



COMPREHENSIVE

ANNUAL FINANCIAL REPORT

of the

**CITY OF BLOOMINGTON
ILLINOIS**

for the Fiscal Year

May 1, 2012

to

April 30, 2013

CITY OF BLOOMINGTON, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2013

Prepared by:

Patti-Lynn Silva
Finance Director

C O N T E N T S

INTRODUCTORY SECTION

	<u>Page</u>
Officers and Officials.....	i
Government Finance Officers Association	
Certificate of Achievement for Excellence in Financial Reporting.....	ii
Organization Chart.....	iii
Letter of Transmittal	iv-xi

FINANCIAL SECTION

Independent Auditor’s Report.....	1-3
Management’s Discussion and Analysis	MD&A1-16

BASIC FINANCIAL STATEMENTS

Government-wide financial statements:	
Statement of Net Position	4-5
Statement of Activities.....	6-7
Fund financial statements:	
Balance Sheet – Governmental Funds	8
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	9
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Balance Sheet – Proprietary Funds	12-13
Reconciliation of Enterprise Funds Net Position to the Statement of Net Position	14
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds.....	15-16
Reconciliation of the Enterprise Funds Change in Net Position to the Statement of Activities.....	17
Statement of Cash Flows – Proprietary Funds.....	18-21
Statement of Fiduciary Net Position – Fiduciary Funds	22
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	23
Notes to Financial Statements.....	24-76

C O N T E N T S

Page

REQUIRED SUPPLEMENTARY INFORMATION

Illinois Municipal Retirement Fund – Schedule of Funding Progress.....	77
Police Pension Plan – Schedule of Funding Progress.....	78
Firemen’s Pension Plan – Schedule of Funding Progress	79
Other Post-Employment Benefit Plan – Schedule of Funding Progress.....	80
Illinois Municipal Retirement Fund – Schedule of Employer Contributions	81
Police Pension Plan – Schedule of Employer Contributions	82
Firemen’s Pension Plan – Schedule of Employer Contributions.....	83
Other Post-Employment Benefit Plan – Schedule of Employer Contributions.....	84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis – Budget to Actual – General Fund	85
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis – Budget to Actual – Library Fund.....	86
Notes to Required Supplementary Information	87-88

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet.....	89-91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	92-94
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budgetary Basis – Budget to Actual	95-99

NONMAJOR ENTERPRISE FUNDS

Combining Balance Sheet.....	100
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	101
Combining Statement of Cash Flows	102

PARKING FUND

Combining Balance Sheet – by Subfund.....	103
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position – by Subfund.....	104

DEBT SERVICE FUND

Combining Balance Sheet – by Subfund	105
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – by Subfund.....	106
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Budget and Actual	107

C O N T E N T S

SUPPLEMENTARY INFORMATION – Continued

	<u>Page</u>
INTERNAL SERVICE FUNDS	
Combining Balance Sheet.....	108
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	109
Combining Statement of Cash Flows	110
PENSION TRUST FUNDS	
Combining Statement of Fiduciary Net Position	111
Combining Statement of Changes in Fiduciary Net Position	112

STATISTICAL SECTION

Table of Contents.....	113
Comments Relative to Statistical Section.....	114
Net Position by Components	115-116
Changes in Net Position.....	117-120
Fund Balances, Governmental Funds	121-122
Changes in Fund Balances, Governmental Funds	123-124
Assessed Value and Estimated Actual Value of Taxable Property	125-126
Direct and Overlapping Property Tax Rates.....	127-128
Principal Property Taxpayers.....	129-130
Property Tax Levies and Collections.....	131
Sales Tax Revenue.....	132
Ratios of Outstanding Debt by Type	133-134
Ratios of Net General Bonded Debt Outstanding.....	135
Direct and Overlapping Governmental Activities Debt.....	136
Demographic and Economic Statistics	137
Principal Employers.....	138
Full Time Equivalent City Government Employees by Function/Program.....	139
Operating Indicators by Function/Program	140-141
Capital Asset Statistics by Function/Program.....	142-143
Exhibit – Supplemental Disclosure Requirements	144
Exhibit A – Direct General Obligation Bonded Debt (Principal Only).....	145
Exhibit A-1 – Debt Service Requirements.....	146

INTRODUCTORY SECTION

OFFICERS AND OFFICIALS

Elected Officials

Mayor Tari Renner

Council Members

Ward 1 Kevin Lower
Ward 2 David Sage
Ward 3 Mboka Mwilambwe
Ward 4 Judy Stearns
Ward 5 Jennifer McDade
Ward 6 Karen Schmidt
Ward 7 Scott Black
Ward 8 Robert Fazzini
Ward 9 Jim Fruin

Administrative Officials

City Manager David A. Hales
Deputy City Manager Barbara J. Adkins
Building Safety Mark Huber
City Clerk Tracey Covert
Corporation Counsel Todd Greenburg
Finance Patty-Lynn Silva
Fire Michael Kimmerling
Human Resources Emily Bell
Information Services Scott Sprouls
Parks, Recreation &
Cultural Arts John Kennedy
Interim Police Clay Wheeler
Public Works Jim Karch
Water Craig Cummings



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

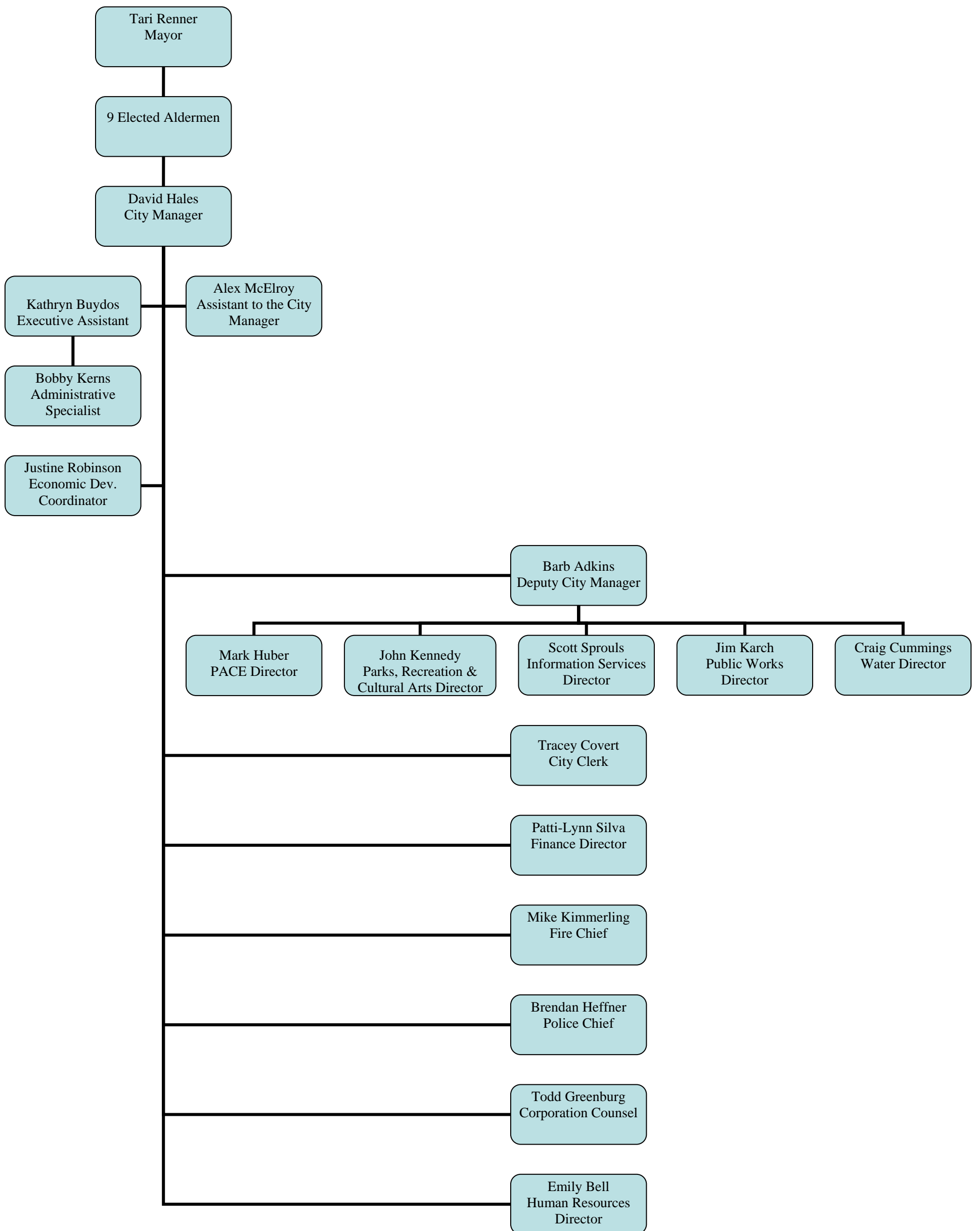
**City of Bloomington
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2012

Executive Director/CEO

City Organization Chart





October 30, 2013

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

The Comprehensive Annual Financial Report (CAFR) of the City of Bloomington, Illinois, for the fiscal year ended April 30th, 2013, is submitted herewith. This report provides a broad view of the City's financial activities for the 2013 fiscal year and its financial position at April 30th, 2013. Illinois statutes require all general purpose local governments to publish within six months of the close of each fiscal year or eight months, if on extension, a complete set of financial statements presented in conformance with General Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed certified public accountants.

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

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 year ended April 30th, 2013, are free of material misstatement. The independent audit involved the examination, on a test basis, of evidence to support the amounts and disclosures in the financial statements, assess the accounting principles used and the significant estimates made by management; and evaluate the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Bloomington's financial statements for the fiscal year ended April 30th, 2013, 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 reports relative to the Federal Single Audit Act are included in a separate report.

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

Profile of Government

The City of Bloomington, incorporated in 1856, is a home rule unit of government under the 1970 Illinois Constitution. The City of Bloomington is located in the heart of Central Illinois, approximately 125 miles southwest of Chicago, 155 miles northeast of St. Louis, and 64 miles Northeast of Springfield, the State Capital. The City of Bloomington is the County Seat of McLean County, the largest county in Illinois (approximately 762,240 acres). The latest U...S. Census estimate (July 1, 2012) is a total population of 77,733. The City of Bloomington is termed a twin city in conjunction with the Town of Normal.

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

The City provides a full range of municipal services. These services include public safety, roadway maintenance, refuse disposal, planning and zoning, engineering and inspection, water and sewer utility service, parks and recreation, and general administrative services. The City owns and operates multiple municipal parks, an ice center, three golf courses, a zoo, and a Cultural District in Downtown Bloomington. The City owns the US Cellular Coliseum located in Downtown Bloomington, the home of the Bloomington Edge (indoor football), Bloomington FLEX (basketball) and the Bloomington Thunder (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. After the end of the fiscal year, the City's management makes certain adjustments to the accounting records to permit the preparation of certain financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The annual budget serves as the foundation for the City's financial planning and control. The City of Bloomington prepares a five-year budget projection for both operating and capital budgets for all funds. Every City department is required to submit a budget request to the City Manager on or before February 15th 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 on or 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 Financial, Mitsubishi Motors of America, Advocate 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.

The Bloomington-Normal area has become nationally known as a strong transportation/distribution region as it is centrally located at the intersection of interstates 39, 55, and 74, US Routes 51 and 150, and State Route 9. Numerous motor freight carriers and major railroad lines 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 with daily jet service to 7 hubs.

There are multiple shopping areas located within Bloomington-Normal which serve a large retail trade area including more than 230,000 residents. One enclosed regional mall and one lifestyle shopping center account for approximately 1,210,000 square feet of leasable retail space. The area enjoys the presence of several major national retailers such as Lowe's, Macy's, Kohl's, Von Maur, and Wal-Mart, in addition to numerous chain and local restaurants and is well insulated from competition with the next closest regional shopping center being more than 40 miles away.

Most major employers within the community have remained stable and the issuance of commercial building permits has increased over the prior year. New projects and renovation continue to occur throughout the City. 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 2012 reflect 2,459 sales with the average price of a \$171,991 per residence both of which are increases over the prior year. The median family income for the Metropolitan Statistical Area (MSA) for FY 2013 was \$86,800 continuing to be the highest in Illinois.

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 2013, the City of Bloomington began to see the effects an economic recovery as nearly all tax revenues increased. The City's unemployment rates continue to improve and remain below the national and state averages due to thriving insurance and education industries. In early FY 2014, Fitch and Moody's rating agencies reaffirmed the City's credit ratings of AA+ and Aa2 with stable outlooks. These affirmations are the result of City's efforts to create and maintain healthy fiscal policies. The City's General Fund reflects the adoption of a formal fund balance policy and as a result reserves grew to \$19.9 million at the end of April 30, 2013. The fund balance policy requires the City's unreserved fund balance to be a minimum of 10% of budgeted expenditures within the General Fund. The policy establishes other levels for the special revenue, debt service, and proprietary funds within the City of Bloomington. The City remained committed to focusing efforts and resources to improve the overall condition of all funds within the City by reducing the amount of funds with deficit balances.

The development and adoption of financial policies is the foundation for the City's long term financial plan. In FY 2013 a comprehensive study of the City's solid waste program continued. This analysis and review is intended to provide the City Council with the information necessary to make responsible budgetary and policy decisions pertaining to the Solid Waste Program.

As part of the City's Long Term financial sustainability, the City addressed the following issues in FY 2013:

- The city has identified areas for capital master planning, rate studies and impact fee analysis. Some of the master planning has been completed and bids have been received and evaluated for some of the rate analysis.
- Sewer and Stormwater Master Plan was completed in early FY 2014.
- Facilities Master Plan was completed in early FY 2014.
- City staff reviewed funding levels of the City's pension plans and began the development of a police and fire pension funding policy targeting 100% funding levels. A pension funding policy is expected to be adopted at the Council level in FY 2014.
- The City continues to work towards long term plans for reduction of deficit fund balances. In FY 2013, the Parking Maintenance and Operations Fund was absorbed into the General Fund to address the on-going deficit in that fund. At the end of FY 2013, six funds had deficit fund balances; however, nearly all showed improvement over the FY 2012 position.

Looking ahead, the FY 2014 budget adopted 7.6% lower expenditures. In FY 2014, a bond refunding will be done to realize savings on the 2003 Series Bonds and approximately \$10 million in new money bonds will be issued for street resurfacing.

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 six months 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 \$5,000.

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 at least 10 percent of the approved expenditures (expenses) budget from the prior year.

Debt Management

- Limit the period during which debt is outstanding to a time period not greater than the useful life of the asset financed by the debt.
- Sell bonds through competitive, rather than negotiated, sales whenever possible.
- To provide assistance in debt issuances, the City will select a financial advisor and/or investment banker and bond counsel on a competitive basis. These advisors will be retained for several years to provide continuity and allow these professionals to develop an understanding of the City's needs.
- The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement), voluntarily following disclosure guidelines provided by the Governmental Finance Officers Association unless the cost of compliance with the higher standard is unreasonable.
- Consider the refunding of outstanding debt when at least a 4% net present value savings can be obtained.
- Place all investment securities with a third-party custodian for safekeeping.

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 – The City is currently in the process of reviewing its purchasing policy and expects revisions to be adopted by the Council in FY 2014.

- Obtain competitive quotes for purchases in excess of \$5,000 and below \$25,000.
- Conduct a formal competitive bidding process for purchases in excess of \$25,000.
- Obtain City Council approval of all purchases in excess of \$25,000.

FY 2013 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

- Feasibility and Programming Study for Bloomington Fire Stations (5 Bugles Design)
- Fire Training Tower construction completed
- An Assessment of Deployment and Staffing for the Bloomington Fire Department (IL Fire Chiefs Association Consulting Service)
- Police Three Year (2012-2015) Strategic Plan

Parks & Recreation

- Eagle View South Park – grant, funding and contract approved FY 2013, work to be completed FY 2014

Roadway Improvements

- Morris Avenue Reconstruction: Fox Hill Apt – Six Points Road - completed
- Design for Hershey Road Extension from Hamilton Road to 750 South
- Lafayette and Maple Street Reconstruction – completed

Water & Sewer Utility Improvements

- The Grove on Kickapoo Creek – 3rd Addition
- Southwest Well field Study in progress
- Drought Management Plan Ordinance - adopted
- Regency pump station
- Locust – Colton CSO Elimination Phases 1
- Sewer and Stormwater Master Plan completed early FY 2014

Facilities Maintenance

- City Facilities Master Plan completed early FY 2014

Other

- Continued implementation of Munis ERP System – Cashiering, Permits, Business Licenses
- Economic Development Strategic Plan and Incentive Policy - adopted
- Library Strategic Plan

Awards and Acknowledgements

The International City/County Management Association (ICMA) recognized the City for superior performance management efforts with a Certificate of Distinction from the ICMA Center for Performance Measurement (CPM). This is the second year the City has received this honor. Bloomington was among eight jurisdictions receiving the honor in 2013. The certificate program assesses a local government's performance management program and encourages analysis of results by comparing to peers and gauging performance over time. Performance management aids in cost reduction, program prioritization, and quality improvement. It also encourages accountability and transparency.

The Government Finance Officers Association (GFOA) awarded a Certificate for Distinguished Budget for City's fiscal 2012, 2013 and 2014 budgets.

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, 2012. This was the 37th 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.

A special thanks to the Mayor and City Council for their strong support to maintain the highest standards of professionalism in the management of the City of Bloomington Finances. The completion of the annual audit could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Thank you to all other City departments who participated in the annual audit for your continued support.

Respectfully submitted,

A handwritten signature in cursive script that reads "Patti-Lynn Silva".

Patti-Lynn Silva, Director of Finance

A handwritten signature in cursive script that reads "David A. Hales".

David A Hales, City Manager

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund, a fiduciary fund of the City, or the Miller Park Zoological Society, a discretely presented component unit of the City. The Police Pension Fund represents 43 percent, 45 percent, and 23 percent, respectively, of the assets, net position, and revenue of the aggregate remaining fund information of the City of Bloomington, Illinois. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund and Miller Park Zoological Society, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Police Pension Fund, Firemen's Pension Fund, Bloomington Public Library Foundation and Miller Park Zoological Society were not audited in accordance with *Government Auditing Standards*.

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of April 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The City adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, during the year ended April 30, 2013. Statement No. 63 added new classifications on the statements of net position and changed net assets to net position. Statement No. 65 changed the classifications of certain items on the statement of net position to the new classifications contained in GASB Statement No. 63. The adoption of these statements had no effect on any of the City's net positions or fund balances as of and for the year ended April 30, 2013, except as disclosed in Note 20. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomington, Illinois' basic financial statements. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures described above, and the reports of other auditors, the supplementary information are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2013 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* in considering City of Bloomington, Illinois' internal control over financial reporting and compliance.



Springfield, Illinois
October 30, 2013

City of Bloomington, Illinois

Management's Discussion and Analysis

For the Fiscal Year Ended April 30, 2013

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, 2013. 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 IV thru XI of this report.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2013 by \$320.9 million. Of this amount, \$10.8 million is unrestricted.
- The City's total net position increased \$13.1 million which is largely attributable to improved operating results as the economy improved and the City's continued adherence to its policies for improving its fiscal position.
- The City's governmental funds ended fiscal year 2013 with combined fund balances of \$45.4 million. This is an increase of \$3.9 million from the prior year.
- The City's enterprise funds had \$181.3 million net position at the close of fiscal year 2013. This represents a \$2.5 million increase from fiscal year 2012.
- Long-term debt including pension and other obligations increased \$9.5 million in fiscal year 2013 to \$132.1 million. Increases in loans and notes payable as well as capital leases account for nearly all of the increase.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Government-wide financial statements:

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

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

All City activities are included in the government-wide statements with the exception of the City's fiduciary funds which are presented separately. Government-wide financial statements distinguish functions of the governmental entity principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of the costs through user fees and charges (business-type activities). The primary governmental activities of the City include activities such as general government, public safety, street maintenance, parks & recreation, and community development, while the business-type activities of the City include water, sewer, storm water, solid waste, golf operations, and the US Cellular Coliseum. The government-wide financial statements also include information for the City's discretely presented component units. These are legally separate organizations; however, they are closely related to the City. The component units and their relationships to the City are more fully described in Note 1 to the financial statements on page 24.

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

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

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

The government-wide financial statements may be found on pages 4-7 of this report.

Fund financial statements:

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

A reconciliation between fund statements and government-wide statements for both governmental and business activities can be found on pages 9, 11, 14, and 17 of this report.

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

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

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

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

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

Basic governmental fund financial statements can be found on pages 8 and 10 of this report.

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

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Bloomington has presented seven enterprise funds to account for activities that include: Water, Sewer, US Cellular Coliseum, Stormwater Management, Solid Waste, Parking, and Golf Operations. The Golf Operations fund and Parking fund are classified as nonmajor proprietary funds.

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

The basic proprietary fund financial statements can be found on pages 12-13, 15-16, and 18-21 of this report.

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

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

The basic fiduciary fund financial statements can be found on pages 22-23 of this report.

Notes to the financial statements:

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

The notes to the financial statements can be found on pages 24-76 of this report.

Required Supplementary Information:

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

Required supplemental information can be found on pages 77-88 of this report.

Other Information:

The combining statements referred to earlier in connection with nonmajor funds and internal service funds can be found on pages 89-112 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

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

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

Table 1 - Statement of Net Position as of April 30, 2013 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Assets:						
Current and other assets	\$ 83.1	\$ 81.2	\$ 28.8	\$ 17.4	\$ 111.9	\$ 98.6
Capital assets	181.1	170.7	197.8	194.5	378.9	365.2
Total assets	264.2	251.9	226.6	211.9	490.8	463.8
Deferred Outflows						
of Resources:	0.2	0.1	-	-	0.2	0.1
Liabilities:						
Current liabilities	15.5	12.6	8.8	6.7	24.3	19.3
Noncurrent liabilities	85.5	86.0	37.1	27.2	122.6	113.2
Total liabilities	101.0	98.6	45.9	33.9	146.9	132.5
Deferred Inflows						
of Resources:	23.2	23.6	-	-	23.2	23.6
Net position:						
Net investment in						
capital assets	145.5	136.9	173.3	180.6	286.4	284.9
Restricted	21.9	21.2	1.7	0.7	23.7	21.9
Unrestricted	(27.2)	(28.3)	5.7	(3.3)	10.8	1.0
Total net position	\$ 140.2	\$ 129.8	\$ 180.7	\$ 178.0	\$ 320.9	\$ 307.8

As noted earlier, net position over time may serve as a useful indicator of a government's financial condition. In the case of the City, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$320.9 million at April 30th, 2013. The City's combined net position increased by \$13.1 million or 4% from the prior year. This is mainly due to positive operating results in fiscal year 2013.

