



CITY OF
Bloomington ILLINOIS



Comprehensive Annual Financial Report

of the

City of Bloomington, Illinois

for the Fiscal Year

May 1, 2017 to April 30, 2018

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF BLOOMINGTON, ILLINOIS**
As of and for the Year Ended April 30, 2018

Prepared by:

Patti-Lynn Silva
Finance Director

CITY OF BLOOMINGTON

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October 31, 2018

The Honorable Mayor Renner,
Members of the City Council, and
Citizens and Businesses of the City of Bloomington:

The Comprehensive Annual Financial Report (CAFR) of the City of Bloomington, Illinois, for the fiscal year ended April 30, 2018, is submitted herewith. This report provides a broad view of the City's financial activities for the 2018 fiscal year and its financial position at April 30, 2018. Illinois statutes require all general purpose local governments to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with General Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed certified public accountants.

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

Baker Tilly Virchow Krause, LLP, a firm of licensed certified public accountants, has audited the City of Bloomington's financial statements. The goal of the independent audit was to provide reasonable assurance the financial statements of the City of Bloomington for the fiscal year ended April 30, 2018, are free of material misstatement. The independent audit involved the examination, on a test basis, of evidence to support the amounts and disclosures in the financial statements, assess the accounting principles used and the significant estimates made by management, and evaluate the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Bloomington's financial statements for the fiscal year ended April 30, 2018, are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report.

As a recipient of various federal and state financial assistance programs, the City of Bloomington is required under the Federal Single Audit Act, to have an annual audit performed of certain major federal grant programs. The audit contains information concerning whether grant activity is presented fairly in the financial statements, whether internal controls are sufficient to provide reasonable assurance that the funds are managed properly, and whether material grant compliance requirements have been met. The auditors' reports relative to the Federal Single Audit Act are included in a separate report.

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

Profile of Government

The City of Bloomington, incorporated in 1856, is a home rule unit of government under the 1970 Illinois Constitution. The City of Bloomington is located in the heart of Central Illinois, approximately 125 miles southwest of Chicago, 155 miles northeast of St. Louis, and 64 miles Northeast of Springfield, the State Capital. The City of Bloomington is the County Seat of McLean County, the largest county in Illinois (approximately 762,240 acres). The latest U.S. Census estimate (July 1, 2017) is a total population of 77,934. The City of Bloomington is termed a twin city in conjunction with the Town of Normal.

The City is governed by a City Council elected on a non-partisan basis composed of nine Aldermen and a Mayor. The City Council is responsible to enact ordinances, resolutions, and regulations which govern the City, adopt the annual budget, as well as appoint members of various statutory and ordinance boards. The Aldermen are elected to four-year staggered terms, while the Mayor is elected to a four-year term. The Mayor is elected at large, the Aldermen by ward. The City's manager is responsible to carry out the policies and ordinances established by City Council, oversee the day-to-day operations of the City, and appoint the department heads of the City's departments.

The City provides a full range of municipal services. These services include public safety, roadway maintenance, refuse disposal, planning and zoning, engineering and inspection, water and sewer utility service, parks and recreation, and general administrative services. The City owns and operates multiple municipal parks, an ice center, three golf courses, a zoo, and a performing arts center in Downtown Bloomington. The City owns the Grossinger Motors Arena located in Downtown Bloomington and contracted its operation to VenuWorks. Finally, the City provides Library services to the residents of Bloomington and these operations are presented as a separate fund within the financial statements.

Additional demographic information about the City of Bloomington may be found in the statistical section of this report.

Accounting System and Budgeting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Resources are allocated to, and accounted for, individual funds based upon the purposes for which the funds are to be spent and the means by which the spending activities are controlled.

The City's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period. Expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. After the end of the fiscal year, the City's management makes certain adjustments to the accounting records to permit the preparation of certain financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The annual budget serves as the foundation for the City's financial planning and control. The City of Bloomington prepares a five-year budget projection for both operating and capital budgets for all funds. Every City department is required to submit a budget request to the City Manager during the fall of each year. The Finance Director, in cooperation with the City Manager and individual Department Directors, refine their budget requests, and the proposed budget is presented to the City Council on or before March 31st of each year. The City Council is required to hold a public hearing on the proposed budget if the budget increases 5 percent and final adoption of a budget occurs no later than April 30th of each year. The budget is also known as the City's Appropriation Ordinance. The appropriated budget is itemized at the fund and department level. Budget transfers or amendments that increase the total appropriation of a fund require the approval of the City Council. A budget-to-actual comparison is provided for each individual governmental fund for which an appropriated annual budget has been adopted. The City's budget process focus is on providing services contained within the City's strategic plan. For the General Fund, a budget-to-actual expenditure comparison is presented in the required supplementary information section. For other governmental funds their budget-to-actual comparison is presented in the non-major governmental fund subsection of this report.

Factors Affecting Financial Conditions

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

The economic strength of the Bloomington-Normal metropolitan area is in its diversity of businesses and institutions. Diverse and stable employment sources include State Farm Insurance, Illinois State University, the IAA Family of Companies (COUNTRY Financial, the Illinois Farm Bureau, and Growmark), District 87 & Unit 5 Schools, Advocate BroMenn Regional Medical Center, OSF St Joseph Medical Center, Afni Inc., Heritage Enterprises, Illinois Wesleyan University, Bridgestone/Firestone Off-Road Tire, Nussbaum Transportation, Ferrero USA, Heartland Community College, Chestnut Health Systems, TEKsystems, NTT

DATA, and Cargill. These major employers, along with the City of Bloomington, Town of Normal, and County of McLean and many other local employers, contribute to Bloomington-Normal experiencing the lowest average unemployment rate of any metro area in Illinois.

The Bloomington-Normal area is nationally known as a strong transportation and distribution hub as it is centrally located at the intersection of Interstates 39, 55 and 74, US Routes 51 and 150, and State Route 9. Numerous motor freight carriers and major railroad lines including Union Pacific, Norfolk Southern, and Amtrak connect Bloomington-Normal to most major cities within the continental United States. In addition, the Central Illinois Regional Airport (CIRA - BMI) in Bloomington hosts a FedEx Express air cargo hub which opened in 2015. In June of 2018, CIRA announced the return of passenger service by Frontier Airlines with nonstop flights to Denver and Orlando. Frontier rejoins CIRA partners American Airlines (Chicago O'Hare and Dallas/Fort Worth), Delta Air Lines (Atlanta and Minneapolis-St. Paul) and Allegiant (Orlando-Sanford and St. Petersburg-Clearwater).

Noteworthy events during the City's Fiscal Year 2018 in the local economy include a reported increase in employment levels at the City's largest employer, State Farm which has its global headquarters based in Bloomington. In 2016, State Farm reported to the Bloomington-Normal Economic Development Council that it employed 14,532 people in McLean County. In 2017, State Farm reported 14,731 employees, a gain of 199 employees. In late 2017 State Farm announced that it would be adjusting its employment mix in Bloomington resulting in the relocation or elimination of approximately 1,500 employees). In context to its 70,000 total employees nation-wide, and by way of creation of new business hubs in Dallas, TX, Phoenix, AZ, and Atlanta, GA, State Farm has indicated that it will continue to retain approximately 15,000 employees in Bloomington for the foreseeable future. As the City's largest employer, employment levels at State Farm are monitored closely by City staff as changes in employment at State Farm directly impact consumer spending not only by State Farm employees but also by the employees of the area business and service industries which support the local State Farm workforce.

Apart from State Farm, there have been multiple positive developments for employment in McLean County including Rivian Automotive, which purchased the former Mitsubishi Motors automobile manufacturing plant in Normal (a facility that closed in December 2015 and at its peak employed 2,500 people). Rivian has plans to manufacture electric passenger vehicles and anticipates hiring over 500 workers by 2020 and investing over \$40 million in improvements to the idle but modern factory which was built in the mid-1980s. Also in late 2017, Canada based Brandt Industries purchased the former Kongskilde manufacturing facility in nearby Hudson with plans to hire between 300 and 500 workers over the next few years to manufacture Brandt's successful line of agriculture equipment. Both Rivian and Brandt secured economic incentive packages from the State of Illinois and local taxing districts.

On the retail sales front, the recently renovated Empire Crossing Shopping Center continues to perform well with new-to-the-city retailers Dick's Sporting Goods, Home Goods, Five Below, Carters Osh Gosh B'Gosh, Designer Shoe Warehouse, and PetsMart. Empire Crossing was formerly anchored by a Kmart and Circuit City. The 2016/2017 Empire Crossing redevelopment project is being financially supported by the City in an effort to reinvigorate the shopping center which is located at the northeast corner of the City's Veterans Parkway / Empire Street retail corridor.

Renovations are underway at the City's enclosed regional mall, CBL's Eastland Mall at the southwest corner of Veterans Parkway / Empire Street. The former JC Penney anchor space has been renovated into an H&M apparel store and Planet Fitness (both stores are now open). A new Outback Steakhouse is currently under construction on the mall property which is located at the intersection of two state routes with the highest traffic counts in all of McLean County. CBL is working to attract new tenants to the mall property to backfill the former Macy's anchor space and the now closed Bergner's (Bon Ton) anchor space and the soon to close Sears. Kohl's, the mall's last remaining anchor, continues to perform strongly and has recently expanded its square footage.

The City's Toys "R" Us store also closed as a part of that retailer's national bankruptcy. City staff anticipate the former Toys "R" Us space to be quickly re-leased due to the new development activity nearby at Empire Crossing and Eastland Mall. A nearby Cub Foods store which closed in 2015 was quickly backfilled with Fresh Thyme Farmers' Market and the Great Escape indicating the Veterans Parkway & Empire Street retail corridor remains prime.

City officials anticipate that the June 2018 Supreme Court ruling to allow states to collect sales tax on Internet sales will have a positive effect on Bloomington's local brick and mortar retailers and the City plans to stay active in supporting retail center owners and developers in attracting high quality retail tenants to the City to support the City's retail tax base.

Long-Term Financial Planning: A five year financial planning process occurs each year to provide a future projection of the City's finances for decision makers. The City's multipronged approach to sustainability includes cost management, addressing deferred infrastructure, funding economic development, strategic revenue enhancements, and preserving public safety. Cost management objectives include achieving collective bargaining objectives, risk management, adjusting service levels, funding pension commitments, funding capital assets and debt management. Collective bargaining objectives include elimination of sick leave buy back, enrolling in a health insurance pool, and plan design. Programs identified through priority based budgeting have provided decision makers the opportunity to consider all city services. The City successfully modified service levels in its bulk waste program and adjusted fees to better reflect cost of services eliminating the need for General Fund subsidies, after master planning for both sanitary sewer and storm water utilities rates were adjusted to reflect the capital needs over twenty years. Master planning for water utility is next up with planning parks, sidewalks, and bicycles completed and are in varying stages of implementation. The City continues to fund its police and fire pension plans under its local model which funds each plan earlier than required by the State of Illinois. The Council has supported economic development efforts which have proven productive in sparking a sustainable and diversified tax base. The City has a unemployment rates below the national and state averages due to thriving agriculture, insurance and education industries. In calendar year 2016, Fitch and Moody's rating agencies reaffirmed the City's credit ratings of AA+ and Aa2 with stable outlooks. The City remains a solid AA community.

The City's General Fund reflects reserves of \$29.7 million at April 30, 2018, of which \$19.2 million was unassigned which is in compliance with the City's fund balance policy. The City remains committed to becoming a resilient community and has improved the condition of services and financials in many City funds.

Long term planning achievements:

- The City supports a regional focus having adopted a formal Comprehensive Plan – *Bring It on Bloomington*. Two TIF funds were created to facilitate funds for development currently taking place. Strong economic development initiatives have led to notable success seen in the local economy section.
- The City has completed a Five Year Capital Improvement Plan which was a critical road map in understanding capital needs in the future. In preparation for the capital improvement plan the City invested in various master plans: Facilities, Fire, Sidewalk, Streets and ADA, Bicycle, and Sanitary Sewer & Storm Water. Corresponding rate studies took place where feasible and rates were adjusted leaving the City in a highly sustainable position.
- The City's largest pension representing 2/3 of the employment force is 97% funded. Police and Fire Pensions; where higher benefits levels are provided over a shorter time frame, are increasing gradually with 50% to 60% coverage. The City's response to these funding levels was to adopt a more accelerated policy than that required by the State of Illinois. In doing so each fund is capable of earning over a longer period of time and will provide significant savings over the life of the plan.

The City's acceptance of sustainability provides the foundation for the long term financial strategies.

Financial Policies: The City has established several specific policies to guide its financial operations. Those policies relate to the following areas:

Accounting and Financial Reporting:

- Facilitate the annual financial statement audit by an independent accounting firm.
- Issue the Comprehensive Annual Financial Report within six months of the end of each fiscal year.
- Provide for monthly financial reporting to the City Council.
- Hold appropriate cash reserves as required.

Budgetary and Revenue Management

- Maintain a diversified revenue structure with rate and fee updates that align with the costs of services provided.
- Provide assessments on the condition of capital needs to facilitate long term planning.
- All dollars spent are appropriated by the City Council through the budget process.

Debt Management

- Issue bonds on the basis that achieves the lowest possible interest rates using best practices for debt issuance.
- To provide formal assistance in managing debt through financial advising and bond counsel.
- Follow a policy of full disclosure and voluntarily following disclosure guidelines provided by the Governmental Finance Officers Association.

Cash Management & Investments

- Investments follow state statutes in investing public funds.
- City deposits are collateralized at 102% of balance.

Purchasing

- Obtain competitive quotes for purchases in excess of \$3,000 and below \$25,000, conduct a formal competitive bidding process for purchases in excess of \$25,000 and obtain City Council approval of all purchases in excess of \$50,000.
- All bid waivers are approved by the City Council.

Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bloomington for its comprehensive annual financial report for the fiscal year ending April 30, 2017. 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.

A special thanks to the Mayor and City Council for their strong support to maintain the highest standards of professionalism in the management of the City of Bloomington finances. The completion of the annual audit could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and staff across the City.

Respectfully submitted,



Tim Gleason, City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Bloomington
Illinois**

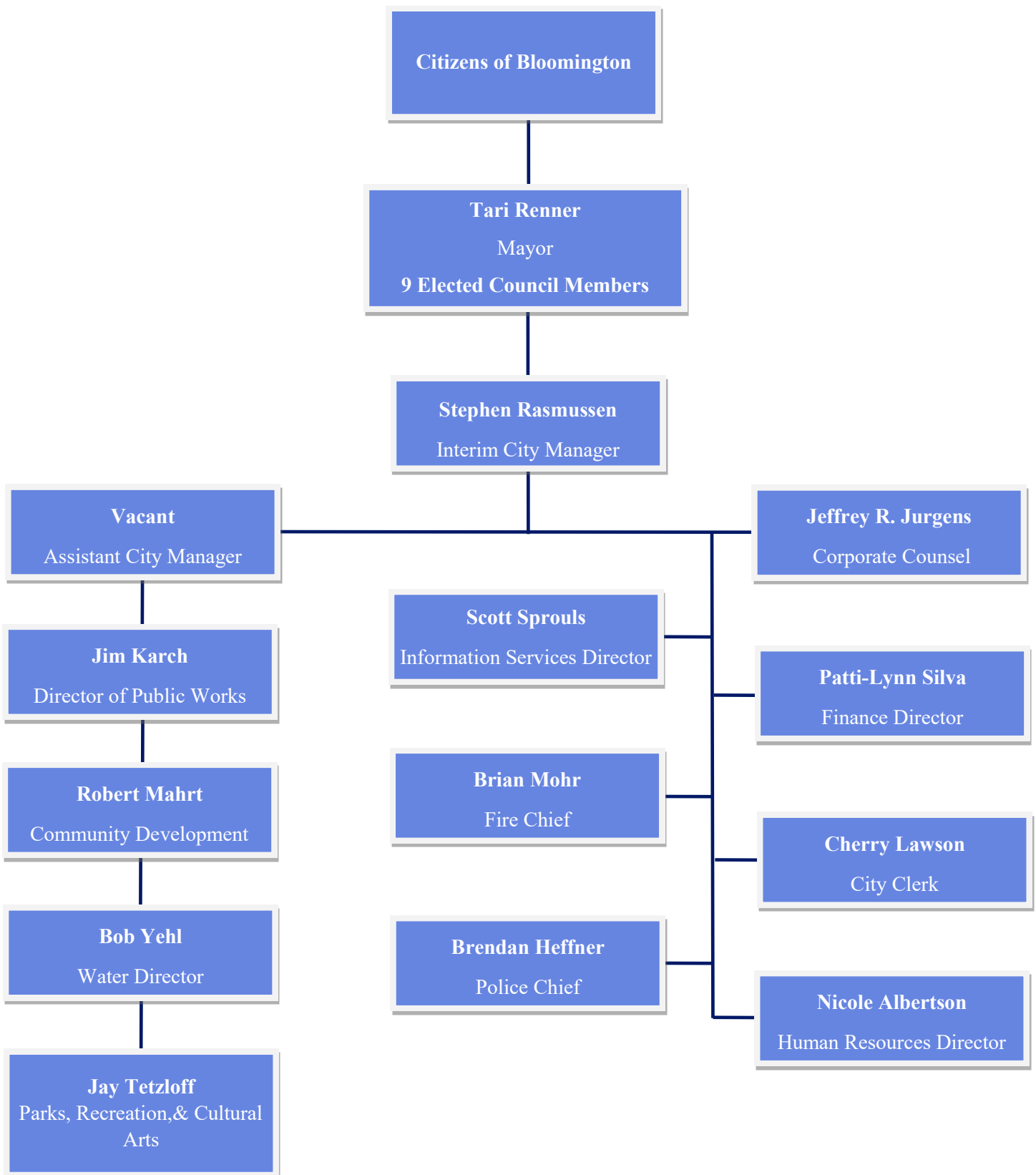
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2017

Christopher P. Morill

Executive Director/CEO

CITY OF BLOOMINGTON ORGANIZATION CHART



OFFICERS AND OFFICIALS

Elected Officials

Mayor Tari Renner

Council Members

Ward 1 Jamie Mathy
Ward 2 David Sage
Ward 3 Mboka Mwilambwe
Ward 4 Amelia Buragas
Ward 5 Joni Painter
Ward 6 Karen Schmidt
Ward 7 Scott Black
Ward 8 Diana Hauman
Ward 9 Kim Bray

Administrative Officials

Interim City Manager	Stephen Rasmussen
Assistant City Manager	Vacant
City Clerk	Cherry Lawson
Community Development	Robert Mahrt
Corporation Counsel	Jeffrey R. Jurgens
Finance	Patti-Lynn Silva
Fire Chief	Brian Mohr
Human Resources	Nicole Albertson
Information Services	Scott Sprouls
Parks, Recreation & Cultural Arts Director	Jay Tetzloff
Police Chief	Brendan Heffner
Public Works	Jim Karch
Water Director	Bob Yehl

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Bloomington, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Bloomington's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Miller Park Zoological Society, a discretely presented component unit. We also did not audit the financial statements of the Police Pension Fund, a fiduciary fund of the City, which represent 42 percent, 44 percent, and 42 percent, respectively, of the assets/deferred outflows of resources, fund balance/net position, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Miller Park Zoological Society and Police Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Library Foundation, Miller Park Zoological Society, Police Pension Fund, and Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*.

To the City Council
City of Bloomington, Illinois

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to the City of Bloomington's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City of Bloomington's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of April 30, 2018 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

To the City Council
City of Bloomington, Illinois

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomington's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2018 on our consideration of the City of Bloomington's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bloomington's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

Oak Brook, Illinois
October 30, 2018

City of Bloomington, Illinois
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended April 30, 2018

As the management of the City of Bloomington, Illinois, staff presents the readers of the City's financial statements this narrative overview of the financial activities of the City for the fiscal year ended April 30, 2018. Staff encourages readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which may be found on pages i through vii of this report.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2018 by \$214.9 million. Of this amount, negative \$89.2 million is unrestricted.
- The City's total net position increased \$2.1 million which is attributable to revenues exceeding expenses for both governmental and business-type activities.
- The City's governmental funds ended fiscal year 2018 with combined fund balances of \$57.6 million. This is an increase of \$2.7 million from the prior year.
- The City's enterprise funds had \$196.6 million net position at the close of fiscal year 2018. This represents a \$1.7 million increase from fiscal year 2017.
- Long-term debt including pension and other obligations decreased \$24.8 million in fiscal year 2018 to \$242.0 million. The decrease is attributable primarily to scheduled annual principal payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

Government-wide financial statements:

The government-wide financial statements are designed to provide readers with a broad overview of the City of Bloomington's finances, in a manner similar to a private-sector business, and are presented on the full accrual basis of accounting.

All City activities are included in the government-wide statements with the exception of the City's fiduciary funds which are presented separately. Government-wide financial statements distinguish functions of the governmental entity principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) – Continued

recover all or a significant portion of the costs through user fees and charges (business-type activities). The primary governmental activities of the City include activities such as general government, public safety, street maintenance, parks & recreation, and community development, while the business-type activities of the City include Water, Sewer, Stormwater, Solid waste, golf operations, and the Bloomington Arena.

The government-wide financial statements also include information for the City's discretely presented component units. These are legally separate organizations; however, they are closely related to the City. The component units and their relationships to the City are more fully described in Note I.A. to the financial statements on pages 44 – 46.

The following two statements make up the government-wide financials:

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

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

The government-wide financial statements may be found on pages 19 – 22 of this report.

Fund financial statements:

The fund financial statements provide supplementary detailed information about the City's most significant funds, but not the City as a whole. The City uses accounting thresholds to determine which funds are major funds and which funds are nonmajor; only major funds are presented separately in the fund financials while all other nonmajor funds are aggregated.

A reconciliation between fund statements and government-wide statements for both governmental and business activities can be found on pages 27, 30, 33 – 34, and 35 – 36 of this report.

A fund is a group of related accounts used to maintain control over resources segregated for specific activities or objectives. The City has three types of funds:

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) – Continued

fiscal year. This information is useful to evaluate a government's near-term financing requirements.

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

The City of Bloomington has presented fourteen governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the general, library and debt service funds which are considered major funds. The other governmental funds are combined into a single, aggregated presentation termed nonmajor governmental funds. Individual fund data for each nonmajor governmental fund is provided in the form of combining statements elsewhere in this report.

Basic governmental fund financial statements can be found on pages 23 – 26 and 28 – 29 of this report.

Proprietary funds – Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City of Bloomington maintains two different types of proprietary funds: enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Bloomington has presented seven enterprise funds to account for activities that include: Water, Sewer, Bloomington Arena, Stormwater management, parking, and golf operations. The golf operations fund, Solid waste and parking fund are classified as nonmajor enterprise funds.

Internal Service funds accumulate and allocate costs incurred internally among the City's various functions. The City of Bloomington uses internal service funds to account for employee group healthcare, retiree group healthcare, and casualty insurance. Because these services benefit the governmental and business-type functions, these services have been allocated between governmental and business-type activities in the government-wide financial statements. Individual fund data for the three internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 31 – 40 of this report.

Fiduciary funds – Fiduciary funds account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the City of

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) – Continued

Bloomington's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds. The City has two fiduciary fund types: The Pension Trust Funds consist of the police and firemen's pension funds which are used to report resources held in trust for retirees and beneficiaries. The Private Purpose Trust Fund represents the JM Scott Trust for which the City is the trustee and is responsible to ensure the assets reported in this fund are used only for the purpose intended.

The basic fiduciary fund financial statements can be found on pages 41 – 42 of this report.

Notes to the financial statements:

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

The notes to the financial statements can be found on pages 43 – 106 of this report.

Required Supplementary Information:

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information in regards to the City of Bloomington's budgetary comparison schedules for major funds as well as progress in funding its obligation to provide pension and other post-employment benefits to its employees.

Required supplementary information can be found on pages 107 – 118 of this report.

Supplementary Information:

The combining statements in connection with nonmajor funds and internal service funds can be found on pages 119 – 143 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

The following table reflects the condensed Statement of Net Position of the current year as compared to the previous fiscal year.

Table 1 - Statement of Net Position as of April 30, 2018 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Assets:						
Current and other assets	\$ 96.6	\$ 95.5	\$ 41.8	\$ 40.8	\$ 138.4	\$ 136.3
Capital assets	162.6	161.3	194.9	194.9	357.5	356.2
Total assets	<u>259.2</u>	<u>256.8</u>	<u>236.7</u>	<u>235.7</u>	<u>495.9</u>	<u>492.5</u>
Deferred Outflows of Resources:	12.2	24.8	0.6	3.0	12.8	27.8
Liabilities:						
Current liabilities	17.1	17.5	7.6	6.9	24.7	24.4
Noncurrent liabilities	199.0	216.3	28.8	36.7	227.8	253.0
Total liabilities	<u>216.1</u>	<u>233.8</u>	<u>36.4</u>	<u>43.6</u>	<u>252.5</u>	<u>277.4</u>
Deferred Inflows of Resources:	37.0	29.9	4.3	0.2	41.3	30.1
Net position:						
Net investment in capital assets	126.3	124.2	176.1	175.2	279.2	274.6
Restricted	24.9	26.3			24.9	26.3
Unrestricted	(132.9)	(132.6)	20.5	19.7	(89.2)	(88.1)
Total net position	<u>\$ 18.3</u>	<u>\$ 17.9</u>	<u>\$ 196.6</u>	<u>\$ 194.9</u>	<u>\$ 214.9</u>	<u>\$ 212.8</u>

Net position over time may serve as a useful indicator of a government's financial condition. In the case of the City, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$214.9 million at April 30, 2018. The City's combined net position increased by \$2.1 million from the prior year balances. The governmental activities increased by \$0.4 million and the business-type activities saw an increase of \$1.7 million.

A significant portion of the City's total net position (\$279.2 million) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure) net of the outstanding debt to acquire those assets. The City of Bloomington uses these capital resources to provide services to residents. Thus, these resources are not available for future spending. Although the City's investment in capital assets is reported net of related debt, the resources to repay this debt must be provided from other revenue sources since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position of \$24.9 million represents resources that are subject to external restrictions on how they may be used. Unfortunately the remaining unrestricted balance is negative \$89.2 million. A positive remaining unrestricted net position would be available to meet the government's on-going obligations.

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) – Continued

At the end of the fiscal year, the City of Bloomington did not report a positive balance in the governmental activities unrestricted net position. This is largely due to the implementation of GASB 68 and 71 which required reporting much larger pension liabilities. In addition, the Bloomington Arena debt (approximately \$23.2 million), which is a business-type activity, is paid from the Debt Service Fund which is a governmental activity. The governmental activities record the liability but cannot record the corresponding asset leaving a large negative balance in unrestricted net position. This accounting reflects the intention of the City to repay this debt from general governmental funds.

While the net position within the business-type activity is positive this year, it is negatively impacted by a similar situation. A \$7.5 million note payable is accounted for within the Stormwater management fund, a business-type activity. However, in accordance with the intergovernmental agreement with the Bloomington and Normal Water Reclamation District, the corresponding asset does not belong to the City and therefore assets are not reflected in the City's financial statements. The liability is accounted for in the unrestricted portion of net position rather than within the capital position category.

See Note I.D.9. in the Notes to the Financial Statements on pages 58 – 59 for additional information on unrestricted net position.

For more detailed information, refer to the Statement of Net Position on pages 19 – 20.

Current Year Impacts - Overall Net Position

As noted above, the net position from governmental activities increased by \$0.4 million, and the net position from business-type activities increased by \$1.7 million. The increase in the governmental activities is the result of several factors. First, as a result of the increase in the City's home rule sales tax in January 2016, the city received its first accelerated payment from the state of Illinois which increased this tax by approximately 2.6% for the year. Second, due to the state of Illinois making more timely tax allocation payments, the City realized an additional month of revenue from the state income and use taxes. Finally, as a result of a number of personnel vacancies, the City experienced personnel and benefit savings. The increase in net position from business-type activities was the result of a combination of positive results from the Water, Bloomington Arena, and Parking Funds with Sewer, Stormwater, Golf, and Solid waste funds reporting losses.

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) – Continued

Changes in Net Position

The following table compares government-wide revenues and expenses for the current and previous fiscal year.

Table 2 - Statement of Activities - Year Ended April 30, 2018 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for services	\$ 18.3	\$ 19.4	\$ 34.5	\$ 34.8	\$ 52.8	\$ 54.2
Operating grants	3.9	3.8	-	-	3.9	3.8
Capital grants	1.4	0.8	0.9	0.5	2.3	1.3
General Revenues:						
Property taxes	24.8	24.0	-	-	24.8	24.0
Franchise taxes	2.1	2.2	-	-	2.1	2.2
Sales taxes	14.3	13.8	-	-	14.3	13.8
Other taxes	44.7	44.7	1.4	1.3	46.1	46.0
Shared income taxes	8.0	7.3	-	-	8.0	7.3
Investment earnings	0.6	0.3	0.4	0.2	1.0	0.5
Miscellaneous	1.7	1.4	0.6	0.6	2.3	2.0
Total revenues	119.8	117.7	37.8	37.4	157.6	155.1
Expenses:						
Governmental Activities:						
General government	20.0	21.8	-	-	20.0	21.8
Public safety	55.4	55.8	-	-	55.4	55.8
Highways and streets	24.3	19.2	-	-	24.3	19.2
Health and welfare	-	-	-	-	-	-
Culture and recreation	16.4	16.5	-	-	16.4	16.5
Parking	0.1	0.3	-	-	0.1	0.3
Community development	0.9	0.8	-	-	0.9	0.8
Interest	1.9	2.0	-	-	1.9	2.0
Business-type Activities:						
Water	-	-	14.6	13.7	14.6	13.7
Solid waste	-	-	6.6	6.7	6.6	6.7
Sewer	-	-	5.6	6.1	5.6	6.1
US Cellular Coliseum	-	-	4.1	4.7	4.1	4.7
Stormwater management	-	-	3.1	2.3	3.1	2.3
Golf operations	-	-	2.2	2.4	2.2	2.4
Parking	-	-	0.3	0.3	0.3	0.3
Total expenses	119.0	116.4	36.5	36.2	155.5	152.6
Excess(deficiency) before transfers	0.8	1.3	1.3	1.2	2.1	2.5
Transfers	(0.4)	(1.6)	0.4	1.6	-	-
Extraordinary item	-	-	-	-	-	-
Changes in net position	0.4	(0.3)	1.7	2.8	2.1	2.5
Net position, beginning of year	17.9	18.2	194.9	192.1	212.8	210.3
Prior period adjustment	-	-	-	-	-	-
Net position, beginning of year, restated	17.9	18.2	194.9	192.1	212.8	210.3
Net position, end of year	\$ 18.3	\$ 17.9	\$ 196.6	\$ 194.9	\$ 214.9	\$ 212.8

Revenues for the City's governmental activities increased 1.8 percent, while revenue for the business-type activities increased by 1.1 percent in comparison to the prior fiscal year.

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) – Continued

Governmental activities - Charges for services decreased by 5.7 percent or \$1.1 million, during the current year. The decrease was due primarily to a one-time payment received last year from drug forfeitures and lower admission and other fees from the Bloomington Center for the Performing Arts. Tax receipts were up a total of \$1.9 million from the prior year.

Business-type activities – Charges for services decreased slightly by \$0.3 million, or 1.0 percent. Water, Solid Waste, Sewer, and Stormwater all increased. Golf, Bloomington Arena, and Parking revenues all decreased with the largest decrease at the Arena resulting from restructuring the management of the venue. The change at the Arena is anticipated to result in increased revenue next fiscal year.

Expenses for the City's governmental activities increased by \$2.6 million, or 2.2 percent, while business-type activities increased by \$0.3 million, or 0.8 percent.

