



**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

**CITY OF BLOOMINGTON
ILLINOIS**

for the Fiscal Year

MAY 1, 2010

to

APRIL 30, 2011

CITY OF BLOOMINGTON, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2011

Prepared by:

Timothy Ervin
Finance Director (resigned October 17, 2011)

Douglas R. Ellsworth, CPA
Interim Finance Director (effective October 18, 2011)

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Finance Department

October 27th, 2011

The Honorable Mayor Stockton,
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 30th, 2011, is submitted herewith. This report provides a broad view of the City's financial activities for the 2011 fiscal year and its financial position at April 30th, 2011. 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 or 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.

Sikich 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 years ended April 30th, 2011, are free of material misstatement. The independent audit involved the examination, on a test basis, 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 unqualified opinion that the City of Bloomington's financial statements for the fiscal year ended April 30th, 2011, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's 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 of certain major federal grant programs performed. The audit contains information concerning whether grant activity is presented fairly in general purpose 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 auditor's report relative to the Federal Single Audit Act is reported 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 2010 Census resulted in a total population of 76,610. 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 Council members 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 Council is elected to four-year staggered terms, while the Mayor is elected to a four-year term. The Mayor is elected at large, the Council members 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 Cultural District in Downtown Bloomington. The City owns the US Cellular Coliseum located in Downtown Bloomington, the home of the Bloomington Extreme (indoor football) and the Bloomington Blaze (ice hockey), and contracts its operation to the Central Illinois Arena Management. 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. The modified accrual accounting records are the basis for assessing budgetary compliance. 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 is in the process of developing a five-year Budget Program. Every City department is required to submit a budget request to Finance by the end of February of each year. The Finance Director in cooperation with the City Manager and individual Department Directors refine the budget requests, and the proposed budget is presented to the City Council before March 31st of each year. The City Council is required to hold a public hearing on the proposed budget 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 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 has been revised over the last two years to focus upon providing services contained within the City's strategic plan. For the General Fund, a budgetary to actual expenditure comparison is presented in the required supplementary information section. For governmental funds, other than the general corporate fund, with appropriated annual budgets, this 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.

Local Economy: The economic strength of the Bloomington-Normal metropolitan area is well diversified with no single dominating industry, although there are many substantial medium sized business and institutions. Diverse and stable employment sources include State Farm, Illinois State University, Illinois Wesleyan University, Country Insurance & Financial Services, Mitsubishi Motors of America, Bromenn Medical Center, and OSF St Joseph Medical Center. Multiple mid-size and small companies have insulated the Bloomington-Normal economy from severe economic swings that other communities have experienced; however, the economy has seen below average growth since FY 2008.

The Bloomington-Normal area has become nationally known as a strong transportation/distribution region. Bloomington-Normal is 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 such as Amtrak connect Bloomington-Normal to most major cities within the continental United States. In addition, the expansion of the infrastructure at the Central Illinois Regional Airport has allowed this airport to attract users throughout the Midwest. The airport has established relationships with several airlines. According to the Bloomington-Normal Economic Development Council, in calendar year 2010, the airport served 280,974 passengers, which was a 12.3 percent increase from the prior year.

There are multiple shopping areas located within the Bloomington-Normal which serve a large retail trading area covering a radius of 50 miles or more. One enclosed and one outside shopping mall accounts for approximately 950,000 square feet of leasable retail area in addition to 8 major anchor stores. The City enjoys the presence of several major retailers such as Lowe's, Macy's, Kohl's, JC Penny, and Wal-Mart, in addition to numerous chain and local restaurants. Most major employers within the community have slightly decreased or remained stable and the issuance of commercial building permits has stayed relatively flat in comparison to prior years. New projects and renovation continue to occur throughout the City; however, this development has declined from prior years and focused upon remodeling rather than new construction. The Bloomington Center for the Performing Arts (BCPA) and the US Cellular Coliseum will continue to augment the redevelopment of Downtown Bloomington as these recent developments mature. The infrastructure development along Towanda-Barnes Road will continue to enhance expansion and development into the future growth on the east side of the City. This is especially true as multiple government agencies continue to focus on the planning and development of a master plan for the eastside bypass.

Bloomington-Normal home sales for calendar year 2010 reflect 2,052 sales with the average price of a \$176,909 per residence. The median family income by Metropolitan Statistical Area (MSA) for FY 2010 is as follows for Bloomington-Normal: \$76,600, Champaign-Urbana: \$64,900, Decatur: \$58,900, Peoria: \$66,700 and Springfield: \$66,600.

Please refer to the Management Discussion and Analysis section of this document to review additional information pertaining to the City's economic condition and bond rating status.

Long-Term Financial Planning: During fiscal year 2011, similar to the rest of the nation, the City of Bloomington faced a continued weakened economy marked by flat tax revenue and higher than historically average unemployment rates. In FY 2011, Fitch revised the City's credit rating from AA to AA+, while Standard & Poor's reaffirmed the City's credit rating at AA-; however, this agency revised the credit outlook from negative to stable. These revisions are the results of City's efforts to escalate the General Fund's Unreserved Fund Balance from a 2008 \$109,000 deficit to \$9.6 million at the end of April 30, 2010. Although this is a minor victory, the City remains committed to focusing efforts and resources to improve the overall condition of all funds within the City. These efforts are ongoing and will continue into the foreseeable future. In FY 2011, the City continued to enhance its budget process by incorporating new worksheets within the budget process. These efforts led to the integration of a 5 year operating and capital budget in FY 2012.

In FY 2011, the City adopted a formal fund balance policy for all funds within the City of Bloomington. The policy requires the City's unreserved fund balance to be a minimum of 15% of budgeted expenditures within the City's General Fund. The policy establishes other levels for the special revenue, debt service, and proprietary funds within the City of Bloomington. In FY

2012, the City plans to develop and adopt a debt service policy. The development and adoption of financial policies is seen as the first step in the development of a firm long term financial plan. In FY 2012, the City began to develop the methodology to develop and prepare direct and indirect cost studies. The City has developed a working relationship with an independent accounting firm which, in conjunction with City staff, has started to educate and develop a costing methodology. The City will present the first cost analysis on the City's solid waste to the City Council and residents operations in the Fall of 2011.

As part of the City's Long Term Financial sustainability, the City will at least face the following four crucial issues:

- Increased cost to replace postponed capital equipment,
- Increased cost to repair or replace postponed infrastructure to the level desired and expected by City residents,
- Take action to address the continual growth in unfunded actuarial liabilities within the City's pension funds and Other Post Employment Benefit liabilities, and
- Address the significant net asset deficits within the Sewer, Storm Water, and Parking Enterprise Funds.

In December 2010, the City Council voted to keep the property tax flat with a zero percent increase/decrease. The FY 2012 Budget included a \$2.5 million drawdown of fund balances to fund capital projects within the City. The budget included the investment of \$6.2 million in the replacement of capital equipment (vehicles & equipment) in multiple departments. \$4.1 million of these expenditures were paid for with the issuance of a taxable five-year capital lease from a local financial institution. Furthermore, in April 2011, the City Council voted to retain the garbage fee at the \$14.00 per month. Annual fee increases took effect with the city ambulance service and for the water and sewer utilities.

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:

- Issue a Comprehensive Annual Financial Report within 180 days of the end of each fiscal year that complies with the generally accepted accounting principles.
- Capitalize street paving with an acquisition cost of \$100,000, water mains, sanitary sewers, and sidewalks with an acquisition cost of \$25,000, traffic signals with an acquisition cost of \$50,000, and building improvements with an acquisition cost of \$25,000.
- Capitalize vehicles, machinery, furniture, and equipment with an acquisition cost of \$1,000.

Budgetary and Revenue Management

- Maintain a diversified revenue structure.
- It shall be the intent of the City to maintain a fund balance in the general fund of 15 percent and other funds at least 10 percent of the approved expenditures (expenses) budget from the prior year.

Debt Management

- Limit the life period during which debt is outstanding to a time period not greater than the useful life of the asset financed by the debt.

Cash Management & Investments

- Investments of the City of Bloomington shall be limited to investments that mature within 3 years of the time of purchase.
- Require that all bank deposits be collateralized with high-quality securities having a market value of at least 102 percent of the underlying securities.

Purchasing

- Obtain competitive quotes for purchases in excess of \$5,000 and below \$9,999.99.
- Conduct a formal competitive bidding process (newspaper publication) for purchases in excess of \$10,000.
- Obtain City Council approval of all purchases in excess of \$10,000.

FY 2011 Major Initiatives: The City staff, following specific directives of the City Council and the City Manager, has been involved in a variety of projects throughout the year. These projects reflect the City's commitment to ensure citizens live and work in a desirable environment. The most significant of these projects are itemized below:

Public Safety

- The redesign and the roof replacement for Fire Station #2
- The replacement of the deteriorated drive-way at Fire Station #2

Parks & Recreation

- Replaced the roof on the consistory building in the Bloomington Center for the Performing Arts
- Completed the expansion of the Constitution Trail extension between Grove St to Croxton Ave
- Completed the planning and design plan for Gaelic Park
- Renovation design of the Creativity Center
- Completed the extension of the Constitution trail from Shirley to Bloomington along US Route 66

Roadway Improvements

- Black Oak Blvd - Oversizing
- Signal Improvements at North Main and Emerson
- Design the Veterans Parkway and Morris intersection
- Upgrade the US 51 and Hamilton Road intersection
- Dedicate \$2.0 million for road resurfacing within the City

Water & Sewer Utility Improvements

- Replacement of Water Mains in two streets within the Downtown TIF District
- Locust/Colton St Sewer Separation & Water Main Replacement Design

- Replacement of Division D Pipeline Rd 36" Water Main
- Design for Water Main Replacement on Greenwood Avenue
- Replacement of Water Main in Parkview area
- Replace Water Main between Graham Street & Hinshaw Street
- Replace Water Main on Illinois Street
- Replace Water Main on Hamilton Street from Timberlake to Main Street

General Government

- City Hall HVAC replacement
- Phase 1 of the Enterprise Resource Planning System (ERP)
- Replace audio system in the City Hall Council Chambers

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30th, 2010. This was the 35th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. Staff believes the City's current CAFR will continue to meet the Certificate of Achievement Program's requirements and this document will be submitted to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation especially to the members of the Finance Department who assisted and contributed to the preparation of this report. Credit must be given 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.

Respectfully submitted,



Timothy L Ervin, Director of Finance (resigned October 17, 2011)



Douglas R. Ellsworth (effective October 18, 2011)



David A Hales, City Manager

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, 2010

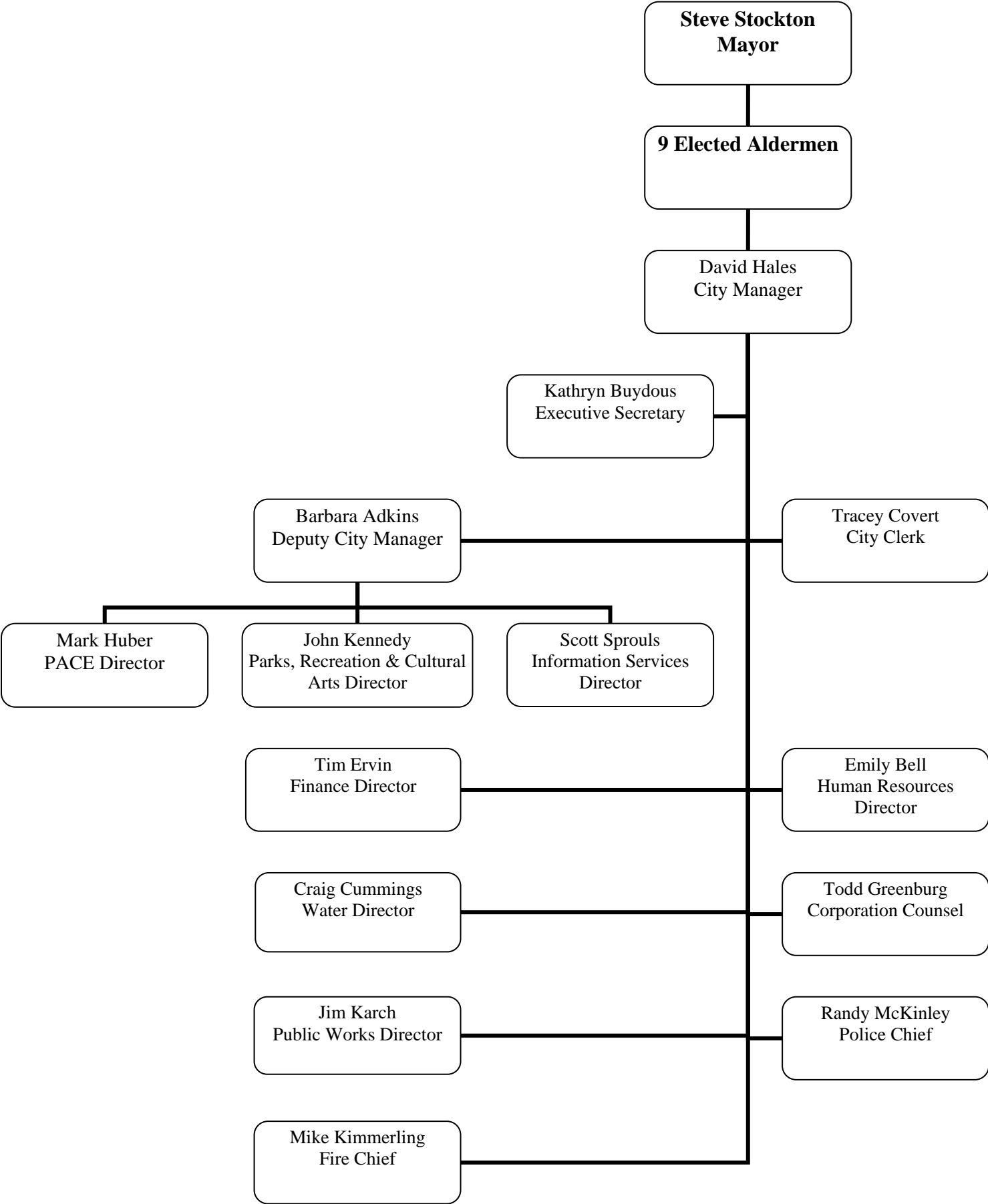
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

City Organization Chart



OFFICERS AND OFFICIALS

Elected Officials

Mayor

Stephen Stockton

Council Members

Bernie Anderson- Ward 1

David Sage- Ward 2

Kevin Huette- Ward 3

Judith Stearns- Ward 4

Jennifer McDade- Ward 5

Karen Schmidt- Ward 6

Steven Purcell- Ward 7

John Hanson- Ward 8

Jim Fruin- Ward 9

Administrative Officials

City Manager

David Hales

Deputy City Manager

Barbara Adkins

City Clerk

Tracey Covert

Corporate Counsel

Todd Greenburg

Finance Director

Tim Ervin

Fire Chief

Mike Kimmerling

Human Resources Director

Emily Bell

Information Services Director

Scott Sprouls

Parks and Recreation Director

John Kennedy

Planning and Code Enforcement Director

Mark Huber

Water Director

Craig Cummings



3201 West White Oaks Drive, Suite 102 • Springfield, IL 62704

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of and for the year ended April 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Bloomington, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund, which represents 55 percent and 54 percent, respectively, of the assets and revenue of the fiduciary funds of the City of Bloomington, Illinois. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based on the report of the other auditor.

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 of material misstatement. The financial statements of Police Pension Fund, Firemen's Pension Fund, and Library Foundation were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

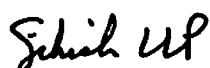
In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of April 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2011 on our consideration of the City of Bloomington, Illinois' 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* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and other required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomington, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Springfield, Illinois
October 27, 2011

City of Bloomington, Illinois

Management's Discussion and Analysis

For the Fiscal Year Ended April 30, 2011

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 30th, 2011. Staff encourages readers to consider the information presented here in conjunction with additional information that has been furnished in our letter of transmittal, which may be found on pages 4 thru 10 of this report.

Financial Highlights

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 four primary components:

- Government wide financial statements
- Fund financial statements
- Notes to the financial statements, and
- Required supplementary information

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.

The *Statement of Net Assets* presents information on the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the City of Bloomington is improved or deteriorated.

The *Statement of Activities* presents information to show how the government's net assets changed during the most recent fiscal year. All changes in net assets 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, Other Post Employment Benefits).

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

Under GASB 34 reporting requirements, 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 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, garbage collections, street maintenance, parks & recreation, and community development, while the business-type activities of the City include water, sewer, storm water, parking, solid waste, golf operations, and the US Cellular Coliseum.

The government-wide financial statements may be found on pages 36-39 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. A fund is a group of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of Bloomington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 fiscal year. This information is useful to evaluate a government's near-term finance 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 & governmental activities.

The City of Bloomington has presented nineteen 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 non-major governmental funds. Individual fund data for each non-major governmental fund is provided in the form of combining statements elsewhere in this report.

Basic governmental fund financial statements can be found on pages 40-43 of this report.

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

Proprietary funds – Proprietary 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 proprietary funds to account for activities that include: Water, Sewer, US Cellular Coliseum, Storm Water Management, Solid Waste, Parking, and Golf Operations. The Golf Operations fund and Parking fund are classified as a non-major proprietary fund.

Internal Service funds accounts 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 the Casualty Insurance Fund. 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 44-53 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 Bloomington's own programs. The accounting used for fiduciary funds is similar to the procedures used by proprietary funds. The City has two fiduciary funds, the police pension and firemen's pension funds. The City is the trustee for these two pension funds and it is responsible to ensure the assets reported in these funds are used only for the purpose intended.

The basic fiduciary fund financial statements can be found on pages 54-55 of this report.

Notes to the financial statements: These 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 56-108 of this report.

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

Other 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 and progress in funding its obligation to provide pension benefits to its employees.

Required supplemental information can be found on pages 109-120 of this report.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure - roads, bridges, sidewalks, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. GASB 34 requires that these assets are valued and reported within the Governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year) measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation.

The City of Bloomington has chosen the first option where assets are depreciated over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. Thus an "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

Government-Wide Financial Analysis

Net Assets – As noted earlier, net assets serve as a useful indicator of a government's financial position. In the case of the City, assets exceed liabilities by \$319.3 million at year ended April 30th, 2011. A significant portion of the City's total net assets (approximately \$288 million) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure). 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.

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

The City’s combined net assets increased by \$9.4 million or 3.0 percent over the prior year. In monetary terms, this is an increase from \$310 million on April 30th, 2010 to \$319 million on April 30th, 2011. The bulk of the increase was from the City’s improved cash flow position in fiscal year 2011, which is reflected within the increase in the current assets. The following table reflects the condensed Statement of Net Assets of the current year as compared to the previous fiscal year. There are minor variations due to rounding.

Table 1 - Statement of Net Assets as of April 30, 2011 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Assets:						
Current assets and other	\$ 76.0	\$ 69.7	\$ 11.2	\$ 5.1	\$ 87.2	\$ 74.8
Noncurrent assets	185.2	194.4	191.9	189.7	377.1	384.1
Total	261.2	264.1	203.1	194.8	464.3	458.9
Liabilities:						
Current liabilities	38.0	41.3	4.1	5.0	42.1	46.3
Noncurrent liabilities	77.9	78.1	25.0	24.6	102.9	102.7
Total	115.9	119.4	29.1	29.6	145.0	149.0
Net assets:						
Invested in capital assets, net of related debt	142.0	146.6	179.0	176.4	288.3	323.0
Restricted	24.1	23.8	-	-	24.1	23.8
Unrestricted	(20.7)	(25.7)	(5.1)	(11.2)	6.9	(36.9)
Total	\$ 145.4	\$ 144.7	\$ 173.9	\$ 165.2	\$ 319.3	\$ 309.9

At the end of the fiscal year, the City of Bloomington did not report a positive balance in either the governmental activities or the business-type activities unrestricted net assets. The reason behind the negative balance within the governmental activity is the fact that during fiscal year 2008, the City transferred the debt used to construct the US Cellular Coliseum from the business-type activity to the governmental activity. However, the actual asset (building) was accounted for within the business-type activity, thus the approximate \$29.5 million in debt is reflected within the unrestricted net asset portion of net assets for the governmental activities. This action was taken because it is the intention of the City to repay this issuance from general governmental funds. See Note #17 in the Notes to the Financial Statements on page 107 for specific information on unrestricted net assets.

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

In regards to the negative net asset balance within the Business-Type Activity, this negative balance is due to the \$11.0 million note payable to the Illinois Environmental Protection Agency. The note payable is accounted for within the Storm Water Management fund; however, in accordance with the intergovernmental agreement with the Bloomington Normal Water Reclamation District the assets are not reflected on the financial statements of the City. Thus, the liability is accounted for in the unrestricted portion of net assets rather than within the capital asset category.

For additional information please refer to the Statement of Net Assets on pages 36-37.

Normal Impacts

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

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

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

Spending Borrowed Proceeds on New Capital – Spending borrowed proceeds on new capital will reduce current assets and increase capital assets. A second impact will be an increase in the “invested in capital assets” and an increase of “invested in capital assets, net of debt”.

Spending of Non-borrowed Current Assets on New Capital – Spending of non-borrowed current assets on new capital will reduce current assets and increase capital assets plus reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment on Debt – A principal payment of debt will reduce current assets and long-term debt plus reduce unrestricted net assets and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation – Reducing capital assets through depreciation will reduce capital assets and invested in capital assets, net of debt.

The subsequent table will spotlight the changes in net assets of the governmental and business-type activities.

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

Changes in Net Assets

See the table below to compare revenues and expenditures for the current and previous fiscal year:

Table 2 - Changes in Net Assets For Fiscal Year Ended April 30, 2011 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 12.4	\$ 19.9	\$ 33.7	\$ 24.2	\$ 46.1	\$ 44.1
Operating grants	5.3	4.5	-	-	5.3	4.5
Capital grants	2.7	1.5	0.2	-	2.9	1.5
General revenues:						
Property taxes	25.5	23.4	-	-	25.5	23.4
Franchise taxes	1.8	1.5	-	-	1.8	1.5
Sales taxes	13.0	12.8	-	-	13.0	12.8
Other taxes	34.3	34.1	-	-	34.3	34.1
Investment earnings	1.0	2.2	-	-	1.0	2.2
Miscellaneous	1.6	2.0	0.7	0.8	2.3	2.8
Total revenues	\$ 97.6	\$ 101.9	\$ 34.6	\$ 25.0	\$ 132.2	\$ 126.9
Expenses:						
Governmental activities:						
General government	\$ 21.3	\$ 18.4	\$ -	\$ -	\$ 21.3	\$ 18.4
Public safety	33.9	34.7	-	-	33.9	34.7
Highways & streets	11.0	9.2	-	-	11.0	9.2
Sanitation	3.4	9.5	-	-	3.4	9.5
Health & welfare	0.2	0.2	-	-	0.2	0.2
Culture & recreation	15.6	18.7	-	-	15.6	18.7
Community development	3.0	2.6	-	-	3.0	2.6
Interest	3.1	3.1	-	-	3.1	3.1
Business-type activities:						
Water	-	-	11.4	11.9	11.4	11.9
Solid waste	-	-	6.4	-	6.4	-
Sewer	-	-	2.5	2.7	2.5	2.7
Golf operations	-	-	2.9	-	2.9	-
Parking	-	-	1.4	1.2	1.4	1.2
US Cellular Coliseum	-	-	4.7	4.3	4.7	4.3
Stormwater management	-	-	2.0	1.4	2.0	1.4
Total expenses	\$ 91.5	\$ 96.4	\$ 31.3	\$ 21.5	\$ 122.8	\$ 117.9
Excess before transfers	6.1	5.5	3.3	3.5	9.4	9.0
Transfers	(5.4)	0.8	5.4	(0.8)	-	-
Changes in net assets	\$ 0.7	\$ 6.3	\$ 8.7	\$ 2.7	\$ 9.4	\$ 9.0

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

Current Year Impacts - Overall Government Financial Position

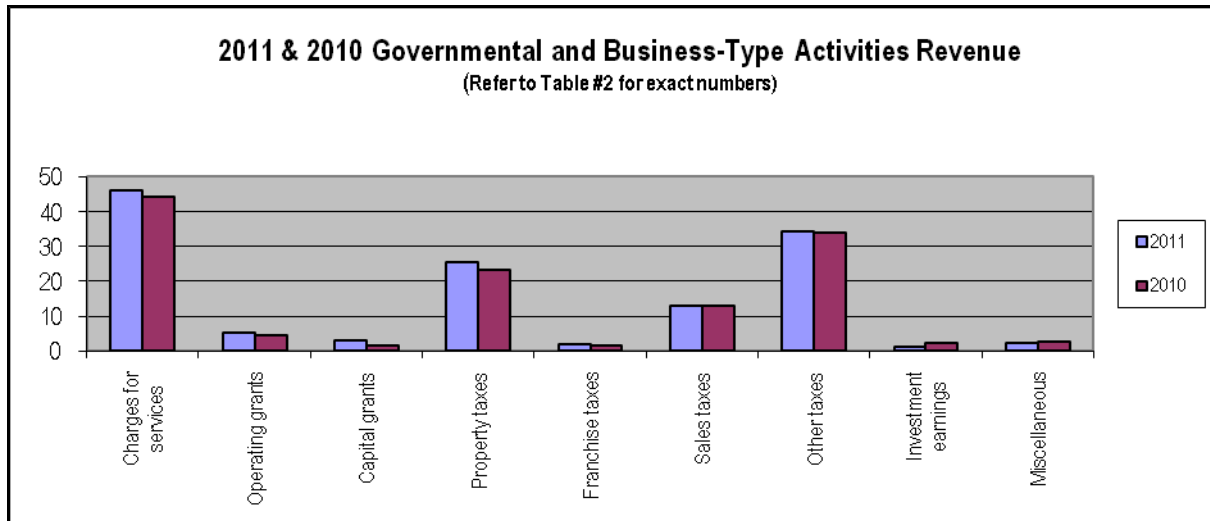
As noted in Table #2, the net assets from governmental activities increased by \$0.7 million, while the net assets from business-type activities increased by \$8.7 million. A significant portion of the increase in the net assets for governmental activities and business-type activities was from the City making a concerted effort to spend only on essential items needed to maintain core services for the City of Bloomington. These efforts will be further outlined later in the Management Discussion & Analysis.

Revenues for the City's governmental activities decreased 4.2 percent, while revenue for the business-type activities increased by 38.4 percent. The leading factors mentioned below are compared to the operating results from the prior fiscal year:

Governmental activities - Charges for services decreased by \$7.5 million, or 37.7 percent, during the current year. The decrease in revenue is directly tied to the decision to move the revenues and expenses relating to solid waste and golf courses out of the General Fund and into separate enterprise funds. Operating grants and contributions experienced a \$0.8 million increase due to the City's receipt of a number of operating grants in comparison to the prior year from Federal and State agencies. Capital grants also grew, increasing by \$1.2 million. Tax receipts were generally higher than the preceding year. Property taxes increased by \$2.1 million, or 9.0 percent. Mandated sales tax collections increased by \$200 thousand, and utility taxes increased by \$300 thousand. Other taxes, including the state income tax, remained relatively flat at \$34.3 million. Investment earnings decreased from \$2.2 million last year to \$1.0 million in the current year due to lower interest rates.

Business-type activities – Charges for services increased by \$9.5 million, or 39.3 percent, due in part to the establishment of two new funds in the current fiscal year; the Solid Waste Fund and the Golf Course Fund. The new Solid Waste Fund is showing \$4.3 million of service charge revenue. The Golf Course Fund is showing \$2.6 million of service charge revenue. Water Fund service charges increased by \$1.5 million, or 10.4 percent, due to higher consumption and the annual increase in water rates on May 1, 2010. Service charges of the Sewer Fund increased 20% over the preceding year, due to the implementation of sewer rate increases that took effect on January 1, 2010 and 2011. Service charges related to the Coliseum jumped \$595,000, or 19 percent, due to increased event activity. The Storm Water fund saw a minimal decrease in revenue; however, there are no future fee increases scheduled for this fund.

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

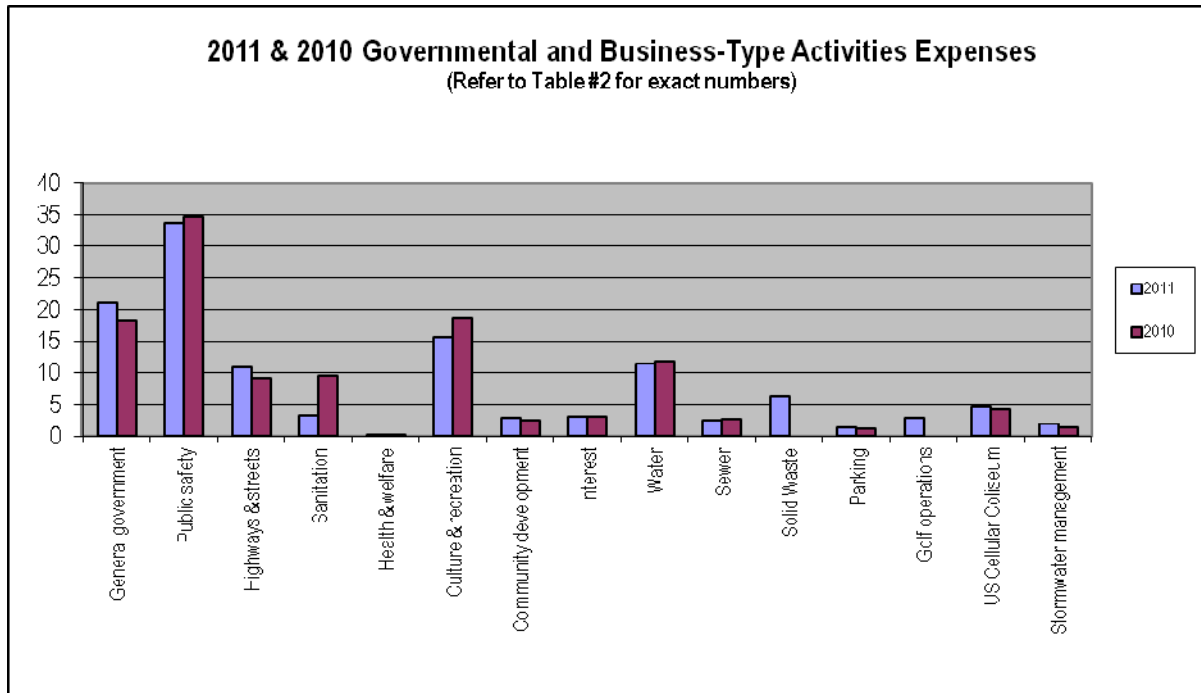


Expenses for the City’s governmental activities decreased by \$4.9 million, or 5.1 percent, while business-type activities increased by \$9.8 million, or 45.6 percent. The transfer of expenses relating to solid waste and golf course operations out of the General Fund and into their own enterprise funds shifted \$9.3 million. Some of the other leading factors are as follows:

Governmental Activities – Expenses relating to General Government increased \$2.9 million, or 15.8 percent due to the step-up of the payout for the Early Retirement payment to IMRF, payment of vacation and sick time to approximately ten employees, increased salary and benefits, increased fuel costs, and additional payouts to the Downtown Business Association and the Town of Normal (Metro Zone Agreement). Highways and Street spending increased \$1.8 million due to the City increasing the road resurfacing budget by \$1.0 million, and increased costs of operation from higher salary and commodity expenses. Sanitation expenses decreased from \$9.5 million in 2010 to \$3.4 million in 2011 due to the transfer of solid waste to a new enterprise fund. The other categories saw modest changes in spending compared to the prior year.

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

Business-Type Activities – Expenses increased approximately \$9.8 million within all seven of the categories of the business-type activities on the Statement of Activities. These seven categories include: water, solid waste, sewer, golf operations, U.S. Cellular Coliseum, storm water management, and parking. The transfer of solid waste activities and golf operations from the General Fund to separate enterprise funds this year resulted in \$9.3 million of the increase over last year. The City’s cost reduction efforts continued in FY2011, resulting in lower expenses for the Water Fund and Sewer Fund. The Parking Fund expenses slightly increased from repairs and maintenance at the Market Street parking deck, while stormwater expenses increased partly due to a project to minimize run-off at Kickapoo Creek. Modest increases were seen in the remaining enterprise funds.



Normal Impacts

There are eight basic factors that can impact revenues and expenses. These factors are described below:

Revenues:

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

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

Increase/Decrease in City approved rates - While certain tax rates are set by statute, the City Council has significant authority to impose and periodically increase/decrease rates (water, wastewater, parking, fees, home rule sales tax, food and beverage tax, utility taxes, etc.).

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

Market Impacts on Investment Income - The City's investment portfolio is managed using a short term average maturity and the market condition may cause investment income to fluctuate less than alternative longer-term options.

Expenses:

Introduction of New Programs - Within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs or unfunded mandates from other governmental levels.

Increasing Authorized Personnel - Changes in service demand may cause the City Council to increase/decrease authorized staffing levels; staffing costs (salary and related benefits) represent approximately 65% of the City's General Fund operating costs.

Salary Increases (annual adjustments and merit) - The ability to attract and retain human and intellectual resources requires the City to strive for a competitive salary range position in the marketplace. In addition, the City has 10 separate bargaining units representing and negotiating for various segments of the employee population.