A significant portion of the City's total net position (\$286.4 million) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure) net of the outstanding debt to acquire those assets. The City of Bloomington uses these capital resources to provide services to residents. Thus, these resources are not available for future spending. Although the City's investment in capital assets is reported net of related debt, the resources to repay this debt must be provided from other revenue sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position of \$23.7 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$10.8 million (3.4% of total net position) is unrestricted and may be used to meet the government's on-going obligations.

At the end of the fiscal year, the City of Bloomington did not report a positive balance in the governmental activities unrestricted net position. The U.S. Cellular Coliseum debt (approximately \$32.3 million) a business-type activity is paid from the Debt Service Fund which is a governmental activity. The governmental activities record the liability but cannot record the corresponding asset leaving a large negative balance in unrestricted net position. This action reflects the intention of the City to repay this issuance from general governmental funds.

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

While the net position within the business-type activity is positive this year, it is negatively impacted by a similar situation. A \$9.9 million note payable is accounted for within the Storm Water Management fund a business –type activity. However, in accordance with the intergovernmental agreement with the Bloomington and Normal Water Reclamation District the corresponding asset does not belong to the City and therefore assets are not reflected on the City's financial statements. The liability is accounted for in the unrestricted portion of net position rather than within the capital asset category.

See Note #15 in the Notes to the Financial Statements on page 74 for specific information on unrestricted net position.

For more detailed information please refer to the full Statement of Net Position on pages 4-5.

Current Year Impacts - Overall Net Position

As noted in Table 1, the net position from governmental activities increased by \$10.4 million, and the net position from business-type activities increased by \$2.7 million. A significant portion of the increase in the governmental activities is due to the improvements in the economy resulting in positive operating results for the year. Capital assets saw increases while noncurrent liabilities decreased. However, many capital asset additions are being funded by taking on debt in the form of capital leases. The increase in net position from business-type activities was primarily from the positive operating results of the Water, Sewer, and Storm Water Funds. Other enterprise funds experienced losses which offset some of the positive operating results in these funds. It should also be noted that while noncurrent liabilities increased \$9.9 million there was not a corresponding increase in capital assets.

Changes in Net Position

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

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues:						
Charges for services	\$ 14.2	\$ 12.8	\$ 37.0	\$ 35.5	\$ 51.2	\$ 48.3
Operating grants	4.1	4.3	-	-	4.1	4.3
Capital grants	3.4	2.3	1.4	1.4	4.8	3.7
General Revenues:						
Property taxes	23.7	24.0	-	-	23.7	24.0
Franchise taxes	2.0	1.9	-	-	2.0	1.9
Sales taxes	14.7	13.4	-	-	15.0	13.4
Other taxes	30.5	29.6	1.3	-	31.5	29.6
Shared income taxes	6.9	6.2	-	-	6.9	6.2
Investment earnings	0.1	0.1	-	-	0.1	0.1
Miscellaneous	1.8	1.5	0.8	0.4	2.6	1.9
Total revenues	101.4	96.1	40.5	37.3	141.9	133.4
Expenses:						
Governmental Activities:						
General government	14.4	18.1	-	-	14.4	18.1
Public safety	44.5	44.7	-	-	44.5	44.7
Highways and streets	15.8	18.0	-	-	15.8	18.0
Health and welfare	-	-	-	-	-	-
Culture and recreation	16.1	17.4	-	-	16.1	17.4
Parking	0.6	-	-	-	0.6	-
Community development	0.8	0.8	-	-	0.8	0.8
Interest	2.9	2.9	-	-	2.9	2.9
Business-type Activities:						
Water	-	-	13.6	14.7	13.6	14.7
Solid waste	-	-	6.2	5.9	6.2	5.9
Sewer	-	-	5.7	3.6	5.7	3.6
US Cellular Coliseum	-	-	4.4	4.8	4.4	4.8
Stormwater management	-	-	2.3	2.3	2.3	2.3
Golf operations	-	-	2.7	2.7	2.7	2.7
Parking	-	-	0.3	1.1	0.3	1.1
Total expenses	95.1	101.9	35.2	35.1	130.3	137.0
Excess before transfers	6.3	(5.8)	5.3	2.2	11.6	(3.6)
Transfers	3.3	(0.9)	(3.3)	0.9	-	-
Changes in net position	9.6	(6.7)	2.0	3.1	11.6	(3.6)
Net position, beginning of year	129.8	136.8	178.0	173.9	307.8	310.7
Prior period adjustment	0.8	(0.3)	0.7	1.0	1.5	0.7
Net position, beginning of year, restated	130.6	136.5	178.7	174.9	309.3	311.4
Net position, end of year	\$ 140.2	\$ 129.8	\$ 180.7	\$ 178.0	\$ 320.9	\$ 307.8

Revenues for the City's governmental activities increased 5.5 percent, while revenue for the business-type activities increased by 8.6 percent in comparison to the prior fiscal year.

Governmental activities - Charges for services increased by \$1.4 million, or 10.9 percent, during the current year. The increase in charges for services was largely in the area of ambulance revenues, licenses and permits, and parking fees. Some of the parking operations were moved from an enterprise fund to the general fund in FY 2013. Operating grants and contributions experienced a slight decline while capital grants increased. Tax receipts were generally higher than the preceding year in most categories as the economy improved. Property taxes remained fairly stable based on the decision by the Council to maintain the tax levy at previous levels. Sales taxes increased by \$1.6 million (11.9 percent), and franchise taxes increased 5.3 percent. The shared income tax increased 11.3%.

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

Business-type activities – Charges for services increased by \$1.5 million, or 4.2 percent, due in part to scheduled annual rate increases. Water Fund charges increased 5.8 percent. Service charges of the Sewer Fund increased 15.7 percent, and Solid Waste increased 13.4 percent. Various rate increases took place over the last several years to address past deficits in these funds. The US Cellular Coliseum fund, Golf Operations fund, and Parking fund all saw declines in revenue. The decline in the Parking fund is due to the transfer of some of the parking operations to the governmental activities in FY 2013.

Expenses for the City's governmental activities decreased by \$6.8 million, or 6.7 percent, while business-type activities increased by \$0.1 million, or 0.3 percent.

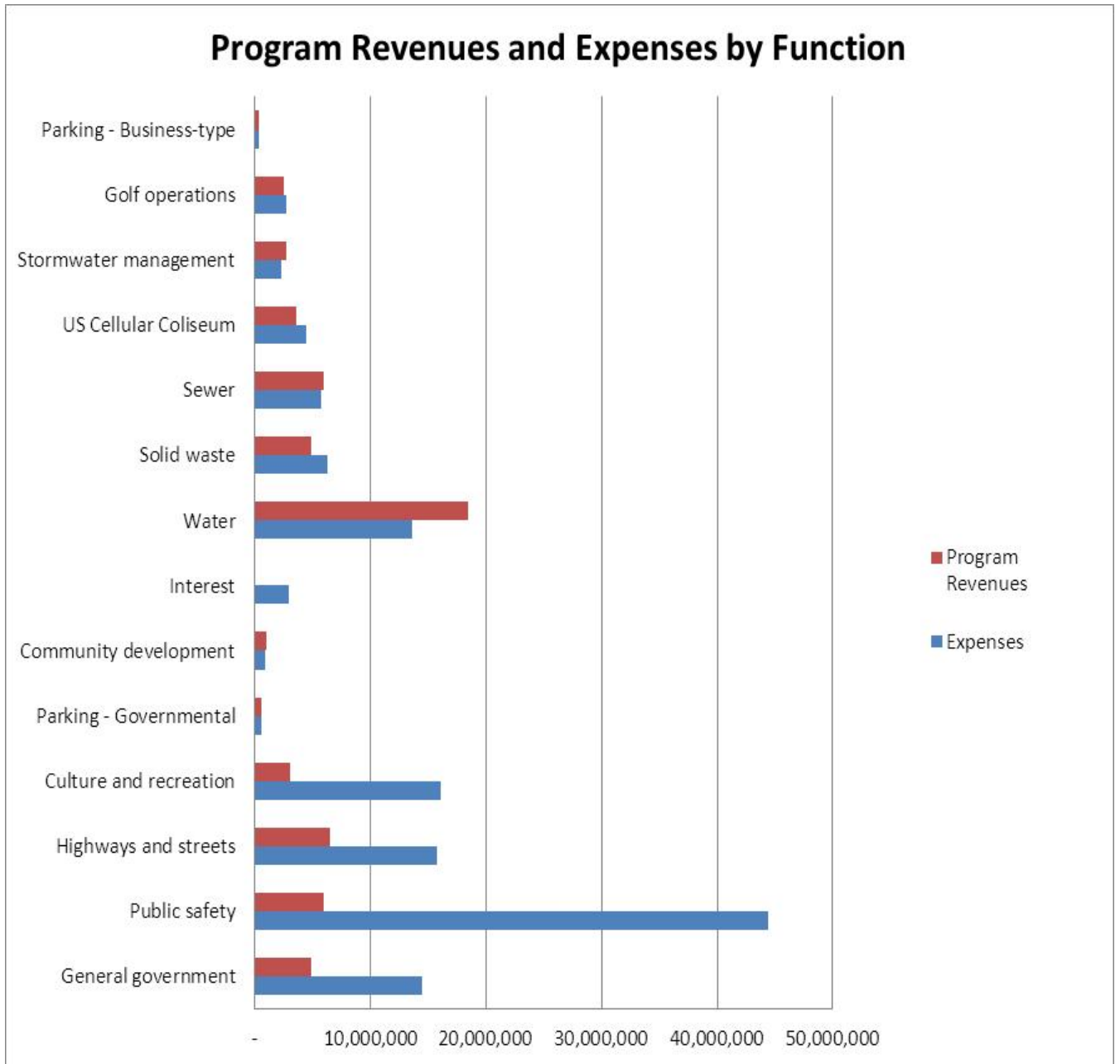
Governmental Activities – All functional areas saw decreased expenses from prior year levels. Parking was added as a function in the governmental activities as certain parking operations were transferred to the General Fund in FY 2013. Expenses relating to General Government decreased by \$3.7 million, or 20.4 percent. Highways and streets experienced a decline of 12.2 percent or \$2.2 million. Culture and recreation spending decreased \$1.3 million or 7.5 percent. Salary costs were up across all categories mostly the result of increased rates; however, two positions were added in key areas and vacancies were filled. Benefits were down significantly across all categories due to the fiscal year 2012 amounts including the additional costs of the IMRF early retirements that were paid to IMRF through the issuance of bonds.

Business-Type Activities – Overall expenses increased \$0.1 million or just 0.3 percent. Water, U.S. Cellular Coliseum and parking saw decreases while solid waste and sewer saw increased expenses. Golf and stormwater expenses were flat compared to the prior year. Water expenses decreased \$1.1 million (7.5 percent) due primarily to decreased benefits costs related to the IMRF early retirement payment in FY 2012. Expenses for the U.S. Cellular Coliseum decreased 8.3 percent or \$0.4 million. Majority of the decrease was in the area of promoter expenses and depreciation. The decrease in Parking is a result of a portion of the parking operations being moved to the governmental activities as previously mentioned. Solid waste expenses increased \$0.3 million or 5.1 percent. A large portion of the increase is attributable to increased depreciation and interest costs resulting from new equipment purchases made through the capital lease. Salary costs were also up in the solid waste fund. Sewer expenses increased \$2.1 million or 58.3 percent. Sewer expenses for FY 2013 included \$2.3 million of costs related to a project with the Village of Downs for which the City has agreed to pay a portion of the Village of Downs' loan payment with the Illinois Environmental Protection Agency.

Net Costs by Function

The following graph demonstrates the costs by function which are covered through charges for services and grants. The difference represents the costs of the activities that are subsidized with general revenues such as taxes and transfers from other areas.

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



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds – Balance Sheet

On April 30th, 2013, the governmental funds reported a combined total fund balance of \$45.4 million, which is an increase of \$3.9 million, or 9.4 percent, from the prior year restated fund balance of \$41.5 million. During fiscal year 2013 the fund balance for the general fund increased by \$3.2 million while the fund balances for the Library fund and Debt Service fund increased \$0.7 million and \$0.4 million respectively. Of the total fund balance for governmental funds of \$45.4 million, \$16.0 million is unassigned which indicates the funds are available to support the continued operations of the City. An additional 10.8 million is considered committed or assigned meaning the City has limited the use of the funds to specific functions. Restricted fund balance of \$16.3 million is limited by legal restrictions from outside parties on how the funds may be spent. Nonspendable fund balance in the amount of \$2.3 million is not available for current expenditures as the funds are not in a spendable form such as inventory and loans receivable.

Additional information may be found within the Governmental Funds Balance Sheet presented on page 8.

Major Governmental Funds – Change in Fund Balance

General Fund

The General Fund is the City's primary operating fund. This fund finances the bulk of the City's day-to-day operations. The fund balance of the General Fund increased \$3.2 million to \$19.9 million.

Total revenue for the General Fund increased by \$4.2 million or 5.1 percent, while General Fund expenditures decreased by \$5.2 million or 6.6 percent. Some of the more noteworthy changes are as follows:

Tax revenue increased \$2.8 million (4.1 percent). Nearly all tax types increased as the economy improved, with the exception of property taxes which remained relatively consistent. Licenses and permits revenue increased 14.3 percent mostly as a result of increased building permits. Charges for services increased \$1.1 million (10.4 percent). Some of this increase is the result of moving a portion of the parking operation to the General fund in FY 2013. Ambulance fees also accounted for a portion of the increase. Fines and forfeitures increased 21.3 percent.

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

General government expenditures had a net decrease of \$2.9 million, or 18.0 percent. Benefits costs were down \$3.2 million which is due in large part to the increased costs in FY 2012 related to the IMRF ERI payments that were financed through a bond issue. Public safety expenditures were down slightly (2.2 percent). Expenditures relating to highways and streets decreased \$2.3 million (26.3 percent). Benefits costs were down \$2.9 million in this area as well due to the IMRF ERI noted above. Culture and recreation expenditures also decreased \$0.6 million primarily as a result of benefits costs as described above. Debt service costs increased over \$1 million as repayments began on the capital leases and payments on the Public Building Commission lease were reclassified as debt service.

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 2013, the City transferred approximately \$10.9 million from the General Fund to other funds, including: \$1.9 million to debt service funds, \$4.8 million to the Capital Improvement Fund, and \$1.3 million to the Solid Waste Fund.

Library Fund

The Library Fund was established to account for the property tax and other financial resources required to provide library service to the residents of the City. The fund balance of the library fund totaled \$3.5 million at April 30, 2013, an increase of approximately \$.7 million over prior year. The fund balance at April 30, 2013, represents about 80% of fiscal year 2013 expenditures.

Debt Service Fund

Fund balance for the Debt Service Fund increased by \$.4 million to \$11.7 million. Debt service expenditures totaled \$6.0 million, up from the \$4.2 million reported last year. Tax revenue contributed \$2.2 million towards the debt service expenditures, with operating transfers providing \$4.1 million.

Additional information may be found within the Statement of Revenues, Expenditures and Changes in Fund Balances on pages 10.

Nonmajor Governmental Funds

The fund balance for the nonmajor governmental funds decreased \$0.4 million. Fund balance increases were seen in the following nonmajor governmental funds: Board of Elections, Drug Enforcement, Foreign Fire Insurance Board, Community Development, and Capital Lease. The following nonmajor governmental funds had decreases in fund balances: Motor Fuel Tax, IHDA Grant, Park Dedication, Central Bloomington TIF Redevelopment, Pepsi Ice Center, and Capital Improvements. Motor Fuel Tax Fund saw a decrease in fund balance of \$0.6 million due to minimal projects undertaken in 2012 with increased activity in 2013. Expenditures in this fund increased \$2.4 million in fiscal year 2013 over 2012 levels. Changes in fund balances of other nonmajor governmental funds were relatively minor. Expenditures in the Capital Improvements fund were down \$0.8 million while expenditures in the capital lease fund increased \$1.5 million.

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

Proprietary Funds

The proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The proprietary fund financial statements can be found on pages 12-13, 15-16, and 18-21.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the fiscal year 2013, the City amended the budget three times. City policy is to amend the budget after six months, nine months, and twelve months of operations. This process assists City staff with the monitoring and reporting of appropriations within the City budget. The original budget amounts presented in this report reflect the amounts as adopted by the City Council.

Below is a table which reflects the original and final budget plus the actual results for the General Fund. Refer to page 85 in the Required Supplementary Information for more details.

Table 3 - General Fund - Budget and Actual			
Year Ended April 30, 2013 (in millions)			
	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 65.6	\$ 65.6	\$ 70.8
Intergovernmental	0.3	0.3	0.4
Licenses and permits	1.2	1.2	1.3
Charges for services	12.4	12.8	11.7
Fines and forfeitures	0.9	0.9	1.1
Investment income	-	-	0.1
Other	0.9	1.3	1.2
Total revenues	81.3	82.1	86.6
Expenditures:			
Current	73.0	74.4	70.8
Debt service	0.7	0.7	1.4
Capital outlay	2.0	3.0	1.5
Total expenditures	75.7	78.1	73.7
Other:			
Transfers in and other	1.6	1.6	1.1
Transfers out	(8.8)	(10.0)	(10.9)
Net Change in Fund Balance	(1.6)	(4.4)	3.1

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

The General Fund actual revenues were \$4.5 million higher than the amended budget amount. The largest part of this variance occurred within the tax category. As the economy improved, collections for all of the following taxes exceeded budgeted expectations: sales, income, franchise, food & beverage, and hotel/motel taxes.

The General Fund actual expenditures were \$4.4 million less than the amended budget. Actual expenditures in nearly all categories were below the amended budget. Debt service is over budget by \$0.7 million due to repayments on capital leases. Capital outlay actual expenditures were below the amended budget by \$1.5 million due to timing of projects and purchases. In addition, some purchases originally budgeted in the General Fund were actually made from the Capital Lease Fund. The budgeted expenditures were amended by the City Council in April 2013 to appropriate \$600,000 to be transferred to the Capital Improvement fund for the construction of Eagle View Park.

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 \$378.9 million. This is an increase of \$9.7 million from the prior year total of \$369.2 million. The table below details capital asset balances.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
	Capital assets not being depreciated	\$ 27.4	\$ 25.0	\$ 22.2	\$ 16.6	\$ 49.6
Land Improvements	14.0	14.5	0.4	0.5	14.4	15.0
Construction	53.2	50.1	41.9	44.3	95.1	94.4
Infrastructure	74.1	74.9	121.4	122.0	195.5	196.9
Machinery and equipment	7.0	6.6	8.9	8.7	15.9	15.3
Licensed vehicles	5.4	3.6	3.0	2.4	8.4	6.0
Total net capital assets	\$ 181.1	\$ 174.7	\$ 197.8	\$ 194.5	\$ 378.9	\$ 369.2

Significant capital additions in fiscal year 2013 included the following:

- The Grove on Kickapoo Creek – 3rd Addition
- Towanda Barnes Business Park
- Recycling program equipment
- Fire pumper truck and deposit on and aerial ladder truck
- Two ambulances and deposits on 2 more
- Fire training tower
- Regency pump station
- Locust – Colton CSO elimination
- Lafayette Street reconstruction
- Morris Avenue Reconstruction: Fox Hill Apt – Six Points Road
- Continued implementation of ERP project

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

Additional information on capital assets may be found in Note 3 in the Notes to the Financial Statements on pages 45-46.

DEBT ADMINISTRATION

The City of Bloomington's long term debt was \$91.5 million for governmental activities and \$40.6 million for business-type activities as of April 30th, 2013. The table below summarized the City's long-term debt by type.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
	General obligation bonds	\$ 68.8	\$ 72.1	\$ 7.1	\$ 7.2	\$ 75.9
Loans payable	-	-	12.5	6.5	12.5	6.5
Notes payable	-	-	12.1	10.5	12.1	10.5
Capital lease payable	6.1	4.7	5.9	4.3	12.0	9.0
Net OPEB obligation	5.4	4.3	0.9	0.8	6.3	5.1
Net pension obligation	0.8	0.7	0.4	0.2	1.2	0.9
Compensated absences	10.4	9.9	1.7	1.4	12.1	11.3
Total long-term debt	\$ 91.5	\$ 91.7	\$ 40.6	\$ 30.9	\$ 132.1	\$ 122.6

Additional information on long term debt may be found in Note 4 in the Notes to the Financial Statements on pages 47-53.

No new general obligation bonds were issued in fiscal year 2013. Another capital lease was used to finance various equipment purchases. The largest increases in debt were seen in the business-type activities with loans and notes payable. The City has incurred additional costs under two Illinois Environmental Protection Agency loans related to the Locust-Colton CSO elimination project. The City anticipates repayment on these loans will begin in fiscal year 2014. The City continues to make the bi-annual payments required on its other loans payable to the Illinois Environmental Protection Agency (IEPA). Additional debt was also incurred as a note payable to the Village of Downs under an agreement for a sewer project in which the City agreed to pay the Village of Downs for a portion of the payments on its loan with the IEPA. The City has similar notes payable to the Bloomington and Normal Water Reclamation District which it is currently making payments on.

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. Compensated absences represents the value of accumulated unpaid vacation of employees and an estimated value of the sick leave accumulated that may be payable upon retirement based on criteria in employment contracts and union agreements.

In October 2013, Fitch and Moody's reaffirmed the City's credit ratings of AA+ and Aa2 with stable outlooks.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Unemployment for the City has seen some improvement and continues to be below the state and national rates. The City's assessed value for tax year 2012 (which will be revenue in fiscal year 2014) decreased roughly 2% and the City Council incorporated a \$400,000 reduction in the overall property tax levy compared to the prior year. The City is closely monitoring revenues in 2014. Sales taxes are running slightly behind budget projections but still ahead of fiscal year 2013 levels while income tax distributions continue to be strong exceeding both budget projections and fiscal year 2013 actual amounts.

The 2013 revenues reflected some improvement in the economy. While this is expected to continue into fiscal year 2014, City staff remained relatively conservative in terms of projections for revenue and expenditures in the fiscal year 2014 budget. The City projected 4.0 to 4.5 percent increases in major tax revenue sources such as state mandated sales tax and home rule sales tax, but projections for most other revenues projected minimal to no growth. No fee or license increases were included in the 2014 budget.

For fiscal year 2014, the preparation of the budget followed a zero based methodology with elements of priority budgeting incorporated into the purchase of capital equipment and infrastructure improvements. The City conducted multiple work sessions and a budget open house to obtain input from City residents. The budget presented a strong challenge to the City and staff with limited resources and numerous operating and capital requests. These challenges include, but are not limited to, flat or reduced revenues, the need to reduce expenditures while restoring key positions, significant pension liabilities, and continual replacement and maintenance of postponed unfunded capital equipment and infrastructure. Overall the fiscal year 2014 budget implemented a decrease in expenditures of 7.6 percent. The fiscal year 2014 budget included roughly 14 added full-time positions; however, staffing levels remain well below the pre-recession levels.