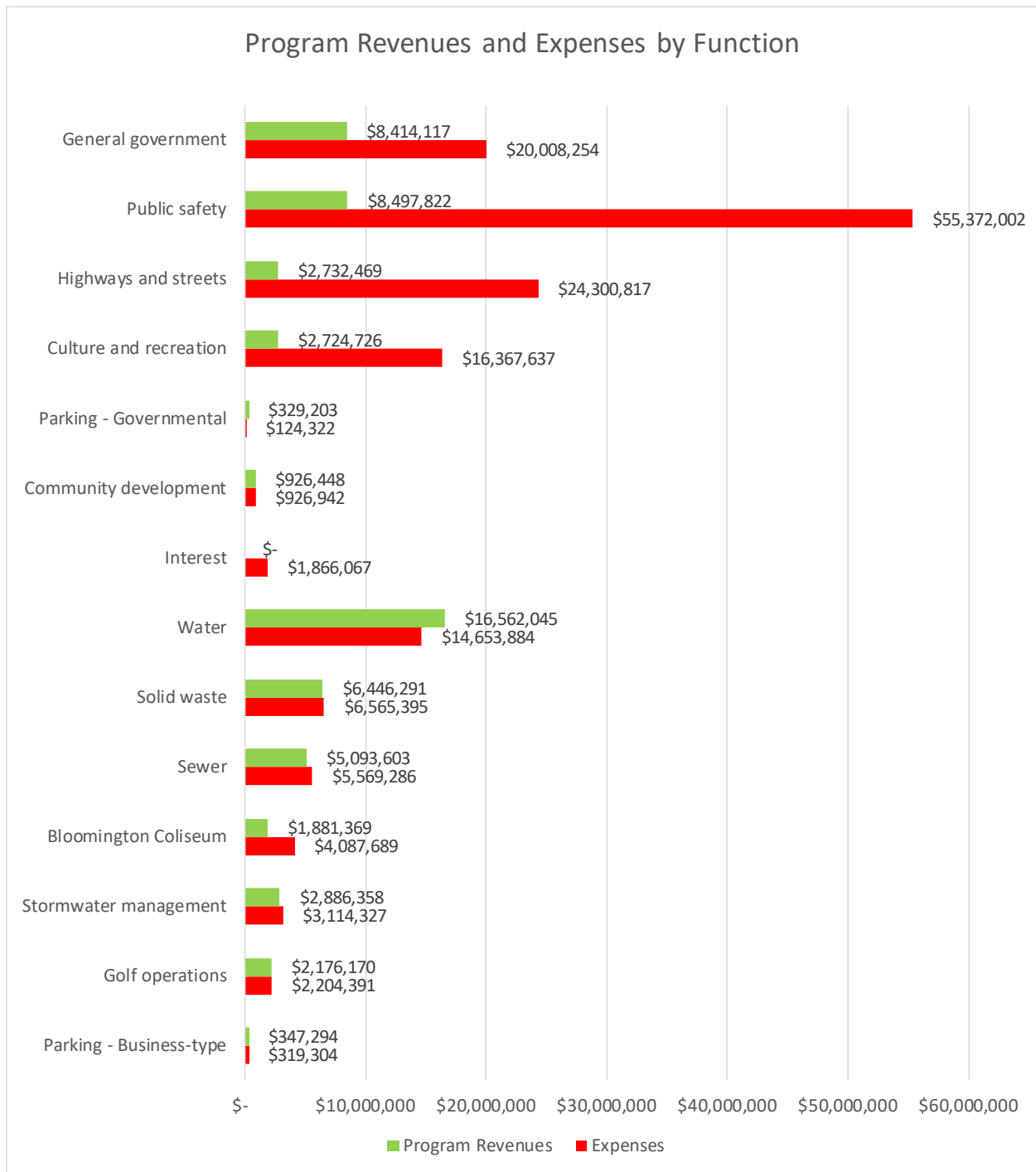
Governmental Activities – Highway and streets, and Community development saw increased expenses from prior year levels while the remaining activities saw declines. Salary and benefit costs were up in most categories. Highways and streets experienced an increase of \$5.1 million or 26.6 percent primarily due to major road constructions projects and capital expenditures. Community development costs increased by \$0.1 million or 11.3 percent primarily due to the purchase of land and loans. Expenses relating to general government decreased \$1.8 million or by 8.3 percent. The primary reasons for the decrease were lower land purchases, and a decrease in the subsidy for public transportation. Public safety decreased \$0.4 million or by 0.7 percent. The primary reasons for the decrease are from personnel savings due to vacancies. Other increases and decreases offset. Culture and recreation decreased by \$0.1 million or 0.6 percent. Parking decreased \$0.2 million or 67%. Interest costs decreased \$0.1 million or 5.0 percent.

Business-Type Activities – Overall expenses increased \$0.3 million or 0.8 percent. Water and Stormwater experienced increases while Solid Waste, Sewer, Bloomington Arena, and Golf experienced decreased expenses. The most notable increase was seen in Stormwater with increased capital costs of \$0.7 million. The most notable decrease was in Sewer with a decrease in capital of \$0.5 million.

Net Costs by Function

The following graph demonstrates the costs by function which are covered through charges for services and grants. The difference between program revenues and program expenses represents the costs of these activities that are subsidized with general revenues such as taxes and transfers from other areas or in the case of a positive difference, the amounts the functions are contributing to net position or funding other areas.

CITY OF BLOOMINGTON, ILLINOIS
 MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited) – Continued



FINANCIAL ANALYSIS OF THE CITY’S FUNDS

Governmental Funds – Balance Sheet

On April 30, 2018, the governmental funds reported a combined total fund balance of \$57.6 million, which is an increase of \$2.7 million, or 4.9 percent, from the prior year fund balance of

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) – Continued

\$54.9 million. During fiscal year 2018 the fund balances for the general fund and library fund increased by \$5.0 million and \$0.45 million, respectively, while the fund balance for the debt service fund decreased \$0.7. Of the total fund balance for governmental funds of \$57.6 million, \$16.7 million is unassigned which indicates the funds are available to support the continued operations of the City. An additional \$13.2 million is considered committed or assigned meaning the City has limited the use of the funds to specific functions. Restricted fund balance of \$27.0 million is limited by legal restrictions from outside parties on how the funds may be spent. Nonspendable fund balance in the amount of \$0.7 million is not available for current expenditures as the funds are not in a spendable form such as inventory and loans receivable.

Additional information may be found within the Governmental Funds Balance Sheet presented on pages 23 – 26.

Major Governmental Funds – Change in Fund Balance

General Fund

The General Fund is the City's primary operating fund. This fund finances the bulk of the City's day-to-day operations. The fund balance of the General Fund increased \$5.0 million to \$29.6 million.

Total revenue for the General Fund decreased by \$.6 million or 0.6 percent, while General Fund expenditures increased by \$1.9 million or 2.2 percent. Some of the more noteworthy changes are as follows:

While tax revenue decreased overall by \$0.5 million, there were two notable areas of increase. Revenue from the state income tax increased \$0.76 million or 10.4 percent primarily as a result of the state making more timely distributions resulting in thirteen payment during this year. The other area of increase was in property taxes which increased \$0.57 million or 3.3 percent. Offsetting the increase from these two tax sources was a decrease of \$1.53 million or 6.7 percent in the home rule sales tax due to a receipt in the prior year of a one-time payment. Other than a slight increase in local taxes of \$0.04 million or 0.32 percent, the remaining tax categories experienced decreases totaling \$0.35 million or 1.3 percent. Licenses and permits decreased \$0.08 million or 5.8 percent mostly in the areas of building related permits. Charges for services and Fines and forfeitures were down only slightly by \$0.02 or 0.2 percent from last year while Other income was down slightly by \$0.03. Investment income increased \$.15 million or 120.7%.

General government expenditures had a net decrease of \$0.6 million, or 3.3 percent. The primary reason for the decrease was from personnel and benefit savings due to vacancies. Public safety expenditures increased \$2.7 million or 5.3 percent to increases in pension, salary, and benefit costs. Highways and streets expenditures increased \$0.6 million or 9.4 percent due primarily to increased salary and benefit costs. Culture and recreation expenditures increased slightly by \$0.02 million or 0.2 percent. Parking expenditures decreased \$0.03 million or 8.2 percent. Debt service costs decreased by \$0.2 million or 12.4 percent. Debt service costs in the general fund relate to capital leases for equipment used in operations of various general fund departments. Capital outlay costs decreased \$0.6 million due primarily to lower capital expenditure.

Other financing sources and uses include transfers which are used to move revenue from a fund that collects the revenue to the fund that expends the funds. In fiscal year 2018, the City transferred approximately \$11.7 million from the General Fund to other funds, including: \$2.4 million to debt service funds, \$6.1 million to the Capital Improvement Fund, \$.3 million to the Solid waste Fund, and \$2.9 million to the Bloomington Arena Fund.

Library Fund

The Library Fund was established to account for the property tax and other financial resources required to provide library service to the residents of the City. The fund balance of the Library Fund totaled \$5.7 million at April 30, 2018, an increase of approximately \$0.5 million over prior year, and represents almost 113% of fiscal year 2018 expenditures.

Debt Service Fund

Fund balance for the Debt Service Fund decreased \$0.7 million or 9.6 percent. Debt service expenditures totaled \$14.1 million, up by \$7.2 million over what was reported last year. The increase was due the refunding of the Series 2004 bonds which took place last year. Tax revenue contributed \$2.23 million towards the debt service expenditures with operating transfers providing \$3.8 million.

Additional information may be found within the Statement of Revenues, Expenditures and Changes in Fund Balances on pages 28 – 29.

Nonmajor Governmental Funds

The fund balance for the nonmajor governmental funds decreased \$1.6 million from \$19.3 million at April 30, 2017 to \$17.8 million at April 30, 2018. Fund balance increases were seen in the following nonmajor governmental funds: Drug Enforcement, Foreign Fire Insurance Board, Community Development, and Empire Street TIF. The following nonmajor governmental funds had decreases in fund balances: Motor Fuel Tax, Board of Elections, IHDA Grant, Park Dedication, Downtown-Southwest TIF, and Capital Improvements. Motor Fuel Tax Fund saw a decrease in fund balance of \$0.6 million due to an increase in projects undertaken in 2018. The Capital Improvements fund expenditures increased \$2.6 million to \$7.1 million in fiscal year 2018 mainly due to an increase in expenditures for road resurfacing projects.

Proprietary Funds

The proprietary fund statements provide the same type of information found in the government-wide financial statements but in more detail. The proprietary fund financial statements can be found on pages 31 – 40.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the fiscal year 2018, the City amended the budget via Council approval. City staff monitor actual expenditures compared to appropriations within the City budget and request

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited) – Continued

amendments from City Council when needed. The original budget amounts presented in this report reflect the amounts as originally adopted by the City Council.

Below is a table which reflects the original and final budget plus the actual results for the General Fund. Refer to page 107 in the Required Supplementary Information for more details.

Table 3 - General Fund - Budget and Actual
Year Ended April 30,2018 (in millions)

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 86.3	\$ 86.3	\$ 86.5
Intergovernmental	0.2	0.2	0.2
Licenses and permits	1.2	1.2	1.3
Charges for services	11.8	11.8	12.0
Fines and forfeitures	0.8	0.8	0.7
Investment income	0.1	0.1	0.2
Other	1.0	1.0	0.9
Total revenues	101.4	101.4	101.8
Expenditures:			
Current	91.8	92.2	86.8
Debt service	2.0	2.0	1.7
Capital outlay	-	0.8	1.3
Total expenditures	93.8	95.0	89.8
Other:			
Transfers in and other	3.6	3.6	3.6
Transfers out	(11.1)	(12.1)	(11.7)
Loan & Sales Proceeds			1.1
Net Change in Fund Balance	\$ 0.1	\$ (2.1)	\$ 5.0

Changes from original budget to final budget included encumbrances carried forward from the previous year of approximately \$1.2 million and budget amendments approved by City Council. Budget amendments approved by the City Council for fiscal year 2018 included \$1.5 million in additional transfers to offset deficits in other funds and capital items not in the original budget.

The General Fund actual revenues were \$0.4 million more than the amended budget amount and, in the aggregate, slight variances are expected. Of note, taxes exceeding budget were the municipal sales, local use tax, and income taxes (\$1.9 million or 5.5 percent over budget). The home rule sales did not meet budget (\$1.6 million under budget). Charges for services and Investment each exceeded but by \$0.2 and \$0.2, respectively.

The General Fund actual expenditures were \$5.2 million less than the amended budget.

CITY OF BLOOMINGTON, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited) – Continued

With the exception of capital expenditures, actual expenditures were below the amended budget in all other categories. Salaries and benefits were \$2.6 million below budget due to vacancies. Of this amount, \$2.5 million was in salaries with Public Safety, Culture and Recreation, and Administration with savings of \$1.3 million, \$0.6 million, and \$0.6, respectively. Purchased service, leases, supplies and commodities combined were \$2.8 million under budget. Debt Service was below budget by \$0.3 million. Finally, Capital and repair and maintenance costs exceeded budget by \$0.5 million.

CAPITAL ASSETS

At the end of the current year, the City had a combined (governmental and business-type activities) total of capital assets, net of depreciation, of \$357.5 million. This is an increase of \$1.3 million from the prior year total of \$356.2 million. The table below details capital asset balances.

Table 4 - Capital Assets, Net of Depreciation
Year Ended April 30, 2018 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2016
Capital assets not being depreciated	\$ 33.2	\$ 26.9	\$ 14.9	\$ 14.1	\$ 48.1	\$ 41.0
Land Improvements	13.0	13.4	0.2	0.3	13.2	13.7
Construction	45.7	47.3	37.2	38.1	82.9	85.4
Infrastructure	56.1	59.9	128.3	128.2	184.4	188.1
Machinery and equipment	7.3	7.0	11.6	10.9	18.9	17.9
Licensed vehicles	7.3	6.8	2.7	3.3	10.0	10.1
Total net capital assets	\$ 162.6	\$ 161.3	\$ 194.9	\$ 194.9	\$ 357.5	\$ 356.2

Significant capital additions in fiscal year 2018 included the following:

- Frontier Parking Lots
- Land at 404 E. Washington St.
- Zamboni for Pepsi Ice Center
- Fleet of Golf Carts for golf courses
- Street sweeper for public service
- Backhoe for public service
- Ambulance for Fire
- Hockey dasher boards
- Vehicles for the police department
- Vehicles for the fire department

Monies spent for street resurfacing in Fiscal 2018 are not reflected as capital assets and are considered capital maintenance.

Additional information on capital assets may be found in Note III.C. in the Notes to the Financial Statements on pages 70 – 72.

DEBT ADMINISTRATION

The City of Bloomington's long term debt was \$210.1 million for governmental activities and \$31.9 million for business-type activities as of April 30, 2018. The table below summarizes the City's long-term debt by type.

Table 5 - Long-Term Debt

	Year Ended April 30, 2018 (in millions)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2016
General obligation bonds	\$ 53.2	\$ 57.5	\$ 4.6	\$ 4.8	\$ 57.8	\$ 62.3
Loans payable	-	0.1	9.5	10.3	9.5	10.4
Notes payable	-	-	8.5	9.2	8.5	9.2
Capital lease payable	6.5	4.6	4.8	4.5	11.3	9.1
Net OPEB obligation	8.2	7.8	1.2	1.2	9.4	9.0
Net pension liabilities	125.6	141.1	1.4	7.6	127.0	148.7
Claims payable	4.9	4.8	-	-	4.9	4.8
Compensated absences	11.7	11.4	1.9	1.8	13.6	13.2
Total long-term debt	\$ 210.1	\$ 227.3	\$ 31.9	\$ 39.4	\$ 242.0	\$ 266.7

Additional information on long term debt may be found in Note III.E. and III.F. in the Notes to the Financial Statements on pages 74 – 83.

The City issued the Series 2017 Bonds to refund the remaining Series 2004 Bonds and the Series 2018 Bonds were issued to finance the purchase of land. The City continues to issue capital leases annually to finance various equipment purchases. New loans were issued in fiscal year 2018 to replace a fire rescue pumper and an ambulance as well as hockey dasher boards for the Pepsi Ice Center. The City is currently making bi-annual payments on several Illinois Environmental Protection Agency loans, but there were no new loan amounts under these programs in fiscal year 2018. The City also holds notes payable to the Bloomington and Normal Water Reclamation District and the Village of Downs. These notes relate to IEPA loan funded projects the City participated in, but does not own the assets created. This dichotomy is reflected in the financials as deficit balances until the corresponding obligations are paid.

Net pension liabilities reflect the implementation of GASB 68 and GASB 71. More detailed information on the City's pensions and related liabilities can be found in the Notes to Financial Statements on pages 88 – 101 and the Required Supplementary Information on pages 109 – 116.

The other post-employment benefits (OPEB) liability is expected to increase on an on-going basis as the City's policy remains to address this liability on a pay as you go basis. More detailed information on the City's OPEB liability can be found in the Notes to Financial Statements on pages 103 – 106 and the Required Supplementary Information on page 117.

Claims payable represent estimated amounts to be paid for workers' compensation, liability and other claims. Compensated absences represents the value of accumulated unpaid vacation of employees and an estimated value of the sick leave accumulated that may be payable upon retirement based on criteria in employment contracts and union agreements.

The City's most current credit ratings with Fitch and Moody's are AA+ and Aa2 with stable outlooks.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The economy in the Bloomington area remains stable with relatively low unemployment. While there are a number of initiatives underway that are expected to improve the City's revenues, revenue growth has been slow and not kept up with expenditure growth. The fiscal year 2019 adopted budget was balanced with no major reductions in service levels. Future budgets will likely include the issuance of bonds to fund some capital projects. The City is also focusing on economic development by investigating the creation of additional TIF districts, continuing to working with developers on incentive packages to build and retain a diverse tax base, and working with owners to repurpose the Eastland Mall.

Request for Information

This financial report is designed to provide a general overview of the City of Bloomington's finances for those interested in the government's finances. Questions in regards to the information provided within this report or requests for additional financial information should be addressed to: Patti-Lynn Silva, CPA, Director of Finance, City of Bloomington, 109 East Olive Street, Bloomington, IL 61701.

CITY OF BLOOMINGTON

STATEMENT OF NET POSITION As of April 30, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Totals	Library Foundation	Miller Park Zoological Society
ASSETS					
Current Assets:					
Cash and investments	\$ 54,719,998	\$ 37,519,032	\$ 92,239,030	\$ 1,733,717	\$ 677,603
Receivables (net)					
Taxes	24,884,988	-	24,884,988	-	-
Loans	1,886,767	-	1,886,767	-	-
Accounts	3,220,412	4,321,526	7,541,938	-	-
Due from other governmental units	10,857,287	-	10,857,287	-	-
Beneficial interest in Stubblefield Trust	-	-	-	1,212,371	-
Internal balances	552,556	(552,556)	-	-	-
Inventory	405,000	374,326	779,326	-	-
Prepaid items and other assets	25,841	111,616	137,457	-	593
Property held for resale	16,775	-	16,775	-	-
	<u>96,569,624</u>	<u>41,773,944</u>	<u>138,343,568</u>	<u>2,946,088</u>	<u>678,196</u>
Total Current Assets					
Noncurrent Assets:					
Capital Assets					
Land	22,642,619	7,650,506	30,293,125	-	-
Construction in progress	10,532,371	7,232,438	17,764,809	-	-
Depreciable capital assets, net of accumulated depreciation	<u>129,410,091</u>	<u>180,064,862</u>	<u>309,474,953</u>	<u>-</u>	<u>-</u>
Total Noncurrent Assets	<u>162,585,081</u>	<u>194,947,806</u>	<u>357,532,887</u>	<u>-</u>	<u>-</u>
Total Assets	<u>259,154,705</u>	<u>236,721,750</u>	<u>495,876,455</u>	<u>2,946,088</u>	<u>678,196</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	314,276	-	314,276	-	-
Deferred outflows of resources related to pensions	<u>11,897,713</u>	<u>598,908</u>	<u>12,496,621</u>	<u>-</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>12,211,989</u>	<u>598,908</u>	<u>12,810,897</u>	<u>-</u>	<u>-</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF NET POSITION As of April 30, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Totals	Library Foundation	Miller Park Zoological Society
LIABILITIES					
Current Liabilities:					
Accounts payable and accrued expenses	\$ 4,986,975	\$ 3,734,888	\$ 8,721,863	\$ -	\$ 1,432
Claims payable, current portion	3,256,201	-	3,256,201	-	-
Compensated absences, current portion	1,270,895	57,114	1,328,009	-	-
Accrued interest payable	669,498	165,575	835,073	-	-
Unearned revenue	244,480	623,041	867,521	-	-
Deposits	117,873	29,500	147,373	-	1,066
Capital leases, current portion	1,712,163	1,210,629	2,922,792	-	-
Loan payable, current portion	-	850,802	850,802	-	-
Note payable, current portion	-	781,343	781,343	-	-
General obligation bonds, current portion	4,905,000	225,000	5,130,000	-	-
Total Current Liabilities	17,163,085	7,677,892	24,840,977	-	2,498
Noncurrent Liabilities					
Claims payable, noncurrent portion	1,594,114	-	1,594,114	-	-
Compensated absences, noncurrent portion	10,456,555	1,896,803	12,353,358	-	-
Net OPEB obligation	8,203,304	1,211,228	9,414,532	-	-
Net pension liabilities	125,595,137	1,419,947	127,015,084	-	-
Capital leases, noncurrent portion	4,799,070	3,547,053	8,346,123	-	-
Loan payable, noncurrent portion	-	8,646,728	8,646,728	-	-
Note payable, noncurrent portion	-	7,680,140	7,680,140	-	-
General obligation bonds, noncurrent portion	48,336,665	4,354,143	52,690,808	-	-
Total Noncurrent Liabilities	198,984,845	28,756,042	227,740,887	-	-
Total Liabilities	216,147,930	36,433,934	252,581,864	-	2,498
DEFERRED INFLOWS OF RESOURCES					
Property taxes levied for future period	24,884,988	-	24,884,988	-	-
Deferred inflows of resources related to pensions	12,071,712	4,277,961	16,349,673	-	-
Total Deferred Inflows of Resources	36,956,700	4,277,961	41,234,661	-	-
NET POSITION					
Net investment in capital assets	126,319,519	176,113,451	279,259,910	-	-
Permanently restricted, nonexpendable for library	-	-	-	1,242,400	-
Temporarily restricted	-	-	-	141,062	247,206
Restricted for					
Debt service	6,319,507	-	6,319,507	-	-
Culture and recreation	728,755	-	728,755	-	-
Library	5,685,222	-	5,685,222	-	-
Public safety	158,976	-	158,976	-	-
Motor fuel tax projects	9,760,579	-	9,760,579	-	-
Board of elections	557,479	-	557,479	-	-
Community development	1,620,764	-	1,620,764	-	-
Unrestricted	(132,888,737)	20,495,312	(89,220,365)	1,562,626	428,492
TOTAL NET POSITION	\$ 18,262,064	\$ 196,608,763	\$ 214,870,827	\$ 2,946,088	\$ 675,698

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF ACTIVITIES For the Year Ended April 30, 2018

Functions/Programs	Program Revenues			
Primary Government	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 20,008,254	\$ 7,890,044	\$ 524,073	\$ -
Public safety	55,372,002	6,857,570	220,770	1,419,482
Highways and streets	24,300,817	697,142	2,035,327	-
Culture and recreation	16,367,637	2,555,628	169,098	-
Parking	124,322	329,203	-	-
Community development	926,942	-	926,448	-
Interest on long-term debt	1,866,067	-	-	-
Total Governmental Activities	118,966,041	18,329,587	3,875,716	1,419,482
Business-type Activities				
Water	14,653,883	15,923,704	-	638,341
Solid Waste	6,565,395	6,446,291	-	-
Sewer	5,569,286	4,913,877	-	179,726
Bloomington Arena	4,087,690	1,881,369	-	-
Stormwater Management	3,114,327	2,818,678	-	67,680
Golf Operations	2,204,391	2,176,170	-	-
Parking	319,304	347,294	-	-
Total Business-type Activities	36,514,276	34,507,383	-	885,747
Total Primary Government	\$ 155,480,317	\$ 52,836,970	\$ 3,875,716	\$ 2,305,229
Component Units				
Library Foundation	\$ 54,628	\$ -	\$ 6,131	\$ -
Miller Park Zoological Society	208,226	224,610	51,307	-
Total Component Units	\$ 262,854	\$ 224,610	\$ 57,438	\$ -
General Revenues				
Taxes				
Property taxes				
Franchise taxes				
Home rule sales taxes				
Utility taxes				
Food and beverage taxes				
Other taxes				
Intergovernmental				
Shared income taxes				
Shared state sales taxes				
Investment income				
Gain on disposal of assets				
Miscellaneous				
Total General Revenues				
Transfers				
Change in net position				
NET POSITION - Beginning of Year				
NET POSITION - END OF YEAR				

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position				
Primary Government				
Governmental Activities	Business-type Activities	Totals	Library Foundation	Miller Park Zoological Society
\$ (11,594,137)	\$ -	\$ (11,594,137)	\$ -	\$ -
(46,874,180)	-	(46,874,180)	-	-
(21,568,348)	-	(21,568,348)	-	-
(13,642,911)	-	(13,642,911)	-	-
204,881	-	204,881	-	-
(494)	-	(494)	-	-
<u>(1,866,067)</u>	<u>-</u>	<u>(1,866,067)</u>	<u>-</u>	<u>-</u>
<u>(95,341,256)</u>	<u>-</u>	<u>(95,341,256)</u>	<u>-</u>	<u>-</u>
-	1,908,162	1,908,162	-	-
-	(119,104)	(119,104)	-	-
-	(475,683)	(475,683)	-	-
-	(2,206,321)	(2,206,321)	-	-
-	(227,969)	(227,969)	-	-
-	(28,221)	(28,221)	-	-
-	27,990	27,990	-	-
-	<u>(1,121,146)</u>	<u>(1,121,146)</u>	<u>-</u>	<u>-</u>
<u>(95,341,256)</u>	<u>(1,121,146)</u>	<u>(96,462,402)</u>	<u>-</u>	<u>-</u>
-	-	-	(48,497)	-
-	-	-	-	67,691
-	-	-	(48,497)	67,691
24,755,268	-	24,755,268	-	-
2,064,408	-	2,064,408	-	-
21,326,285	1,440,470	22,766,755	-	-
6,580,281	-	6,580,281	-	-
4,291,619	-	4,291,619	-	-
12,441,311	-	12,441,311	-	-
7,997,851	-	7,997,851	-	-
14,318,735	-	14,318,735	-	-
591,760	377,165	968,925	247,934	19,312
61,248	32,048	93,296	-	-
<u>1,678,866</u>	<u>581,488</u>	<u>2,260,354</u>	<u>-</u>	<u>-</u>
<u>96,107,632</u>	<u>2,431,171</u>	<u>98,538,803</u>	<u>247,934</u>	<u>19,312</u>
<u>(362,802)</u>	<u>362,802</u>	<u>-</u>	<u>-</u>	<u>-</u>
403,574	1,672,827	2,076,401	199,437	87,003
<u>17,858,490</u>	<u>194,935,936</u>	<u>212,794,426</u>	<u>2,746,651</u>	<u>588,695</u>
<u>\$ 18,262,064</u>	<u>\$ 196,608,763</u>	<u>\$ 214,870,827</u>	<u>\$ 2,946,088</u>	<u>\$ 675,698</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

BALANCE SHEET GOVERNMENTAL FUNDS As of April 30, 2018

	<u>General</u>	<u>Library</u>	<u>Debt Service</u>	<u>Capital Lease</u>
ASSETS				
Cash and investments	\$ 16,434,901	\$ 5,889,403	\$ 6,989,005	\$ 3,407,975
Receivables (net)				
Taxes	17,881,241	4,823,604	2,180,143	-
Loans	268,823	-	-	-
Accounts	2,974,301	-	-	-
Accrued interest receivable	403	-	-	-
Due from other governmental units	10,681,906	-	-	-
Due from other funds	5,612,089	-	-	-
Inventory	405,000	-	-	-
Prepaid items	24,162	1,679	-	-
Property held for resale	-	-	-	-
TOTAL ASSETS	<u>\$ 54,282,826</u>	<u>\$ 10,714,686</u>	<u>\$ 9,169,148</u>	<u>\$ 3,407,975</u>

See accompanying notes to financial statements.



<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 16,922,417	\$ 49,643,701
-	24,884,988
1,617,944	1,886,767
239,837	3,214,138
-	403
175,381	10,857,287
-	5,612,089
-	405,000
-	25,841
<u>16,775</u>	<u>16,775</u>
<u>\$ 18,972,354</u>	<u>\$ 96,546,989</u>

CITY OF BLOOMINGTON

BALANCE SHEET GOVERNMENTAL FUNDS As of April 30, 2018

	General	Library	Debt Service	Capital Lease
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 3,158,471	\$ 205,442	\$ -	\$ 593,425
Due to other funds	-	418	-	5,277,952
Deposits	93,873	-	-	-
Unearned revenues	239,961	-	-	-
Total Liabilities	3,492,305	205,860	-	5,871,377
Deferred Inflows of Resources				
Property taxes levied for future period	17,881,241	4,823,604	2,180,143	-
Unavailable revenues	3,253,295	-	-	-
Total Deferred Inflows of Resources	21,134,536	4,823,604	2,180,143	-
Fund Balances (Deficit)				
Nonspendable				
Inventory	405,000	-	-	-
Loans receivable	268,823	-	-	-
Prepaid items	24,162	1,679	-	-
Restricted				
Debt service	-	-	6,989,005	-
Highways and streets	-	-	-	-
Board of elections	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	5,683,543	-	-
Community development	-	-	-	-
Pension funding	1,528,847	-	-	-
Committed				
Pension funding	5,402,532	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Assigned				
General government	726,321	-	-	-
Public safety	559,531	-	-	-
Highways and streets	299,900	-	-	-
Culture and recreation	1,196,660	-	-	-
Parking	17,758	-	-	-
Capital projects	-	-	-	-
Unassigned	19,226,451	-	-	(2,463,402)
Total Fund Balances (Deficit)	29,655,985	5,685,222	6,989,005	(2,463,402)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 54,282,826	\$ 10,714,686	\$ 9,169,148	\$ 3,407,975

See accompanying notes to financial statements.

Nonmajor Governmental Funds	Totals
<u> </u>	<u> </u>
\$ 957,369	\$ 4,914,707
218,210	5,496,580
24,000	117,873
87	240,048
<u>1,199,666</u>	<u>10,769,208</u>
-	24,884,988
-	<u>3,253,295</u>
-	<u>28,138,283</u>
-	405,000
-	268,823
-	25,841
-	6,989,005
9,760,579	9,760,579
557,479	557,479
158,976	158,976
728,755	6,412,298
1,620,764	1,620,764
-	1,528,847
-	5,402,532
1,301,442	1,301,442
1,684,326	1,684,326
-	726,321
-	559,531
-	299,900
-	1,196,660
-	17,758
2,062,442	2,062,442
(102,075)	16,660,974
<u>17,772,688</u>	<u>57,639,498</u>
<u>\$ 18,972,354</u>	<u>\$ 96,546,989</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

Total Fund Balances - Governmental Funds	\$ 57,639,498
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	162,585,081
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	3,253,295
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	11,890,763
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(12,023,475)
Internal service funds are reported in the statement of net position as governmental activities.	530,165
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
General obligation bonds payable	(52,495,000)
Capital lease payable	(6,511,233)
Accrued interest payable	(669,498)
Unamortized bond premium	(806,648)
Unamortized bond discount	59,983
Compensated absences	(11,722,713)
Net OPEB obligation	(8,203,304)
Net pension liabilities	(125,579,126)
A deferred charge on refunding represents an consumption of net position that applies to a future period and, therefore, is not reported in the funds.	<u>314,276</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 18,262,064</u>

CITY OF BLOOMINGTON

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

For the Year Ended April 30, 2018

	General	Library	Debt Service	Capital Lease
REVENUES				
Taxes	\$ 86,490,993	\$ 4,809,853	\$ 2,233,423	\$ -
Intergovernmental	172,458	59,483	-	-
Licenses and permits	1,265,842	-	-	-
Charges for services	12,006,201	70,743	-	-
Fines and forfeitures	748,527	-	-	-
Investment income	275,397	55,712	63,619	5,627
Other	871,950	470,734	-	-
Total Revenues	101,831,368	5,466,525	2,297,042	5,627
EXPENDITURES				
Current				
General government	16,235,161	-	-	-
Public safety	53,171,715	-	-	-
Highways and streets	7,336,490	-	-	-
Culture and recreation	9,754,545	4,996,948	-	-
Community development	-	-	-	-
Parking	331,105	-	-	-
Debt Service				
Principal	1,518,390	-	12,325,000	-
Interest and fiscal agent fees	163,949	-	1,768,783	338
Bond issuance costs	-	-	37,500	-
Capital outlay	1,288,320	14,245	-	3,862,480
Total Expenditures	89,799,675	5,011,193	14,131,283	3,862,818
Excess (deficiency) of revenues over expenditures	12,031,693	455,332	(11,834,241)	(3,857,191)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,657,691	-	3,849,996	-
Transfers out	(11,756,438)	-	-	-
Capital lease and loan proceeds	970,000	-	-	3,407,975
Proceeds from sale of capital assets	117,653	4	-	-
Proceeds on bonds issued	-	-	7,240,000	-
Total Other Financing Sources (Uses)	(7,011,094)	4	11,089,996	3,407,975
Net Change in Fund Balances	5,020,599	455,336	(744,245)	(449,216)
FUND BALANCES (DEFICIT) - Beginning of Year	24,635,386	5,229,886	7,733,250	(2,014,186)
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 29,655,985	\$ 5,685,222	\$ 6,989,005	\$ (2,463,402)

See accompanying notes to financial statements.