Inflation - While overall inflation appears to be reasonably low, the City is a major consumer of certain commodities such as supplies, fuels and parts. Some specific areas may experience unusually high price increases.

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

Financial Analysis of the City's Funds

Governmental Funds

On April 30th, 2011, the governmental funds reported a combined total fund balance of \$45.2 million, which is an increase of \$6.8 million, or 17.7 percent, over the prior year fund balance of \$38.4 million. The fund balance increased in the following major governmental funds: General, and Library. There was a \$107,116 decrease in fund balance in the Debt Service Funds. Fund balance increases were also seen in the following minor governmental funds: Motor Fuel Tax, Special Olympics and Recreation, Sister City, Foreign Fire Insurance Board, Park Dedication, Capital Improvement Fund, Library Expansion, and JM Scott. Of the total fund balance of \$45.2 million, \$24.3 million is unreserved which indicates the funds availability to support the continued operations of City services. Reserved fund balances of \$20.9 million includes items such as \$0.2 million in inventory, \$1.3 million in loans, \$2.5 million in inter-fund advances, \$3.2 million in encumbrances, \$8.3 million for debt service, and \$5.4 million in a trust corpus.

Additional information may be found within the Governmental Funds Balance Sheet presented on page 40.

Major Governmental Funds

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 \$4.9 million to \$15.6 million from the April 30th, 2010 ending fund balance of \$10.7 million.

Total revenue for the General Fund decreased by \$4.7 million or 5.8 percent, while General Fund expenditures decreased by \$3.8 million or 5.4 percent. The majority the decrease is attributable to the transfer of solid waste and golf operations to separate enterprise funds this year.

Sanitation expenditures decreased by \$5.3 million and Culture and Recreation expenditures decreased by \$2.4 million. Tax revenue increased \$2.6 million, or 4.2%. This increase is due to multiple tax revenues surpassing FY 2010. The significant increase of \$2.1 million occurred with property taxes; however, other taxes such as the franchise tax, sales tax, food & beverage tax, vehicle use, local use, and replacement tax experienced minimal increases. These increases offset slight decreases in home-rule sales tax income tax, and utility tax. Intergovernmental revenue increased \$425,903, or 80 percent, due to increased grant activity. Charges for services saw a significant decrease from the prior year, going from \$16.7 million in FY2010 to \$9.6 million in FY2011. The decrease in charges for services relates to the transfer of solid waste and golf operations to the new enterprise funds.

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

Expenditures for the General Fund decreased by \$3.8 million, or 5.4 percent. The decrease in spending, too, can be attributed to the transfer of solid waste and golf operations to separate enterprise funds. Sanitation expenditures decreased from \$9.0 million last year to \$3.7 million this year. Culture and recreation expenditures decreased from \$8.4 million to \$6.0 million. General government expenditures increased \$3.0 million, or 17.5 percent, due to early retirement payouts, salary and benefit increases, fuel increases, and increased payouts to the Convention & Visitors Bureau, the Town of Normal (Metro Zone), and townships around Bloomington. Public safety expenditures totaled \$31.0 million, a decrease of 1.3%. Expenditures relating to highways and streets increased 6.2 percent to \$3.4 million. The City continues to watch spending as the economic recovery appears to be weakening again. The savings from the early retirement incentive program continue to be realized. More savings will be realized beginning in FY2016, when the remaining \$8,694,762 early retirement incentive contribution liability to the Illinois Municipal Retirement Fund will have been paid off. The liability is currently being amortized over a six year period.

Other Financing Sources 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 2011, the City transferred approximately \$7.1 million from the General Fund to other funds, including: \$2.4 million to debt service funds, \$2.0 million to the Capital Improvement Fund, \$1.8 million to the Solid Waste Fund. The City transferred approximately \$89 thousand to the US Cellular Coliseum Enterprise Fund, to support its operations. This is a significant decrease from the \$365 thousand transferred last year. The City has subsidized the operations of the US Cellular Coliseum since its inception in 2007. These transfers are in addition to the annual \$1.9 million in debt service payments the City transfers to pay the annual bond payments for this facility. Historically, the City abates these payments on the annual property tax levy. This practice is expected to occur into the immediate future.

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 \$2.6 million at April 30, 2011, an increase of \$51 thousand, or 2 percent, from last year.

Fund balance for the debt service fund decreased by \$107 thousand, or 1 percent, from the April 30th, 2010 balance of \$10.9 million. Debt service expenditures totaled \$7.0 million, up slightly from the \$6.8 million reported last year. Tax revenue contributed \$3.2 million towards the debt service expenditures, with operating transfers providing \$4.1 million. The fund was established to account for the general long-term debt not financed by a specific source.

Additional information may be found within the Statement of Revenues, Expenditures and Changes in Fund Balances on pages 42.

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

Non-Major Governmental Funds

The fund balance for the non-major governmental funds increased \$2.0 million, or 14.3 percent in comparison to the fund balance from fiscal year 2010. Total revenues for the non-major governmental funds increased by \$973 thousand, or 8.8 percent. Motor Fuel Tax revenues increased by \$330 thousand, or 16.8%. Cultural District revenues dropped \$346 thousand, or 11.8% due to lower contributions. Park Dedication Fund revenues decreased \$1.0 million, or 83 percent, due to fewer capital grants. The Capital Improvement Fund saw a significant jump in revenues this year, increasing from \$32 thousand last year to \$2.3 million this fiscal year. The increase is the result of more capital grants having been received. Revenues in the J.M. Scott Healthcare Trust Fund decreased by \$654 thousand, or 37.8 percent, due to lower investment returns.

General Fund Budgetary Highlights

Over the course of the fiscal year 2011, the City amended the budget three times. The City amended the budget after six months, nine months, and twelve months of operations. City policy is to amend the budget at these designated time periods. This process assists City staff with the monitoring and reporting of appropriations within the City budget. Below is a table which reflects the original and revised budget plus the actual revenues and expenditures for the General Fund. This corresponds to page 117 in the Required Supplementary Information. There has been some slight rounding in the below table.

Fiscal Year 2011 (in millions)			
General Fund	Original Budget	Amended Budget	Actual
Revenues:			
Taxes	\$ 61.3	\$ 61.3	\$ 64.0
Intergovernmental	0.8	0.8	1.0
Licenses & permits	1.2	1.2	1.0
Charges for services	10.0	10.0	9.6
Fines	0.9	0.9	0.8
Use of money and property	0.1	0.1	0.1
Other	0.6	0.6	0.5
Total	\$ 74.9	\$ 74.9	\$ 77.0
Expenditures and transfers:			
Expenditures	\$ (69.7)	\$ (69.7)	\$ (66.2)
Transfers	(5.3)	(5.3)	(6.1)
Total	\$ (75.0)	\$ (75.0)	\$ (72.3)
Change in fund balance	\$ (0.1)	\$ (0.1)	\$ 4.7

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

The General Fund actual revenues were \$2.0 million higher than both the original and amended budget amount. There were no amendments to the revenue budget in FY 2011. The bulk of this increase occurred within the property tax category. While collections remained strong with the franchise, sales, food & beverage, and replacement taxes, the City collected less revenue in home-rule sales tax, income tax, and utility taxes. License & permits, fines, charges for services, use of money, and other revenue collections surpassed the original budget. The only revenue category seeing a negative budget variance was intergovernmental revenues, due to lower than expected grant revenue.

The General Fund actual expenditures were \$3.5 million less than both the original and amended budgets. Actual expenditures were less than the original budgeted amount within the general government by \$1.3 million (or 6%). Public safety expenditures came in \$1.9 million, or 6%, below the original budget. In comparison to the budget, multiple City department operations actual expenditures were below the original and actual budget. The City continued to monitor spending closely on account of the uncertain economy and in an attempt to rebuild fund balance.

Capital Assets

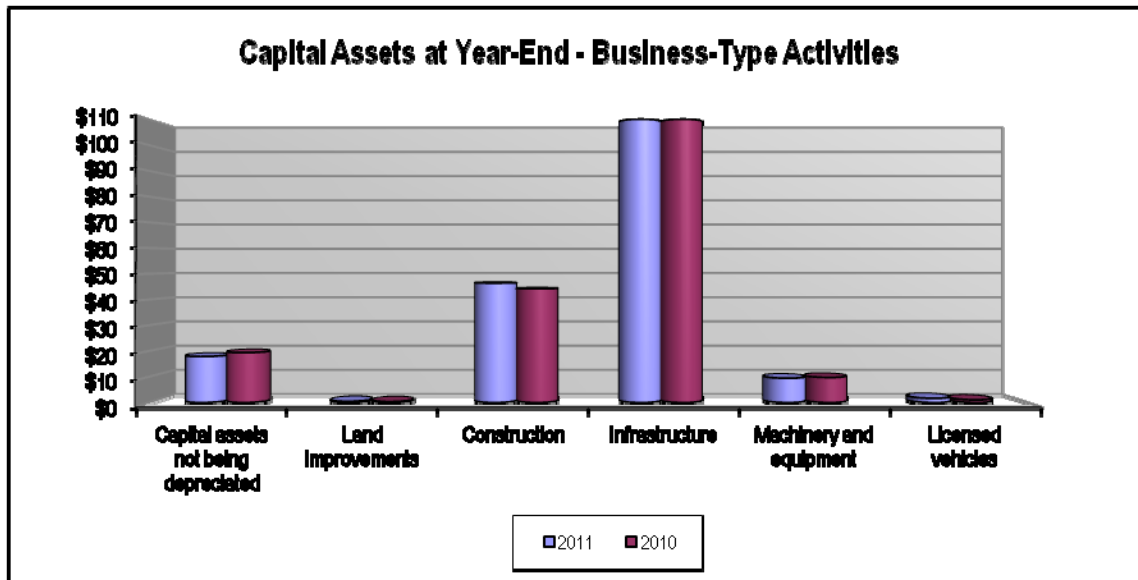
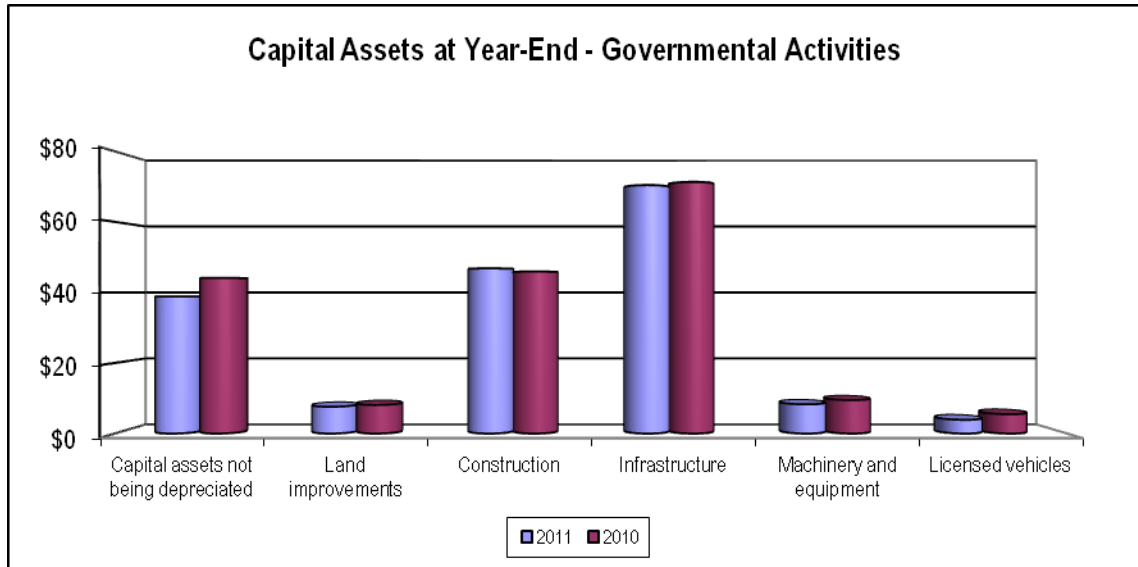
At the end of the current year, the City had a combined (governmental and business-type activities) total of capital assets, net of depreciation, of \$367.8 million. This is a decrease of \$7.0 million, or 1.9 percent, over the prior year total of \$374.8 million. The decrease in capital assets is mostly attributable to the \$14.3 million of depreciation expense for the year.

Table 3 - Capital Assets at Year-End Net of Depreciation (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Capital assets not being depreciated	\$ 38.8	\$ 44.9	\$ 17.9	\$ 19.4	\$ 56.7	\$ 64.3
Land improvements	7.6	8.1	0.5	0.4	8.1	8.5
Construction	46.8	45.9	46.4	44.2	93.2	90.1
Infrastructure	70.4	71.3	116.0	114.7	186.4	186.0
Machinery and equipment	8.3	9.5	9.5	9.8	17.8	19.3
Licensed vehicles	3.9	5.5	1.7	1.1	5.6	6.6
Total net capital assets:	\$ 175.8	\$ 185.2	\$ 192.0	\$ 189.6	\$ 367.8	\$ 374.8

Additional information on capital assets may be found in Note 3 in the Notes to the Financial Statements on pages 76-78.

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



The Letter of Transmittal lists multiple major additions to the Capital Assets on page 9 and 10.

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

Debt Administration

The City of Bloomington's long term debt, capital lease payables, net OPEB obligation, and compensated absences totaled \$80.9 million for governmental activities and \$26.3 million for business-type activities as of April 30th, 2011.

Table 4 - Long-Term Debt (in millions)

	Beginning Balance May 1, 2010	Additions	Retirements	Ending Balance April 30, 2011
Governmental activities:				
General Obligation Debt	\$ 70.778	\$ -	\$ 3.893	\$ 66.885
Line of Credit	-	-	-	-
Capital lease payable	0.081	-	0.011	0.070
Net OPEB obligation	3.321	0.229	-	3.550
Net pension obligation	-	0.362	-	0.362
Developer Agreements	-	-	-	-
Compensated absences	9.692	1.348	1.054	9.986
Governmental activities, long-term liabilities	\$ 83.872	\$ 1.939	\$ 4.958	\$ 80.853
Business-type activities:				
Loan payable	7.154	0.108	0.364	6.898
Note Payable	11.342	0.229	0.522	11.049
General Obligation Debt	6.105	-	0.160	5.945
Net OPEB Obligation	0.380	0.268	-	0.648
Net pension obligation	-	0.106	-	0.106
Compensated absences	0.899	0.764	0.011	1.652
Business-type activities, long-term liabilities	\$ 25.880	\$ 1.475	\$ 1.057	\$ 26.298

Additional information on long term debt may be found in Note 4 in the Notes to the Financial Statements on pages 79-84.

During the year \$3.9 million of general obligation debt was retired. The City did not issue any additional general obligation debt during the fiscal year. The City does not anticipate any future financings and plans to continue to retire the existing debt.

The City continues to retire compensated absences liabilities for employees; however, for fiscal year 2011 the additions outpaced the retirements. The Other Post-Employment Benefits (OPEB) liability will increase on an on-going basis as the City's policy remains to address this liability on a pay as you go basis. This is a significant area of concern that must be addressed by the City. A plan of action must be developed to first take action to minimize the liability and then create a plan to fund the existing liability. Without an action plan, this liability will continue to increase into the future placing a heavy financial burden on future tax payers.

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

The City continues to make the bi-annual payments required for loan payable to the Illinois Environmental Protection Agency (IEPA). This loan funded the construction of an upgraded water main from Lake Bloomington to the City of Bloomington. Despite the bi-annual payments, the City continues to borrow funds from the IEPA to finance ongoing phases of the project. In regards to the note payable created from the intergovernmental agreement between the City and the Bloomington & Normal Water Reclamation District, the City should incur little to no future costs related to the sewer project financed through this loan. Thus, the note payable will continue to be paid down through the upcoming years.

In August of 2010, Moody's reaffirmed the City's bond rating of Aa2. In prior months, this bond rating was changed from Aa3 as a result of Moody's adoption of the global system. Shortly thereafter, in November 2010, Standard and Poor's affirmed the City's credit rating at an AA-; however, the rating outlook was revised from negative to stable. Finally, in February of 2011 Fitch upgraded the City of Bloomington credit rating from AA to AA+ and revised the credit outlook from negative to stable. While these are positive developments, the City will continue to develop and adopt financial policies to strengthen the financial position of the City.

Economic Factors and Next Year's Budget

Unemployment for the City was 7.9 percent (up from 6.9 percent last year), 8.7 percent for the State, and 9.0 percent for the United States as of April 30th, 2011. The City unemployment rate remains less than the state wide and national rate, but this rate exceeds the ten-year average of 4.3%. The above historical average unemployment rate reflects the fact the local economy has still not recovered from the Great Recession. Although the unemployment rate has increased from the prior year, this statistic shows the employment environment in the Bloomington area remains stronger in comparison to the State of Illinois. The Bloomington/Normal MSA unemployment rate continues to be either the lowest, or one of the lowest, within the State. This is due to a diverse range of large, mid-size, and small companies that have facilities located within the City of Bloomington.

The City's assessed value grew by 0.38 percent in tax year 2010. This was below the 10 year average of 5.24 percent. City growth in residential, commercial, and industrial has been minimal over the past three fiscal years; however, the City has not experienced wide spread devaluation in the real estate market. Property taxes comprise approximately 33 percent of general revenues which remains pretty consistent with the prior fiscal year (see pages 38-39). For further information on the entire tax assessment process the reader can access the City of Bloomington Township Assessor website at <http://wevaluebloomington.org/>.

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

Following property tax, the next two significant revenue sources within the General Fund include the State Mandated Sales Tax and Home Rules Sales Tax. For fiscal year 2011, the State Mandated Sales Tax increased by \$165,315, or approximately 1.3 percent, while Home Rule Sales Tax remained relatively flat, decreasing by a mere \$7,145. This is good news, given that the City had seen a 5 year decline in the receipt of collection in State Mandated Sales Tax from the high point of \$14,123,222 collected in fiscal year 2006. Although, Home Rule Sales Tax has increased over the same five-year period this is largely due to the 0.25 percent increase which occurred in fiscal year 2009. The funds gleaned from this increase are being used to help offset the approximate \$1.8 million in annual debt service payments for the construction of the US Cellular Coliseum. Thus, this increase is not being used to fund General Fund operations.

For additional details on the information above refer to the Statistical Section from pages 151 through 180.

For the fiscal year 2012 budget, City staff remained relatively conservative in terms of projections for revenue and expenditures. Similar to FY 2010, City Administration stressed to each department the need to focus on providing services to residents in the most effective and efficient manner. Long term liabilities (pension, other post-employment benefit funding (OPEB), etc.) remain a strong concern to the City. In FY 2012, the City will fund 100% of the statutory minimum for the police and fire pension; however, the City will not fund the OPEB liability. The City will maintain a pay-as-you go strategy for the OPEB liability. This outlook is not sustainable. The City maintained a flat property tax levy despite increases in the IMRF, Fire Pension, and Police Pension. These pension increases were offset by lowering the tax levy to support operations within the General Fund. To the resident this indicates City operations are being funded through elastic, unpredictable revenues such as sales tax revenue and income tax rather than the stable property tax. From a long-term financial viewpoint, there is a strongly possibility if this trend continues, the property tax will be the sole funding source for pensions. If the City continues to rely upon elastic general sales tax revenue, to provide sole source funding for general fund operations it may be prudent to increase the City reserves to offset periods of weaker revenue collections.

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

In fiscal year 2012, the preparation of the budget followed a zero based methodology with elements of priority budgeting being incorporated into the purchase of capital equipment and infrastructure improvements. The City held multiple Work Sessions and instituted a budget open house to obtain input from City residents. The budget presented a strong challenge to the City Council and staff with the City facing multiple multi-year challenges with both revenue and expenditures. These challenges include, but are not limited to, relatively flat tax collections, significant pension liabilities which incur ever increasing annual required contributions, continual high costs (approximately \$2.0 million) related to the third year (total six years) payout from the IMRF early retirement incentive program , and replacement of postponed unfunded capital equipment and infrastructure. In FY 2012, the City will invest approximately \$6.3 million in the replacement of capital equipment. Approximately \$2.0 million will derive from General Fund revenue, while \$4.3 million will be funded through a five year capital lease. This action will begin to replace assets that have been backlogged since FY 2002. Significant assets being replaced include four automated recycling/garbage trucks, one fire engine pumper, two ambulances, seven police squad cars, and other equipment such as passenger vans, utility trucks, street paint machine, and dump trucks. The worn equipment replaced was classified as in need of critical replacement by representatives of the respective departments in addition to fleet management.

The City Council passed a reserve policy in FY 2011. The policy requires the City's reserve to approximate to 15% of budgeted expenditures and transfers within the General Fund. This approximates to \$11.2 million. The FY 2012, budget included a drawdown of the City's reserve balance to fund two significant infrastructure projects. First, the drawdown will fund \$2.5 million in road resurfacing for the City of Bloomington. These projects will occur throughout the City of Bloomington. Second, \$600,000 will fund the construction of Gaelic Park on the City's southeast side. This fund balance drawdown is allowed beneath the City's fund balance policy and is considered a one-time use of fund balance. This is action is not expected to occur in the future.

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: Douglas R. Ellsworth, CPA, Interim Director of Finance, City of Bloomington, 109 East Olive St., Bloomington, IL 61701.

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

	Primary Government		Total	Component Unit
	Governmental Activities	Business-Type Activities		Library Foundation
ASSETS				
Current Assets:				
Cash and investments	\$ 38,582,205	\$ 8,172,191	\$ 46,754,396	\$ 835,309
Beneficial interest in Stubblefield Trust	-	-	-	970,548
Receivables, net of allowances for uncollectibles of \$639,850:				
Taxes	23,586,995	-	23,586,995	-
Loans	1,304,499	-	1,304,499	-
Accounts	1,910,350	4,256,703	6,167,053	-
Accrued Interest	81	-	81	-
Due from other governmental units	8,768,510	-	8,768,510	-
Internal balances	1,652,705	(1,652,705)	-	-
Inventory	213,577	301,980	515,557	-
Prepaid items and other assets	13,568	35,348	48,916	-
Properties held for resale	16,775	-	16,775	-
Total current assets	76,049,265	11,113,517	87,162,782	1,805,857
Noncurrent assets:				
Land	19,795,851	7,966,439	27,762,290	-
Construction-in-progress	19,045,206	9,896,675	28,941,881	-
Other depreciable capital assets, net of accumulated depreciation	137,064,161	174,024,621	311,088,782	-
Total capital assets, net of depreciation	175,905,218	191,887,735	367,792,953	-
Net pension assets	3,476,364	-	3,476,364	-
Bond issuance costs	444,414	31,287	475,701	-
Restricted investments	5,402,151	-	5,402,151	-
Total noncurrent assets	9,322,929	31,287	9,354,216	-
Total assets	261,277,412	203,032,539	464,309,951	1,805,857

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

	Primary Government			Component Unit
	Governmental	Business-Type	Total	Library
	Activities	Activities		Foundation
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 5,720,905	\$ 1,784,273	\$ 7,505,178	\$ -
Ticket escrow payable	-	5,744	5,744	-
Claims payable	4,488,561	-	4,488,561	-
Compensated absences	1,701,163	181,127	1,882,290	-
Accrued interest payable	1,178,785	201,999	1,380,784	-
Unearned revenue	38,987	814,566	853,553	-
Deferred revenue, property taxes	23,601,796	-	23,601,796	-
Deposits	17,585	25,908	43,493	-
Current portion of capital lease payable	12,235	-	12,235	-
Current portion of loan payable	-	397,497	397,497	-
Current portion of note payable	-	558,143	558,143	-
Current portion of general obligation bonds payable	1,287,784	170,000	1,457,784	-
Total current liabilities	38,047,801	4,139,257	42,187,058	-
Noncurrent liabilities:				
Compensated absences	8,285,798	1,470,627	9,756,425	-
Net OPEB obligation	3,550,361	648,224	4,198,585	-
Net pension obligation	362,293	105,606	467,899	-
Capital lease payable, noncurrent portion	57,449	-	57,449	-
Loan payable, noncurrent portion	-	6,500,664	6,500,664	-
Note payable, noncurrent portion	-	10,490,392	10,490,392	-
General obligation bonds payable, noncurrent portion	65,597,481	5,775,000	71,372,481	-
Total noncurrent liabilities	77,853,382	24,990,513	102,843,895	-
Total liabilities	115,901,183	29,129,770	145,030,953	-
Net assets:				
Invested in capital assets, net of related debt	141,998,425	179,044,574	288,324,761	-
Permanently restricted, nonexpendable for:				
Healthcare	5,402,151	-	5,402,151	-
Library	-	-	-	1,000,577
Temporarily restricted	-	-	-	37,955
Restricted for:				
Debt service	10,766,874	-	10,766,874	-
Library	2,618,150	-	2,618,150	-
Tax increment financing districts	60,832	-	60,832	-
Motor fuel tax projects	2,697,518	-	2,697,518	-
Board of elections	210,781	-	210,781	-
Cultural district	1,061,074	-	1,061,074	-
Drug enforcement	247,373	-	247,373	-
Community development	982,923	-	982,923	-
Unrestricted	(20,669,872)	(5,141,805)	6,906,561	767,325
Total net assets	\$145,376,229	\$ 173,902,769	\$ 319,278,998	\$ 1,805,857

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF ACTIVITIES

Year Ended April 30, 2011

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 21,269,595	\$ 4,406,488	\$ 941,168	\$ 16,728
Public safety	33,941,689	4,490,756	623,262	44,211
Highways and streets	11,035,611	112,721	2,283,401	2,391,243
Sanitation	3,407,975	587,510	-	-
Health and welfare	185,254	-	-	-
Culture and recreation	15,635,645	2,760,663	146,574	248,879
Community development	3,006,136	3,609	1,311,676	-
Interest on long-term debt	3,091,812	-	-	-
Total governmental activities	91,573,717	12,361,747	5,306,081	2,701,061
Business-type activities:				
Water	11,417,741	15,645,249	-	58,190
Solid waste	6,420,312	4,282,084	-	-
Sewer	2,519,349	3,854,987	-	121,433
U.S. Cellular Coliseum	4,745,413	3,731,540	-	-
Stormwater management	1,969,551	2,780,282	-	1,500
Golf operations	2,940,876	2,640,194	-	-
Parking	1,365,633	821,278	-	-
Total business-type activities	31,378,875	33,755,614	-	181,123
Total primary government	122,952,592	46,117,361	5,306,081	2,882,184
Component Unit:				
Library Foundation	9,973	-	450	-
Total Government	\$ 122,962,565	\$ 46,117,361	\$ 5,306,531	\$ 2,882,184

General revenues:

Taxes:

- Property taxes
- Franchise taxes
- Sales taxes
- Home rule sales taxes
- Utility taxes
- Income taxes
- Food and beverage taxes
- Other taxes

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net assets

Net assets, beginning of year

Net assets, end of year

Net (Expense) Revenue and Changes in Net Assets

Primary Government		Component Unit	
Governmental Activities	Business-Type Activities	Total	Library Foundation
\$ (15,905,211)	\$ -	\$ (15,905,211)	\$ -
(28,783,460)	-	(28,783,460)	-
(6,248,246)	-	(6,248,246)	-
(2,820,465)	-	(2,820,465)	-
(185,254)	-	(185,254)	-
(12,479,529)	-	(12,479,529)	-
(1,690,851)	-	(1,690,851)	-
(3,091,812)	-	(3,091,812)	-
<u>(71,204,828)</u>		<u>(71,204,828)</u>	
-	4,285,698	4,285,698	-
-	(2,138,228)	(2,138,228)	-
-	1,457,071	1,457,071	-
-	(1,013,873)	(1,013,873)	-
-	812,231	812,231	-
-	(300,682)	(300,682)	-
-	(544,355)	(544,355)	-
-	<u>2,557,862</u>	<u>2,557,862</u>	
<u>(71,204,828)</u>	<u>2,557,862</u>	<u>(68,646,966)</u>	
-	-	-	(9,523)
<u>(71,204,828)</u>	<u>2,557,862</u>	<u>(68,646,966)</u>	<u>(9,523)</u>
25,465,406	-	25,465,406	-
1,840,488	-	1,840,488	-
12,967,729	-	12,967,729	-
13,711,320	-	13,711,320	-
3,026,589	-	3,026,589	-
5,845,551	-	5,845,551	-
3,805,477	-	3,805,477	-
7,988,053	-	7,988,053	-
989,986	62,633	1,052,619	207,850
1,665,977	664,659	2,330,636	3,326
(5,407,126)	5,407,126	-	-
<u>71,899,450</u>	<u>6,134,418</u>	<u>78,033,868</u>	<u>211,176</u>
694,622	8,692,280	9,386,902	201,653
144,681,607	165,210,489	309,892,096	1,604,204
<u>\$ 145,376,229</u>	<u>\$ 173,902,769</u>	<u>\$ 319,278,998</u>	<u>\$ 1,805,857</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS
Governmental Funds

BALANCE SHEET

April 30, 2011

	General	Library	Debt Service	Nonmajor Governmental Funds	Total
ASSETS					
Cash and investments	\$ 11,058,271	\$ 2,886,178	\$ 7,654,207	\$ 18,715,090	\$ 40,313,746
Receivables, net of allowance for uncollectibles:					
Taxes	16,893,609	4,513,519	2,179,867	-	23,586,995
Loans	379,590	-	-	924,909	1,304,499
Accounts	1,747,835	2,914	-	155,939	1,906,688
Due from other governmental units	8,347,107	76,724	69,997	274,682	8,768,510
Due from other funds	21,785	-	606,670	2,875,000	3,503,455
Interfund advance	-	-	2,450,000	-	2,450,000
Inventory	213,577	-	-	-	213,577
Prepaid items	10,103	-	-	-	10,103
Properties held for resale	-	-	-	16,775	16,775
	\$ 38,671,877	\$ 7,479,335	\$ 12,960,741	\$ 22,962,395	\$ 82,074,348
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenditures	\$ 3,484,262	\$ 345,616	\$ 14,000	\$ 1,668,862	\$ 5,512,740
Due to other funds	370,705	2,050	-	4,231,532	4,604,287
Deposits	-	-	-	17,585	17,585
Unearned income	1,136	-	-	-	1,136
Deferred revenue	19,206,086	4,513,519	2,179,867	14,801	25,914,273
Interfund advance	-	-	-	800,000	800,000
	23,062,189	4,861,185	2,193,867	6,732,780	36,850,021
Fund balances:					
Reserved for:					
Inventory	213,577	-	-	-	213,577
Loans	379,590	-	-	924,909	1,304,499
Interfund advances	-	-	2,450,000	-	2,450,000
Prepaid items	10,103	-	-	-	10,103
Encumbrances	534,069	185,932	-	2,446,230	3,166,231
Debt service	-	-	8,316,874	-	8,316,874
Trust corpus	-	-	-	5,402,151	5,402,151
Property held for resale	-	-	-	16,775	16,775
Unreserved, undesignated reported in:					
General fund	14,472,349	-	-	-	14,472,349
Special revenue funds	-	2,432,218	-	4,058,251	6,490,469
Capital projects fund	-	-	-	162,454	162,454
Permanent fund	-	-	-	3,218,845	3,218,845
Total fund balances	15,609,688	2,618,150	10,766,874	16,229,615	45,224,327
	\$ 38,671,877	\$ 7,479,335	\$ 12,960,741	\$ 22,962,395	\$ 82,074,348

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON

**Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities**

April 30, 2011

Total governmental fund balances		\$ 45,224,327
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		175,905,218
Unearned revenue from capital lease agreement, not reported in the funds.		(9,200)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		2,312,477
Internal service funds are used by management to charge the cost of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets:		
Current assets	\$ 3,677,818	
Internal balances	416,808	
Current liabilities	<u>(4,725,377)</u>	(630,751)
The pension assets resulting from contributions in excess of the annual required contribution are not financial resources and, therefore, are not reported in the funds.		3,476,364
The pension obligations resulting from annual required contributions in excess of the contribution are not due and payable in the current period and, therefore, are not reported in the funds.		(362,293)
The OPEB obligation resulting from annual required contributions in excess of contributions are not due and payable in the current period and, therefore, are not reported in the funds.		(3,550,361)
Internal service funds allocated to business-type activities.		686,729
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences	(9,986,961)	
Bond premium	(164,960)	
Bond discount	389,695	
Bond issuance costs	444,414	
Accrued interest payable	(1,178,785)	
Capital lease payable	(69,684)	
General obligation bonds payable	<u>(67,110,000)</u>	<u>(77,676,281)</u>
Net assets of governmental activities		<u>\$ 145,376,229</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS
Governmental Funds