During fiscal year 2014, the Council approved the issuance of \$10 million in bonds for street and sewer improvements. In FY 2013, the City began the process of master planning and needs assessment to more fully understand and quantify the construction, maintenance and repair needs of the City's aging infrastructure. These studies will be a key part of the fiscal year 2015 budget process as needs are prioritized and funding sources identified.

Long term liabilities including pension and other post-employment benefit (OPEB) funding remain a concern to the City. In fiscal year 2014, the City refunded the 2003 Series bonds for a net present value savings of \$427,900. In FY 2014, the City's budget included a property tax levy for the statutory minimum contributions for the police and fire pension. During fiscal year 2014 the Council will consider a pension funding policy that proposes increased funding levels starting in fiscal year 2015. The City continues a pay-as-you go strategy for the OPEB liability.

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

Request for Information

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

BASIC FINANCIAL STATEMENTS

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Library Foundation	Miller Park Zoological Society
ASSETS					
Current Assets:					
Cash and investments	\$ 43,378,030	\$ 22,082,240	\$ 65,460,270	\$ 1,084,640	\$ 455,316
Restricted accounts - cash	622,125	1,731,542	2,353,667	-	-
Beneficial interest in Stubblefield Trust	-	-	-	1,011,210	-
Receivables, net of allowances for uncollectibles of \$693,247:					
Taxes	23,185,833	-	23,185,833	-	-
Loans	1,661,578	-	1,661,578	-	-
Accounts	2,120,574	4,816,521	6,937,095	-	-
Accrued Interest	63	-	63	-	-
Due from other governmental units	8,472,591	-	8,472,591	-	-
Internal balances	220,794	(220,794)	-	-	-
Inventory	546,916	400,968	947,884	-	-
Prepaid items and other assets	23,364	43,567	66,931	-	589
Properties held for resale	16,775	-	16,775	-	-
Total current assets	80,248,643	28,854,044	109,102,687	2,095,850	455,905
Noncurrent assets:					
Land	19,730,323	7,650,506	27,380,829	-	-
Construction-in-progress	7,639,502	14,538,469	22,177,971	-	-
Other depreciable capital assets, net of accumulated depreciation	153,711,385	175,596,956	329,308,341	-	-
Total capital assets, net of depreciation	181,081,210	197,785,931	378,867,141	-	-
Net pension assets	2,899,851	-	2,899,851	-	-
Total noncurrent assets	183,981,061	197,785,931	381,766,992	-	-
Total assets	264,229,704	226,639,975	490,869,679	2,095,850	455,905
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized loss on refunding	200,948	-	200,948	-	-
Total deferred outflows of resources	200,948	-	200,948	-	-
Total assets and deferred outflows of resources	\$ 264,430,652	\$ 226,639,975	\$ 491,070,627	\$ 2,095,850	\$ 455,905

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Library Foundation	Miller Park Zoological Society
LIABILITIES					
Current liabilities:					
Accounts payable and accrued expenses	\$ 4,302,394	\$ 3,752,074	\$ 8,054,468	\$ -	\$ 1,129
Ticket escrow payable	-	439,926	439,926	-	-
Claims payable	2,184,326	-	2,184,326	-	-
Compensated absences	1,504,275	133,553	1,637,828	-	-
Accrued interest payable	1,091,913	195,499	1,287,412	-	-
Unearned revenue	36,300	933,305	969,605	-	-
Deposits	18,721	30,895	49,616	-	-
Current portion of capital lease payable	1,130,396	1,294,944	2,425,340	-	-
Current portion of loan payable	-	564,165	564,165	-	-
Current portion of note payable	-	703,681	703,681	-	-
Current portion of general obligation bonds payable	5,264,302	762,510	6,026,812	-	-
Total current liabilities	15,532,627	8,810,552	24,343,179	-	1,129
Noncurrent liabilities:					
Claims payable	1,826,889	-	1,826,889	-	-
Compensated absences	8,931,018	1,559,612	10,490,630	-	-
Net OPEB obligation	5,437,422	902,870	6,340,292	-	-
Net pension obligation	758,894	401,133	1,160,027	-	-
Capital lease payable, noncurrent portion	4,994,207	4,613,179	9,607,386	-	-
Loan payable, noncurrent portion	-	11,983,524	11,983,524	-	-
Note payable, noncurrent portion	-	11,369,403	11,369,403	-	-
General obligation bonds payable, noncurrent portion	63,549,897	6,287,563	69,837,460	-	-
Total noncurrent liabilities	85,498,327	37,117,284	122,615,611	-	-
Total liabilities	101,030,954	45,927,836	146,958,790	-	1,129
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	23,185,833	-	23,185,833	-	-
Total deferred inflows of resources	23,185,833	-	23,185,833	-	-
Total liabilities and deferred inflows of resources	124,216,787	45,927,836	170,144,623	-	1,129
Net position:					
Net investment in capital assets	145,487,378	173,334,004	286,445,538	-	-
Permanently restricted, nonexpendable for:					
Library	-	-	-	1,041,239	-
Temporarily restricted	-	-	-	131,193	251,766
Restricted for:					
Capital projects	622,125	1,731,542	2,353,667	-	-
Debt service	11,727,677	-	11,727,677	-	-
Library	3,512,788	-	3,512,788	-	-
Tax increment financing districts	55,492	-	55,492	-	-
Motor fuel tax projects	3,895,653	-	3,895,653	-	-
Board of elections	464,426	-	464,426	-	-
Drug enforcement	397,332	-	397,332	-	-
Community development	1,295,004	-	1,295,004	-	-
Unrestricted	(27,244,010)	5,646,593	10,778,427	923,418	203,010
Total net position	\$ 140,213,865	\$ 180,712,139	\$ 320,926,004	\$ 2,095,850	\$ 454,776

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

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF ACTIVITIES

Year Ended April 30, 2013

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 14,421,291	\$ 4,073,958	\$ 742,693	\$ -
Public safety	44,463,306	5,779,223	172,588	9,856
Highways and streets	15,780,609	871,572	2,214,382	3,403,664
Culture and recreation	16,077,959	2,952,864	45,875	17,202
Parking	598,649	540,765	-	-
Community development	821,486	-	965,484	-
Interest on long-term debt	2,960,261	-	-	-
Total governmental activities	95,123,561	14,218,382	4,141,022	3,430,722
Business-type activities:				
Water	13,618,340	17,634,395	-	772,590
Solid waste	6,240,362	4,890,868	-	-
Sewer	5,731,335	5,353,308	-	630,793
U.S. Cellular Coliseum	4,430,258	3,562,252	-	-
Stormwater management	2,242,027	2,730,053	-	-
Golf operations	2,705,867	2,496,674	-	-
Parking	287,004	344,802	-	-
Total business-type activities	35,255,193	37,012,352	-	1,403,383
Total primary government	130,378,754	51,230,734	4,141,022	4,834,105
Component Units:				
Library Foundation	22,821	-	101,512	-
Miller Park Zoological Society	175,483	160,407	21,731	-
Total component units	198,304	160,407	123,243	-
Total Government	\$ 130,577,058	\$ 51,391,141	\$ 4,264,265	\$ 4,834,105

General revenues:

Taxes:

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

Shared income tax

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net position

Net position, beginning of year

Prior period adjustment

Net position, beginning of year, restated

Net position, end of year

Net (Expense) Revenue and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Library Foundation	Miller Park Zoological Society	
\$ (9,604,640)	\$ -	\$ (9,604,640)	\$ -	\$ -	
(38,501,639)	-	(38,501,639)	-	-	
(9,290,991)	-	(9,290,991)	-	-	
(13,062,018)	-	(13,062,018)	-	-	
(57,884)	-	(57,884)	-	-	
143,998	-	143,998	-	-	
(2,960,261)	-	(2,960,261)	-	-	
(73,333,435)		(73,333,435)	-	-	
	-	4,788,645	-	-	
	(1,349,494)	(1,349,494)	-	-	
	252,766	252,766	-	-	
	(868,006)	(868,006)	-	-	
	488,026	488,026	-	-	
	(209,193)	(209,193)	-	-	
	57,798	57,798	-	-	
	3,160,542	3,160,542	-	-	
(73,333,435)	3,160,542	(70,172,893)			
			78,691	-	
			-	6,655	
			78,691	6,655	
(73,333,435)	3,160,542	(70,172,893)	78,691	6,655	
23,733,551	-	23,733,551	-	-	
1,975,390	-	1,975,390	-	-	
14,716,743	-	14,716,743	-	-	
14,047,780	1,309,531	15,357,311	-	-	
2,972,863	-	2,972,863	-	-	
4,184,431	-	4,184,431	-	-	
9,261,569	-	9,261,569	-	-	
6,904,133	-	6,904,133	-	-	
65,877	17,545	83,422	186,972	730	
1,771,832	783,928	2,555,760	6,773	-	
3,296,836	(3,296,836)	-	-	-	
82,931,005	(1,185,832)	81,745,173	193,745	730	
9,597,570	1,974,710	11,572,280	272,436	7,385	
129,849,299	178,098,576	307,947,875	1,823,414	-	
766,996	638,853	1,405,849	-	447,391	
130,616,295	178,737,429	309,353,724	1,823,414	447,391	
\$ 140,213,865	\$ 180,712,139	\$ 320,926,004	\$ 2,095,850	\$ 454,776	

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

CITY OF BLOOMINGTON, ILLINOIS
Governmental Funds

BALANCE SHEET

April 30, 2013

	General	Library	Debt Service	Nonmajor Governmental Funds	Total
ASSETS					
Cash and investments	\$ 14,539,718	\$ 3,817,439	\$ 11,658,443	\$ 9,032,016	\$ 39,047,616
Restricted accounts - cash	-	-	-	622,125	622,125
Receivables, net of allowance for uncollectibles:					
Taxes	16,492,213	4,513,477	2,180,143	-	23,185,833
Loans	401,510	-	-	1,260,068	1,661,578
Accounts	2,076,973	8,160	-	29,932	2,115,065
Due from other governmental units	8,271,458	-	69,384	131,749	8,472,591
Due from other funds	122,146	100,000	-	-	222,146
Interfund advance	27,487	-	-	-	27,487
Inventory	546,916	-	-	-	546,916
Prepaid items	23,364	-	-	-	23,364
Properties held for resale	-	-	-	16,775	16,775
	<u>\$ 42,501,785</u>	<u>\$ 8,439,076</u>	<u>\$ 13,907,970</u>	<u>\$ 11,092,665</u>	<u>\$ 75,941,496</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
LIABILITIES					
Accounts payable and accrued expenditures	\$ 3,548,101	\$ 291,068	\$ 150	\$ 437,962	\$ 4,277,281
Due to other funds	100,000	121,743	-	403	222,146
Deposits	18,721	-	-	-	18,721
Unearned income	26,908	-	-	-	26,908
Interfund advance	-	-	-	427,487	427,487
	<u>3,693,730</u>	<u>412,811</u>	<u>150</u>	<u>865,852</u>	<u>4,972,543</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	16,492,213	4,513,477	2,180,143	-	23,185,833
Unavailable revenues	2,429,320	-	-	-	2,429,320
	<u>18,921,533</u>	<u>4,513,477</u>	<u>2,180,143</u>	<u>-</u>	<u>25,615,153</u>
	<u>22,615,263</u>	<u>4,926,288</u>	<u>2,180,293</u>	<u>865,852</u>	<u>30,587,696</u>
FUND BALANCE					
Nonspendable					
Inventory	546,916	-	-	-	546,916
Loans	401,510	-	-	1,260,068	1,661,578
Interfund advances	27,487	-	-	-	27,487
Prepaid items	23,364	-	-	-	23,364
Property held for resale	-	-	-	16,775	16,775
Restricted					
Debt service	-	-	11,727,677	-	11,727,677
Highway and streets	-	-	-	3,895,653	3,895,653
Board of elections	-	-	-	464,426	464,426
Public safety	-	-	-	125,610	125,610
Community development	-	-	-	73,653	73,653
Unrestricted					
Committed					
Public safety	-	-	-	397,332	397,332
Culture and recreation	-	3,512,788	-	1,040,083	4,552,871
Assigned					
General government	997,940	-	-	-	997,940
Public safety	358,582	-	-	-	358,582
Highways and streets	242,646	-	-	-	242,646
Culture and recreation	1,257,034	-	-	-	1,257,034
Parking	34,786	-	-	-	34,786
Capital projects	-	-	-	2,968,527	2,968,527
Unassigned	15,996,257	-	-	(15,314)	15,980,943
Total fund balances	<u>19,886,522</u>	<u>3,512,788</u>	<u>11,727,677</u>	<u>10,226,813</u>	<u>45,353,800</u>
	<u>\$ 42,501,785</u>	<u>\$ 8,439,076</u>	<u>\$ 13,907,970</u>	<u>\$ 11,092,665</u>	<u>\$ 75,941,496</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 42,501,785</u>	<u>\$ 8,439,076</u>	<u>\$ 13,907,970</u>	<u>\$ 11,092,665</u>	<u>\$ 75,941,496</u>

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

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

Total governmental fund balances		\$ 45,353,800
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		181,081,210
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		2,429,320
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 position:		
Current assets	\$ 4,335,986	
Current liabilities	<u>(4,045,720)</u>	290,266
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.		2,899,851
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.		(758,894)
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.		(5,437,422)
Internal service funds allocated to business-type activities.		620,794
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	(10,435,293)	
Bond premium	(282,568)	
Bond discount	299,989	
Loss on refunding	200,948	
Accrued interest payable	(1,091,913)	
Capital lease payable	(6,124,603)	
General obligation bonds payable	<u>(68,831,620)</u>	<u>(86,265,060)</u>
Net position of governmental activities		<u>\$ 140,213,865</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, 2013

	General	Library	Debt Service	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	\$ 70,846,002	\$ 4,642,935	\$ 2,231,424	\$ 79,785	\$ 77,800,146
Intergovernmental	441,273	12,500	-	3,714,307	4,168,080
Licenses and permits	1,280,698	-	-	-	1,280,698
Charges for services	11,664,479	80,767	-	-	11,745,246
Fines and forfeitures	1,095,669	-	-	96,769	1,192,438
Investment income	55,372	4,633	499	5,163	65,667
Other	1,206,146	417,013	12,274	131,799	1,767,232
Total revenues	86,589,639	5,157,848	2,244,197	4,027,823	98,019,507
EXPENDITURES					
Current:					
General government	13,376,981	-	-	446,938	13,823,919
Public safety	40,967,988	-	-	134,515	41,102,503
Highways and streets	6,635,792	-	-	2,848,250	9,484,042
Culture and recreation	9,317,149	4,397,536	-	107,146	13,821,831
Community development	-	-	-	773,068	773,068
Parking	439,483	-	-	-	439,483
Debt service:					
Principal	1,175,866	-	3,240,000	-	4,415,866
Interest and fiscal agent fees	177,962	-	2,754,293	15,600	2,947,855
Capital outlay	1,513,191	9,328	-	7,533,267	9,055,786
Total expenditures	73,604,412	4,406,864	5,994,293	11,858,784	95,864,353
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	12,985,227	750,984	(3,750,096)	(7,830,961)	2,155,154
OTHER FINANCING SOURCES (USES)					
Transfers in	1,032,305	-	4,118,112	4,846,000	9,996,417
Capital lease	-	-	-	2,592,610	2,592,610
Proceeds from sale of capital assets	55,387	1,670	-	6,607	63,664
Transfers out	(10,913,957)	(42,617)	-	(20,427)	(10,977,001)
Total other financing sources (uses)	(9,826,265)	(40,947)	4,118,112	7,424,790	1,675,690
NET CHANGE IN FUND BALANCE	3,158,962	710,037	368,016	(406,171)	3,830,844
FUND BALANCE, BEGINNING OF YEAR	16,205,899	2,802,751	11,359,661	10,632,984	41,001,295
Prior period adjustment	521,661	-	-	-	521,661
FUND BALANCE, BEGINNING OF YEAR, RESTATED	16,727,560	2,802,751	11,359,661	10,632,984	41,522,956
FUND BALANCE, END OF YEAR	\$ 19,886,522	\$ 3,512,788	\$ 11,727,677	\$ 10,226,813	\$ 45,353,800

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

CITY OF BLOOMINGTON, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities**

Year Ended April 30, 2013

Net change in fund balances - governmental funds	\$ 3,830,844
Amounts reported for governmental activities in the statement of activities are different because:	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount by which capital outlays exceeded depreciation in the current year:</p>	
Capital outlay	7,784,508
Depreciation	(9,229,683)
<p>The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, donations and disposals) is to increase/decrease net position:</p>	
Disposals of capital assets	(36,033)
Contributions of capital assets	3,403,664
Transfer to assume capital assets from business-type activities	7,021,589
Transfer to assume accumulated depreciation from business-type activities	(2,608,764)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>	
Change in compensated absences	(540,734)
<p>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 position. 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:</p>	
Repayment of long-term debt	4,415,866
Capital lease	(2,592,610)
Amortization of issuance costs, bond premium, bond discount, and loss on refunding	(16,229)
Interest	3,823
Transfer to assume debt from business-type activities	(135,405)
<p>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.</p>	
	646,525
<p>Change in internal service fund allocation to business-type activities.</p>	
	(112,107)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.</p>	
Reduction of fund deferred revenue	914
<p>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.</p>	
	(69,673)
<p>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.</p>	
	(1,035,905)
<p>The decrease 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.</p>	
	<u>(1,133,020)</u>
Change in net position of governmental activities	<u>\$ 9,597,570</u>

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

CITY OF BLOOMINGTON, ILLINOIS
Proprietary Funds

BALANCE SHEET

April 30, 2013

	Business-type Activities - Enterprise Funds			
	Water	Solid Waste	Sewer	US Cellular Coliseum
ASSETS				
Current assets:				
Cash and investments	\$ 17,511,116	\$ 1,327,591	\$ 1,574,208	\$ 1,033,568
Restricted accounts - cash	-	1,731,542	-	-
Accounts receivable, net of allowance for uncollectibles	2,342,914	880,145	668,713	311,250
Accrued interest receivable	-	-	-	-
Due from other funds	925,000	-	-	-
Inventory	195,190	-	-	-
Prepaid items and other assets	945	-	-	42,622
Total current assets	<u>20,975,165</u>	<u>3,939,278</u>	<u>2,242,921</u>	<u>1,387,440</u>
Noncurrent assets:				
Capital assets:				
Land	4,782,158	-	276,237	444,524
Construction-in-progress	6,782,670	-	4,709,724	-
Other depreciable capital assets, net of accumulated depreciation	77,510,324	2,743,361	60,144,534	24,390,114
Total capital assets, net of depreciation	<u>89,075,152</u>	<u>2,743,361</u>	<u>65,130,495</u>	<u>24,834,638</u>
Interfund advances	2,800,000	-	-	-
Total noncurrent assets	<u>91,875,152</u>	<u>2,743,361</u>	<u>65,130,495</u>	<u>24,834,638</u>
Total assets	<u>\$ 112,850,317</u>	<u>\$ 6,682,639</u>	<u>\$ 67,373,416</u>	<u>\$ 26,222,078</u>
LIABILITIES AND NET POSITION				
Current liabilities:				
Accounts payable and accrued expenses	\$ 1,461,722	\$ 232,119	\$ 1,190,605	\$ 248,743
Ticket escrow payable	-	-	-	439,926
Claims payable	-	-	-	-
Compensated absences	55,015	44,083	12,671	-
Accrued interest payable	66,729	-	100,846	-
Due to other funds	-	800,000	-	-
Unearned revenue	-	-	-	736,028
Deposits	23,150	-	-	-
Current maturities of long-term debt	1,052,221	997,741	344,039	-
Total current liabilities	<u>2,658,837</u>	<u>2,073,943</u>	<u>1,648,161</u>	<u>1,424,697</u>
Noncurrent liabilities:				
Claims payable	-	-	-	-
Interfund advances	-	-	-	2,400,000
Compensated absences	702,675	346,686	114,885	-
Net OPEB obligation	365,963	389,397	35,964	-
Net pension obligation	161,928	132,354	36,032	-
Capital lease payable, noncurrent portion	-	2,826,108	-	-
Loan payable, noncurrent portion	7,956,129	-	1,948,199	-
Note payable, noncurrent portion	-	-	2,039,425	-
General obligation bonds payable noncurrent portion	899,380	-	5,388,183	-
Total noncurrent liabilities	<u>10,086,075</u>	<u>3,694,545</u>	<u>9,562,688</u>	<u>2,400,000</u>
Total liabilities	<u>12,744,912</u>	<u>5,768,488</u>	<u>11,210,849</u>	<u>3,824,697</u>
Net position (deficit):				
Net investment in capital assets	80,645,802	651,054	55,410,649	24,834,638
Restricted for capital projects	-	1,731,542	-	-
Unrestricted	19,459,603	(1,468,445)	751,918	(2,437,257)
Total net position (deficit)	<u>100,105,405</u>	<u>914,151</u>	<u>56,162,567</u>	<u>22,397,381</u>
Total liabilities and net position (deficit)	<u>\$ 112,850,317</u>	<u>\$ 6,682,639</u>	<u>\$ 67,373,416</u>	<u>\$ 26,222,078</u>

Stormwater Management	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 462,959	\$ 172,798	\$ 22,082,240	\$ 4,330,414
-	-	1,731,542	-
486,540	126,959	4,816,521	5,509
-	-	-	63
-	-	925,000	150,000
-	205,778	400,968	-
-	-	43,567	-
949,499	505,535	29,999,838	4,485,986
240,000	1,907,587	7,650,506	-
3,046,075	-	14,538,469	-
6,640,922	4,167,701	175,596,956	-
9,926,997	6,075,288	197,785,931	-
-	-	2,800,000	-
9,926,997	6,075,288	200,585,931	-
\$ 10,876,496	\$ 6,580,823	\$ 230,585,769	\$ 4,485,986
\$ 472,143	\$ 146,742	\$ 3,752,074	\$ 25,113
-	-	439,926	-
-	-	-	2,184,326
12,205	9,579	133,553	-
27,924	-	195,499	-
-	125,000	925,000	150,000
-	197,277	933,305	9,392
-	7,745	30,895	-
634,096	297,203	3,325,300	-
1,146,368	783,546	9,735,552	2,368,831
-	-	-	1,826,889
-	-	2,400,000	-
198,150	197,216	1,559,612	-
62,357	49,189	902,870	-
33,634	37,185	401,133	-
-	1,787,071	4,613,179	-
2,079,196	-	11,983,524	-
9,329,978	-	11,369,403	-
-	-	6,287,563	-
11,703,315	2,070,661	39,517,284	1,826,889
12,849,683	2,854,207	49,252,836	4,195,720
7,800,847	3,991,014	173,334,004	-
-	-	1,731,542	-
(9,774,034)	(264,398)	6,267,387	290,266
(1,973,187)	3,726,616	181,332,933	290,266
\$ 10,876,496	\$ 6,580,823	\$ 230,585,769	\$ 4,485,986