Nonmajor Governmental Funds	Totals
\$ 127,823	\$ 93,662,092
3,662,101	3,894,042
-	1,265,842
-	12,076,944
121,052	869,579
143,759	544,114
<u>336,182</u>	<u>1,678,866</u>
<u>4,390,917</u>	<u>113,991,479</u>
417,662	16,652,823
182,077	53,353,792
668,273	8,004,763
85,795	14,837,288
885,776	885,776
-	331,105
133,775	13,977,165
11,491	1,944,561
-	37,500
<u>9,661,775</u>	<u>14,826,820</u>
<u>12,046,624</u>	<u>124,851,593</u>
<u>(7,655,707)</u>	<u>(10,860,114)</u>
6,074,613	13,582,300
(6,664)	(11,763,102)
-	4,377,975
17,050	134,707
-	<u>7,240,000</u>
<u>6,084,999</u>	<u>13,571,880</u>
(1,570,708)	2,711,766
<u>19,343,396</u>	<u>54,927,732</u>
<u>\$ 17,772,688</u>	<u>\$ 57,639,498</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

Net change in fund balances - total governmental funds	\$	2,711,766
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital asset additions		9,568,055
Depreciation		(9,594,610)
Net book value of assets retired		(73,460)
Contributions of capital assets		1,401,156

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.		(90,826)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bonds and notes issued		(8,210,000)
Capital leases issued		(3,407,975)
Bond principal repaid		12,325,000
Capital lease principal repaid		1,518,392
Loan principal repaid		133,775

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		(310,811)
Accrued interest on debt		40,980
Amortization of bond premium		135,545
Amortization of bond discount		(7,902)
Amortization of deferred charge on refunding		(52,630)
Net pension liability		15,378,392
Deferred outflows of resources related to pensions		(12,476,005)
Deferred inflows of resources related to pensions		(6,845,035)
Other OPEB obligation		(379,195)

Internal service funds are used by management to charge self-insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities		(1,361,038)
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>403,574</u>
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CITY OF BLOOMINGTON

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of April 30, 2018

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Bloomington Arena</u>	<u>Stormwater Management</u>
ASSETS				
Current Assets				
Cash and investments	\$ 30,754,351	\$ 2,877,807	\$ 2,377,198	\$ -
Receivables, net of allowances for uncollectibles	1,863,555	855,947	189,967	408,261
Inventory	164,728	-	42,285	-
Prepaid items	-	-	111,616	-
Total Current Assets	<u>32,782,634</u>	<u>3,733,754</u>	<u>2,721,066</u>	<u>408,261</u>
Noncurrent Assets				
Capital Assets				
Land	4,782,158	276,237	444,524	240,000
Construction in progress	4,375,927	2,058,922	386,547	183,503
Other depreciable capital assets, net of accumulated depreciation	<u>80,334,326</u>	<u>61,160,340</u>	<u>22,509,199</u>	<u>9,365,906</u>
Total Noncurrent Assets	<u>89,492,411</u>	<u>63,495,499</u>	<u>23,340,270</u>	<u>9,789,409</u>
Total Assets	<u>122,275,045</u>	<u>67,229,253</u>	<u>26,061,336</u>	<u>10,197,670</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	<u>266,241</u>	<u>64,408</u>	<u>3,175</u>	<u>63,958</u>
Total Deferred Outflows of Resources	<u>266,241</u>	<u>64,408</u>	<u>3,175</u>	<u>63,958</u>

See accompanying notes to financial statements.

<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 1,509,676	\$ 37,519,032	\$ 5,076,297
1,003,796	4,321,526	5,871
167,313	374,326	-
-	111,616	-
<u>2,680,785</u>	<u>42,326,500</u>	<u>5,082,168</u>
1,907,587	7,650,506	-
227,539	7,232,438	-
<u>6,695,091</u>	<u>180,064,862</u>	<u>-</u>
<u>8,830,217</u>	<u>194,947,806</u>	<u>-</u>
<u>11,511,002</u>	<u>237,274,306</u>	<u>5,082,168</u>
<u>201,126</u>	<u>598,908</u>	<u>6,950</u>
<u>201,126</u>	<u>598,908</u>	<u>6,950</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of April 30, 2018

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Bloomington Arena</u>	<u>Stormwater Management</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	1,766,307	764,269	491,941	280,450
Claims payable	-	-	-	-
Compensated absences	25,109	5,638	-	6,512
Accrued interest payable	46,969	91,331	-	27,275
Due to other funds	-	-	-	63,227
Unearned revenues	-	-	486,785	-
Deposits	29,500	-	-	-
Current maturities of long-term debt	<u>745,543</u>	<u>606,481</u>	<u>315,573</u>	<u>841,357</u>
Total Current Liabilities	<u>2,613,428</u>	<u>1,467,719</u>	<u>1,294,299</u>	<u>1,218,821</u>
Noncurrent Liabilities				
Claims payable	-	-	-	-
Compensated absences	965,366	225,891	-	219,696
Net OPEB obligation	426,767	84,240	-	135,073
Net pension liability	627,748	152,878	6,511	138,816
Capital lease payable, noncurrent portion	420,976	161,290	1,525,461	178,899
Loan payable, noncurrent portion	5,219,562	1,648,583	130,000	1,648,583
Note payable, noncurrent portion	-	1,515,001	-	6,165,139
General obligation bonds payable, noncurrent portion	-	<u>4,354,143</u>	-	-
Total Noncurrent Liabilities	<u>7,660,419</u>	<u>8,142,026</u>	<u>1,661,972</u>	<u>8,486,206</u>
Total Liabilities	<u>10,273,847</u>	<u>9,609,745</u>	<u>2,956,271</u>	<u>9,705,027</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	<u>1,891,253</u>	<u>460,588</u>	<u>19,617</u>	<u>418,219</u>
Total Deferred Inflows of Resources	<u>1,891,253</u>	<u>460,588</u>	<u>19,617</u>	<u>418,219</u>
NET POSITION				
Net investment in capital assets	83,106,330	56,841,541	21,369,236	7,785,375
Unrestricted	<u>27,269,856</u>	<u>381,787</u>	<u>1,719,387</u>	<u>(7,646,993)</u>
TOTAL NET POSITION	<u><u>\$110,376,186</u></u>	<u><u>\$ 57,223,328</u></u>	<u><u>\$ 23,088,623</u></u>	<u><u>\$ 138,382</u></u>

Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.

Net Position Business-type Activities

Net internal service funds reported in the statement of net position as governmental activities

See accompanying notes to financial statements.

Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
431,921	3,734,888	72,268
-	-	3,256,201
19,855	57,114	-
-	165,575	-
52,282	115,509	-
136,256	623,041	4,432
-	29,500	-
<u>558,820</u>	<u>3,067,774</u>	<u>-</u>
<u>1,199,134</u>	<u>7,793,401</u>	<u>3,332,901</u>
-	-	1,594,114
485,850	1,896,803	4,737
565,148	1,211,228	-
493,994	1,419,947	16,011
1,260,427	3,547,053	-
-	8,646,728	-
-	7,680,140	-
<u>-</u>	<u>4,354,143</u>	<u>-</u>
<u>2,805,419</u>	<u>28,756,042</u>	<u>1,614,862</u>
<u>4,004,553</u>	<u>36,549,443</u>	<u>4,947,763</u>
<u>1,488,284</u>	<u>4,277,961</u>	<u>48,237</u>
<u>1,488,284</u>	<u>4,277,961</u>	<u>48,237</u>
7,010,970	176,113,452	-
<u>(791,679)</u>	<u>20,932,358</u>	<u>93,118</u>
<u>\$ 6,219,291</u>	<u>\$197,045,810</u>	<u>\$ 93,118</u>
	<u>(437,047)</u>	<u>437,047</u>
	<u>\$196,608,763</u>	<u>\$ 530,165</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

For the Year Ended April 30, 2018

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Bloomington Arena	Stormwater Management
OPERATING REVENUES				
Charges for services	\$ 15,923,704	\$ 4,913,877	\$ 1,881,369	\$ 2,818,678
Total Operating Revenues	<u>15,923,704</u>	<u>4,913,877</u>	<u>1,881,369</u>	<u>2,818,678</u>
OPERATING EXPENSES				
Personal services	5,331,316	1,262,629	1,474,712	1,210,357
Contractual services	3,538,296	1,204,656	1,084,455	1,300,699
Commodities	3,519,731	1,481,936	379,729	161,743
Depreciation	2,192,733	1,404,108	1,108,935	245,659
Other charges, primarily claims	932	-	2,072	-
Total Operating Expenses	<u>14,583,008</u>	<u>5,353,329</u>	<u>4,049,903</u>	<u>2,918,458</u>
Operating Income (Loss)	<u>1,340,696</u>	<u>(439,452)</u>	<u>(2,168,534)</u>	<u>(99,780)</u>
NONOPERATING REVENUES (EXPENSES)				
Home rule sales taxes	-	-	1,440,470	-
Investment income (loss)	317,716	28,472	10,773	5,452
Gain (loss) on sale of capital assets	(1,445)	-	2,179	47,797
Other income	196,209	167,697	-	18,669
Interest and fiscal agent fees	(137,970)	(232,306)	(47,364)	(207,340)
Total Nonoperating Revenues (Expenses)	<u>374,510</u>	<u>(36,137)</u>	<u>1,406,058</u>	<u>(135,422)</u>
Income (Loss) Before Contributions and Transfers	<u>1,715,206</u>	<u>(475,589)</u>	<u>(762,476)</u>	<u>(235,202)</u>
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	638,341	179,726	-	67,680
Transfers in	492,487	-	2,941,414	-
Transfers out	(687,752)	(405,499)	(1,440,470)	(276,456)
Total Contributions and Transfers	<u>443,076</u>	<u>(225,773)</u>	<u>1,500,944</u>	<u>(208,776)</u>
Change in Net Position	<u>2,158,282</u>	<u>(701,362)</u>	<u>738,468</u>	<u>(443,978)</u>
NET POSITION - Beginning of Year	<u>108,217,904</u>	<u>57,924,690</u>	<u>22,350,155</u>	<u>582,360</u>
NET POSITION- END OF YEAR	<u>\$ 110,376,186</u>	<u>\$ 57,223,328</u>	<u>\$ 23,088,623</u>	<u>\$ 138,382</u>

Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds
Change in Net Position of Business-type Activities

Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 8,969,755	\$ 34,507,383	\$ 17,411,223
<u>8,969,755</u>	<u>34,507,383</u>	<u>17,411,223</u>
4,151,168	13,430,182	229,302
3,064,180	10,192,286	13,472,103
776,212	6,319,351	700
1,112,888	6,064,323	-
425	3,429	2,756,606
<u>9,104,873</u>	<u>36,009,571</u>	<u>16,458,711</u>
<u>(135,118)</u>	<u>(1,502,188)</u>	<u>952,512</u>
-	1,440,470	-
14,752	377,165	47,646
(16,483)	32,048	-
198,913	581,488	-
<u>(58,921)</u>	<u>(683,901)</u>	<u>-</u>
<u>138,261</u>	<u>1,747,270</u>	<u>47,646</u>
<u>3,143</u>	<u>245,082</u>	<u>1,000,158</u>
-	885,747	-
330,885	3,764,786	145,410
<u>(591,807)</u>	<u>(3,401,984)</u>	<u>(2,327,410)</u>
<u>(260,922)</u>	<u>1,248,549</u>	<u>(2,182,000)</u>
(257,779)	1,493,631	(1,181,842)
<u>6,477,070</u>	<u>195,552,179</u>	<u>1,274,960</u>
<u>\$ 6,219,291</u>	197,045,810	<u>\$ 93,118</u>
	179,196	
	<u>\$ 1,672,827</u>	

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Bloomington Arena	Stormwater Management
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 15,854,210	\$ 4,922,684	\$ 2,013,478	\$ 2,840,397
Received from interfund services provided	-	-	-	-
Paid to suppliers for goods and services	(6,726,515)	(2,816,961)	(2,084,128)	(1,379,844)
Paid to employees for services	(5,132,074)	(1,197,068)	(1,450,731)	(1,063,772)
Payments to claimants	-	-	-	-
Other receipts	196,209	167,697	-	18,669
Net Cash Flows From Operating Activities	<u>4,191,830</u>	<u>1,076,352</u>	<u>(1,521,381)</u>	<u>415,450</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	317,716	28,472	10,773	5,452
Net Cash Flows From Investing Activities	<u>317,716</u>	<u>28,472</u>	<u>10,773</u>	<u>5,452</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipts of intergovernmental revenues	-	-	1,440,470	-
Change in due to other funds	-	-	-	63,227
Transfers out to other funds	(687,752)	(405,499)	(1,440,470)	(276,456)
Transfers in from other funds	492,487	-	2,941,414	-
Net Cash Flows From Noncapital Financing Activities	<u>(195,265)</u>	<u>(405,499)</u>	<u>2,941,414</u>	<u>(213,229)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from loans issued	-	58,269	-	-
Capital lease proceeds	-	-	-	-
Acquisition and construction of capital assets	(1,715,182)	(869,275)	(346,922)	(160,823)
Principal paid on bonds	-	(215,000)	-	-
Principal paid on notes	-	(116,539)	-	(648,491)
Principal paid on loans	(578,851)	(98,103)	(59,999)	(98,103)
Principal paid on capital leases	(94,255)	(196,762)	(235,137)	(58,538)
Interest paid	(142,979)	(235,084)	(47,364)	(209,657)
Proceeds from sale of assets	15,681	-	2,179	49,529
Net Cash Flows From Capital and Related Financing Activities	<u>(2,515,586)</u>	<u>(1,672,494)</u>	<u>(687,243)</u>	<u>(1,126,083)</u>
Net Change in Cash and Cash Equivalents	1,798,695	(973,169)	743,563	(918,410)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>28,955,656</u>	<u>3,850,976</u>	<u>1,633,635</u>	<u>918,410</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 30,754,351</u>	<u>\$ 2,877,807</u>	<u>\$ 2,377,198</u>	<u>\$ -</u>

See accompanying notes to financial statements.

Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 8,861,018	\$ 34,491,787	\$ 9,117,376
-	-	8,297,659
(3,751,200)	(16,758,648)	(13,561,602)
(4,182,631)	(13,026,276)	(106,786)
-	-	(2,733,532)
<u>198,913</u>	<u>581,488</u>	<u>-</u>
<u>1,126,100</u>	<u>5,288,351</u>	<u>1,013,115</u>
<u>14,752</u>	<u>377,165</u>	<u>47,646</u>
<u>14,752</u>	<u>377,165</u>	<u>47,646</u>
-	1,440,470	-
52,282	115,509	-
(591,807)	(3,401,984)	(2,327,410)
<u>330,885</u>	<u>3,764,786</u>	<u>145,410</u>
<u>(208,640)</u>	<u>1,918,781</u>	<u>(2,182,000)</u>
-	58,269	-
385,773	385,773	-
(755,594)	(3,847,796)	-
-	(215,000)	-
-	(765,030)	-
-	(835,056)	-
(515,809)	(1,100,501)	-
(58,921)	(694,005)	-
<u>31,618</u>	<u>99,007</u>	<u>-</u>
<u>(912,933)</u>	<u>(6,914,339)</u>	<u>-</u>
19,279	669,958	(1,121,239)
<u>1,490,397</u>	<u>36,849,074</u>	<u>6,197,536</u>
<u>\$ 1,509,676</u>	<u>\$ 37,519,032</u>	<u>\$ 5,076,297</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Bloomington Arena	Stormwater Management
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,340,695	\$ (439,452)	\$ (2,168,533)	\$ (99,780)
Nonoperating revenue	196,209	167,697	-	18,669
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	2,192,733	1,404,108	1,108,935	245,659
Changes in assets and liabilities				
Accounts receivable	(69,494)	8,807	5,043	21,719
Due from other governments	-	-	-	-
Inventory	26,506	-	(887)	-
Prepaid items	-	-	(99,396)	-
Deferred outflows related to pensions	411,111	106,559	(8,978)	58,086
Deferred inflows related to pensions	2,483,089	604,521	26,447	550,957
Accounts payable	299,938	(130,369)	(517,589)	82,598
Claims payable	-	-	-	-
Compensated absences	39,385	26,591	-	33,996
Deposits payable	6,000	-	-	-
Unearned revenue	-	-	127,066	-
Net pension liability	(2,755,483)	(681,252)	6,511	(514,770)
Net OPEB obligation	21,141	9,142	-	18,316
	\$ 4,191,830	\$ 1,076,352	\$ (1,521,381)	\$ 415,450
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	<u>\$ 638,341</u>	<u>\$ 179,726</u>	<u>\$ -</u>	<u>\$ 67,680</u>
Capital assets obtained through capital leases	<u>\$ 392,879</u>	<u>\$ -</u>	<u>\$ 292,194</u>	<u>\$ 257,069</u>
Transfer of capital assets between funds	<u>\$ (161,589)</u>	<u>\$ 161,589</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ (135,118)	\$ (1,502,188)	\$ 952,512
198,913	581,488	-
1,112,888	6,064,323	-
(112,737)	(146,662)	5,697
-	-	(698)
283	25,902	-
-	(99,396)	-
354,570	921,348	(10,290)
1,952,482	5,617,496	64,487
86,334	(179,088)	(8,802)
-	-	23,074
(101,529)	(1,557)	-
(24)	5,976	-
4,000	131,066	(1,187)
(2,246,273)	(6,191,267)	(11,678)
<u>12,311</u>	<u>60,910</u>	<u>-</u>
<u>\$ 1,126,100</u>	<u>\$ 5,288,351</u>	<u>\$ 1,013,115</u>
<u>\$ -</u>		<u>\$ -</u>
<u>\$ 27,802</u>		<u>\$ -</u>
<u>\$ -</u>		<u>\$ -</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

	<u>Private Purpose Trust</u>	<u>Pension Trusts</u>
ASSETS		
Cash	\$ 84,618	\$ 4,282,007
Investments		
U.S. government treasuries	-	8,844,209
U.S. government agencies and corporations	-	10,289,971
Annuities - fixed	-	17,776,266
Annuities - variable	-	35,552,573
Insurance contracts	-	2,060,367
Mutual funds	12,571,680	58,914,090
Corporate bonds	-	5,083,237
Receivables		
Contributions	-	50,054
Accrued interest receivable	-	94,971
Due from other governmental units	20,000	-
Prepaid items	-	5,958
Total Assets	<u>12,676,298</u>	<u>142,953,703</u>
LIABILITIES		
Accounts payable	-	3,343
Total Liabilities	<u>-</u>	<u>3,343</u>
NET POSITION		
Restricted for pension benefits and other purposes	<u>\$ 12,676,298</u>	<u>\$ 142,950,360</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

	<u>Private Purpose Trust</u>	<u>Pension Trusts</u>
ADDITIONS		
Contributions		
Employer	\$ -	\$ 10,303,522
Plan members	-	2,041,418
Other	<u>400</u>	<u>56,902</u>
Total Contributions	<u>400</u>	<u>12,401,842</u>
Net investment income		
Net appreciation in fair value of investments	716,981	10,759,370
Investment earnings	<u>280,642</u>	<u>2,691,706</u>
Total Investment Income	997,623	13,451,076
Less Investment expense	-	68,607
Net Investment Income	<u>997,623</u>	<u>13,382,469</u>
Total Additions	<u>998,023</u>	<u>25,784,311</u>
DEDUCTIONS		
Benefits	-	11,269,363
Refunds of contributions	-	53,654
Administration	-	142,776
Health and welfare	<u>238,004</u>	<u>-</u>
Total Deductions	<u>238,004</u>	<u>11,465,793</u>
 Change in Net Position	 760,019	 14,318,518
 NET POSITION - Beginning of Year	 <u>11,916,279</u>	 <u>128,631,842</u>
 NET POSITION - END OF YEAR	 <u>\$ 12,676,298</u>	 <u>\$ 142,950,360</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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CITY OF BLOOMINGTON

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

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Bloomington, Illinois (the City) was incorporated in 1850. The City is a home-rule municipality, under the 1970 Illinois Constitution, located in McLean County, Illinois. The City operates under a Mayor-Council-Administrator form of government and provides the following services as authorized by its charter: public safety (police and fire), public works services, community enrichment, and development.

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

A. REPORTING ENTITY

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

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

CITY OF BLOOMINGTON

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

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

A. REPORTING ENTITY (cont.)

Discretely Presented Component Units

Bloomington Public Library Foundation

The Bloomington Public Library Foundation (Foundation) encourages and manages private support for the Bloomington Public Library within the City. The Foundation's Board is separately elected. In addition, the Foundation is considered to be a legally separate organization. The Foundation is included in the reporting entity due to the nature and significance of its relationship to the City. The Foundation issues a stand-alone financial report which is available at 207 West Jefferson Street, Bloomington, Illinois 61701.

Miller Park Zoological Society

The Miller Park Zoological Society (Society) provides support and funding for capital improvements, conservation programs, and development of the Miller Park Zoo. The Society's Board is separately elected. In addition, the Society is considered to be a legally separate organization. The Society is included in the reporting entity due to the nature and significance of its relationship to the City. The Society issues a stand-alone financial report which is available at 1020 S. Morris Avenue, Bloomington, Illinois 61701.

Pension Trust Funds

Police Pension

The Police Pension Employees Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The City and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements. Separately issued financial statements of the PPERS may be obtained from the PPERS.

CITY OF BLOOMINGTON

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

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

A. REPORTING ENTITY (cont.)

Firefighters' Pension

The Firefighters' Pension Employees Retirement System (FPERS) is established for the City's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership; and two fire employees elected by the membership constitute the pension board. The City and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements. Separately issued financial statements of the FPERS may be obtained from the FPERS.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

CITY OF BLOOMINGTON

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

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

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

Fund Financial Statements (cont.)

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

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

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

The City reports the following major governmental funds:

- General Fund - accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Library Fund - used to account for the property taxes levied for library purposes and other resources used to provide library services to the citizens of the City.
- Debt Service Fund - used to account for the servicing of the general long-term debt not financed by a specific source.
- Capital Lease Fund - used to account for the capital lease proceeds and capital outlay.

The City reports the following major enterprise funds:

- Water Fund - accounts for operations of the City's water treatment facilities and services.
- Sewer Fund - accounts for operations of the City's waste disposal activities.
- Bloomington Arena Fund - accounts for the operations of the City's downtown sports and entertainment facility.
- Stormwater Management Fund - accounts for operations of the City's stormwater management activities.

CITY OF BLOOMINGTON

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

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

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

Fund Financial Statements (cont.)

The City reports the following nonmajor governmental and enterprise funds:

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

Motor Fuel Tax	Board of Elections
Drug Enforcement	Foreign Fire Insurance Board
Community Development	IHDA Grant
Park Dedication	Empire Street TIF
Downtown - Southwest TIF	

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

Capital Improvements

Enterprise Funds - used to account for and report any activity for which a fee is charged to external uses for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Golf Operations	Parking
Solid Waste	

In addition, the City reports the following fund types:

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

Employee Group Health Care
Retiree Group Health Care
Casualty Insurance

Private-Purpose Trust Fund - used to account for and report any trust arrangement not properly reported in a pension trust fund under which principal and income benefit individuals, private organizations, or other governments.

J.M. Scott Private Purpose Trust

CITY OF BLOOMINGTON

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

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

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

Fund Financial Statements (cont.)

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

Police Pension
Firefighters' Pension

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

Government-Wide Financial Statements

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

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

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

CITY OF BLOOMINGTON

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

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

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

Fund Financial Statements (cont.)

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

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, and interest. Other general revenues such as fines and forfeitures, licenses and permits, charges for services (other than utilities), and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

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

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

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, 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.

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

1. Deposits and Investments

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

CITY OF BLOOMINGTON

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

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

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

1. Deposits and Investments (cont.)

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

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities, and corporate bonds meeting certain requirements. Pension funds with net assets in excess of \$10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements. The Police Pension Fund and Firefighters' Pension Fund investment policies allow funds to be invested in any type of security authorized by the Illinois Pension Code.

The J.M. Scott Private Purpose Trust investment policy authorizes the fund to invest in debt and equity securities of varying maturities with a high degree of marketability.

The City Council has adopted separate investment policies for the City and the J.M. Scott Private Purpose Trust. The Police Pension Fund and Firefighters' Pension Fund have separate investment policies approved by the respective pension board. The policies contain the following guidelines for allowable investments.

Interest Rate Risk

The City's investment policy limits its exposure by structuring the portfolio so that investments will have short term durations due to cash flow needs as well as avoiding the need to sell securities prior to maturity.

The J.M. Scott investment policy requires the fund's investment portfolio to remain in a position to meet promptly all demands the Trustees may make upon the assets.

The Police Pension Fund investment policy requires the portfolio to remain sufficiently liquid to enable the pension fund to pay all necessary benefits and meet all operating requirements which might be reasonably anticipated.

The Firefighters' Pension Fund investment policy requires the pension fund to minimize the risk of large losses caused by highly volatile changes in interest rates through the use of proper diversification and to maintain cash flow adequate to meet anticipated disbursements for up to a one-year period.

CITY OF BLOOMINGTON

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

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

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

1. Deposits and Investments (cont.)

Credit Risk

The City's investment policy requires that US Government Agency securities have a rating of AAA, taxable municipal bonds have a rating of AA or higher or are insured to equate to a AAA rating so long as no more than 10% of the total portfolio is invested in taxable municipal bonds, and that commercial paper have a rating of A-1, P-1, F-1, or D-1 provided that no single investment in a commercial paper exceeds \$2 million in face value with a maturity of no longer than 180 days.

The J.M. Scott investment policy limits the investment to fixed income securities having not less than an A rating from a recognized rating agency.

The Police Pension Fund investment policy limits the fund's investment in conventional mortgage pass-through securities to those having not less than an A rating from at least one national securities rating service; investments made in contracts and agreements of Life Insurance Companies licenses to do business in the State of Illinois shall be rated at least A+ by A.M. Best Company, Aa rated by Moody's and AA+ rated by Standard & Poor's rating services. Securities issued by the State of Illinois, or any county, township or municipal corporation of the State of Illinois, may be held in the portfolio as long as the security is not rated less than Aa by Moody's or AA+ by Standard & Poor's.

The Firefighters' Pension Fund investment policy limits contracts and agreements with life insurance companies licensed to do business in Illinois to those rated at least A+ by A.M. Best Company, Aa by Moody's, and AA+ by Standard & Poor's. Real estate investments shall be rated no less than Baa1 by Moody's or BBB+ by Standard and Poor's. Corporate bonds and securities issued by the State of Illinois or any county, township, or municipal corporation of the State of Illinois must be investment grade by any rating service. Issuers downgraded to less than investment grade by any rating service must be sold within ninety days of the downgrade.

CITY OF BLOOMINGTON

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

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

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

1. Deposits and Investments (cont.)

Concentration of Credit Risk

The City's investment policy requires the portfolio to diversify in order to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific user, or a specific class of securities. The policy requires the portfolio maturities of securities be staggered to avoid undue concentration of assets in a specific maturity sector; maturities selected provide for stability of income and reasonable liquidity; and the average maturity of the portfolio shall never exceed one and one half years. With the exception of deposits with Illinois Funds, the City will not have more than 30% of its investible funds in any one institution or type of investment.

The J.M. Scott investment policy allows for investments in equity securities up to 80%. The policy limits investments in any one debt or equity security to no more than 5% of the portfolio, except for holdings of U.S. Treasury and U.S. Agency securities.

The Police Pension Fund policy requires the portfolio to be invested in a manner that seeks to ensure the preservation of capital and consciously diversify the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. The policy further requires the investment in a general account of an insurance company shall not be invested in more than 10% of real estate and more than 10% of bonds with ratings less than Baa1 by Moody's or BBB+ by Standard & Poor's. Total investments in contracts and agreements of life insurance companies shall not exceed 15% of the aggregate market value of the fund and no more than 5% of the fund assets may be invested in one single insurance company. Up to 5% of fund assets may be invested in nonconvertible bonds, debentures, notes, and other corporate obligations; Canadian securities; and direct obligations of the State of Israel. Investments in notes secured by mortgages under Section 203, 207, 220, and 221 of the National Housing Act are limited to 20% of the investment portfolio. Investments in stocks and convertible debt are limited to 50% of the investment portfolio.

The Firefighters' Pension Fund investment policy requires the portfolio to invest in a manner that seeks the preservation of capital and diversify the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. The state statutes governing the fund limits combined investments in separate accounts managed by life insurance companies (variable annuities), mutual funds, and common and preferred stocks to 55% of the fund's net position. Investments in any one issuer that represents 5% or more of the total fund's net position, excluding those investments issued by or explicitly guaranteed by the U.S. government.

Custodial Credit Risk - Deposits

The City's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 102% of the value of the deposit.

CITY OF BLOOMINGTON

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

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

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

1. Deposits and Investments (cont.)

The J.M. Scott investment policy requires deposits of the fund to be deposited with an FDIC insured bank custodian.

The Police Pension Fund investment policy does not specifically address custodial credit risk for deposits, except for the Pension Fund's compliance with State statutes.

The Firefighters' Pension Fund investment policy requires deposits in excess of FDIC insurance limits to be collateralized by 110% with U.S. Government securities backed by the full faith and credit of the U.S. Government, which must be held at a third party institution in the name of the Pension Fund.

Custodial Credit Risk - Investments

The City's investment policy require all securities to be secured through third-party custody and safekeeping procedures. The investment policy limits investments with any one financial institution to 30% of available funds.

The J.M. Scott, Police Pension Fund, and Firefighters' Pension Fund investment policies do not specifically address this risk, except for compliance with State statutes.

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

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

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

See Note III. A. for further information.

CITY OF BLOOMINGTON

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

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

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

2. Receivables

Property taxes for the levy year 2017 attaches as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2017 tax levy, which attached as an enforceable lien on the property as of January 1, 2017, was levied in November 2017.

Tax bills for levy year 2017 are prepared by the McLean County Treasurer and are due and collectible in two installments, on or about June 1, 2018 and September 1, 2018 or within 30 days of the tax bills being issued.

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

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

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

It is the City's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

3. Inventories and Prepaid Items

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

CITY OF BLOOMINGTON

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

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

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

3. Inventories and Prepaid Items (cont.)

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

4. Capital Assets

Government-Wide Statements

Capital assets, which include land, construction, land improvements, machinery and equipment, licensed vehicles, and infrastructure are reported in the government-wide financial statements. Capital assets, other than infrastructure, are defined by the government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of 1 year. Infrastructure capitalization thresholds are as follows:

	<u>Capitalization Threshold</u>
Sanitary sewers, watermains, and sidewalks	\$ 25,000
Street lighting	5,000
Streets, bridges, detention basins, pumping stations, reservoir, water plant, and dams	100,000
Traffic signals	50,000

All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their acquisition value at the date of donation.

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

Infrastructure	10-65 Years
Land Improvements	20-50 Years
Construction	20-50 Years
Machinery and equipment	3-75 Years
Licensed vehicles	3-20 Years

Fund Financial Statements

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

CITY OF BLOOMINGTON

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

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

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

5. Deferred Outflows of Resources

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

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. For proprietary fund types, these accumulations are recorded as expenses and liabilities of the appropriate fund in the fiscal year earned. For governmental fund types, the amount of accumulated unpaid vacation which is payable from available resources is recorded as a liability of the respective fund only if they have matured, for example, as a result of employee retirements and resignations.

The City's policy is to accumulate sick leave as it is earned and, upon termination, the amount of sick leave paid out is dependent on two criteria: (1) years of service and age and (2) number of hours accumulated. If the years of service and age criteria is met, then the amount of sick leave hours paid out is limited based on the number of hours accumulated at the time of termination. The maximum amount of hours allowed to be paid ranges from 960 to 1,800. The rates at which the amounts will be paid and form of payment are determined by contract.

Other benefits are accumulative as far as time available but are not reimbursable to employees upon termination. The costs of these benefits are recognized when paid to active employees.

7. Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds, notes, and loans payable, capital leases, claims payable, net pension liabilities, net OPEB obligation, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

CITY OF BLOOMINGTON

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

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

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

7. Long-Term Obligations (cont.)

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

8. Deferred Inflows of Resources

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

9. Equity Classifications

Government-Wide Statements

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

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

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of "net investment in capital assets", and an increase in "unrestricted" net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$ 126,319,519	\$ 176,113,451	\$ (23,173,060)	\$ 279,259,910
Unrestricted	(132,888,737)	20,495,312	23,173,060	(89,220,365)

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

CITY OF BLOOMINGTON

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

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

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

9. Equity Classifications (cont.)

Fund Statements

Governmental fund balances are displayed as follows:

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

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

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

The City has a formal policy to maintain unrestricted fund balance in the General Fund of at least 10% of budgeted General Fund expenditures including transfers.

CITY OF BLOOMINGTON

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

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

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

10. Property Held for Resale

Property acquired through the Community Development Program are recorded at the lower of cost or market value. Therefore, costs incurred which are not recoverable upon resale and permanent declines in market values are charged to expense/expenditures.

11. Trade/In-Kind Agreements

These agreements primarily provide advertising services to third parties in exchange for services or goods provided by the third party to the Bloomington Arena Enterprise Fund. Revenue is recognized as services are provided to the third party and expenses are recognized as the Bloomington Arena redeems the services or goods per the agreement. The receivable portion of the agreement is included in other assets while the liability portion is included in unearned revenue.

CITY OF BLOOMINGTON

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

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER BUDGET

<u>Fund</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Debt Service	\$ 7,093,322	\$ 14,131,283	\$ 7,037,961

The City controls expenditures at the fund level. Some individual functions experienced expenditures which exceeded budget. The detail of those items can be found in the City's year-end budget to actual report.

B. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of April 30, 2018, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Capital Lease	\$ (2,463,402)	Cumulative expenses exceeding revenues over multiple years
IHDA Grant	(3,514)	Expenses exceeding revenues in the current fiscal year
Downtown Southwest TIF	(98,561)	New TIF for which incremental revenues yet to be generated to support expenditures
Casualty Insurance	(1,555,869)	Cumulative claims expense exceeding internal charges for services over multiple years.