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

Year Ended April 30, 2011

	General	Library	Debt Service	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	\$ 63,958,181	\$ 4,643,480	\$ 3,233,755	\$ 2,808,463	\$ 74,643,879
Intergovernmental	956,875	89,224	-	6,649,045	7,695,144
Licenses and permits	1,017,742	-	-	-	1,017,742
Charges for services	9,600,648	71,882	-	786,115	10,458,645
Fines and forfeitures	811,496	-	-	89,291	900,787
Investment income	76,096	5,051	7,046	882,038	970,231
Other	467,512	409,999	-	783,866	1,661,377
Total revenues	76,888,550	5,219,636	3,240,801	11,998,818	97,347,805
EXPENDITURES					
Current:					
General government	20,148,482	-	-	562,111	20,710,593
Public safety	30,977,081	-	-	246,163	31,223,244
Highways and streets	3,384,363	-	-	1,446,822	4,831,185
Sanitation	3,707,985	-	-	-	3,707,985
Health and welfare	-	-	-	224,099	224,099
Culture and recreation	6,041,954	4,412,021	-	2,883,411	13,337,386
Community development	-	-	-	3,016,860	3,016,860
Debt service:					
Principal	-	-	3,900,000	11,487	3,911,487
Interest and fiscal agent fees	-	-	3,080,750	31,288	3,112,038
Capital outlay	1,702,958	199,303	-	4,281,856	6,184,117
Total expenditures	65,962,823	4,611,324	6,980,750	12,704,097	90,258,994
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)					
	10,925,727	608,312	(3,739,949)	(705,279)	7,088,811
OTHER FINANCING SOURCES (USES):					
Transfers in	788,024	4,059	4,116,991	3,587,033	8,496,107
Proceeds from sale of capital assets	253,354	2,489	-	8,648	264,491
Transfers out	(7,101,817)	(564,183)	(484,158)	(855,197)	(9,005,355)
Total other financing sources (uses)	(6,060,439)	(557,635)	3,632,833	2,740,484	(244,757)
NET CHANGE IN FUND BALANCE	4,865,288	50,677	(107,116)	2,035,205	6,844,054
FUND BALANCE, BEGINNING OF YEAR	10,744,400	2,567,473	10,873,990	14,194,410	38,380,273
FUND BALANCE, END OF YEAR	\$ 15,609,688	\$ 2,618,150	\$ 10,766,874	\$ 16,229,615	\$ 45,224,327

The accompanying notes are an integral part of these 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**

Year Ended April 30, 2011

Net change in fund balances - governmental funds	\$ 6,844,054
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 activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount by which capital outlays exceeded depreciation in the current year:	
Capital outlay	4,871,805
Depreciation	(9,210,217)
The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, donations and disposals) is to increase/decrease net assets:	
Disposals of capital assets	(99,877)
Contributions of capital assets	296,571
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Transfer of capital assets to business-type activities	(5,147,878)
Change in compensated absences	(294,238)
The issuance of long-term debt (e.g. bonds, loan, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:	
Repayment of long-term debt	3,911,487
Amortization of issuance costs, bond premium, and bond discount	(33,171)
Interest	53,397
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	(106,556)
Change in internal service fund allocation to business-type activities.	76,579
Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.	
Reduction of fund deferred revenue	11,334
The increase in pension obligation resulting from annual required contributions in excess of the contributions do not require the use of current financial resources and, therefore, is not reported as expenditures in the funds.	(362,293)
The increase in OPEB obligation resulting from annual required contributions in excess of the contributions do not require the use of current financial resources and, therefore, is not reported as expenditures in the funds.	(229,386)
The increase in pension asset resulting from contributions in excess of the annual required contributions do not require the use of current financial resources and, therefore, is not reported as expenditures in the funds.	<u>113,011</u>
Change in net assets of governmental activities	<u>\$ 694,622</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS
Proprietary Funds

BALANCE SHEET

April 30, 2011

Business-type Activities - Enterprise Funds

	<u>Water</u>	<u>Solid Waste</u>	<u>Sewer</u>	<u>US Cellular Coliseum</u>
ASSETS				
Current assets:				
Cash and investments	\$ 6,023,657	\$ 589,954	\$ 110,337	\$ 553,237
Accounts receivable, net of allowance for uncollectibles	2,121,756	761,597	567,204	230,725
Accrued interest receivable	-	-	-	-
Due from other funds	800,000	-	-	-
Inventory	115,164	-	-	-
Prepaid items and other assets	13,653	-	-	21,695
Total current assets	<u>9,074,230</u>	<u>1,351,551</u>	<u>677,541</u>	<u>805,657</u>
Noncurrent assets:				
Capital assets:				
Land	4,800,980	-	276,237	448,524
Construction-in-progress	5,609,702	-	2,510,536	-
Other depreciable capital assets, net of accumulated depreciation	75,940,680	847,101	58,998,642	25,987,168
Total capital assets, net of depreciation	<u>86,351,362</u>	<u>847,101</u>	<u>61,785,415</u>	<u>26,435,692</u>
Interfund advances	5,700,000	-	-	-
Bond issuance costs	-	-	31,287	-
Total noncurrent assets	<u>92,051,362</u>	<u>847,101</u>	<u>61,816,702</u>	<u>26,435,692</u>
Total assets	<u>\$ 101,125,592</u>	<u>\$ 2,198,652</u>	<u>\$ 62,494,243</u>	<u>\$ 27,241,349</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 940,951	\$ 345,699	\$ 45,814	\$ 251,269
Ticket escrow payable	-	-	-	5,744
Claims payable	-	-	-	-
Compensated absences	63,131	63,370	11,192	-
Accrued interest payable	65,888	-	106,956	-
Due to other funds	47,293	49,077	3,685	-
Unearned revenue	-	-	-	663,361
Deposits	16,818	-	-	-
Current maturities of long-term debt	397,497	-	170,000	-
Total current liabilities	<u>1,531,578</u>	<u>458,146</u>	<u>337,647</u>	<u>920,374</u>
Noncurrent liabilities:				
Interfund advances	-	-	3,500,000	2,453,733
Compensated absences	479,804	550,298	130,429	-
Net OPEB obligation	247,561	256,217	28,754	-
Net pension obligation	45,011	34,406	3,042	-
Loan payable, noncurrent portion	6,500,664	-	-	-
Note payable, noncurrent portion	-	-	-	-
General obligation bonds payable noncurrent portion	-	-	5,775,000	-
Total noncurrent liabilities	<u>7,273,040</u>	<u>840,921</u>	<u>9,437,225</u>	<u>2,453,733</u>
Total liabilities	<u>8,804,618</u>	<u>1,299,067</u>	<u>9,774,872</u>	<u>3,374,107</u>
Net assets (deficit):				
Invested in capital assets, net of related debt	79,453,201	847,101	55,840,415	26,435,692
Unrestricted	12,867,773	52,484	(3,121,044)	(2,568,450)
Total net assets (deficit)	<u>92,320,974</u>	<u>899,585</u>	<u>52,719,371</u>	<u>23,867,242</u>
Total liabilities and net assets (deficit)	<u>\$ 101,125,592</u>	<u>\$ 2,198,652</u>	<u>\$ 62,494,243</u>	<u>\$ 27,241,349</u>

<u>Stormwater Management</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 509,462	\$ 385,544	\$ 8,172,191	\$ 3,670,610
531,908	43,513	4,256,703	3,662
-	-	-	81
-	-	800,000	413,075
-	186,816	301,980	-
-	-	35,348	3,465
<u>1,041,370</u>	<u>615,873</u>	<u>13,566,222</u>	<u>4,090,893</u>
242,671	2,198,027	7,966,439	-
1,776,437	-	9,896,675	-
5,160,966	7,090,064	174,024,621	-
<u>7,180,074</u>	<u>9,288,091</u>	<u>191,887,735</u>	<u>-</u>
-	-	5,700,000	1,115,995
-	-	31,287	-
<u>7,180,074</u>	<u>9,288,091</u>	<u>197,619,022</u>	<u>1,115,995</u>
<u>\$ 8,221,444</u>	<u>\$ 9,903,964</u>	<u>\$ 211,185,244</u>	<u>\$ 5,206,888</u>
\$ 58,898	\$ 141,642	\$ 1,784,273	\$ 208,165
-	-	5,744	-
-	-	-	4,488,561
17,956	25,478	181,127	-
29,155	-	201,999	-
4,572	7,616	112,243	-
-	151,205	814,566	28,651
-	9,090	25,908	-
558,143	-	1,125,640	-
<u>668,724</u>	<u>335,031</u>	<u>4,251,500</u>	<u>4,725,377</u>
-	1,400,000	7,353,733	1,112,262
83,597	226,499	1,470,627	-
42,356	73,336	648,224	-
7,884	15,263	105,606	-
-	-	6,500,664	-
10,490,392	-	10,490,392	-
-	-	5,775,000	-
<u>10,624,229</u>	<u>1,715,098</u>	<u>32,344,246</u>	<u>1,112,262</u>
<u>11,292,953</u>	<u>2,050,129</u>	<u>36,595,746</u>	<u>5,837,639</u>
7,180,074	9,288,091	179,044,574	-
(10,251,583)	(1,434,256)	(4,455,076)	(630,751)
(3,071,509)	7,853,835	174,589,498	(630,751)
<u>\$ 8,221,444</u>	<u>\$ 9,903,964</u>	<u>\$ 211,185,244</u>	<u>\$ 5,206,888</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON

Reconciliation of Enterprise Funds Net Assets to the Statement of Net Assets

April 30, 2011

Total enterprise funds net assets	\$ 174,589,498
Amounts reported for enterprise activities in the statement of net assets are different because:	
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	<u>(686,729)</u>
Net assets of business-type activities	<u>\$ 173,902,769</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS
Proprietary Funds

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

Year Ended April 30, 2011

	Business-type Activities - Enterprise Funds			
	Water	Solid Waste	Sewer	US Cellular Coliseum
REVENUES				
Charges for services	<u>\$ 15,645,249</u>	<u>\$ 4,282,084</u>	<u>\$ 3,854,987</u>	<u>\$ 3,731,540</u>
OPERATING EXPENSES				
Personal services	3,696,262	3,869,128	538,481	1,486,913
Contractual services	1,963,335	1,952,115	276,947	1,987,458
Commodities	3,544,689	273,545	174,221	268,055
Depreciation	1,940,445	299,473	1,267,891	923,089
Other charges, primarily claims	64,621	-	-	76,071
Total operating expenses	<u>11,209,352</u>	<u>6,394,261</u>	<u>2,257,540</u>	<u>4,741,586</u>
OPERATING INCOME (LOSS)	<u>4,435,897</u>	<u>(2,112,177)</u>	<u>1,597,447</u>	<u>(1,010,046)</u>
NONOPERATING INCOME (EXPENSE)				
Investment income	27,868	-	-	2,815
Other income	220,405	192,551	153,719	-
Interest expense	(179,163)	-	(259,233)	-
Total nonoperating income (expenses)	<u>69,110</u>	<u>192,551</u>	<u>(105,514)</u>	<u>2,815</u>
CHANGE IN NET ASSETS BEFORE CONTRIBUTIONS AND TRANSFERS	<u>4,505,007</u>	<u>(1,919,626)</u>	<u>1,491,933</u>	<u>(1,007,231)</u>
CONTRIBUTION REVENUE	<u>58,190</u>	<u>1,153,142</u>	<u>121,433</u>	<u>-</u>
TRANSFERS				
Transfers in	-	1,767,775	-	88,905
Transfers out	(315,553)	(101,706)	(965,110)	-
Total transfers	<u>(315,553)</u>	<u>1,666,069</u>	<u>(965,110)</u>	<u>88,905</u>
CHANGE IN NET ASSETS	4,247,644	899,585	648,256	(918,326)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>88,073,330</u>	<u>-</u>	<u>52,071,115</u>	<u>24,785,568</u>
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ 92,320,974</u>	<u>\$ 899,585</u>	<u>\$ 52,719,371</u>	<u>\$ 23,867,242</u>

<u>Stormwater Management</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
<u>\$ 2,780,282</u>	<u>\$ 3,461,472</u>	<u>\$ 33,755,614</u>	<u>\$ 11,341,629</u>
927,640	1,887,407	12,405,831	-
209,862	1,204,596	7,594,313	4,218,728
76,248	808,784	5,145,542	-
222,085	395,825	5,048,808	-
239,713	-	380,405	7,499,212
<u>1,675,548</u>	<u>4,296,612</u>	<u>30,574,899</u>	<u>11,717,940</u>
<u>1,104,734</u>	<u>(835,140)</u>	<u>3,180,715</u>	<u>(376,311)</u>
31,950	-	62,633	19,755
38,967	59,017	664,659	-
(289,001)	-	(727,397)	-
<u>(218,084)</u>	<u>59,017</u>	<u>(105)</u>	<u>19,755</u>
<u>886,650</u>	<u>(776,123)</u>	<u>3,180,610</u>	<u>(356,556)</u>
<u>259,123</u>	<u>3,737,113</u>	<u>5,329,001</u>	<u>-</u>
-	1,626	1,858,306	481,001
(126,834)	(89,855)	(1,599,058)	(231,001)
<u>(126,834)</u>	<u>(88,229)</u>	<u>259,248</u>	<u>250,000</u>
1,018,939	2,872,761	8,768,859	(106,556)
<u>(4,090,448)</u>	<u>4,981,074</u>	<u>165,820,639</u>	<u>(524,195)</u>
<u>\$ (3,071,509)</u>	<u>\$ 7,853,835</u>	<u>\$ 174,589,498</u>	<u>\$ (630,751)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON

Reconciliation of Enterprise Funds Change in Net Assets to the Statement of Net Assets

Year Ended April 30, 2011

Net change in net assets in enterprise funds \$ 8,768,859

Amounts reported for enterprise activities in the statement of activities are different because:

Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net expense of certain activities of internal service funds is reported with business-type activities. (76,579)

Change in net assets of business-type activities \$ 8,692,280

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON
Proprietary Funds

STATEMENT OF CASH FLOWS

Year Ended April 30, 2011

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Solid Waste</u>	<u>Sewer</u>	<u>US Cellular Coliseum</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 15,531,020	\$ 3,520,487	\$ 3,747,420	\$ 3,319,667
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(5,874,601)	(1,879,961)	(594,765)	(2,242,055)
Payments to claimants	-	-	-	-
Payments to employees	(3,848,336)	(2,964,837)	(502,277)	(1,476,989)
Other receipts	220,405	180,619	153,719	-
Net cash from operating activities	<u>6,028,488</u>	<u>(1,143,692)</u>	<u>2,804,097</u>	<u>(399,377)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Payments to interfund accounts	(6,165,553)	(101,706)	(5,915,110)	(298,850)
Proceeds from interfund accounts	6,348,036	1,816,852	3,503,685	95,089
Payments on debt	-	-	-	-
Net cash from noncapital financing activities	<u>182,483</u>	<u>1,715,146</u>	<u>(2,411,425)</u>	<u>(203,761)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from sales of capital assets	-	18,500	-	-
Purchase of capital assets	(1,526,317)	-	(297,550)	(18,572)
Payments on loan and general obligation bonds	(425,840)	-	(420,093)	-
Net cash from capital and related financing activities	<u>(1,952,157)</u>	<u>18,500</u>	<u>(717,643)</u>	<u>(18,572)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	27,868	-	-	2,815
Proceeds from investment sales	-	-	-	-
Net cash from investing activities	<u>27,868</u>	<u>-</u>	<u>-</u>	<u>2,815</u>
Net increase in cash	4,286,682	589,954	(324,971)	(618,895)
Cash and cash equivalents, beginning of year	<u>1,736,975</u>	<u>-</u>	<u>435,308</u>	<u>1,172,132</u>
Cash and cash equivalents, end of year	<u>\$ 6,023,657</u>	<u>\$ 589,954</u>	<u>\$ 110,337</u>	<u>\$ 553,237</u>

The accompanying notes are an integral part of these financial statements.

<u>Stormwater Management</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 2,762,070	\$ 3,570,898	\$ 32,451,562	\$ 8,435,735
-	-	-	3,033,158
(896,205)	(2,086,011)	(13,573,598)	(3,956,847)
-	-	-	(7,117,333)
(841,617)	(1,635,019)	(11,269,075)	-
38,967	59,017	652,727	-
<u>1,063,215</u>	<u>(91,115)</u>	<u>8,261,616</u>	<u>394,713</u>
(178,596)	4,009,744	(8,650,071)	(1,197,810)
4,572	(3,661,086)	8,107,148	1,031,001
(824,589)	-	(824,589)	-
<u>(998,613)</u>	<u>348,658</u>	<u>(1,367,512)</u>	<u>(166,809)</u>
-	-	18,500	-
(90,979)	(50,425)	(1,983,843)	-
-	-	(845,933)	-
<u>(90,979)</u>	<u>(50,425)</u>	<u>(2,811,276)</u>	<u>-</u>
31,950	-	62,633	28,034
-	-	-	581,077
<u>31,950</u>	<u>-</u>	<u>62,633</u>	<u>609,111</u>
5,573	207,118	4,145,461	837,015
<u>503,889</u>	<u>178,426</u>	<u>4,026,730</u>	<u>2,727,483</u>
<u>\$ 509,462</u>	<u>\$ 385,544</u>	<u>\$ 8,172,191</u>	<u>\$ 3,564,498</u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON
Proprietary Funds

STATEMENT OF CASH FLOWS

Year Ended April 30, 2011

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Solid Waste</u>	<u>Sewer</u>	<u>US Cellular Coliseum</u>
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ 4,435,897	\$ (2,112,177)	\$ 1,597,447	\$ (1,010,046)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	1,940,445	299,473	1,267,891	923,089
Other income (expense)	220,405	180,619	153,719	-
Change in assets and liabilities:				
Receivables	(114,229)	(761,597)	(107,567)	94,225
Inventory	6,102	-	-	-
Prepaid items and other assets	(1,086)	-	-	28,455
Accounts payable and accrued expenses	(305,562)	345,699	(143,597)	70,998
Ticket escrow payable	-	-	-	(400,629)
Claims payable	-	-	-	-
Unearned revenue	-	-	-	(105,469)
Deposits	(1,410)	-	-	-
Compensated absences	(169,342)	613,668	29,899	-
Net OPEB obligation	(27,743)	256,217	3,263	-
Net pension obligation	45,011	34,406	3,042	-
Net cash from operating activities	<u>\$ 6,028,488</u>	<u>\$ (1,143,692)</u>	<u>\$ 2,804,097</u>	<u>\$ (399,377)</u>
Reconciliation of cash and cash equivalents to specific assets on the statement of net assets:				
Cash and investments	\$ 6,023,657	\$ 589,954	\$ 110,337	\$ 553,237
Less items not meeting the definition of cash equivalents	-	-	-	-
Cash and cash equivalents, end of year	<u>\$ 6,023,657</u>	<u>\$ 589,954</u>	<u>\$ 110,337</u>	<u>\$ 553,237</u>
Schedule of noncash items:				
Capital and related financing activities:				
Contribution of capital assets	\$ 58,190	\$ 1,153,142	\$ 121,433	\$ -
Investing activities, net of appreciation in fair value of investments	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

<u>Stormwater Management</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 1,104,734	\$ (835,140)	\$ 3,180,715	\$ (376,311)
222,085	395,825	5,048,808	-
278,680	59,017	892,440	-
(18,212)	(41,779)	(949,159)	158,593
-	(186,816)	(180,714)	-
-	-	27,369	135,290
(610,095)	115,867	(526,690)	126,591
-	-	(400,629)	-
-	-	-	381,879
-	151,205	45,736	(31,329)
-	(1,682)	(3,092)	-
68,166	210,655	753,046	-
9,973	26,470	268,180	-
7,884	15,263	105,606	-
<u>\$ 1,063,215</u>	<u>\$ (91,115)</u>	<u>\$ 8,261,616</u>	<u>\$ 394,713</u>
\$ 509,462	\$ 385,544	\$ 8,172,191	\$ 3,670,610
-	-	-	(106,112)
<u>\$ 509,462</u>	<u>\$ 385,544</u>	<u>\$ 8,172,191</u>	<u>\$ 3,564,498</u>
\$ 259,123	\$ -	\$ 1,591,888	\$ -
\$ -	\$ -	\$ -	\$ 1,717

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS

PENSION TRUST FUND

STATEMENT OF FIDUCIARY NET ASSETS

April 30, 2011

ASSETS	
Cash	\$ 3,197,890
Investments:	
U.S. government securities	9,639,062
U.S. government agencies and corporations	11,467,810
Annuities - fixed	16,060,108
Annuities - variable	15,874,327
Mutual funds	26,062,562
Stocks	2,468,653
Corporate bonds	712,531
Receivables:	
Employee	88,264
Accrued interest	<u>206,093</u>
 Total assets	 <u>85,777,300</u>
 LIABILITIES	
Accounts payable	<u>10,757</u>
 NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	 <u><u>\$ 85,766,543</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS

PENSION TRUST FUND

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

Year Ended April 30, 2011

ADDITIONS

Contributions:

Employer	\$ 7,008,649
Active members	1,591,677
Other sources	<u>116,042</u>
Total contributions	<u>8,716,368</u>

Investment income

Net appreciation in fair value of investments	7,220,120
Interest	1,065,640
Dividends	922
Miscellaneous income	<u>469</u>

Total investment income 8,287,151

Less investment expense 40,060

Net investment income 8,247,091

Total additions 16,963,459

DEDUCTIONS

Benefits	7,051,729
Administrative expenses	<u>144,332</u>

Total deductions 7,196,061

NET DECREASE 9,767,398

NET ASSETS HELD IN TRUST FOR PENSION BENEFITS

BEGINNING OF YEAR 75,999,145

END OF YEAR \$ 85,766,543

The accompanying notes are an integral part of these financial statements.

CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Bloomington, Illinois (the City) was incorporated in 1850 under the laws of the State of Illinois. The City operates under the Mayor-Council-Administrator form of government. The City provides services to its residents in many areas, including public safety, public works services, community enrichment, and development.

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

A. Reporting Entity

In accordance with the Codification of Governmental Accounting and Financial Reporting Standards, the basic financial statements include all funds, organizations, agencies, boards, commissions, and authorities for which the City is financially accountable. The City has also considered all other potential organizations for which the nature and significance of their relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for that organization to provide specific benefits to or impose specific financial burdens on the City. Based on these criteria, the City is presented as a primary government.

Discretely Presented Component Unit:

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 issues a stand-alone financial report which is available at 207 West Jefferson Street, Bloomington, Illinois 61701.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Government-wide and Fund Financial Statements

Fund accounting: The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, reserves, fund balance/net assets, revenues and expenditures or expenses, as appropriate.

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

Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance". The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector (business-type activities). The measurement focus is upon income determination, financial position, and cash flows. Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. Internal service funds are used to finance and account for services and commodities provided by designated departments or agencies to other departments and agencies of the City.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-wide and Fund Financial Statements – Continued

Fiduciary fund types are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City utilizes pension trust funds to account for assets that the City holds in a fiduciary capacity or on behalf of others as their agent. Pension trust funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Government-wide financial statements: The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. There are no indirect expenses. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

The following are the City's major governmental funds:

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-wide and Fund Financial Statements – Continued

Library Fund: To account for the tax and other resources used to provide library services to the citizens of the City.

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

The following are the City's major enterprise funds:

Water Fund: To account for the operation of the City's water treatment facilities and services.

Solid Waste Fund: To account for the operation of the City's solid waste services.

Sewer Fund: To account for the operation of the City's waste disposal activities.

U.S. Cellular Coliseum Fund: To account for the activities of operating the City's downtown sports and entertainment facility.

Stormwater Management Fund: To account for the operation of the City's stormwater management activities.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement presentation – Continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Also, income taxes have a 120 day availability period in the current year due to delays in distributions from the State of Illinois. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Licenses and permits, fines and forfeitures, charges for sales and services (other than utility), and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are measurable and available.

Property taxes receivable represents the 2010 levy that is due and collectible in 2011-2012 fiscal year. The 2010 levy was adopted in November 2010. Property taxes attach as an enforceable lien on the property as of January 1 and are due and collectible in June and September of the fiscal year following the 2010 tax levy. For governmental funds, property taxes are reported as deferred revenue until the measurable and available criteria have been met (the year intended to finance and collected within 60 days after year end). No allowance is provided for uncollectible taxes, which is immaterial to the financial statements. The 2011 levy has not been recorded as a receivable in accordance with GASB Statement No. 33, *Accounting for Nonexchange Transactions*. While the levy attached as a lien as of January 1, 2011, the taxes will not be levied by the City or extended by the County until November 2011, and therefore, the amount is not measurable at April 30, 2011.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

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. Operating expenses for enterprise 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance except for those pronouncements which conflict with or contradict GASB pronouncements.

D. Cash and Investments

Except where otherwise required, the City maintains all deposits in a bank account in the name of the City. These deposits are invested on a short-term basis with interest income being allocated to the funds based on their respective balance.

Investments are reported at fair value. Securities traded on the national or international exchange are valued at the last reported sales price at current exchange rates. The City invests in the Illinois Metropolitan Investment Fund and the Illinois Funds Money Market Fund. A board of directors, which includes investment advisors regulated by the SEC, provides administrative oversight for the Illinois Metropolitan Investment Fund. The Illinois Funds Money Market Fund is regulated by the State Treasurer's Office. The fair value of the position in the external investment pools is the same as the value of the pool shares.

E. Statement of cash flows

For purposes of the statement of cash flows for proprietary funds, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

F. Accounts receivable

Receivables consist primarily of property taxes, intergovernmental and other miscellaneous amounts due to the City. All are net of an allowance for uncollectibles.

G. 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 U.S. Cellular Coliseum Enterprise Fund. Revenue is recognized as services are provided to the third party and expenses are recognized as the U.S. Cellular Coliseum 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 the unearned.

H. Inventory

Consists of consumable supplies and are valued at cost using the first-in first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

I. Prepaid Items/Expenses

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

J. Capital assets

Including land, construction, land improvements, machinery and equipment, licensed vehicles, zoo animals, and infrastructure are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an initial useful life of one year or greater. 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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

J. Capital Assets – Continued

Assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation has been provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives for each capital asset type are 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
Zoo animals	10 - 60 years

The City's collection of library books and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to City policy that requires proceeds from the sale of these items to be used to acquire other collection items.

K. Deferred revenues

In the governmental funds, deferred revenues represent amounts due, which are measurable, but not available. In the statement of net assets, deferred revenues represent the deferral of property taxes which are recognized in the year intended to finance, regardless of when collected.

L. Unearned revenue

Unearned revenue represents grants and similar items received; however, the City has not met all eligibility requirements imposed by the provider.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

M. Ticket escrow payable

Monies received for ticket sales are booked to ticket escrow payable until the event occurs. After each event, a settlement is prepared. The settlement determines the amount to be paid to the promoter and the amount that the U.S. Cellular Coliseum Enterprise Fund will recognize as revenue.

N. Interfund transactions

Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective fund's operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Noncurrent portions of long-term interfund loan receivables are reported as advances within the governmental funds and are offset equally by a fund balance reserve account which indicates they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

O. 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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

O. Compensated absences – Continued

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.

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.

P. Fund equity

Reservations of fund balance represent amounts that are not appropriated or are legally segregated for a specific purpose. Restrictions of net assets are limited to outside third-party restrictions. Designations of fund balance represent tentative management plans that are subject to change.

Q. Net assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt, excludes unspent debt proceeds. Restricted net assets are legally restricted by outside parties for a specific purpose. None of the restricted net assets are the result of enabling legislation adopted by the City.

The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

R. Bond premium, discounts, and issuance costs

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

R. Bond premium, discounts, and issuance costs – Continued

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

S. Properties held for resale

Properties 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 value are charged to expense/expenditures.

T. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds and the J.M. Scott permanent fund are held separately from those of the other funds. The investments are governed by four separate investment policies; one policy each for the City and the J.M. Scott permanent fund adopted by the City Council and one policy each for the Police Pension Fund and Firemen's Pension Fund approved by their respective boards.

In accordance with the City's investment policy, the City's funds may be invested in instruments permitted by the Illinois Public Funds Investment Act (30 ILCS 230/5). The City's policy further limits investments to (1) bonds, notes, certificates of indebtedness, treasury bills, or other securities guaranteed by United States including the Government National Mortgage Association, the Tennessee Valley Authority, Small Business

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

Administration, Farmer's Home Administration, General Services Administration, Maritime Administration, and the Export-Import Bank;(2) Interest-bearing savings accounts, interest-bearing certificates of deposit which include participation within the certificate of deposit account registry service (CDAR) program as long as the City's investment in any one bank does not exceed the FDIC limit, interest-bearing time deposits, or any other investments that are direct obligations of any local banks; (3) Commercial paper with no single investment exceeding \$2.0 million in face value with a maturity of no longer than 180 days and must have one of the following bond ratings: A-1, P-1, F-1 or D-1; (4) Securities legally issued by state or federal savings and loan associations which are insured by the FDIC; (5) Money-market mutual funds registered under the amended Investment Company Act of 1940 provided that the portfolio is limited to bonds, notes, and certificates of indebtedness, treasury bills, or other securities which are guaranteed by the United States or agreements to repurchase these same types of obligations, and qualified agencies under the Illinois Public Funds Investment Act; (6) Repurchase Agreements through any bank or other financial institution, a regional investment pool, the State of Illinois Treasurer's Investment Pool, or the Illinois Metropolitan Investment Fund (IMET); (7) Agency bonds with a rating of AAA subject to approval by the Director of Finance; (8) Taxable Municipal Bonds with a credit rating of AA or higher from one rating agency, or bonds which are insured to equate to a AAA rating to the extent that such investments do not exceed 10% of the total portfolio; (9) Agency structured notes, index amortizing notes, and other derivative securities are specifically prohibited; (10) Bond mutual funds registered under the Investment Company Act of 1940, provided that the portfolio is limited to bonds, notes, treasury bills, or other securities which are guaranteed by the United States government or agreements to repurchase these same types of obligations, and qualified U.S. agencies under the Illinois Public Funds Investment Act; (11) No single investment, except those guaranteed by the United States government, may exceed 5% of the funds' total market value.

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

The Police Pension Fund and Firemen's Pension Fund investment policies authorize the pension funds to invest in securities permitted in the Illinois Compiled Statutes (40 ILCS 5/1-113). The statutes authorize the Pension Funds to invest in 1) interest bearing direct obligations of the United States of America; 2) interest bearing obligations to the extent they are fully guaranteed or insured by the United States of America; 3) interest bearing bonds, notes, debentures or other similar obligations of agencies of the United States of America; 4) interest bearing savings accounts or certificates of deposit issued by federally chartered banks or savings and loan associations, state of Illinois chartered banks or savings and loan associations, or credit unions to the extent the investments are insured by agencies or instrumentalities of the federal government; 5) interest bearing bonds of the state of Illinois; 6) pooled interest bearing accounts managed by the Illinois Public Treasurer's Pool; 7) interest bearing bonds or tax anticipation warrants of any county, township or municipal corporation of the state of Illinois; 8) direct obligations of the state of Israel subject to certain limitations as defined in the statute; 9) money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953 and are diversified, open-ended management investment companies provided the money market portfolio is limited to bonds, notes, certificates of indebtedness, treasury bills or other securities guaranteed by the full faith and credit of the United States of America; bonds, notes, debentures or other similar obligations of the United States of America or its agencies; or certain short-term obligations of corporations; 10) general accounts of life insurance companies authorized to transact business in Illinois; 11) separate accounts managed by life insurance companies authorized to transact business in Illinois that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments or real estate or loans upon real estate secured by a first or second mortgage; 12) mutual funds managed by an investment company as defined and registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953; that have been in operation for at least five years; that have total net assets of \$250 million or more; and that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments; 13) common and preferred stocks authorized for investments of trust funds under the laws of the state of Illinois that meet certain requirements detailed in the statutes.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

A. Deposits

Custodial Credit Risk: Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City's investment policy requires 102% collateralization of all deposits in excess of FDIC coverage.

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

The Police and Firemen's Pension Funds investment policies do not specifically address custodial credit risk for deposits, except for the Pension Funds' compliance with State statutes. As of April 30, 2011, the Firemen's Pension Fund bank balances of deposits held at various institutions which were exposed to custodial credit risk because the balances were uninsured and uncollateralized totaled \$63,178.

A portion of the City's deposits are held at the Illinois Prairie Community Foundation (Foundation), a not for profit organization. The Foundation encourages eligible organizations to place their funds with the Foundation for protection and professional management. The City has specified itself as the beneficiary of the assets transferred to the Foundation and therefore, retains a future economic benefit of the assets transferred. The funds are held in a pooled income fund by an Illinois banking institution and managed under the supervision of the Foundation. The Foundation charges a quarterly fee against the fund for the investment and management of the fund. The purpose of the funds shall be to provide capital improvements to the City's Cultural District for a) the renovation of the Bloomington Center for the Performing Arts, b) the renovation of the Arts Education Center, c) the development of adjacent green spaces, or d) related items. The City is required to provide a written request for distribution of funds, signed by the Executive Director of the City's Cultural District and the City Manager.

B. Investments

Custodial Credit Risk: The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. To limit its exposure, the City's

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

investment policy requires assets 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 investment policy does not specifically address custodial credit risk for investments.

The Police Pension Fund's investment policy does not mitigate custodial credit risk for investments. As of April 30, 2011, \$8,797 of the Pension Fund's investments of \$45,406,448 were exposed to custodial credit risk, as they were uninsured and uncollateralized. The uninsured and uncollateralized balance of \$8,797 is Government National Mortgage Association securities held by the Police Pension Fund.

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

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the City's investment policy, the City limits its exposure to interest rate risk 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.

In accordance with the J.M. Scott investment policy, the fund's investment portfolio will remain in a position to meet promptly all demands the Trustee may make upon the assets.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

In accordance with the Police Pension Fund's investment policy, the Pension Fund's investment portfolio will remain sufficiently liquid to enable the pension fund to pay all necessary benefits and meet all operating requirements which might be reasonably anticipated. The investment policy does not limit the maximum maturity length of investments in the Police Pension Fund.