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

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

Total enterprise funds net position \$ 181,332,933

Amounts reported for enterprise activities in the statement of net position 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 position. (620,794)

Net position of business-type activities \$ 180,712,139

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 POSITION

Year Ended April 30, 2013

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Solid Waste</u>	<u>Sewer</u>
REVENUES			
Charges for services	\$ 17,634,395	\$ 4,890,868	\$ 5,353,308
OPERATING EXPENSES			
Personal services	4,600,392	3,679,287	961,929
Contractual services	2,656,249	1,864,403	2,931,488
Commodities	4,164,800	268,313	292,091
Depreciation	1,920,230	396,160	1,308,737
Other charges, primarily claims	140,846	-	-
Total operating expenses	<u>13,482,517</u>	<u>6,208,163</u>	<u>5,494,245</u>
OPERATING INCOME (LOSS)	<u>4,151,878</u>	<u>(1,317,295)</u>	<u>(140,937)</u>
NONOPERATING INCOME (EXPENSE)			
Home rule sales tax	-	-	-
Investment income	15,599	-	-
Gain (loss) on disposal of capital assets	10,661	(8,080)	5,637
Other income	311,683	170,704	143,775
Interest expense	(177,278)	(70,911)	(244,141)
Total nonoperating income (expenses)	<u>160,665</u>	<u>91,713</u>	<u>(94,729)</u>
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS	<u>4,312,543</u>	<u>(1,225,582)</u>	<u>(235,666)</u>
CONTRIBUTION REVENUE	<u>772,590</u>	<u>-</u>	<u>630,793</u>
TRANSFERS			
Transfers in	-	1,304,000	502,329
Transfers out	(440,382)	(239,992)	(119,068)
Total transfers	<u>(440,382)</u>	<u>1,064,008</u>	<u>383,261</u>
CHANGE IN NET POSITION	4,644,751	(161,574)	778,388
NET POSITION (DEFICIT), BEGINNING OF YEAR	<u>95,460,654</u>	<u>1,075,725</u>	<u>55,384,179</u>
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION (DEFICIT), BEGINNING OF YEAR, RESTATED	<u>95,460,654</u>	<u>1,075,725</u>	<u>55,384,179</u>
NET POSITION (DEFICIT), END OF YEAR	<u>\$ 100,105,405</u>	<u>\$ 914,151</u>	<u>\$ 56,162,567</u>

Business-type Activities - Enterprise Funds			Total Enterprise Funds	Governmental
US Cellular Coliseum	Stormwater Management	Nonmajor Enterprise Funds		Activities Internal Service Funds
\$ 3,562,252	\$ 2,730,053	\$ 2,841,476	\$ 37,012,352	\$ 12,647,776
1,508,635	1,054,162	1,268,772	13,073,177	-
1,716,349	630,062	582,688	10,381,239	4,908,129
292,517	61,347	780,884	5,859,952	-
850,608	245,220	276,367	4,997,322	-
67,694	4,000	-	212,540	7,093,332
4,435,803	1,994,791	2,908,711	34,524,230	12,001,461
(873,551)	735,262	(67,235)	2,488,122	646,315
1,309,531	-	-	1,309,531	-
1,946	-	-	17,545	210
-	-	-	8,218	-
-	115,541	34,007	775,710	-
-	(257,049)	(93,691)	(843,070)	-
1,311,477	(141,508)	(59,684)	1,267,934	210
437,926	593,754	(126,919)	3,756,056	646,525
-	-	-	1,403,383	-
225,000	-	1,228,047	3,259,376	665,439
(1,309,531)	(59,440)	(4,387,799)	(6,556,212)	(665,439)
(1,084,531)	(59,440)	(3,159,752)	(3,296,836)	-
(646,605)	534,314	(3,286,671)	1,862,603	646,525
23,043,986	(2,507,501)	6,374,434	178,831,477	(356,259)
-	-	638,853	638,853	-
23,043,986	(2,507,501)	7,013,287	179,470,330	(356,259)
\$ 22,397,381	\$ (1,973,187)	\$ 3,726,616	\$ 181,332,933	\$ 290,266

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

CITY OF BLOOMINGTON, ILLINOIS

Reconciliation of Enterprise Funds Change in Net Position to the Statement of Activities

Year Ended April 30, 2013

Net change in net position in enterprise funds	\$ 1,862,603
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.	<u>112,107</u>
Change in net position of business-type activities	<u><u>\$ 1,974,710</u></u>

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

CITY OF BLOOMINGTON, ILLINOIS
Proprietary Funds

STATEMENT OF CASH FLOWS

Year Ended April 30, 2013

	Business-type Activities - Enterprise Funds			
	Water	Solid Waste	Sewer	US Cellular Coliseum
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 17,612,668	\$ 4,825,219	\$ 5,369,709	\$ 3,839,659
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(7,352,448)	(2,143,022)	(3,799,185)	(2,232,259)
Payments to claimants	-	-	-	-
Payments to employees	(4,236,976)	(3,584,845)	(921,353)	(1,540,849)
Other receipts	311,683	170,704	143,775	-
Net cash from operating activities	<u>6,334,927</u>	<u>(731,944)</u>	<u>792,946</u>	<u>66,551</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Home rule sales tax	-	-	-	1,309,531
Payments to interfund accounts	(705,017)	(239,992)	(1,969,267)	(1,309,531)
Proceeds from interfund accounts	1,000,000	1,352,216	502,329	321,981
Payments on debt	-	-	-	-
Net cash from noncapital financing activities	<u>294,983</u>	<u>1,112,224</u>	<u>(1,466,938)</u>	<u>321,981</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from capital debt	2,338,762	2,980,000	4,264,691	-
Purchase of capital assets	(2,657,532)	(1,423,659)	(1,543,064)	(81,528)
Principal paid on long-term debt	(411,139)	(1,002,897)	(291,539)	-
Interest paid on long-term debt	(156,956)	(70,911)	(245,749)	-
Net cash from capital and related financing activities	<u>(886,865)</u>	<u>482,533</u>	<u>2,184,339</u>	<u>(81,528)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	15,599	-	-	1,946
Proceeds from investment sales	-	-	-	-
Net cash from investing activities	<u>15,599</u>	<u>-</u>	<u>-</u>	<u>1,946</u>
Net increase (decrease) in cash	5,758,644	862,813	1,510,347	308,950
Cash and cash equivalents, beginning of year	<u>11,752,472</u>	<u>2,196,320</u>	<u>63,861</u>	<u>724,618</u>
Cash and cash equivalents, end of year	<u>\$ 17,511,116</u>	<u>\$ 3,059,133</u>	<u>\$ 1,574,208</u>	<u>\$ 1,033,568</u>
Cash and cash equivalents consists of the following:				
Cash and cash equivalents	\$ 17,511,116	\$ 1,327,591	\$ 1,574,208	\$ 1,033,568
Restricted accounts - cash	-	1,731,542	-	-
Less items not meeting the definition of cash equivalents	-	-	-	-
Cash and cash equivalents, end of year	<u>\$ 17,511,116</u>	<u>\$ 3,059,133</u>	<u>\$ 1,574,208</u>	<u>\$ 1,033,568</u>

Stormwater Management	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 2,789,110	\$ 2,871,166	\$ 37,307,531	\$ 9,749,483
-	-	-	2,884,923
(1,362,020)	(1,359,361)	(18,248,295)	(5,205,346)
-	-	-	(7,405,748)
(901,566)	(1,210,804)	(12,396,393)	-
115,541	34,007	775,710	-
<u>641,065</u>	<u>335,008</u>	<u>7,438,553</u>	<u>23,312</u>
-	-	1,309,531	-
(309,610)	1,353,048	(3,180,369)	(1,315,439)
-	(1,837,518)	1,339,008	1,661,144
(831,425)	-	(831,425)	-
<u>(1,141,035)</u>	<u>(484,470)</u>	<u>(1,363,255)</u>	<u>345,705</u>
2,126,150	-	11,709,603	-
(1,203,937)	-	(6,909,720)	-
-	(289,258)	(1,994,833)	-
-	(93,691)	(567,307)	-
<u>922,213</u>	<u>(382,949)</u>	<u>2,237,743</u>	<u>-</u>
-	-	17,545	210
-	-	-	36,431
-	-	<u>17,545</u>	<u>36,641</u>
422,243	(532,411)	8,330,586	405,658
40,716	705,209	15,483,196	3,877,541
<u>\$ 462,959</u>	<u>\$ 172,798</u>	<u>\$ 23,813,782</u>	<u>\$ 4,283,199</u>
\$ 462,959	\$ 172,798	\$ 22,082,240	\$ 4,330,414
-	-	1,731,542	-
-	-	-	(47,215)
<u>\$ 462,959</u>	<u>\$ 172,798</u>	<u>\$ 23,813,782</u>	<u>\$ 4,283,199</u>

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

CITY OF BLOOMINGTON, ILLINOIS
Proprietary Funds

STATEMENT OF CASH FLOWS

Year Ended April 30, 2013

	Business-type Activities - Enterprise Funds			
	Water	Solid Waste	Sewer	US Cellular Coliseum
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ 4,151,878	\$ (1,317,295)	\$ (140,937)	\$ (873,551)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	1,920,230	396,160	1,308,737	850,608
Other income	311,683	170,704	143,775	-
Change in assets and liabilities:				
Receivables	(21,727)	(65,649)	16,401	16,875
Inventory	(70,268)	-	-	-
Prepaid items and other assets	200	-	-	(3,427)
Accounts payable and accrued expenses	(325,585)	(10,306)	(575,606)	(184,486)
Ticket escrow payable	-	-	-	234,679
Claims payable	-	-	-	-
Unearned revenue	-	-	-	25,853
Deposits	5,100	-	-	-
Compensated absences	184,963	(61,703)	20,061	-
Net OPEB obligation	85,668	82,420	3,728	-
Net pension obligation	92,785	73,725	16,787	-
Net cash from operating activities	<u>\$ 6,334,927</u>	<u>\$ (731,944)</u>	<u>\$ 792,946</u>	<u>\$ 66,551</u>
Schedule of noncash items:				
Capital and related financing activities:				
Contribution of capital assets	\$ 772,590	\$ -	\$ 630,793	\$ -
Investing activities, net of (depreciation) in fair value of investments	\$ -	\$ -	\$ -	\$ -

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

Stormwater Management	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 735,262	\$ (67,235)	\$ 2,488,122	\$ 646,315
245,220	276,367	4,997,322	-
115,541	34,007	775,710	-
59,057	(56,086)	(51,129)	(2,854)
-	(31,211)	(101,479)	-
-	-	(3,227)	-
(666,611)	35,689	(1,726,905)	(297,217)
-	-	234,679	-
-	-	-	(312,416)
-	85,776	111,629	(10,516)
-	(267)	4,833	-
127,971	21,340	292,632	-
8,478	15,204	195,498	-
16,147	21,424	220,868	-
<u>\$ 641,065</u>	<u>\$ 335,008</u>	<u>\$ 7,438,553</u>	<u>\$ 23,312</u>
\$ -	\$ -	\$ 1,403,383	\$ -
\$ -	\$ -	\$ -	\$ (4,136)

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

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

April 30, 2013

	<u>Pension Trust Funds</u>	<u>J.M. Scott Private-Purpose Trust Fund</u>
ASSETS		
Cash	\$ 1,807,172	\$ 231,921
Investments:		
U.S. government securities	5,049,826	-
U.S. government agencies and corporations	11,656,236	-
Annuities - fixed	15,951,110	-
Annuities - variable	28,730,156	-
Mutual funds	30,296,804	-
Stocks	-	5,496,333
Corporate bonds	3,463,544	4,006,292
Receivables:		
Employee	17,154	-
Accrued interest	392,692	-
	<u>97,364,694</u>	<u>9,734,546</u>
LIABILITIES		
Accounts payable	5,899	158
Loan payable	-	68,528
	<u>5,899</u>	<u>68,686</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES		
	<u><u>\$ 97,358,795</u></u>	<u><u>\$ 9,665,860</u></u>

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

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

Year Ended April 30, 2013

	Pension Trust Funds	J.M. Scott Private-Purpose Trust Fund
	<u> </u>	<u> </u>
ADDITIONS		
Contributions:		
Employer	\$ 6,426,976	\$ -
Active members	1,618,872	-
Other sources	38,910	2,077
	<u> </u>	<u> </u>
Total contributions	8,084,758	2,077
Investment income		
Net appreciation in fair value of investments	7,463,436	793,118
Interest	1,437,662	287,802
	<u> </u>	<u> </u>
Total investment income	8,901,098	1,080,920
Less investment expense	57,701	-
	<u> </u>	<u> </u>
Net investment income	8,843,397	1,080,920
	<u> </u>	<u> </u>
Total additions	16,928,155	1,082,997
DEDUCTIONS		
Benefits	8,072,634	-
Refund of contributions	-	-
Administrative expenses	158,557	-
Health and welfare	-	313,568
	<u> </u>	<u> </u>
Total deductions	8,231,191	313,568
NET INCREASE	8,696,964	769,429
NET POSITION HELD IN TRUST FOR PENSION BENEFITS		
BEGINNING OF YEAR	<u>88,661,831</u>	<u>8,896,431</u>
END OF YEAR	<u>\$ 97,358,795</u>	<u>\$ 9,665,860</u>

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2013

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 Units:

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.

The Miller Park Zoological Society (Society) provides support and funding for capital improvements, conservation programs, and development of the Miller Park Zoo. The Society's Board is separately elected. In addition, the Society is considered to be a legally separate organization. The Society issues a stand-alone financial report which is available at 1020 S. Morris Avenue, 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 position, 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 deferred outflows of resources and liabilities and deferred inflows of resources, 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.

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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-wide and Fund Financial Statements – Continued

Government-wide financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. 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.

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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-wide and Fund Financial Statements – Continued

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 activities of operating 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. The City also reports the J.M. Scott private-purpose trust fund as a fiduciary fund. The J.M. Scott private-purpose trust fund is for the benefit of local residents for health care.

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.

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

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

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 2012 levy that is due and collectible in 2013-2014 fiscal year. The 2012 levy was adopted in December 2012. 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 2012 tax levy. For governmental funds, property taxes are reported as unavailable 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 2013 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, 2013, the taxes will not be levied by the City or extended by the County until December 2013, and therefore, the amount is not measurable at April 30, 2013.

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.

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.

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.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 \$5,000 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

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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

J. Capital Assets – Continued

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 Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period (s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has two types of items, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly,

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

K. Deferred Outflows/Inflows of Resources – Continued

the first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds also report unavailable property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L. Unearned revenue

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

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".

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

N. Interfund transactions – Continued

Noncurrent portions of long-term interfund loan receivables are reported as advances within the governmental funds and are offset equally by a nonspendable fund balance 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.

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 balance

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance is reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose, but that are neither restricted nor committed. Any residual fund balance is reported as unassigned.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

P. Fund balance – Continued

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

It is the policy of the City to maintain unrestricted fund balance in the General fund to fund operations for a period of at least two months.

Q. Net position

Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets 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 investment in capital assets excludes unspent debt proceeds. Restricted net position is legally restricted by outside parties for a specific purpose. None of the restricted net position is 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 position is available.

R. Long-Term obligations

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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 private-purpose trust 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 private-purpose trust 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 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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

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 private-purpose trust fund to invest in debt and equity securities of varying maturities with a high degree of marketability.

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

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 position 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.

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.

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. As of April 30, 2013, the Foundation's bank balances of deposits held at various institutions which were exposed to custodial credit risk because the balances were uninsured and uncollateralized totaled \$249,372.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

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 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, 2013, \$6,689 of the Pension Fund's investments of \$52,968,782 were exposed to custodial credit risk, as they were uninsured and uncollateralized. The uninsured and uncollateralized balance of \$6,689 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.

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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

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 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					
IMET	\$ 7,734,320	\$ -	\$ 7,734,320	\$ -	\$ -
Mutual Funds	3,727,131	3,727,131	-	-	-
Municipal Bonds	2,940,048	839,098	2,100,950	-	-
U.S. Government Agency Bonds	2,047,095	-	1,999,880	-	47,215
U.S. Treasury Strips	2,958,438	-	2,958,438	-	-
Total City of Bloomington	<u>\$ 19,407,032</u>	<u>\$ 4,566,229</u>	<u>\$ 14,793,588</u>	<u>\$ -</u>	<u>\$ 47,215</u>
Police Pension Fund					
Mutual Funds	\$ 30,296,804	\$ 30,296,804	\$ -	\$ -	\$ -
U.S. Government Securities	5,049,826	360,788	2,609,311	1,608,158	471,569
U.S. Government Agencies and Corporations	11,647,978	2,261,677	6,927,102	883,146	1,576,053
Corporate Bonds	3,463,544	-	212,190	3,119,233	132,121
Annuities - Fixed	2,510,630	2,510,630	-	-	-
Total Police Pension Fund	<u>\$ 52,968,782</u>	<u>\$ 35,429,899</u>	<u>\$ 9,748,603</u>	<u>\$ 5,610,537</u>	<u>\$ 2,179,743</u>
Firemen's Pension Fund					
U.S. Agency securities	\$ 8,258	\$ -	\$ -	\$ -	\$ 8,258
Annuities - Fixed	13,440,480	-	4,187,320	9,253,160	-
Total Firemen's Pension Fund	<u>\$ 13,448,738</u>	<u>\$ -</u>	<u>\$ 4,187,320</u>	<u>\$ 9,253,160</u>	<u>\$ 8,258</u>
J.M. Scott Private-Purpose Trust Fund					
Mutual Fund	\$ 9,502,626	\$ 9,502,626	\$ -	\$ -	\$ -
Money Market Mutual Fund	7,347	7,347	-	-	-
Total J.M. Scott Private-Purpose Trust Fund	<u>\$ 9,509,973</u>	<u>\$ 9,509,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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. As of April 30, 2013, the City was not in compliance with their investment policy as two of the municipal bonds the City is invested in were rated less than AA.

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, 2013, 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:			
Illinois Metropolitan Investment Fund	Not Rated	Aaa-bf	N/A
Illinois Funds Money Market Fund	Not Rated	AAAm	N/A
Goldman Sachs Financial Square Govt Fund	Aaa-mf	AAAm	N/A
Municipal Bonds:			
DeWitt Macon and Logan Counties CUSD #15	Not Rated	A	N/A
Will County Illinois CUSD #365	Aa2	AA	N/A
SE Missouri State University	Not Rated	A	N/A
Cook County Illinois	A1	AA	N/A
Lake County Illinois Township HS District #121	Not Rated	AA+	N/A
Kentucky State Asset/Liability	Aa3	A+	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
Greenhaven Continuous Commodity	Not Rated	Not Rated	N/A
Harbor Capital Appreciation 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 Total Stock Market	Not Rated	Not Rated	N/A
SPDR S&P 500 Small Cap 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	AA+	A+
Government National Mortgage Association	Aaa	AA+	A+
Federal Home Loan Bank	Aaa	AA+	A+
Federal National Mortgage Association	Aaa	AA+	A+

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 Funds:			
Illinois Funds	Not Rated	AAAm	Not Rated
Annuities:			
Jackson National Life	A1	AA	A+
Sun Life Financial – Sun Life Assurance Co.	Not Rated	BBB	A-w
Sun Life Financial – Key Port Annuities	Not Rated	BBB	A-w
ING USA Annuity and Life Insurance Company	A3	A-	A
Aviva USA Corporation	Not Rated	A-	A-w
Symetra Life Insurance Company	A3	A	A
RBC Liberty Life Insurance Company	Not Rated	Not Rated	B++
American National Insurance Company	Not Rated	A	A
Nationwide	A1	A+	A+
J.M. Scott Private-Purpose Trust Fund:			
Money Market Mutual Funds:			
Vanguard Admiral Treasury Money Market Fund	Not Rated	Not Rated	N/A
Vanguard Inflation – Protect Sec. Adm	Not Rated	Not Rated	N/A
Vanguard Total Stock Market Idx Inst	Not Rated	Not Rated	N/A
Vanguard Long-Term Invest-Gr Adm	Not Rated	*	N/A

* Includes various ratings from Baa3 to Aaa.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

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.