CITY OF BLOOMINGTON

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

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
<i>City</i>			
Deposits	\$ 46,863,558	\$ 43,434,267	Custodial credit risk
Illinois Funds	29,111,251	29,111,251	Credit risk
IMET - Convenience Fund	7,572,444	7,572,444	Credit risk
IMET - 1-3 Year Fund	167,915	167,915	Credit risk, interest rate risk
U.S. Treasury obligations	2,980,530	2,980,530	Custodial credit risk, interest rate risk
U.S. Agency obligations - implicitly guaranteed	5,473,385	5,473,385	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Petty cash	69,947	-	N/A
<i>Pension Trusts</i>			
Deposits	3,984,613	4,033,396	Custodial credit risk
Illinois Funds	262,151	262,151	Credit risk
IMET - Convenience Fund	35,243	35,243	Credit risk
U.S. Treasury obligations	8,844,209	8,844,209	Custodial credit risk, interest rate risk
U.S. Agency obligations	10,289,971	10,289,971	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Corporate bonds	5,083,237	5,083,237	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Annuities - fixed	17,776,266	17,776,266	Credit risk, interest rate risk
Annuities - variable	35,552,573	35,552,573	Credit risk
Insurance contracts	2,060,367	2,060,367	Credit risk, interest rate risk
Mutual funds - other than bond funds	58,914,090	58,914,090	N/A
<i>Private-Purpose Trust</i>			
Deposits	84,618	84,618	Custodial credit risk
Mutual funds - other than bond funds	12,571,680	12,571,680	N/A
 Total Deposits and Investments	 <u>\$ 247,698,048</u>	 <u>\$ 244,247,593</u>	

CITY OF BLOOMINGTON

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

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

A. DEPOSITS AND INVESTMENTS (cont.)

Reconciliation to financial statements

Per statement of net position	
Cash and investments	\$ 92,239,030
Per statement of net position - fiduciary funds	
Cash - private-purpose trust	84,618
Mutual funds - private-purpose trust	12,571,680
Cash - pension trusts	4,282,007
U.S. government securities - pension trusts	8,844,209
U.S. government agencies and corporations - pension trusts	10,289,971
Annuities - fixed - pension trusts	17,776,266
Annuities - variable - pension trusts	35,552,573
Mutual funds - pension trusts	58,914,090
Insurance contracts	2,060,367
Corporate bonds - pension trusts	<u>5,083,237</u>
Total Deposits and Investments	<u>\$ 247,698,048</u>

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

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

As of April 30, 2018, the City's and the private purpose trust's investments were measured using the market valuation approach and valuation inputs as follows:

Investment Type	April 30, 2018			
	Level 1	Level 2	Level 3	Total
Mutual funds - other than bond funds	\$ 12,571,680	\$ -	\$ -	\$ 12,571,680
U.S. Agency obligations	-	5,473,385	-	5,473,385
U.S. Treasury obligations	<u>2,980,530</u>	-	-	<u>2,980,530</u>
Total	<u>\$ 15,552,210</u>	<u>\$ 5,473,385</u>	<u>\$ -</u>	<u>\$ 21,025,595</u>

CITY OF BLOOMINGTON

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

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

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

Firefighters' Pension Fund

Investment Type	April 30, 2018			
	Level 1	Level 2	Level 3	Total
U.S. Agency obligations	\$ -	\$ 2,750	\$ -	\$ 2,750
U.S. Treasury obligations	1,961,094	-	-	1,961,094
Mutual funds - other than bond funds	6,864,815	-	-	6,864,815
Annuities - variable	-	35,552,572	-	35,552,572
Total	\$ 8,825,909	\$ 35,555,322	\$ -	\$ 44,381,231

The Firefighters' Pension Fund's annuities - fixed of \$16,973,458 are measured at cash surrender value.

Police Pension Fund

Investment Type	April 30, 2018			
	Level 1	Level 2	Level 3	Total
U.S. Treasury obligations	\$ -	\$ 6,883,115	\$ -	\$ 6,883,115
U.S. Agency obligations	-	10,287,221	-	10,287,221
Corporate bonds	-	5,083,237	-	5,083,237
Annuities - fixed	-	802,808	-	802,808
Mutual funds - other than bond funds	52,049,275	-	-	52,049,275
Total	\$ 52,049,275	\$ 23,056,381	\$ -	\$ 75,105,656

The Police Pension Fund's insurance contracts of \$2,060,367 are measured at the net asset value.

Custodial Credit Risk

Deposits

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

As of April 30, 2018, \$878,315 of the City's total bank balances were exposed to custodial credit risk.

CITY OF BLOOMINGTON

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

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

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

Investments

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

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

Credit Risk

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

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

Investment Type	Standard & Poors	Moody's Investors Services	A.M. Best Company
IMET	AAAf/S1	Aaa-BF	N/A
Illinois Funds	AAAm	Aaa	N/A
U.S. Agency obligations	AA+	Aaa	N/A

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

Investment Type	Standard & Poors	Moody's Investors Services	A.M. Best Company
IMET	AAAf/S1	Aaa-BF	N/A
U.S. Agency obligations	AA+	Aaa	N/A
Corporate bonds	A+ - BBB+	Aa1 - A3	N/A
Annuities - fixed	N/A	Aa3	A+
Insurance contracts	A+	A1	N/A

CITY OF BLOOMINGTON

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

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

A. DEPOSITS AND INVESTMENTS (cont.)

Credit Risk (cont.)

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

Investment Type	Standard & Poors	Moody's Investors Services	A.M. Best Company
Illinois Funds	AAAm	Aaa	N/A
Annuities - fixed	AA- - A-	Aa3 - A2	A- - A+
Annuities - variable	AA- - BBB+	A1 - Baa2	A- - A+

Concentration of Credit Risk

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

At April 30, 2018, the non-pension investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
Federal Farm Credit Bank	U.S. Agency obligations - implicitly guaranteed	6.78%

The Police pension fund had no applicable investments in excess of 5% of total fund investments.

The Firefighters' Pension Fund had the following investments in excess of 5% of total fund investments:

Jackson National Life	\$ 15,118,967
Aviva	8,547,940
VOYA Life	6,380,036
Delaware Life	6,294,399
American General	5,699,957

CITY OF BLOOMINGTON

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

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

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

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

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

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	More than 10
IMET - 1-3 Year Fund	\$ 167,915	\$ -	\$ 167,915	\$ -	\$ -
U.S. Treasury obligations	2,980,530	1,014,307	1,966,223	-	-
U.S. Agency obligations	5,473,385	4,153,306	1,320,079	-	-
Totals	\$ 8,621,830	\$ 5,167,613	\$ 3,454,217	\$ -	\$ -

Police Pension Fund

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasury obligations	\$ 6,883,115	\$ -	\$ 3,942,600	\$ 1,010,597	\$ 1,929,918
U.S. Agency obligations	10,287,221	3,237,281	5,434,213	831,166	784,561
Corporate bonds	5,083,237	446,845	4,636,392	-	-
Annuities - fixed	802,808	802,808	-	-	-
Insurance contracts	2,060,367	2,060,367	-	-	-
Totals	\$ 25,116,748	\$ 6,547,301	\$ 14,013,205	\$ 1,841,763	\$ 2,714,479

Firefighters' Pension Fund

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Agency obligations	\$ 2,750	\$ -	\$ -	\$ 2,750	\$ -
U.S. Treasury securities	1,961,094	-	1,961,094	-	-
Annuities - fixed	16,973,458	978,108	3,118,116	12,877,234	-
Annuities - variable	35,552,573	12,848,431	10,738,615	11,965,527	-
Totals	\$ 54,489,875	\$ 13,826,539	\$ 15,817,825	\$ 24,845,511	\$ -

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

CITY OF BLOOMINGTON

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

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

B. RECEIVABLES

Receivables as of year end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Totals</u>
Accounts receivable			
Ambulance	\$ 1,187,528	\$ -	\$ 1,187,528
Food & beverage tax	382,252	-	382,252
Hotel/motel tax	126,134	-	126,134
Package liquor tax	91,379	-	91,379
Local motor fuel tax	188,668	-	188,668
Amusement tax	89,990	-	89,990
Utility tax	731,232	-	731,232
Water customers	191,442	-	191,442
Grants	-	239,773	239,773
Miscellaneous	<u>454,964</u>	<u>64</u>	<u>455,028</u>
Gross receivables	3,443,589	239,837	3,683,426
Less: Allowance for uncollectibles	<u>(469,288)</u>	<u>-</u>	<u>(469,288)</u>
Net total accounts receivable	<u>\$ 2,974,301</u>	<u>\$ 239,837</u>	<u>\$ 3,214,138</u>
	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Totals</u>
Due from other governmental units			
State sales tax	\$ 3,365,237	\$ -	\$ 3,365,237
Home rule sales tax	5,311,192	-	5,311,192
Income tax	1,050,712	-	1,050,712
Telecommunications tax	621,196	-	621,196
Auto rental tax	17,636	-	17,636
Motor fuel tax allotments	-	175,381	175,381
Video gaming tax	143,358	-	143,358
Use Tax	150,072	-	150,072
Other	<u>22,503</u>	<u>-</u>	<u>22,503</u>
Total	<u>\$ 10,681,906</u>	<u>\$ 175,381</u>	<u>\$ 10,857,287</u>

CITY OF BLOOMINGTON

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

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

B. RECEIVABLES (cont.)

All of the receivables on the balance sheet, except for loans receivable noted below, are expected to be collected within one year.

As of April 30, 2018, the City had loans receivable, net of allowance for uncollectible of \$307,543, in the amount of \$1,886,767, primarily related to various economic development loans issued to residents and local businesses. Of this amount, \$1,813,833 related to deferred loans, for which no payment is due until the property is sold or paid by the estate, and are considered to be collectible in more than one year.

Revenues of the Water, Solid Waste, Sewer, Bloomington Arena, Stormwater Management, Golf Operations, and Parking Funds are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to Water Fund receivables	\$ 302,450
Uncollectibles related to Solid Waste Fund receivables	195,980
Uncollectibles related to Sewer Fund receivables	69,899
Uncollectibles related to Bloomington Arena Fund receivables	274,309
Uncollectibles related to Stormwater Management Fund receivables	85,304
Uncollectibles related to Golf Operations Fund receivables	9,277
Uncollectibles related to Parking Fund receivables	<u>1,273</u>
 Total Uncollectibles of the Current Fiscal Year	 <u><u>\$ 938,492</u></u>

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 24,884,988	\$ -
Home rule sales tax	-	1,787,155
State sales tax	-	1,127,227
Telecommunications tax	-	209,461
Auto rental tax	-	6,199
Other	<u>240,048</u>	<u>123,253</u>
 Total Unearned/Unavailable Revenue for Governmental Funds	 <u><u>\$ 25,125,036</u></u>	 <u><u>\$ 3,253,295</u></u>
 Unearned revenue included in liabilities	 \$ 240,048	
Unearned revenue included in deferred inflows	<u>24,884,988</u>	
 Total Unearned Revenue for Governmental Funds	 <u><u>\$ 25,125,036</u></u>	

CITY OF BLOOMINGTON

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

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

C. CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 21,440,791	\$ 1,201,828	\$ -	\$ 22,642,619
Construction in progress	<u>5,534,598</u>	<u>5,100,021</u>	<u>102,248</u>	<u>10,532,371</u>
Total Capital Assets Not Being Depreciated	<u>26,975,389</u>	<u>6,301,849</u>	<u>102,248</u>	<u>33,174,990</u>
Capital assets being depreciated				
Land improvements	19,900,489	-	-	19,900,489
Construction	75,222,659	211,559	-	75,434,218
Infrastructure	239,855,643	1,397,675	-	241,253,318
Machinery and equipment	21,276,716	1,483,064	127,886	22,631,894
Licensed vehicles	<u>16,066,346</u>	<u>1,677,312</u>	<u>965,605</u>	<u>16,778,053</u>
Total Capital Assets Being Depreciated	<u>372,321,853</u>	<u>4,769,610</u>	<u>1,093,491</u>	<u>375,997,972</u>
Total Capital Assets	<u>399,297,242</u>	<u>11,071,459</u>	<u>1,195,739</u>	<u>409,172,962</u>
Less: Accumulated depreciation for				
Land improvements	6,494,307	446,688	-	6,940,995
Construction	27,960,354	1,751,844	-	29,712,198
Infrastructure	179,959,197	5,178,099	-	185,137,296
Machinery and equipment	14,304,347	1,194,446	127,886	15,370,907
Licensed vehicles	<u>9,295,097</u>	<u>1,023,533</u>	<u>892,145</u>	<u>9,426,485</u>
Total Accumulated Depreciation	<u>238,013,302</u>	<u>9,594,610</u>	<u>1,020,031</u>	<u>246,587,881</u>
Net Capital Assets Being Depreciated	<u>134,308,551</u>	<u>(4,825,000)</u>	<u>73,460</u>	<u>129,410,091</u>
 Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	 <u>\$161,283,940</u>	 <u>\$ 1,476,849</u>	 <u>\$ 175,708</u>	 <u>\$162,585,081</u>

CITY OF BLOOMINGTON

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

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

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 580,184
Public safety	1,267,447
Highways and streets	5,513,994
Culture and recreation	2,043,741
Community development	41,166
Parking	<u>148,078</u>
Total Governmental Activities Depreciation Expense	<u>\$ 9,594,610</u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciation				
Land	\$ 7,650,506	\$ -	\$ -	\$ 7,650,506
Construction in progress	<u>6,407,327</u>	<u>3,063,579</u>	<u>2,238,468</u>	<u>7,232,438</u>
Total Capital Assets Not Being Depreciation	<u>14,057,833</u>	<u>3,063,579</u>	<u>2,238,468</u>	<u>14,882,944</u>
Capital assets being depreciated				
Land improvements	958,455	-	-	958,455
Construction	56,065,087	82,097	-	56,147,184
Infrastructure	177,078,017	2,510,012	-	179,588,029
Machinery and equipment	30,990,032	2,453,994	791,005	32,653,021
Licensed vehicles	<u>10,190,509</u>	<u>356,902</u>	<u>542,118</u>	<u>10,005,293</u>
Total Capital Assets Being Depreciated	<u>275,282,100</u>	<u>5,403,005</u>	<u>1,333,123</u>	<u>279,351,982</u>
Total Capital Assets	<u>289,339,933</u>	<u>8,466,584</u>	<u>3,571,591</u>	<u>294,234,926</u>
Less: Accumulated depreciation for				
Land improvements	693,090	24,579	-	717,669
Construction	17,950,055	1,032,364	-	18,982,419
Infrastructure	48,854,509	2,470,718	-	51,325,227
Machinery and equipment	20,125,994	1,659,812	751,152	21,034,654
Licensed vehicles	<u>6,865,314</u>	<u>876,850</u>	<u>515,013</u>	<u>7,227,151</u>
Total Accumulated Depreciation	<u>94,488,962</u>	<u>6,064,323</u>	<u>1,266,165</u>	<u>99,287,120</u>
Net Capital Assets Being Depreciated	<u>180,793,138</u>	<u>(661,318)</u>	<u>66,958</u>	<u>180,064,862</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u>\$ 194,850,971</u>	<u>\$ 2,402,261</u>	<u>\$ 2,305,426</u>	<u>\$ 194,947,806</u>

CITY OF BLOOMINGTON

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

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

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Business-type Activities

Water	\$ 2,192,733
Solid waste	885,392
Sewer	1,404,108
Bloomington Arena	1,108,935
Stormwater management	245,659
Golf operations	124,531
Parking	<u>102,965</u>
 Total Business-type Activities Depreciation Expense	 <u><u>\$ 6,064,323</u></u>

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Library	\$ 418
General	Capital Lease	5,277,952
General	Nonmajor Governmental	218,210
General	Storm Water	63,227
General	Nonmajor Enterprise	<u>52,282</u>
 Total - Fund Financial Statements		 5,612,089
Add: Interfund receivables created with internal service fund eliminations		437,047
Less: Government-wide eliminations		<u>(5,496,580)</u>
 Total Internal Balances - Government-Wide Statement of Net Position		 <u><u>\$ 552,556</u></u>

All amounts are due within one year.

The principal purpose of these interfunds is to eliminate negative cash positions due to fund overdrafts on pooled cash and investment accounts. All remaining balances resulted from transfers approved, but unpaid, before the fiscal year-end and the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

CITY OF BLOOMINGTON

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

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

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount
General	Internal Service Fund	\$ 2,182,000
General	Nonmajor Governmental	6,664
General	Water	687,752
General	Sewer	241,397
General	Stormwater Management	121,647
General	Nonmajor Enterprise	418,231
Debt Service	General	2,409,526
Debt Service	Bloomington Arena	1,440,470
Nonmajor Governmental	General	6,074,613
Water	Sewer	164,102
Water	Stormwater Management	154,809
Water	Nonmajor Enterprise	173,576
Bloomington Arena	General	2,941,414
Nonmajor Enterprise	General	330,885
Internal Service	Internal Service	145,410
Total - Fund Financial Statements		17,492,496
Less: Government-wide eliminations		(17,129,694)
Total Transfers - Government-Wide Statement of Activities		\$ 362,802

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

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
General Obligation Bonds and Notes					
Series 2004 demand	\$ 8,100,000	\$ -	\$ 8,100,000	\$ -	\$ -
Series 2005	5,595,000	-	530,000	5,065,000	550,000
Series 2007	3,115,000	-	140,000	2,975,000	145,000
Series 2009 refunding	2,840,000	-	-	2,840,000	-
Series 2011 refunding	1,785,000	-	1,140,000	645,000	645,000
Series 2013A refunding	4,765,000	-	965,000	3,800,000	970,000
Series 2013C	7,345,000	-	970,000	6,375,000	990,000
Series 2014A refunding	13,820,000	-	480,000	13,340,000	565,000
Series 2014B refunding	9,245,000	-	-	9,245,000	100,000
Series 2017 refunding	-	7,240,000	-	7,240,000	940,000
Series 2018	-	970,000	-	970,000	-
Subtotal	56,610,000	8,210,000	12,325,000	52,495,000	4,905,000
Unamortized bond premium	942,193	-	135,545	806,648	-
Unamortized bond discount	(67,885)	-	(7,902)	(59,983)	-
Total General Obligation Bonds and Notes	57,484,308	8,210,000	12,452,643	53,241,665	4,905,000
Other Liabilities					
Capital lease payable	4,621,650	3,407,975	1,518,392	6,511,233	1,712,163
Loan payable	133,775	-	133,775	-	-
Claims payable	4,827,241	2,524,424	2,501,350	4,850,315	3,256,201
Compensated absences	11,416,639	1,782,906	1,472,095	11,727,450	1,270,895
Net pension liability - IMRF	15,273,176	6,765,579	19,107,791	2,930,964	-
Net pension liability - Police	66,314,753	5,094,308	6,133,349	65,275,712	-
Net pension liability - Fire	59,397,278	3,180,851	5,189,668	57,388,461	-
Net OPEB obligation	7,824,109	837,914	458,719	8,203,304	-
Total Other Liabilities	169,808,621	23,593,957	36,515,139	156,887,439	6,239,259
Total Governmental Activities Long-Term Liabilities	\$ 227,292,929	\$ 31,803,957	\$ 48,967,782	\$ 210,129,104	\$ 11,144,259

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-type Activities					
General Obligation Bonds					
Series 2007	\$ 4,815,000	\$ -	\$ 215,000	\$ 4,600,000	\$ 225,000
Subtotal	4,815,000	-	215,000	4,600,000	225,000
Unamortized bond discount	(22,347)	-	(1,490)	(20,857)	-
Total General Obligation Bonds	<u>4,792,653</u>	<u>-</u>	<u>213,510</u>	<u>4,579,143</u>	<u>225,000</u>
Other Liabilities					
Capital lease payable	4,502,466	1,355,760	1,100,544	4,757,682	1,210,629
Loans payable	10,332,586	-	835,056	9,497,530	850,802
Notes payable	9,168,244	58,268	765,029	8,461,483	781,343
Compensated absences	1,955,474	86,791	88,348	1,953,917	57,114
Net pension liability - IMRF	7,611,214	3,277,681	9,468,948	1,419,947	-
Net OPEB obligation	1,150,318	130,736	69,826	1,211,228	-
Total Other Liabilities	<u>34,720,302</u>	<u>4,909,236</u>	<u>12,327,751</u>	<u>27,301,787</u>	<u>2,899,888</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 39,512,955</u>	<u>\$ 4,909,236</u>	<u>\$ 12,541,261</u>	<u>\$ 31,880,930</u>	<u>\$ 3,124,888</u>

General obligation bonds and notes attributable to governmental activities are paid by the Debt Service Fund. Capital leases, compensated absences, net OPEB obligation, and net pension liabilities attributable to governmental activities are generally liquidated by the General Fund. The loans payable attributable to governmental activities are paid by the Board of Elections Fund. Claims payable are liquidated by the internal service funds.

The City is a home rule municipality and, therefore, is not subject to the statutory general obligation debt limitations.

As of April 30, 2018, the City reported an unamortized deferred charge on refunding related to outstanding refunding bonds equal to \$314,276.

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Bonds

General Obligation Demand Bonds, Series 2004

On October 13, 2004, the City issued \$15,600,000 in General Obligation Demand Bonds, Series 2004, for the purpose of constructing a public ice rink and parking garage, capital improvements for the cultural district, and refunding a portion of the General Obligation Bonds, Series 1994. The demand bonds are secured by an Irrevocable Bond Purchase Agreement dated October 1, 2004 with an expiration date of October 13, 2017. The demand bond are subject to purchase on the demand of the holder at a price equal to the aggregate principal amount of the bonds to be redeemed plus accrued interest thereon to the redemption date, without premium, on 60 days' written notice and delivery to the Bond Registrar, U.S. Bank, N.A.

Principal payments are due annually on June 1 of each year, commencing June 1, 2005, and ended during 2018 as the City refunded these bonds with with the General Obligation Bonds, Series 2017. Principal and interest paid during the fiscal year were made from dedicated revenues and associated property tax levies are abated.

General Obligation Bonds, Series 2005

On November 10, 2005, the City issued \$9,900,000 in General Obligation Bonds, Series 2005, for the purpose of capital improvements in the cultural district of the City. Principal payments are due annually on December 1 of each year, commencing on December 1, 2007, and ending on December 1, 2025, in amounts ranging from \$360,000 to \$725,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 3.875% to 4.10%. Principal and interest payments are made from dedicated revenues and associated property tax levies are abated.

General Obligation Bonds, Series 2007

On August 29, 2007, the City issued \$10,000,000 in General Obligation Bonds, Series 2007, for the purpose of constructing public facilities and improvements for the City. Principal payments are due annually on June 1 of each year, commencing on June 1, 2009, and ending on June 1, 2032, in amounts ranging from \$155,000 to \$670,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 4.00% to 4.50%. Principal and interest payments are made from dedicated revenues and associated property tax levies.

General Obligation Refunding Bonds, Series 2009

On November 30, 2009, the City issued \$2,840,000 in General Obligation Refunding Bonds, Series 2009, for the purpose of refunding a portion of the General Obligation Bonds, Series 1996 and Series 2001. Principal payments are due annually on June 1 of each year, commencing on June 1, 2025, and ending on June 1, 2027, in amounts ranging from \$840,000 to \$1,000,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 4.125% to 4.250%. Principal and interest payments are made from dedicated revenues and associated property tax levies.

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

General Obligation Refunding Bonds, Series 2011

On June 9, 2011, the City issued \$5,075,000 in General Obligation Refunding Bonds, Series 2011, for the purpose of refunding a portion of the Taxable General Obligation Bonds, Series 2004. Principal payments are due annually on June 1 of each year, commencing on June 1, 2013, and ending on June 1, 2018, in amounts ranging from \$645,000 to \$1,170,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 2.00% to 3.50%. Principal and interest payments are made from dedicated revenues and associated property tax levies.

General Obligation Refunding Bonds, Series 2013A

On October 29, 2013, the City issued \$7,800,000 in General Obligation Refunding Bonds, Series 2013A, for the purpose of refunding a portion of the General Obligation Bonds, Series 2003. Principal payments are due annually on June 1 of each year, commencing on June 1, 2014, and ending on June 1, 2023, in amounts ranging from \$330,000 to \$1,100,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 2.00% to 4.00%. Principal and interest payments are made from dedicated revenues and associated property tax levies.

General Obligation Bonds, Series 2013C

On November 12, 2013, the City issued \$9,225,000 in General Obligation Bonds, Series 2013C, for the purpose of financing street resurfacing and sewer repairs for the City. Principal payments are due annually on December 1 of each year, commencing on December 1, 2015, and ending on December 1, 2023, in amounts ranging from \$930,000 to \$1,140,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 2.00% to 3.00%. Principal and interest payments are made from dedicated revenues and associated property tax levies.

General Obligation Refunding Bonds, Series 2014A

On September 4, 2014, the City issued \$14,920,000 in General Obligation Refunding Bonds, Series 2014A, for the purpose of refunding a portion of the Taxable General Obligation Bonds, Series 2004. Principal payments are due annually on June 1 of each year, commencing on June 1, 2015, and ending on June 1, 2034, in amounts ranging from \$415,000 to \$965,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 3.00% to 4.15%. Principal and interest payments are made from dedicated revenues and associated property tax levies are abated.

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

General Obligation Refunding Bonds, Series 2014B

On September 4, 2014, the City issued \$9,700,000 in General Obligation Refunding Bonds, Series 2014B, for the purpose of refunding a portion of the Taxable General Obligation Bonds, Series 2004. Principal payments are due annually on June 1 of each year, commencing on June 1, 2015, and ending on June 1, 2034, in amounts ranging from \$100,000 to \$1,050,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 2.00% to 3.75%. Principal and interest payments are made from dedicated revenues and associated property tax levies are abated.

General Obligation Refunding Bonds, Series 2017

On July 28, 2017, the City issued \$7,240,000 in General Obligation Refunding Bonds, Series 2017, for the purpose of refunding \$7,200,000 of the Taxable General Obligation Bonds, Series 2004. Principal payments are due annually on June 1 of each year, commencing on June 1, 2018, and ending on June 1, 2024, in amounts ranging from \$900,000 to \$1,200,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 1.30% to 2.08%. Principal and interest payments are made from dedicated revenues and associated property tax levies are abated.

The cash flow requirements on the refunded debt prior to the current refunding was \$7,776,916 from December 1, 2017 through June 1, 2024. The cash flow requirements on the Series 2017 refunding bonds are \$7,990,496 from December 1, 2017 through June 1, 2024. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$198,412.

General Obligation Notes, Series 2018

On April 27, 2018, the City issued \$970,000 in General Obligation Notes, Series 2018, for the purpose of paying the costs of purchasing certain commercial real estate in the City. Principal payments are due annually on June 1 of each year, commencing on June 1, 2018, and ending on June 1, 2028, in amounts ranging from \$70,000 to \$100,000. Interest is due semi-annually on June 1 and December 1 of each year at rates ranging from 2.00% to 3.24%. Principal and interest payments are made from dedicated revenues and associated property tax levies are abated.

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity for general obligation bonds are as follows:

Years	Governmental Activities General Obligation Bonds		Business-type Activities General Obligation Bonds	
	Principal	Interest	Principal	Interest
2019	\$ 4,905,000	\$ 1,661,941	\$ 225,000	\$ 195,031
2020	4,105,000	1,547,547	235,000	185,684
2021	4,420,000	1,424,938	245,000	175,784
2022	4,575,000	1,298,189	255,000	165,472
2023	4,460,000	1,169,349	1,445,000	653,575
2024-2028	17,025,000	3,954,195	1,790,000	299,269
2029-2033	9,135,000	1,669,129	405,000	9,113
2034-2035	3,870,000	155,765	-	-
Totals	<u>\$ 52,495,000</u>	<u>\$ 12,881,053</u>	<u>\$ 4,600,000</u>	<u>\$ 1,683,928</u>

Loans Payable

On November 23, 2015, the City entered into a loan agreement for the purchase of voting equipment totaling \$344,020. Payments are made annually on November 23 of each year and the City repaid this loan during the fiscal year.

In April 2016, the City entered into a loan agreement with VenueWorks, the management company for the Grossinger Motor Arena, for equipment totaling \$299,999. Payments are made monthly beginning on July 1, 2016 and ending on June 1, 2021.

In previous years, the City entered into five separate loan agreements with the Illinois Environmental Protection Agency, all for the Drinking Water State Revolving Fund Program. The City may draw up to \$17,536,574 for the program. Payment will be required each July 1 and January 1 until final repayment on January 1, 2024 on the first agreement, each June 5 and December 5 until final repayment on June 5, 2025 on the second agreement, each June 7 and December 7 until final repayment on December 7, 2029 on the third agreement, each December 17 and June 17 until final repayment on June 17, 2033 on the fourth agreement, each December 19 and June 19 until final repayment on December 19, 2033 on the fifth agreement.

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS (cont.)

Debt service requirements to maturity for loans payable are as follows:

<u>Years</u>	<u>Governmental Activities Loans Payable</u>		<u>Business-type Activities Loans Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ -	\$ -	\$ 850,801	\$ 161,723
2020	-	-	866,897	145,627
2021	-	-	883,352	129,172
2022	-	-	850,175	112,349
2023	-	-	857,375	95,149
2035-2028	-	-	2,907,303	264,329
2029-2033	-	-	1,973,604	87,216
2034-2035	-	-	308,023	2,676
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,497,530</u>	<u>\$ 998,241</u>

Capital Leases

Refer to Note III. F.

Notes Payable

In previous years, the City entered into two separate intergovernmental agreements. The first intergovernmental agreement is with Bloomington & Normal Water Reclamation District to pay a portion of two Illinois Environmental Protection Agency loans provided to the District. The City is responsible for 60% of the loans totaling \$20,474,800 paid in semi-annual installments of \$101,957 and \$313,760 through August 2026 and September 2027. The second intergovernmental agreement is with the Village of Downs to pay a portion of an Illinois Environmental Protection Agency loan provided to the Village. The City is responsible for 40% of the loan totaling \$2,272,502 paid in semi-annual installments of \$58,269 through November 2031.

CITY OF BLOOMINGTON

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

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

E. LONG-TERM OBLIGATIONS (cont.)

Notes Payable (cont.)

Debt service requirements to maturity are as follows:

Years	Business-type Activities Notes Payable	
	Principal	Interest
2019	\$ 781,343	\$ 166,619
2020	798,067	149,895
2021	815,211	132,751
2022	832,787	115,175
2023	850,806	97,157
2024-2028	3,917,116	203,080
2029-2032	466,153	-
Totals	<u>\$ 8,461,483</u>	<u>\$ 864,677</u>

F. LEASE DISCLOSURES

Lessee - Capital Leases

In 2001, the City, along with McLean County, entered into a capital lease agreement with the Public Building Commission for an office building and parking facility. Principal and interest payments range from \$107,573 to \$668,985 and are due each October 1, until final payment on October 1, 2022. Interest rates range from 2.00% to 4.00%. Construction under the capital lease carried a cost value of \$8,343,255 and accumulated depreciation of \$3,179,838 as of April 30, 2018.

In 2014, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$25,839 with an interest rate of 1.85% until March 24, 2019. Equipment under the capital lease carries a cost of \$1,482,000 and accumulated depreciation of \$482,669 as of April 30, 2018.

In 2014, the City entered into an additional capital lease agreement to finance the purchase of a fire truck. The lease calls for semi-annual payments of principal and interest of \$51,158 with an interest rate of 2.1% until July 30, 2018. Equipment under the capital lease carries a cost of \$964,950 and accumulated depreciation of \$285,192 as of April 30, 2018.

On May 27, 2015, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for semi-annual payments of principal and interest of \$289,901 with an interest rate of 2.1% until November 22, 2019. Equipment under the capital lease carries a cost of \$2,767,142 and accumulated depreciation of \$1,077,712 as of April 30, 2018.

CITY OF BLOOMINGTON

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

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

F. LEASE DISCLOSURES (cont.)

On May 27, 2015, the City entered into an additional capital lease agreement to finance the purchase of a fire truck. The lease calls for semi-annual payments of principal and interest of \$48,807 with an interest rate of 3.05% until November 22, 2024. Equipment under the capital lease carries a cost of \$813,858 and accumulated depreciation of \$103,089 as of April 30, 2018.

On July 22, 2016 the City entered into an additional capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$35,658 with an interest rate of 2.15% until June 22, 2021. Equipment under the capital lease carries a cost of \$2,038,475 and accumulated depreciation of \$470,908 as of April 30, 2018.

On July 22, 2016 the City entered into an additional capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$18,573 with an interest rate of 2.75% until June 22, 2026. Equipment under the capital lease carries a cost of \$1,951,139 and accumulated depreciation of \$448,787 as of April 30, 2018.

On October 13, 2017 the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$13,209 with an interest rate of 3.197% until September 13, 2027. Equipment under the capital lease carries a cost of \$1,358,742 and accumulated depreciation of \$49,291 as of April 30, 2018.

On October 13, 2017 the City entered into an additional capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$60,434 with an interest rate of 2.591% until September 13, 2022. Equipment under the capital lease carries a cost of \$3,390,796 and accumulated depreciation of \$484,407 as of April 30, 2018.

The future minimum lease obligations and the net present value on these minimum lease payments as of April 30, 2018, are as follows:

Years	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2019	\$ 1,712,163	\$ 167,227	\$ 1,879,390	\$ 1,210,629	\$ 116,957	\$ 1,327,586
2020	1,605,767	123,279	1,729,046	1,058,776	87,112	1,145,888
2021	1,173,044	81,910	1,254,954	983,843	58,269	1,042,112
2022	801,962	50,327	852,289	492,095	34,712	526,807
2023	417,442	30,619	448,061	305,526	23,583	329,109
2024-2028	800,855	50,932	851,787	706,813	34,579	741,392
Totals	<u>\$ 6,511,233</u>	<u>\$ 504,294</u>	<u>\$ 7,015,527</u>	<u>\$ 4,757,682</u>	<u>\$ 355,212</u>	<u>\$ 5,112,894</u>

CITY OF BLOOMINGTON

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

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

F. LEASE DISCLOSURES (cont.)

Lessor - Operating Leases

The City of Bloomington leases a total of 227 residential lots to various individuals under agreements expiring in 2023 and 2031. Other long-term agreements involve a lake marina which is leased through November 1, 2024 and a parking area property which expires May 31, 2021. In addition, certain parking lots, parking garage spaces, and various other properties are rented on a monthly or other short-term basis. All of these agreements are accounted for as operating leases.