The Firemen's Pension Fund's investment policy requires the 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. Anticipated expenses for a one-year period will be maintained in short-term investments, namely the Illinois Funds account maintained by the state treasurer. The investment policy does not limit the maximum maturity length of investments in the Firemen's Pension Fund.

Information about the sensitivity of the fair values of the City's and Pension Fund's investments to market interest rate fluctuations are provided by the following table that shows the distribution of the investments by maturity:

	<u>Fair Value</u>	<u>< 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>> 10 Years</u>
City of Bloomington					
IL Funds	\$ 21,164,986	\$ 21,164,986	\$ -	\$ -	\$ -
IMET	7,687,540	-	7,687,540	-	-
Mutual Fund	8,555,432	8,555,432	-	-	-
Money Market Mutual Fund	7,345	7,345	-	-	-
U.S. Government Agency Bonds	106,112	106,112	-	-	-
Total City of Bloomington	<u>\$ 37,521,415</u>	<u>\$ 29,833,875</u>	<u>\$ 7,687,540</u>	<u>\$ -</u>	<u>\$ -</u>
Police Pension Fund					
Mutual Funds	\$ 14,787,704	\$ 14,787,704	\$ -	\$ -	\$ -
U.S. Government Securities	8,361,162	201,719	6,071,682	2,087,761	-
U.S. Government Agencies and Corporations	10,961,314	1,003,568	8,530,839	1,418,110	8,797
Corporate Bonds	712,531	-	712,531	-	-
Annuities - Fixed	2,263,280	-	2,263,280	-	-
Equity Securities	8,320,457	8,320,457	-	-	-
Total Police Pension Fund	<u>\$ 45,406,448</u>	<u>\$ 24,313,448</u>	<u>\$ 17,578,332</u>	<u>\$ 3,505,871</u>	<u>\$ 8,797</u>
Firemen's Pension Fund					
U.S. Treasury securities	\$ 1,277,900	\$ -	\$ -	\$ -	\$ 1,277,900
U.S. Agency securities	506,496	-	-	-	-
Annuities - Fixed	13,796,828	-	3,628,407	10,113,683	54,738
Total Firemen's Pension Fund	<u>\$ 15,581,224</u>	<u>\$ -</u>	<u>\$ 3,628,407</u>	<u>\$ 10,113,683</u>	<u>\$ 1,332,638</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy requires that United States Government Agency bonds 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 of fixed income securities having not less than an "A" rating from a recognized rating agency.

The Police Pension Fund's investment policy limits the Pension 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 licensed 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 said security is not rated less than Aa by Moody's or AA+ by Standard and Poor's.

The Firemen's Pension Fund's investment policy does not specifically address credit risk for investments, except for compliance with State statutes.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

As of April 30, 2011, the City’s investments were rated as follows:

Investment Type	Moody’s Investors Services	Standard & Poor’s	A.M. Best Company
City of Bloomington:			
Money Market Mutual Funds:			
Vanguard Admiral Treasury Money Market Fund	Aaa	AAA	N/A
Vanguard Inflation – Protect Sec. Adm	Aaa	AAA	N/A
Vanguard Total Stock Market Idx Inst	Not Rated	Not Rated	N/A
Vanguard Long-Term Invest-Gr Adm	Not Rated	*	N/A
Illinois Metropolitan Investment Fund	Not Rated	AAAf	N/A
Illinois Funds Money Market Fund	Not Rated	AAAm	N/A
U.S. Government Agencies and Corporations:			
U.S. Government Agency Bonds	Aaa	AA+	N/A
Police Pension Fund:			
Money Market Mutual Funds:			
American Funds Europacific Growth Fund	Not Rated	Not Rated	N/A
American Funds Growth Fund of America	Not Rated	Not Rated	N/A
Blackrock Equity Fund	Not Rated	Not Rated	N/A
CGM Realty Fund	Not Rated	Not Rated	N/A
DFA U.S. Small Cap Value Portfolio	Not Rated	Not Rated	N/A
Dodge & Cox Stock Fund	Not Rated	Not Rated	N/A
Oppenheimer Developing Markets Equity Fund	Not Rated	Not Rated	N/A
Royce Special Equity Fund	Not Rated	Not Rated	N/A
Schwab Government Money Fund	Not Rated	Not Rated	N/A
Schwab U.S. Treasury Money Fund	Not Rated	Not Rated	N/A
Sentinel Small Company Fund	Not Rated	Not Rated	N/A
Thornburg Value Fund	Not Rated	Not Rated	N/A
Virtus Real Estate Securities Equity Fund	Not Rated	Not Rated	N/A
William Blair International Growth Fund	Not Rated	Not Rated	N/A
Annuities - Fixed:			
Prosaver Platinum 8-Year Annuity	Aa3	N/A	A+
Prosaver Platinum 7-Year Annuity	Aa3	N/A	A+
Corporate Bonds	Aaa	AAA	N/A
U.S. Government Agencies and Corporations:			
Federal Home Loan Mortgage Corporation	Aaa	AAA	A+
Government National Mortgage Association	Aaa	AAA	A+
Federal Home Loan Bank	Aaa	AAA	A+
Federal National Mortgage Association	Aaa	AAA	A+
Federal Farm Credit Bank	Aaa	AAA	A+
Equity Securities - SPDR Trust Unit SR1 Stock	Not Rated	Not Rated	N/A

* Includes various ratings from Below B to AAA.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

<u>Investment Type</u>	<u>Moody's Investors Services</u>	<u>Standard & Poor's</u>	<u>A.M. Best Company</u>
Firemen's Pension Fund:			
Money Market Mutual Funds:			
Illinois Funds	Not Rated	AAAm	Not Rated
U.S. Agency Securities:			
Federal Home Loan Bank Callable Bonds	Aaa ³	AAA ⁴	Not Rated
Annuities:			
Jackson National Life	A1	AA	A+
Sun Life Financial – Sun Life Assurance Co.	Aa3 ²	AA ⁻¹	A+ ¹
Sun Life Financial – Key Port Annuities	Aa3 ²	AA ⁻¹	A+ ¹
OM Financial/Fidelity and Guaranty Insurance Company	Ba1	BB-	B++
ING USA Annuity and Life Insurance Company	A2	A	A
Aviva USA Corporation	A3 ¹	AA-	A ¹
Symetra Life Insurance Company	A3	A	A
RBC Liberty Life Insurance Company	Not Rated	Not Rated	A-
American National Insurance Company	Not Rated	A+	A

¹ – Outlook stable

² – Negative outlook

³ – On August 8, 2011, Moody's confirmed Freddie Mac's credit rating and assigned a negative outlook to the ratings.

⁴ – On August 8, 2011, Standard & Poors lowered Freddie Mac's credit rating to AA+ from AAA and assigned a negative outlook to that rating.

Concentration of Credit Risk. It is the policy of the City of Bloomington to diversify its investment portfolio in order to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, 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 the Illinois Fund through the State Treasurer's Pool, the City will not have more than 30 percent 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 issues.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

It is the policy of the Police Pension Fund to invest in a manner that seeks to ensure the preservation of capital. The Pension Fund is to consciously diversify the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. The Pension Fund has adopted an asset allocation policy as follows:

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Cash	1.00%	3.00%	25.00%
Fixed income	30.00	52.00	75.00
Large cap domestic equities	20.00	32.00	36.00
Small cap domestic equities	2.50	5.00	18.00
International equities	-	5.00	18.00
Real estate	-	3.00	10.00

The Police Pension Fund further requires the investment in a general account of an insurance company shall not be invested in more than 10 percent of real estate and more than 10 percent of bonds with rating of less than Baal by Moody's or BBB+ by Standard & Poor's. Total investments in contracts and agreements of life insurance companies shall not exceed 15 percent of the aggregate market value of the Police Pension Fund and no more than 5 percent of the Police Pension Fund assets may be invested in one single insurance company. Up to 5 percent of the assets of the Police Pension Fund may be invested in nonconvertible bonds, debenture, notes and other corporate obligations; Canadian securities; and direct obligations of Israel. Investments in notes secured by mortgages under Sections 203, 207, 220 and 221 of the National Housing Act are limited to 20 percent of the investment portfolio. Investments in stocks and convertible debt are limited to 50 percent of the investment portfolio. Investments in any one issuer that represent more than 5 percent or more of the total Pension Fund's investments are as follows:

Thornburg Value Fund	\$ 2,761,079
American Funds Growth Fund of America	2,665,204
SPDR Trust Unit SR1 Stock	8,320,456

The Firemen's Pension Fund's investment policy does not specifically address concentration of credit risk for investments, except for compliance with State statutes. It is the policy of the Firemen's Pension Fund to invest in a manner that seeks to ensure the prudent and consistent management of the investments of the Firemen's Pension Fund. The state statutes governing the Firemen's Pension Fund limit

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

combined investments in separate accounts managed by life insurance companies (variable annuities), mutual funds and common and preferred stocks to 45 percent of the Firemen's Pension Fund's net assets. Investments in any one issuer that represents 5 percent or more of the total Firemen's Pension Fund's net assets as of April 30, 2011 (excluding those investments issued by or explicitly guaranteed by the U.S. government) are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Fair Value</u>
Firemen's Pension Fund:		
Aviva USA Corporation	Annuity Contracts – fixed	\$ 3,028,548
Aviva USA Corporation	Annuity Contracts – fixed	1,844,393
Sun Life Financial	Annuity Contracts – variable	2,595,188

As of April 30, 2011, the Firemen's Pension Fund was not in compliance with the 45 percent limit of net assets for combined investments in variable annuities, mutual funds and common and preferred stocks. Total investments in these types of assets were \$21,297,381 or 55.7 percent for the year ended April 30, 2011.

3. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended April 30, 2011:

	Beginning Balance <u>May 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	Ending Balance <u>April 30, 2011</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 21,702,438	\$ 1,000	\$ -	\$1,907,587	\$ 19,795,851
Construction-in-progress	<u>23,203,456</u>	<u>3,182,603</u>	<u>7,340,853</u>	<u>-</u>	<u>19,045,206</u>
Total capital assets, not being depreciated	<u>44,905,894</u>	<u>3,183,603</u>	<u>7,340,853</u>	<u>1,907,587</u>	<u>38,841,057</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

3. CAPITAL ASSETS – Continued

	Beginning Balance May 1, 2010	Additions	Retirements	Transfers	Ending Balance April 30, 2011
Capital assets, being depreciated:					
Land improvements	\$ 11,807,060	\$ -	\$ -	\$ 417,609	\$ 11,389,451
Construction	59,609,408	3,545,202	80,000	1,670,855	61,403,755
Infrastructure	213,948,095	4,005,251	-	-	217,953,346
Machinery and equipment	25,982,863	1,501,904	328,725	3,979,655	23,176,387
Licensed vehicles	16,238,010	273,269	246,143	4,171,216	12,093,920
Zoo animals	15,200	-	-	-	15,200
Total capital assets, being depreciated	<u>327,600,636</u>	<u>9,325,626</u>	<u>654,868</u>	<u>10,239,335</u>	<u>326,032,059</u>
Less accumulated depreciation for:					
Land improvements	3,712,373	316,248	-	266,614	3,762,007
Construction	13,711,706	1,355,479	-	500,633	14,566,552
Infrastructure	142,645,761	4,952,502	-	-	147,598,263
Machinery and equipment	16,465,022	1,868,970	321,156	3,158,323	14,854,513
Licensed vehicles	10,772,021	716,398	233,835	3,073,474	8,181,110
Zoo animals	4,833	620	-	-	5,453
Total accumulated depreciation	<u>187,311,716</u>	<u>9,210,217</u>	<u>554,991</u>	<u>6,999,044</u>	<u>188,967,898</u>
Total capital assets, being depreciated, net	<u>140,288,920</u>	<u>115,409</u>	<u>99,877</u>	<u>3,240,291</u>	<u>137,064,161</u>
Governmental activities capital assets, net	<u>\$ 185,194,814</u>	<u>\$ 3,299,012</u>	<u>\$ 7,440,730</u>	<u>\$ 5,147,878</u>	<u>\$ 175,905,218</u>
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 6,057,352	\$ 1,500	\$ -	\$ 1,907,587	\$ 7,966,439
Construction-in-progress	13,339,814	1,841,603	5,284,742	-	9,896,675
Total capital assets, not being depreciated	<u>19,397,166</u>	<u>1,843,103</u>	<u>5,284,742</u>	<u>1,907,587</u>	<u>17,863,114</u>
Capital assets, being depreciated:					
Land improvements	597,545	-	-	417,609	1,015,154
Construction	56,672,250	2,071,031	-	1,670,855	60,414,136
Infrastructure	147,445,768	3,393,331	-	-	150,839,099
Machinery and equipment	21,234,557	130,151	184,678	3,979,655	25,159,685
Licensed vehicles	3,127,636	23,030	304,439	4,171,216	7,017,443
Total capital assets, being depreciated	<u>229,077,756</u>	<u>5,617,543</u>	<u>489,117</u>	<u>10,239,335</u>	<u>244,445,517</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

3. CAPITAL ASSETS - continued

	Beginning Balance May 1, 2010	Additions	Retirements	Transfers	Ending Balance April 30, 2011
Less accumulated depreciation for:					
Land improvements	235,686	35,755	-	266,614	538,055
Construction	12,463,717	1,064,602	-	500,633	14,028,952
Infrastructure	32,750,812	2,065,777	-	-	34,816,589
Machinery and equipment	11,397,232	1,327,431	182,391	3,158,323	15,700,595
Licensed vehicles	1,997,205	555,243	289,217	3,073,474	5,336,705
Total accumulated depreciation	<u>58,844,652</u>	<u>5,048,808</u>	<u>471,608</u>	<u>6,999,044</u>	<u>70,420,896</u>
Total capital assets, being depreciated, net	<u>170,233,104</u>	<u>568,735</u>	<u>17,509</u>	<u>3,240,291</u>	<u>174,024,621</u>
Business-type activities capital assets, net	<u>\$ 189,630,270</u>	<u>\$ 2,411,838</u>	<u>\$5,302,251</u>	<u>5,147,878</u>	<u>\$191,887,735</u>

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

Governmental Activities	
General government	\$ 750,928
Public safety	1,333,123
Highways and streets	5,094,763
Health and welfare	2,075
Culture and recreation	1,977,392
Community development	51,936
	<u>\$ 9,210,217</u>
Business-type Activities	
Water	\$ 1,940,445
Solid waste	299,473
Sewer	1,267,891
U.S. Cellular Coliseum	923,089
Stormwater management	222,085
Golf operations	195,966
Parking	199,859
	<u>\$ 5,048,808</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended April 30, 2011:

	Balance May 1, 2010	Additions	Retirements	Balance April 30, 2011	Due within One Year
Governmental Activities:					
General Obligation Bonds:					
Series 2001	\$ 2,795,000	\$ -	\$ 2,795,000	\$ -	\$ -
Series 2003	10,000,000	-	-	10,000,000	-
Series 2004 taxable	29,455,000	-	-	29,455,000	175,000
Series 2004	13,400,000	-	700,000	12,700,000	700,000
Series 2005	8,780,000	-	405,000	8,375,000	420,000
Series 2007*	3,740,000	-	-	3,740,000	-
Series 2009	<u>2,840,000</u>	-	-	<u>2,840,000</u>	-
	71,010,000	-	3,900,000	67,110,000	1,295,000
Unamortized bond premium	177,575	-	12,615	164,960	12,615
Unamortized bond discount	<u>(409,526)</u>	-	<u>(19,831)</u>	<u>(389,695)</u>	<u>(19,831)</u>
Total General Obligation Bonds	70,778,049	-	3,892,784	66,885,265	1,287,784
Other liabilities:					
Capital lease payable	81,171	-	11,487	69,684	12,235
Net OPEB obligation	3,320,975	229,386	-	3,550,361	-
Net pension obligation	-	362,293	-	362,293	-
Compensated absences	<u>9,692,723</u>	<u>1,348,339</u>	<u>1,054,101</u>	<u>9,986,961</u>	<u>1,701,163</u>
Total Governmental	<u>\$ 83,872,918</u>	<u>\$ 1,940,018</u>	<u>\$ 4,958,372</u>	<u>\$ 80,854,564</u>	<u>\$ 3,001,182</u>

*A portion of the Series 2007 General Obligation Bonds are included in the business-type activities

	Balance May 1, 2010	Additions	Retirements	Balance April 30, 2011	Due Within One Year
Business-type Activities:					
Other liabilities:					
Loan payable	\$ 7,154,597	\$ 107,607	\$ 364,043	\$ 6,898,161	\$ 397,497
Note payable	11,341,614	228,578	521,657	11,048,535	558,143
GO Bonds, Series 2007*	6,105,000	-	160,000	5,945,000	170,000
Net OPEB obligation	380,044	268,180	-	648,224	-
Net pension obligation	-	105,606	-	105,606	-
Compensated absences	<u>898,708</u>	<u>763,907</u>	<u>10,861</u>	<u>1,651,754</u>	<u>181,127</u>
Business-type activities, long-term liabilities	<u>\$ 25,879,963</u>	<u>\$ 1,473,878</u>	<u>\$ 1,056,561</u>	<u>\$ 26,297,280</u>	<u>\$ 1,306,767</u>

*A portion of the Series 2007 General Obligation Bonds are included in the governmental activities

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

General Obligation Refunding Bonds, Series 2001

The City issued \$6,380,000 General Obligation Refunding Bonds, Series 2001 in 2002 for the purpose of refunding a portion of the General Obligation Bonds, Series 1989, Series 1995, and Series 1996. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$55,000 to \$2,795,000 are due each December 1 from 2002 to 2010. Interest ranges from 3.50% to 4.05% and is due semi-annually in June and December.

General Obligation Bonds, Series 2003

The City issued \$10,000,000 General Obligation Bonds, Series 2003 in 2004 for the purpose of capital improvements for the City. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$375,000 to \$1,000,000 are due each June 1 from 2012 to 2023. Interest ranges from 3.10% to 4.50% and is due semi-annually in June and December.

Taxable General Obligation Bonds, Series 2004

The City issued \$29,455,000 Taxable General Obligation Bonds, Series 2004 in 2005 for the purpose of constructing a community sports and entertainment center for the City. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$155,000 to \$3,440,000 are due each June 1 from 2011 to 2034. Interest ranges from 5.50% to 6.375% and is due semi-annually in June and December.

General Obligation Demand Bonds, Series 2004

The City issued \$15,600,000 General Obligation Demand Bonds, Series 2004 in 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 City pays debt service expenditures from dedicated revenues and abates

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

General Obligation Demand Bonds, Series 2004 – Continued

associated property tax levies. Principal payments ranging from \$100,000 to \$1,200,000 are due each June 1 from 2007 to 2024. Interest is variable at the lesser of 9% or 125% of the rate for the 20 G.O. Bonds Index of average municipal bond yields and is due each June 1. The future interest payments on the variable rate bonds are computed using an interest rate of 3.0%. The demand bonds are secured by an Irrevocable Bond Purchase Agreement dated October 1, 2004 with an expiration date of October 13, 2010. The demand bonds 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.

General Obligation Bonds, Series 2005

The City issued \$9,900,000 General Obligation Bonds, Series 2005 in 2006 for the purpose of capital improvements in the cultural district for the City. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$360,000 to 725,000 are due each December 1 from 2007 to 2025. Interest ranges from 3.875% to 4.10% and is due semi-annually in June and December.

General Obligation Bonds, Series 2007

The City issued \$10,000,000 General Obligation Bonds, Series 2007 in 2008 for the purpose of constructing public facilities and improvements for the City. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$155,000 to \$670,000 are due each June 1 from 2009 to 2032. Interest ranges from 4.00% to 4.50% and is due semi-annually in June and December.

General Obligation Refunding Bonds, Series 2009

The City issued \$2,840,000 General Obligation Refunding Bonds, Series 2009 in 2009 for the purpose of refunding a portion of the General Obligation Bonds, Series 1996 and Series 2001. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$840,000 to \$1,000,000 are due each June 1 from 2025 to 2027. Interest ranges from 4.125% to 4.250% and is due semi-annually in June and December.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

The outstanding general obligation bonds payable from governmental activities mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2012	\$ 1,295,000	\$ 3,332,273	\$ 4,627,273
April 30, 2013	2,440,000	3,253,896	5,693,896
April 30, 2014	2,530,000	3,148,351	5,678,351
April 30, 2015	2,550,000	3,048,317	5,598,317
April 30, 2016	2,595,000	2,952,361	5,547,361
April 30, 2017 – 2021	14,625,000	13,091,505	27,716,505
April 30, 2022 – 2026	16,060,000	9,648,710	25,708,710
April 30, 2027 – 2031	12,535,000	5,765,903	18,300,903
April 30, 2032 – 2035	<u>12,480,000</u>	<u>1,641,965</u>	<u>14,121,965</u>
	<u>\$ 67,110,000</u>	<u>\$ 45,883,281</u>	<u>\$ 112,993,281</u>

The outstanding general obligation bonds payable from business-type activities mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2012	\$ 170,000	\$ 253,081	\$ 423,081
April 30, 2013	175,000	245,750	420,750
April 30, 2014	185,000	238,100	423,100
April 30, 2015	190,000	230,131	420,131
April 30, 2016	200,000	221,844	421,844
April 30, 2017 – 2021	1,130,000	973,731	2,103,731
April 30, 2022 – 2026	1,385,000	713,794	2,098,794
April 30, 2027 – 2031	1,715,000	377,522	2,092,522
April 30, 2032 – 2033	<u>795,000</u>	<u>36,113</u>	<u>831,113</u>
	<u>\$ 5,945,000</u>	<u>\$ 3,290,066</u>	<u>\$ 9,235,066</u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Capital Lease Payable

In 2007, the City entered into a capital lease agreement to finance the purchase of musical equipment for the cultural district. The lease calls for annual payments of principal and interest of \$16,775 with interest at 6.40 percent through 2016. Equipment under the capital lease has a cost of \$171,362 and accumulated depreciation of \$10,663 as of April 30, 2011.

The outstanding capital lease matures as follows:

April 30, 2012	16,775
April 30, 2013	16,775
April 30, 2014	16,775
April 30, 2015	16,775
April 30, 2016	<u>16,775</u>
Total minimum lease payments	83,875
Less: Amount representing interest	<u>14,191</u>
Present value of minimum lease payments	<u>\$ 69,684</u>

The payments on the bonds payable that pertain to the City's governmental activities are made by the Debt Service Fund. The compensated absences are liquidated by the General Fund.

Loans Payable

The City entered into two separate loan agreements with the Illinois Environmental Protection Agency, both for the Drinking Water State Revolving Fund Program. The City may draw up to \$8,588,512 for the program. Payment will be required each May 1 and November 1 until final repayment on April 1, 2025 on the first agreement, each June 5 and December 5 until final repayment on June 5, 2025 on the second agreement, and each March 10 and September 10 until final repayment on September 10, 2029 on the third agreement. The outstanding loans payable as of April 30, 2011 matures as follows:

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Loans Payable – Continued

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2012	\$ 397,497	\$ 171,812	\$ 569,309
April 30, 2013	407,620	161,689	569,309
April 30, 2014	418,001	151,308	569,309
April 30, 2015	428,647	140,662	569,309
April 30, 2016	439,563	129,746	569,309
April 30, 2017 – 2021	2,371,549	474,998	2,846,547
April 30, 2022 – 2026	2,072,138	166,608	2,238,746
April 30, 2027 – 2031	<u>363,146</u>	<u>25,431</u>	<u>388,577</u>
	<u>\$ 6,898,161</u>	<u>\$ 1,422,254</u>	<u>\$ 8,320,415</u>

Stormwater Notes Payable

The City entered into an intergovernmental agreement with the 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 \$102,265 and \$305,278 through August 2026 and September 2027. The outstanding notes payable as of April 30, 2011 mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2012	\$ 558,143	\$ 272,456	\$ 830,599
April 30, 2013	572,184	258,416	830,599
April 30, 2014	586,578	244,021	830,599
April 30, 2015	601,334	229,265	830,599
April 30, 2016	616,461	214,138	830,599
April 30, 2017 – 2021	3,322,875	830,122	4,152,997
April 30, 2022 – 2026	3,762,394	390,603	4,152,997
April 30, 2027 – 2028	<u>1,028,566</u>	<u>24,255</u>	<u>1,052,821</u>
	<u>\$ 11,048,535</u>	<u>\$ 2,463,276</u>	<u>\$ 13,511,811</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES

The individual fund interfund receivable and payable balances as of April 30, 2011 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental activities:		
General	\$ 21,785	\$ 370,705
Library	-	2,050
Debt service	606,670	-
Nonmajor governmental funds	2,875,000	4,231,532
Internal service	<u>413,075</u>	<u>-</u>
Total governmental activities	<u>3,916,530</u>	<u>4,604,287</u>
Business-type activities:		
Water	800,000	47,293
Solid waste	-	49,077
Sewer	-	3,685
Stormwater management	-	4,572
Nonmajor enterprise funds	<u>-</u>	<u>7,616</u>
Total business-type activities	<u>800,000</u>	<u>112,243</u>
Total	<u>\$ 4,716,530</u>	<u>\$ 4,716,530</u>

The purposes of the interfund receivable and payable balances are as follows:

- \$21,785 due from other funds to the General fund. This balance relates to a) accrued but unpaid transfers of \$647 from the Library fund for central garage charges, b) accrued but unpaid transfers of \$1,650 from Nonmajor governmental funds for telephone, postage, and central garage charges, and c) a short term loan of \$19,487 to Nonmajor governmental funds. The City expects the obligation will be liquidated within one year.
- \$370,705 due to other funds from the General fund. This balance relates to a) accrued but unpaid transfers of \$75,000 to Nonmajor governmental funds, and b) \$295,705 to Internal service funds to cover life insurance expenses. The City expects the obligation will be liquidated within one year.
- \$2,050 due to other funds from the Library fund. This balance relates to a) accrued but unpaid transfers of \$647 to the General fund for central garage charges, and b) a life insurance distribution of \$1,403 to Internal service funds. The City expects the obligation will be liquidated within one year.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES – Continued

- \$606,670 due from other funds to the Debt service fund. This balance relates to a) \$350,000 in loans to Nonmajor governmental funds to cover operating expenses, and b) \$256,670 to Nonmajor governmental funds for bond payments. The City expects the obligation will be liquidated within one year.
- \$2,875,000 due from other funds to Nonmajor governmental funds. This balance relates to a) accrued but unpaid transfers of \$75,000 from the General fund and b) accrued but unpaid transfers of \$2,800,000 from Nonmajor governmental funds. The City expects the obligation will be liquidated within one year.
- \$4,231,532 due to other funds from Nonmajor governmental funds. This balance relates to a) \$21,137 from the General fund to pay for postage and telephone charges and for a short term loan, b) \$350,000 from the Debt service fund to cover operating expenses, c) \$256,670 from the Debt Service fund for routine bond payments, d) accrued but unpaid transfers of \$2,800,000 from Nonmajor governmental funds, e) \$3,724 from Internal service funds for a life insurance distribution and insurance expenditures, and f) accrued but unpaid transfers of \$800,000 from the Water fund. The City expects the obligation will be liquidated within one year.
- \$413,075 due from other funds to Internal service funds. This balance relates to a) \$295,705 from the General fund for insurance expenditures, b) \$1,403 from the Library fund for a life insurance distribution, c) \$3,724 from Nonmajor governmental funds for a life insurance distribution and insurance expenditures, d) \$47,293 from the Water fund for insurance expenditures, e) \$49,077 from the Solid waste fund for insurance expenditures, f) \$3,685 from the Sewer fund for insurance expenditures, g) \$4,572 from the Stormwater management fund for insurance expenditures, and h) \$7,616 from Nonmajor enterprise funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$800,000 due from other funds to the Water fund. This balance relates to accrued but unpaid transfers of \$800,000 to Nonmajor governmental funds. The City expects the obligation will be liquidated within one year.
- \$47,293 due to other funds from the Water fund. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$49,077 due to other funds from the Solid Waste Fund. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES – Continued

- \$3,685 due to other funds from the Sewer fund. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$4,572 due to other funds from the Stormwater management fund. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$7,616 due to other funds from Nonmajor enterprise funds. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.

	Interfund Advance Receivable	Interfund Advance Payable
Governmental activities:		
Debt service	\$ 2,450,000	\$ -
Nonmajor governmental funds	-	800,000
Internal service funds	<u>1,115,995</u>	<u>1,112,262</u>
Total governmental activities	<u>3,565,995</u>	<u>1,912,262</u>
Business-type activities:		
Water	5,700,000	-
Sewer	-	3,500,000
U.S. Cellular Coliseum	-	2,453,733
Nonmajor enterprise funds	<u>-</u>	<u>1,400,000</u>
Total business-type activities	<u>5,700,000</u>	<u>7,353,733</u>
Total	<u>\$ 9,265,995</u>	<u>\$ 9,265,995</u>

The purposes of the interfund advance receivable and payable balances are as follows:

- \$2,450,000 advance from the Debt service fund to U.S. Cellular Coliseum fund to cover operating expenses. Repayment is not expected within one year.
- \$800,000 advance to Nonmajor governmental funds from the Water fund for a 5 year loan to fund road resurfacing. Repayment is not expected within one year.
- \$1,115,995 advance from Internal service funds. This balance relates to a) \$1,112,262 to Internal service funds to cover operating expenses and b) \$3,733 to U.S. Cellular Coliseum to cover operating expenses. Repayment is not expected within one year.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES – Continued

- \$1,112,262 advance to Internal service funds from Internal service funds to cover operating expenses. Repayment is not expected within one year.
- \$5,700,000 advance from the Water fund. This balance relates to a) \$800,000 to Nonmajor governmental funds for a 7 year loan to fund road resurfacing, b) \$3,500,000 to the Sewer fund to cover operating expenses, and c) \$1,400,000 to Nonmajor enterprise funds to cover operating expenses. Repayment is not expected within one year.
- \$3,500,000 advance to the Sewer fund from the Water fund to cover operating expenses. Repayment is not expected within one year.
- \$2,453,733 advance to U.S. Cellular Coliseum. This balance relates to a) \$2,450,000 from the Debt service fund to cover operating expenses and b) \$3,733 from Internal service funds to cover operating expenses. Repayment is not expected within one year.
- \$1,400,000 advance to Nonmajor enterprise funds from the Water fund to cover operating expenses. Repayment is not expected within one year.

6. INTERFUND TRANSFERS

The following is a schedule of transfers as included in the basic financial statements of the City:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities:		
General	\$ 788,024	\$ 7,101,817
Library	4,059	564,183
Debt service	4,116,991	484,158
Nonmajor governmental funds	3,587,033	855,197
Internal service funds	<u>481,001</u>	<u>231,001</u>
Total governmental activities	<u>8,977,108</u>	<u>9,236,356</u>
Business-type activities:		
Water	-	315,553
Solid waste	1,767,775	101,706
Sewer	-	965,110
U.S. Cellular Coliseum	88,905	-
Stormwater management	-	126,834
Nonmajor enterprise funds	<u>1,626</u>	<u>89,855</u>
Total business-type activities	<u>1,858,306</u>	<u>1,599,058</u>
Total	<u>\$ 10,835,414</u>	<u>\$ 10,835,414</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

6. INTERFUND TRANSFERS – Continued

The purposes of interfund transfers are as follows:

- \$788,024 transferred from other funds to the General fund. This amount relates to a) \$26,687 from Nonmajor governmental funds for administration salaries and benefits, b) \$315,553 from the Water fund for infrastructure and administration fees, c) \$101,706 from the Solid waste fund for infrastructure and administration fees, d) \$169,379 from the Sewer fund for infrastructure and administration fees, e) \$126,834 from the Stormwater Management fund for infrastructure and administration fees, and f) \$47,865 from the Nonmajor enterprise funds for administration fees. The transfers will not be repaid.
- \$7,101,817 transferred to other funds from the General fund. This amount relates to a) \$4,059 to the Library fund to correct a difference in net assets, b) routine budget transfers of \$2,450,760 to the Debt service fund, c) routine budget transfers of \$2,538,691 to Nonmajor governmental funds, d) routine budget transfer of \$250,000 to the Internal service funds, e) routine transfer of \$1,767,775 to the Solid waste fund, f) routine transfers of \$88,905 to supplement the U.S. Cellular Coliseum fund, and g) \$1,626 to Nonmajor enterprise funds to correct a difference in net assets. The transfers will not be repaid.
- \$4,059 transferred from other fund to the Library fund. This amount relates to a transfer from the General fund to correct a net asset difference. The transfer will not be repaid.
- \$564,183 transferred to other funds from the Library fund. This amount relates to a routine transfer to Nonmajor governmental funds for principal repayment. The transfer will not be repaid.
- \$4,116,991 transferred from other funds to the Debt service fund. This amount relates to routine budget transfers of a) \$2,450,760 from the General fund, b) \$828,510 from Nonmajor governmental funds, c) \$795,731 from the Sewer fund, and d) 41,990 from Nonmajor enterprise funds. The transfers will not be repaid.
- \$484,158 transferred to other funds from the Debt service fund. This amount relates to a) a routine budget transfer of \$103,251 to Nonmajor governmental funds and b) \$380,907 to the Nonmajor governmental funds to correct a net asset difference. The transfers will not be repaid.
- \$3,587,033 transferred from other funds to Nonmajor governmental funds. This amount relates to a) a routine budget transfer of \$2,538,691 from the General fund, b) a routine transfer of \$564,183 from the Library fund for principal repayment c) a routine budget transfer of \$103,251 from the Debt service fund, and d) \$380,907 transfer from the Debt service fund to correct a net asset difference. The transfers will not be repaid.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

6. INTERFUND TRANSFERS – Continued

- \$855,197 transferred to other funds from Nonmajor governmental funds. This amount relates to a) \$26,687 to the General fund for administration salaries and benefits, and b) \$828,510 to the Debt service fund for routine budget transfers. The transfer will not be repaid.
- \$481,001 transferred from other funds to Internal service funds. This amount relates to routine budget transfers of a) \$250,000 from the General fund, and b) \$231,001 from Internal service funds. The transfers will not be repaid.
- \$231,001 transferred from other funds to Internal service funds. This amount relates to routine budget transfers from Internal service funds. The transfer will not be repaid.
- \$315,553 transferred to other fund from the Water fund. This amount relates to infrastructure and administration fees transferred to the General fund. The transfer will not be repaid.
- \$1,767,775 transferred from other funds to the Solid waste fund. This amount relates to a routine transfer from the General fund. The transfer will not be repaid.
- \$101,706 transferred to the General fund from the Solid waste fund for infrastructure and administration fees. The transfer will not be repaid.
- \$965,110 transferred to other funds from the Sewer fund. This amount relates to a) routine budget transfers of \$169,379 to the General fund, and b) routine budget transfers of \$795,731 to the Debt service fund. The transfers will not be repaid.
- \$88,905 transferred from other funds to the U.S. Cellular Coliseum fund. This amount relates to routine transfers to supplement expenses from the General Fund. The transfer will not be repaid.
- \$126,834 transferred to other funds from the Stormwater management fund. This amount relates to infrastructure and administration fees transferred to the General fund. The transfer will not be repaid.
- \$1,626 transferred from other funds to Nonmajor enterprise funds. This amount relates to transfers from the General fund to correct a net asset difference. The transfer will not be repaid.
- \$89,855 transferred to other funds from Nonmajor enterprise funds. This amount relates to routine budget transfers of a) \$47,865 to the General fund and b) \$41,990 to Debt service funds. The transfer will not be repaid.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS

Plan Descriptions and Provisions:

Illinois Municipal Retirement Fund

Plan Description. The City's defined benefit pension plan for regular employees (other than those covered by the Police or Firemen's plans) provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The City's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not for individual employers. That report may be obtained on-line at www.imrf.org.