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%	10.00%
Fixed income	29.00	42.00	75.50
Large cap domestic equities	20.00	42.00	47.50
Small cap domestic equities	2.50	5.00	10.00
International equities	-	5.00	10.00
Real estate	-	3.00	5.00

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

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 Police Pension Fund's investments are as follows:

Schwab Total Stock Market	\$ 12,078,294
Blackrock Equity Dividend	4,339,116

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 combined investments in separate accounts managed by life insurance companies (variable annuities), mutual funds and common and preferred stocks to 55 percent of the Firemen's Pension Fund's net position. Investments in any one issuer that represents 5 percent or more of the total Firemen's Pension Fund's net position as of April 30, 2013 (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	\$ 4,150,876
Sun Life Financial	Annuity Contracts – variable	2,849,908

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

3. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended April 30, 2013:

	Restated Beginning Balance <u>May 1, 2012</u>	Additions	Retirements	Transfers	Ending Balance <u>April 30, 2013</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 19,367,171	\$ 76,652	\$ -	\$ 286,500	\$ 19,730,323
Construction-in-progress	<u>5,685,556</u>	<u>4,430,577</u>	<u>2,476,631</u>	<u>-</u>	<u>7,639,502</u>
Total capital assets, not being depreciated	<u>25,052,727</u>	<u>4,507,229</u>	<u>2,476,631</u>	<u>286,500</u>	<u>27,369,825</u>
Capital assets, being depreciated:					
Land improvements	\$ 18,605,948	\$ -	\$ -	\$ -	\$ 18,605,948
Construction	67,195,801	746,251	-	6,314,853	74,256,905
Infrastructure	228,395,721	4,369,710	-	-	232,765,431
Machinery and equipment	16,959,344	1,345,657	260,309	332,080	18,376,772
Licensed vehicles	11,928,050	2,695,956	579,311	88,156	14,132,851
Zoo animals	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,000</u>
Total capital assets, being Depreciated	<u>343,092,864</u>	<u>9,157,574</u>	<u>839,620</u>	<u>6,735,089</u>	<u>358,145,907</u>
Less accumulated depreciation for:					
Land improvements	4,132,544	474,045	-	-	4,606,589
Construction	17,125,100	1,678,622	-	2,247,921	21,051,643
Infrastructure	153,458,039	5,163,602	-	-	158,621,641
Machinery and equipment	10,329,182	1,071,626	255,313	279,237	11,424,732
Licensed vehicles	8,351,597	841,388	548,274	81,606	8,726,317
Zoo animals	<u>3,200</u>	<u>400</u>	<u>-</u>	<u>-</u>	<u>3,600</u>
Total accumulated depreciation	<u>193,399,662</u>	<u>9,229,683</u>	<u>803,587</u>	<u>2,608,764</u>	<u>204,434,522</u>
Total capital assets, being depreciated, net	<u>149,693,202</u>	<u>(72,109)</u>	<u>36,033</u>	<u>4,126,325</u>	<u>153,711,385</u>
Governmental activities capital assets, net	<u>\$ 174,745,929</u>	<u>\$ 4,435,120</u>	<u>\$ 2,512,664</u>	<u>\$ 4,412,825</u>	<u>\$ 181,081,210</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

3. CAPITAL ASSETS – Continued

	Restated Beginning Balance May 1, 2012	Additions	Retirements	Transfers	Ending Balance April 30, 2013
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 7,937,006	\$ -	\$ -	\$ (286,500)	\$ 7,650,506
Construction-in-progress	8,699,562	6,310,127	471,220	-	14,538,469
Total capital assets, not being depreciated	<u>16,636,568</u>	<u>6,310,127</u>	<u>471,220</u>	<u>(286,500)</u>	<u>22,188,975</u>
Capital assets, being depreciated:					
Land improvements	958,455	-	-	-	958,455
Construction	62,074,590	32,301	-	(6,314,853)	55,792,038
Infrastructure	159,025,926	1,646,110	-	-	160,672,036
Machinery and equipment	22,794,714	1,371,914	41,416	(332,080)	23,793,132
Licensed vehicles	8,194,434	1,306,080	861,092	(88,156)	8,551,266
Total capital assets, being depreciated	<u>253,048,119</u>	<u>4,356,405</u>	<u>902,508</u>	<u>(6,735,089)</u>	<u>249,766,927</u>
Less accumulated depreciation for:					
Land improvements	528,670	34,313	-	-	562,983
Construction	15,176,001	1,005,874	-	(2,247,921)	13,933,954
Infrastructure	37,042,991	2,212,649	-	-	39,255,640
Machinery and equipment	14,063,731	1,163,335	41,416	(279,237)	14,906,413
Licensed vehicles	5,820,484	581,151	809,048	(81,606)	5,510,981
Total accumulated depreciation	<u>72,631,877</u>	<u>4,997,322</u>	<u>850,464</u>	<u>(2,608,764)</u>	<u>74,169,971</u>
Total capital assets, being depreciated, net	<u>180,416,242</u>	<u>(640,917)</u>	<u>52,044</u>	<u>(4,126,325)</u>	<u>175,596,956</u>
Business-type activities capital assets, net	<u>\$ 197,052,810</u>	<u>\$ 5,669,210</u>	<u>\$ 523,264</u>	<u>\$(4,412,825)</u>	<u>\$ 197,785,931</u>

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

Governmental Activities	
General government	\$ 504,391
Public safety	1,080,981
Highways and streets	5,408,728
Culture and recreation	2,054,487
Community development	48,418
Parking	<u>132,678</u>
	<u>\$ 9,229,683</u>
Business-type Activities	
Water	\$ 1,920,230
Solid waste	396,160
Sewer	1,308,737
U.S. Cellular Coliseum	850,608
Stormwater management	245,220
Golf operations	195,768
Parking	<u>80,599</u>
	<u>\$ 4,997,322</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, 2013:

	Restated Balance May 1, 2012	Additions	Retirements	Balance April 30, 2013	Due within One Year
Governmental Activities:					
General Obligation Bonds:					
Series 2003	\$ 10,000,000	\$ -	\$ 1,000,000	\$ 9,000,000	\$ 1,000,000
Series 2004 taxable	24,280,000	-	190,000	24,090,000	155,000
Series 2004 demand	12,000,000	-	1,500,000	10,500,000	400,000
Series 2005	7,955,000	-	435,000	7,520,000	455,000
Series 2007*	3,740,000	-	115,000	3,625,000	120,000
Series 2009 refunding	2,840,000	-	-	2,840,000	-
Series 2011 refunding	5,075,000	-	-	5,075,000	690,000
Series 2012 taxable*	<u>6,181,620</u>	<u>-</u>	<u>-</u>	<u>6,181,620</u>	<u>2,421,000</u>
	72,071,620	-	3,240,000	68,831,620	5,241,000
Unamortized bond premium	323,282	-	40,714	282,568	40,714
Unamortized bond discount	<u>(317,401)</u>	<u>-</u>	<u>(17,412)</u>	<u>(299,989)</u>	<u>(17,412)</u>
Total General Obligation Bonds	72,077,501	-	3,263,302	68,814,199	5,264,302
Other liabilities:					
Capital lease payable	4,661,944	2,638,525	1,175,866	6,124,603	1,130,396
Net OPEB obligation	4,341,042	1,096,380	-	5,437,422	-
Net pension obligation	683,324	75,570	-	758,894	-
Compensated absences	<u>9,871,441</u>	<u>1,712,506</u>	<u>1,148,654</u>	<u>10,435,293</u>	<u>1,504,275</u>
Total Governmental**	<u>\$ 91,635,252</u>	<u>\$ 5,522,981</u>	<u>\$ 5,587,822</u>	<u>\$ 91,570,411</u>	<u>\$ 7,898,973</u>

*A portion of the Series 2007 General Obligation Bonds and Series 2012 Taxable General Obligation Bonds are included in the business-type activities.

**The additions column includes \$135,405 of long-term debt transferred to governmental activities from the Parking Fund.

	Restated Balance May 1, 2012	Additions	Retirements	Balance April 30, 2013	Due Within One Year
Business-type Activities:					
General Obligation Bonds:					
Series 2007*	\$ 5,775,000	\$ -	\$ 175,000	\$ 5,600,000	\$ 185,000
Series 2012 taxable*	<u>1,478,380</u>	<u>-</u>	<u>-</u>	<u>1,478,380</u>	<u>579,000</u>
	7,253,380	-	175,000	7,078,380	764,000
Unamortized bond discount	<u>(29,797)</u>	<u>-</u>	<u>(1,490)</u>	<u>(28,307)</u>	<u>(1,490)</u>
Total General Obligation Bonds	7,223,583	-	173,510	7,050,073	762,510
Other liabilities:					
Loan payable	6,501,727	6,457,101	411,139	12,547,689	564,165
Note payable	10,489,855	2,272,502	689,273	12,073,084	703,681
Capital lease payable	4,266,193	2,980,000	1,338,070	5,908,123	1,294,944
Net OPEB obligation	767,847	135,023	-	902,870	-
Net pension obligation	186,162	214,971	-	401,133	-
Compensated absences	<u>1,423,649</u>	<u>275,767</u>	<u>6,251</u>	<u>1,693,165</u>	<u>133,553</u>
Business-type activities, long-term liabilities**	<u>\$ 30,859,016</u>	<u>\$ 12,335,364</u>	<u>\$ 2,618,243</u>	<u>\$ 40,576,137</u>	<u>\$ 3,458,853</u>

*A portion of the Series 2007 General Obligation Bonds and Series 2012 Taxable General Obligation Bonds are included in the governmental activities

**The retirements column includes \$135,405 of long-term debt transferred to governmental activities from the Parking Fund.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

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 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, 2015. 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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

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.

General Obligation Refunding Bonds, Series 2011

The City issued \$5,075,000 General Obligation Refunding Bonds, Series 2011 in 2011 for the purpose of refunding a portion of the Taxable General Obligation Bonds, Series 2004. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$690,000 to \$1,170,000 are due each June 1 from 2013 to 2018. Interest ranges from 2.00% to 3.50% and is due semi-annually in June and December.

Taxable General Obligation Bonds, Series 2012

The City issued \$7,660,000 Taxable General Obligation Bonds, Series 2012 in 2012 for the purpose of paying the City's early retirement incentive liability to the Illinois Municipal Retirement Fund. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$2,270,000 to \$3,000,000 are due each December 1 from 2013 to 2015. Interest ranges from 0.990% to 1.570% 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, 2014	\$ 5,241,000	\$ 2,888,878	\$ 8,129,878
April 30, 2015	4,696,890	2,769,998	7,466,888
April 30, 2016	5,238,730	2,645,704	7,884,434
April 30, 2017	3,865,000	2,496,379	6,361,379
April 30, 2018	4,035,000	2,358,842	6,393,842
April 30, 2019 – 2023	16,110,000	9,831,531	25,941,531
April 30, 2024 – 2028	15,205,000	6,371,567	21,576,567
April 30, 2029 – 2033	9,885,000	3,007,450	12,892,450
April 30, 2034 – 2035	<u>4,555,000</u>	<u>297,234</u>	<u>4,852,234</u>
	<u>\$ 68,831,620</u>	<u>\$ 32,667,583</u>	<u>\$ 101,499,203</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, 2014	\$ 764,000	\$ 256,156	\$ 1,020,156
April 30, 2015	628,110	242,455	870,565
April 30, 2016	661,270	229,086	890,356
April 30, 2017	210,000	213,131	423,131
April 30, 2018	215,000	204,100	419,100
April 30, 2019 – 2023	1,225,000	876,719	2,101,719
April 30, 2024 – 2028	1,510,000	589,972	2,099,972
April 30, 2029 – 2033	<u>1,865,000</u>	<u>217,238</u>	<u>2,082,238</u>
	<u>\$ 7,078,380</u>	<u>\$ 2,828,857</u>	<u>\$ 9,907,237</u>

Capital Lease Payable

In 2001, the City, along with McLean County, entered into a capital lease agreement with the Public Building Commission for an office building and parking facility. Principal and interest payments currently range from \$104,400 to \$674,550 and are due each October 1 through 2022. Interest ranges from 2.00% to 4.40%. Construction under the capital lease has a cost of \$8,343,255 and accumulated depreciation of \$2,045,515 as of April 30, 2013.

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 \$15,232 as of April 30, 2013. This lease was paid off during FY13.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Capital Lease Payable – Continued

In 2012, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$76,865 with interest at 2.79 percent through 2016. Equipment under the capital lease has a cost of \$4,025,929 and accumulated depreciation of \$470,380 as of April 30, 2013.

In 2013, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for semi-annual payments of principal and interest of \$580,505 with interest at 1.84 percent through 2017. Equipment under the capital lease has a cost of \$2,730,511 and accumulated depreciation of \$112,437 as of April 30, 2013.

The outstanding capital leases payable from governmental activities mature as follows:

April 30, 2014	\$ 1,302,191
April 30, 2015	1,300,953
April 30, 2016	1,301,566
April 30, 2017	1,063,341
April 30, 2018	402,554
April 30, 2019 – 2023	<u>1,461,557</u>
Total minimum lease payments	6,832,162
Less: Amount representing interest	<u>707,559</u>
Present value of minimum lease payments	<u>\$ 6,124,603</u>

The outstanding capital leases payable from business-type activities mature as follows:

April 30, 2014	\$ 1,440,505
April 30, 2015	1,440,505
April 30, 2016	1,440,055
April 30, 2017	1,062,662
April 30, 2018	248,855
April 30, 2019 – 2021	<u>754,235</u>
Total minimum lease payments	6,386,817
Less: Amount representing interest	<u>478,694</u>
Present value of minimum lease payments	<u>\$ 5,908,123</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, net OPEB obligation, and net pension obligation are liquidated by the General Fund.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Loans Payable

During the fiscal year, the City entered into two separate loan agreements with the Illinois Environmental Protection Agency. The first agreement is for the Drinking Water State Revolving Fund Program. The City may draw up to \$3,500,000 for the program. Payment will be required each December 17 and June 17 until final repayment on June 17, 2033. The second agreement is for the Water Pollution Control Loan Program. The City may draw up to \$5,448,062 for the program. Payment will be required each December 17 and June 17 until final repayment on June 17, 2033. Payment schedules for both loans have not been finalized as of April 30, 2013. Both loans will include interest at 1.25%.

In previous years, the City entered into three separate loan agreements with the Illinois Environmental Protection Agency, all 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, 2013 matures as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2014	\$ 564,165	\$ 191,610	\$ 755,775
April 30, 2015	720,137	218,542	938,679
April 30, 2016	734,755	203,924	938,679
April 30, 2017	749,699	188,980	938,679
April 30, 2018	764,976	173,703	938,679
April 30, 2019 – 2023	4,066,270	627,126	4,693,396
April 30, 2024 – 2028	2,851,606	250,800	3,102,406
April 30, 2029 – 2033	1,914,327	77,267	1,991,594
April 30, 2034	181,754	1,136	182,890
	<u>\$ 12,547,689</u>	<u>\$ 1,933,088</u>	<u>\$ 14,480,777</u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Notes Payable

During the fiscal year, the City entered into an intergovernmental agreement with the Village of Downs to pay a portion of an Illinois Environmental Protection Agency loan provided to the Village. The City is responsible for 40% of the loan totaling \$2,272,502 paid in semi-annual installments of \$58,269 through November 2031.

In previous years, 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, 2013 mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2014	\$ 703,681	\$ 244,281	\$ 947,962
April 30, 2015	718,451	229,511	947,962
April 30, 2016	733,593	214,369	947,962
April 30, 2017	749,116	198,846	947,962
April 30, 2018	765,029	182,933	947,962
April 30, 2019 – 2023	4,078,213	661,597	4,739,810
April 30, 2024 – 2028	3,917,116	203,080	4,120,196
April 30, 2029 – 2032	407,885	-	407,885
	<u>\$ 12,073,084</u>	<u>\$ 1,934,617</u>	<u>\$ 14,007,701</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, 2013 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental activities:		
General	\$ 122,146	\$ 100,000
Library	100,000	121,743
Nonmajor governmental funds	-	403
Internal service	<u>150,000</u>	<u>150,000</u>
Total governmental activities	<u>372,146</u>	<u>372,146</u>
Business-type activities:		
Water	925,000	-
Solid waste	-	800,000
Nonmajor enterprise funds	<u>-</u>	<u>125,000</u>
Total business-type activities	<u>925,000</u>	<u>925,000</u>
Total	<u>\$ 1,297,146</u>	<u>\$ 1,297,146</u>

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

- \$122,146 due from other funds to the General fund. This balance relates to a) accrued but unpaid transfers of \$121,743 from the Library fund for central garage charges and payroll expenses and b) accrued but unpaid transfers of \$403 from Nonmajor governmental funds for postage and miscellaneous expenses. The City expects the obligation will be liquidated within one year.
- \$100,000 due to other funds from the General fund. This balance relates to accrued but unpaid transfers to the Library fund for replacement tax distribution. The City expects the obligation will be liquidated within one year.
- \$100,000 due from other funds to the Library fund. This balance relates to accrued but unpaid transfers from the General fund for replacement tax distribution. The City expects the obligation will be liquidated within one year.
- \$121,743 due to other funds from the Library fund. This balance relates to accrued but unpaid transfers to the General fund for central garage charges and payroll expenses. The City expects the obligation will be liquidated within one year.
- \$403 due to other funds from Nonmajor governmental funds. This balance relates to accrued but unpaid transfers from the General fund for postage and miscellaneous expenses. 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

- \$150,000 due from other funds to Internal service funds. This balance relates to accrued but unpaid transfers from Internal service funds to cover operating expenses. The City expects the obligation will be liquidated within one year.
- \$925,000 due from other funds to the Water fund. This balance relates to accrued but unpaid transfers to Nonmajor enterprise funds to cover operating expenses. The City expects the obligation will be liquidated within one year.
- \$800,000 due to other funds from the Solid waste fund. This balance relates to accrued but unpaid transfers from the Water fund to cover operating expenses. The City expects the obligation will be liquidated within one year.
- \$125,000 due to other funds from Nonmajor enterprise funds. This balance relates to accrued but unpaid transfers from the Water fund to cover operating expenses. The City expects the obligation will be liquidated within one year.

	<u>Interfund Advance Receivable</u>	<u>Interfund Advance Payable</u>
Governmental activities:		
General	\$ 27,487	\$ -
Nonmajor governmental funds	<u>-</u>	<u>427,487</u>
Total governmental activities	<u>27,487</u>	<u>427,487</u>
Business-type activities:		
Water	2,800,000	-
U.S. Cellular Coliseum	<u>-</u>	<u>2,400,000</u>
Total business-type activities	<u>2,800,000</u>	<u>2,400,000</u>
Total	<u>\$ 2,827,487</u>	<u>\$ 2,827,487</u>

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

- \$27,487 advance from the General fund. This balance relates to accrued but unpaid transfers to Nonmajor governmental funds. Repayment is not expected within one year.
- \$427,487 advance to Nonmajor governmental funds. This balance relates to a) \$27,487 of accrued but unpaid transfers from the General fund and b) \$400,000 from the Water fund for a 5 year loan to fund road resurfacing. Repayment is not expected within one year.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES – Continued

- \$2,800,000 advance from the Water fund. This balance relates to a) \$400,000 to Nonmajor governmental funds for a 5 year loan to fund road resurfacing and b) \$2,400,000 to the U.S. Cellular Coliseum fund to cover operating expenses. Repayment is not expected within one year.
- \$2,400,000 advance to U.S. Cellular Coliseum. This balance is 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	\$ 1,032,305	\$ 10,913,957
Library	-	42,617
Debt service	4,118,112	-
Nonmajor governmental funds	4,846,000	20,427
Internal service funds	<u>665,439</u>	<u>665,439</u>
Total governmental activities	<u>10,661,856</u>	<u>11,642,440</u>
Business-type activities:		
Water	-	440,382
Solid waste	1,304,000	239,992
Sewer	502,329	119,068
U.S. Cellular Coliseum	225,000	1,309,531
Stormwater management	-	59,440
Nonmajor enterprise funds	<u>1,228,047</u>	<u>4,387,799</u>
Total business-type activities	<u>3,259,376</u>	<u>6,556,212</u>
*Total	<u>\$ 13,921,232</u>	<u>\$ 18,198,652</u>

*The \$4,277,420 difference between Transfers In and Transfers Out is due to the transfer of capital assets and long-term debt from the Parking Fund to Governmental Activities.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

6. INTERFUND TRANSFERS – Continued

The purposes of interfund transfers are as follows:

- \$1,032,305 transferred from other funds to the General fund. This amount relates to a) \$42,617 from the Library fund for routine budget transfers, b) \$20,427 from the Nonmajor governmental funds for routine budget transfers, c) \$440,382 from the Water fund for administration fees, d) \$239,992 from the Solid waste fund for administration fees, e) \$119,068 from the Sewer fund for administration fees, f) \$59,440 from the Stormwater management fund for administration fees, and g) \$110,379 from the Nonmajor enterprise funds for administration fees. The transfers will not be repaid.
- \$10,913,957 transferred to other funds from the General fund. This amount relates to a) routine budget transfers of \$2,808,581 to the Debt service fund , b) \$4,846,000 to Nonmajor governmental funds for routine budget transfers, c) \$1,304,000 to the Solid waste fund to supplement operations and capital purchases, d) \$502,329 to the Sewer fund to offset project costs, e) routine budget transfers of \$225,000 to the U.S. Cellular Coliseum for capital projects, and f) \$1,228,047 to Nonmajor enterprise funds to close a portion of the Parking fund into the General fund. The transfers will not be repaid.
- \$42,617 transferred to other funds from the Library fund. This amount relates to a routine budget transfer to the General fund. The transfer will not be repaid.
- \$4,118,112 transferred from other funds to the Debt service fund. This amount relates to a) routine budget transfers of \$2,808,581 from the General fund, and b) \$1,309,531 from the U.S. Cellular Coliseum fund for routine budget transfers for debt service payments. The transfer will not be repaid.
- \$4,846,000 transferred from other funds to Nonmajor governmental funds. This amount relates to routine budget transfers from the General fund. The transfers will not be repaid.
- \$20,427 transferred to other funds from Nonmajor governmental funds. This amount relates to a routine budget transfer from the General fund. The transfer will not be repaid.
- \$665,439 transferred from other funds to Internal service funds. This amount relates to routine budget transfers to offset retiree health costs from Internal service funds. The transfers will not be repaid.
- \$440,382 transferred to other fund from the Water fund. This amount relates to administration fees transferred to the General fund. The transfer will not be repaid.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

6. INTERFUND TRANSFERS – Continued

- \$1,304,000 transferred from other funds to the Solid waste fund. This amount relates to transfers from the General fund to supplement operations and capital purchases. The transfer will not be repaid.
- \$239,992 transferred to other funds from the Solid waste fund. This amount relates to administration fees transferred to the General fund. The transfer will not be repaid.
- \$502,329 transferred from other funds to the Sewer fund. This amount relates to transfers from the General fund to offset project costs. The transfer will not be repaid.
- \$119,068 transferred to other funds from the Sewer fund. This amount relates to administration fees transferred to the General fund. The transfer will not be repaid.
- \$225,000 transferred from other funds to the U.S. Cellular Coliseum fund. This amount relates to routine transfers for capital projects from the General Fund. The transfer will not be repaid.
- \$1,309,531 transferred to other funds from the U.S. Cellular Coliseum fund. This amount relates to routine budget transfers to the Debt service fund for debt service payments. The transfer will not be repaid.
- \$59,440 transferred from other funds to the Stormwater management fund. This amount relates to administration fees transferred to the General fund. The transfer will not be repaid.
- \$1,228,047 transferred from other fund to Nonmajor enterprise funds. This amount relates to a transfer from the General fund to close out a portion of the Parking fund to the General fund. The transfer will not be repaid.
- \$4,387,799 transferred to other funds from Nonmajor enterprise funds. This amount relates to a) \$110,379 of administration fees transferred to the General fund and b) \$4,277,420 of Parking fund capital assets and long-term debt transferred to Governmental Activities. 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. 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 2012 used by the City was 14.08 percent of annual covered payroll. The City's annual required contribution rate for calendar year 2012 was 15.94 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, 2013, the City’s annual pension cost and net pension obligation were as follows:

Annual required contribution	\$ 3,369,391
Interest on net pension asset	65,211
Adjustments to annual required contribution	<u>(46,613)</u>
Annual pension cost	3,387,989
Annual contributions made	<u>3,097,448</u>
Increase in net pension obligation	290,541
Net pension obligation, beginning of year	<u>869,486</u>
Net pension obligation, end of year	<u><u>\$ 1,160,027</u></u>

Three-Year Trend Information for the Regular Plan

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
4/30/13	\$ 3,387,989	91%	\$ 1,160,027
4/30/12	4,743,224	92%	869,486
4/30/11	3,962,032	90%	467,899

The required contribution for 2012 was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, 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, 2010 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, 2012, the most recent actuarial valuation date, the plan was 53.31 percent funded; however the actuarial accrued liability for retirees is 100 percent funded. The actuarial accrued liability for benefits was \$55,354,141 and the actuarial value of assets was \$29,510,661, resulting in an underfunded actuarial accrued liability (UAAL) of \$25,843,480. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$21,193,456 and the ratio of the UAAL to the covered payroll was 122 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 or 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, 2013) were as follows:

Annual required contribution	\$ 4,057,967
Interest on net pension asset	(153,193)
Adjustments to annual required contribution	<u>130,108</u>
Annual pension cost	4,034,882
Annual contributions made	<u>3,311,122</u>
Decrease in net pension asset	(723,760)
Net pension asset, beginning of year	<u>2,042,574</u>
Net pension asset, end of year	<u>\$ 1,318,814</u>

The annual required contribution was determined as part of the May 1, 2012 actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.25 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 percent of payroll on a closed basis. The remaining amortization period at the May 1, 2012 actuarial valuation date was 21 years.