A total of \$125,493 in lease revenue relating to these leases was received by the City during the fiscal year ended April 30, 2018. The following is a schedule, by year, of minimum future rentals due to the City under noncancellable lease agreements in effect as of April 30, 2018:

<u>Years</u>	<u>Governmental Activities Principal</u>
2019	\$ 128,266
2020	131,109
2021	134,023
2022	123,663
2023	125,511
2024-2028	676,218
2029-2033	<u>604,414</u>
Totals	<u>\$ 1,923,204</u>

The assets leased have a cost of \$3,266,482, accumulated depreciation of \$2,264,330 and net book value of \$1,002,152.

CITY OF BLOOMINGTON

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

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

G. NET POSITION

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

Governmental Activities

Net Investment in Capital Assets	
Capital assets, net of accumulated depreciation	\$ 162,585,081
Less: Long-term debt outstanding	(59,006,233)
Plus: Noncapital long-term debt outstanding	23,230,000
Plus: Unamortized debt discount	59,983
Less: Unamortized debt premium	(510,302)
Less: Unamortized loss on refunding	<u>(39,010)</u>
Total Net Investment in Capital Assets	<u>\$ 126,319,519</u>

Business-type Activities

Net Investment in Capital Assets	
Capital assets, net of accumulated depreciation	\$ 194,947,806
Less: Long-term debt outstanding	(27,316,695)
Plus: Unspent capital related debt proceeds	8,461,483
Plus: Unamortized debt discount	<u>20,857</u>
Total Net Investment in Capital Assets	<u>\$ 176,113,451</u>

H. COMPONENT UNITS

BLOOMINGTON PUBLIC LIBRARY FOUNDATION

This report contains the Bloomington Public Library Foundation (Foundation), which is included as a component unit.

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

a. Deposits and Investments

As of April 30, 2018, the Foundation held deposits with a carrying value of \$363,419 and investments, consisting of mutual funds, with a carrying value of \$1,370,298.

CITY OF BLOOMINGTON

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

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

H. COMPONENT UNIT (cont.)

BLOOMINGTON PUBLIC LIBRARY FOUNDATION (cont.)

a. Deposits and Investments (cont.)

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

The recurring fair value measurements using the market valuation approach are as follows:

Investment Type	April 30, 2018			
	Level 1	Level 2	Level 3	Total
U.S. equity mutual funds	\$ 1,370,298	\$ -	\$ -	\$ 1,370,298
Beneficial Interest in Stubblefield Trust	-	-	1,212,371	1,212,371
Total	\$ 1,370,298	\$ -	\$ 1,212,371	\$ 2,582,669

b. Permanently Restricted Donations

The following restricted donations have been made to the Foundation:

1. Myers Trust – \$7,029 restricted donation was made by Dora Myers for the purchase, collection and exhibition or meritorious works in sculpture and painting. Also included in this fund is the Perry-Russell Trust. The Perry-Russell Trust consists of a \$5,500 restricted donation to establish an art studio/gallery for works of art to be collected, kept, preserved, or exhibited for the advancement of education in art.

2. Churchill Trust – a \$17,500 restricted donation was made by the Estate of Helen Churchill. Income earned from the Trust is to be used for the purchase of books, which cannot be purchased with other available funds of the Bloomington Public Library.

3. Stubblefield Trust – the Foundation is the beneficiary of 50% of the Elizabeth L. Stubblefield and Louise M. Stubblefield Trust. Donations received from this trust are restricted for the purpose of supplementing and increasing the salaries of employees of the Bloomington Public Library if possible, and to benefit the Bloomington Public Library. The fair market value of the Foundation's portion of the trust is \$1,212,371 at April 30, 2018.

CITY OF BLOOMINGTON

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

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

H. COMPONENT UNIT (cont.)

BLOOMINGTON PUBLIC LIBRARY FOUNDATION (cont.)

c. Beneficial Interest in Perpetual Trust

In fiscal year 2009, the Foundation was named as a beneficiary of a perpetual trust composed of cash and cash equivalents, equities, fixed income, and alternative investments. At April 30, 2018, the balance of the trust corpus was \$1,212,371. There is no provision for distribution of trust corpus. The Foundation is to receive 50% of trust income. There is no restriction on this income. Under the terms of such a trust, the Foundation has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust.

The trust corpus have been recorded as a "Beneficial Interest in Stubblefield Trust" and as permanently restricted. The value of the trust corpus is revalued each year and adjusted accordingly.

The Foundation's beneficial interest in perpetual trusts at April 30, 2018 consists of the following:

	<u>2018</u>
Cash and cash equivalents	\$ 49,101
Equities	847,726
Fixed income	<u>315,544</u>
Total	<u>\$ 1,212,371</u>

MILLER PARK ZOOLOGICAL SOCIETY

This report contains the Miller Park Zoological Society (Society), which is included as a component unit.

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

a. Deposits and Investments

As of April 30, 2018, the carrying amount of the Society's deposits was \$394,921 and investments, consisting of equities, fixed income, and alternative investments, was \$282,682.

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

CITY OF BLOOMINGTON

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

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

H. COMPONENT UNIT (cont.)

MILLER PARK ZOOLOGICAL SOCIETY (cont.)

a. Deposits and Investments (cont.)

The recurring fair value measurements using the fair market valuation approach are as follows:

Investment Type	April 30, 2018			
	Level 1	Level 2	Level 3	Total
Equities	\$ 153,230	\$ -	\$ -	\$ 153,230
Fixed Income	101,253	-	-	101,253
Alternative Investments	28,199	-	-	28,199
Total	\$ 282,682	\$ -	\$ -	\$ 282,682

b. Support of Zoo Operations and Related Party Activity

The City owns and operates the Zoo. In September 2012, the Society entered into an agreement with the City, providing for office space and utilities to the Society. The terms of this agreement state that the Society shall remit to the City a minimum payment of \$50,000 split into two payments (April and October) and also remit \$7 per membership sold (excluding memberships above \$100) as of October 1, increasing the amount of the October payment. The Society incurred \$64,352 in operational support for the year ended April 30, 2018. As of April 30, 2018, all required payments had been made by the Society to the City. In addition to the operational support, the Society contributed \$6,870 to the City.

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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

Illinois Municipal Retirement Fund

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

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

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

Retirees and beneficiaries	428
Inactive, non-retired members	359
Active members	<u>396</u>
Total	<u><u>1,183</u></u>

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Contributions. As set by statute, City employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's actuarially determined contribution rate for calendar year 2017 was 13.84% of annual covered payroll for IMRF. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

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

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

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

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.50%
Inflation	3.50%
Salary increases	3.75% to 14.50%, including inflation
Price inflation	2.75%

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

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

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

Discount rate. The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2016 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 195,940,279	\$ 174,533,235	\$ 156,893,575
Plan fiduciary net pension	170,182,324	170,182,324	170,182,324
Net pension liability/(asset)	<u>\$ 25,757,955</u>	<u>\$ 4,350,911</u>	<u>\$ (13,288,749)</u>

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2016	\$ 174,363,685	\$ 151,479,295	\$ 22,884,390
Service cost	2,466,445	-	2,466,445
Interest on total pension liability	12,799,504	-	12,799,504
Differences between expected and actual experience of the total pension liability	301,207	-	301,207
Change of assumptions	(5,523,896)	-	(5,523,896)
Benefit payments, including refunds of employee contributions	(9,873,710)	(9,873,710)	-
Contributions - employer	-	3,317,993	(3,317,993)
Contributions - employee	-	1,112,406	(1,112,406)
Net investment income	-	27,636,082	(27,636,082)
Other (net transfer)	-	(3,489,742)	3,489,742
Balances at December 31, 2017	\$ 174,533,235	\$ 170,182,324	\$ 4,350,911
Plan fiduciary net position as a percentage of the total pension liability			97.51 %

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2018, the City recognized pension expense of \$4,706,206. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 753,652	\$ -
Assumption changes	80,775	4,384,290
Net difference between projected and actual earnings on pension plan investments	-	8,723,952
Contributions subsequent to the measurement date	1,069,999	-
Total	\$ 1,904,426	\$ 13,108,242

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending April 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$(12,273,815)) will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 2,068,530
2019	2,532,665
2020	4,350,596
2021	<u>3,322,024</u>
Total	<u>\$ 12,273,815</u>

Police Pension

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

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

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

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

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Plan membership. At April 30, 2017, the actuarial valuation date, the Police Pension membership consisted of:

Retirees and beneficiaries	97
Inactive, non-retired members	2
Active members	<u>124</u>
Total	<u><u>223</u></u>

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2018 was 48.01% of annual covered payroll.

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

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

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

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

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

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.50%
Projected salary increases	3.75% - 14.40%
Cost-of-living adjustments	2.50%

Mortality rates were based on the assumption study prepared by an independent actuary in 2016. The table combines observed experience of Illinois Police Officers with the RP-2014 Mortality Table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	32%	0.75% - 3.00%
Domestic equities	55%	3.25% - 3.50%
International equities	5%	4.00% - 5.75%
Real Estate	5%	4.00%
Cash and cash equivalents	3%	-.25%

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

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

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

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

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 166,714,262	\$ 144,753,198	\$ 126,982,839
Plan fiduciary net position	79,477,486	79,477,486	79,477,486
Net pension liability	\$ 87,236,776	\$ 65,275,712	\$ 47,505,353

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2017	\$ 138,593,340	\$ 72,278,587	\$ 66,314,753
Service cost	2,655,216	-	2,655,216
Interest on total pension liability	9,486,867	-	9,486,867
Differences between expected and actual experience of the total pension liability	151,124	-	151,124
Benefit payments, including refunds of employee contributions	(6,133,349)	(6,133,349)	-
Contributions - employer	-	5,429,839	(5,429,839)
Contributions - employee	-	1,125,471	(1,125,471)
Contributions - other	-	56,902	(56,902)
Net investment income	-	6,794,179	(6,794,179)
Administration	-	(74,143)	74,143
Balances at April 30, 2018	\$ 144,753,198	\$ 79,477,486	\$ 65,275,712

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2018, the City recognized pension expense of \$7,424,774. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,623,435	\$ -
Assumption changes	2,977,112	-
Net difference between projected and actual earnings on pension plan investments	-	1,553,376
Total	\$ 7,600,547	\$ 1,553,376

The amounts reported as deferred outflows and inflows of resources related to pensions (\$6,047,171) will be recognized in pension expense as follows:

Year Ending April 30,	Amount
2019	\$ 1,464,589
2020	1,464,589
2021	517,661
2022	1,207,937
2023	920,378
Thereafter	472,017
Total	\$ 6,047,171

Firefighters' Pension

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

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

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

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

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

Retirees and beneficiaries	93
Inactive, non-retired members	1
Active members	<u>108</u>
Total	<u><u>202</u></u>

Contributions. Participants contribute a fixed percentage of their base salary to the plans. At April 30, 2018, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2018 was 50.70% of annual covered payroll.

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

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

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

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

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

Actuarial cost method	Entry Age Normal
Asset valuation method	Market
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.50%
Projected salary increases	3.75% - 17.86%
Cost-of-living adjustments	2.50%

Mortality rates were based on the assumption study prepared by an independent actuary in 2016. The table combines observed experience of Illinois Firefighters with the RP-2014 Mortality Table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date.

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	34%	0.70% - 1.70%
Large-cap equity	50%	5.80%
Small-cap equity	5%	6.80%
International equity	5%	5.90% - 8.00%
Real estate	5%	2.40% - 5.80%
Cash and cash equivalents	1%	0.50%

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 138,365,921	\$ 120,861,335	\$ 106,590,559
Plan fiduciary net position	<u>63,472,874</u>	<u>63,472,874</u>	<u>63,472,874</u>
Net pension liability	<u>\$ 74,893,047</u>	<u>\$ 57,388,461</u>	<u>\$ 43,117,685</u>

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2017	\$ 115,750,533	\$ 56,353,255	\$ 59,397,278
Service cost	2,274,392	-	2,274,392
Interest on total pension liability	7,920,899	-	7,920,899
Differences between expected and actual experience of the total pension liability	105,179	-	105,179
Benefit payments, including refunds of employee contributions	(5,189,668)	(5,189,668)	-
Contributions - employer	-	4,873,683	(4,873,683)
Contributions - employee	-	915,947	(915,947)
Net investment income	-	6,588,290	(6,588,290)
Administration	-	(68,633)	68,633
Balances at April 30, 2018	\$ 120,861,335	\$ 63,472,874	\$ 57,388,461

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2018, the City recognized pension expense of \$5,890,681. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,060,587	\$ -
Assumption changes	1,931,061	-
Net difference between projected and actual earnings on pension plan investments	-	1,688,055
Total	\$ 2,991,648	\$ 1,688,055

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$1,303,593) will be recognized in pension expense as follows:

Year Ending April 30,	Amount
2019	\$ 506,028
2020	506,024
2021	(493,756)
2022	35,461
2023	560,453
Thereafter	<u>189,383</u>
Total	<u>\$ 1,303,593</u>

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees for which the City is self-insured and carries supplemental commercial insurance. The City maintains internal service funds for its self-insured employees' health insurance program, and its general liability, property, and worker's compensation insurance claims. Each participating fund makes payments to the self-insurance funds for amounts which are determined based on historical claims experience.

Self-Insurance

For medical claims, the uninsured risk of loss is \$155,000 per individual occurrence. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claim handling procedures.

Self-insurance is in effect up to a stop loss of \$125,000 per occurrence for general liability, \$25,000 for property, and \$550,000 per occurrence for worker's compensation for the fire and police departments and \$450,000 for all other departments of the City. In addition, the City has an aggregate retention of \$590,000 for liability and property losses. The City has purchased commercial insurance for coverage in excess of self-insured reserve limits and for all other risks of loss. Settled claims have not exceeded the commercial coverage in any of the past three years.

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

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance (cont.)

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Claims payable - beginning of year	\$ 4,948,323	\$ 4,827,241
Current year claims and changes in estimates	2,727,627	2,524,424
Claim payments	<u>(2,848,709)</u>	<u>(2,501,350)</u>
Claims payable - end of year	<u>\$ 4,827,241</u>	<u>\$ 4,850,315</u>

Public Entity Risk Pool

Intergovernmental Personnel Benefit Cooperative

The City participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities.

IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Benefit Administrator and a Treasurer. The City does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

C. COMMITMENTS AND CONTINGENCIES

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

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The City has commitments to active construction projects to be financed primarily from capital projects and enterprise funds as of April 30, 2018. The total outstanding commitments of the City as of April 30, 2018 are \$4,255,481.

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

The City has the following encumbrances outstanding at year end expected to be honored upon performance by the vendor:

General	\$	1,526,130
Capital Lease		1,197,530
Nonmajor Governmental		2,081,136
Water		3,525,742
Sewer		870,797
Bloomington Arena		737,930
Stormwater Management		239,955
Nonmajor Enterprise		116,299

D. JOINT VENTURES

Bloomington-Normal Public Transit System

The Bloomington-Normal Public Transit System (System) is a joint venture between the City of Bloomington and the Town of Normal for the purpose of engaging in a wide variety of activities necessary for operation of a transit system within the corporate limits of the two governmental entities. The governing Board is comprised of 4 City representatives and 3 Town representatives. The System is funded primarily through federal and state governmental assistance. Other revenue sources include fares and contractual fees. Any deficits incurred by the System are to be made up by the City and Town in accordance with a prescribed formula. The System's financial activities, other than operating subsidies and advances from the City, are not included in the City's reporting entity. The report may be obtained from the System at 351 Wylie Drive, Normal, IL 61761 or on-line at www.connect-transit.com.

E. OTHER POSTEMPLOYMENT BENEFITS

The City administers a single-employer defined benefit healthcare plan. The plan provides for eligible retirees and their spouses through the City's which covers both active and retired members. The City is required by State Statute to provide insurance to its retirees as long as insurance is provided to its active employees. Benefit provisions are governed by the City and can be amended by the City through .

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the City and the unions and modifications to its personnel manual for non-union employees. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. Until a retiree reaches age 65, \$5,000 of life insurance coverage is provided at no cost. All retirees contribute 100% of the blended premium to the plan and the City contributes the remainder to cover the cost of providing the benefits to the retirees via the plan (pay as you go). For the fiscal year ended April 30, 2018, retirees contributed \$1,207,534 and the City contributed \$528,544. Active employees do not contribute to the plan until retirement.

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

All healthcare benefits are provided through the City's health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. Until a retiree reaches age 65, \$5,000 of life insurance coverage is provided at no cost.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC) The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the City's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$	938,586
Interest on net OPEB obligation		342,498
Adjustment to annual required contribution		<u>(312,435)</u>
Annual OPEB cost		968,649
Contributions made		<u>(528,544)</u>
Increase in net OPEB obligation (asset)		440,105
Net OPEB obligation- beginning of year		<u>8,974,427</u>
Net OPEB obligation - end of year	\$	<u><u>9,414,532</u></u>

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2016	\$ 1,683,064	52.50%	\$ 7,652,233
April 30, 2017	1,162,959	47.26%	8,974,427
April 30, 2018	968,649	54.57%	9,414,532

The funded status of the plan as of May 1, 2017, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$	14,633,169
Actuarial value of plan assets		-
Unfunded Actuarial Accrued Liability (UAAL)	\$	14,633,169
Funded ratio (actuarial value of plan assets/AAL)		-%
Covered payroll (active plan members)	\$	45,592,741
UAAL as a percentage of covered payroll		32.10%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF BLOOMINGTON

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

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

In the May 1, 2017 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 3.97% investment rate of return and an annual healthcare cost trend rate of 7.00% initially, reduced by decrements to an ultimate rate of 4.50%. Both rates include a 2.50% inflation assumption. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at April 30, 2018, was 30 years.

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

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

- Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 85, *Omnibus 2017*
- Statement No. 86, *Certain Debt Extinguishment Issues*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BLOOMINGTON

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
For the Year Ended April 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 86,274,740	\$ 86,274,740	\$ 86,490,993	\$ 216,253
Intergovernmental	232,383	232,383	172,458	(59,925)
Licenses and permits	1,217,302	1,217,302	1,265,842	48,540
Charges for services	11,790,105	11,790,105	12,006,201	216,096
Fines and forfeitures	803,400	803,400	748,527	(54,873)
Investment income	85,375	85,375	275,397	190,022
Other	<u>986,537</u>	<u>986,537</u>	<u>871,950</u>	<u>(114,587)</u>
Total Revenues	<u>101,389,842</u>	<u>101,389,842</u>	<u>101,831,368</u>	<u>441,526</u>
EXPENDITURES				
Current:				
General government	18,134,682	17,998,578	16,239,921	1,758,657
Public safety	55,167,647	55,482,893	53,418,340	2,064,553
Highways and streets	7,430,039	7,631,692	7,346,129	285,563
Culture and recreation	10,644,907	10,662,227	9,671,300	990,927
Parking	435,237	435,237	348,863	86,374
Capital outlay	-	804,572	1,288,320	(483,748)
Debt Service				
Principal	1,787,106	1,787,106	1,518,390	268,716
Interest and fiscal agent fees	<u>236,736</u>	<u>236,736</u>	<u>163,949</u>	<u>72,787</u>
Total Expenditures	<u>93,836,354</u>	<u>95,039,041</u>	<u>89,995,212</u>	<u>5,043,829</u>
Excess of revenues over expenditures	<u>7,553,488</u>	<u>6,350,801</u>	<u>11,836,156</u>	<u>5,485,355</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,657,454	3,657,454	3,657,691	237
Transfers out	(11,134,746)	(12,144,573)	(11,756,438)	388,135
Proceeds from sale of capital assets	18,000	18,000	117,653	99,653
Capital lease and loan proceeds	<u>-</u>	<u>-</u>	<u>970,000</u>	<u>970,000</u>
Total Other Financing Sources (Uses)	<u>(7,459,292)</u>	<u>(8,469,119)</u>	<u>(7,011,094)</u>	<u>1,458,025</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ 94,196</u>	<u>\$ (2,118,318)</u>	4,825,062	<u>\$ 6,943,380</u>
Change in encumbrances			195,537	
Net Change in Fund Balance - GAAP Basis			5,020,599	
FUND BALANCE - Beginning of Year			<u>24,635,386</u>	
FUND BALANCE - END OF YEAR			<u>\$ 29,655,985</u>	

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - LIBRARY FUND
 For the Year Ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 4,813,511	\$ 4,813,511	\$ 4,809,853	\$ (3,658)
Intergovernmental	59,000	59,000	59,483	483
Charges for services	88,500	88,500	70,743	(17,757)
Investment income	7,000	7,000	55,712	48,712
Other	468,350	468,350	470,734	2,384
Total Revenues	<u>5,436,361</u>	<u>5,436,361</u>	<u>5,466,525</u>	<u>30,164</u>
EXPENDITURES				
Current:				
Culture and recreation	5,221,417	5,221,417	4,934,050	287,367
Capital outlay	<u>315,100</u>	<u>321,770</u>	<u>14,245</u>	<u>307,525</u>
Total Expenditures	<u>5,536,517</u>	<u>5,543,187</u>	<u>4,948,295</u>	<u>594,892</u>
Excess of revenues over expenditures	<u>(100,156)</u>	<u>(106,826)</u>	<u>518,230</u>	<u>625,056</u>
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	<u>1,000</u>	<u>1,000</u>	<u>4</u>	<u>(996)</u>
Total Other Financing Sources	<u>1,000</u>	<u>1,000</u>	<u>4</u>	<u>(996)</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ (99,156)</u>	<u>\$ (105,826)</u>	518,234	<u>\$ 624,060</u>
Change in encumbrances			(62,898)	
Net Change in Fund Balance - GAAP Basis			455,336	
FUND BALANCE - Beginning of Year			<u>5,229,886</u>	
FUND BALANCE - END OF YEAR			<u>\$ 5,685,222</u>	

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF BLOOMINGTON

ILLINOIS MUNICIPAL RETIREMENT FUND

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS Last Three Fiscal Years

	2016	2017	2018
Total pension liability			
Service cost	\$ 2,438,585	\$ 2,423,453	\$ 2,466,445
Interest	11,892,995	12,404,365	12,799,504
Differences between expected and actual experience	2,047,317	254,798	301,207
Changes of assumptions	400,338	(618,202)	(5,523,896)
Benefit payments, including refunds of member contributions	(9,112,267)	(9,889,519)	(9,873,710)
Net change in total pension liability	7,666,968	4,574,895	169,550
Total pension liability - beginning	162,121,822	169,788,790	174,363,685
Total pension liability - ending (a)	\$ 169,788,790	\$ 174,363,685	\$ 174,533,235
Plan fiduciary net position			
Employer contributions	\$ 3,951,246	\$ 3,474,535	\$ 3,317,993
Employee contributions	1,032,762	1,055,315	1,112,406
Net investment income	722,524	10,010,192	27,636,082
Benefit payments, including refunds of member contributions	(9,112,267)	(9,889,519)	(9,873,710)
Other (net transfer)	3,197,196	468,303	(3,489,742)
Net change in plan fiduciary net position	(208,539)	5,118,826	18,703,029
Plan fiduciary net position - beginning	146,569,008	146,360,469	151,479,295
Plan fiduciary net position - ending (b)	\$ 146,360,469	\$ 151,479,295	\$ 170,182,324
Employer's net pension liability - ending (a) - (b)	\$ 23,428,321	\$ 22,884,390	\$ 4,350,911
Plan fiduciary net position as a percentage of the total pension liability	86.20%	86.88%	97.51%
Covered-employee payroll	\$ 23,076,791	\$ 23,264,707	\$ 23,980,748
Employer's net pension liability as a percentage of covered-employee payroll	101.52%	98.37%	18.14%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

CITY OF BLOOMINGTON

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Last Three Fiscal Years

	2016	2017	2018
Actuarially determined contribution	\$ 3,103,828	\$ 3,177,959	\$ 3,064,740
Contributions in relation to the actuarially determined contributic	<u>(3,951,246)</u>	<u>(3,474,535)</u>	<u>(3,317,993)</u>
Contribution deficiency (excess)	<u>\$ (847,418)</u>	<u>\$ (296,576)</u>	<u>\$ (253,253)</u>
Covered-employee payroll	\$ 23,076,791	\$ 23,264,707	\$ 23,980,748
Contributions as a percentage of covered-employee payroll	17.12%	14.93%	13.84%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 4 months prior to the beginning of the fiscal year in which contributions are reported. Actuarially determined contributions were not available on a fiscal year basis.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	5-Year smoothed market
Inflation	2.75%
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 CHBCA

Other information:

There were no benefit changes during the year.

CITY OF BLOOMINGTON

POLICE PENSION FUND

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS Last Four Fiscal Years

	2015	2016	2017	2018
Total pension liability				
Service cost	\$ 2,726,173	\$ 2,518,445	\$ 2,481,510	\$ 2,655,216
Interest	7,598,217	7,961,798	8,806,662	9,486,867
Differences between expected and actual experience	-	3,750,208	3,058,467	151,124
Changes of assumptions	-	3,392,308	1,304,863	-
Benefit payments, including refunds of member contributions	(4,889,439)	(5,371,307)	(5,735,238)	(6,133,349)
Net change in total pension liability	5,434,951	12,251,452	9,916,264	6,159,858
Total pension liability - beginning	110,990,673	116,425,624	128,677,076	138,593,340
Total pension liability - ending (a)	\$ 116,425,624	\$ 128,677,076	\$ 138,593,340	\$ 144,753,198
Plan fiduciary net position				
Employer contributions	\$ 3,758,826	\$ 4,690,359	\$ 4,947,245	\$ 5,429,839
Employee contributions	998,827	1,039,974	1,090,131	1,125,471
Other contributions	-	118,866	23,986	56,902
Net investment income	4,683,824	(245,101)	7,946,053	6,794,179
Benefit payments, including refunds of member contributions	(4,889,438)	(5,371,307)	(5,735,238)	(6,133,349)
Administration	(58,926)	(88,855)	(80,336)	(74,143)
Net change in plan fiduciary net position	4,493,113	143,936	8,191,841	7,198,899
Plan fiduciary net position - beginning	59,449,697	63,942,810	64,086,746	72,278,587
Plan fiduciary net position - ending (b)	\$ 63,942,810	\$ 64,086,746	\$ 72,278,587	\$ 79,477,486
City's net pension liability - ending (a) - (b)	\$ 52,482,814	\$ 64,590,330	\$ 66,314,753	\$ 65,275,712
Plan fiduciary net position as a percentage of the total pension liability	54.92%	49.80%	52.15%	54.91%
Covered-employee payroll	\$ 10,408,623	\$ 10,843,786	\$ 11,133,837	\$ 11,309,331
City's net pension liability as a percentage of covered-employee payroll	504.22%	595.64%	595.61%	577.18%

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

CITY OF BLOOMINGTON

POLICE PENSION FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Last Ten Fiscal Years

	2009	2010	2011	2012
Actuarially determined contribution	\$ 2,392,466	\$ 3,156,183	\$ 3,843,510	\$ 3,859,645
Contributions in relation to the actuarially determined contribution	<u>2,528,567</u>	<u>3,128,358</u>	<u>3,867,939</u>	<u>4,111,770</u>
Contribution deficiency (excess)	<u>\$ (136,101)</u>	<u>\$ 27,825</u>	<u>\$ (24,429)</u>	<u>\$ (252,125)</u>
Covered-employee payroll	\$ 8,041,709	\$ 8,788,202	\$ 9,505,164	\$ 8,903,996
Contributions as a percentage of covered-employee payroll	31.44%	35.60%	40.69%	46.18%

Notes to Schedule:

The Plan implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

The annual required contribution presented here represents the amount calculated using guidelines prescribed by GASB. The City is legally required to make contributions as determined by state statute which may differ from the amounts presented above. The City has made the minimum contribution required by state statute.

Valuation date: Actuarially determined contributions are calculated as of April 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 years
Asset valuation method	5-Year smoothed market
Inflation	2.50%
Salary increases	3.75% - 14.40%
Investment rate of return	7.00%
Retirement age	See Notes to the Financial Statements
Mortality	Independent actuary assumption study for Police 2016

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 4,057,967	\$ 3,836,673	\$ 5,065,095	\$ 4,667,258	\$ 4,947,245	\$ 5,429,839
<u>3,311,122</u>	<u>3,183,834</u>	<u>3,758,825</u>	<u>4,690,359</u>	<u>4,947,245</u>	<u>5,429,839</u>
<u>\$ 746,845</u>	<u>\$ 652,839</u>	<u>\$ 1,306,270</u>	<u>\$ (23,101)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,212,701	\$ 9,722,152	\$ 10,408,623	\$ 10,843,786	\$ 11,133,837	\$ 11,309,331
35.94%	32.75%	36.11%	43.25%	44.43%	48.01%

See independent auditors' report and accompanying notes to required supplementary information

CITY OF BLOOMINGTON

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS Last Four Fiscal Years

	2015	2016	2017	2018
Total pension liability				
Service cost	\$ 2,332,694	\$ 2,046,451	\$ 2,125,600	\$ 2,274,392
Interest	6,681,712	6,998,650	7,485,870	7,920,899
Differences between expected and actual experience	-	4,979	1,301,818	105,179
Changes of assumptions	-	2,681,272	340,679	-
Benefit payments, including refunds of member contributions	(4,320,164)	(4,653,276)	(4,888,863)	(5,189,668)
Net change in total pension liability	4,694,242	7,078,076	6,365,104	5,110,802
Total pension liability - beginning	97,613,111	102,307,353	109,385,429	115,750,533
Total pension liability - ending (a)	\$ 102,307,353	\$ 109,385,429	\$ 115,750,533	\$ 120,861,335
Plan fiduciary net position				
Employer contributions	\$ 3,946,587	\$ 4,416,266	\$ 4,678,635	\$ 4,873,683
Employee contributions	803,646	808,931	810,392	913,926
Other contributions	75	70	-	2,021
Net investment income	2,891,292	(1,439,295)	6,141,878	6,588,290
Benefit payments, including refunds of member contributions	(4,320,164)	(4,653,276)	(4,888,863)	(5,189,668)
Administration	(62,719)	(57,305)	(58,891)	(68,633)
Net change in plan fiduciary net position	3,258,717	(924,609)	6,683,151	7,119,619
Plan fiduciary net position - beginning	47,335,996	50,594,713	49,670,104	56,353,255
Plan fiduciary net position - ending (b)	\$ 50,594,713	\$ 49,670,104	\$ 56,353,255	\$ 63,472,874
City's net pension liability - ending (a) - (b)	\$ 51,712,640	\$ 59,715,325	\$ 59,397,278	\$ 57,388,461
Plan fiduciary net position as a percentage of the total pension liability	49.45%	45.41%	48.69%	52.52%
Covered-employee payroll	\$ 8,617,171	\$ 8,338,822	\$ 8,960,353	\$ 9,612,394
City's net pension liability as a percentage of covered-employee payroll	600.11%	716.11%	662.89%	597.03%

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

CITY OF BLOOMINGTON

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

	2009	2010	2011	2012
Actuarially determined contribution	\$ 2,493,809	\$ 2,376,491	\$ 3,116,325	\$ 3,202,697
Contributions in relation to the actuarially determined contribution	2,640,429	2,364,899	3,140,710	3,460,505
Contribution deficiency (excess)	\$ (146,620)	\$ 11,592	\$ (24,385)	\$ (257,808)
Covered-employee payroll	\$ 6,379,893	\$ 6,470,110	\$ 6,729,062	\$ 7,137,776
Contributions as a percentage of covered-employee payroll	41.39%	36.55%	46.67%	48.48%

Notes to Schedule:

The Plan implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2015 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

The annual required contribution presented here represents the amount calculated using guidelines prescribed by GASB. The City is legally required to make contributions as determined by state statute which may differ from the amounts presented above. The City has made the minimum contribution required by state statute.

Valuation date: Actuarially determined contributions are calculated as of April 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 years
Asset valuation method	5-Year smoothed market
Inflation	2.50%
Salary increases	3.75% - 17.86%
Investment rate of return	7.00%
Retirement age	See Notes to the Financial Statements
Mortality	Independent actuary assumption study for Firefighters 2016

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 3,545,575	\$ 3,688,461	\$ 4,045,021	\$ 4,405,755	\$ 4,673,635	\$ 4,873,683
<u>3,115,854</u>	<u>2,910,842</u>	<u>3,941,587</u>	<u>4,416,266</u>	<u>4,678,635</u>	<u>4,873,683</u>
<u>\$ 429,721</u>	<u>\$ 777,619</u>	<u>\$ 103,434</u>	<u>\$ (10,511)</u>	<u>\$ (5,000)</u>	<u>\$ -</u>
\$ 7,359,892	\$ 7,137,776	\$ 8,617,171	\$ 8,338,822	\$ 8,960,353	\$ 9,612,394
42.34%	40.78%	45.74%	52.96%	52.21%	50.70%

See independent auditors' report and accompanying notes to required supplementary information

CITY OF BLOOMINGTON

OTHER POST-EMPLOYMENT BENEFITS PLAN

SCHEDULE OF EMPLOYER CONTRIBUTIONS AND FUNDING PROGRESS

As of and for the Year Ended April 30, 2018

Fiscal Year Ended	Employer Contributions	Annual Required Contribution (ARC)	Percentage of ARC Contributed
April 30, 2018	\$ 528,544	\$ 938,586	56.31%
April 30, 2017	472,121	1,146,000	41.20%
April 30, 2016	549,644	1,149,000	47.84%
April 30, 2015	859,959	1,625,795	52.89%
April 30, 2014	906,966	1,398,513	64.85%
April 30, 2013	150,545	1,347,891	11.17%

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
May 1, 2017	\$ -	\$ 14,633,169	\$ 14,633,169	0.00%	\$ 45,592,741	32.10%
May 1, 2016	-	17,668,000	17,668,000	0.00%	43,325,684	40.78%
May 1, 2015	-	16,496,000	16,496,000	0.00%	41,992,230	39.28%
May 1, 2014	-	23,198,380	23,198,380	0.00%	40,307,251	57.55%
May 1, 2013	-	18,890,424	18,890,424	0.00%	27,879,708	67.76%
May 1, 2012	-	18,258,810	18,258,810	0.00%	26,807,411	68.11%

The City funds its other post-employment benefit plan on a pay as you go basis by funding health claims each year and is under no obligation to contribute the ARC amount noted above to a trust for payment of future benefits.