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Funding Policy. As set by statute, the City's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2010 used by the City was 14.65 percent of annual covered payroll. The City's annual required contribution rate for calendar year 2010 was 16.24 percent. 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.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund – Continued

Annual Pension Cost and Net Pension Obligation. For fiscal year ending April 30, 2011, the City’s annual pension cost and net pension obligation were as follows:

Annual required contribution	\$ 3,962,032
Interest on net pension asset	-
Adjustments to annual required contribution	-
Annual pension cost	<u>3,962,032</u>
Annual contributions made	<u>3,494,133</u>
Increase in net pension asset	467,899
Net pension obligation, beginning of year	-
Net pension obligation, end of year	<u>\$ 467,899</u>

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/11	\$ 3,962,032	90%	\$ 467,899
4/30/10	2,379,831	100%	-
4/30/09	2,723,957	100%	-

The required contribution for 2010 was determined as part of the December 31, 2008 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.50 percent investment rate of return (net of administrative and direct investment expenses) (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit and (d) post-retirement benefit increases of 3 percent annually. The actuarial value of the City’s plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The City’s plan’s unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2010, the most recent actuarial valuation date, the plan was 21.23 percent funded. The actuarial accrued liability for benefits was \$48,645,814 and the actuarial value of assets was \$10,328,110, resulting in an underfunded actuarial accrued liability (UAAL) of \$38,317,704. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$20,269,736 and the ratio of the UAAL to the covered payroll was 189 percent.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund – Continued

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Police Pension

Plan Description. Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single employer pension plan. The Plan issues a stand-alone financial report which is available at City Hall, 109 East Olive Street, P.O. Box 3157, Bloomington, Illinois 61702. It is included as a Pension Trust Fund in this Comprehensive Annual Financial Report. Although this is a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels, are mandated by Illinois Compiled Statutes and may be amended only by the Illinois legislature. Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

The Plan provides retirement benefits, as well as death and disability benefits. Covered employees hired before January 1, 2011, 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 monthly salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increase each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3 percent of one-half of the consumer price index. Employees with at least 10 years of service but less than 20 years of creditable service may retire at or after the age of 60 and receive a reduced benefit.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Police Pension – Continued

Funding Policy. Covered employees are required to contribute 9.91 percent of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the City’s contributions must accumulate to the point where the past service cost for the Plan is 90 percent funded.

Annual Pension Cost and Net Pension Asset. The City’s annual pension cost and net pension asset to the Police Pension Plan for the most current year (April 30, 2011) were as follows:

Annual required contribution	\$ 3,843,510
Interest on net pension asset	(128,706)
Adjustments to annual required contribution	<u>102,439</u>
Annual pension cost	3,817,243
Annual contributions made	<u>3,867,939</u>
Increase in net pension asset	50,696
Net pension asset, beginning of year	<u>1,716,083</u>
Net pension asset, end of year	<u>\$ 1,766,779</u>

The annual required contribution was determined as part of the May 1, 2010 actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.5 percent investment rate of return and (b) projected salary increases ranging from 1.12 to 4.86 percent. Both (a) and (b) included an inflation component of 3 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at the May 1, 2010 actuarial valuation date was 23 years.

Three Year Trend Information and Funding Status.

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
04/30/11	\$ 3,817,243	101.33%	\$ 1,766,779
04/30/10	3,127,153	100.43%	1,716,083
04/30/09	2,359,557	107.16%	1,702,482

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Police Pension – Continued

Funding Status and Funding Progress. As of May 1, 2010, the most recent actuarial valuation date, the Police pension plan was 55.35 percent funded. The actuarial accrued liability for benefits was \$86,863,392 and the actuarial value of assets was \$48,078,031, resulting in an underfunded actuarial accrued liability (UAAL) of \$38,785,361. The covered payroll of active employees covered by the plan was \$9,505,164 and the ratio of the UAAL to the covered payroll was 408.05 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Firemen's Pension

Plan Description. Fire sworn personnel are covered by the Firemen's Pension Plan, which is a defined benefit single employer pension plan. The Plan issues a stand-alone financial report which is available at City Hall, 109 East Olive Street, P.O. Box 3157, Bloomington, Illinois 61702. It is included as a Pension Trust Fund in this Comprehensive Annual Financial Report. Although this is a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels, are mandated by Illinois Compiled Statutes and may be amended only by the Illinois legislature. Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

The Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such 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 benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Firemen's Pension – Continued

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year. The monthly pension benefit of a firefighter, hired before January 1, 2011, who retired after January 1, 1977 shall be increased upon the first day of the month following the first anniversary date of retirement if 55 year of age or over at retirement date, or age 55, if it occurs after the first anniversary of retirement, by 1/12 of 3 percent of the originally granted pension for each full month that has elapsed since the pension began and by an additional 3 percent of the originally granted pension benefit amount each January thereafter. The monthly pension benefit of a firefighter who first becomes a firefighter under Chapter 40, Article 4 of state statute on or after January 1, 2011 shall be increased 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 adjusted percentage increase (but not less than zero) in the consumer price index-u (published by the Bureau of Labor Statistics of the US Department of Labor) for the twelve months ending with the September preceding each November 1, whichever is less, of the originally granted pension. If the annual adjusted percentage change in the consumer price index-u for a twelve month period ending in September is zero or, when compared with the preceding period, decreases, then the pension shall not be increased.

Funding Policy. Covered employees are required to contribute 9.455 percent of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute an actuarially determined amount by an enrolled actuary. Effective January 1, 2011, the City has until year 2040 to fund 90% of the past service costs for the Fund.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Firemen’s Pension – Continued

Annual Pension Cost and Net Pension Asset. The City's annual pension cost and net pension asset to the Firemen's Pension Plan for the most current year (April 30, 2011) were as follows:

Annual required contributions	\$ 3,116,325
Interest on net pension asset	(124,475)
Adjustments to annual required contribution	<u>99,072</u>
Annual pension cost	3,090,922
Annual contributions made	<u>3,140,841</u>
Increase in net pension asset	49,919
Net pension asset, beginning of year	<u>1,659,666</u>
Net pension asset, end of year	<u>\$ 1,709,585</u>

The annual required contribution for the current year was determined as part of the May 1, 2010, actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.5 percent investment rate of return and (b) projected salary increases ranging from 1.12 to 4.86 percent. Both (a) and (b) included an inflation component of 3 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period as of May 1, 2010 actuarial valuation date was 23 years.

Three Year Trend Information and Funding Status.

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Asset</u>
04/30/11	\$ 3,090,922	101.62%	\$ 1,709,585
04/30/10	2,348,471	100.70%	1,659,666
04/30/09	2,462,265	107.23%	1,643,238

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Firemen’s Pension – Continued

Funding Status and Funding Progress. As of May 1, 2010, the most recent actuarial valuation date, the Firemen’s pension plan was 49.85 percent funded. The actuarial accrued liability for benefits was \$73,891,946 and the actuarial value of assets was \$36,832,670, resulting in an underfunded actuarial accrued liability (UAAL) of \$37,059,276. The covered payroll of active employees covered by the plan was \$6,729,062 and the ratio of the UAAL to the covered payroll was 550.73 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

8. 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 April 15, 2017 and a parking area property which is leased indefinitely. 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 \$85,677 in lease revenue relating to these leases was received by the City during the fiscal year ended April 30, 2011. The following is a schedule by years of minimum future rentals due to the City under noncancellable lease agreements in effect as of April 30, 2011:

<u>Fiscal Year Ending April 30:</u>	<u>Operating</u>
2012	87,819
2013	90,014
2014	92,264
2015	94,571
2016	96,935
2017 – 2021	522,261
2022 – 2026	590,891
2027 – 2031	668,539
2032	<u>143,901</u>
	<u>\$ 2,387,195</u>

The assets leased have a cost of \$4,933,302, accumulated depreciation of \$2,498,433 and net book value of \$2,434,869.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

8. LEASES – Continued

The City is a lessee for office space and a parking area. The lease was amended on October 4, 2005 requiring the City to pay \$633,180 on October 1, 2006, then beginning October 1, 2007 payments of \$719,509 each October 1 until October 1, 2010. The lease was amended on September 27, 2010 requiring the City to pay the amounts below on each October 1 until October 1, 2023. A total of \$719,509 in lease expense relating to these leases was paid by the City during the fiscal year ended April 30, 2011. The future minimum lease obligation is as follows:

<u>Fiscal Year Ending April 30:</u>	<u>Operating</u>
2012	717,337
2013	719,509
2014	719,202
2015	719,509
2016	719,509
2017 – 2021	3,596,700
2022 – 2023	<u>267,013</u>
	<u>\$ 7,458,779</u>

9. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, death or unforeseeable emergency. The plan has been amended to comply with IRC Section 457(b) which allowed for the plan to hold its assets in trust. Under these new requirements, the City no longer owns the amount deferred by employees and, therefore, the liability and corresponding assets are not reflected in the financial statements.

10. JOINT VENTURE

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 divided equally between City and 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.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

10. JOINT VENTURE – Continued

Summarized financial information of the Bloomington-Normal Public Transit System, for the year ended June 30, 2010, is presented below:

Balance Sheet as of June 30, 2010

Current assets:	
Cash and cash equivalents	\$ 5,976,302
Accounts receivable	2,911,368
Inventory	2,997
Prepaid expenses	<u>152,367</u>
Total current assets	\$ 9,043,034
Capital assets, net	<u>11,016,204</u>
Total assets	<u>\$ 20,059,238</u>
Current liabilities:	
Accounts payable, accrued expenses and other	\$ 2,157,155
Compensated absences	<u>220,000</u>
Total current liabilities	\$ 2,377,155
Noncurrent liabilities:	
Compensated absences, net of current portion	<u>232,993</u>
Total liabilities	2,610,148
Net assets:	
Investment in capital assets, net	11,016,204
Unrestricted	<u>6,432,886</u>
Total fund equity	<u>17,449,090</u>
Total liabilities and net assets	<u>\$ 20,059,238</u>

Operations for Year Ended June 30, 2010 – General Fund and Capital Project Fund

Revenues:	
General revenues	\$ 6,777
Charges for services	993,772
Operating grants and contributions	5,758,186
Capital grants and contributions	<u>6,710,506</u>
Total revenues	13,469,241
Expenses	<u>7,527,793</u>
Changes in net assets	5,941,448
Net assets, beginning of year, restated	<u>11,507,642</u>
Net assets, end of year	<u>\$ 17,449,090</u>

Complete financial statements for the System may be obtained at the entity's administrative offices located at 351 Wiley Drive, Normal, Illinois.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

11. RISK MANAGEMENT AND SELF INSURANCE

The City is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters 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 fund for amounts which are determined based on historical claims experience. Such payments are displayed on the fund financial statements as revenues and expenditures/expenses.

For medical claims, self-insurance is in effect up to a stop loss of \$145,000 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.

On October 1, 1995, the City established the Central Illinois Risk Pooling Authority (CIRPA), a blended component unit, pursuant to the provisions of the Illinois Compiled Statutes for general liability and worker's compensation claims. Effective May 1, 2010, CIRPA was dissolved with the assets and liabilities, including any existing risk of loss, being transferred to the City's Casualty Insurance fund (an internal service fund). Self insurance is in effect up to a stop loss of \$125,000 per occurrence for general liability and \$500,000 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 \$560,000 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. For those exposures covered by insurance policies, settled claims have not exceeded insurance coverage purchased for each of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The changes in the aggregate liabilities for claims for the years ended April 30, 2011 and 2010 are as follows:

	<u>Health Insurance</u>		<u>Casualty Insurance</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Claims payable, beginning of the year	\$ 301,870	\$ 242,516	\$ 3,804,812	\$ 4,768,601
Claims incurred and changes in accrual	5,236,232	5,731,936	2,534,219	1,024,352
Claims payments	<u>(5,125,591)</u>	<u>(5,672,582)</u>	<u>(2,262,981)</u>	<u>(1,988,141)</u>
Claims payable, end of the year	<u>\$ 412,511</u>	<u>\$ 301,870</u>	<u>\$ 4,076,050</u>	<u>\$ 3,804,812</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

12. MANAGEMENT AGREEMENT

The City and Central Illinois Arena Management (CIAM) entered into a Development and Management Agreement in October 2005. The term of the agreement commenced on May 1, 2006 and expires 10 years subsequent to the date of the first public event held in the U.S. Cellular Coliseum. The agreement requires CIAM to negotiate a naming rights agreement, invest \$1,000,000 in concession equipment, provide for sports franchises and to promote, operate and manage the U.S. Cellular Coliseum during the term of the agreement. CIAM will receive a commission of 10 percent of proceeds from sponsorship sales, suites and club seats and an annual fee representing 4 percent of gross revenues of the U.S. Cellular Coliseum as base compensation. In addition, CIAM will receive a 20 percent share of the U.S. Cellular Coliseum's net operating income. Any resale of naming rights resulting in cash and trade proceeds in excess of \$200,000 per fiscal year shall be contributed to an incentive account and split evenly between the City and CIAM.

Amounts paid to CIAM under this agreement totaled \$270,557 during the year ended April 30, 2011.

13. COMMITMENTS AND CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

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

The City has several construction contract commitments to be financed from capital projects and enterprise funds. The total outstanding construction commitments of the City as of April 30, 2011 are \$4,482,744.

In August of 2009, the City entered into a three year intergovernmental agreement with the Town of Normal, McLean County, and the McLean County Soil and Water Conservation District for the funding of a soil conservationist position with the McLean County Soil and Water Conservation District (District). The three year commitment will derive from the City's Water fund in the amount of \$40,000 in year one and \$70,000 in years two and three. During fiscal year 2011, the City made one payment of \$70,000 to the District.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

13. COMMITMENTS AND CONTINGENT LIABILITIES – Continued

In August of 2009, the City entered into a three year agreement with Calgon Carbon, Inc. to treat the City's water supply with granular activated carbon to lower the natural organic compounds in the water to improve taste and lower odor. The three year commitment will derive from the City's Water fund in the amount of \$19,285 per month for the duration of the agreement. During fiscal year 2011, the City made payments of \$231,420 to Calgon Carbon, Inc.

14. CONDUIT DEBT

The City has issued industrial revenue bonds to provide financing for various economic development projects. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of April 30, 2011, there were 8 series of bonds outstanding. The aggregate principal amount payable for the series of bonds could not be determined; however, their original issue amounts of the bonds totaled \$25,969,050.

15. TERMINATION BENEFITS

On April 30, 2008, the City adopted Resolution 2008-28, adopting an Early Retirement Incentive Program offered by the Illinois Municipal Retirement Fund (IMRF). Eligible employees were required to enter into an irrevocable pledge by April 30, 2009. For an employee to be eligible to retire under this plan, the employee must have attained age fifty and have at least twenty years of creditable service by his or her retirement date. Sixty-seven employees of the City accepted the early retirement agreement. Under the agreement, the City and the employee were required to contribute an additional five years of contributions to the plan giving the individuals additional creditable service for these five years. The City has elected to amortize its additional contributions over a six year period. These additional contributions are made through regular monthly contributions to IMRF. As of April 30, 2011, the City's remaining contributions due under the program were \$8,694,762. In accordance with GASB Statement 47, this amount is not reported as a liability on the City's financial statements and is recorded through their IMRF plan under the rules prescribed in GASB Statement 27. The change in the actuarially accrued liability due to the early retirement incentive is not available from IMRF.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

16. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

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

Benefits Provided

The City provides post-employment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans.

All health care benefits are provided through the City's insured 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.

Membership

At May 1, 2010 (latest information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	162
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>440</u>
TOTAL	<u>602</u>
Participating employers	<u><u>1</u></u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

16. OTHER POST-EMPLOYMENT BENEFITS – Continued

Funding Policy

The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. 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 insured plan (pay as you go). For the fiscal year ended April 30, 2011, retirees contributed \$1,328,727 and the City contributed \$829,455. Active employees do not contribute to the plan until retirement.

Annual OPEB costs and Net OPEB Obligation

The City had an actuarial valuation performed for the plan as of May 1, 2010 to determine the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2011. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2009, 2010, and 2011 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2009	\$ 1,522,567	\$ 192,116	12.6%	\$ 2,526,365
April 30, 2010	\$ 1,604,698	\$ 430,044	26.8%	\$ 3,701,019
April 30, 2011	\$ 1,327,021	\$ 829,455	62.5%	\$ 4,198,585

The net OPEB obligation (NOPEBO) as of April 30, 2011 (latest information available), was calculated as follows:

Annual required contribution	\$ 1,302,347
Interest on net OPEB obligation	148,040
Adjustment to annual required contribution	<u>(123,366)</u>
Annual OPEB cost	1,327,021
Contributions made	<u>829,455</u>
Increase (decrease) in net OPEB obligation	497,566
Net OPEB obligation beginning of year	<u>3,701,019</u>
NET OPEB OBLIGATION END OF YEAR	<u>\$ 4,198,585</u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

16. OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress. The funded status of the plan as of May 1, 2010 (latest information available), was as follows:

Actuarial accrued liability (AAL)	\$ 18,247,629
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 18,247,629
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 24,903,323
UAAL as a percentage of covered payroll	73.3%

Actuarial valuations of an ongoing plan involve estimates of 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 the 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.

Actuarial Methods and Assumptions. 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 of benefit costs between the employer and plan members to that point. The actuarial 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.

In the May 1, 2010 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 9.20% applied to premium rates at January 1, 2011, reduced to 8.5% beginning January 1, 2012, and reduced by 0.5% each year to arrive at an ultimate healthcare cost trend rate of 4.5%. Both rates include a 4.00% inflation assumption. The actuarial value of assets was not determined as the City has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2011, was 30 years.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

17. NET ASSETS – INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT

During fiscal year 2008, the Coliseum Fund and the Parking Fund transferred debt totaling \$29,455,000 and \$3,550,055, respectively, to the governmental funds, as the City intends to repay these bonds with general government funds. The Net Assets reported as Invested in Capital Assets, Net of Related Debt (ICANRD) in the Governmental Activities in the Statement of Net Assets does not include the debt balance as of April 30, 2011 totaling \$33,005,055, but rather is included in the unrestricted net asset calculation as this debt did not produce a capital asset for the governmental activities. However, the debt is included in the calculation of the Net Assets ICANRD in the total primary government column on the Statement of Net Assets.

18. DEVELOPMENT ASSISTANCE

The City has entered into several special agreements with developers involving rebates of sales tax and real estate tax revenues in excess of agreed-upon floor amounts. The details of various agreements are as follows:

- The City will rebate to developers the cost of improvements for various downtown projects if incremental taxes are generated. During fiscal year 2011, \$615,462 was rebated under these agreements. Approximately \$739,125 in taxes may be rebated in future years if certain criteria are met.

19. INDIVIDUAL FUND DISCLOSURES

The following is a summary of deficit fund balances/net assets of individual funds as of April 30, 2011:

Nonmajor Governmental Funds:	
Special Revenue Funds	
IHDA Grant	\$ (6,404)
Capital Projects Funds	
Library Expansion	(550,514)
2007 Bond Fire Station	(47,442)
Stormwater Management Fund	(3,063,625)
Retiree Group Health Care Fund	(985,458)
Casualty Insurance Fund	(1,384,646)

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

20. PERMANENTLY RESTRICTED DONATIONS

The following restricted donations have been made to the Bloomington Public Library Foundation:

1. Myers Trust – a \$7,029 restricted donation was made by Dora Myers. Income earned from the Trust is to be used for the purchase, collection, and exhibition of 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. Income earned from the Trust is to be used 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 can not be purchased with other available funds of the Bloomington Public Library.
3. The Bloomington Public Library Foundation is the beneficiary of 50% of the Elisabeth L. Stubblefield and Louise M. Stubblefield Trust. Donations received from this trust are to be used 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 \$970,548 at April 30, 2011.

The City is also the trustee of the J.M. Scott Health Care Trust. A \$5,402,151 restricted donation was made to the City from the Trust and income earned from the Trust is to be used to pay expenses for the administration and operation of the J.M. Scott Health Care Center.

21. SUBSEQUENT EVENTS

On May 31, 2011, the City issued \$5.0 million General Obligation Refunding Bonds, Series 2011, for the purpose of refunding a portion of the Taxable General Obligation Bonds, Series 2004.

On August 22, 2011, the City Council awarded a request for proposal to Commerce Bank for a Taxable Capital Lease in the amount of \$4.1 million for the purpose of replacing equipment from multiple operational departments.

CITY OF BLOOMINGTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2011

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)
12/31/10	\$ 10,328,110	\$ 48,645,814	21.23%	\$ 38,317,704	\$ 20,268,736	189.05%
12/31/09	7,622,898	45,279,638	16.84%	37,656,740	22,268,546	169.10%
12/31/08	31,583,191	56,110,543	56.29%	24,527,352	25,457,547	96.35%
12/31/07	54,552,316	63,482,422	85.93%	8,930,106	23,459,963	38.07%
12/31/06	48,475,641	57,383,499	84.48%	8,907,858	21,713,728	41.02%
12/31/05	47,313,518	56,931,419	83.11%	9,617,901	20,289,781	47.40%

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$14,408,771. On a market basis, the funded ratio would be 29.62%.

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
POLICE PENSION PLAN**

April 30, 2011

<u>Actuarial Valuation Date</u>	<u>(1) Actuarial Value of Assets</u>	<u>(2) Actuarial Accrued Liability (AAL) - Entry Age</u>	<u>(3) Funded Ratio (1) / (2)</u>	<u>(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)</u>	<u>(5) Covered Payroll</u>	<u>UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)</u>
5/1/10	\$ 48,078,031	\$ 86,863,392	55.35%	\$ 38,785,361	\$ 9,505,164	408.05%
5/1/09	42,014,598	82,953,509	50.65%	40,938,911	8,788,202	465.84%
5/1/08	44,388,369	75,336,945	58.92%	30,948,576	8,041,709	384.85%
5/1/07	41,082,107	71,842,046	57.18%	30,759,939	8,277,458	371.61%
5/1/06	38,044,418	65,285,667	58.27%	27,241,249	8,005,324	340.29%
5/1/05	33,939,624	56,756,291	59.80%	22,816,667	6,987,972	326.51%

CITY OF BLOOMINGTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
FIREMEN'S PENSION PLAN

April 30, 2011

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)
5/1/10	\$ 36,832,670	\$ 73,891,946	49.85%	\$ 37,059,276	\$ 6,729,062	550.73%
5/1/09	34,880,656	70,089,350	49.77%	35,208,694	6,470,110	544.17%
5/1/08	39,077,302	64,675,814	60.42%	25,598,512	6,379,893	401.24%
5/1/07	36,720,534	59,245,402	61.98%	22,524,868	5,590,814	402.89%
5/1/06	34,408,977	61,968,657	55.53%	27,559,680	6,586,507	418.43%
5/1/05	31,579,001	52,474,118	60.18%	20,895,117	5,163,224	404.69%

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFITS PLAN**

April 30, 2011

<u>Actuarial Valuation Date</u>	<u>(1) Actuarial Value of Assets</u>	<u>(2) Actuarial Accrued Liability (AAL) - Entry Age</u>	<u>(3) Funded Ratio (1) / (2)</u>	<u>(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)</u>	<u>(5) Covered Payroll</u>	<u>UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)</u>
5/1/10	\$ -	\$ 18,247,629	0.00%	\$ 18,247,629	\$ 24,903,323	73.27%
5/1/09	-	22,600,932	0.00%	22,600,932	25,973,637	87.01%
5/1/08	-	21,520,937	0.00%	21,520,937	27,856,150	77.26%
5/1/07	-	18,200,500	0.00%	18,200,500	26,054,700	69.85%

The City implemented GASB Statement No. 45 for the fiscal year ended April 30, 2008. Information for prior years is not available.

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

April 30, 2011

<u>Fiscal Year Ending</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
04/30/11	\$ 3,494,133	\$ 3,962,032	88.19%
04/30/10	2,379,831	2,379,831	100.00%
04/30/09	2,723,957	2,723,957	100.00%
04/30/08	2,632,208	2,632,208	100.00%
04/30/07	2,349,425	2,349,425	100.00%
04/30/06	2,000,572	2,000,572	100.00%

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION PLAN**

April 30, 2011

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2011	\$ 3,867,939	\$ 3,843,510	100.64%
2010	3,128,358	3,156,183	99.12%
2009	2,528,567	2,392,466	105.69%
2008	2,036,942	1,889,809	107.79%
2007	1,966,185	1,826,840	107.63%
2006	1,953,492	1,826,840	106.93%

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREMEN'S PENSION PLAN**

April 30, 2011

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2011	\$ 3,140,841	\$ 3,116,325	100.79%
2010	2,364,899	2,376,491	99.51%
2009	2,640,429	2,493,809	105.88%
2008	1,904,995	1,772,416	107.48%
2007	1,863,268	1,726,093	107.95%
2006	1,851,299	1,726,093	107.25%

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS PLAN**

April 30, 2011

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2011	\$ 829,455	\$ 1,302,347	63.69%
2010	430,044	1,587,855	27.08%
2009	192,116	1,514,594	12.68%
2008	211,486	1,407,400	15.03%

The City implemented GASB Statement No. 45 for the fiscal year ended April 30, 2008. Information for prior years is not available.

CITY OF BLOOMINGTON, ILLINOIS
General Fund

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS - BUDGET TO ACTUAL

For the Year Ended April 30, 2011

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Taxes	\$ 61,284,612	\$ 61,284,612	\$ 63,958,181	\$ 2,673,569
Intergovernmental	786,349	786,349	956,875	170,526
Licenses and permits	1,222,000	1,222,000	1,017,742	(204,258)
Charges for services	10,032,129	10,032,129	9,600,648	(431,481)
Fines and forfeitures	927,000	927,000	811,496	(115,504)
Investment income	68,419	68,419	76,096	7,677
Other	608,026	608,026	467,512	(140,514)
	74,928,535	74,928,535	76,888,550	1,960,015
EXPENDITURES				
Current:				
General government	21,637,314	21,686,259	20,394,803	1,291,456
Public safety	32,970,206	32,970,206	31,061,355	1,908,851
Highways and streets	3,856,585	3,856,585	3,333,792	522,793
Sanitation	3,343,874	3,343,874	3,707,985	(364,111)
Culture and recreation	6,379,512	6,379,512	6,001,989	377,523
Capital outlay	1,502,114	1,502,114	1,702,958	(200,844)
	69,689,605	69,738,550	66,202,882	3,535,668
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER OTHER FINANCING SOURCES (USES)	5,238,930	5,189,985	10,685,668	5,495,683
OTHER FINANCING SOURCES (USES)				
Transfers in	1,085,543	1,085,543	788,024	(297,519)
Proceeds from sale of capital assets	80,000	80,000	253,354	173,354
Transfers out	(6,435,327)	(6,435,366)	(7,101,817)	(666,451)
	(5,269,784)	(5,269,823)	(6,060,439)	(790,616)
NET CHANGE IN FUND BALANCE	\$ (30,854)	\$ (79,838)	4,625,229	\$ 4,705,067
FUND BALANCE, BEGINNING OF YEAR			10,744,400	
FUND BALANCE, END OF YEAR, BUDGETARY BASIS			15,369,629	
CHANGE IN ENCUMBRANCES			240,059	
FUND BALANCE, END OF YEAR			\$ 15,609,688	

See accompanying Independent Auditor's Report.

**CITY OF BLOOMINGTON
LIBRARY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS - BUDGET TO ACTUAL**

For the Year Ended April 30, 2011

	Budget		Actual	Variance
	Original	Final		
REVENUES:				
Taxes	\$ 4,649,133	\$ 4,649,133	\$ 4,643,480	\$ (5,653)
Intergovernmental	87,000	87,000	89,224	2,224
Charges for services	53,000	53,000	71,882	18,882
Investment income	35,000	35,000	5,051	(29,949)
Miscellaneous	403,000	403,000	409,999	6,999
	<u>5,227,133</u>	<u>5,227,133</u>	<u>5,219,636</u>	<u>(7,497)</u>
EXPENDITURES:				
Culture and recreation	4,872,752	4,872,752	4,531,161	341,591
	<u>4,872,752</u>	<u>4,872,752</u>	<u>4,531,161</u>	<u>341,591</u>
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER OTHER FINANCING SOURCES (USES)	<u>354,381</u>	<u>354,381</u>	<u>688,475</u>	<u>334,094</u>
OTHER FINANCIAL SOURCES (USES):				
Transfers in	340,174	340,174	4,059	(336,115)
Proceeds from sale of capital assets	1,000	1,000	2,489	1,489
Transfers out	(695,555)	(695,555)	(564,183)	131,372
	<u>(354,381)</u>	<u>(354,381)</u>	<u>(557,635)</u>	<u>(203,254)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>130,840</u>	<u>\$ 130,840</u>
FUND BALANCE, BEGINNING OF YEAR			<u>2,567,473</u>	
FUND BALANCE, END OF YEAR BUDGETARY BASIS			2,698,313	
CHANGE IN ENCUMBRANCES			<u>(80,163)</u>	
FUND BALANCE, END OF YEAR			<u>\$ 2,618,150</u>	

CITY OF BLOOMINGTON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. BUDGETARY BASIS OF ACCOUNTING

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

- Prior to February 1, 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 fund disbursements which result in increases in balances of properties held for rehabilitation or development and transfers to savings accounts used for property rehabilitation purposes 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 bond proceeds reserved for enterprise fund projects and expenditures of such monies are accounted for in a Capital Projects Fund.
 - Certain operating 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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. BUDGETARY BASIS OF ACCOUNTING – Continued

- 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. The budget expenditure adjustments for the year ended April 30, 2011 were \$3,349,221 in total with \$48,945 of the adjustments charged to the General Fund.
- All appropriations lapse at year-end.

The following funds had expenditures in excess of budgeted amounts for the year ended April 30, 2011:

Motor Fuel Tax	\$	273,690
Park Dedication		1,325
2007 Bond Fire Station		985

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

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.

Special Olympics and Recreation Fund: To account for the activities of the Special Olympics and Recreation Program.

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

Sister City Program Fund: To account for activities of maintaining a relationship with the City of Asahikawa, Japan.

Cultural District Fund: To account for sales tax revenues and rental fees to provide facilities for artistic and cultural events.

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 development.

Central Bloomington TIF Redevelopment Fund: To account for the construction expenses in the tax increment financing district.

Pepsi Ice Center Fund: To account for the construction of the City's public ice rink.

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

Library Expansion Fund: To account for the expenditures for capital improvements to expand and remodel the Bloomington Public Library.

2007 Bond Fire Station: To account for the construction and equipment of a fire station financed by General Obligation Bonds, Series 2007.