Three Year Trend Information and Funding Status.

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
04/30/13	\$ 4,034,882	82.06%	\$ 1,318,814
04/30/12	3,835,975	107.19%	2,042,574
04/30/11	3,817,243	101.33%	1,766,779

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, 2012, the most recent actuarial valuation date, the Police pension plan was 56.97 percent funded. The actuarial accrued liability for benefits was \$90,455,617 and the actuarial value of assets was \$51,528,363, resulting in an underfunded actuarial accrued liability (UAAL) of \$38,927,254. The covered payroll of active employees covered by the plan was \$9,212,701 and the ratio of the UAAL to the covered payroll was 422.54 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, 2013) were as follows:

Annual required contributions	\$ 3,545,575
Interest on net pension asset	(144,303)
Adjustments to annual required contribution	<u>123,842</u>
Annual pension cost	3,525,114
Annual contributions made	<u>3,115,854</u>
Decrease in net pension asset	(409,260)
Net pension asset, beginning of year	<u>1,990,297</u>
Net pension asset, end of year	<u>\$ 1,581,037</u>

The annual required contribution for the current year was determined as part of the May 1, 2012, actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.25 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 percent of payroll on a closed basis. The remaining amortization period as of May 1, 2012 actuarial valuation date was 21 years.

Three Year Trend Information and Funding Status.

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
04/30/13	\$ 3,525,114	88.39%	\$ 1,581,037
04/30/12	3,179,793	108.83%	1,990,383
04/30/11	3,090,922	101.62%	1,709,585

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, 2012, the most recent actuarial valuation date, the Firemen’s pension plan was 51.41 percent funded. The actuarial accrued liability for benefits was \$79,531,884 and the actuarial value of assets was \$40,890,039, resulting in an underfunded actuarial accrued liability (UAAL) of \$38,641,845. The covered payroll of active employees covered by the plan was \$7,359,892 and the ratio of the UAAL to the covered payroll was 525.03 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 \$97,299 in lease revenue relating to these leases was received by the City during the fiscal year ended April 30, 2013. 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, 2013:

<u>Fiscal Year Ending April 30:</u>	<u>Operating</u>
2014	\$ 104,965
2015	107,244
2016	109,580
2017	99,325
2018	100,629
2019 – 2023	542,163
2024 – 2028	613,408
2029 – 2032	548,274
	<u>\$ 2,225,588</u>

The assets leased have a cost of \$3,266,482, accumulated depreciation of \$2,042,432 and net book value of \$1,224,050.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

9. 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 composed of 4 City representatives and 3 Town representatives. The System is funded primarily through federal and state governmental assistance. Other revenue sources include fares and contractual fees. Any deficits incurred by the System are to be made up by the City and Town in accordance with a prescribed formula. The System's financial activities, other than operating subsidies and advances from the City, are not included in the City's reporting entity.

Summarized financial information of the Bloomington-Normal Public Transit System, for the year ended June 30, 2012, is presented below:

<u>Balance Sheet as of June 30, 2012</u>	
Current assets:	
Cash and cash equivalents	\$ 3,527,265
Receivables	1,511,198
Inventory	55,817
Prepaid expenses	<u>157,323</u>
Total current assets	\$ 5,251,603
Capital assets, net	<u>13,365,024</u>
Total assets	<u>\$ 18,616,627</u>
Current liabilities:	
Accounts payable, accrued expenses and other	\$ 300,979
Compensated absences	<u>150,000</u>
Total current liabilities	\$ 450,979
Noncurrent liabilities:	
Compensated absences, net of current portion	<u>452,490</u>
Total liabilities	903,469
Net assets:	
Investment in capital assets, net	13,365,024
Unrestricted	<u>4,348,134</u>
Total net assets	<u>17,713,158</u>
Total liabilities and net assets	<u>\$ 18,616,627</u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

9. JOINT VENTURE – Continued

Statement of Revenues, Expenses, and Changes in Net Assets
For Year Ended June 30, 2012

Operating revenues	
Passenger fares	\$ 773,433
Contract fares	412,875
Miscellaneous income	<u>21,524</u>
Total revenues	1,207,832
Operating expenses	<u>9,452,303</u>
Operating loss	(8,244,471)
Non-Operating and other revenues	<u>7,603,621</u>
Change in net assets	(640,850)
Net assets, beginning of year	<u>18,354,008</u>
Net assets, end of year	<u>\$ 17,713,158</u>

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

10. 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 \$155,000 per individual occurrence. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claim handling procedures.

Self insurance is in effect up to a stop loss of \$125,000 per occurrence for general liability, \$25,000 for property, and \$600,000 per occurrence for worker's compensation for the fire and police departments and \$500,000 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.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

10. RISK MANAGEMENT AND SELF INSURANCE - Continued

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, 2013 and 2012 are as follows:

	<u>Health Insurance</u>		<u>Casualty Insurance</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Claims payable, beginning of the year	\$ 236,528	\$ 412,511	\$ 4,087,103	\$ 4,076,050
Claims incurred and changes in accrual	5,680,879	5,868,361	1,217,900	2,419,262
Claims payments	<u>(5,798,743)</u>	<u>(6,044,344)</u>	<u>(1,412,452)</u>	<u>(2,408,209)</u>
Claims payable, end of the year	<u>\$ 118,664</u>	<u>\$ 236,528</u>	<u>\$ 3,892,551</u>	<u>\$ 4,087,103</u>

11. DEVELOPMENT AND 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 \$306,338 during the year ended April 30, 2013.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

12. 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, 2013 are \$2,576,590.

The City utilizes encumbrance accounting to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General	\$ 1,703,237
Library	13,644
Nonmajor governmental	<u>4,283,912</u>
Total	<u>\$ 6,000,793</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

13. 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, 2013, there were 4 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 \$19,600,000.

14. 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 City is required by State Statute (215 ILCS 5/367f, 215 ILCS 5/367g, and 215 ILCS 5/367j) to provide insurance to its retirees as long as insurance is provided to its active employees. 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 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.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

14. OTHER POST-EMPLOYMENT BENEFITS – Continued

Membership

At May 1, 2012 (latest information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	147
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>456</u>
TOTAL	<u><u>603</u></u>
Participating employers	<u><u>1</u></u>

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 plan (pay as you go). For the fiscal year ended April 30, 2013, retirees contributed \$1,351,560 and the City contributed \$150,545. 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, 2012 to determine the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2013. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2011, 2012, and 2013 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2011	\$ 1,327,021	\$ 829,455	62.5%	\$ 4,198,585
April 30, 2012	\$ 1,377,830	\$ 467,526	33.9%	\$ 5,108,889
April 30, 2013	\$ 1,381,948	\$ 150,545	10.9%	\$ 6,340,292

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

14. OTHER POST-EMPLOYMENT BENEFITS – Continued

The net OPEB obligation (NOPEBO) as of April 30, 2013 (latest information available), was calculated as follows:

Annual required contribution	\$ 1,347,891
Interest on net OPEB obligation	204,354
Adjustment to annual required contribution	<u>(170,297)</u>
Annual OPEB cost	1,381,948
Contributions made	<u>150,545</u>
Increase (decrease) in net OPEB obligation	1,231,403
Net OPEB obligation beginning of year	<u>5,108,889</u>
NET OPEB OBLIGATION END OF YEAR	<u><u>\$ 6,340,292</u></u>

Funded Status and Funding Progress. The funded status of the plan as of May 1, 2012 (latest information available), was as follows:

Actuarial accrued liability (AAL)	\$ 18,258,810
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 18,258,810
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 26,807,141
UAAL as a percentage of covered payroll	68.1%

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.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

14. OTHER POST-EMPLOYMENT BENEFITS – Continued

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, 2012 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 advance 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 May 1, 2012, was 30 years.

15. NET POSITION – NET INVESTMENT IN CAPITAL ASSETS

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. During fiscal year 2012, the City issued \$5,075,000 general obligation refunding bonds, Series 2011 for the purpose of refunding a portion of the taxable general obligation bonds, Series 2004. The original bonds did not produce a capital asset in the governmental activities. The Net Position reported as Net Investment in Capital Assets in the Governmental Activities in the Statement of Net Position does not include the debt balance as of April 30, 2013 totaling \$32,444,010, but rather is included in the unrestricted net position 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 Position Net Investment in Capital Assets in the total primary government column on the Statement of Net Position.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

16. 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 2013, \$528,857 was rebated under these agreements. Approximately \$60,192 in taxes may be rebated in future years if certain criteria are met.

17. INDIVIDUAL FUND DISCLOSURES

The following is a summary of deficit fund balances/net position of individual funds as of April 30, 2013:

Nonmajor Governmental Funds:	
Special Revenue Funds	
IHDA Grant	\$ (15,314)
Capital Projects Funds	
Pepsi Ice Center	(8,135)
Stormwater Management Fund	(1,973,187)
Nonmajor Enterprise Funds:	
Parking Fund	(95,021)
Retiree Group Health Care Fund	(178,606)
Casualty Insurance Fund	(638,805)

18. 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.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

18. PERMANENTLY RESTRICTED DONATIONS - Continued

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 \$1,011,210 at April 30, 2013.

19. SUBSEQUENT EVENTS

On July 22, 2013, the City approved a capital lease in the amount of \$964,950 for the purchase of a fire truck. The lease calls for monthly installments of \$102,155 including principal and interest at 2.10 percent through July 2018.

On October 14, 2013, the City Council approved the issuance of not to exceed \$10,000,000 General Obligation Bonds for the purpose of financing road and sewer improvements.

On October 15, 2013, the City issued \$7,800,000 General Obligation Refunding Bonds, Series 2013, for the purpose of refunding a portion of the General Obligation Bonds, Series 2003.

20. PRIOR PERIOD ADJUSTMENTS

The City has restated beginning fund balance/net position as of May 1, 2012 to a) write off prior year unamortized bond issuance costs related to the implementation of GASB Statement No. 65, b) correct reporting of inventory, c) correct reporting of capital lease and d) correct reporting of the Miller Park Zoological Society Component Unit.

	Governmental Activities	Business-Type Activities	General Fund	Nonmajor Enterprise	Component Unit
Fund balance/net position, May 1 (as previously reported)	\$129,849,299	\$ 178,098,576	\$ 16,205,899	\$ 6,374,434	\$ -
Restated for					
a) Bond issuance costs	(530,417)	-	-	-	-
b) Inventory	521,661	-	521,661	-	-
c) Capital lease	775,752	638,853	-	638,853	-
d) Miller Park Zoological Society	-	-	-	-	447,391
Fund balance/net position, May 1 (as restated)	<u>\$130,616,295</u>	<u>\$ 178,737,429</u>	<u>\$ 16,727,560</u>	<u>\$ 7,013,287</u>	<u>\$ 447,391</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND**

April 30, 2013

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)
12/31/12	\$ 29,510,661	\$ 55,354,141	53.31%	\$ 25,843,480	\$ 21,193,456	121.94%
12/31/11	16,665,580	52,162,327	31.95%	35,496,747	20,673,949	171.70%
12/31/10	10,328,110	48,645,814	21.23%	38,317,704	20,269,736	189.04%
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%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$31,982,538. On a market basis, the funded ratio would be 57.78%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with the City of Bloomington. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Below are the amounts calculated including both active and inactive members and retirees.

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)
12/31/12	\$ 118,477,757	\$ 144,321,237	82.09%	\$ 25,843,480	\$ 21,193,456	121.94%
12/31/11	103,653,189	139,149,936	74.49%	35,496,747	20,673,949	171.70%
12/31/10	94,861,987	133,179,691	71.23%	38,317,704	20,269,736	189.04%
12/31/09	91,303,354	128,960,094	70.80%	37,656,740	22,268,546	169.10%
12/31/08	86,708,626	111,235,978	77.95%	24,527,352	25,457,547	96.35%
12/31/07	92,840,308	101,770,414	91.23%	8,930,106	23,459,963	38.07%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

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)
5/1/12	\$ 51,528,363	\$ 90,455,617	56.97%	\$ 38,927,254	\$ 9,212,701	422.54%
5/1/11	52,763,950	90,608,780	58.23%	37,844,830	8,903,996	425.03%
5/1/10	48,078,031	86,863,392	55.35%	38,785,361	9,505,164	408.05%
5/1/09	44,228,726	82,953,509	53.32%	38,724,783	8,788,202	440.65%
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%

CITY OF BLOOMINGTON, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
FIREMEN'S PENSION PLAN**

April 30, 2013

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)
5/1/12	\$ 40,890,039	\$ 79,531,884	51.41%	\$ 38,641,845	\$ 7,359,892	525.03%
5/1/11	39,770,280	77,411,228	51.38%	37,640,948	7,137,776	527.35%
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%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

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)
5/1/12	\$ -	\$ 18,258,810	0.00%	\$ 18,258,810	\$ 26,807,411	68.11%
5/1/11	-	18,839,491	0.00%	18,839,491	25,899,456	72.74%
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%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2013	\$ 3,097,448	\$ 3,369,391	91.93%
2012	4,341,637	4,666,620	93.04%
2011	3,494,133	3,962,032	88.19%
2010	2,379,831	2,379,831	100.00%
2009	2,723,957	2,723,957	100.00%
2008	2,632,208	2,632,208	100.00%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2013	\$ 3,311,122	\$ 4,057,967	81.60%
2012	4,111,770	3,859,645	106.53%
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%

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

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2013	\$ 3,115,854	\$ 3,545,575	87.88%
2012	3,460,505	3,202,697	108.05%
2011	3,140,710	3,116,325	100.78%
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%

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

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2013

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2013	\$ 150,545	\$ 1,347,891	11.17%
2012	467,526	1,349,839	34.64%
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%

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, 2013

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Taxes	\$ 65,577,372	\$ 65,577,372	\$ 70,846,002	\$ 5,268,630
Intergovernmental	324,470	340,570	441,273	100,703
Licenses and permits	1,153,075	1,153,075	1,280,698	127,623
Charges for services	12,399,155	12,847,370	11,664,479	(1,182,891)
Fines and forfeitures	892,100	892,100	1,095,669	203,569
Investment income	22,660	22,660	55,372	32,712
Other	884,381	1,260,034	1,206,146	(53,888)
	<u>81,253,213</u>	<u>82,093,181</u>	<u>86,589,639</u>	<u>4,496,458</u>
EXPENDITURES				
Current:				
General government	15,320,842	15,727,083	13,687,835	2,039,248
Public safety	41,231,632	41,358,694	40,655,455	703,239
Highways and streets	7,059,924	7,238,754	6,798,899	439,855
Culture and recreation	9,487,131	9,603,638	9,224,078	379,560
Parking	-	488,096	463,467	24,629
Debt service:				
Principal	601,129	611,238	1,175,866	(564,628)
Interest and fiscal agent fees	74,324	75,476	177,962	(102,486)
Capital outlay	1,960,200	3,028,153	1,513,191	1,514,962
	<u>75,735,182</u>	<u>78,131,132</u>	<u>73,696,753</u>	<u>4,434,379</u>
EXCESS OF REVENUES OVER				
EXPENDITURES BEFORE OTHER				
OTHER FINANCING SOURCES (USES)				
	<u>5,518,031</u>	<u>3,962,049</u>	<u>12,892,886</u>	<u>8,930,837</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,559,339	1,559,339	1,032,305	(527,034)
Proceeds from sale of capital assets	77,500	77,500	55,387	(22,113)
Transfers out	(8,844,109)	(10,001,932)	(10,913,957)	(912,025)
	<u>(7,207,270)</u>	<u>(8,365,093)</u>	<u>(9,826,265)</u>	<u>(1,461,172)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,689,239)</u>	<u>\$ (4,403,044)</u>	<u>3,066,621</u>	<u>\$ 7,469,665</u>
FUND BALANCE, BEGINNING OF YEAR			16,205,899	
Prior period adjustment			521,661	
FUND BALANCE, BEGINNING OF YEAR, RESTATED			16,727,560	
FUND BALANCE, END OF YEAR,				
BUDGETARY BASIS			19,794,181	
CHANGE IN ENCUMBRANCES			92,341	
FUND BALANCE, END OF YEAR			<u>\$ 19,886,522</u>	

See accompanying Independent Auditor's Report.

**CITY OF BLOOMINGTON, ILLINOIS
LIBRARY FUND**

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

For the Year Ended April 30, 2013

	Budget		Actual	Variance
	Original	Final		
REVENUES:				
Taxes	\$ 4,643,919	\$ 4,643,919	\$ 4,642,935	\$ (984)
Intergovernmental	89,500	89,500	12,500	(77,000)
Charges for services	73,600	73,600	80,767	7,167
Investment income	4,800	4,800	4,633	(167)
Miscellaneous	412,000	412,000	417,013	5,013
Total revenues	5,223,819	5,223,819	5,157,848	(65,971)
EXPENDITURES:				
Current:				
Culture and recreation	5,187,047	5,238,127	4,367,478	870,649
Total expenditures	5,187,047	5,238,127	4,367,478	870,649
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER OTHER FINANCING SOURCES (USES)				
	36,772	(14,308)	790,370	804,678
OTHER FINANCIAL SOURCES (USES):				
Transfers in	261,199	261,199	-	(261,199)
Proceeds from sale of capital assets	1,000	1,000	1,670	670
Transfers out	(563,040)	(563,040)	(42,617)	520,423
Total other financing sources (uses)	(300,841)	(300,841)	(40,947)	259,894
NET CHANGE IN FUND BALANCE	\$ (264,069)	\$ (315,149)	749,423	\$ 1,064,572
FUND BALANCE, BEGINNING OF YEAR			2,802,751	
FUND BALANCE, END OF YEAR BUDGETARY BASIS			3,552,174	
CHANGE IN ENCUMBRANCES			(39,386)	
FUND BALANCE, END OF YEAR			\$ 3,512,788	

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 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 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, 2013 were \$15,326,615 in total with \$2,395,950 of the adjustments charged to the General Fund.
- All appropriations lapse at year-end.

SUPPLEMENTARY INFORMATION

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.

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

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

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

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

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

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

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

CITY OF BLOOMINGTON, ILLINOIS

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

April 30, 2013

	Special Revenue			
	Motor Fuel Tax	Board of Elections	Drug Enforcement	Foreign Fire Insurance Board
ASSETS				
Cash and investments	\$ 3,963,031	\$ 483,871	\$ 397,332	\$ 125,610
Restricted accounts - cash	-	-	-	-
Receivables, net of allowance for uncollectibles:				
Loans	-	-	-	-
Accounts	-	-	-	-
Due from other governmental units	131,749	-	-	-
Properties held for resale	-	-	-	-
	<u>\$ 4,094,780</u>	<u>\$ 483,871</u>	<u>\$ 397,332</u>	<u>\$ 125,610</u>
 LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 199,127	\$ 19,445	\$ -	\$ -
Due to other funds	-	-	-	-
Interfund advance	-	-	-	-
	<u>199,127</u>	<u>19,445</u>	<u>-</u>	<u>-</u>
 FUND BALANCE				
Nonspendable				
Loans	-	-	-	-
Property held for resale	-	-	-	-
Restricted				
Highways and streets	3,895,653	-	-	-
Board of elections	-	464,426	-	-
Public safety	-	-	-	125,610
Community development	-	-	-	-
Unrestricted				
Committed				
Public safety	-	-	397,332	-
Culture and recreation	-	-	-	-
Assigned				
Capital projects	-	-	-	-
Unassigned	-	-	-	-
	<u>3,895,653</u>	<u>464,426</u>	<u>397,332</u>	<u>125,610</u>
Total fund balance	<u>\$ 4,094,780</u>	<u>\$ 483,871</u>	<u>\$ 397,332</u>	<u>\$ 125,610</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 4,094,780</u>	<u>\$ 483,871</u>	<u>\$ 397,332</u>	<u>\$ 125,610</u>

Special Revenue

Community Development	IHDA Grant	Park Dedication
\$ 47,476	\$ 4,183	\$ 1,040,083
-	-	-
1,260,068	-	-
8,013	21,919	-
-	-	-
16,775	-	-
<u>\$ 1,332,332</u>	<u>\$ 26,102</u>	<u>\$ 1,040,083</u>
\$ 36,925	\$ 13,929	\$ -
403	-	-
-	27,487	-
<u>37,328</u>	<u>41,416</u>	<u>-</u>
1,260,068	-	-
16,775	-	-
-	-	-
-	-	-
18,161	-	-
-	-	-
-	-	1,040,083
-	-	-
-	(15,314)	-
<u>1,295,004</u>	<u>(15,314)</u>	<u>1,040,083</u>
<u>\$ 1,332,332</u>	<u>\$ 26,102</u>	<u>\$ 1,040,083</u>

CITY OF BLOOMINGTON, ILLINOIS

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

April 30, 2013

	Capital Projects				Total
	Central Bloomington TIF Redevelopment	Pepsi Ice Center	Capital Improvements	Capital Lease	
ASSETS					
Cash and cash equivalents	\$ 55,492	\$ 1,975	\$ 2,912,963	\$ -	\$ 9,032,016
Restricted accounts - cash	-	-	-	622,125	622,125
Receivables, net of allowance for uncollectibles:					
Loans	-	-	-	-	1,260,068
Accounts	-	-	-	-	29,932
Due from other governmental funds	-	-	-	-	131,749
Properties held for resale	-	-	-	-	16,775
Total assets	\$ 55,492	\$ 1,975	\$ 2,912,963	\$ 622,125	\$ 11,092,665
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ -	\$ 10,110	\$ 95,813	\$ 62,613	\$ 437,962
Due to other funds	-	-	-	-	403
Interfund advance	-	-	400,000	-	427,487
Total liabilities	-	10,110	495,813	62,613	865,852
FUND BALANCE					
Nonspendable					
Loans	-	-	-	-	1,260,068
Property held for resale	-	-	-	-	16,775
Restricted					
Highways and streets	-	-	-	-	3,895,653
Board of elections	-	-	-	-	464,426
Public safety	-	-	-	-	125,610
Community development	55,492	-	-	-	73,653
Unrestricted					
Committed					
Public safety	-	-	-	-	397,332
Culture and recreation	-	-	-	-	1,040,083
Assigned					
Capital projects	-	(8,135)	2,417,150	559,512	2,968,527
Unassigned	-	-	-	-	(15,314)
Total fund balance	55,492	(8,135)	2,417,150	559,512	10,226,813
TOTAL LIABILITIES AND FUND BALANCE	\$ 55,492	\$ 1,975	\$ 2,912,963	\$ 622,125	\$ 11,092,665

