

Last Six Fiscal Years

	Airport Operations					
	2017	2016	2015	2014	2013	2012
Land and land improvements	\$ 161,548,283	\$ 147,037,334	\$ 146,886,678	\$ 146,874,170	\$ 145,937,492	\$ 145,937,492
Runways, ramps and parking lots	74,758,351	74,758,351	74,689,387	61,601,030	60,288,626	53,417,295
Buildings and improvements	88,181,964	77,196,296	76,825,065	75,903,871	67,435,385	67,327,724
Equipment and vehicles	8,811,873	8,884,632	7,884,695	7,816,479	7,268,022	7,284,986
Software	206,380	206,380	206,380	206,380	109,640	109,640
Office and other equipment	1,089,342	1,083,712	1,083,712	1,029,342	1,011,735	1,001,756
Total	334,596,193	309,166,705	307,575,918	293,431,273	282,050,901	275,078,893
Less accumulated depreciation	(175,281,226)	(168,883,411)	(162,493,876)	(156,102,764)	(149,052,893)	(141,763,662)
Add construction in progress	1,362,142	10,111,613	1,103,935	14,458,800	9,231,518	10,852,091
NET ASSET VALUE	\$ 160,677,109	\$ 150,394,907	\$ 146,185,977	\$ 151,787,309	\$ 142,229,526	\$ 144,167,323
	DuPage Flight Center					
	2017	2016	2015	2014	2013	2012
Equipment and vehicles	\$ 880,465	\$ 880,465	\$ 894,015	\$ 894,015	\$ 934,560	\$ 934,560
Less accumulated depreciation	(772,816)	(757,623)	(753,107)	(734,465)	(755,015)	(719,515)
NET ASSET VALUE	\$ 107,649	\$ 122,842	\$ 140,908	\$ 159,550	\$ 179,545	\$ 215,045
	Prairie Landing Golf Course					
	2017	2016	2015	2014	2013	2012
Land and land improvements	\$ 11,920,121	\$ 11,920,121	\$ 11,883,458	\$ 10,039,459	\$ 10,039,459	\$ 9,741,118
Buildings and improvements	6,016,872	5,950,812	5,950,812	5,839,623	5,712,144	5,712,144
Equipment and vehicles	1,527,388	1,461,267	1,450,134	1,995,990	1,926,387	1,858,710
Office and other equipment	127,676	127,676	127,675	139,652	127,462	57,326
Total	19,592,057	19,459,876	19,412,080	18,014,725	17,805,451	17,369,297
Less accumulated depreciation	(15,644,840)	(15,270,149)	(14,902,772)	(15,239,041)	(14,993,276)	(14,206,670)
NET ASSET VALUE	\$ 3,947,217	\$ 4,189,727	\$ 4,509,308	\$ 2,775,684	\$ 2,812,175	\$ 3,162,627
TOTAL NET ASSET VALUE	\$ 164,731,975	\$ 154,707,476	\$ 150,836,193	\$ 154,722,543	\$ 145,221,246	\$ 147,544,995

**DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS**

AIRPORT INFORMATION

Year Ended December 31, 2017

Location: 29 miles west of central business district of Chicago, IL

Area: 2,800 acres

Elevation: 759 ft. (field elevation)

Airport Code: DPA

Runways:	2L-20R	North/South	7,571 x 150 ft.	ILS/GPS
	2R-20L	North/South	6,451 x 150 ft.	GPS
	10-28	East/West	4,750 x 75 ft.	ILS
	15-33	Southeast/Northwest	3,399 x 100 ft.	

Flight Center: 52,000 sq. ft. - Amenities include Kitty Hawk Café, crew lounge, passenger lounge, concierge, U.S. Customs, meeting rooms, and exercise room with showers

Transient Hangars: 124,000 total sq. ft. - Includes a 31,000 sq. ft. dedicated transient hangar completed in 2017

ARFF: 24/7 ARFF Index B Coverage

Aviation Rentals: 167 hangar bays available for rent
121 tiedown spots available for rent

International: User-fee U.S. Customs/Immigration federal inspection service

Tower: FAA ATCT 24/7-365

FBO: DuPage Flight Center

Data Sources

Authority's internal records
Google Maps
DuPage County GIS Parcel Viewer