J.M. Scott Health Care Trust Fund: To account for access to health services, supplies, medical equipment, special nutritional support and health care programs in McLean County for indigent area residents.

CITY OF BLOOMINGTON, ILLINOIS

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
April 30, 2011

	<u>Special Revenue</u>				
	<u>Motor Fuel Tax</u>	<u>Special Olympics and Recreation</u>	<u>Board of Elections</u>	<u>Sister City Program</u>	<u>Cultural District</u>
ASSETS					
Cash and investments	\$ 3,488,311	\$ 220,620	\$ 212,768	\$ 97,154	\$ 1,577,626
Receivables, net of allowance for uncollectibles:					
Loans	-	-	-	-	-
Accounts	-	-	14,580	-	47,385
Due from other governmental units	154,742	-	-	-	-
Due from other funds	-	-	-	-	-
Properties held for resale	-	-	-	-	-
Total assets	<u>\$ 3,643,053</u>	<u>\$ 220,620</u>	<u>\$ 227,348</u>	<u>\$ 97,154</u>	<u>\$ 1,625,011</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 945,535	\$ 12,735	\$ 16,567	\$ 3,121	\$ 270,331
Due to other funds	-	-	-	-	261,220
Deposits	-	-	-	-	17,585
Deferred revenue	-	-	-	-	14,801
Interfund advance	-	-	-	-	-
Total liabilities	<u>945,535</u>	<u>12,735</u>	<u>16,567</u>	<u>3,121</u>	<u>563,937</u>
FUND BALANCE					
Reserved for:					
Encumbrances	1,459,346	900	-	-	43,268
Trust corpus	-	-	-	-	-
Loans	-	-	-	-	-
Property held for resale	-	-	-	-	-
Unreserved, undesignated					
Special revenue	1,238,172	206,985	210,781	94,033	1,017,806
Capital projects	-	-	-	-	-
Permanent fund	-	-	-	-	-
Total fund balance	<u>2,697,518</u>	<u>207,885</u>	<u>210,781</u>	<u>94,033</u>	<u>1,061,074</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,643,053</u>	<u>\$ 220,620</u>	<u>\$ 227,348</u>	<u>\$ 97,154</u>	<u>\$ 1,625,011</u>

Special Revenue

<u>Drug Enforcement</u>	<u>Foreign Fire Insurance Board</u>	<u>Community Development</u>	<u>IHDA Grant</u>	<u>Park Dedication</u>
\$ 261,763	\$ 109,377	\$ 123,220	\$ 4,607	\$ 157,927
-	-	924,909	-	-
-	-	-	8,563	-
-	-	-	-	119,940
-	-	-	-	875,000
-	-	16,775	-	-
<u>\$ 261,763</u>	<u>\$ 109,377</u>	<u>\$ 1,064,904</u>	<u>\$ 13,170</u>	<u>\$1,152,867</u>
\$ 14,390	\$ 4,122	\$ 81,380	\$ 87	\$ 39,051
-	-	601	19,487	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>14,390</u>	<u>4,122</u>	<u>81,981</u>	<u>19,574</u>	<u>39,051</u>
-	-	-	-	210,805
-	-	-	-	-
-	-	924,909	-	-
-	-	16,775	-	-
247,373	105,255	41,239	(6,404)	903,011
-	-	-	-	-
-	-	-	-	-
<u>247,373</u>	<u>105,255</u>	<u>982,923</u>	<u>(6,404)</u>	<u>1,113,816</u>
<u>\$ 261,763</u>	<u>\$ 109,377</u>	<u>\$ 1,064,904</u>	<u>\$ 13,170</u>	<u>\$1,152,867</u>

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
April 30, 2011**

	Capital Projects		
	Central Bloomington TIF Redevelopment	Pepsi Ice Center	Capital Improvements
ASSETS			
Cash and cash equivalents	\$ 2,861,125	\$ 63,709	\$ 288,161
Receivables, net of allowance for uncollectibles:			
Loans	-	-	-
Accounts	-	-	85,411
Due from other governmental funds	-	-	-
Due from other funds	-	-	2,000,000
Properties held for resale	-	-	-
	<u>\$ 2,861,125</u>	<u>\$ 63,709</u>	<u>\$ 2,373,572</u>
Total assets			
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 293	\$ 3,470	\$ 202,322
Due to other funds	2,800,000	-	-
Deposits	-	-	-
Deferred revenue	-	-	-
Interfund advance	-	-	800,000
	<u>2,800,293</u>	<u>3,470</u>	<u>1,002,322</u>
Total liabilities			
FUND BALANCE			
Reserved for:			
Encumbrances	4,435	21,418	662,671
Trust corpus	-	-	-
Loans	-	-	-
Property held for resale	-	-	-
Unreserved, undesignated			
Special revenue	-	-	-
Capital projects	56,397	38,821	708,579
Permanent Fund	-	-	-
	<u>60,832</u>	<u>60,239</u>	<u>1,371,250</u>
Total fund balance			
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 2,861,125</u></u>	<u><u>\$ 63,709</u></u>	<u><u>\$ 2,373,572</u></u>

<u>Capital Projects</u>		<u>Permanent</u>	
<u>Library Expansion</u>	<u>2007 Bond Fire Station</u>	<u>J.M. Scott Health Care Trust</u>	<u>Total</u>
\$ 599,486	\$ 22,053	\$ 8,627,183	\$ 18,715,090
-	-	-	924,909
-	-	-	155,939
-	-	-	274,682
-	-	-	2,875,000
-	-	-	16,775
<u>\$ 599,486</u>	<u>\$ 22,053</u>	<u>\$ 8,627,183</u>	<u>\$ 22,962,395</u>
\$ -	\$ 69,495	\$ 5,963	\$ 1,668,862
1,150,000	-	224	4,231,532
-	-	-	17,585
-	-	-	14,801
-	-	-	800,000
<u>1,150,000</u>	<u>69,495</u>	<u>6,187</u>	<u>6,732,780</u>
-	43,387	-	2,446,230
-	-	5,402,151	5,402,151
-	-	-	924,909
-	-	-	16,775
-	-	-	4,058,251
(550,514)	(90,829)	-	162,454
-	-	3,218,845	3,218,845
<u>(550,514)</u>	<u>(47,442)</u>	<u>8,620,996</u>	<u>16,229,615</u>
<u>\$ 599,486</u>	<u>\$ 22,053</u>	<u>\$ 8,627,183</u>	<u>\$ 22,962,395</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2011

	<u>Special Revenue</u>				
	<u>Motor Fuel Tax</u>	<u>Special Olympics and Recreation</u>	<u>Board of Elections</u>	<u>Sister City Program</u>	<u>Cultural District</u>
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,400,000
Intergovernmental	2,283,401	109,378	517,153	12,100	46,750
Charges for services	-	-	-	-	786,115
Fines and forfeitures	-	-	-	-	-
Investment income	3,308	-	-	-	553
Other, primarily contributions	-	38,988	-	2,699	358,886
Total revenues	<u>2,286,709</u>	<u>148,366</u>	<u>517,153</u>	<u>14,799</u>	<u>2,592,304</u>
EXPENDITURES:					
Current:					
General government	-	-	544,126	17,985	-
Public safety	-	-	-	-	-
Highways and streets	1,446,822	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	255,208	-	-	2,265,078
Community development	-	-	-	-	-
Debt service					
Principal	-	-	-	-	11,487
Interest and fiscal agent fees	-	-	-	-	5,288
Capital outlay	-	-	-	-	-
Total expenditures	<u>1,446,822</u>	<u>255,208</u>	<u>544,126</u>	<u>17,985</u>	<u>2,281,853</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>839,887</u>	<u>(106,842)</u>	<u>(26,973)</u>	<u>(3,186)</u>	<u>310,451</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	164,986	327	12,101	484,606
Proceeds from sale of capital assets	-	-	-	-	-
Transfers out	-	(775)	-	-	(828,510)
Total other financing sources (uses)	<u>-</u>	<u>164,211</u>	<u>327</u>	<u>12,101</u>	<u>(343,904)</u>
NET CHANGE IN FUND BALANCES	839,887	57,369	(26,646)	8,915	(33,453)
FUND BALANCES, BEGINNING OF YEAR	<u>1,857,631</u>	<u>150,516</u>	<u>237,427</u>	<u>85,118</u>	<u>1,094,527</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,697,518</u>	<u>\$ 207,885</u>	<u>\$ 210,781</u>	<u>\$ 94,033</u>	<u>\$ 1,061,074</u>

Special Revenue

<u>Drug Enforcement</u>	<u>Foreign Fire Insurance Board</u>	<u>Community Development</u>	<u>IHDA Grant</u>	<u>Park Dedication</u>
\$ -	\$ 79,570	\$ -	\$ -	\$ -
8,308	-	1,198,619	113,057	144,879
-	-	-	-	-
89,291	-	-	-	-
-	543	1,271	10	-
-	-	3,559	-	61,776
<u>97,599</u>	<u>80,113</u>	<u>1,203,449</u>	<u>113,067</u>	<u>206,655</u>
-	-	-	-	-
154,891	79,404	-	-	-
-	-	-	-	-
-	-	-	-	254,921
-	-	1,342,852	99,984	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>154,891</u>	<u>79,404</u>	<u>1,342,852</u>	<u>99,984</u>	<u>254,921</u>
<u>(57,292)</u>	<u>709</u>	<u>(139,403)</u>	<u>13,083</u>	<u>(48,266)</u>
-	-	-	-	350,830
8,648	-	-	-	-
-	-	(6,425)	(19,487)	-
<u>8,648</u>	<u>-</u>	<u>(6,425)</u>	<u>(19,487)</u>	<u>350,830</u>
(48,644)	709	(145,828)	(6,404)	302,564
<u>296,017</u>	<u>104,546</u>	<u>1,128,751</u>	<u>-</u>	<u>811,252</u>
<u>\$ 247,373</u>	<u>\$ 105,255</u>	<u>\$ 982,923</u>	<u>\$ (6,404)</u>	<u>\$ 1,113,816</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2011

	Capital Projects		
	Central Bloomington TIF Redevelopment	Pepsi Ice Center	Capital Improvements
REVENUES:			
Taxes	\$ 1,328,893	\$ -	\$ -
Intergovernmental	-	-	2,215,400
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment income	3,013	-	-
Other, primarily contributions	8,084	-	107,720
	<u>1,339,990</u>	<u>-</u>	<u>2,323,120</u>
EXPENDITURES:			
Current:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	108,204	-
Community development	1,574,024	-	-
Debt service			
Principal	-	-	-
Interest and fiscal agent fees	-	-	26,000
Capital outlay	-	73,080	3,969,971
	<u>1,574,024</u>	<u>181,284</u>	<u>3,995,971</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(234,034)</u>	<u>(181,284)</u>	<u>(1,672,851)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	2,010,000
Proceeds from sale of capital assets	-	-	-
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>2,010,000</u>
NET CHANGE IN FUND BALANCES	<u>(234,034)</u>	<u>(181,284)</u>	<u>337,149</u>
FUND BALANCES, BEGINNING OF YEAR	<u>294,866</u>	<u>241,523</u>	<u>1,034,101</u>
FUND BALANCES, END OF YEAR	<u>\$ 60,832</u>	<u>\$ 60,239</u>	<u>\$ 1,371,250</u>

<u>Capital Projects</u>		<u>Permanent</u>	
<u>Library Expansion</u>	<u>2007 Bond Fire Station</u>	<u>J.M. Scott Health Care Trust</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 2,808,463
-	-	-	6,649,045
-	-	-	786,115
-	-	-	89,291
768	249	872,323	882,038
-	-	202,154	783,866
<u>768</u>	<u>249</u>	<u>1,074,477</u>	<u>11,998,818</u>
-	-	-	562,111
-	11,868	-	246,163
-	-	-	1,446,822
-	-	224,099	224,099
-	-	-	2,883,411
-	-	-	3,016,860
-	-	-	11,487
-	-	-	31,288
-	238,805	-	4,281,856
<u>-</u>	<u>250,673</u>	<u>224,099</u>	<u>12,704,097</u>
<u>768</u>	<u>(250,424)</u>	<u>850,378</u>	<u>(705,279)</u>
564,183	-	-	3,587,033
-	-	-	8,648
-	-	-	(855,197)
<u>564,183</u>	<u>-</u>	<u>-</u>	<u>2,740,484</u>
564,951	(250,424)	850,378	2,035,205
<u>(1,115,465)</u>	<u>202,982</u>	<u>7,770,618</u>	<u>14,194,410</u>
<u>\$ (550,514)</u>	<u>\$ (47,442)</u>	<u>\$ 8,620,996</u>	<u>\$ 16,229,615</u>

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - BUDGETARY BASIS - BUDGET TO ACTUAL**

For the Year Ended April 30, 2011

	Special Revenue			
	Motor Fuel Tax		Special Olympics and Recreation	
	Final Budget	Actual	Final Budget	Actual
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,950,850	2,283,401	109,378	109,378
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	3,308	-	-
Other, primarily contributions	-	-	31,517	38,988
Total revenues	1,950,850	2,286,709	140,895	148,366
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	1,414,000	1,687,690	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	305,881	256,108
Community development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	1,414,000	1,687,690	305,881	256,108
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	536,850	599,019	(164,986)	(107,742)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	164,986	164,986
Proceeds from sale of capital assets	-	-	-	-
Transfers out	-	-	-	(775)
Total other financing sources (uses)	-	-	164,986	164,211
NET CHANGE IN FUND BALANCES	\$ 536,850	599,019	\$ -	56,469
FUND BALANCES, BEGINNING OF YEAR		1,857,631		150,516
FUND BALANCES, END OF YEAR BUDGETARY BASIS		2,456,650		206,985
CHANGE IN ENCUMBRANCES		240,868		900
FUND BALANCES, END OF YEAR		\$ 2,697,518		\$ 207,885

Special Revenue

Board of Elections		Sister City Program		Cultural District		Drug Enforcement	
Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -
395,953	517,153	12,100	12,100	191,250	46,750	-	8,308
-	-	-	-	930,850	786,115	-	-
-	-	-	-	-	-	-	89,291
-	-	-	-	550	553	-	-
309	-	26,000	2,699	206,550	358,886	-	-
<u>396,262</u>	<u>517,153</u>	<u>38,100</u>	<u>14,799</u>	<u>2,729,200</u>	<u>2,592,304</u>	<u>-</u>	<u>97,599</u>
546,262	544,126	50,201	17,985	-	-	-	-
-	-	-	-	-	-	194,839	154,891
-	-	-	-	-	-	-	-
-	-	-	-	2,175,434	2,135,346	-	-
-	-	-	-	-	-	-	-
-	-	-	-	16,776	11,487	-	-
-	-	-	-	-	5,288	-	-
-	-	-	-	-	-	-	-
<u>546,262</u>	<u>544,126</u>	<u>50,201</u>	<u>17,985</u>	<u>2,192,210</u>	<u>2,152,121</u>	<u>194,839</u>	<u>154,891</u>
<u>(150,000)</u>	<u>(26,973)</u>	<u>(12,101)</u>	<u>(3,186)</u>	<u>536,990</u>	<u>440,183</u>	<u>(194,839)</u>	<u>(57,292)</u>
-	327	12,101	12,101	-	484,606	-	-
-	-	-	-	-	-	-	8,648
-	-	-	-	(828,510)	(828,510)	-	-
-	327	12,101	12,101	(828,510)	(343,904)	-	8,648
<u>\$ (150,000)</u>	<u>(26,646)</u>	<u>\$ -</u>	<u>8,915</u>	<u>\$ (291,520)</u>	<u>96,279</u>	<u>\$ (194,839)</u>	<u>(48,644)</u>
	237,427		85,118		1,094,527		296,017
	210,781		94,033		1,190,806		247,373
	-		-		(129,732)		-
	<u>\$ 210,781</u>		<u>\$ 94,033</u>		<u>\$ 1,061,074</u>		<u>\$ 247,373</u>

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - BUDGETARY BASIS - BUDGET TO ACTUAL**

For the Year Ended April 30, 2011

	Special Revenue			
	Community Development		IHDA Grant	
	Final Budget	Actual	Final Budget	Actual
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,115,909	1,198,619	189,000	113,057
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	1,500	1,271	-	10
Other, primarily contributions	133,904	3,559	-	-
Total revenues	1,251,313	1,203,449	189,000	113,067
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community development	1,397,266	1,342,852	169,513	99,984
Debt services				
Principal	-	-	-	-
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	-	-	-
Total expenditure	1,397,266	1,342,852	169,513	99,984
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(145,953)	(139,403)	19,487	13,083
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers out	(6,425)	(6,425)	(19,487)	(19,487)
Total other financing sources (uses)	(6,425)	(6,425)	(19,487)	(19,487)
NET CHANGE IN FUND BALANCES	\$ (152,378)	(145,828)	\$ -	(6,404)
FUND BALANCES, BEGINNING OF YEAR		1,128,751		-
FUND BALANCES, END OF YEAR BUDGETARY BASIS		982,923		(6,404)
CHANGE IN ENCUMBRANCES		-		-
FUND BALANCES, END OF YEAR		\$ 982,923		\$ (6,404)

Capital Projects

Park Dedication		Central Bloomington TIF Redevelopment		Pepsi Ice Center	
Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ 1,263,574	\$ 1,328,893	\$ -	\$ -
-	144,879	-	-	-	-
-	-	-	-	-	-
-	-	-	3,013	-	-
-	61,776	-	8,084	-	-
<u>-</u>	<u>206,655</u>	<u>1,263,574</u>	<u>1,339,990</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
59,777	61,102	-	-	61,307	65,112
-	-	144,223	(70,993)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>59,777</u>	<u>61,102</u>	<u>144,223</u>	<u>(70,993)</u>	<u>84,532</u>	<u>73,080</u>
<u>(59,777)</u>	<u>145,553</u>	<u>1,119,351</u>	<u>1,410,983</u>	<u>(145,839)</u>	<u>(138,192)</u>
-	350,830	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>350,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (59,777)</u>	<u>496,383</u>	<u>\$ 1,119,351</u>	<u>1,410,983</u>	<u>\$ (145,839)</u>	<u>(138,192)</u>
	<u>811,252</u>		<u>294,866</u>		<u>241,523</u>
	<u>1,307,635</u>		<u>1,705,849</u>		<u>103,331</u>
	<u>(193,819)</u>		<u>(1,645,017)</u>		<u>(43,092)</u>
	<u>\$ 1,113,816</u>		<u>\$ 60,832</u>		<u>\$ 60,239</u>

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - BUDGETARY BASIS - BUDGET TO ACTUAL**

For the Year Ended April 30, 2011

	<u>Capital Projects</u>			
	<u>Capital Improvements</u>		<u>Library Expansion</u>	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	746,400	2,215,400	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	-	-	768
Other, primarily contributions	50,000	107,720	-	-
Total revenues	<u>796,400</u>	<u>2,323,120</u>	<u>-</u>	<u>768</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal agent fees	26,000	26,000	-	-
Capital outlay	4,451,740	4,386,361	-	-
Total expenditures	<u>4,477,740</u>	<u>4,412,361</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,681,340)</u>	<u>(2,089,241)</u>	<u>-</u>	<u>768</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,700,000	2,010,000	555,381	564,183
Proceeds from sale of capital assets	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>1,700,000</u>	<u>2,010,000</u>	<u>555,381</u>	<u>564,183</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,981,340)</u>	<u>(79,241)</u>	<u>\$ 555,381</u>	<u>564,951</u>
FUND BALANCES, BEGINNING OF YEAR		<u>1,034,101</u>		<u>(1,115,465)</u>
FUND BALANCES, END OF YEAR BUDGETARY BASIS		954,860		(550,514)
CHANGE IN ENCUMBRANCES		<u>416,390</u>		<u>-</u>
FUND BALANCES, END OF YEAR		<u>\$ 1,371,250</u>		<u>\$ (550,514)</u>

Capital Projects		Permanent	
2007 Bond Fire Station		J.M. Scott Health Care Trust	
Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	249	-	872,323
-	-	301,170	202,154
-	249	301,170	1,074,477
-	-	-	-
10,000	11,868	-	-
-	-	-	-
-	-	299,920	222,341
-	-	-	-
-	-	-	-
-	-	-	-
122,235	121,352	-	-
132,235	133,220	299,920	222,341
(132,235)	(132,971)	1,250	852,136
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ (132,235)</u>	(132,971)	<u>\$ 1,250</u>	852,136
	202,982		7,770,618
	70,011		8,622,754
	(117,453)		(1,758)
	<u>\$ (47,442)</u>		<u>\$ 8,620,996</u>

NONMAJOR ENTERPRISE FUNDS

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.

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING BALANCE SHEET
NONMAJOR ENTERPRISE FUNDS**

April 30, 2011

	<u>Golf Operations</u>	<u>Parking</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 220,972	\$ 164,572	\$ 385,544
Accounts receivable, net of allowance for uncollectibles	16,873	26,640	43,513
Inventory	<u>186,816</u>	<u>-</u>	<u>186,816</u>
Total current assets	<u>424,661</u>	<u>191,212</u>	<u>615,873</u>
Noncurrent assets:			
Land	1,907,587	290,440	2,198,027
Other depreciable capital assets, net of accumulated depreciation	<u>1,683,985</u>	<u>5,406,079</u>	<u>7,090,064</u>
Total capital assets, net of depreciation	<u>3,591,572</u>	<u>5,696,519</u>	<u>9,288,091</u>
TOTAL ASSETS	<u><u>\$ 4,016,233</u></u>	<u><u>\$ 5,887,731</u></u>	<u><u>\$ 9,903,964</u></u>
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued expenses	\$ 114,331	\$ 27,311	\$ 141,642
Compensated absences	18,663	6,815	25,478
Due to other funds	5,927	1,689	7,616
Unearned revenue	151,205	-	151,205
Deposits	<u>-</u>	<u>9,090</u>	<u>9,090</u>
Total current liabilities	<u>290,126</u>	<u>44,905</u>	<u>335,031</u>
Noncurrent liabilities:			
Interfund advances	-	1,400,000	1,400,000
Compensated absences	190,084	36,415	226,499
Net OPEB obligation	21,836	51,500	73,336
Net pension obligation	<u>11,141</u>	<u>4,122</u>	<u>15,263</u>
Total noncurrent liabilities	<u>223,061</u>	<u>1,492,037</u>	<u>1,715,098</u>
TOTAL LIABILITIES	<u>513,187</u>	<u>1,536,942</u>	<u>2,050,129</u>
NET ASSETS:			
Invested in capital assets, net of related debt	3,591,572	5,696,519	9,288,091
Unrestricted (deficit)	<u>(88,526)</u>	<u>(1,345,730)</u>	<u>(1,434,256)</u>
Total net assets	<u>3,503,046</u>	<u>4,350,789</u>	<u>7,853,835</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,016,233</u></u>	<u><u>\$ 5,887,731</u></u>	<u><u>\$ 9,903,964</u></u>

CITY OF BLOOMINGTON, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2011

	<u>Golf Operations</u>	<u>Parking</u>	<u>Total</u>
Operating revenues, charges for services	\$ 2,640,194	\$ 821,278	\$ 3,461,472
Operating expenses:			
Personal services	1,503,881	383,526	1,887,407
Contractual services	556,406	648,190	1,204,596
Commodities	678,164	130,620	808,784
Depreciation	195,966	199,859	395,825
Total operating expenses	<u>2,934,417</u>	<u>1,362,195</u>	<u>4,296,612</u>
Operating income (loss)	<u>(294,223)</u>	<u>(540,917)</u>	<u>(835,140)</u>
Nonoperating revenues:			
Other income	<u>58,530</u>	<u>487</u>	<u>59,017</u>
Total nonoperating revenue	<u>58,530</u>	<u>487</u>	<u>59,017</u>
CHANGE IN NET ASSETS BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(235,693)</u>	<u>(540,430)</u>	<u>(776,123)</u>
Contribution revenue	<u>3,737,113</u>	<u>-</u>	<u>3,737,113</u>
Transfers in	1,626	-	1,626
Transfers out	<u>-</u>	<u>(89,855)</u>	<u>(89,855)</u>
Total transfers	<u>1,626</u>	<u>(89,855)</u>	<u>(88,229)</u>
Change in net assets	3,503,046	(630,285)	2,872,761
TOTAL NET ASSETS, BEGINNING OF YEAR	<u>-</u>	<u>4,981,074</u>	<u>4,981,074</u>
TOTAL NET ASSETS, END OF YEAR	<u>\$ 3,503,046</u>	<u>\$ 4,350,789</u>	<u>\$ 7,853,835</u>

CITY OF BLOOMINGTON, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2011

	<u>Golf Operations</u>	<u>Parking</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 2,774,526	\$ 796,372	\$ 3,570,898
Payments to suppliers	(1,307,055)	(778,956)	(2,086,011)
Payments to employees	(1,262,157)	(372,862)	(1,635,019)
Other receipts	58,530	487	59,017
Net cash from operating activities	<u>263,844</u>	<u>(354,959)</u>	<u>(91,115)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Payments to interfund accounts	-	(3,661,086)	(3,661,086)
Proceeds from interfund accounts	7,553	4,002,191	4,009,744
Net cash from noncapital financing activities	<u>7,553</u>	<u>341,105</u>	<u>348,658</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of capital assets	(50,425)	-	(50,425)
Net cash from capital and related financing activities	<u>(50,425)</u>	<u>-</u>	<u>(50,425)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	220,972	(13,854)	207,118
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>-</u>	<u>178,426</u>	<u>178,426</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 220,972</u>	<u>\$ 164,572</u>	<u>\$ 385,544</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ (294,223)	\$ (540,917)	\$ (835,140)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation	195,966	199,859	395,825
Other Income	58,530	487	59,017
Change in assets and liabilities:			
Receivables	(16,873)	(24,906)	(41,779)
Inventory	(186,816)	-	(186,816)
Accounts payable and accrued expenses	114,331	1,536	115,867
Deposits	-	(1,682)	(1,682)
Unearned income	151,205	-	151,205
Compensated absences	208,747	1,908	210,655
Net OPEB obligation	21,836	4,634	26,470
Net pension obligation	11,141	4,122	15,263
Net cash from operating activities	<u>\$ 263,844</u>	<u>\$ (354,959)</u>	<u>\$ (91,115)</u>
SCHEDULE OF NONCASH ITEMS, CAPITAL AND RELATED FINANCING ACTIVITIES			
Contribution of capital assets	<u>\$ 3,737,113</u>	<u>\$ -</u>	<u>\$ 3,737,113</u>

GENERAL FUND

GENERAL FUND

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

CITY OF BLOOMINGTON, ILLINOIS
GENERAL FUND
COMBINING BALANCE SHEET - BY SUBFUND
April 30, 2011

	<u>General</u>	<u>Fixed Asset Replacement</u>	<u>Judgment</u>	<u>Flex Cash</u>
ASSETS				
Cash and investments	\$ 10,724,008	\$ 536	\$ 288,167	\$ 45,560
Receivables, net of allowance for uncollectibles:				
Taxes	9,428,054	-	-	-
Loans	379,590	-	-	-
Accounts	1,747,835	-	-	-
Due from other governmental units	8,347,107	-	-	-
Due from other funds	21,785	-	-	-
Inventory	213,577	-	-	-
Prepaid items	10,103	-	-	-
	<u>\$ 30,872,059</u>	<u>\$ 536</u>	<u>\$ 288,167</u>	<u>\$ 45,560</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable and accrued expenditures	\$ 3,392,356	\$ 589	\$ 90,400	\$ 917
Due to other funds	295,705	-	-	75,000
Unearned income	1,136	-	-	-
Deferred revenue	11,740,531	-	-	-
	<u>15,429,728</u>	<u>589</u>	<u>90,400</u>	<u>75,917</u>
FUND BALANCE				
Reserved for:				
Inventory	213,577	-	-	-
Loans	379,590	-	-	-
Prepaid items	10,103	-	-	-
Encumbrances	534,069	-	-	-
Unreserved, undesignated	14,304,992	(53)	197,767	(30,357)
Total fund balance	<u>15,442,331</u>	<u>(53)</u>	<u>197,767</u>	<u>(30,357)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 30,872,059</u>	<u>\$ 536</u>	<u>\$ 288,167</u>	<u>\$ 45,560</u>

<u>Police Pension Levy</u>	<u>Firemen's Pension Levy</u>	<u>Eliminations</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 11,058,271
4,057,967	3,407,588	-	16,893,609
-	-	-	379,590
-	-	-	1,747,835
-	-	-	8,347,107
-	-	-	21,785
-	-	-	213,577
-	-	-	10,103
<u>\$ 4,057,967</u>	<u>\$ 3,407,588</u>	<u>\$ -</u>	<u>\$ 38,671,877</u>
\$ -	\$ -	\$ -	\$ 3,484,262
-	-	-	370,705
-	-	-	1,136
<u>4,057,967</u>	<u>3,407,588</u>	<u>-</u>	<u>19,206,086</u>
<u>4,057,967</u>	<u>3,407,588</u>	<u>-</u>	<u>23,062,189</u>
-	-	-	213,577
-	-	-	379,590
-	-	-	10,103
-	-	-	534,069
-	-	-	14,472,349
<u>-</u>	<u>-</u>	<u>-</u>	<u>15,609,688</u>
<u>\$ 4,057,967</u>	<u>\$ 3,407,588</u>	<u>\$ -</u>	<u>\$ 38,671,877</u>

CITY OF BLOOMINGTON, ILLINOIS
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY SUBFUND
For the Year Ended April 30, 2011

	General	Fixed Asset Replacement	Judgment	Flex Cash	Police Pension Levy	Firemen's Pension Levy	Eliminations	Total
REVENUES:								
Taxes	\$ 56,849,453	\$ -	\$ 99,948	\$ -	\$ 3,867,939	\$ 3,140,841	\$ -	\$63,958,181
Intergovernmental	956,875	-	-	-	-	-	-	956,875
Licenses and permits	1,017,742	-	-	-	-	-	-	1,017,742
Charges for services	9,600,648	-	-	-	-	-	-	9,600,648
Fines and forfeitures	811,496	-	-	-	-	-	-	811,496
Investment income	75,854	-	237	5	-	-	-	76,096
Other	466,764	-	-	748	-	-	-	467,512
Total revenues	69,778,832	-	100,185	753	3,867,939	3,140,841	-	76,888,550
EXPENDITURES:								
Current:								
General government	12,967,860	-	166,210	5,632	3,867,939	3,140,841	-	20,148,482
Public safety	30,977,081	-	-	-	-	-	-	30,977,081
Highways and streets	3,384,363	-	-	-	-	-	-	3,384,363
Sanitation	3,707,985	-	-	-	-	-	-	3,707,985
Culture and recreation	6,041,954	-	-	-	-	-	-	6,041,954
Capital outlay	1,702,958	-	-	-	-	-	-	1,702,958
Total expenditures	58,782,201	-	166,210	5,632	3,867,939	3,140,841	-	65,962,823
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,996,631	-	(66,025)	(4,879)	-	-	-	10,925,727
OTHER FINANCING SOURCES (USES):								
Transfers in	788,063	-	-	6,549	-	-	(6,588)	788,024
Proceeds from sale of capital assets	253,354	-	-	-	-	-	-	253,354
Transfers out	(7,108,366)	(39)	-	-	-	-	6,588	(7,101,817)
Total other financing sources (uses)	(6,066,949)	(39)	-	6,549	-	-	-	(6,060,439)
NET CHANGE IN FUND BALANCES	4,929,682	(39)	(66,025)	1,670	-	-	-	4,865,288
FUND BALANCES, BEGINNING OF YEAR	10,512,649	(14)	263,792	(32,027)	-	-	-	10,744,400
FUND BALANCES, END OF YEAR	\$ 15,442,331	\$ (53)	\$ 197,767	\$ (30,357)	\$ -	\$ -	\$ -	\$15,609,688

DEBT SERVICE FUND

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, ILLINOIS
DEBT SERVICE FUND
COMBINING BALANCE SHEET - BY SUBFUND
April 30, 2011

	<u>General Bond and Interest</u>	<u>Market Square TIF Bond Redemption</u>	<u>2004 Coliseum Bond Redemption</u>	<u>2004 Multi-Project Bond Redemption</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ 5,575,042	\$1,432,077	\$ 516,416	\$ 130,672	\$ 7,654,207
Receivables, net of allowance for uncollectibles:					
Taxes	2,179,867	-	-	-	2,179,867
Due from other governmental units	-	69,997	-	-	69,997
Due from other funds	250,170	-	-	356,500	606,670
Interfund advances	-	-	1,800,000	650,000	2,450,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 8,005,079</u>	<u>\$1,502,074</u>	<u>\$2,316,416</u>	<u>\$1,137,172</u>	<u>\$ 12,960,741</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 14,000	\$ -	\$ -	\$ -	\$ 14,000
Deferred revenue	2,179,867	-	-	-	2,179,867
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>2,193,867</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,193,867</u>
FUND BALANCE					
Reserved for:					
Interfund advances	-	-	1,800,000	650,000	2,450,000
Debt service fund	5,811,212	1,502,074	516,416	487,172	8,316,874
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>5,811,212</u>	<u>1,502,074</u>	<u>2,316,416</u>	<u>1,137,172</u>	<u>10,766,874</u>
TOTAL LIABILITIES AND FUND BALANCE					
	<u>\$ 8,005,079</u>	<u>\$1,502,074</u>	<u>\$2,316,416</u>	<u>\$1,137,172</u>	<u>\$ 12,960,741</u>