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2013

	Special Revenue			
	Motor Fuel Tax	Board of Elections	Drug Enforcement	Foreign Fire Insurance Board
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ 79,785
Intergovernmental	2,214,382	505,874	11,365	-
Fines and forfeitures	-	-	96,769	-
Investment income	3,813	-	25	300
Other, primarily contributions	-	-	-	-
Total revenues	2,218,195	505,874	108,159	80,085
EXPENDITURES:				
Current:				
General government	-	446,938	-	-
Public safety	-	-	70,597	63,918
Highways and streets	2,848,250	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	2,848,250	446,938	70,597	63,918
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(630,055)	58,936	37,562	16,167
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	6,607	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	6,607	-
NET CHANGE IN FUND BALANCES	(630,055)	58,936	44,169	16,167
FUND BALANCES, BEGINNING OF YEAR	4,525,708	405,490	353,163	109,443
FUND BALANCES, END OF YEAR	\$ 3,895,653	\$ 464,426	\$ 397,332	\$ 125,610

Special Revenue

Community Development	IHDA Grant	Park Dedication
\$ -	\$ -	\$ -
896,000	69,484	17,202
-	-	-
735	8	-
4,808	-	56,351
901,543	69,492	73,553
-	-	-
-	-	-
-	-	-
-	-	104,936
711,020	61,588	-
-	-	-
-	-	-
711,020	61,588	104,936
190,523	7,904	(31,383)
-	-	-
-	-	-
-	-	-
(6,427)	(14,000)	-
(6,427)	(14,000)	-
184,096	(6,096)	(31,383)
1,110,908	(9,218)	1,071,466
\$ 1,295,004	\$ (15,314)	\$ 1,040,083

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2013

	Capital Projects				Total
	Central Bloomington TIF Redevelopment	Pepsi Ice Center	Capital Improvements	Capital Lease	
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 79,785
Intergovernmental	-	-	-	-	3,714,307
Fines and forfeitures	-	-	-	-	96,769
Investment income	-	-	-	282	5,163
Other, primarily contributions	-	-	70,640	-	131,799
Total revenues	-	-	70,640	282	4,027,823
EXPENDITURES:					
Current:					
General government	-	-	-	-	446,938
Public safety	-	-	-	-	134,515
Highways and streets	-	-	-	-	2,848,250
Culture and recreation	-	2,210	-	-	107,146
Community development	460	-	-	-	773,068
Debt service					
Interest and fiscal agent fees	-	-	15,600	-	15,600
Capital outlay	-	10,110	4,963,111	2,560,046	7,533,267
Total expenditures	460	12,320	4,978,711	2,560,046	11,858,784
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(460)	(12,320)	(4,908,071)	(2,559,764)	(7,830,961)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	4,846,000	-	4,846,000
Capital lease	-	-	-	2,592,610	2,592,610
Proceeds from sale of capital assets	-	-	-	-	6,607
Transfers out	-	-	-	-	(20,427)
Total other financing sources (uses)	-	-	4,846,000	2,592,610	7,424,790
NET CHANGE IN FUND BALANCES	(460)	(12,320)	(62,071)	32,846	(406,171)
FUND BALANCES, BEGINNING OF YEAR	55,952	4,185	2,479,221	526,666	10,632,984
FUND BALANCES, END OF YEAR	\$ 55,492	\$ (8,135)	\$ 2,417,150	\$ 559,512	\$ 10,226,813

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, 2013

	Special Revenue	
	Motor Fuel Tax	
	Final Budget	Actual
REVENUES:		
Taxes	\$ -	\$ -
Intergovernmental	2,297,728	2,214,382
Fines and forfeitures	-	-
Investment income	2,000	3,813
Other, primarily contributions	-	-
Total revenues	2,299,728	2,218,195
EXPENDITURES:		
Current:		
General government	-	-
Public safety	-	-
Highways and streets	3,672,985	2,282,915
Culture and recreation	-	-
Community development	-	-
Debt service		
Interest and fiscal agent fees	-	-
Capital outlay	-	-
Total expenditures	3,672,985	2,282,915
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,373,257)	(64,720)
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Capital lease	-	-
Proceeds from sale of capital assets	-	-
Transfers out	-	-
Total other financing sources (uses)	-	-
NET CHANGE IN FUND BALANCES	\$ (1,373,257)	(64,720)
FUND BALANCES, BEGINNING OF YEAR		4,525,708
FUND BALANCES, END OF YEAR BUDGETARY BASIS		4,460,988
CHANGE IN ENCUMBRANCES		(565,335)
FUND BALANCES, END OF YEAR		\$ 3,895,653

Special Revenue

Board of Elections		Drug Enforcement	
Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -
481,464	505,874	15,000	11,365
-	-	85,625	96,769
-	-	-	25
328	-	-	-
<u>481,792</u>	<u>505,874</u>	<u>100,625</u>	<u>108,159</u>
449,749	446,938	-	-
-	-	72,540	70,597
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>449,749</u>	<u>446,938</u>	<u>72,540</u>	<u>70,597</u>
32,043	58,936	28,085	37,562
-	-	-	-
-	-	-	-
-	-	-	6,607
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,607</u>
<u>\$ 32,043</u>	58,936	<u>\$ 28,085</u>	44,169
	405,490		<u>353,163</u>
	464,426		397,332
	-		-
	<u>\$ 464,426</u>		<u>\$ 397,332</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, 2013

	Special Revenue			
	Community Development		IHDA Grant	
	Final Budget	Actual	Final Budget	Actual
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	898,074	896,000	100,000	69,484
Fines and forfeitures	-	-	-	-
Investment income	1,006	735	-	8
Other, primarily contributions	30,000	4,808	-	-
Total revenues	<u>929,080</u>	<u>901,543</u>	<u>100,000</u>	<u>69,492</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Community development	922,647	711,164	86,000	61,588
Debt services				
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	-	-	-
Total expenditure	<u>922,647</u>	<u>711,164</u>	<u>86,000</u>	<u>61,588</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>6,433</u>	<u>190,379</u>	<u>14,000</u>	<u>7,904</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers out	(6,427)	(6,427)	(14,000)	(14,000)
Total other financing sources (uses)	<u>(6,427)</u>	<u>(6,427)</u>	<u>(14,000)</u>	<u>(14,000)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 6</u>	183,952	<u>\$ -</u>	(6,096)
FUND BALANCES, BEGINNING OF YEAR		<u>1,110,908</u>		<u>(9,218)</u>
FUND BALANCES, END OF YEAR BUDGETARY BASIS		1,294,860		(15,314)
CHANGE IN ENCUMBRANCES		<u>144</u>		<u>-</u>
FUND BALANCES, END OF YEAR		<u>\$ 1,295,004</u>		<u>\$ (15,314)</u>

Special Revenue		Capital Projects			
Park Dedication		Central Bloomington TIF Redevelopment		Pepsi Ice Center	
Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	17,202	-	-	-	-
-	-	-	-	-	-
-	-	25	-	-	-
40,000	56,351	-	-	-	-
40,000	73,553	25	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
231,370	104,936	-	-	-	(4,400)
-	-	10,000	(3,975)	-	-
-	-	-	-	-	-
-	-	-	-	10,110	10,110
231,370	104,936	10,000	(3,975)	10,110	5,710
(191,370)	(31,383)	(9,975)	3,975	(10,110)	(5,710)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ (191,370)</u>	<u>(31,383)</u>	<u>\$ (9,975)</u>	<u>3,975</u>	<u>\$ (10,110)</u>	<u>(5,710)</u>
	1,071,466		55,952		4,185
	1,040,083		59,927		(1,525)
	-		(4,435)		(6,610)
	<u>\$ 1,040,083</u>		<u>\$ 55,492</u>		<u>\$ (8,135)</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, 2013

	Capital Projects			
	Capital Improvements		Capital Lease	
	Final Budget	Actual	Final Budget	Actual
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	400,000	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	-	-	282
Other, primarily contributions	75,000	70,640	-	-
Total revenues	<u>475,000</u>	<u>70,640</u>	<u>-</u>	<u>282</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Interest and fiscal agent fees	-	15,600	-	-
Capital outlay	7,558,650	6,273,297	8,159,079	3,976,769
Total expenditures	<u>7,558,650</u>	<u>6,288,897</u>	<u>8,159,079</u>	<u>3,976,769</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,083,650)</u>	<u>(6,218,257)</u>	<u>(8,159,079)</u>	<u>(3,976,487)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	4,846,000	4,846,000	-	-
Capital lease	-	-	5,572,610	2,592,610
Proceeds from sale of capital assets	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>4,846,000</u>	<u>4,846,000</u>	<u>5,572,610</u>	<u>2,592,610</u>
NET CHANGE IN FUND BALANCES	<u>\$ (2,237,650)</u>	<u>(1,372,257)</u>	<u>\$ (2,586,469)</u>	<u>(1,383,877)</u>
FUND BALANCES, BEGINNING OF YEAR		<u>2,479,221</u>		526,666
FUND BALANCES, END OF YEAR BUDGETARY BASIS		1,106,964		(857,211)
CHANGE IN ENCUMBRANCES		<u>1,310,186</u>		<u>1,416,723</u>
FUND BALANCES, END OF YEAR		<u>\$ 2,417,150</u>		<u>\$ 559,512</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, 2013

	<u>Golf Operations</u>	<u>Parking</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 165,434	\$ 7,364	\$ 172,798
Accounts receivable, net of allowance for uncollectibles	14,540	112,419	126,959
Inventory	205,778	-	205,778
Total current assets	<u>385,752</u>	<u>119,783</u>	<u>505,535</u>
Noncurrent assets:			
Land	1,907,587	-	1,907,587
Other depreciable capital assets, net of accumulated depreciation	1,709,447	2,458,254	4,167,701
Total capital assets, net of depreciation	<u>3,617,034</u>	<u>2,458,254</u>	<u>6,075,288</u>
TOTAL ASSETS	<u>\$ 4,002,786</u>	<u>\$ 2,578,037</u>	<u>\$ 6,580,823</u>
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable and accrued expenses	\$ 140,813	\$ 5,929	\$ 146,742
Compensated absences	9,579	-	9,579
Due to other funds	-	125,000	125,000
Unearned revenue	122,477	74,800	197,277
Deposits	-	7,745	7,745
Current maturities of long-term debt	107,203	190,000	297,203
Total current liabilities	<u>380,072</u>	<u>403,474</u>	<u>783,546</u>
Noncurrent liabilities:			
Compensated absences	197,216	-	197,216
Net OPEB obligation	49,189	-	49,189
Net pension obligation	35,855	1,330	37,185
Capital lease payable, noncurrent portion	262,071	1,525,000	1,787,071
Total noncurrent liabilities	<u>544,331</u>	<u>1,526,330</u>	<u>2,070,661</u>
TOTAL LIABILITIES	<u>924,403</u>	<u>1,929,804</u>	<u>2,854,207</u>
NET POSITION			
Net investment in capital assets	3,247,760	743,254	3,991,014
Unrestricted (deficit)	(169,377)	(95,021)	(264,398)
Total net position	<u>3,078,383</u>	<u>648,233</u>	<u>3,726,616</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 4,002,786</u>	<u>\$ 2,578,037</u>	<u>\$ 6,580,823</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2013

	Golf Operations	Parking	Total
Operating revenues, charges for services	\$ 2,496,674	\$ 344,802	\$ 2,841,476
Operating expenses:			
Personal services	1,232,510	36,262	1,268,772
Contractual services	519,021	63,667	582,688
Commodities	738,218	42,666	780,884
Depreciation	195,768	80,599	276,367
Total operating expenses	2,685,517	223,194	2,908,711
Operating income (loss)	(188,843)	121,608	(67,235)
Nonoperating revenues:			
Other income	34,007	-	34,007
Other expense, primarily interest expense	(29,435)	(64,256)	(93,691)
Total nonoperating revenue	4,572	(64,256)	(59,684)
CHANGE IN NET POSITION BEFORE TRANSFERS	(184,271)	57,352	(126,919)
Transfers in	-	1,228,047	1,228,047
Transfers out	(110,379)	(4,277,420)	(4,387,799)
Total transfers	(110,379)	(3,049,373)	(3,159,752)
Change in net position	(294,650)	(2,992,021)	(3,286,671)
TOTAL NET POSITION, BEGINNING OF YEAR	3,373,033	3,001,401	6,374,434
Prior period adjustment	-	638,853	638,853
TOTAL NET POSITION, BEGINNING OF YEAR, RESTATED	3,373,033	3,640,254	7,013,287
TOTAL NET POSITION, END OF YEAR	\$ 3,078,383	\$ 648,233	\$ 3,726,616

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2013

	Golf Operations	Parking	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 2,512,177	\$ 358,989	\$ 2,871,166
Payments to suppliers	(1,229,589)	(129,772)	(1,359,361)
Payments to employees	(1,175,872)	(34,932)	(1,210,804)
Other receipts	34,007	-	34,007
Net cash from operating activities	<u>140,723</u>	<u>194,285</u>	<u>335,008</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Payments to interfund accounts	(437,451)	(1,400,067)	(1,837,518)
Proceeds from interfund accounts	-	1,353,048	1,353,048
Net cash from noncapital financing activities	<u>(437,451)</u>	<u>(47,019)</u>	<u>(484,470)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on long-term debt	(104,258)	(185,000)	(289,258)
Interest paid on long-term debt	(29,435)	(64,256)	(93,691)
Net cash from capital and related financing activities	<u>(133,693)</u>	<u>(249,256)</u>	<u>(382,949)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(430,421)	(101,990)	(532,411)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>595,855</u>	<u>109,354</u>	<u>705,209</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 165,434</u>	<u>\$ 7,364</u>	<u>\$ 172,798</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ (188,843)	\$ 121,608	\$ (67,235)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation	195,768	80,599	276,367
Other Income	34,007	-	34,007
Change in assets and liabilities:			
Receivables	4,527	(60,613)	(56,086)
Inventory	(31,211)	-	(31,211)
Accounts payable and accrued expenses	58,861	(23,172)	35,689
Deposits	-	(267)	(267)
Unearned income	10,976	74,800	85,776
Compensated absences	21,340	-	21,340
Net OPEB obligation	15,204	-	15,204
Net pension obligation	20,094	1,330	21,424
Net cash from operating activities	<u>\$ 140,723</u>	<u>\$ 194,285</u>	<u>\$ 335,008</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, 2013**

	<u>Parking Maintenance and Operation</u>	<u>Abraham Lincoln Parking Facility</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ -	\$ 7,364	\$ 7,364
Accounts receivable, net of allowance for uncollectibles	-	112,419	112,419
Total current assets	<u>-</u>	<u>119,783</u>	<u>119,783</u>
Noncurrent assets:			
Other depreciable capital assets, net of accumulated depreciation	-	2,458,254	2,458,254
Total capital assets, net of depreciation	<u>-</u>	<u>2,458,254</u>	<u>2,458,254</u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 2,578,037</u>	<u>\$ 2,578,037</u>
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable and accrued expenses	\$ -	\$ 5,929	\$ 5,929
Due to other funds	-	125,000	125,000
Deposits	-	7,745	7,745
Unearned income	-	74,800	74,800
Current maturities of long-term debt	-	190,000	190,000
Total current liabilities	<u>-</u>	<u>403,474</u>	<u>403,474</u>
Noncurrent liabilities:			
Net pension obligation	-	1,330	1,330
Capital lease payable, noncurrent portion	-	1,525,000	1,525,000
Total noncurrent liabilities	<u>-</u>	<u>1,526,330</u>	<u>1,526,330</u>
TOTAL LIABILITIES	<u>-</u>	<u>1,929,804</u>	<u>1,929,804</u>
NET POSITION			
Net investment in capital assets	-	743,254	743,254
Unrestricted (deficit)	-	(95,021)	(95,021)
Total net position (deficit)	<u>-</u>	<u>648,233</u>	<u>648,233</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ -</u>	<u>\$ 2,578,037</u>	<u>\$ 2,578,037</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2013

	<u>Parking Maintenance and Operation</u>	<u>Abraham Lincoln Parking Facility</u>	<u>Total</u>
Operating revenues, charges for services	\$ -	\$ 344,802	\$ 344,802
Operating expenses:			
Personal services	-	36,262	36,262
Contractual services	-	63,667	63,667
Commodities	-	42,666	42,666
Depreciation	-	80,599	80,599
Total operating expenses	<u>-</u>	<u>223,194</u>	<u>223,194</u>
Operating income	<u>-</u>	<u>121,608</u>	<u>121,608</u>
Nonoperating revenues (expenses):			
Other expense, primarily interest expense	<u>(1)</u>	<u>(64,255)</u>	<u>(64,256)</u>
Total nonoperating revenue	<u>(1)</u>	<u>(64,255)</u>	<u>(64,256)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(1)</u>	<u>57,353</u>	<u>57,352</u>
Transfers in	1,228,047	-	1,228,047
Transfers out	<u>(4,277,420)</u>	<u>-</u>	<u>(4,277,420)</u>
Total transfers	<u>(3,049,373)</u>	<u>-</u>	<u>(3,049,373)</u>
Change in net position	(3,049,374)	57,353	(2,992,021)
TOTAL NET POSITION (DEFICIT), BEGINNING OF YEAR	<u>3,049,374</u>	<u>(47,973)</u>	<u>3,001,401</u>
Prior period adjustment	<u>-</u>	<u>638,853</u>	<u>638,853</u>
TOTAL NET POSITION, BEGINNING OF YEAR, RESTATED	<u>3,049,374</u>	<u>590,880</u>	<u>3,640,254</u>
TOTAL NET POSITION, END OF YEAR	<u>\$ -</u>	<u>\$ 648,233</u>	<u>\$ 648,233</u>

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, 2013

	General Bond and Interest	Market Square TIF Bond Redemption	2004 Coliseum Bond Redemption	2004 Multi-Project Bond Redemption	Total
ASSETS					
Cash and investments	\$ 8,193,954	\$ 808,221	\$ 1,872,767	\$ 783,501	\$ 11,658,443
Receivables, net of allowance for uncollectibles:					
Taxes	2,180,143	-	-	-	2,180,143
Due from other governmental units	-	69,384	-	-	69,384
Total assets	<u>\$ 10,374,097</u>	<u>\$ 877,605</u>	<u>\$ 1,872,767</u>	<u>\$ 783,501</u>	<u>\$ 13,907,970</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ -	\$ 150	\$ -	\$ -	\$ 150
Total liabilities	<u>-</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>150</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	2,180,143	-	-	-	2,180,143
Total deferred inflows of resources	<u>2,180,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,180,143</u>
Total liabilities and deferred inflows of resources	<u>2,180,143</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>2,180,293</u>
FUND BALANCE					
Restricted					
Debt service	8,193,954	877,455	1,872,767	783,501	11,727,677
Total fund balance	<u>8,193,954</u>	<u>877,455</u>	<u>1,872,767</u>	<u>783,501</u>	<u>11,727,677</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 10,374,097</u>	<u>\$ 877,605</u>	<u>\$ 1,872,767</u>	<u>\$ 783,501</u>	<u>\$ 13,907,970</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, 2013

	General Bond and Interest	Market Square TIF Bond Redemption	2004 Coliseum Bond Redemption	2004 Multi-Project Bond Redemption	Total
REVENUES:					
Taxes	\$ 1,692,538	\$ 488,886	\$ -	\$ 50,000	\$ 2,231,424
Investment income	499	-	-	-	499
Other	-	-	-	12,274	12,274
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	1,693,037	488,886	-	62,274	2,244,197
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES:					
Debt service:					
Principal	1,550,000	1,200,000	190,000	300,000	3,240,000
Interest and fiscal agent fees	1,127,602	4,411	1,519,531	102,749	2,754,293
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	2,677,602	1,204,411	1,709,531	402,749	5,994,293
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<hr/> (984,565) <hr/>	<hr/> (715,525) <hr/>	<hr/> (1,709,531) <hr/>	<hr/> (340,475) <hr/>	<hr/> (3,750,096) <hr/>
OTHER FINANCING SOURCES					
Transfers in	2,438,591	-	1,309,531	369,990	4,118,112
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources	2,438,591	-	1,309,531	369,990	4,118,112
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	1,454,026	(715,525)	(400,000)	29,515	368,016
FUND BALANCES, BEGINNING OF YEAR	6,739,928	1,592,980	2,272,767	753,986	11,359,661
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, END OF YEAR	<u>\$ 8,193,954</u>	<u>\$ 877,455</u>	<u>\$ 1,872,767</u>	<u>\$ 783,501</u>	<u>\$ 11,727,677</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, 2013

	<u>Final Budget</u>	<u>Actual</u>
REVENUES:		
Taxes	\$ 2,159,796	\$ 2,231,424
Investment income	1,200	499
Other	-	12,274
Total revenues	<u>2,160,996</u>	<u>2,244,197</u>
EXPENDITURES:		
Current:		
Debt service:		
Principal	3,240,000	3,240,000
Interest and fiscal agent fees	<u>2,797,121</u>	<u>2,754,293</u>
Total expenditures	<u>6,037,121</u>	<u>5,994,293</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,876,125)</u>	<u>(3,750,096)</u>
OTHER FINANCING SOURCES		
Transfers in	<u>4,118,112</u>	<u>4,118,112</u>
Total other financing sources	<u>4,118,112</u>	<u>4,118,112</u>
NET CHANGE IN FUND BALANCES	<u>\$ 241,987</u>	368,016
FUND BALANCES, BEGINNING OF YEAR		<u>11,359,661</u>
FUND BALANCES, END OF YEAR BUDGETARY BASIS		11,727,677
CHANGE IN ENCUMBRANCES		<u>-</u>
FUND BALANCES, END OF YEAR		<u>\$ 11,727,677</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, 2013

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 1,062,552	\$ 11,216	\$ 3,256,646	\$ 4,330,414
Accounts receivable, net of allowance for uncollectibles	3,811	1,698	-	5,509
Accrued interest	-	-	63	63
Due from other funds	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
 Total assets	 <u>\$ 1,216,363</u>	 <u>\$ 12,914</u>	 <u>\$ 3,256,709</u>	 <u>\$ 4,485,986</u>
LIABILITIES AND NET POSITION				
Current liabilities:				
Accounts payable and accrued expenses	\$ 11,382	\$ 10,768	\$ 2,963	\$ 25,113
Claims payable	97,304	21,360	2,065,662	2,184,326
Due to other funds	-	150,000	-	150,000
Unearned revenue	-	9,392	-	9,392
Total current liabilities	<u>108,686</u>	<u>191,520</u>	<u>2,068,625</u>	<u>2,368,831</u>
Noncurrent liabilities:				
Claims payable	<u>-</u>	<u>-</u>	<u>1,826,889</u>	<u>1,826,889</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,826,889</u>	<u>1,826,889</u>
 Total liabilities	 108,686	 191,520	 3,895,514	 4,195,720
 Net position, unrestricted (deficit)	 <u>1,107,677</u>	 <u>(178,606)</u>	 <u>(638,805)</u>	 <u>290,266</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,216,363</u>	<u>\$ 12,914</u>	<u>\$ 3,256,709</u>	<u>\$ 4,485,986</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2013