CITY OF BLOOMINGTON

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended April 30, 2018

BUDGETARY INFORMATION

Annual budgets are legally adopted and separately reported for all funds of the City of Bloomington except for the Foreign Fire Insurance Board Fund, the Downtown-Southwest TIF Fund, and the Empire Street TIF Fund. The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to February 1 (unless a later date is approved by the City Council), the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are adopted on a modified accrual basis except for the following modifications:

- Encumbrances are treated as expenditures in the year in which the purchase commitment is made.
- Collections of special revenue fund loans, capital project fund assessments and special assessments are budgeted as revenue in the year received.
- Special revenue fund loans are shown as expenditures when the funds are disbursed.
- Special revenue disbursements which result in increases in balances of properties held for rehabilitation or development are shown as expenditures. Receipts from sales of these properties or transfers from the savings accounts are treated as revenues.
- The proceeds of general obligation bonds reserved for enterprise projects and expenditures of such monies are accounted for in a Capital Projects Fund.
- Certain transfers between governmental funds are budgeted as revenues and expenditures. Budgeted Governmental Fund expenditures also include capital expenditures related to proprietary fund operations.
- In the Debt Service Fund, transfers from enterprise funds for payment of revenue-supported general obligation debt are reflected as revenue and payments of the debt and are shown as expenditures.
- For report presentation purposes, actual revenues and expenditures and other financing sources and uses have been adjusted to incorporate these modifications with reconciliation provided.
- Capital contributions and capital outlay from donated assets are not budgeted.

Public hearings are conducted at locations throughout the City to obtain taxpayer comments.

- Prior to May 1, the annual operating budget is legally enacted through passage of an ordinance. Passage of the annual budget is done in lieu of an appropriation ordinance as permitted by the Illinois Compiled Statutes.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. The level of control (level at which expenditures may not exceed budget) is the fund total, not the individual line items.
- The annual budget can be amended by a two-thirds vote of the City Council. Various budget amendments were approved in this manner by the Council during the current year and the changes are reflected in the budgetary figures included in the accompanying financial statements.
- All appropriations lapse at year-end.

SUPPLEMENTARY INFORMATION

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2018

NONMAJOR GOVERNMENTAL FUNDS

Motor Fuel Tax Fund – To account for the revenue and expenditures related to projects financed by the motor fuel tax funds collected and distributed by the State of Illinois.

Board of Elections Fund – To account for the tax resources used to provide for the Election Commission expenses.

Drug Enforcement Fund – To account for police department revenues from drug raids.

Foreign Fire Insurance Board Fund – To account for the revenues from the 2% foreign fire insurance tax that is administered by the Foreign Fire Insurance Board.

Community Development Fund – To account for a federally funded block grant program designed to assist low and moderate-income families and eliminate slum and blight conditions.

IHDA Grant Fund – To account for a federally funded grant program for the rehabilitation of single-family, owner-occupied residences.

Park Dedication Fund – To account for collections to be used for future park developments.

Empire Street TIF Fund – To account for revenues and construction expenditures related to the Empire Street TIF redevelopment area.

Downtown - Southwest TIF Fund – To account for revenues and construction expenditures related to the Downtown - Southwest TIF redevelopment area.

Capital Improvements Fund – To account for the receipt and disbursement of monies used for the acquisition of capital facilities.

CITY OF BLOOMINGTON

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

	<u>Motor Fuel Tax</u>	<u>Board of Elections</u>	<u>Drug Enforcement</u>	<u>Foreign Fire Insurance Board</u>	<u>Community Development</u>
ASSETS					
Cash and investments	\$ 9,697,063	\$ 627,065	\$ 1,303,398	\$ 160,611	\$ 14,895
Receivables (net)					
Loans	-	-	-	-	1,617,944
Accounts	-	-	-	-	153,792
Due from other governmental units	175,381	-	-	-	-
Property held for resale	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,775</u>
TOTAL ASSETS	<u><u>\$ 9,872,444</u></u>	<u><u>\$ 627,065</u></u>	<u><u>\$ 1,303,398</u></u>	<u><u>\$ 160,611</u></u>	<u><u>\$ 1,803,406</u></u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 111,865	\$ 69,586	\$ 1,956	\$ 1,635	\$ 168,741
Due to other funds	-	-	-	-	14,524
Deposits	-	-	-	-	-
Unearned revenues	-	-	-	-	87
Total Liabilities	<u>111,865</u>	<u>69,586</u>	<u>1,956</u>	<u>1,635</u>	<u>183,352</u>
Fund Balances (Deficit)					
Nonspendable					
Restricted					
Highways and streets	9,760,579	-	-	-	-
Board of elections	-	557,479	-	-	-
Public safety	-	-	-	158,976	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	1,620,054
Committed					
Public safety	-	-	1,301,442	-	-
Highways and streets	-	-	-	-	-
Assigned					
Capital projects	-	-	-	-	-
Unassigned					
Total Fund Balances (deficit)	<u>9,760,579</u>	<u>557,479</u>	<u>1,301,442</u>	<u>158,976</u>	<u>1,620,054</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 9,872,444</u></u>	<u><u>\$ 627,065</u></u>	<u><u>\$ 1,303,398</u></u>	<u><u>\$ 160,611</u></u>	<u><u>\$ 1,803,406</u></u>

<u>IHDA Grant</u>	<u>Park Dedication</u>	<u>Empire Street TIF</u>	<u>Downtown-Southwest TIF</u>	<u>Capital Improvements</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 72,861	\$ 809,658	\$ 765	\$ -	\$ 4,236,101	\$ 16,922,417
-	-	-	-	-	1,617,944
86,045	-	-	-	-	239,837
-	-	-	-	-	175,381
-	-	-	-	-	16,775
<u>\$ 158,906</u>	<u>\$ 809,658</u>	<u>\$ 765</u>	<u>\$ -</u>	<u>\$ 4,236,101</u>	<u>\$ 18,972,354</u>
\$ 57,295	\$ 80,903	\$ 55	\$ -	\$ 465,333	\$ 957,369
105,125	-	-	98,561	-	218,210
-	-	-	-	24,000	24,000
-	-	-	-	-	87
<u>162,420</u>	<u>80,903</u>	<u>55</u>	<u>98,561</u>	<u>489,333</u>	<u>1,199,666</u>
-	-	-	-	-	9,760,579
-	-	-	-	-	557,479
-	-	-	-	-	158,976
-	728,755	-	-	-	728,755
-	-	710	-	-	1,620,764
-	-	-	-	-	1,301,442
-	-	-	-	1,684,326	1,684,326
-	-	-	-	2,062,442	2,062,442
<u>(3,514)</u>	<u>-</u>	<u>-</u>	<u>(98,561)</u>	<u>-</u>	<u>(102,075)</u>
<u>(3,514)</u>	<u>728,755</u>	<u>710</u>	<u>(98,561)</u>	<u>3,746,768</u>	<u>17,772,688</u>
<u>\$ 158,906</u>	<u>\$ 809,658</u>	<u>\$ 765</u>	<u>\$ -</u>	<u>\$ 4,236,101</u>	<u>\$ 18,972,354</u>

CITY OF BLOOMINGTON

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

	<u>Motor Fuel Tax</u>	<u>Board of Elections</u>	<u>Drug Enforcement</u>	<u>Foreign Fire Insurance Board</u>	<u>Community Development</u>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 97,860	\$ -
Intergovernmental	2,035,327	493,307	207,019	-	737,059
Fines and forfeitures	-	-	121,052	-	-
Investment income (loss)	81,739	8,121	944	335	598
Other	<u>244,348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>2,361,414</u>	<u>501,428</u>	<u>329,015</u>	<u>98,195</u>	<u>737,657</u>
EXPENDITURES					
Current					
General government	-	417,662	-	-	-
Public safety	-	-	107,253	74,824	-
Highways and streets	668,273	-	-	-	-
Community development	-	-	-	-	685,786
Culture and recreation	-	-	-	-	-
Debt Service					
Principal	-	133,775	-	-	-
Interest and fiscal agent fees	-	11,491	-	-	-
Capital outlay	<u>2,274,961</u>	<u>-</u>	<u>71,137</u>	<u>-</u>	<u>24,674</u>
Total Expenditures	<u>2,943,234</u>	<u>562,928</u>	<u>178,390</u>	<u>74,824</u>	<u>710,460</u>
Excess (deficiency) of revenues over expenditures	<u>(581,820)</u>	<u>(61,500)</u>	<u>150,625</u>	<u>23,371</u>	<u>27,197</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(6,664)
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>3,850</u>	<u>-</u>	<u>13,200</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,850</u>	<u>-</u>	<u>6,536</u>
Net Change in Fund Balances	(581,820)	(61,500)	154,475	23,371	33,733
FUND BALANCES (DEFICIT)					
- Beginning of Year	<u>10,342,399</u>	<u>618,979</u>	<u>1,146,967</u>	<u>135,605</u>	<u>1,586,321</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 9,760,579</u>	<u>\$ 557,479</u>	<u>\$ 1,301,442</u>	<u>\$ 158,976</u>	<u>\$ 1,620,054</u>

<u>IHDA Grant</u>	<u>Park Dedication</u>	<u>Empire Street TIF</u>	<u>Downtown-Southwest TIF</u>	<u>Capital Improvements</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 29,963	\$ -	\$ -	\$ 127,823
189,389	-	-	-	-	3,662,101
-	-	-	-	-	121,052
2	8,709	(40)	-	43,351	143,759
-	<u>36,414</u>	-	-	<u>55,420</u>	<u>336,182</u>
<u>189,391</u>	<u>45,123</u>	<u>29,923</u>	-	<u>98,771</u>	<u>4,390,917</u>
-	-	-	-	-	417,662
-	-	-	-	-	182,077
-	-	-	-	-	668,273
192,905	-	5,380	1,705	-	885,776
-	85,795	-	-	-	85,795
-	-	-	-	-	133,775
-	-	-	-	-	11,491
-	<u>141,619</u>	-	-	<u>7,149,384</u>	<u>9,661,775</u>
<u>192,905</u>	<u>227,414</u>	<u>5,380</u>	<u>1,705</u>	<u>7,149,384</u>	<u>12,046,624</u>
<u>(3,514)</u>	<u>(182,291)</u>	<u>24,543</u>	<u>(1,705)</u>	<u>(7,050,613)</u>	<u>(7,655,707)</u>
-	-	-	-	6,074,613	6,074,613
-	-	-	-	-	(6,664)
-	-	-	-	-	17,050
-	-	-	-	<u>6,074,613</u>	<u>6,084,999</u>
(3,514)	(182,291)	24,543	(1,705)	(976,000)	(1,570,708)
-	<u>911,046</u>	<u>(23,833)</u>	<u>(96,856)</u>	<u>4,722,768</u>	<u>19,343,396</u>
<u>\$ (3,514)</u>	<u>\$ 728,755</u>	<u>\$ 710</u>	<u>\$ (98,561)</u>	<u>\$ 3,746,768</u>	<u>\$ 17,772,688</u>

CITY OF BLOOMINGTON

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 3,250,000	\$ 3,250,000	\$ 2,035,327	\$ (1,214,673)
Investment income (loss)	20,000	20,000	81,739	61,739
Other	-	-	244,348	244,348
Total Revenues	3,270,000	3,270,000	2,361,414	(908,586)
EXPENDITURES				
Current:				
Highways and streets	1,250,000	1,969,537	-	1,969,537
Capital outlay	8,371,000	10,643,509	573,255	10,070,254
Total Expenditures	9,621,000	12,613,046	573,255	12,039,791
Net Change in Fund Balance - Budgetary Basis	\$ (6,351,000)	\$ (9,343,046)	1,788,159	\$ 11,131,205
Change in encumbrances			(2,369,979)	
Net Change in Fund Balance - GAAP Basis			(581,820)	
FUND BALANCE - Beginning of Year			10,342,399	
FUND BALANCE - END OF YEAR			\$ 9,760,579	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - BOARD OF ELECTIONS FUND
 For the Year Ended April 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 541,766	\$ 541,766	\$ 493,307	\$ (48,459)
Investment income (loss)	1,793	1,793	8,121	6,328
Total Revenues	<u>543,559</u>	<u>543,559</u>	<u>501,428</u>	<u>(42,131)</u>
EXPENDITURES				
Current:				
General government	661,562	661,562	417,662	243,900
Debt Service				
Principal	51,429	51,429	133,775	(82,346)
Interest and fiscal agent fees	14,424	14,424	11,491	2,933
Total Expenditures	<u>727,415</u>	<u>727,415</u>	<u>562,928</u>	<u>164,487</u>
Net Change in Fund Balance	<u>\$ (183,856)</u>	<u>\$ (183,856)</u>	(61,500)	<u>\$ 122,356</u>
FUND BALANCE - Beginning of Year			<u>618,979</u>	
FUND BALANCE - END OF YEAR			<u>\$ 557,479</u>	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - DRUG ENFORCEMENT FUND
 For the Year Ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 207,019	\$ 207,019
Fines and forfeitures	136,000	136,000	121,052	(14,948)
Investment income (loss)	1,500	1,500	944	(556)
Total Revenues	<u>137,500</u>	<u>137,500</u>	<u>329,015</u>	<u>191,515</u>
EXPENDITURES				
Current:				
Public safety	212,074	254,518	153,449	101,069
Capital outlay	<u>84,450</u>	<u>84,450</u>	<u>71,137</u>	<u>13,313</u>
Total Expenditures	<u>296,524</u>	<u>338,968</u>	<u>224,586</u>	<u>114,382</u>
Excess (deficiency) of revenues over expenditures	<u>(159,024)</u>	<u>(201,468)</u>	<u>104,429</u>	<u>305,897</u>
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	<u>3,000</u>	<u>3,000</u>	<u>3,850</u>	<u>850</u>
Total Other Financing Sources	<u>3,000</u>	<u>3,000</u>	<u>3,850</u>	<u>850</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ (156,024)</u>	<u>\$ (198,468)</u>	108,279	<u>\$ 306,747</u>
Change in encumbrances			46,196	
Net Change in Fund Balance - GAAP Basis			154,475	
FUND BALANCE - Beginning of Year			<u>1,146,967</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,301,442</u>	

CITY OF BLOOMINGTON

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 874,768	\$ 1,019,768	\$ 737,059	\$ (282,709)
Investment income (loss)	1,001	1,001	598	(403)
Other	30,000	30,000	-	(30,000)
Total Revenues	<u>905,769</u>	<u>1,050,769</u>	<u>737,657</u>	<u>(313,112)</u>
EXPENDITURES				
Current:				
Community development	899,342	1,019,668	685,786	333,882
Capital outlay	-	24,674	24,674	-
Total Expenditures	<u>899,342</u>	<u>1,044,342</u>	<u>710,460</u>	<u>333,882</u>
Excess of revenues over expenditures	<u>6,427</u>	<u>6,427</u>	<u>27,197</u>	<u>20,770</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(6,427)	(6,427)	(6,664)	(237)
Proceeds from sale of capital assets	-	-	13,200	13,200
Total Other Financing Sources (Uses)	<u>(6,427)</u>	<u>(6,427)</u>	<u>6,536</u>	<u>12,963</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	33,733	<u>\$ 33,733</u>
FUND BALANCE - Beginning of Year			<u>1,586,321</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,620,054</u>	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - IHDA GRANT FUND
 For the Year Ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 311,250	\$ 311,250	\$ 189,389	\$ (121,861)
Investment income (loss)	-	-	2	2
Total Revenues	311,250	311,250	189,391	(121,859)
EXPENDITURES				
Current:				
Community development	300,000	300,000	195,880	104,120
Total Expenditures	300,000	300,000	195,880	104,120
Excess of revenues over expenditures	11,250	11,250	(6,489)	(17,739)
OTHER FINANCING USES				
Transfers out	(11,250)	(11,250)	-	11,250
Total Other Financing Uses	(11,250)	(11,250)	-	11,250
Net Change in Fund Balance - Budgetary Basis	\$ -	\$ -	(6,489)	\$ (6,489)
Change in encumbrances			2,975	
Net Change in Fund Balance - GAAP Basis			(3,514)	
FUND BALANCE - Beginning of Year			-	
FUND BALANCE (DEFICIT) - END OF YEAR			\$ (3,514)	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - PARK DEDICATION FUND
 For the Year Ended April 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment income (loss)	\$ 3,000	\$ 3,000	\$ 8,709	\$ 5,709
Other	18,503	18,503	36,414	17,911
Total Revenues	<u>21,503</u>	<u>21,503</u>	<u>45,123</u>	<u>23,620</u>
EXPENDITURES				
Current:				
Culture and recreation	75,000	175,549	29,567	145,982
Capital outlay	<u>-</u>	<u>153,957</u>	<u>141,619</u>	<u>12,338</u>
Total Expenditures	<u>75,000</u>	<u>329,506</u>	<u>171,186</u>	<u>158,320</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ (53,497)</u>	<u>\$ (308,003)</u>	(126,063)	<u>\$ 181,940</u>
Change in encumbrances			(56,228)	
Net Change in Fund Balance - GAAP Basis			(182,291)	
FUND BALANCE - Beginning of Year			<u>911,046</u>	
FUND BALANCE - END OF YEAR			<u>\$ 728,755</u>	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - CAPITAL IMPROVEMENTS FUND
 For the Year Ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income (loss)	\$ -	\$ -	\$ 43,351	\$ 43,351
Other	1,102,500	1,102,500	55,420	(1,047,080)
Total Revenues	<u>1,102,500</u>	<u>1,102,500</u>	<u>98,771</u>	<u>(1,003,729)</u>
EXPENDITURES				
Capital outlay	<u>7,172,762</u>	<u>9,714,838</u>	<u>6,050,502</u>	<u>3,664,336</u>
Total Expenditures	<u>7,172,762</u>	<u>9,714,838</u>	<u>6,050,502</u>	<u>3,664,336</u>
Excess (deficiency) of revenues over expenditures	<u>(6,070,262)</u>	<u>(8,612,338)</u>	<u>(5,951,731)</u>	<u>2,660,607</u>
OTHER FINANCING SOURCES				
Transfers in	<u>6,070,262</u>	<u>6,383,214</u>	<u>6,074,613</u>	<u>(308,601)</u>
Total Other Financing Sources	<u>6,070,262</u>	<u>6,383,214</u>	<u>6,074,613</u>	<u>(308,601)</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ -</u>	<u>\$ (2,229,124)</u>	122,882	<u>\$ 2,352,006</u>
Change in encumbrances			(1,098,882)	
Net Change in Fund Balance - GAAP Basis			(976,000)	
FUND BALANCE - Beginning of Year			<u>4,722,768</u>	
FUND BALANCE - END OF YEAR			<u>\$ 3,746,768</u>	

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2018

DEBT SERVICE FUND

Debt Service Fund – To account for the servicing of the general long-term debt not financed by a specific source.

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - DEBT SERVICE FUND
 For the Year Ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,235,143	\$ 2,235,143	\$ 2,233,423	\$ (1,720)
Investment income (loss)	22,335	22,335	63,619	41,284
Total Revenues	<u>2,257,478</u>	<u>2,257,478</u>	<u>2,297,042</u>	<u>39,564</u>
EXPENDITURES				
Debt Service				
Principal	5,125,000	5,125,000	12,325,000	(7,200,000)
Interest and fiscal agent fees	1,968,322	1,968,322	1,768,783	199,539
Bond issuance costs	-	-	37,500	(37,500)
Total Expenditures	<u>7,093,322</u>	<u>7,093,322</u>	<u>14,131,283</u>	<u>(7,037,961)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,835,844)</u>	<u>(4,835,844)</u>	<u>(11,834,241)</u>	<u>(6,998,397)</u>
OTHER FINANCING SOURCES				
Transfers in	3,929,530	3,929,530	3,849,996	(79,534)
Proceeds on bonds issued	-	-	7,240,000	7,240,000
Total Other Financing Sources	<u>3,929,530</u>	<u>3,929,530</u>	<u>11,089,996</u>	<u>7,160,466</u>
Net Change in Fund Balance	<u>\$ (906,314)</u>	<u>\$ (906,314)</u>	(744,245)	<u>\$ 162,069</u>
FUND BALANCE - Beginning of Year			<u>7,733,250</u>	
FUND BALANCE - END OF YEAR			<u>\$ 6,989,005</u>	

CITY OF BLOOMINGTON

DEBT SERVICE FUND COMBINING BALANCE SHEET As of April 30, 2018

	General Bond and Interest	2004 Coliseum Bond Redemption	2004 Multi-Project Bond Redemption	Total
ASSETS				
Cash and investments	\$ 4,221,593	\$ 1,452,846	\$ 1,314,566	\$ 6,989,005
Receivables:				
Taxes	<u>2,180,143</u>	<u>-</u>	<u>-</u>	<u>2,180,143</u>
TOTAL ASSETS	<u>\$ 6,401,736</u>	<u>\$ 1,452,846</u>	<u>\$ 1,314,566</u>	<u>\$ 9,169,148</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflows of resources				
Property taxes levied for future period	<u>2,180,143</u>	<u>-</u>	<u>-</u>	<u>2,180,143</u>
Total deferred inflows of resources	<u>2,180,143</u>	<u>-</u>	<u>-</u>	<u>2,180,143</u>
Fund balances				
Restricted				
Debt service	<u>4,221,593</u>	<u>1,452,846</u>	<u>1,314,566</u>	<u>6,989,005</u>
Total fund balances	<u>4,221,593</u>	<u>1,452,846</u>	<u>1,314,566</u>	<u>6,989,005</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 6,401,736</u>	<u>\$ 1,452,846</u>	<u>\$ 1,314,566</u>	<u>\$ 9,169,148</u>

CITY OF BLOOMINGTON

DEBT SERVICE FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended April 30, 2018

	General Bond and Interest	2004 Coliseum Bond Redemption	2004 Multi-Project Bond Redemption	Total
REVENUES				
Taxes	\$ 2,183,423	\$ -	\$ 50,000	\$ 2,233,423
Investment income	41,823	10,230	11,566	63,619
Total Revenues	<u>2,225,246</u>	<u>10,230</u>	<u>61,566</u>	<u>2,297,042</u>
EXPENDITURES				
Debt service:				
Principal	3,745,000	480,000	8,100,000	12,325,000
Interest and fiscal agent fees	867,379	796,943	104,461	1,768,783
Bond issuance costs	-	-	37,500	37,500
Total Expenditures	<u>4,612,379</u>	<u>1,276,943</u>	<u>8,241,961</u>	<u>14,131,283</u>
Excess (deficiency) of revenues over (under) expenditures	(2,387,133)	(1,266,713)	(8,180,395)	(11,834,241)
OTHER FINANCING SOURCES				
Transfers in	1,829,439	1,440,470	580,087	3,849,996
Refunding bonds issued	-	-	7,240,000	7,240,000
Total Other Financing Sources	<u>1,829,439</u>	<u>1,440,470</u>	<u>7,820,087</u>	<u>11,089,996</u>
Net Change in Fund Balances	(557,694)	173,757	(360,308)	(744,245)
FUND BALANCES - Beginning of Year	<u>4,779,287</u>	<u>1,279,089</u>	<u>1,674,874</u>	<u>7,733,250</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,221,593</u>	<u>\$ 1,452,846</u>	<u>\$ 1,314,566</u>	<u>\$ 6,989,005</u>

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2018

MAJOR CAPITAL PROJECTS FUND

Capital Lease Fund – To account for the purchase of equipment financed by a capital lease.

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - CAPITAL LEASE FUND
For the Year Ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income (loss)	\$ -	\$ -	\$ 5,627	\$ 5,627
Total Revenues	-	-	5,627	5,627
EXPENDITURES				
Capital outlay	7,835,515	9,664,989	3,229,494	6,435,495
Debt service	-	-	338	(338)
Total Expenditures	7,835,515	9,664,989	3,229,832	6,435,157
Excess (deficiency) of revenues over expenditures	(7,835,515)	(9,664,989)	(3,224,205)	6,440,784
OTHER FINANCING SOURCES				
Capital lease and loan proceeds	7,835,514	7,835,514	3,407,975	(4,427,539)
Total Other Financing Sources	7,835,514	7,835,514	3,407,975	(4,427,539)
Net Change in Fund Balance - Budgetary Basis	\$ (1)	\$ (1,829,475)	183,770	\$ 2,013,245
Change in encumbrances			(632,986)	
Net Change in Fund Balance - GAAP Basis			(449,216)	
FUND BALANCE (DEFICIT) - Beginning of Year			(2,014,186)	
FUND BALANCE (DEFICIT) - END OF YEAR			\$ (2,463,402)	

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2018

NONMAJOR ENTERPRISE FUNDS

Golf Operations Fund – To account for the activities of operating the City's three golf courses – Highland Park, Prairie Vista, and The Den at Fox Creek.

Parking Fund – To account for the activities of operating the City's downtown parking system and City-owned parking lots.

Solid Waste Fund – To account for the operations of the City's solid waste services.

CITY OF BLOOMINGTON

COMBINING STATEMENT OF NET POSITION NONMAJOR ENTERPRISE FUNDS As of April 30, 2018

	<u>Golf Operations</u>	<u>Parking</u>	<u>Solid Waste</u>	<u>Total Nonmajor Enterprise Funds</u>
ASSETS				
Current Assets				
Cash and investments	\$ 763,652	\$ -	\$ 746,024	\$ 1,509,676
Accounts receivable, net of allowance for uncollectibles	5,627	2,550	995,619	1,003,796
Inventory	167,313	-	-	167,313
Total Current Assets	<u>936,592</u>	<u>2,550</u>	<u>1,741,643</u>	<u>2,680,785</u>
Noncurrent Assets				
Capital Assets				
Land	1,907,587	-	-	1,907,587
Construction in progress	-	227,539	-	227,539
Other depreciable capital assets, net of accumulated depreciation	1,557,154	2,251,575	2,886,362	6,695,091
Total Noncurrent Assets	<u>3,464,741</u>	<u>2,479,114</u>	<u>2,886,362</u>	<u>8,830,217</u>
Total Assets	<u>4,401,333</u>	<u>2,481,664</u>	<u>4,628,005</u>	<u>11,511,002</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	41,063	2,487	157,576	201,126
Total Deferred Outflows of Resources	<u>41,063</u>	<u>2,487</u>	<u>157,576</u>	<u>201,126</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	92,901	11,691	327,329	431,921
Compensated absences	3,478	256	16,121	19,855
Due to other funds	-	52,282	-	52,282
Unearned revenues	136,256	-	-	136,256
Current maturities of long-term debt	32,231	247,671	278,918	558,820
Total Current Liabilities	<u>264,866</u>	<u>311,900</u>	<u>622,368</u>	<u>1,199,134</u>
Noncurrent Liabilities				
Compensated absences	185,077	445	300,328	485,850
Net OPEB obligation	90,468	18,924	455,756	565,148
Net pension liability	102,923	6,035	385,036	493,994
Capital lease payable, noncurrent portion	42,433	662,052	555,942	1,260,427
Total Noncurrent Liabilities	<u>420,901</u>	<u>687,456</u>	<u>1,697,062</u>	<u>2,805,419</u>
Total Liabilities	<u>685,767</u>	<u>999,356</u>	<u>2,319,430</u>	<u>4,004,553</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	310,083	18,181	1,160,020	1,488,284
Total Deferred Inflows of Resources	<u>310,083</u>	<u>18,181</u>	<u>1,160,020</u>	<u>1,488,284</u>
NET POSITION				
Net investment in capital assets	3,390,077	1,569,391	2,051,502	7,010,970
Unrestricted	56,469	(102,777)	(745,371)	(791,679)
TOTAL NET POSITION	<u>\$ 3,446,546</u>	<u>\$ 1,466,614</u>	<u>\$ 1,306,131</u>	<u>\$ 6,219,291</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended April 30, 2018

	Golf Operations	Parking	Solid Waste	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 2,176,170	\$ 347,294	\$ 6,446,291	\$ 8,969,755
Total Operating Revenues	<u>2,176,170</u>	<u>347,294</u>	<u>6,446,291</u>	<u>8,969,755</u>
OPERATING EXPENSES				
Personal services	1,086,372	54,789	3,010,007	4,151,168
Contractual services	536,887	68,461	2,458,832	3,064,180
Commodities	467,911	53,307	254,994	776,212
Depreciation	124,531	102,965	885,392	1,112,888
Other charges, primarily claims	425	-	-	425
Total Operating Expenses	<u>2,216,126</u>	<u>279,522</u>	<u>6,609,225</u>	<u>9,104,873</u>
Operating Income	<u>(39,956)</u>	<u>67,772</u>	<u>(162,934)</u>	<u>(135,118)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income (loss)	11,590	1,733	1,429	14,752
Gain (loss) on sale of capital assets	(28,489)	-	12,006	(16,483)
Other income	40,924	-	157,989	198,913
Interest expense	<u>(1,661)</u>	<u>(39,815)</u>	<u>(17,445)</u>	<u>(58,921)</u>
Total Non-Operating Revenues (Expenses)	<u>22,364</u>	<u>(38,082)</u>	<u>153,979</u>	<u>138,261</u>
Net Income (Loss) Before Transfers	<u>(17,592)</u>	<u>29,690</u>	<u>(8,955)</u>	<u>3,143</u>
TRANSFERS				
Transfers in	-	-	330,885	330,885
Transfers out	<u>(102,465)</u>	<u>-</u>	<u>(489,342)</u>	<u>(591,807)</u>
Total Transfers	<u>(102,465)</u>	<u>-</u>	<u>(158,457)</u>	<u>(260,922)</u>
Change in Net Position	<u>(120,057)</u>	<u>29,690</u>	<u>(167,412)</u>	<u>(257,779)</u>
NET POSITION - Beginning of Year	<u>3,566,603</u>	<u>1,436,924</u>	<u>1,473,543</u>	<u>6,477,070</u>
NET POSITION - END OF YEAR	<u>\$ 3,446,546</u>	<u>\$ 1,466,614</u>	<u>\$ 1,306,131</u>	<u>\$ 6,219,291</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended April 30, 2018

	Golf Operations	Parking	Solid Waste	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 2,173,659	\$ 346,599	\$ 6,340,760	\$ 8,861,018
Paid to suppliers for goods and services	(1,030,877)	(108,262)	(2,612,061)	(3,751,200)
Paid to employees for services	(1,088,906)	(52,114)	(3,041,611)	(4,182,631)
Other receipts	40,924	-	157,989	198,913
Net Cash Flows From Operating Activities	<u>94,800</u>	<u>186,223</u>	<u>845,077</u>	<u>1,126,100</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	11,590	1,733	1,429	14,752
Net Cash Flows From Investing Activities	<u>11,590</u>	<u>1,733</u>	<u>1,429</u>	<u>14,752</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Change in due to other funds	-	52,282	-	52,282
Transfers out to other funds	(102,465)	-	(489,342)	(591,807)
Transfers in from other funds	-	-	330,885	330,885
Net Cash Flows From Noncapital Financing Activities	<u>(102,465)</u>	<u>52,282</u>	<u>(158,457)</u>	<u>(208,640)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital lease proceeds	-	-	385,773	385,773
Acquisition and construction of capital assets	(323,867)	(232,225)	(199,502)	(755,594)
Principal paid on capital leases	(30,947)	(237,057)	(247,805)	(515,809)
Interest paid	(1,661)	(39,815)	(17,445)	(58,921)
Proceeds from sale of assets	3,277	-	28,341	31,618
Net Cash Flows From Capital and Related Financing Activities	<u>(353,198)</u>	<u>(509,097)</u>	<u>(50,638)</u>	<u>(912,933)</u>
Net Change in Cash and Cash Equivalents	(349,273)	(268,859)	637,411	19,279
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,112,925</u>	<u>268,859</u>	<u>108,613</u>	<u>1,490,397</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 763,652</u>	<u>\$ -</u>	<u>\$ 746,024</u>	<u>\$ 1,509,676</u>

	Golf Operations	Parking	Solid Waste	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (39,956)	\$ 67,772	\$ (162,934)	\$ (135,118)
Nonoperating revenue	40,924	-	157,989	198,913
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	124,531	102,965	885,392	1,112,888
Changes in assets and liabilities				
Accounts receivable	(6,511)	(695)	(105,531)	(112,737)
Inventory	283	-	-	283
Deferred outflows related to pensions	74,779	3,489	276,302	354,570
Deferred inflows related to pensions	406,725	23,900	1,521,857	1,952,482
Accounts payable	(25,937)	10,506	101,765	86,334
Compensated absences	(14,584)	284	(87,229)	(101,529)
Deposits payable	-	(24)	-	(24)
Unearned revenue	4,000	-	-	4,000
Net pension liability	(471,740)	(24,998)	(1,749,535)	(2,246,273)
Net OPEB obligation	2,286	3,024	7,001	12,311
	<u>94,800</u>	<u>186,223</u>	<u>845,077</u>	<u>1,126,100</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 94,800</u>	<u>\$ 186,223</u>	<u>\$ 845,077</u>	<u>\$ 1,126,100</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets obtained through capital leases	<u>\$ 27,802</u>	<u>\$ -</u>	<u>\$ -</u>	

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2018

INTERNAL SERVICE FUNDS

Employee Group Healthcare Fund – To account for the premiums and medical claims of all covered City employees and their covered dependents and Township employees.