CITY OF BLOOMINGTON, ILLINOIS

**DEBT SERVICE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BY SUBFUND**

For the Year Ended April 30, 2011

	<u>General Bond and Interest</u>	<u>Market Square TIF Bond Redemption</u>	<u>2004 Coliseum Bond Redemption</u>	<u>2004 Multi-Project Bond Redemption</u>	<u>Total</u>
REVENUES:					
Taxes	\$ 2,579,654	\$ 654,101	\$ -	\$ -	\$ 3,233,755
Investment income	<u>6,454</u>	<u>523</u>	<u>-</u>	<u>69</u>	<u>7,046</u>
Total revenues	<u>2,586,108</u>	<u>654,624</u>	<u>-</u>	<u>69</u>	<u>3,240,801</u>
EXPENDITURES:					
Debt service:					
Principal	3,200,000	400,000	-	300,000	3,900,000
Interest and fiscal agent fees	<u>1,136,537</u>	<u>22,756</u>	<u>1,853,131</u>	<u>68,326</u>	<u>3,080,750</u>
Total expenditures	<u>4,336,537</u>	<u>422,756</u>	<u>1,853,131</u>	<u>368,326</u>	<u>6,980,750</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,750,429)</u>	<u>231,868</u>	<u>(1,853,131)</u>	<u>(368,257)</u>	<u>(3,739,949)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	2,143,870	-	1,853,131	119,990	4,116,991
Transfers out	<u>(380,907)</u>	<u>-</u>	<u>-</u>	<u>(103,251)</u>	<u>(484,158)</u>
Total other financing sources	<u>1,762,963</u>	<u>-</u>	<u>1,853,131</u>	<u>16,739</u>	<u>3,632,833</u>
NET CHANGE IN FUND BALANCES	12,534	231,868	-	(351,518)	(107,116)
FUND BALANCES, BEGINNING OF YEAR	<u>5,798,678</u>	<u>1,270,206</u>	<u>2,316,416</u>	<u>1,488,690</u>	<u>10,873,990</u>
FUND BALANCES, END OF YEAR	<u>\$ 5,811,212</u>	<u>\$ 1,502,074</u>	<u>\$ 2,316,416</u>	<u>\$ 1,137,172</u>	<u>\$10,766,874</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2011

	<u>Final Budget</u>	<u>Actual</u>
REVENUES:		
Taxes	\$ 3,166,699	\$ 3,233,755
Investment income	-	7,046
Total revenues	<u>3,169,251</u>	<u>3,240,801</u>
EXPENDITURES:		
Current:		
Debt service:		
Principal	3,900,000	3,900,000
Interest and fiscal agent fees	<u>3,355,186</u>	<u>3,080,750</u>
Total expenditures	<u>7,255,186</u>	<u>6,980,750</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,085,935)</u>	<u>(3,739,949)</u>
OTHER FINANCING SOURCES (USES):		
Transfers in	4,116,991	4,116,991
Transfers out	<u>(780,907)</u>	<u>(484,158)</u>
Total other financing sources (uses)	<u>3,336,084</u>	<u>3,632,833</u>
NET CHANGE IN FUND BALANCES	<u>\$ (749,851)</u>	(107,116)
FUND BALANCES, BEGINNING OF YEAR		<u>10,873,990</u>
FUND BALANCES, END OF YEAR BUDGETARY BASIS		10,766,874
CHANGE IN ENCUMBRANCES		<u>-</u>
FUND BALANCES, END OF YEAR		<u>\$ 10,766,874</u>

PARKING FUND

PARKING FUND

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

CITY OF BLOOMINGTON, ILLINOIS

**PARKING FUND
COMBINING BALANCE SHEET - BY SUBFUND
April 30, 2011**

	<u>Parking Maintenance and Operation</u>	<u>Abraham Lincoln Parking Facility</u>	<u>West Side Parking Facility Capital Project</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and investments	\$ 51,402	\$ 113,170	\$ -	\$ 164,572
Accounts receivable, net of allowance for uncollectibles	17,104	9,536	-	26,640
Total current assets	<u>68,506</u>	<u>122,706</u>	<u>-</u>	<u>191,212</u>
Noncurrent assets:				
Land	290,440	-	-	290,440
Other depreciable capital assets, net of accumulated depreciation	5,406,079	-	-	5,406,079
Total capital assets, net of depreciation	<u>5,696,519</u>	<u>-</u>	<u>-</u>	<u>5,696,519</u>
TOTAL ASSETS	<u>\$ 5,765,025</u>	<u>\$ 122,706</u>	<u>\$ -</u>	<u>\$ 5,887,731</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 20,933	\$ 6,378	\$ -	\$ 27,311
Compensated absences	6,815	-	-	6,815
Due to other funds	1,689	-	-	1,689
Deposits	696	8,394	-	9,090
Total current liabilities	<u>30,133</u>	<u>14,772</u>	<u>-</u>	<u>44,905</u>
Noncurrent liabilities:				
Interfund advances	1,400,000	-	-	1,400,000
Compensated absences	36,415	-	-	36,415
Net OPEB obligation	51,500	-	-	51,500
Net pension obligation	4,122	-	-	4,122
Total noncurrent liabilities	<u>1,492,037</u>	<u>-</u>	<u>-</u>	<u>1,492,037</u>
TOTAL LIABILITIES	<u>1,522,170</u>	<u>14,772</u>	<u>-</u>	<u>1,536,942</u>
NET ASSETS:				
Invested in capital assets, net of related debt	5,696,519	-	-	5,696,519
Unrestricted (deficit)	(1,453,664)	107,934	-	(1,345,730)
Total net assets	<u>4,242,855</u>	<u>107,934</u>	<u>-</u>	<u>4,350,789</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,765,025</u>	<u>\$ 122,706</u>	<u>\$ -</u>	<u>\$ 5,887,731</u>

CITY OF BLOOMINGTON, ILLINOIS

PARKING FUND

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

For the Year Ended April 30, 2011

	<u>Parking Maintenance and Operation</u>	<u>Abraham Lincoln Parking Facility</u>	<u>West Side Parking Facility Capital Project</u>	<u>Eliminations</u>	<u>Total</u>
Operating revenues, charges for services	<u>\$ 451,928</u>	<u>\$ 369,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 821,278</u>
Operating expenses:					
Personal services	383,526	-	-	-	383,526
Contractual services	344,501	303,689	-	-	648,190
Commodities	79,017	51,603	-	-	130,620
Depreciation	199,859	-	-	-	199,859
Total operating expenses	<u>1,006,903</u>	<u>355,292</u>	<u>-</u>	<u>-</u>	<u>1,362,195</u>
Operating income (loss)	<u>(554,975)</u>	<u>14,058</u>	<u>-</u>	<u>-</u>	<u>(540,917)</u>
Nonoperating revenues:					
Other income	-	487	-	-	487
Total nonoperating revenue	<u>-</u>	<u>487</u>	<u>-</u>	<u>-</u>	<u>487</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(554,975)</u>	<u>14,545</u>	<u>-</u>	<u>-</u>	<u>(540,430)</u>
Transfers in	3,176,527	-	194,704	(3,371,231)	-
Transfers out	(284,559)	-	(3,176,527)	3,371,231	(89,855)
Total transfers	<u>2,891,968</u>	<u>-</u>	<u>(2,981,823)</u>	<u>-</u>	<u>(89,855)</u>
Change in net assets	2,336,993	14,545	(2,981,823)	-	(630,285)
TOTAL NET ASSETS, BEGINNING OF YEAR	<u>1,905,862</u>	<u>93,389</u>	<u>2,981,823</u>	<u>-</u>	<u>4,981,074</u>
TOTAL NET ASSETS, END OF YEAR	<u>\$ 4,242,855</u>	<u>\$ 107,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,350,789</u>

INTERNAL SERVICE FUNDS

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, ILLINOIS

**COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS**

April 30, 2011

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 994,973	\$ 306,962	\$ 2,368,675	\$ 3,670,610
Accounts receivable, net of allowance for uncollectibles	2,676	986	-	3,662
Accrued interest	-	-	81	81
Due from other funds	1,902	-	411,173	413,075
Interfund advances	1,112,262	-	3,733	1,115,995
Prepaid items and other assets	<u>3,340</u>	<u>125</u>	<u>-</u>	<u>3,465</u>
 Total assets	 <u>\$ 2,115,153</u>	 <u>\$ 308,073</u>	 <u>\$ 2,783,662</u>	 <u>\$ 5,206,888</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 78,792	\$ 37,115	\$ 92,258	\$ 208,165
Claims payable	297,008	115,503	4,076,050	4,488,561
Unearned revenue	-	28,651	-	28,651
Total current liabilities	<u>375,800</u>	<u>181,269</u>	<u>4,168,308</u>	<u>4,725,377</u>
Noncurrent liabilities:				
Interfund advance	-	1,112,262	-	1,112,262
Total noncurrent liabilities	<u>-</u>	<u>1,112,262</u>	<u>-</u>	<u>1,112,262</u>
 Total liabilities	 375,800	 1,293,531	 4,168,308	 5,837,639
 Net assets, unrestricted (deficit)	 <u>1,739,353</u>	 <u>(985,458)</u>	 <u>(1,384,646)</u>	 <u>(630,751)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,115,153</u>	<u>\$ 308,073</u>	<u>\$ 2,783,662</u>	<u>\$ 5,206,888</u>

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2011

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
Operating revenues, charges for services	<u>\$ 6,958,154</u>	<u>\$ 1,450,135</u>	<u>\$ 2,933,340</u>	<u>\$ 11,341,629</u>
Operating expenses:				
Contractual services	2,887,197	302,073	1,029,458	4,218,728
Other charges, primarily claims	<u>3,537,149</u>	<u>1,699,082</u>	<u>2,262,981</u>	<u>7,499,212</u>
Total operating expenses	<u>6,424,346</u>	<u>2,001,155</u>	<u>3,292,439</u>	<u>11,717,940</u>
Operating income (loss)	533,808	(551,020)	(359,099)	(376,311)
Nonoperating income, investment earnings	<u>-</u>	<u>-</u>	<u>19,755</u>	<u>19,755</u>
Income before transfers	<u>533,808</u>	<u>(551,020)</u>	<u>(339,344)</u>	<u>(356,556)</u>
Transfers in	-	231,001	250,000	481,001
Transfers out	<u>(231,001)</u>	<u>-</u>	<u>-</u>	<u>(231,001)</u>
Total transfers	<u>(231,001)</u>	<u>231,001</u>	<u>250,000</u>	<u>250,000</u>
Change in net assets	302,807	(320,019)	(89,344)	(106,556)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>1,436,546</u>	<u>(665,439)</u>	<u>(1,295,302)</u>	<u>(524,195)</u>
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ 1,739,353</u>	<u>\$ (985,458)</u>	<u>\$ (1,384,646)</u>	<u>\$ (630,751)</u>

CITY OF BLOOMINGTON, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2011

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 6,955,478	\$ 1,480,257	\$ -	\$ 8,435,735
Receipts from interfund service transactions	-	-	3,033,158	3,033,158
Payments to claimants	(3,451,450)	(1,674,140)	(1,991,743)	(7,117,333)
Payments to suppliers	(2,734,467)	(280,156)	(942,224)	(3,956,847)
Net cash from operating activities	769,561	(474,039)	99,191	394,713
CASH FLOWS FROM NONCAPITAL ACTIVITIES				
Proceeds from interfund accounts	-	781,001	250,000	1,031,001
Payments to interfund accounts	(782,904)	-	(414,906)	(1,197,810)
Net cash from noncapital activities	(782,904)	781,001	(164,906)	(166,809)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	-	-	28,034	28,034
Sale of investments	-	-	581,077	581,077
Net cash from investing activities	-	-	609,111	609,111
INCREASE IN CASH AND CASH EQUIVALENTS	(13,343)	306,962	543,396	837,015
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,008,316	-	1,719,167	2,727,483
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 994,973	\$ 306,962	\$ 2,262,563	\$ 3,564,498
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ 533,808	\$ (551,020)	\$ (359,099)	\$ (376,311)
Adjustments to reconcile operating to net cash from operating activities:				
Change in assets and liabilities:				
Receivables	(2,676)	38,462	122,807	158,593
Prepaid items and other assets	105,584	6,717	22,989	135,290
Accounts payable and accrued expenses	47,146	15,200	64,245	126,591
Claims payable	85,699	24,942	271,238	381,879
Unearned revenue	-	(8,340)	(22,989)	(31,329)
Net cash from operating activities	\$ 769,561	\$ (474,039)	\$ 99,191	\$ 394,713
Reconciliation of cash and cash equivalents to specific assets on the statement of net assets:				
Cash and investments	\$ 994,973	\$ 306,962	\$ 2,368,675	\$ 3,670,610
Less items not meeting the definition of cash equivalents	-	-	(106,112)	(106,112)
Cash and cash equivalents, end of year	\$ 994,973	\$ 306,962	\$ 2,262,563	\$ 3,564,498
Schedule of noncash items, investing activities, net appreciation in fair value of investments	\$ -	\$ -	\$ 1,717	\$ 1,717

FIDUCIARY FUNDS

FIDUCIARY 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 in the form of an annual property tax levy.

Firemen's 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 in the form of an annual property tax levy.

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2011

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
ASSETS			
Cash	\$ 1,849,927	\$ 1,347,963	\$ 3,197,890
Investments:			
U.S. government securities	8,361,162	1,277,900	9,639,062
U.S. government agencies and corporations	10,961,314	506,496	11,467,810
Annuities - fixed	2,263,280	13,796,828	16,060,108
Annuities - variable	-	15,874,327	15,874,327
Mutual funds	20,639,508	5,423,054	26,062,562
Stocks	2,468,653	-	2,468,653
Corporate bonds	712,531	-	712,531
Receivables:			
Employee	17,733	70,531	88,264
Accrued interest	204,503	1,590	206,093
	<u>47,478,611</u>	<u>38,298,689</u>	<u>85,777,300</u>
Liabilities, accounts payable	<u>7,672</u>	<u>3,085</u>	<u>10,757</u>
NET ASSETS, HELD IN TRUST FOR PENSION BENEFITS	<u><u>\$ 47,470,939</u></u>	<u><u>\$ 38,295,604</u></u>	<u><u>\$ 85,766,543</u></u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2011

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 3,867,939	\$ 3,140,710	\$ 7,008,649
Active members	899,601	692,076	1,591,677
Other sources	116,042	-	116,042
Total contributions	<u>4,883,582</u>	<u>3,832,786</u>	<u>8,716,368</u>
Net investment income:			
Net appreciation in fair value of investments	3,388,137	3,831,983	7,220,120
Interest	1,027,680	37,960	1,065,640
Dividends	-	922	922
Miscellaneous income	-	469	469
Total investment income	<u>4,415,817</u>	<u>3,871,334</u>	<u>8,287,151</u>
Less investment expense	40,060	-	40,060
Net investment income	<u>4,375,757</u>	<u>3,871,334</u>	<u>8,247,091</u>
Total additions	<u>9,259,339</u>	<u>7,704,120</u>	<u>16,963,459</u>
Deductions:			
Benefits	3,465,873	3,585,856	7,051,729
Administrative expenses	66,740	77,592	144,332
Total deductions	<u>3,532,613</u>	<u>3,663,448</u>	<u>7,196,061</u>
Net decrease	5,726,726	4,040,672	9,767,398
NET ASSETS HELD IN TRUST FOR BENEFITS, BEGINNING OF YEAR	<u>41,744,213</u>	<u>34,254,932</u>	<u>75,999,145</u>
NET ASSETS HELD IN TRUST FOR BENEFITS, END OF YEAR	<u><u>\$ 47,470,939</u></u>	<u><u>\$ 38,295,604</u></u>	<u><u>\$ 85,766,543</u></u>

CITY OF BLOOMINGTON, ILLINOIS

STATISTICAL SECTION

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SOURCES: Unless otherwise noted, the information in these sections is derived from the comprehensive annual report for the relevant year. The City implemented GASB 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF BLOOMINGTON, ILLINOIS
STATISTICAL SECTION
COMMENTS RELATIVE TO STATISTICAL SECTION

The following statistical table recommend by the Governmental Accounting Standards Board Statement No. 44 is not included for the reason stated below:

The table showing legal debt margin is omitted because as a “Home Rule” unit established by the 1970 Illinois constitution, the City of Bloomington, Illinois has no statutory debt limit.

CITY OF BLOOMINGTON, ILLINOIS

**Net Assets by Component, Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)**

	Fiscal Year		
	2003	2004	2005
Governmental activities:			
Invested in capital assets, net of related debt	\$ 101,340,822	\$ 102,956,350	\$ 80,134,161
Restricted	5,402,151	15,357,846	19,826,638
Unrestricted	<u>24,573,968</u>	<u>26,665,486</u>	<u>55,337,694</u>
Total governmental activities net assets	<u><u>\$ 131,316,941</u></u>	<u><u>\$ 144,979,682</u></u>	<u><u>\$ 155,298,493</u></u>
Business-type activities:			
Invested in capital assets, net of related debt	\$ 115,691,264	\$ 121,523,887	\$ 121,814,898
Unrestricted	<u>3,596,404</u>	<u>1,366,819</u>	<u>5,338,425</u>
Total business-type activities net assets	<u><u>\$ 119,287,668</u></u>	<u><u>\$ 122,890,706</u></u>	<u><u>\$ 127,153,323</u></u>
Primary government:			
Invested in capital assets, net of related debt	\$ 217,032,086	\$ 224,480,237	\$ 201,949,059
Restricted	16,518,373	15,357,846	19,826,638
Unrestricted	<u>17,054,150</u>	<u>28,032,305</u>	<u>60,676,119</u>
Total primary government net assets	<u><u>\$ 250,604,609</u></u>	<u><u>\$ 267,870,388</u></u>	<u><u>\$ 282,451,816</u></u>

GASB Statement No. 34 Implemented in Fiscal Year 2003

GASB Statement No. 44 Implemented in Fiscal Year 2007

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 Assets reported as Invested in Capital Assets, Debt Net of Related Debt (ICANRD) in the Governmental Activities in the Statement of Net Assets 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 Assets ICANRD in the total primary government column on the Statement of Net Assets.

Fiscal Year					
2006	2007	2008	2009	2010	2011
\$ 129,599,203	\$ 134,912,639	\$ 136,491,878	\$ 148,943,795	\$ 146,605,302	\$ 141,998,425
18,797,111	21,217,816	25,805,238	22,297,585	23,752,833	24,047,676
16,708,698	13,194,642	(24,458,320)	(32,779,575)	(25,676,528)	(20,669,872)
<u>\$ 165,105,012</u>	<u>\$ 169,325,097</u>	<u>\$ 137,838,796</u>	<u>\$ 138,461,805</u>	<u>\$ 144,681,607</u>	<u>\$ 145,376,229</u>
\$ 129,681,276	\$ 137,465,199	\$ 173,090,693	\$ 178,771,230	\$ 176,370,673	\$ 179,044,574
(2,228,945)	(1,912,857)	(13,609,094)	(16,170,178)	(11,160,182)	(5,141,805)
<u>\$ 127,452,331</u>	<u>\$ 135,552,342</u>	<u>\$ 159,481,599</u>	<u>\$ 162,601,052</u>	<u>\$ 165,210,491</u>	<u>\$ 173,902,769</u>
\$ 259,280,479	\$ 272,377,838	\$ 277,453,948	\$ 295,641,977	\$ 291,052,732	\$ 288,324,761
18,797,111	21,217,816	25,805,238	22,297,585	23,752,833	24,047,676
14,479,753	11,281,785	(5,938,791)	(16,876,705)	(4,913,467)	6,906,561
<u>\$ 292,557,343</u>	<u>\$ 304,877,439</u>	<u>\$ 297,320,395</u>	<u>\$ 301,062,857</u>	<u>\$ 309,892,098</u>	<u>\$ 319,278,998</u>

CITY OF BLOOMINGTON, ILLINOIS

**Changes in Net Assets, Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)**

	2003	2004	2005	2006
Expenses				
Governmental Activities:				
General government	\$ 11,492,732	\$ 11,863,297	\$ 9,315,837	\$ 8,522,974
Public safety	18,411,111	18,816,277	22,632,094	26,344,845
Highways and streets	11,789,502	12,881,016	11,228,589	9,384,880
Sanitation	8,098,356	8,221,203	9,603,786	10,195,565
Health and welfare	344,003	372,700	333,600	321,696
Culture and recreation	12,020,505	12,391,433	13,253,966	18,305,653
Community development	2,097,137	3,601,348	3,875,334	6,756,891
Interest on long-term debt	1,322,768	1,371,371	3,429,408	2,966,747
Total governmental activities expenses	65,576,114	69,518,645	73,672,614	82,799,251
Business-type activities:				
Water	9,193,747	8,971,757	8,986,194	10,531,819
Solid waste	-	-	-	-
Sewer	2,238,765	2,581,981	2,423,695	2,607,931
Golf operations	-	-	-	-
Parking	618,427	1,028,987	1,080,682	1,054,418
U.S. Cellular Coliseum	-	49,159	462,974	3,084,480
Stormwater management	-	-	844,984	1,708,820
Total business-type activities expenses	12,050,939	12,631,884	13,798,529	18,987,468
Total primary government expenses	77,627,053	82,150,529	87,471,143	101,786,719
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	4,041,612	4,573,663	6,360,215	6,889,902
Public safety	1,320,738	1,195,762	1,240,643	2,269,302
Highway and streets	43,635	44,479	290,843	302,484
Sanitation	-	-	-	-
Culture and recreation	3,231,038	3,295,253	3,828,057	3,849,409
Community development	-	-	-	-
Operating grants and contributions:				
General government	1,117,843	2,022,589	1,643,091	1,541,092
Public safety	373,198	238,157	115,913	430,063
Highway and streets	121,005	-	-	2,355,285
Culture and recreation	1,303,161	2,016,740	121,005	108,909
Community development	-	1,047,303	1,281,005	1,183,180
Capital grants and contributions:				
General government	-	-	-	-
Public safety	-	-	-	9,375
Highway and streets	1,316,953	4,125,266	4,651,148	4,807,027
Sanitation	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	19,011
Total governmental activities program revenues	12,869,183	18,559,212	19,531,920	23,765,039

Fiscal Year				
2007	2008	2009	2010	2011
\$ 12,249,314	\$ 18,338,392	\$ 21,635,391	\$ 18,403,813	\$ 21,269,595
29,812,433	34,450,276	35,549,737	34,729,564	33,941,689
10,833,763	12,575,599	13,016,483	9,183,775	11,035,611
11,774,446	9,449,458	9,740,729	9,497,778	3,407,975
337,484	341,668	385,763	227,381	185,254
13,104,306	19,430,710	19,693,469	18,704,065	15,635,645
4,245,643	1,722,641	2,581,821	2,585,904	3,006,136
2,159,138	3,511,061	3,818,741	3,079,173	3,091,812
<u>84,516,527</u>	<u>99,819,805</u>	<u>106,422,134</u>	<u>96,411,453</u>	<u>91,573,717</u>
10,816,896	12,593,489	13,304,208	11,913,635	11,417,741
-	-	-	-	6,420,312
2,640,707	3,036,276	2,978,211	2,671,316	2,519,349
-	-	-	-	2,940,876
1,089,003	1,276,654	1,320,417	1,194,730	1,365,633
7,616,166	4,924,998	5,487,127	4,316,453	4,745,413
1,123,667	2,569,307	1,883,729	1,421,742	1,969,551
<u>23,286,439</u>	<u>24,400,724</u>	<u>24,973,692</u>	<u>21,517,876</u>	<u>31,378,875</u>
<u>107,802,966</u>	<u>124,220,529</u>	<u>131,395,826</u>	<u>117,929,329</u>	<u>122,952,592</u>
7,589,775	4,728,635	4,627,434	4,181,471	4,406,488
3,269,733	4,176,833	4,366,710	5,287,104	4,490,756
318,765	253,236	440,101	270,070	112,721
-	1,852,591	2,494,153	4,833,700	587,510
4,721,847	5,283,744	5,490,683	5,353,983	2,760,663
-	5,250	-	-	3,609
1,321,270	776,794	827,948	747,049	941,168
233,075	217,603	230,740	384,535	623,262
2,032,365	2,158,822	2,723,520	1,953,251	2,283,401
123,356	134,062	179,901	284,737	146,574
903,969	932,531	1,496,741	1,081,081	1,311,676
-	9,738	-	-	16,728
7,997	33,563	297,303	75,900	44,211
5,487,477	6,172,528	8,134,855	2,424	2,391,243
-	173,973	-	-	-
-	-	2,500	-	-
28,888	666,490	125,789	1,432,241	248,879
31,782	16,875	8,142	-	-
<u>26,070,299</u>	<u>27,593,268</u>	<u>31,446,520</u>	<u>25,887,546</u>	<u>20,368,889</u>

CITY OF BLOOMINGTON, ILLINOIS

**Changes in Net Assets, Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)**

	2003	2004	2005	2006
Business-type activities:				
Charges for services:				
Water	11,457,577	11,929,664	11,762,235	12,864,096
Solid waste	-	-	-	-
Sewer	2,212,244	2,186,887	2,165,669	2,317,337
Golf operations	-	-	-	-
Parking	781,186	656,059	737,942	881,386
U.S. Cellular Coliseum	-	-	-	484,031
Stormwater management	-	-	1,391,849	2,661,831
Operating grants and contributions:				
Water	-	-	590,681	-
Sewer	-	-	287,763	-
Stormwater management	-	-	31,991	-
Business-type activities (continued):				
Capital grants and contributions:				
Water	\$ -	\$ 1,129,220	\$ 702,910	\$ 775,909
Solid waste	-	-	-	-
Sewer	-	1,107,822	546,457	1,036,379
Golf operations	-	-	-	-
Stormwater management	-	-	158,186	200,451
Total business-type activities program revenues	<u>14,451,007</u>	<u>17,009,652</u>	<u>18,375,683</u>	<u>21,221,420</u>
Total primary government program revenues	<u>27,320,190</u>	<u>35,568,864</u>	<u>37,907,603</u>	<u>44,986,459</u>
Net (Expense)/Revenue				
Governmental activities	(52,706,931)	(50,959,433)	(54,140,694)	(59,034,212)
Business-type activities	2,400,068	4,377,768	4,577,154	2,233,952
Total primary government net expense	<u>(50,306,863)</u>	<u>(46,581,665)</u>	<u>(49,563,540)</u>	<u>(56,800,260)</u>
General Revenues and Other				
Changes in Net Assets				
Governmental activities:				
Taxes:				
Property taxes	13,392,139	14,781,434	15,523,328	16,628,517
Franchise taxes	871,301	880,155	908,809	984,688
Sales tax	15,876,621	12,921,369	13,714,717	15,296,099
Home rule sales tax	-	-	11,212,571	11,859,024
Utility taxes	-	5,209,817	5,478,337	5,492,035
Income taxes	-	3,909,506	4,515,877	5,012,999
Food and beverage	-	-	3,184,108	3,330,564
Other taxes	30,206,186	19,954,451	4,214,587	5,734,824
Investment earnings	(365,542)	1,983,582	1,490,494	2,625,417
Miscellaneous	1,982,066	3,496,999	3,790,779	2,741,346
Transfers	1,539,067	1,484,861	425,898	2,719,148
Capital contributions	4,628,564	-	-	-
Total governmental activities	<u>68,130,402</u>	<u>64,622,174</u>	<u>64,459,505</u>	<u>72,424,661</u>
Business-type activities:				
Investment earnings	8,346	7,973	43,062	59,570
Miscellaneous	682,980	702,158	68,299	724,634
Gain (loss) on sale of assets	-	-	-	-
Transfers	(1,539,067)	(1,484,861)	(425,898)	(2,719,148)
Capital contributions	2,286,186	-	-	-
Total business-type activities	<u>1,438,445</u>	<u>(774,730)</u>	<u>(314,537)</u>	<u>(1,934,944)</u>
Total primary government	<u>69,568,847</u>	<u>63,847,444</u>	<u>64,144,968</u>	<u>70,489,717</u>
Change In Net Assets:				
Governmental activities	15,423,471	13,662,741	10,318,811	13,390,449
Business-type activities	3,838,513	3,603,038	4,262,617	299,008
Total primary government	<u>\$ 19,261,984</u>	<u>\$ 17,265,779</u>	<u>\$ 14,581,428</u>	<u>\$ 13,689,457</u>

Fiscal Year				
2007	2008	2009	2010	2011
12,087,513	14,291,026	13,590,410	14,166,454	15,645,249
-	-	-	-	4,282,084
2,217,580	2,445,451	2,524,990	3,206,540	3,854,987
-	-	-	-	2,640,194
938,303	967,286	969,091	3,136,452	821,278
4,339,574	3,806,995	3,846,337	2,804,003	3,731,540
2,502,706	2,801,809	2,754,972	844,666	2,780,282
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 1,230,049	\$ 1,527,040	\$ 2,060,678	\$ -	\$ 58,190
-	-	-	-	-
2,023,214	1,737,800	1,612,880	-	121,433
-	-	-	-	-
40,000	58,000	83,000	-	1,500
<u>25,378,939</u>	<u>27,635,407</u>	<u>27,442,358</u>	<u>24,158,115</u>	<u>33,936,737</u>
<u>51,449,238</u>	<u>55,228,675</u>	<u>58,888,878</u>	<u>50,045,661</u>	<u>54,305,626</u>
(58,446,228)	(72,226,537)	(74,975,614)	(70,523,907)	(71,204,828)
2,092,500	3,234,683	2,468,666	2,640,239	2,557,862
<u>(56,353,728)</u>	<u>(68,991,854)</u>	<u>(72,506,948)</u>	<u>(67,883,668)</u>	<u>(68,646,966)</u>
16,990,609	21,432,299	22,727,412	23,386,613	25,465,406
1,071,052	1,200,831	1,301,239	1,453,175	1,840,488
14,371,986	14,516,483	13,310,929	12,802,414	12,967,729
11,606,487	11,081,893	13,438,958	13,718,465	13,711,320
5,201,329	5,430,000	5,487,413	4,945,364	3,026,589
6,385,846	6,903,198	6,831,333	5,954,799	5,845,551
3,547,681	3,537,421	3,790,636	3,771,842	3,805,477
4,260,465	5,696,800	6,114,645	5,689,780	7,988,053
2,316,843	1,153,736	(3,044,846)	2,226,564	989,986
2,185,659	2,467,166	2,485,164	1,968,950	1,665,977
(5,271,644)	(31,441,761)	291,739	825,743	(5,407,126)
-	-	-	-	-
<u>62,666,313</u>	<u>41,978,066</u>	<u>72,734,622</u>	<u>76,743,709</u>	<u>71,899,450</u>
83,173	75,192	12,308	10,522	62,633
652,694	934,256	1,063,651	810,375	664,659
-	12,943	(960)	(825,743)	-
5,271,644	31,441,761	(291,739)	-	5,407,126
-	-	-	-	-
<u>6,007,511</u>	<u>32,464,152</u>	<u>783,260</u>	<u>(4,846)</u>	<u>6,134,418</u>
<u>68,673,824</u>	<u>74,442,218</u>	<u>73,517,882</u>	<u>76,738,863</u>	<u>78,033,868</u>
4,220,085	(30,248,471)	(2,240,992)	6,219,802	694,622
8,100,011	35,698,835	3,251,926	2,635,393	8,692,280
<u>\$ 12,320,096</u>	<u>\$ 5,450,364</u>	<u>\$ 1,010,934</u>	<u>\$ 8,855,195</u>	<u>\$ 9,386,902</u>

CITY OF BLOOMINGTON, ILLINOIS

Fund Balances, Governmental Funds, Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General fund:				
Reserved	\$ 570,486	\$ 965,733	\$ 1,511,498	\$ 5,822,565
Unreserved	<u>(792,284)</u>	<u>6,994,367</u>	<u>12,919,082</u>	<u>13,698,432</u>
Total general fund	<u><u>\$ (221,798)</u></u>	<u><u>\$ 7,960,100</u></u>	<u><u>\$ 14,430,580</u></u>	<u><u>\$ 19,520,997</u></u>
All other governmental funds:				
Reserved	\$ 20,164,302	\$ 14,556,265	\$ 11,124,746	\$ 46,294,843
Unreserved, reported in:				
Special revenue funds	6,015,995	8,634,687	7,112,627	3,863,304
Debt service funds	5,027,953	2,019,564	3,127,926	6,717,153
Capital projects funds	(666,657)	(1,766,307)	6,246,353	(1,215,142)
Permanent funds	<u>4,112,996</u>	<u>1,281,183</u>	<u>2,004,717</u>	<u>2,170,063</u>
Total all other governmental funds	<u><u>\$ 34,654,589</u></u>	<u><u>\$ 24,725,392</u></u>	<u><u>\$ 29,616,369</u></u>	<u><u>\$ 57,830,221</u></u>
Total fund balance	<u><u>\$ 34,432,791</u></u>	<u><u>\$ 32,685,492</u></u>	<u><u>\$ 44,046,949</u></u>	<u><u>\$ 77,351,218</u></u>

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 8,755,940	\$ 6,512,511	\$ 3,487,978	\$ 1,979,663	\$ 1,077,903	\$ 1,137,339
8,044,345	2,053,859	(108,628)	2,143,575	9,666,497	14,472,349
<u>\$ 16,800,285</u>	<u>\$ 8,566,370</u>	<u>\$ 3,379,350</u>	<u>\$ 4,123,238</u>	<u>\$ 10,744,400</u>	<u>\$ 15,609,688</u>
\$ 25,493,780	\$ 17,130,213	\$ 17,709,194	\$ 22,141,631	\$ 22,183,539	\$ 19,742,871
3,605,494	4,648,525	3,149,423	4,309,132	4,548,701	6,490,469
7,426,166	8,975,001	10,410,502	-	-	-
(5,857,428)	(2,437,466)	215,166	(3,263,396)	(1,463,076)	162,454
2,675,935	3,250,226	2,997,312	860,349	2,366,709	3,218,845
<u>\$ 33,343,947</u>	<u>\$ 31,566,499</u>	<u>\$ 34,481,597</u>	<u>\$ 24,047,716</u>	<u>\$ 27,635,873</u>	<u>\$ 29,614,639</u>
<u>\$ 50,144,232</u>	<u>\$ 40,132,869</u>	<u>\$ 37,860,947</u>	<u>\$ 28,170,954</u>	<u>\$ 38,380,273</u>	<u>\$ 45,224,327</u>

CITY OF BLOOMINGTON, ILLINOIS

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2002	2003	2004	2005	2006
Revenues:					
Taxes	\$ 41,670,922	\$ 51,351,777	\$ 51,692,304	\$ 58,742,153	\$ 63,076,831
Intergovernmental	15,691,602	10,819,977	11,242,773	5,279,616	5,618,529
Licenses and permits	1,154,661	1,261,416	1,220,639	1,230,803	1,226,067
Charges for services	6,299,987	6,154,225	7,052,141	8,233,718	10,189,033
Fines and forfeitures	867,551	790,549	836,377	961,790	1,035,756
Investment income	491,158	92,462	1,404,675	1,530,738	2,464,821
Other	3,724,971	2,112,820	3,450,556	2,122,887	2,673,437
Total revenues	69,900,852	72,583,226	76,899,465	78,101,705	86,284,474
Expenditures					
Current operating:					
General government	16,944,798	10,858,251	9,717,458	8,341,534	9,066,044
Public safety	19,728,658	17,764,701	21,208,982	23,132,980	26,886,389
Highways and streets	7,198,516	4,715,143	7,848,841	5,379,132	8,693,929
Sanitation	4,568,276	7,691,902	9,306,027	9,269,284	10,279,429
Health and welfare	555,604	341,489	372,180	333,432	324,525
Culture and recreation	11,187,896	10,936,750	12,757,737	24,031,900	46,786,617
Community development	1,584,020	2,059,672	3,817,235	4,033,837	7,099,653
Capital outlay	10,805,001	14,213,928	6,803,445	3,770,612	9,226,688
Debt service:					
Principal	3,959,241	4,137,793	4,522,146	3,545,586	4,369,554
Bond issuance costs	-	-	-	335,977	127,674
Interest and fiscal agent fees	1,698,628	1,200,066	1,053,574	2,459,702	3,278,319
Total expenditures	78,230,638	73,919,695	77,407,625	84,633,976	126,138,821
Excess of revenues					
over (under) expenditures	(8,329,786)	(1,336,469)	(508,160)	(6,532,271)	(39,854,347)
Other financing sources (uses)					
Transfers in	14,686,516	12,613,592	3,018,578	5,977,886	9,139,667
Transfers out	(8,948,897)	(11,074,525)	(1,533,717)	(5,373,125)	(9,212,666)
Issuance of long-term debt	-	-	10,000,000	39,288,472	12,128,000
Proceeds of refunding bonds	6,380,000	-	-	3,365,000	-
Capitalized leases	1,782,500	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(3,365,000)	-
Premium (discount) on long-term debt	(39,105)	-	149,320	(424,582)	93,628
Capital contributions	-	4,628,564	-	-	-
Proceeds from sale of property	-	213,150	235,436	367,889	498,732
Total other financing					
sources (uses)	13,861,014	6,380,781	11,869,617	39,836,540	12,647,361
Net change in fund balances	\$ 5,531,228	\$ 5,044,312	\$ 11,361,457	\$ 33,304,269	\$ (27,206,986)
Debt service as a percentage					
of noncapital expenditures	9.2%	9.1%	9.0%	9.6%	10.1%

2007	2008	2009	2010	2011
\$ 64,695,140	\$ 70,029,067	\$ 73,000,976	\$ 71,720,876	\$ 74,643,879
4,614,035	4,858,283	7,557,309	5,498,859	7,695,144
1,323,956	1,299,784	1,159,244	1,096,428	1,017,742
12,498,842	14,037,630	15,201,644	17,680,232	10,458,645
1,140,217	962,875	1,058,196	1,149,668	900,787
2,056,537	685,728	(1,796,445)	1,719,064	970,231
2,185,659	2,467,166	2,480,562	1,964,350	1,661,377
<u>88,514,386</u>	<u>94,340,533</u>	<u>98,661,486</u>	<u>100,829,477</u>	<u>97,347,805</u>

12,108,930	16,787,245	20,301,571	17,547,660	20,710,593
29,544,586	31,251,494	32,027,770	31,467,245	31,223,244
5,543,205	5,331,028	8,427,235	6,323,406	4,831,185
11,294,366	8,932,278	8,994,956	9,045,286	3,707,985
337,589	337,607	375,591	219,711	224,099
18,245,813	17,063,156	16,969,886	16,264,050	13,337,386
4,244,130	2,069,292	2,889,084	3,042,173	3,016,860
7,879,489	12,268,293	10,430,629	3,943,966	6,184,117
3,747,517	3,494,506	5,640,125	3,665,785	3,911,487
-	-	-	59,573	-
1,838,008	2,893,378	3,433,882	3,056,065	3,112,038
<u>94,783,633</u>	<u>100,428,277</u>	<u>109,490,729</u>	<u>94,634,920</u>	<u>90,258,994</u>

<u>(6,269,247)</u>	<u>(6,087,744)</u>	<u>(10,829,243)</u>	<u>6,194,557</u>	<u>7,088,811</u>
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10,374,894	9,284,990	7,728,999	9,144,555	8,496,107
(14,318,798)	(8,783,275)	(7,437,260)	(8,318,812)	(9,005,355)
128,362	3,740,000	-	-	-
-	-	-	2,840,000	-
-	-	-	-	-
-	-	-	-	-
-	11,698	-	(46,282)	-
-	-	-	-	-
73,426	411,022	109,909	395,301	264,491
<u>(3,742,116)</u>	<u>4,664,435</u>	<u>401,648</u>	<u>4,014,762</u>	<u>(244,757)</u>
<u>\$ (10,011,363)</u>	<u>\$ (1,423,309)</u>	<u>\$ (10,427,595)</u>	<u>\$ 10,209,319</u>	<u>\$ 6,844,054</u>

11.7%

8.8%

9.7%

8.0%

8.2%

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Farm Property</u>	<u>Railway Property</u>
2001	\$ 705,893,866	\$ 467,457,141	\$ 12,281,963	\$ 692,227	\$ 273,554
2002	761,108,215	504,737,694	9,639,734	703,867	311,403
2003	822,313,319	519,140,108	9,420,399	487,499	334,688
2004	861,824,156	543,262,723	9,692,733	509,803	381,264
2005	922,457,891	556,329,628	9,728,391	425,377	380,315
2006	978,715,852	569,998,938	9,928,152	382,422	415,532
2007	1,045,491,797	610,915,300	10,537,721	283,509	434,478
2008	1,096,691,125	620,940,813	10,383,824	295,521	476,611
2009	1,138,287,680	622,816,511	10,247,265	393,358	582,005
2010	1,152,480,233	636,484,972	9,098,042	447,824	653,488

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>Total Taxable Assessed Value</u>	<u>Percent Growth</u>	<u>Total Direct Tax Rate</u>	<u>Actual Taxable Value</u>	<u>Value as a Percentage of Actual Value</u>
\$ 1,186,598,751	9.64%	1.2744	\$ 3,559,796,253	33.33%
1,276,500,913	7.58%	1.2935	3,829,502,739	33.33%
1,351,696,013	5.89%	1.2839	4,055,088,039	33.33%
1,415,670,679	4.73%	1.2807	4,247,012,037	33.33%
1,489,321,602	5.20%	1.2719	4,467,964,806	33.33%
1,559,440,896	4.71%	1.2683	4,678,322,688	33.33%
1,667,662,805	6.94%	1.2727	5,002,988,415	33.33%
1,728,787,894	3.67%	1.2565	5,186,363,682	33.33%
1,772,326,819	2.52%	1.3308	5,316,980,457	33.33%
1,799,164,559	1.51%	1.3112	5,397,493,677	33.33%

CITY OF BLOOMINGTON, ILLINOIS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years

City Direct Rates													
Fiscal	General Fund	Fire		Police		Illinois Municipal		Judgment Fund	Bond and Interest Fund	Public Benefit Fund	Public Library Fund	Audit Fund	Total Direct
		Pension Fund	Fund	Pension Fund	Fund	Retirement Fund	Fund						
2001	0.50007	0.11092		0.12858		0.09996		0.05899	0.13403	0.01306	0.22462	0.00421	1.27444
2002	0.50007	0.10440		0.11872		0.09664		0.05483	0.12563	0.01214	0.27621	0.00489	1.29353
2003	0.50788	0.10346		0.11276		0.09240		0.05178	0.12605	0.01146	0.27325	0.00485	1.28389
2004	0.52874	0.10147		0.10729		0.08406		0.04945	0.12003	0.01095	0.27359	0.00511	1.28069
2005	0.50133	0.11590		0.12266		0.08310		0.02241	0.13810	0.01041	0.27284	0.00510	1.27185
2006	0.50389	0.11366		0.12119		0.10243		0.00962	0.13146	0.00994	0.27099	0.00511	1.26829
2007	0.44664	0.15129		0.14515		0.09960		0.00607	0.14342	0.00940	0.26601	0.00508	1.27266
2008	0.41939	0.13747		0.18257		0.11137		0.00578	0.12610	0.00897	0.26108	0.00376	1.25649
2009	0.41474	0.17583		0.21686		0.14122		-	0.12300	-	0.25467	0.00451	1.33083
2010	0.38496	0.18942		0.22558		0.13914		-	0.12118	-	0.25090	-	1.31118

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.

Overlapping Rates

School District	McLean County	Township	Water Reclamation District	Airport Authority	Cemetery	Heartland Community College	Total Overlapping Rates	Total All Rates
4.40540	0.93720	0.14470	0.11240	0.09190	0.02430	0.30960	6.02550	7.2999
4.43750	0.93060	0.13440	0.10770	0.08320	0.02330	0.33850	6.05520	7.3487
4.43450	0.93690	0.15620	0.14310	0.10920	0.02270	0.35260	6.15520	7.4391
4.47001	0.93874	0.18862	0.15014	0.10680	0.02190	0.38752	6.26373	7.5444
4.48075	0.98850	0.23686	0.14835	0.05202	-	0.32921	6.23569	7.5075
4.48221	0.91927	0.22972	0.15303	0.11621	-	0.40655	6.30699	7.5753
4.51459	0.90098	0.22080	0.15871	0.10781	-	0.44423	6.34712	7.6198
4.58085	0.89659	0.18683	0.16036	0.11008	-	0.45473	6.38944	7.6459
4.69289	0.90687	0.18217	0.16476	0.08546	-	0.45910	6.49125	7.8221
4.76383	0.91673	0.17309	0.16391	0.09855	-	0.47361	6.58972	7.9009

CITY OF BLOOMINGTON, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

(Unaudited)

<u>Taxpayer</u>	2010		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
State Farm Insurance Company	\$ 171,620,170	1	9.54%
Eastland Mall	17,666,667	2	0.98%
Country Life Insurance Company	13,503,698	3	0.75%
Illinois Agricultural Association	9,566,667	4	0.53%
Brickyard Complex	8,497,070	5	0.47%
Wingover Apartments	6,570,667	6	0.37%
Westminister Village	5,884,302	7	0.33%
US REIF Parkway Fee LLC	5,745,450	8	0.32%
Wal-Mart	5,574,685	9	0.31%
Apartment Investors	4,803,994	10	0.27%
General Telephone Co.	-		-
M & J/LJP Parkway LP	-		-
OSF Healthcare	-		-
Jumers	-		-
DPR Limited - IRS Distribution Center	-		-
Totals	\$ 249,433,370		13.87%

Source: City of Bloomington Township

Note: Total 2001 Assessed Valuation \$ 888,647,264

Total 2010 Assessed Valuation \$1,799,164,559

2001

<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
\$ 71,499,071	1	8.05%
11,921,132	2	1.34%
9,882,805	3	1.11%
8,920,396	4	1.00%
-		-
-		-
4,528,694	8	0.51%
-		-
-		-
-		-
5,322,493	5	0.60%
4,935,103	7	0.56%
5,127,012	6	0.58%
3,890,886	9	0.44%
3,883,326	10	0.44%
<u>\$ 129,910,918</u>		<u>14.63%</u>

CITY OF BLOOMINGTON, ILLINOIS

**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
2003	2001	\$15,456,251	\$14,985,365	96.95%	\$ 174,181	\$15,159,546	98.08%
2004	2002	16,510,246	16,334,789	98.94%	139,394	16,474,183	99.78%
2005	2003	17,354,447	17,226,781	99.26%	97,884	17,324,665	99.83%
2006	2004	18,129,927	18,018,303	99.38%	78,525	18,096,828	99.82%
2007	2005	18,942,004	18,935,109	99.96%	4,912	18,940,021	99.99%
2008	2006	19,728,090	19,710,873	99.91%	4,940	19,715,813	99.94%
2009	2007	20,976,683	20,926,602	99.76%	5,036	20,931,638	99.79%
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	-	-	0.00%	-	-	0.00%

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.

* Includes Library

** 2010 levy will be collected in fiscal year 2012

CITY OF BLOOMINGTON

**RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business Activities	
	General Obligation Bonds	Capital Lease Payable	Developer Agreements	General Obligation Bonds	Loan Payable
2002	\$ 25,972,946	\$ 1,782,500	\$ -	\$ -	\$ -
2003	23,718,860	-	-	-	1,568,767
2004	31,428,719	-	-	-	2,659,006
2005	67,931,484	-	-	3,174,728	4,884,567
2006	46,232,767	-	1,528,000	32,609,377	6,764,108
2007	43,875,855	111,587	1,128,000	32,548,325	6,498,655
2008	77,002,965	102,081	728,000	6,260,000	6,667,215
2009	71,825,000	91,956	328,000	6,260,000	6,353,679
2010	71,010,000	81,171	-	6,105,000	7,154,597
2011	67,110,000	69,684	-	5,945,000	6,898,161

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.

Business Activities

<u>Revenue Bonds</u>	<u>Note Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ -	\$ -	\$ 27,755,446	1.435%	428.27
-	-	25,287,627	1.184%	379.44
-	-	34,087,725	1.587%	511.48
-	-	75,990,779	3.445%	1,109.24
-	-	87,134,252	3.774%	1,271.90
-	-	84,162,422	3.253%	1,122.54
-	12,076,536	102,836,797	3.859%	1,371.61
-	11,849,815	96,708,450	3.629%	1,289.88
-	11,341,614	95,692,382	3.591%	1,276.32
-	11,048,535	91,071,380	3.139%	1,214.69

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amount Available in Debt Service</u>	<u>Net General Bonded Debt</u>	<u>Percentage of Actual Property Value</u>	<u>Debt Per Capita</u>
2002	\$ 25,972,946	\$ 837,992	\$ 25,134,954	2.12%	\$ 387.84
2003	23,718,860	2,019,564	21,699,296	1.70%	325.60
2004	31,428,719	3,127,926	28,300,793	2.09%	424.65
2005	71,106,212	6,717,153	64,389,059	5.02%	893.55
2006	78,842,144	7,426,166	71,415,978	2.61%	566.46
2007	76,424,180	9,086,299	67,337,881	2.34%	486.16
2008	83,262,965	10,523,803	72,739,162	4.36%	970.18
2009	78,085,000	7,710,167	70,374,833	4.07%	938.64
2010	77,115,000	10,873,990	66,241,010	3.74%	883.51
2011	73,055,000	10,766,874	62,288,126	3.46%	830.79

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, ILLINOIS

**Direct and Overlapping Governmental Activities Debt
For the Year Ended April 30, 2011
(Unaudited)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping</u>
Bloomington Normal Airport Authority	\$11,465,000	69.26%	\$ 7,940,659
Bloomington Schools District #87	43,195,000	99.63%	43,035,179
Heartland Community College #540	8,228,000	41.90%	3,447,532
County of McLean	16,422,935	49.47%	8,124,426
Normal Schools District #5	198,675,000	42.70%	<u>84,834,225</u>
Subtotal, Overlapping Debt			147,382,021
City direct debt	67,110,000		<u>67,110,000</u>
Total direct and overlapping debt			<u><u>\$214,492,021</u></u>

Source: Debt outstanding provided by each governmental unit.

Overlapping debt percentages based on McLean County 2010 EAV.

CITY OF BLOOMINGTON, ILLINOIS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year Ended April 30</u>	<u>Population (3)</u>	<u>Per Capita (4) Personal Income</u>	<u>Total Personal Income (thousands) (4)</u>	<u>Median Age (3)</u>	<u>School Enrollment</u>	<u>Median House Costs</u>	<u>Unemployment Rate</u>	<u>Annual Airport Usage (3)</u>
2002	64,808	\$ 29,844	\$ 1,934,130	30	7,520 (3)	\$ 139,322	1.9% (3)	223,080
2003	66,645	32,043	2,135,506	30	7,557 (3)	144,641	2.4% (3)	207,014
2004	66,645	32,238	2,148,502	31	7,544 (3)	153,422	2.7% (3)	211,828
2005	68,507	32,195	2,205,583	31	7,777 (3)	161,135	4.6% (3)	224,655
2006	68,507	33,703	2,308,891	30	7,139 (3)	166,274	4.1% (3)	232,089
2007	74,975	34,511	2,587,462	30	7,589 (3)	167,963	3.5% (3)	262,409
2008	74,975	35,546	2,665,061	31	7,685 (3)	171,859	3.8% (3)	269,839
2009	74,975	36,082	2,705,248	31	7,324 (3)	177,194	5.1% (3)	268,860
2010	74,975	38,985	2,922,900	31	5,304 (3) *	166,533	6.9% (3)	250,135
2011	74,975	38,695	2,901,158	31	5,250 (3) *	176,909	7.9% (3)	280,974

Sources:

- (1) Regional Office of Education for the McLean county-Dewitt county Education Service Region.
 - (2) State of Illinois Department of Employment Security as of May of the current year.
 - (3) Bloomington Normal Economic Development Council Demographic Profile.
 - (4) US Commerce Department - Bureau of Economic Analysis. Data gathered for Bloomington/Normal region, as separate information is not disclosed.
- * Private school enrollment is no longer provided as of fiscal year 2010.

CITY OF BLOOMINGTON, ILLINOIS

**PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago
(Unaudited)**

<u>Employer</u>	<u>2011</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
State Farm Insurance Company	14,450	1	19.27%	16,911	1	29.30%
Country Insurance and Financial Services	2,084	2	2.78%	2,189	3	3.79%
Mitsubishi Motor Manufacturing	1,278	3	1.70%	3,027	2	5.25%
OSF-St. Joseph Medical Center	1,140	4	1.52%	1,000	5	1.73%
Anderson Financial Network, Inc.	900	5	1.20%	1,118	4	1.94%
McLean County Government	806	6	1.08%	944	6	1.64%
City of Bloomington	743	7	0.99%	883	7	1.53%
School District #87	691	8	0.92%	725	8	1.26%
Growmark Inc.	528	9	0.70%	-		0.00%
Illinois Wesleyan University	468	10	0.62%	565	10	0.98%
Nestle USA	-		0.00%	620	9	1.07%

Source: Human Resource Departments reporting to the Economic Council of Bloomington/Normal Area.
City of Bloomington information obtained from City of Bloomington Personnel Department

Note: The estimated population in 2011 is 74,975
The estimated population in 2002 is 60,781

CITY OF BLOOMINGTON, ILLINOIS

**Full-Time Equivalent City Government Employees by Functions/Programs
Last Ten Fiscal Years
(Unaudited)**

Function/Program	Full-Time Equivalent Employees as of April 30									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government:										
Legislative	9	9	9	9	-	-	-	-	-	-
City Manager	4	4	4	4	13	14	14	14	8	8
City Clerk	3	4	3	4	4	4	4	4	3	3
Personnel	12	10	9	10	10	10	10	8	8	7
Finance	14	14	14	15	17	15	15	12	9	9
Information Services	9	10	9	10	14	15	15	15	10	10
Legal	5	5	5	5	6	5	5	6	5	5
Building Safety	18	18	19	21	16	15	15	15	11	11
Planning	3	3	3	3	3	3	3	3	1	1
Facility Management	2	2	2	2	3	4	4	3	3	3
Community Development	8	8	7	7	3	3	3	2	-	-
Code Enforcement	-	-	-	-	11	11	11	13	11	11
Parks and Recreation:										
General and Administration	33	35	32	34	38	39	39	38	37	37
SOAR	5	5	6	6	7	7	7	7	6	6
Recreation	24	24	23	24	25	26	26	23	16	16
Pool(s)	10	10	9	8	4	8	8	9	8	8
Zoo	15	16	15	16	17	18	18	16	15	15
Forestry	4	4	4	4	6	-	-	-	-	-
Golf Course(s)	38	39	40	40	40	39	39	38	34	34
Public Ice Rink	-	-	-	-	8	12	12	11	11	11
Police:										
Officers	109	108	114	120	126	122	121	121	121	124
Civilians (a)	18	25	27	26	44	41	42	57	36	36
Fire:										
Firefighters and Officers	89	89	88	93	94	114	114	114	106	106
Civilians	8	8	9	9	4	3	3	3	3	3
Public Works:										
Administration	4	4	4	4	4	4	4	4	3	3
Street Maintenance	16	16	16	16	16	16	16	16	32	32
Street Sweeping	3	3	4	1	1	1	1	1	-	-
Snow and Ice Control	4	4	4	4	4	4	4	4	-	-
Refuse collection	47	47	47	50	50	50	50	50	59	59
Weed Control	3	3	3	2	2	2	2	2	-	-
Fleet Management	7	7	7	9	10	11	12	11	9	9
Street Lighting	1	1	1	1	2	2	2	2	-	-
Traffic Control	11	10	10	11	11	12	13	13	1	1
Water:										
Administration	6	6	6	6	9	9	9	9	5	5
Transmission	20	21	21	21	27	25	25	27	17	17
Purification	19	19	19	19	20	18	18	18	14	14
Lake Bloomington Park	6	6	6	6	6	8	8	8	8	8
Water Meter Billing Services	-	-	-	-	-	-	-	-	10	1
Sewer Maintenance	16	16	16	15	17	18	18	18	5	5
Stormwater	-	-	-	9	11	11	11	11	10	10
Other Programs/Functions:										
Engineering	22	22	23	19	20	19	19	19	15	15
Library	55	62	60	64	61	59	59	61	63	63
Parking	8	8	8	8	9	9	9	8	7	7
JM Scott	3	3	3	3	3	3	3	3	-	-
Cultural District	5	5	5	6	53	53	53	19	19	19
Total	696	713	714	744	849	862	864	836	739	732

Source: City of Bloomington Human Resource Department

Note: The City created a Stormwater Fund in 2005 to maintain and manage the stormwater system.

CITY OF BLOOMINGTON, ILLINOIS

**Operating Indicators By Function/Program
Last Ten Fiscal Years
(Unaudited)**

Function/Program	Calendar Year			
	2001	2002	2003	2004
Police:				
Calls for service	51,185	54,507	54,916	51,775
Adult arrest	1,783	1,895	2,083	1,984
Juvenile arrest	214	257	221	252
Speeding citations only	8,514	6,205	3,699	2,720
Traffic citations	16,582	14,512	13,783	10,907
Fire:				
Total fire runs	1,630	1,794	2,106	2,492
Total rescue runs	5,269	5,620	5,427	5,235
Property loss	\$ 832,481	\$ 1,219,642	\$ 1,749,600	\$ 1,114,600
Building safety:				
Total building permits	2,458	2,579	3,001	3,017
Total value all permits	\$ 189,573,800	\$ 154,261,448	\$ 185,562,460	\$ 156,392,339
Library, volumes in collection	254,470	250,240	248,280	241,240
Public service:				
Garbage collected (ton)	17,729	17,865	18,601	18,537
Recycle collected (ton)	2,243	2,010	2,338	2,420
Bulk Waste (ton)	N/A	N/A	N/A	N/A
Brush (cubic yard)	N/A	N/A	N/A	N/A
Parks and Recreation:				
Recreation program attendance	190,723	199,257	218,243	227,437
Aquatics program attendance	72,798	68,361	55,058	53,296
Pepsi Ice Center	N/A	N/A	N/A	N/A
Golf rounds played	95,788	87,528	89,844	92,303
Miller Park Zoo attendance	107,055	98,262	90,389	113,641
Street trees maintained	14,003	14,212	14,385	14,494
Cultural District:				
Events	N/A	N/A	N/A	N/A
Attendance	N/A	N/A	N/A	N/A
US Cellular Coliseum:				
Events	N/A	N/A	N/A	N/A
Attendance	N/A	N/A	N/A	N/A

Source: Various City Departments

Note: N/A - Indicator not available

Calendar Year					
2005	2006	2007	2008	2009	2010
53,375	50,725	62,050	60,308	62,322	58,931
2,410	2,048	1,554	1,975	1,932	1,690
294	183	208	356	303	317
4,060	3,626	1,848	2,492	2,597	2,492
12,370	10,475	13,369	9,939	7,675	9,939
1,587	1,586	1,919	2,310	2,041	2,038
2,894	6,793	7,565	7,743	7,212	7,414
\$ 281,325	\$ 2,032,950	\$ 994,650	\$ 1,668,885	\$ 921,800	\$ 824,738
2,685	2,459	2,486	2,747	2,921	2,763
\$206,139,496	\$219,159,856	\$ 185,771,533	\$ 109,373,823	\$151,953,680	\$ 89,134,038
239,651	234,589	243,635	258,982	272,237	283,576
20,263	20,641	20,393	19,933	19,782	19,331
2,341	2,805	2,837	2,857	2,808	2,957
10,752	8,426	8,192	10,413	9,044	4,821
25,005	33,468	22,860	35,136	26,000	23,982
234,791	214,927	215,811	184,047	163,414	148,857
54,894	34,253	58,745	51,397	40,849	48,695
N/A	43,976	89,011	84,439	145,000	133,616
90,850	82,404	81,489	77,000	75,200	76,337
99,321	93,183	104,905	111,357	112,133	101,182
14,688	3,724	1,890	3,297	4,552	6,012
N/A	227	390	460	463	498
N/A	55,000	81,953	90,794	98,388	86,227
N/A	103	210	166	219	201
N/A	306,000	289,374	319,932	328,815	300,494

CITY OF BLOOMINGTON, ILLINOIS

**Capital Asset Statistics By Function/Program
Last Ten Fiscal Years
(Unaudited)**

Function/Program	2002	2003	2004	2005	2006
Police:					
Stations	1	1	1	1	1
Zone Offices	-	-	-	1	1
Fire, Fire Stations	4	4	4	4	4
Refuse Collection:					
Collection Trucks	10	11	11	11	11
Other Public Works	36	36	37	37	37
Streets (Miles)	272	274	276	276	276
Traffic Signals	114	115	121	127	127
Parks & Recreation:					
Acreage	589	589	595	602	602
Parks	43	44	44	52	52
Golf Course	3	3	3	3	3
Baseball/Softball Diamonds	17	17	17	24	24
In-line Hockey Rinks	1	1	1	1	1
Soccer/Football Fields	13	13	13	14	14
Basketball Courts	9	9	10	13	13
Tennis Courts	20	20	20	20	20
Swimming pools	2	2	2	2	2
Parks with Playground Equipm	21	21	21	31	31
Picnic Shelters	20	20	20	28	28
Community Centers	1	1	1	1	1
Library:					
Facilities	1	1	1	1	1
Volumes	254,470	250,240	248,280	241,240	239,651
Water:					
Lakes	2	2	2	2	2
Storage Capacity (MGD)	18	18	18	18	18
Average Daily Consumption (l	11	11	11	11	11
Peak Consumption (MGD)	17	17	20	20	20
Wastewater:					
Sanitary Sewers (miles)	245	248	250	250	250
Storm Sewers (miles)	192	194	197	200	200
Combination Sanitary and Stor	100	100	100	100	100

Source: Various City Departments

Note: MGD - Millions Gallons per Day

2007	2008	2009	2010	2011
1	1	1	1	1
-	-	-	-	-
4	4	4	4	4
11	11	11	11	11
37	37	37	51	51
300	311	320	321	321
134	138	141	153	145
594	594	594	594	594
52	62	52	52	52
3	3	3	3	3
26	26	26	26	26
1	1	1	1	1
22	22	22	22	22
45	45	45	45	45
20	20	20	20	20
2	2	2	2	2
31	31	31	31	31
37	37	37	37	37
1	1	1	1	1
1	1	1	1	1
240,869	243,635	258,982	272,237	283,576
2	2	2	2	2
21	21	21	21	21
12	12	11	11	11
24	20	16	16	16
250	250	293	295	297
200	200	240	246	248
100	100	88	88	88

CITY OF BLOOMINGTON, ILLINOIS

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, ILLINOIS

**Exhibit A - Direct General Obligation Bonded Debt (Principal Only) (1)
As of April 30, 2011**

<u>Year Ending December 31</u>	<u>Total Existing Debt</u>	<u>Less Abated Amount (2)</u>	<u>Net Tax Levied Amount</u>
2011	\$ 1,465,000	\$ 1,346,600	\$ 118,400
2012	2,615,000	1,381,600	1,233,400
2013	2,715,000	1,476,600	1,238,400
2014	2,740,000	1,496,600	1,243,400
2015	2,795,000	1,546,600	1,248,400
2016	2,905,000	1,651,600	1,253,400
2017	3,110,000	1,851,600	1,258,400
2018	3,240,000	1,976,600	1,263,400
2019	3,125,000	2,101,600	1,023,400
2020	3,375,000	2,346,600	1,028,400
2021	3,530,000	2,496,600	1,033,400
2022	3,420,000	2,756,600	663,400
2023	3,605,000	2,931,600	673,400
2024	3,520,000	3,216,600	303,400
2025	3,370,000	2,233,925	1,136,075
2026	3,005,000	1,736,875	1,268,125
2027	3,215,000	1,983,750	1,231,250
2028	2,440,000	2,220,000	220,000
2029	2,665,000	2,435,000	230,000
2030	2,925,000	2,685,000	240,000
2031	3,205,000	2,955,000	250,000
2032	3,505,000	3,240,000	265,000
2033	3,125,000	3,125,000	-
2034	3,440,000	3,440,000	-
	<u>\$ 73,055,000</u>	<u>\$ 54,631,950</u>	<u>\$ 18,423,050</u>

(1) Does not include revenue bonds.

(2) A portion of General Obligation Refunding Bonds, Series 2001; General Obligation Bonds, Series 2003; Taxable General obligation Bonds, Series 2004; General obligation Demand Bonds, Series 2004; General Obligation Bonds, Series 2005 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 and state property tax levies for.

CITY OF BLOOMINGTON, ILLINOIS

**Exhibit A-1 - Debt Service Requirements
As of April 30, 2011**

<u>Tax Year</u>	<u>Total Debt Service (1)</u>	<u>Less Annually Abated Debt Service (2)</u>	<u>Total Tax Levied Debt Service</u>
2010	\$ 6,141,672	\$ 4,380,534	\$ 1,761,138
2011	6,122,622	4,406,371	1,716,251
2012	6,038,719	4,366,569	1,672,150
2013	5,985,886	4,345,048	1,640,838
2014	5,990,789	4,381,976	1,608,813
2015	6,081,754	4,506,679	1,575,075
2016	6,086,799	4,546,673	1,540,126
2017	5,838,824	4,579,498	1,259,326
2018	5,951,244	4,720,313	1,230,931
2019	5,959,435	4,757,853	1,201,582
2020	5,698,910	4,902,635	796,275
2021	5,717,921	4,933,283	784,638
2022	5,470,678	5,078,503	392,175
2023	4,307,886	3,913,574	394,312
2024	4,405,419	4,009,638	395,781
2025	3,759,994	3,368,182	391,812
2026	3,856,681	3,464,056	392,625
2027	4,761,656	3,546,256	1,215,400
2028	4,984,781	3,647,681	1,337,100
2029	5,047,969	3,753,544	1,294,425
2030	4,134,400	3,857,475	276,925
2031	3,543,519	3,543,519	-
2032	3,659,300	3,659,300	-

(1) Includes a portion of General Obligation Refunding Bonds, Series 2001; Taxable General Obligation Bonds, Series 2004; General Obligation Demand Bonds, Series 2004; General Obligation Bonds, Series 2005 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 and abate property tax levies for. Variable rate for General Obligation Demand bonds, Services 2004 estimated at 4.00%