Retiree Group Healthcare Fund – To account for the premiums and medical claims of all covered City retirees and their covered dependents.

Casualty Insurance Fund – To account for the premiums and the payment of claims for insurance for the City.

CITY OF BLOOMINGTON

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of April 30, 2018

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
ASSETS				
Current Assets				
Cash and investments	\$ 1,678,904	\$ 35,193	\$ 3,362,200	\$ 5,076,297
Receivables				
Accounts receivable, net of allowance for uncollectibles	<u>2,729</u>	<u>3,142</u>	<u>-</u>	<u>5,871</u>
Total Current Assets	<u>1,681,633</u>	<u>38,335</u>	<u>3,362,200</u>	<u>5,082,168</u>
Total Assets	<u>1,681,633</u>	<u>38,335</u>	<u>3,362,200</u>	<u>5,082,168</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	<u>-</u>	<u>-</u>	<u>6,950</u>	<u>6,950</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>6,950</u>	<u>6,950</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	57,659	8,890	5,719	72,268
Claims payable	-	-	3,256,201	3,256,201
Unearned revenues	<u>1,549</u>	<u>2,883</u>	<u>-</u>	<u>4,432</u>
Total Current Liabilities	<u>59,208</u>	<u>11,773</u>	<u>3,261,920</u>	<u>3,332,901</u>
Noncurrent Liabilities				
Claims payable	-	-	1,594,114	1,594,114
Compensated absences	-	-	4,737	4,737
Net pension liability	-	-	16,011	16,011
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>1,614,862</u>	<u>1,614,862</u>
Total Liabilities	<u>59,208</u>	<u>11,773</u>	<u>4,876,782</u>	<u>4,947,763</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	<u>-</u>	<u>-</u>	<u>48,237</u>	<u>48,237</u>
NET POSITION				
Unrestricted	<u>1,622,425</u>	<u>26,562</u>	<u>(1,555,869)</u>	<u>93,118</u>
TOTAL NET POSITION	<u>\$ 1,622,425</u>	<u>\$ 26,562</u>	<u>\$ (1,555,869)</u>	<u>\$ 93,118</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended April 30, 2018

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OPERATING REVENUES				
Charges for services	\$ 11,296,083	\$ 1,585,524	\$ 4,529,616	\$ 17,411,223
Total Operating Revenues	<u>11,296,083</u>	<u>1,585,524</u>	<u>4,529,616</u>	<u>17,411,223</u>
OPERATING EXPENSES				
Personal services	79,997	-	149,305	229,302
Contractual services	11,010,703	1,478,022	983,378	13,472,103
Other charges, primarily claims	155,962	76,220	2,524,424	2,756,606
Commodities	-	-	700	700
Total Operating Expenses	<u>11,246,662</u>	<u>1,554,242</u>	<u>3,657,807</u>	<u>16,458,711</u>
Operating Income (Loss)	<u>49,421</u>	<u>31,282</u>	<u>871,809</u>	<u>952,512</u>
NONOPERATING REVENUES				
Investment income (loss)	<u>22,526</u>	<u>(2,726)</u>	<u>27,846</u>	<u>47,646</u>
Total Nonoperating Revenues	<u>22,526</u>	<u>(2,726)</u>	<u>27,846</u>	<u>47,646</u>
Income (Loss) Before Transfers	<u>71,947</u>	<u>28,556</u>	<u>899,655</u>	<u>1,000,158</u>
TRANSFERS				
Transfers in	-	145,410	-	145,410
Transfers out	<u>(2,327,410)</u>	<u>-</u>	<u>-</u>	<u>(2,327,410)</u>
Total Transfers	<u>(2,327,410)</u>	<u>145,410</u>	<u>-</u>	<u>(2,182,000)</u>
Change in net position	(2,255,463)	173,966	899,655	(1,181,842)
NET POSITION (DEFICIT) - Beginning of Year	<u>3,877,888</u>	<u>(147,404)</u>	<u>(2,455,524)</u>	<u>1,274,960</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ 1,622,425</u>	<u>\$ 26,562</u>	<u>\$ (1,555,869)</u>	<u>\$ 93,118</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended April 30, 2018

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 3,183,860	\$ 1,403,900	\$ 4,529,616	\$ 9,117,376
Received from interfund services provided	8,111,581	186,078	-	8,297,659
Paid to suppliers for goods and services	(11,108,027)	(1,471,060)	(982,515)	(13,561,602)
Paid to employees for services	-	-	(106,786)	(106,786)
Payments to claimants	<u>(155,962)</u>	<u>(76,220)</u>	<u>(2,501,350)</u>	<u>(2,733,532)</u>
Net Cash Flows From Operating Activities	<u>31,452</u>	<u>42,698</u>	<u>938,965</u>	<u>1,013,115</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	<u>22,526</u>	<u>(2,726)</u>	<u>27,846</u>	<u>47,646</u>
Net Cash Flows From Investing Activities	<u>22,526</u>	<u>(2,726)</u>	<u>27,846</u>	<u>47,646</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Change in due to other funds	150,189	(150,189)	-	-
Transfers out to other funds	(2,327,410)	-	-	(2,327,410)
Transfers in from other funds	<u>-</u>	<u>145,410</u>	<u>-</u>	<u>145,410</u>
Net Cash Flows From Noncapital Financing Activities	<u>(2,177,221)</u>	<u>(4,779)</u>	<u>-</u>	<u>(2,182,000)</u>
Net Change in Cash and Cash Equivalents	(2,123,243)	35,193	966,811	(1,121,239)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>3,802,147</u>	<u>-</u>	<u>2,395,389</u>	<u>6,197,536</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,678,904</u>	<u>\$ 35,193</u>	<u>\$ 3,362,200</u>	<u>\$ 5,076,297</u>

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 49,421	\$ 31,282	\$ 871,809	\$ 952,512
Changes in assets and liabilities				
Accounts receivable	-	5,697	-	5,697
Due from other governments	(698)	-	-	(698)
Deferred outflows related to pensions	-	-	(10,290)	(10,290)
Deferred inflows related to pensions	-	-	64,487	64,487
Accounts payable	(17,327)	6,962	1,563	(8,802)
Claims payable	-	-	23,074	23,074
Unearned revenue	56	(1,243)	-	(1,187)
Net pension liability	-	-	(11,678)	(11,678)
	<u>-</u>	<u>-</u>	<u>(11,678)</u>	<u>(11,678)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 31,452</u>	<u>\$ 42,698</u>	<u>\$ 938,965</u>	<u>\$ 1,013,115</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
None				

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2018

PENSION TRUST FUNDS

Police Pension Fund – To account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from police force members at rates fixed by state statutes and City contributions based on actuarial calculations.

Firefighters' Pension Fund – To account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from fire department members at rates fixed by state statutes and City contributions based on actuarial calculations.

CITY OF BLOOMINGTON

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

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ASSETS			
Cash	\$ 2,201,919	\$ 2,080,088	\$ 4,282,007
Investments			
U.S. government treasuries	6,883,115	1,961,094	8,844,209
U.S. government agencies and corporations	10,287,221	2,750	10,289,971
Annuities - fixed	802,808	16,973,458	17,776,266
Annuities - variable	-	35,552,573	35,552,573
Insurance contracts	2,060,367	-	2,060,367
Mutual funds	52,049,275	6,864,815	58,914,090
Corporate bonds	5,083,237	-	5,083,237
Receivables			
Contributions	28,105	21,949	50,054
Accrued interest receivable	80,570	14,401	94,971
Prepaid items	<u>3,532</u>	<u>2,426</u>	<u>5,958</u>
Total Assets	<u>79,480,149</u>	<u>63,473,554</u>	<u>142,953,703</u>
LIABILITIES			
Accounts payable	<u>2,663</u>	<u>680</u>	<u>3,343</u>
Total Liabilities	<u>2,663</u>	<u>680</u>	<u>3,343</u>
NET POSITION			
Restricted for pension benefits	<u>\$ 79,477,486</u>	<u>\$ 63,472,874</u>	<u>\$ 142,950,360</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended April 30, 2018

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ADDITIONS			
Contributions			
Employer	\$ 5,429,839	\$ 4,873,683	\$ 10,303,522
Plan members	1,125,471	915,947	2,041,418
Other	56,902	-	56,902
Total Contributions	<u>6,612,212</u>	<u>5,789,630</u>	<u>12,401,842</u>
Net investment income			
Net appreciation in fair value of investments	4,199,721	6,559,649	10,759,370
Investment earnings	2,661,003	30,703	2,691,706
Total Investment Income	6,860,724	6,590,352	13,451,076
Less Investment expense	66,545	2,062	68,607
Net Investment Income	<u>6,794,179</u>	<u>6,588,290</u>	<u>13,382,469</u>
Total Additions	<u>13,406,391</u>	<u>12,377,920</u>	<u>25,784,311</u>
DEDUCTIONS			
Benefits	6,080,624	5,188,739	11,269,363
Refunds of contributions	52,725	929	53,654
Administration	74,143	68,633	142,776
Total Deductions	<u>6,207,492</u>	<u>5,258,301</u>	<u>11,465,793</u>
 Change in Net Position	 7,198,899	 7,119,619	 14,318,518
 NET POSITION - Beginning of Year	 <u>72,278,587</u>	 <u>56,353,255</u>	 <u>128,631,842</u>
 NET POSITION, END OF YEAR	 <u>\$ 79,477,486</u>	 <u>\$ 63,472,874</u>	 <u>\$ 142,950,360</u>

CITY OF BLOOMINGTON

Statistical Section Table of Contents

The statistical section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	145 - 154
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax).	155 - 162
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	163 - 166
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	167 - 170
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	171 - 174

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

CITY OF BLOOMINGTON

Statistical Section Comments Relative to Statistical Section

The following statistical table recommended by the National Council on Governmental Accounting is not included for the reason stated below:

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

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

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

CITY OF BLOOMINGTON

NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	2009	2010	2011	2012
Governmental activities:				
Net investment in capital assets	\$ 148,943,795	\$ 146,605,302	\$ 141,998,425	\$ 136,951,012
Restricted	22,297,585	23,752,833	24,047,676	21,180,702
Unrestricted	<u>(32,779,575)</u>	<u>(25,676,528)</u>	<u>(20,669,872)</u>	<u>(28,282,415)</u>
Total governmental activities net position	<u>\$ 138,461,805</u>	<u>\$ 144,681,607</u>	<u>\$ 145,376,229</u>	<u>\$ 129,849,299</u>
Business-type activities:				
Net investment in capital assets	\$ 178,771,230	\$ 176,370,673	\$ 179,044,574	\$ 180,602,114
Restricted	-	-	-	731,077
Unrestricted	<u>(16,170,178)</u>	<u>(11,160,182)</u>	<u>(5,141,805)</u>	<u>(3,234,615)</u>
Total business-type activities net position	<u>\$ 162,601,052</u>	<u>\$ 165,210,491</u>	<u>\$ 173,902,769</u>	<u>\$ 178,098,576</u>
Primary government:				
Net investment in capital assets	\$ 295,641,977	\$ 291,052,732	\$ 288,324,761	\$ 284,888,303
Restricted	22,297,585	23,752,833	24,047,676	21,911,779
Unrestricted	<u>(16,876,705)</u>	<u>(4,913,467)</u>	<u>6,906,561</u>	<u>1,147,793</u>
Total primary government net position	<u>\$ 301,062,857</u>	<u>\$ 309,892,098</u>	<u>\$ 319,278,998</u>	<u>\$ 307,947,875</u>

During fiscal year 2008, the Coliseum Fund and the Parking Fund transferred debt totaling \$29,455,000 and \$3,093,325, respectively, to the governmental funds as the City intends to repay those bonds with general government funds. The Net Position reported as Investment in Capital Assets, in the Governmental Activities in the Statement of Net Position does not include the debt balance as of April 30, 2009 totaling \$32,385,635, as this debt did not produce a capital asset for the governmental activities. However, the debt is included in the calculation of the Net Position Investment in Capital Assets in the total primary government column on the Statement of Net Position.

During fiscal year 2016, the City implemented GASB Statement No. 68 and No. 71. Prior years were not restated for the implementation of these standards.

2013	2014	2015	2016	2017	2018
\$ 145,487,378	\$ 140,453,350	\$ 130,290,380	\$ 123,410,647	\$ 124,189,511	\$ 126,319,519
21,970,497	22,726,819	26,535,308	25,724,683	26,319,160	24,831,282
(27,244,010)	(29,547,035)	(31,828,171)	(130,943,807)	(132,650,181)	(132,888,737)
<u>\$ 140,213,865</u>	<u>\$ 133,633,134</u>	<u>\$ 124,997,517</u>	<u>\$ 18,191,523</u>	<u>\$ 17,858,490</u>	<u>\$ 18,262,064</u>
\$ 173,334,004	\$ 173,237,434	\$ 173,157,013	\$ 177,662,567	\$ 175,223,265	\$ 176,113,451
1,731,542	535,256	384,676	-	-	-
5,646,593	15,271,906	18,710,885	14,454,569	19,712,671	20,495,312
<u>\$ 180,712,139</u>	<u>\$ 189,044,596</u>	<u>\$ 192,252,574</u>	<u>\$ 192,117,136</u>	<u>\$ 194,935,936</u>	<u>\$ 196,608,763</u>
\$ 286,445,538	\$ 282,447,391	\$ 271,904,847	\$ 274,624,478	\$ 274,634,378	\$ 279,259,910
23,702,039	23,262,075	26,919,984	25,724,683	26,319,160	24,831,282
10,778,427	16,968,264	18,425,260	(90,040,502)	(88,159,112)	(89,220,365)
<u>\$ 320,926,004</u>	<u>\$ 322,677,730</u>	<u>\$ 317,250,091</u>	<u>\$ 210,308,659</u>	<u>\$ 212,794,426</u>	<u>\$ 214,870,827</u>

CITY OF BLOOMINGTON

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS (accrual basis of accounting) (Unaudited)

	2009	2010	2011	2012
Expenses				
Governmental Activities:				
General government	\$ 21,635,391	\$ 18,403,813	\$ 21,269,595	\$ 18,090,767
Public safety	35,549,737	34,729,564	33,941,689	44,705,349
Highways and streets	13,016,483	9,183,775	11,035,611	17,919,414
Sanitation	9,740,729	9,497,778	3,407,975	-
Health and welfare	385,763	227,381	185,254	7,009
Culture and recreation	19,693,469	18,704,065	15,635,645	17,440,404
Parking	-	-	-	-
Community development	2,581,821	2,585,904	3,006,136	844,938
Interest on long-term debt	3,818,741	3,079,173	3,091,812	2,885,111
Total governmental activities expenses	<u>106,422,134</u>	<u>96,411,453</u>	<u>91,573,717</u>	<u>101,892,992</u>
Business-type activities:				
Water	13,304,208	11,913,635	11,417,741	14,709,029
Solid waste	-	-	6,420,312	5,862,358
Sewer	2,978,211	2,671,316	2,519,349	3,592,333
Golf operations	-	-	2,940,876	2,760,286
Parking	1,320,417	1,194,730	1,365,633	1,116,163
Bloomington Arena	5,487,127	4,316,453	4,745,413	4,805,847
Stormwater management	1,883,729	1,421,742	1,969,551	2,268,299
Total business-type activities expenses	<u>24,973,692</u>	<u>21,517,876</u>	<u>31,378,875</u>	<u>35,114,315</u>
Total primary government expenses	<u>131,395,826</u>	<u>117,929,329</u>	<u>122,952,592</u>	<u>137,007,307</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	4,627,434	4,181,471	4,406,488	4,235,809
Public safety	4,366,710	5,287,104	4,490,756	5,045,013
Highway and streets	440,101	270,070	112,721	707,684
Sanitation	2,494,153	4,833,700	587,510	-
Culture and recreation	5,490,683	5,353,983	2,760,663	2,856,130
Parking	-	-	-	-
Community development	-	-	3,609	1
Operating grants and contributions:				
General government	827,948	747,049	941,168	807,945
Public safety	230,740	384,535	623,262	302,575
Highway and streets	2,723,520	1,953,251	2,283,401	2,275,072
Culture and recreation	179,901	284,737	146,574	126,590
Community development	1,496,741	1,081,081	1,311,676	826,725
Capital grants and contributions:				
General government	-	-	16,728	-
Public safety	297,303	75,900	44,211	89,015
Highway and streets	8,134,855	2,424	2,391,243	2,162,696
Health and welfare	2,500	-	-	-
Culture and recreation	125,789	1,432,241	248,879	28,142
Community development	8,142	-	-	-
Total governmental activities program revenues	<u>31,446,520</u>	<u>25,887,546</u>	<u>20,368,889</u>	<u>19,463,397</u>

2013	2014	2015	2016	2017	2018
\$ 14,421,291	\$ 14,805,106	\$ 15,619,531	\$ 17,402,473	\$ 21,823,425	\$ 20,008,254
44,463,306	46,229,840	49,672,616	51,075,108	55,797,870	55,372,002
15,780,609	19,207,031	22,497,411	18,417,951	19,162,100	24,300,817
-	-	-	-	-	-
-	-	-	-	-	-
16,077,959	16,842,698	16,936,586	15,678,909	16,483,127	16,367,637
598,649	580,795	555,875	537,924	356,081	124,322
821,486	954,862	1,765,786	854,320	799,428	926,942
2,960,261	3,048,823	2,950,678	2,036,963	1,970,919	1,866,067
<u>95,123,561</u>	<u>101,669,155</u>	<u>109,998,483</u>	<u>106,003,648</u>	<u>116,392,950</u>	<u>118,966,041</u>
13,618,340	13,793,431	12,871,172	13,276,164	13,705,031	14,653,884
6,240,362	6,557,550	6,982,277	6,529,308	6,644,660	6,565,395
5,731,335	3,493,445	4,535,404	4,742,762	6,098,022	5,569,286
2,705,867	2,623,429	2,577,477	2,168,430	2,387,004	2,204,391
287,004	289,365	309,688	295,461	329,789	319,304
4,430,258	5,500,304	4,138,094	5,115,442	4,705,096	4,087,689
2,242,027	1,680,889	2,511,502	2,423,371	2,275,865	3,114,327
<u>35,255,193</u>	<u>33,938,413</u>	<u>33,925,614</u>	<u>34,550,938</u>	<u>36,145,467</u>	<u>36,514,276</u>
<u>130,378,754</u>	<u>135,607,568</u>	<u>143,924,097</u>	<u>140,554,586</u>	<u>152,538,417</u>	<u>155,480,317</u>
4,073,958	4,200,014	3,959,679	7,415,052	7,610,241	7,890,044
5,779,223	5,760,420	5,765,961	6,466,873	7,389,074	6,857,570
871,572	708,805	639,292	576,931	670,619	697,142
-	-	-	-	-	-
2,952,864	3,318,385	3,205,570	3,102,963	3,316,677	2,555,628
540,765	466,577	401,367	432,232	336,346	329,203
-	-	-	-	-	-
742,693	742,297	755,341	643,844	589,693	524,073
172,588	147,284	96,774	104,463	46,228	220,770
2,214,382	2,297,161	2,608,949	2,090,573	2,200,917	2,035,327
45,875	116,023	147,823	248,680	183,217	169,098
965,484	857,533	1,081,285	1,034,979	796,017	926,448
-	-	-	-	-	-
9,856	39,692	943,110	752,118	828,484	1,419,482
3,403,664	-	-	-	-	-
-	-	-	-	-	-
17,202	411,520	56,000	-	-	-
-	-	-	-	-	-
<u>21,790,126</u>	<u>19,065,711</u>	<u>19,661,151</u>	<u>22,868,708</u>	<u>23,967,513</u>	<u>23,624,785</u>

CITY OF BLOOMINGTON

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS (accrual basis of accounting) (Unaudited)

	2009	2010	2011	2012
Business-type activities:				
Charges for services:				
Water	\$ 13,590,410	\$ 14,166,454	\$ 15,645,249	\$ 16,661,190
Solid waste	-	-	4,282,084	4,313,505
Sewer	2,524,990	3,206,540	3,854,987	4,628,747
Golf operations	-	-	2,640,194	2,658,486
Parking	969,091	3,136,452	821,278	732,200
Bloomington Arena	3,846,337	2,804,003	3,731,540	3,728,185
Stormwater management	2,754,972	844,666	2,780,282	2,763,912
Operating grants and contributions:				
Water	-	-	-	-
Capital grants and contributions:				
Water	2,060,678	-	58,190	481,694
Sewer	1,612,880	-	121,433	945,750
Stormwater management	83,000	-	1,500	-
Total business-type activities program revenues	27,442,358	24,158,115	33,936,737	36,913,669
Total primary government program revenues	58,888,878	50,045,661	54,305,626	56,377,066
Net (Expense)/Revenue				
Governmental activities	(74,975,614)	(70,523,907)	(71,204,828)	(82,429,595)
Business-type activities	2,468,666	2,640,239	2,557,862	1,799,354
Total primary government net expense	(72,506,948)	(67,883,668)	(68,646,966)	(80,630,241)
General Revenues and Other				
Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	22,727,412	23,386,613	25,465,406	23,954,699
Franchise taxes	1,301,239	1,453,175	1,840,488	1,880,327
Sales tax	13,310,929	12,802,414	12,967,729	13,376,536
Home rule sales tax	13,438,958	13,718,465	13,711,320	14,251,763
Utility taxes	5,487,413	4,945,364	3,026,589	2,892,668
Income taxes	6,831,333	5,954,799	5,845,551	6,225,737
Food and beverage	3,790,636	3,771,842	3,805,477	3,960,486
Other taxes	6,114,645	5,689,780	7,988,053	8,561,867
Investment earnings	(3,044,846)	2,226,564	989,986	82,170
Miscellaneous	2,485,164	1,968,950	1,665,977	1,589,103
Gain (loss) on sale of assets	-	-	-	-
Transfers	291,739	825,743	(5,407,126)	(921,878)
Total governmental activities	72,734,622	76,743,709	71,899,450	75,853,478
Business-type activities:				
Home rule sales tax	-	-	-	-
Investment earnings	12,308	10,522	62,633	23,508
Miscellaneous	1,063,651	810,375	664,659	463,639
Gain (loss) on sale of assets	(960)	(825,743)	-	-
Transfers	(291,739)	-	5,407,126	921,878
Total business-type activities	783,260	(4,846)	6,134,418	1,409,025
Total primary government	73,517,882	76,738,863	78,033,868	77,262,503
Change in Net Position:				
Governmental activities	(2,240,992)	6,219,802	694,622	(6,576,117)
Business-type activities	3,251,926	2,635,393	8,692,280	3,208,379
Total primary government	\$ 1,010,934	\$ 8,855,195	\$ 9,386,902	\$ (3,367,738)

	2013	2014	2015	2016	2017	2018
\$	17,634,395	\$ 16,715,287	\$ 15,670,011	\$ 15,559,320	\$ 15,847,003	\$ 15,923,704
	4,890,868	4,913,004	5,328,215	6,012,621	6,093,425	6,446,291
	5,353,308	5,144,926	4,827,318	4,809,656	4,716,201	4,913,877
	2,496,674	2,456,062	2,247,186	2,266,795	2,255,773	2,176,170
	344,802	498,045	430,144	367,453	518,106	347,294
	3,562,252	3,864,740	2,587,395	3,331,795	2,643,835	1,881,369
	2,730,053	2,728,131	2,660,549	2,990,570	2,719,099	2,818,678
	-	-	-	739	463	-
	772,590	738,223	296,003	361,712	301,814	638,341
	630,793	681,008	158,305	222,629	177,265	179,726
	-	681,008	9	-	-	67,680
	<u>38,415,735</u>	<u>38,420,434</u>	<u>34,205,135</u>	<u>35,923,290</u>	<u>35,272,984</u>	<u>35,393,130</u>
	<u>60,205,861</u>	<u>57,486,145</u>	<u>53,866,286</u>	<u>58,791,998</u>	<u>59,240,497</u>	<u>59,017,915</u>
	(73,333,435)	(82,603,444)	(90,337,332)	(83,134,940)	(92,425,437)	(95,341,256)
	3,160,542	4,482,021	279,521	1,372,352	(872,483)	(1,121,146)
	<u>(70,172,893)</u>	<u>(78,121,423)</u>	<u>(90,057,811)</u>	<u>(81,762,588)</u>	<u>(93,297,920)</u>	<u>(96,462,402)</u>
	23,733,551	23,318,742	23,214,696	23,709,180	24,005,543	24,755,268
	1,975,390	2,031,681	2,038,485	2,057,918	2,242,118	2,064,408
	15,014,025	13,599,481	13,463,414	14,213,470	13,749,025	14,318,735
	12,147,780	12,884,341	12,578,389	17,116,537	21,432,131	21,326,285
	2,972,863	3,181,207	4,199,502	6,837,815	6,716,095	6,580,281
	6,904,133	7,465,350	7,502,770	8,164,515	7,241,547	7,997,851
	4,184,431	4,227,203	4,323,168	4,462,657	4,301,263	4,291,619
	10,864,287	9,538,733	13,006,938	12,160,846	12,270,818	12,441,311
	65,877	168,227	31,440	152,614	284,891	591,760
	1,771,832	1,841,407	1,441,162	1,709,311	1,439,315	1,678,866
	-	-	-	-	-	61,248
	3,296,836	(1,620,659)	(893,249)	(861,614)	(1,590,342)	(362,802)
	<u>82,931,005</u>	<u>76,635,713</u>	<u>80,906,715</u>	<u>89,723,249</u>	<u>92,092,404</u>	<u>95,744,830</u>
	1,309,531	1,665,044	1,451,196	979,315	1,282,752	1,440,470
	17,545	12,299	621	116,079	162,325	377,165
	783,928	706,115	583,391	939,313	645,553	581,488
	-	-	-	119,375	10,311	32,048
	(3,296,836)	1,620,659	893,249	861,614	1,590,342	362,802
	<u>(1,185,832)</u>	<u>4,004,117</u>	<u>2,928,457</u>	<u>3,015,696</u>	<u>3,691,283</u>	<u>2,793,973</u>
	<u>81,745,173</u>	<u>80,639,830</u>	<u>83,835,172</u>	<u>92,738,945</u>	<u>95,783,687</u>	<u>98,538,803</u>
	9,597,570	(5,967,731)	(9,430,617)	6,588,309	(333,033)	403,574
	1,974,710	8,486,138	3,207,978	4,388,048	2,818,800	1,672,827
\$	<u>11,572,280</u>	<u>\$ 2,518,407</u>	<u>\$ (6,222,639)</u>	<u>\$ 10,976,357</u>	<u>\$ 2,485,767</u>	<u>\$ 2,076,401</u>

CITY OF BLOOMINGTON

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2009	2010	2011	2012
General fund:				
Reserved	\$ 1,979,663	\$ 1,077,903	\$ 1,137,339	\$ -
Unreserved	2,143,575	9,666,497	14,472,349	-
Nonspendable	-	-	-	3,033,252
Restricted	-	-	-	567,069
Committed	-	-	-	-
Assigned	-	-	-	1,600,094
Unassigned	-	-	-	11,005,484
Total general fund	<u>\$ 4,123,238</u>	<u>\$10,744,400</u>	<u>\$ 15,609,688</u>	<u>\$ 16,205,899</u>
All other governmental funds:				
Reserved	\$ 22,141,631	\$22,183,539	\$ 19,742,871	\$ -
Unreserved, reported in:				
Special revenue funds	4,309,132	4,548,701	6,490,469	-
Debt service funds	-	-	-	-
Capital projects funds	(3,263,396)	(1,463,076)	162,454	-
Permanent funds	860,349	2,366,709	3,218,845	-
Nonspendable	-	-	-	1,552,882
Restricted	-	-	-	16,457,650
Committed	-	-	-	3,784,010
Assigned	-	-	-	3,010,072
Unassigned	-	-	-	(9,218)
Total all other governmental funds	<u>\$ 24,047,716</u>	<u>\$27,635,873</u>	<u>\$ 29,614,639</u>	<u>\$ 24,795,396</u>
 Total fund balance	 <u>\$ 28,170,954</u>	 <u>\$38,380,273</u>	 <u>\$ 45,224,327</u>	 <u>\$ 41,001,295</u>

Note: GASB 54 was implemented for the fiscal year ended April 30, 2012.

2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
999,277	751,816	681,823	866,382	702,503	697,985
-	-	-	991,845	1,663,067	1,528,847
-	-	1,887,372	3,694,295	4,906,931	5,402,532
2,890,988	3,204,897	3,062,217	3,019,496	2,598,348	2,800,170
15,996,257	14,065,579	11,242,859	13,306,894	14,764,537	19,226,451
<u>\$ 19,886,522</u>	<u>\$ 18,022,292</u>	<u>\$ 16,874,271</u>	<u>\$ 21,878,912</u>	<u>\$ 24,635,386</u>	<u>\$ 29,655,985</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,276,843	1,245,957	1,297,951	21,325	2,134	1,679
16,287,019	27,615,987	24,911,820	26,391,584	26,555,352	25,499,101
4,950,203	5,351,066	1,443,141	1,100,595	3,643,623	2,985,768
2,968,527	677,451	2,186,698	1,734,442	2,226,112	2,062,442
(15,314)	(194,156)	(1,058,730)	(562,872)	(2,134,875)	(2,565,477)
<u>\$ 25,467,278</u>	<u>\$ 34,696,305</u>	<u>\$ 28,780,880</u>	<u>\$ 28,685,074</u>	<u>\$ 30,292,346</u>	<u>\$ 27,983,513</u>
<u>\$ 45,353,800</u>	<u>\$ 52,718,597</u>	<u>\$ 45,655,151</u>	<u>\$ 50,563,986</u>	<u>\$ 54,927,732</u>	<u>\$ 57,639,498</u>

CITY OF BLOOMINGTON

CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS Last Ten Fiscal Years (modified accrual basis of accounting) (Unaudited)

	2009	2010	2011	2012
Revenues				
Taxes	\$ 73,000,976	\$ 71,720,876	\$ 74,643,879	\$ 74,983,554
Intergovernmental	7,557,309	5,498,859	7,695,144	4,980,530
Licenses and permits	1,159,244	1,096,428	1,017,742	1,120,226
Charges for services	15,201,644	17,680,232	10,458,645	10,642,257
Fines and forfeitures	1,058,196	1,149,668	900,787	1,031,879
Investment income	(1,796,445)	1,719,064	970,231	76,208
Other	2,480,562	1,964,350	1,661,377	1,584,503
Total revenues	<u>98,661,486</u>	<u>100,829,477</u>	<u>97,347,805</u>	<u>94,419,157</u>
Expenditures				
Current:				
General government	20,301,571	17,547,660	20,710,593	16,685,623
Public safety	32,027,770	31,467,245	31,223,244	42,026,078
Highways and streets	8,427,235	6,323,406	4,831,185	9,452,467
Sanitation	8,994,956	9,045,286	3,707,985	-
Health and welfare	375,591	219,711	224,099	-
Culture and recreation	16,969,886	16,264,050	13,337,386	14,686,438
Community development	2,889,084	3,042,173	3,016,860	785,577
Parking	-	-	-	-
Capital outlay	10,430,629	3,943,966	6,184,117	8,415,354
Debt service:				
Principal	5,640,125	3,665,785	3,911,487	1,507,216
Bond issuance costs	-	59,573	-	165,794
Interest and fiscal agent fees	3,433,882	3,056,065	3,112,038	2,912,844
Total expenditures	<u>109,490,729</u>	<u>94,634,920</u>	<u>90,258,994</u>	<u>96,637,391</u>
Excess of revenues over (under) expenditures	<u>(10,829,243)</u>	<u>6,194,557</u>	<u>7,088,811</u>	<u>(2,218,234)</u>
Other financing sources (uses)				
Transfers in	7,728,999	9,144,555	8,496,107	10,543,930
Transfers out	(7,437,260)	(8,318,812)	(9,005,355)	(11,965,808)
Bonds issued, at par	-	-	-	6,181,620
Refunding bonds	-	2,840,000	-	5,075,000
Capital leases and loan proceeds	-	-	-	1,594,476
Payment to refunded bond escrow agent	-	-	-	(5,182,083)
Premium (discount) on long-term debt	-	(46,282)	-	196,695
Proceeds from sale of property	109,909	395,301	264,491	172,368
Unrealized loss on sale of investment	-	-	-	-
Total other financing sources (uses)	<u>401,648</u>	<u>4,014,762</u>	<u>(244,757)</u>	<u>6,616,198</u>
Net change in fund balances	<u><u>\$(10,427,595)</u></u>	<u><u>\$ 10,209,319</u></u>	<u><u>\$ 6,844,054</u></u>	<u><u>\$ 4,397,964</u></u>
Debt service as a percentage of noncapital expenditures	9.3%	7.7%	8.2%	4.9%

2013	2014	2015	2016	2017	2018
\$ 77,800,146	\$ 76,274,505	\$ 80,035,386	\$ 86,118,410	\$ 94,034,099	\$ 93,662,092
4,168,080	4,598,509	4,757,092	4,155,615	3,827,462	3,894,042
1,280,698	1,205,523	1,141,389	1,260,597	1,344,424	1,265,842
11,745,246	11,928,834	12,455,491	11,698,902	12,093,245	12,076,944
1,192,438	1,319,845	1,169,989	1,094,160	1,448,225	869,579
65,667	168,318	140,138	139,075	259,234	544,114
1,767,232	1,841,407	1,441,162	1,651,131	1,439,315	1,678,866
<u>98,019,507</u>	<u>97,336,941</u>	<u>101,140,647</u>	<u>106,117,890</u>	<u>114,446,004</u>	<u>113,991,479</u>
13,823,919	14,488,616	15,065,960	14,904,843	17,258,591	16,652,823
41,102,503	42,650,202	46,020,034	48,233,671	50,614,396	53,353,792
9,484,042	7,686,292	7,063,810	6,699,493	7,876,630	8,004,763
-	-	-	-	-	-
-	-	-	-	-	-
13,821,831	14,461,038	14,730,562	14,373,638	14,586,836	14,837,288
773,068	906,444	1,069,537	996,933	750,029	885,776
439,483	409,150	446,857	445,797	360,577	331,105
9,055,786	10,076,492	13,232,556	7,092,361	8,776,145	14,826,820
4,415,866	14,897,145	30,346,574	9,000,251	6,894,854	13,977,165
-	124,468	440,550	-	-	37,500
2,947,855	2,877,396	3,571,873	2,173,650	2,097,599	1,944,561
<u>95,864,353</u>	<u>108,577,243</u>	<u>131,988,313</u>	<u>103,920,637</u>	<u>109,215,657</u>	<u>124,851,593</u>
2,155,154	(11,240,302)	(30,847,666)	2,197,253	5,230,347	(10,860,114)
9,996,417	10,655,277	10,880,246	9,442,254	12,685,307	13,582,300
(10,977,001)	(12,515,117)	(11,773,495)	(10,259,545)	(14,275,649)	(11,763,102)
-	9,780,000	-	-	-	7,240,000
-	7,800,000	24,620,000	-	-	-
2,592,610	1,422,956	-	3,417,707	702,220	4,377,975
-	-	(237,800)	-	-	-
-	856,258	356,198	-	-	-
63,664	605,725	45,954	111,166	21,521	134,707
-	-	(106,883)	-	-	-
<u>1,675,690</u>	<u>18,605,099</u>	<u>23,784,220</u>	<u>2,711,582</u>	<u>(866,601)</u>	<u>13,571,880</u>
<u>\$ 3,830,844</u>	<u>\$ 7,364,797</u>	<u>\$ (7,063,446)</u>	<u>\$ 4,908,835</u>	<u>\$ 4,363,746</u>	<u>\$ 2,711,766</u>

8.4%

17.0%

26.4%

11.2%

8.6%

13.8%

CITY OF BLOOMINGTON

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years (Unaudited)

Fiscal Year	Tax Year	Residential Property	Commercial Property	Industrial Property	Farm Property
2010	2008	\$ 1,096,691,125	\$ 620,940,813	\$ 10,383,824	\$ 295,521
2011	2009	1,138,287,680	622,816,511	10,247,265	393,358
2012	2010	1,152,480,233	636,484,972	9,098,042	447,824
2013	2011	1,161,010,532	629,450,497	8,368,378	614,629
2014	2012	1,135,803,071	616,446,829	8,088,718	626,174
2015	2013	1,127,217,408	619,594,728	13,294,216	654,109
2016	2014	1,155,580,583	625,651,790	12,738,347	674,550
2017	2015	1,171,670,602	626,317,035	11,989,029	690,292
2018	2016	1,194,158,005	645,032,301	10,816,518	715,841
2019	2017	1,194,327,291	655,778,641	10,990,738	734,193

Source: County of McLean Tax Extension Office

Note: There is no personal property tax (on cars or jewelry); only real property is taxed. The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year. The farmland value is based upon productivity instead of actual market value.

	<u>Railway Property</u>	<u>Total Taxable Assessed Value</u>	<u>Percent Growth</u>	<u>Total Direct Tax Rate</u>	<u>Actual Value</u>	<u>Value as a Percentage of Actual Value</u>
\$	476,611	\$1,728,787,894	3.67%	1.2565	\$5,186,363,682	33.33%
	582,005	1,772,326,819	2.52%	1.3308	5,316,980,457	33.33%
	653,488	1,799,164,559	1.51%	1.3112	5,397,493,677	33.33%
	690,246	1,800,134,282	0.05%	1.3103	5,400,402,846	33.33%
	739,773	1,761,704,565	-2.13%	1.3161	5,285,113,695	33.33%
	811,342	1,761,571,803	-0.01%	1.3181	5,284,715,409	33.33%
	830,183	1,795,475,453	1.92%	1.3211	5,386,426,359	33.33%
	951,400	1,811,618,358	0.90%	1.3283	5,434,855,074	33.33%
	935,914	1,851,658,579	2.21%	1.3366	5,554,975,737	33.33%
	938,906	1,862,769,769	0.60%	1.3393	5,588,309,307	33.33%

CITY OF BLOOMINGTON

DIRECT AND OVERLAPPING PROPERTY TAX RATES Last Ten Fiscal Years

City Direct Rates									
Levy Year	General Fund	Fire Pension Fund	Police Pension Fund	Illinois Municipal Retirement Fund	Judgment Fund	Bond and Interest Fund	Public Benefit Fund	Public Library Fund	Audit Fund
2008	0.41939	0.13747	0.18257	0.11137	0.00578	0.12610	0.00897	0.26108	0.00376
2009	0.41474	0.17583	0.21686	0.14122	-	0.12300	-	0.25467	0.00451
2010	0.38496	0.18942	0.22558	0.13914	-	0.12118	-	0.25090	-
2011	0.44285	0.17285	0.18370	0.13904	-	0.12111	-	0.25073	-
2012	0.44838	0.16509	0.18060	0.14207	-	0.12376	-	0.25620	-
2013	0.35680	0.22400	0.21333	0.14208	-	0.12376	-	0.25811	-
2014	0.35006	0.23370	0.22323	0.13940	-	0.12143	-	0.25323	-
2015	0.36593	0.23162	0.22124	0.13816	-	0.12034	-	0.25098	-
2016	0.42249	0.22665	0.21650	0.10023	-	0.11776	-	0.25296	-
2017	0.42095	0.22582	0.21570	0.09987	-	0.11733	-	0.25959	-

Source: County of McLean Tax Extension Office

Notes: As a home rule unit of local government, the City of Bloomington, Illinois has no statutory tax limit

Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners, although the county property tax rates apply to all City property owners; the Airport Authority rates apply to the property owners within that Authority's geographic boundaries.

*Rate presented is for Bloomington School District #87. City of Bloomington taxpayers in other school districts will have different rates. Other school districts that overlap with the City include: Normal School District #5, Tri-Valley Community Unit School District #3, and Olympia Unit #16.

Overlapping Rates

Total Direct	School District*	McLean County	Township	Water Reclamation District	Airport Authority	Heartland Community College	Total Overlapping Rates	Total All Rates
1.25649	4.58085	0.89659	0.18683	0.16036	0.11008	0.45473	6.38944	7.64593
1.33083	4.69289	0.90687	0.18217	0.16476	0.08546	0.45910	6.49125	7.82208
1.31118	4.76383	0.91673	0.17309	0.16391	0.09855	0.47361	6.58972	7.90090
1.31028	4.65741	0.91571	0.12829	0.16390	0.15486	0.47584	6.49601	7.80629
1.31610	4.72322	0.91165	0.14145	0.16402	0.12745	0.48255	6.55034	7.86644
1.31808	4.83486	0.90375	0.12243	0.17011	0.12736	0.50667	6.66518	7.98326
1.32105	4.95303	0.90133	0.12541	0.17216	0.13655	0.50469	6.79317	8.11422
1.32827	5.15877	0.91836	0.12433	0.17446	0.13572	0.54046	7.05210	8.38037
1.33659	5.13998	0.91399	0.12166	0.17931	0.12442	0.58840	7.06776	8.40435
1.33926	5.15321	0.91052	0.12660	0.18466	0.11937	0.58538	7.07974	8.41900

CITY OF BLOOMINGTON

**PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(Unaudited)**

2017

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Assessed Value</u>
State Farm Insurance Company	\$ 172,221,745	1	8.57%
Eastland Mall	16,951,118	2	0.84%
Country Financial	12,956,762	3	0.64%
Wingover Apartments	9,461,336	4	0.47%
Illinois Agricultural Association	9,179,192	5	0.46%
Brookridge Apartments	8,047,911	6	0.40%
BT Bloomington	7,349,074	7	0.37%
US REIF Parkway Fee LLC	6,300,232	8	0.31%
Westminister Village	6,199,992	9	0.31%
Snyder Brickyard Apartment	5,008,555	10	0.25%
Kimco Realty Corp./Schnuck's Strip Mall	-		-
Turneberry Village	-		-
Wal-Mart	-		-
Totals	<u>\$ 253,675,917</u>		<u>12.62%</u>

Note: Total 2008 Assessed Valuation

Note: Total 2017 Assessed Valuation \$ 2,009,428,325

Source: City of Bloomington Township Assessor's Office

2008

<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Assessed Value</u>
\$ 171,461,858	1	9.11%
18,573,199	2	0.99%
13,997,746	3	0.74%
-	-	-
9,973,470	4	0.53%
-	-	-
-	-	-
5,745,450	8	0.31%
5,872,094	7	0.31%
8,671,874	5	0.46%
4,445,165	10	0.24%
5,484,129	9	0.29%
6,136,105	6	0.33%
<u>\$ 250,361,090</u>		<u>13.31%</u>
<u>\$ 1,881,573,749</u>		

CITY OF BLOOMINGTON

PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended April 30	Tax Year	Taxes Levied for the Fiscal Year*	Collected within the Fiscal Year Levied for		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	2008	\$ 21,721,837	\$ 21,591,843	99.40%	\$ -	\$ 21,591,843	99.40%
2011	2009	23,586,675	23,583,507	99.99%	-	23,583,507	99.99%
2012	2010	23,586,905	23,572,329	99.94%	-	23,572,329	99.94%
2013	2011	23,586,905	23,544,567	99.82%	-	23,544,567	99.82%
2014	2012	23,185,833	23,163,713	99.90%	-	23,163,713	99.90%
2015	2013	23,219,066	23,214,696	99.98%	-	23,214,696	99.98%
2016	2014	23,719,128	23,709,179	99.96%	-	23,709,179	99.96%
2017	2015	24,063,364	24,005,543	99.76%	-	24,005,543	99.76%
2018	2016	24,744,495	24,725,306	99.92%	-	24,725,306	99.92%
2019**	2017	24,884,988	N/A	N/A	N/A	N/A	N/A

Source: County of McLean Tax Extension Office

Note:

There is no personal property tax (on cars or jewelry); only real property is taxed.
The above information presents the information for each period for which it is levied.
A tax levy provides taxes remitted in the following year.

* Includes Library

** 2017 levy to be collected in fiscal year 2019

CITY OF BLOOMINGTON

SALES TAX REVENUE Last Ten Fiscal Years (Unaudited)

Fiscal Year	State Sales Tax	Tax Rate*	Home Rule Sales Tax	Tax Rate**	Total Sales Taxes
2009	\$ 12,915,142	1.00%	\$ 13,438,958	1.50%	\$ 26,354,100
2010	12,499,420	1.00%	13,718,466	1.50%	26,217,886
2011	12,687,593	1.00%	13,711,320	1.50%	26,398,913
2012	13,055,794	1.00%	14,251,763	1.50%	27,307,557
2013	14,716,743	1.00%	15,357,311	1.50%	30,074,054
2014	13,599,481	1.00%	14,549,385	1.50%	28,148,866
2015	13,463,414	1.00%	14,029,585	1.50%	27,492,999
2016	13,698,690	1.00%	16,000,560	1.50%/2.50%	29,699,250
2017	14,337,218	1.00%	24,200,157	2.50%	38,537,375
2018	14,285,084	1.00%	22,797,084	2.50%	37,082,167

Notes: Due to the City's Home Rule status, there are no rate restrictions for the home rule sales tax.

* Overall rate is 6.25% of which the City receives 1% while the state retains 5% and the County receives 0.25%.

** Effective January 1, 2016 the City's Home Rule Sales Tax Rate is 2.50%

CITY OF BLOOMINGTON

RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year	Governmental Activities				General Obligation Bonds (3)
	General Obligation Bonds (3)	Loan Payable	Capital Lease Payable (2)	Developer Agreements	
2009	\$ 71,825,000	\$ -	\$ 91,956	\$ 328,000	\$ 6,260,000
2010	71,010,000	-	81,171	-	6,105,000
2011	67,110,000	-	69,684	-	5,945,000
2012	71,837,022	-	4,661,944	-	7,223,583
2013	68,613,251	-	6,124,603	-	7,050,073
2014	73,782,612	-	5,652,233	-	6,287,563
2015	69,788,322	-	4,437,549	-	5,660,943
2016	62,656,950	215,282	5,687,776	-	5,001,073
2017	57,484,308	133,775	4,621,650	-	4,792,653
2018	53,241,665	-	6,511,233	-	4,579,143

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

- (1) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (2) In FY2013 it was determined that the PBC lease should be reported as a capital lease rather than an operating lease. FY 2012 amounts were restated for this change but previous years do not reflect the PBC lease as a capital lease.
- (3) Presented net of original issuance discounts and premiums.

Business Activities

<u>Loan Payable</u>	<u>Capital Lease Payable(2)</u>	<u>Note Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ 6,353,679	\$ -	\$ 11,849,815	\$ 96,708,450	3.629%	\$ 1,289.88
7,154,597	-	11,341,614	95,692,382	3.591%	1,276.32
6,898,161	-	11,048,535	91,071,380	3.139%	1,214.69
6,501,727	4,266,193	10,489,855	104,980,324	3.277%	1,370.32
12,547,689	5,908,123	12,073,084	112,316,823	3.485%	1,457.32
12,201,064	5,876,355	11,369,404	115,169,231	3.382%	1,481.60
11,586,828	4,184,540	10,650,952	106,309,134	3.111%	1,350.30
11,142,240	2,936,049	9,917,359	97,556,729	2.791%	1,239.13
10,332,586	4,502,465	9,168,243	91,035,680	2.563%	1,167.05
9,497,530	4,757,682	8,461,483	87,048,736	2.439%	1,110.77

CITY OF BLOOMINGTON

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years (Unaudited)

Fiscal Year	General Obligation Bonds (1)	Less Amount Available in Debt Service	Net General Bonded Debt	Percentage of Actual Property Value	Debt Per Capita
2009	\$ 78,085,000	\$ 7,710,167	\$ 70,374,833	1.36%	\$ 938.64
2010	77,115,000	10,873,990	66,241,010	1.25%	883.51
2011	73,055,000	10,766,874	62,288,126	1.15%	830.79
2012	79,060,605	11,359,661	67,700,944	1.25%	883.71
2013	75,663,324	11,727,679	63,935,645	1.21%	829.57
2014	80,070,175	10,543,660	69,526,515	1.32%	894.43
2015	74,977,100	10,071,799	64,905,301	1.20%	824.40
2016	67,658,023	7,731,208	59,926,815	1.10%	761.17
2017	62,276,961	7,733,251	54,543,710	0.98%	699.23
2018	57,820,808	6,989,005	50,831,803	0.91%	648.63

Note: Details regarding the City's outstanding debt may be found in the notes to the basic financial statements.
As a Home rule entity, under the State of Illinois Constitution, the City has no statutory debt limit.

CITY OF BLOOMINGTON

DIRECT AND OVERLAPPING DEBT For the Year Ended December 31, 2017 (Payable in 2018) (Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Bloomington Normal Airport Authority	\$ 32,591,385	67.63%	\$ 22,041,554
Bloomington Schools District #87	55,986,881	99.67%	55,802,124
Normal School District #5	38,867,804	46.07%	17,906,397
Tri-Valley Community Unit School District #3	2,325,200	58.00%	1,348,616
Olympia Unit #16	13,268,411	52.27%	6,935,398
Heartland Community College #540	10,345,275	59.55%	6,160,611
County of McLean	-	47.96%	-
McLean County PBC	4,095,000	47.96%	<u>1,963,962</u>
Subtotal, Overlapping Debt			112,158,663
City direct debt	59,752,898		<u>59,752,898</u>
Total direct and overlapping debt			<u><u>\$ 171,911,561</u></u>

Source: McLean County Clerk

Debt outstanding based on amounts reported by McLean County as of December 31, 2017.

Overlapping debt percentages based on McLean County 2017 EAV

CITY OF BLOOMINGTON

DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Calendar Years (Unaudited)

Calendar Year	Population (1)	Per Capita (2) Personal Income	Total Personal Income (thousands) (3)	Median Age (1)	School Enrollment (1)
2008	74,975	\$ 36,082	\$ 2,705,248	31	7,324
2009	74,975	38,985	2,922,900	31	5,304*
2010	74,975	38,695	2,901,158	31	5,250*
2011	76,610	41,816	3,203,524	32	5,414 *
2012	77,071	41,816	3,222,801	32.3	5,338*
2013	77,733	43,807	3,405,250	32.3	5,428 *
2014	78,730	43,411	3,417,748	32.2	5,415 *
2015	78,730	44,397	3,495,376	33	5,455 *
2016	78,005	45,539	3,552,270	33	5,455 *
2017	78,368	45,539	3,568,800	33.3	5,300 *

Sources:

- (1) Bloomington-Normal 2018 Economic Development Council Demographic Profile
- (2) US Commerce Department - Bureau of Economic Analysis. Data gathered for Bloomington/Normal region, as separate information is not disclosed.
Per Capita Personal Income & Total Personal Income is not available until November 2018.
- * Private school enrollment is no longer provided as of calendar year 2009

	<u>Median House Costs (1)</u>	<u>Unemployment Rate (1)</u>	<u>Annual Airport Usage (1)</u>
\$	177,194	5.00%	268,860
	166,533	7.10%	250,135
	176,909	7.70%	274,677
	169,714	7.20%	284,852
	171,991	6.90%	240,181
	173,539	7.30%	211,957
	169,318	5.50%	204,523
	170,899	4.90%	186,633
	169,860	5.10%	192,140
	175,389	4.10%	167,870

CITY OF BLOOMINGTON

PRINCIPAL EMPLOYERS Current Year and Nine Years Ago (Unaudited)

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
State Farm Insurance Company	14,731	1	16.7%	15,509	1	16.9%
Illinois State University	3,281	2	3.7%	3,205	2	3.5%
Country Financial	1,972	3	2.2%	2,178	3	2.4%
Unit 5 Schools	1,761	4	2.0%	1,692	4	1.8%
Advocate BroMenn Medical Center	1,305	5	1.5%	1,591	5	1.7%
OSF-St. Joseph Medical Center	860	6	1.0%	1,122	7	1.2%
McLean County Government	835	7	0.9%	820	9	0.9%
Afni, Inc.	830	8	0.9%	883	8	1.0%
District 87 Schools	680	9	0.8%	680	10	0.7%
City of Bloomington	679	10	0.8%			
Mitsubishi Motor Manufacturing				1,418	6	1.5%
Total top 10 employers	26,934		30.5%	29,098		31.8%
Total Labor Force	88,354			91,644		

Source: Bloomington-Normal 2018 Economic Development Demographic Profile

Note: Data includes employers throughout the Bloomington-Normal Metropolitan Statistical Area.

CITY OF BLOOMINGTON

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM Last Ten Fiscal Years (Unaudited)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013*</u>	<u>2014*</u>	<u>2015*</u>	<u>2016*</u>	<u>2017*</u>	<u>2018*</u>
General Government:										
City Manager	14	8	8	9	4	7	7	6	6	6
City Clerk	4	3	3	3	3	4	4	4	4	4
Personnel	8	8	7	9	8	8	8	9	11	11
Finance	12	9	9	10	11	13	13	13	12	12
Information Services	15	10	10	10	10	12	12	10	11	11
Legal	6	5	5	6	6	6	6	4	5	5
Building Safety	15	11	11	11	12	12	12	12	10	13
Planning	3	1	1	1	1	1	1	1	1	2
Facility Management	3	3	3	3	3	3	3	3	4	5
Community Development	2	-	-	-	1	-	-	-	-	-
Code Enforcement	13	11	11	12	11	11	11	12	14	11
Economic Development	-	-	-	-	-	1	1	1	1	1
Parks and Recreation:										
General and Administration	38	37	37	43	27	27	27	27	27	27
SOAR	7	6	6	6	2	2	2	2	2	2
Recreation	23	16	16	15	5	5	5	4	4	4
Pool(s)	9	8	8	7	1	-	-	-	-	-
Zoo	16	15	15	14	9	9	9	9	9	9
Golf Course(s)	38	34	34	30	7	8	8	8	7	7
Public Ice Rink	11	11	11	11	3	3	3	3	3	3
Police:										
Officers and Civilians	178	157	160	162	158	160	160	160	161	162
Fire:										
Firefighters, Officers and Civilians	117	109	109	109	109	113	113	117	118	118
Public Works:										
Administration	4	3	3	4	3	3	3	3	4	4
Street Maintenance	16	32	32	22	17	17	17	19	19	19
Street Sweeping	1	-	-	-	-	-	-	-	-	-
Snow and Ice Control	4	-	-	-	-	-	-	-	-	-
Refuse Collection	50	59	59	58	-	-	-	-	-	-
Weed Control	2	-	-	-	-	-	-	-	-	-
Fleet Management	11	9	9	9	9	9	9	9	9	9
Street Lighting	2	-	-	-	-	-	-	-	-	-
Traffic Control	13	1	1	-	-	-	-	-	-	-
Water:										
Administration	9	5	5	4	5	9	9	9	9	8
Transmission	27	17	17	18	16	14	14	16	15	14
Purification	18	14	14	16	15	16	16	15	15	16
Lake Bloomington Park	8	8	8	7	5	3	3	3	3	3
Water Meter Billing Services	-	10	1	10	10	8	8	7	8	8
Sewer Maintenance	18	5	5	15	14	14	14	13	14	15
Stormwater	11	10	10	14	12	11	11	9	10	10
Other Programs/Functions:										
Solid Waste Management	-	-	-	-	39	40	40	40	34	34
Engineering	19	15	15	11	9	9	9	9	7	8
Library	61	63	63	65	45	44	44	45	45	45
General Fund Parking	8	7	7	7	7	5	5	5	5	5
Abraham Lincoln Parking	-	-	-	-	-	-	-	1	1	1
Casualty Insurance	-	-	-	-	-	-	-	1	1	1
JM Scott	3	-	-	-	-	-	-	-	-	-
Board of Elections	-	-	-	-	1	1	1	1	2	2
BCPA	19	19	19	17	10	11	11	11	11	11
Total	836	739	732	750	608	619	619	621	622	626

Source: City of Bloomington Human Resource Department

* Beginning in 2013, the amounts reported represent full-time budgeted positions rather than full-time equivalents.

CITY OF BLOOMINGTON

OPERATING INDICATORS BY FUNCTION/PROGRAM Last Ten Calendar/Fiscal Years (Unaudited)

Function/Program	2008	2009	2010	2011
Police:				
Calls for service (Calendar 2017)	60,308	62,322	58,931	66,284
Adult arrest (Calendar 2017)	1,975	1,932	1,690	1,800
Juvenile arrest (Calendar 2017)	356	303	317	323
Speeding citations only (Calendar 2017)	2,492	2,597	2,492	2,209
Traffic citations (Calendar 2017)	9,939	7,675	9,939	4,310
Fire:				
Total fire runs (Calendar 2017)	2,310	2,041	2,038	2,126
Total rescue runs (Calendar 2017)	7,743	7,212	7,414	7,600
Property loss (Calendar 2017)	\$ 1,668,885	\$ 921,800	\$ 824,738	\$ 2,235,790
Building safety:				
Total building permits (Calendar 2017)	2,747	2,921	2,763	2,334
Total value all permits (Calendar 2017)	\$ 109,373,823	\$ 151,953,680	\$ 89,134,038	\$ 87,049,482
Library:				
Visitors (Fiscal Year 2017)	328,485	335,994	367,116	422,705
Total circulation (Fiscal Year 2017)	877,432	1,008,316	1,154,024	1,339,740
Public service:				
Garbage collected (ton) (Calendar 2017)	19,933	19,782	19,331	17,479
Recycle collected (ton) (Calendar 2017)	2,857	2,808	2,957	3,001
Bulk Waste (ton) (Calendar 2017)	10,413	9,044	4,821	7,164
Brush (cubic yard) (Calendar 2017)	35,136	26,000	23,982	26,101
Parks and Recreation:				
Recreation program attendance (FY 2018)	184,047	163,414	148,857	146,140
Aquatics program attendance (FY 2018)	51,397	40,849	48,695	57,091
Pepsi Ice Center (FY 2018)	84,439	145,000	133,616	165,000
Golf rounds played (Calendar 2017)	77,000	75,200	76,337	68,367
Miller Park Zoo attendance (Calendar 2017)	111,357	112,133	101,182	111,863
Street trees maintained (Calendar Year 2017)	3,297	4,552	6,012	8,590
Cultural District:				
Events (Calendar 2017)	460	463	498	469
Attendance (Calendar 2017)	90,794	98,388	86,227	82,880
US Cellular Coliseum:				
Events (Fiscal Year 2018)	166	219	201	216
Attendance (Fiscal Year 2018)	319,932	328,815	300,494	300,533

Source: Various City Departments

Note: N/A - Indicator not available

2012	2013	2014	2015	2016	2017
73,861	74,835	81,662	71,905	67,145	74,630
2,211	2,415	2,557	2,066	1,692	1,391
287	289	255	247	275	84
1,331	931	634	658	294	274
6,774	6,357	6,662	5,510	4,416	4,229
2,317	2,020	2,529	2,625	2,487	2,408
7,993	8,025	7,933	8,247	8,327	8,401
\$ 954,575	\$ 1,450,380	\$ 1,886,895	\$ 1,458,195	\$ 3,190,255	\$ 1,145,388
2,590	2,732	2,765	2,147	3,255	2,462
\$ 108,932,734	\$ 103,804,778	\$ 89,957,848	\$ 102,374,800	\$ 83,313,064	\$ 129,225,278
412,892	463,042	411,492	354,786	315,328	309,777
1,483,853	1,570,410	1,442,572	1,430,682	1,392,122	1,325,386
17,710	17,487	15,631	15,835	16,005	16,315
3,735	4,593	4,902	4,847	4,849	4,667
4,552	5,601	5,282	4,631	4,638	3,957
22,308	29,174	32,397	30,768	40,766	31,279
139,320	129,355	128,378	130,883	123,153	128,141
57,861	53,272	55,281	55,871	59,673	64,741
168,000	163,000	158,000	165,000	160,000	157,000
72,349	62,283	57,627	60,993	61,379	57,026
107,082	103,544	104,215	106,139	121,447	108,511
7,488	8,549	7,827	3,822	5,545	6,284
534	578	541	525	558	418
83,345	90,730	82,523	80,693	83,758	71,633
237	207	232	199	207	223
292,217	286,101	173,382	206,265	159,746	124,520

CITY OF BLOOMINGTON

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM Last Ten Fiscal Years (Unaudited)

Function/Program	2009	2010	2011	2012
Police:				
Stations	1	1	1	1
Fire, Fire Stations	4	4	4	5
Refuse Collection:				
Collection Trucks	11	11	11	11
Other Public Works	37	51	51	51
Streets (Miles)	320	321	321	321
Traffic Signals	141	153	145	145
Parks & Recreation:				
Acreage	594	594	594	594
Parks	52	52	52	52
Golf Course	3	3	3	3
Baseball/Softball Diamonds	26	26	26	26
In-line Hockey Rinks-changed to Pickle Ball Courts in FY 2017	1	1	1	1
Soccer/Football Fields	22	22	22	22
Basketball Courts	45	45	45	45
Tennis Courts	20	20	20	20
Swimming pools	2	2	2	2
Parks with Playground Equipment	31	31	31	31
Picnic Shelters	37	37	37	37
Community Centers	1	1	1	1
Library:				
Facilities	1	1	1	1
Volumes	258,982	272,237	283,576	295,496
Water:				
Lakes	2	2	2	2
Storage Capacity (MGD)	21	21	21	21
Average Daily Consumption (MGD)	11	11	11	11
Peak Consumption (MGD)	16	16	16	16
Wastewater:				
Sanitary Sewers (miles)	293	295	297	297
Storm Sewers (miles)	240	246	248	248
Combination Sanitary and Storm (miles)	88	88	88	88

Source: Various City Departments

Note: MGD - Millions Gallons per Day

2013	2014	2015	2016	2017	2018
1	1	1	1	1	1
5	5	5	5	5	5
10	21	18	18	20	18
51	52	62	65	74	67
321	322	323	324	325	325
145	145	145	145	145	145
640	640	640	640	640	640
46	46	46	46	38	38
3	3	3	3	3	3
27	28	24	24	24	24
1	1	1	1	4	4
22	23	23	23	23	23
52	53	31	31	31	31
26	26	26	26	26	26
2	2	2	2	2	2
31	32	32	32	32	32
42	43	44	44	44	44
1	1	1	1	1	1
1	1	1	1	1	1
291,406	299,628	307,261	316,319	319,329	316,420
2	2	2	2	2	2
21	21	21	21	21	21
11	11	11	10	10	10
16	16	16	15	13	16
299	301	264	265	266	266
316	317	255	256	257	257
88	88	85	85	85	85

CITY OF BLOOMINGTON

Supplemental Disclosure Requirements Set Forth In \$10,000,000 2003 and \$10,000,000 2007 Bond Issues

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Note: Exhibit labels match exhibits required in the bond covenant.

CITY OF BLOOMINGTON

Exhibit A - Direct General Obligation Bonded Debt (Principal Only) ¹ As of April 30, 2018

Year Ending December 31	Total Existing Debt	Less Abated Amount ²	Net Tax Levied Amount
2018	\$ 5,130,000	\$ 3,075,000	\$ 2,055,000
2019	4,340,000	2,465,000	1,875,000
2020	4,665,000	2,680,000	1,985,000
2021	4,830,000	2,845,000	1,985,000
2022	4,725,000	3,020,000	1,705,000
2023	4,880,000	3,170,000	1,710,000
2024	3,690,000	2,205,000	1,485,000
2025	3,535,000	2,400,000	1,135,000
2026	3,135,000	1,830,000	1,305,000
2027	3,295,000	1,985,000	1,310,000
2028	2,435,000	2,145,000	290,000
2029	1,905,000	1,675,000	230,000
2030	2,060,000	1,820,000	240,000
2031	2,210,000	1,960,000	250,000
2032	2,390,000	2,125,000	265,000
2033	1,855,000	1,855,000	-
2034	2,015,000	2,015,000	-
	<u>\$ 57,095,000</u>	<u>\$ 39,270,000</u>	<u>\$ 17,825,000</u>

¹ Does not include revenue bonds.

² General Obligation Demand Bonds, Series 2004; General Obligation Bonds, Series 2005; General Obligation Refunding Bonds, Series 2011; Taxable General Obligation Bonds, Series 2013C; Taxable Refunding Bonds, Series 2014 A; General Obligation Bonds, Series 2014B and a portion of the General Obligation Bonds, Series 2007 that the City has historically and plans to continue to pay from other revenue sources.

CITY OF BLOOMINGTON

Exhibit A-1 - Debt Service Requirements As of April 30, 2018

Tax Year	Total Debt Service ¹	Less Annually Abated Debt Service ²	Total Tax Levied Debt Service
2017	\$ 6,986,972	\$ 4,806,829	\$ 2,180,143
2018	6,073,232	3,893,089	2,180,143
2019	6,265,722	4,085,579	2,180,143
2020	6,293,661	4,388,248	1,905,413
2021	6,049,096	4,153,521	1,895,575
2022	6,061,826	4,512,463	1,549,363
2023	4,724,468	3,490,155	1,234,314
2024	4,445,557	3,084,425	1,361,133
2025	3,904,182	2,588,268	1,315,914
2026	3,943,134	3,668,909	274,225
2027	2,977,308	2,702,982	274,326
2028	2,367,093	2,093,117	273,976
2029	2,443,744	2,170,569	273,175
2030	2,506,433	2,229,508	276,925
2031	2,591,790	2,591,790	-
2032	1,971,054	1,971,054	-
2033	2,054,711	2,054,711	-
	<u>\$ 71,659,981</u>	<u>\$ 54,485,216</u>	<u>\$ 17,174,765</u>

¹ - Does not include revenue bonds.

² General Obligation Demand Bonds, Series 2004; General Obligation Bonds, Series 2005; General Obligation Refunding Bonds, Series 2011; Taxable General Obligation Bonds, Series 2013C; Taxable Refunding Bonds, Series 2014 A; General Obligation Bonds, Series 2014B and a portion of the General Obligation Bonds, Series 2007 that the City has historically and plans to continue to pay from other revenue sources.