	<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>\$ 8,235,592</u>	<u>\$ 1,527,261</u>	<u>\$ 2,884,923</u>	<u>\$ 12,647,776</u>
Operating expenses:				
Contractual services	3,574,708	253,588	1,079,833	4,908,129
Other charges, primarily claims	<u>4,371,949</u>	<u>1,308,931</u>	<u>1,412,452</u>	<u>7,093,332</u>
Total operating expenses	<u>7,946,657</u>	<u>1,562,519</u>	<u>2,492,285</u>	<u>12,001,461</u>
Operating income (loss)	288,935	(35,258)	392,638	646,315
Nonoperating income, investment earnings	<u>-</u>	<u>-</u>	<u>210</u>	<u>210</u>
Income (loss) before transfers	<u>288,935</u>	<u>(35,258)</u>	<u>392,848</u>	<u>646,525</u>
Transfers in	-	665,439	-	665,439
Transfers out	<u>(665,439)</u>	<u>-</u>	<u>-</u>	<u>(665,439)</u>
Total transfers	<u>(665,439)</u>	<u>665,439</u>	<u>-</u>	<u>-</u>
Change in net position	(376,504)	630,181	392,848	646,525
NET POSITION (DEFICIT), BEGINNING OF YEAR	<u>1,484,181</u>	<u>(808,787)</u>	<u>(1,031,653)</u>	<u>(356,259)</u>
NET POSITION (DEFICIT), END OF YEAR	<u>\$ 1,107,677</u>	<u>\$ (178,606)</u>	<u>\$ (638,805)</u>	<u>\$ 290,266</u>

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2013

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 8,231,963	\$ 1,517,520	\$ -	\$ 9,749,483
Receipts from interfund service transactions	-	-	2,884,923	2,884,923
Payments to claimants	(4,456,427)	(1,342,317)	(1,607,004)	(7,405,748)
Payments to suppliers	<u>(3,563,326)</u>	<u>(333,875)</u>	<u>(1,308,145)</u>	<u>(5,205,346)</u>
Net cash from operating activities	<u>212,210</u>	<u>(158,672)</u>	<u>(30,226)</u>	<u>23,312</u>
CASH FLOWS FROM NONCAPITAL ACTIVITIES				
Proceeds from interfund accounts	500,000	815,439	345,705	1,661,144
Payments to interfund accounts	<u>(665,439)</u>	<u>(650,000)</u>	-	<u>(1,315,439)</u>
Net cash from noncapital activities	<u>(165,439)</u>	<u>165,439</u>	<u>345,705</u>	<u>345,705</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	-	-	210	210
Sale of investments	-	-	36,431	36,431
Net cash from investing activities	<u>-</u>	<u>-</u>	<u>36,641</u>	<u>36,641</u>
INCREASE IN CASH AND CASH EQUIVALENTS	46,771	6,767	352,120	405,658
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,015,781</u>	<u>4,449</u>	<u>2,857,311</u>	<u>3,877,541</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,062,552</u>	<u>\$ 11,216</u>	<u>\$ 3,209,431</u>	<u>\$ 4,283,199</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ 288,935	\$ (35,258)	\$ 392,638	\$ 646,315
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Change in assets and liabilities:				
Receivables	(3,629)	775	-	(2,854)
Accounts payable and accrued expenses	11,382	(80,287)	(228,312)	(297,217)
Claims payable	(84,478)	(33,386)	(194,552)	(312,416)
Unearned revenue	-	(10,516)	-	(10,516)
Net cash from operating activities	<u>\$ 212,210</u>	<u>\$ (158,672)</u>	<u>\$ (30,226)</u>	<u>\$ 23,312</u>
Reconciliation of cash and cash equivalents to specific assets on the statement of net assets:				
Cash and investments	\$ 1,062,552	\$ 11,216	\$ 3,256,646	\$ 4,330,414
Less items not meeting the definition of cash equivalents	-	-	(47,215)	(47,215)
Cash and cash equivalents, end of year	<u>\$ 1,062,552</u>	<u>\$ 11,216</u>	<u>\$ 3,209,431</u>	<u>\$ 4,283,199</u>
Schedule of noncash items, investing activities, net (depreciation) in fair value of investments	\$ -	\$ -	\$ (4,136)	\$ (4,136)

PENSION TRUST FUNDS

PENSION TRUST FUNDS

Police Pension Fund: To account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from police force members at rates fixed by state statutes and City contributions 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 POSITION
PENSION TRUST FUNDS**

April 30, 2013

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
ASSETS			
Cash	\$ 748,347	\$ 1,058,825	\$ 1,807,172
Investments:			
U.S. government securities	5,049,826	-	5,049,826
U.S. government agencies and corporations	11,647,978	8,258	11,656,236
Annuities - fixed	2,510,630	13,440,480	15,951,110
Annuities - variable	-	28,730,156	28,730,156
Mutual funds	30,296,804	-	30,296,804
Corporate bonds	3,463,544	-	3,463,544
Receivables:			
Employee	11,327	5,827	17,154
Accrued interest	392,135	557	392,692
	<u>54,120,591</u>	<u>43,244,103</u>	<u>97,364,694</u>
Liabilities, accounts payable	<u>4,740</u>	<u>1,159</u>	<u>5,899</u>
NET POSITION, HELD IN TRUST FOR PENSION BENEFITS	<u><u>\$ 54,115,851</u></u>	<u><u>\$ 43,242,944</u></u>	<u><u>\$ 97,358,795</u></u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2013

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 3,311,122	\$ 3,115,854	\$ 6,426,976
Active members	924,614	694,258	1,618,872
Other sources	38,910	-	38,910
Total contributions	<u>4,274,646</u>	<u>3,810,112</u>	<u>8,084,758</u>
Net investment income:			
Net appreciation (depreciation) in fair value of investments	3,100,632	4,362,804	7,463,436
Interest	<u>1,430,370</u>	<u>7,292</u>	<u>1,437,662</u>
Total investment income	4,531,002	4,370,096	8,901,098
Less investment expense	57,701	-	57,701
Net investment income	<u>4,473,301</u>	<u>4,370,096</u>	<u>8,843,397</u>
Total additions	<u>8,747,947</u>	<u>8,180,208</u>	<u>16,928,155</u>
Deductions:			
Benefits	4,147,017	3,925,617	8,072,634
Administrative expenses	<u>84,930</u>	<u>73,627</u>	<u>158,557</u>
Total deductions	<u>4,231,947</u>	<u>3,999,244</u>	<u>8,231,191</u>
Net increase	4,516,000	4,180,964	8,696,964
NET POSITION HELD IN TRUST FOR BENEFITS, BEGINNING OF YEAR	<u>49,599,851</u>	<u>39,061,980</u>	<u>88,661,831</u>
NET POSITION HELD IN TRUST FOR BENEFITS, END OF YEAR	<u>\$ 54,115,851</u>	<u>\$ 43,242,944</u>	<u>\$ 97,358,795</u>

CITY OF BLOOMINGTON, ILLINOIS

STATISTICAL SECTION

TABLE OF CONTENTS

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

	<u>Page</u>
FINANCIAL TRENDS	
These schedules contain information to help the reader understand how the City’s financial performance and well-being have changed over time.....	115-124
REVENUE CAPACITY	
These schedules contain information to help the reader assess the City’s most significant local revenue sources, the property tax (or sales tax).	125-132
DEBT CAPACITY	
These schedules present information to help the reader assess the affordability of the City’s current level of outstanding debt and the City’s ability to issue additional debt in the future	133-136
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place	137-138
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs	139-143

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

CITY OF BLOOMINGTON, ILLINOIS

STATISTICAL SECTION
COMMENTS RELATIVE TO STATISTICAL SECTION

The following statistical table recommended 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 Position by Component, Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2004	2005	2006	2007
Governmental activities:				
Net investment in capital assets	\$ 102,956,350	\$ 80,134,161	\$ 129,599,203	\$ 134,912,639
Restricted	15,357,846	19,826,638	18,797,111	21,217,816
Unrestricted	26,665,486	55,337,694	16,708,698	13,194,642
Total governmental activities net position	\$ 144,979,682	\$ 155,298,493	\$ 165,105,012	\$ 169,325,097
Business-type activities:				
Net investment in capital assets	\$ 121,523,887	\$ 121,814,898	\$ 129,681,276	\$ 137,465,199
Restricted	-	-	-	-
Unrestricted	1,366,819	5,338,425	(2,228,945)	(1,912,857)
Total business-type activities net position	\$ 122,890,706	\$ 127,153,323	\$ 127,452,331	\$ 135,552,342
Primary government:				
Net investment in capital assets	\$ 224,480,237	\$ 201,949,059	\$ 259,280,479	\$ 272,377,838
Restricted	15,357,846	19,826,638	18,797,111	21,217,816
Unrestricted	28,032,305	60,676,119	14,479,753	11,281,785
Total primary government net position	\$ 267,870,388	\$ 282,451,816	\$ 292,557,343	\$ 304,877,439

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 Position reported as Investment in Capital Assets in the Governmental Activities in the Statement of Net Position does not include the debt balance as of April 30, 2009 totaling \$32,385,635, as this debt did not produce a capital asset for the governmental activities. However, the debt is included in the calculation of the Net Position Investment in Capital Assets in the total primary government column on the Statement of Net Position.

Fiscal Year

2008	2009	2010	2011	2012	2013
\$ 136,491,878	\$ 148,943,795	\$ 146,605,302	\$ 141,998,425	\$ 136,951,012	\$ 145,487,378
25,805,238	22,297,585	23,752,833	24,047,676	21,180,702	21,970,497
(24,458,320)	(32,779,575)	(25,676,528)	(20,669,872)	(28,282,415)	(27,244,010)
<u>\$ 137,838,796</u>	<u>\$ 138,461,805</u>	<u>\$ 144,681,607</u>	<u>\$ 145,376,229</u>	<u>\$ 129,849,299</u>	<u>\$ 140,213,865</u>
\$ 173,090,693	\$ 178,771,230	\$ 176,370,673	\$ 179,044,574	\$ 180,602,114	\$ 173,334,004
-	-	-	-	731,077	1,731,542
(13,609,094)	(16,170,178)	(11,160,182)	(5,141,805)	(3,234,615)	5,646,593
<u>\$ 159,481,599</u>	<u>\$ 162,601,052</u>	<u>\$ 165,210,491</u>	<u>\$ 173,902,769</u>	<u>\$ 178,098,576</u>	<u>\$ 180,712,139</u>
\$ 277,453,948	\$ 295,641,977	\$ 291,052,732	\$ 288,324,761	\$ 284,888,303	\$ 286,445,538
25,805,238	22,297,585	23,752,833	24,047,676	21,911,779	23,702,039
(5,938,791)	(16,876,705)	(4,913,467)	6,906,561	1,147,793	10,778,427
<u>\$ 297,320,395</u>	<u>\$ 301,062,857</u>	<u>\$ 309,892,098</u>	<u>\$ 319,278,998</u>	<u>\$ 307,947,875</u>	<u>\$ 320,926,004</u>

CITY OF BLOOMINGTON, ILLINOIS

Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2004	2005	2006	2007	2008
Expenses					
Governmental Activities:					
General government	\$ 11,863,297	\$ 9,315,837	\$ 8,522,974	\$ 12,249,314	\$ 18,338,392
Public safety	18,816,277	22,632,094	26,344,845	29,812,433	34,450,276
Highways and streets	12,881,016	11,228,589	9,384,880	10,833,763	12,575,599
Sanitation	8,221,203	9,603,786	10,195,565	11,774,446	9,449,458
Health and welfare	372,700	333,600	321,696	337,484	341,668
Culture and recreation	12,391,433	13,253,966	18,305,653	13,104,306	19,430,710
Parking	-	-	-	-	-
Community development	3,601,348	3,875,334	6,756,891	4,245,643	1,722,641
Interest on long-term debt	1,371,371	3,429,408	2,966,747	2,159,138	3,511,061
Total governmental activities expenses	<u>69,518,645</u>	<u>73,672,614</u>	<u>82,799,251</u>	<u>84,516,527</u>	<u>99,819,805</u>
Business-type activities:					
Water	8,971,757	8,986,194	10,531,819	10,816,896	12,593,489
Solid waste	-	-	-	-	-
Sewer	2,581,981	2,423,695	2,607,931	2,640,707	3,036,276
Golf operations	-	-	-	-	-
Parking	1,028,987	1,080,682	1,054,418	1,089,003	1,276,654
U.S. Cellular Coliseum	49,159	462,974	3,084,480	7,616,166	4,924,998
Stormwater management	-	844,984	1,708,820	1,123,667	2,569,307
Total business-type activities expenses	<u>12,631,884</u>	<u>13,798,529</u>	<u>18,987,468</u>	<u>23,286,439</u>	<u>24,400,724</u>
Total primary government expenses	<u>82,150,529</u>	<u>87,471,143</u>	<u>101,786,719</u>	<u>107,802,966</u>	<u>124,220,529</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	4,573,663	6,360,215	6,889,902	7,589,775	4,728,635
Public safety	1,195,762	1,240,643	2,269,302	3,269,733	4,176,833
Highway and streets	44,479	290,843	302,484	318,765	253,236
Sanitation	-	-	-	-	1,852,591
Culture and recreation	3,295,253	3,828,057	3,849,409	4,721,847	5,283,744
Parking	-	-	-	-	-
Community development	-	-	-	-	5,250
Operating grants and contributions:					
General government	2,022,589	1,643,091	1,541,092	1,321,270	776,794
Public safety	238,157	115,913	430,063	233,075	217,603
Highway and streets	-	-	2,355,285	2,032,365	2,158,822
Culture and recreation	2,016,740	121,005	108,909	123,356	134,062
Community development	1,047,303	1,281,005	1,183,180	903,969	932,531
Capital grants and contributions:					
General government	-	-	-	-	9,738
Public safety	-	-	9,375	7,997	33,563
Highway and streets	4,125,266	4,651,148	4,807,027	5,487,477	6,172,528
Sanitation	-	-	-	-	173,973
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	28,888	666,490
Community development	-	-	19,011	31,782	16,875
Total governmental activities program revenues	<u>18,559,212</u>	<u>19,531,920</u>	<u>23,765,039</u>	<u>26,070,299</u>	<u>27,593,268</u>

	Fiscal Year				
	2009	2010	2011	2012	2013
\$	21,635,391	\$ 18,403,813	\$ 21,269,595	\$ 18,090,767	\$ 14,421,291
	35,549,737	34,729,564	33,941,689	44,705,349	44,463,306
	13,016,483	9,183,775	11,035,611	17,919,414	15,780,609
	9,740,729	9,497,778	3,407,975	-	-
	385,763	227,381	185,254	7,009	-
	19,693,469	18,704,065	15,635,645	17,440,404	16,077,959
	-	-	-	-	598,649
	2,581,821	2,585,904	3,006,136	844,938	821,486
	3,818,741	3,079,173	3,091,812	2,885,111	2,960,261
	<u>106,422,134</u>	<u>96,411,453</u>	<u>91,573,717</u>	<u>101,892,992</u>	<u>95,123,561</u>
	13,304,208	11,913,635	11,417,741	14,709,029	13,618,340
	-	-	6,420,312	5,862,358	6,240,362
	2,978,211	2,671,316	2,519,349	3,592,333	5,731,335
	-	-	2,940,876	2,760,286	2,705,867
	1,320,417	1,194,730	1,365,633	1,116,163	287,004
	5,487,127	4,316,453	4,745,413	4,805,847	4,430,258
	1,883,729	1,421,742	1,969,551	2,268,299	2,242,027
	<u>24,973,692</u>	<u>21,517,876</u>	<u>31,378,875</u>	<u>35,114,315</u>	<u>35,255,193</u>
	<u>131,395,826</u>	<u>117,929,329</u>	<u>122,952,592</u>	<u>137,007,307</u>	<u>130,378,754</u>
	4,627,434	4,181,471	4,406,488	4,235,809	4,073,958
	4,366,710	5,287,104	4,490,756	5,045,013	5,779,223
	440,101	270,070	112,721	707,684	871,572
	2,494,153	4,833,700	587,510	-	-
	5,490,683	5,353,983	2,760,663	2,856,130	2,952,864
	-	-	-	-	540,765
	-	-	3,609	1	-
	827,948	747,049	941,168	807,945	742,693
	230,740	384,535	623,262	302,575	172,588
	2,723,520	1,953,251	2,283,401	2,275,072	2,214,382
	179,901	284,737	146,574	126,590	45,875
	1,496,741	1,081,081	1,311,676	826,725	965,484
	-	-	16,728	-	-
	297,303	75,900	44,211	89,015	9,856
	8,134,855	2,424	2,391,243	2,162,696	3,403,664
	-	-	-	-	-
	2,500	-	-	-	-
	125,789	1,432,241	248,879	28,142	17,202
	8,142	-	-	-	-
	<u>31,446,520</u>	<u>25,887,546</u>	<u>20,368,889</u>	<u>19,463,397</u>	<u>21,790,126</u>

CITY OF BLOOMINGTON, ILLINOIS

Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2004	2005	2006	2007	2008
Business-type activities:					
Charges for services:					
Water	\$ 11,929,664	\$ 11,762,235	\$ 12,864,096	\$ 12,087,513	\$ 14,291,026
Solid waste	-	-	-	-	-
Sewer	2,186,887	2,165,669	2,317,337	2,217,580	2,445,451
Golf operations	-	-	-	-	-
Parking	656,059	737,942	881,386	938,303	967,286
U.S. Cellular Coliseum	-	-	484,031	4,339,574	3,806,995
Stormwater management	-	1,391,849	2,661,831	2,502,706	2,801,809
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	1,230,049	1,527,040
Sewer	1,107,822	546,457	1,036,379	2,023,214	1,737,800
Stormwater management	-	158,186	200,451	40,000	58,000
Total business-type activities program revenues	<u>17,009,652</u>	<u>18,375,683</u>	<u>21,221,420</u>	<u>25,378,939</u>	<u>27,635,407</u>
Total primary government program revenues	<u>35,568,864</u>	<u>37,907,603</u>	<u>44,986,459</u>	<u>51,449,238</u>	<u>55,228,675</u>
Net (Expense)/Revenue					
Governmental activities	(50,959,433)	(54,140,694)	(59,034,212)	(58,446,228)	(72,226,537)
Business-type activities	<u>4,377,768</u>	<u>4,577,154</u>	<u>2,233,952</u>	<u>2,092,500</u>	<u>3,234,683</u>
Total primary government net expense	<u>(46,581,665)</u>	<u>(49,563,540)</u>	<u>(56,800,260)</u>	<u>(56,353,728)</u>	<u>(68,991,854)</u>
General Revenues and Other					
Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	14,781,434	15,523,328	16,628,517	16,990,609	21,432,299
Franchise taxes	880,155	908,809	984,688	1,071,052	1,200,831
Sales tax	12,921,369	13,714,717	15,296,099	14,371,986	14,516,483
Home rule sales tax	-	11,212,571	11,859,024	11,606,487	11,081,893
Utility taxes	5,209,817	5,478,337	5,492,035	5,201,329	5,430,000
Income taxes	3,909,506	4,515,877	5,012,999	6,385,846	6,903,198
Food and beverage	-	3,184,108	3,330,564	3,547,681	3,537,421
Other taxes	19,954,451	4,214,587	5,734,824	4,260,465	5,696,800
Investment earnings	1,983,582	1,490,494	2,625,417	2,316,843	1,153,736
Miscellaneous	3,496,999	3,790,779	2,741,346	2,185,659	2,467,166
Transfers	1,484,861	425,898	2,719,148	(5,271,644)	(31,441,761)
Total governmental activities	<u>64,622,174</u>	<u>64,459,505</u>	<u>72,424,661</u>	<u>62,666,313</u>	<u>41,978,066</u>
Business-type activities:					
Home rule sales tax	-	-	-	-	-
Investment earnings	7,973	43,062	59,570	83,173	75,192
Miscellaneous	702,158	68,299	724,634	652,694	934,256
Gain (loss) on sale of assets	-	-	-	-	12,943
Transfers	<u>(1,484,861)</u>	<u>(425,898)</u>	<u>(2,719,148)</u>	<u>5,271,644</u>	<u>31,441,761</u>
Total business-type activities	<u>(774,730)</u>	<u>(314,537)</u>	<u>(1,934,944)</u>	<u>6,007,511</u>	<u>32,464,152</u>
Total primary government	<u>63,847,444</u>	<u>64,144,968</u>	<u>70,489,717</u>	<u>68,673,824</u>	<u>74,442,218</u>
Change in Net Position:					
Governmental activities	13,662,741	10,318,811	13,390,449	4,220,085	(30,248,471)
Business-type activities	<u>3,603,038</u>	<u>4,262,617</u>	<u>299,008</u>	<u>8,100,011</u>	<u>35,698,835</u>
Total primary government	<u>\$ 17,265,779</u>	<u>\$ 14,581,428</u>	<u>\$ 13,689,457</u>	<u>\$ 12,320,096</u>	<u>\$ 5,450,364</u>

	Fiscal Year				
	2009	2010	2011	2012	2013
\$ 13,590,410	\$ 14,166,454	\$ 15,645,249	\$ 16,661,190	\$ 17,634,395	
-	-	4,282,084	4,313,505	4,890,868	
2,524,990	3,206,540	3,854,987	4,628,747	5,353,308	
-	-	2,640,194	2,658,486	2,496,674	
969,091	3,136,452	821,278	732,200	344,802	
3,846,337	2,804,003	3,731,540	3,728,185	3,562,252	
2,754,972	844,666	2,780,282	2,763,912	2,730,053	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
2,060,678	-	58,190	481,694	772,590	
1,612,880	-	121,433	945,750	630,793	
83,000	-	1,500	-	-	
<u>27,442,358</u>	<u>24,158,115</u>	<u>33,936,737</u>	<u>36,913,669</u>	<u>38,415,735</u>	
<u>58,888,878</u>	<u>50,045,661</u>	<u>54,305,626</u>	<u>56,377,066</u>	<u>60,205,861</u>	
(74,975,614)	(70,523,907)	(71,204,828)	(82,429,595)	(73,333,435)	
<u>2,468,666</u>	<u>2,640,239</u>	<u>2,557,862</u>	<u>1,799,354</u>	<u>3,160,542</u>	
<u>(72,506,948)</u>	<u>(67,883,668)</u>	<u>(68,646,966)</u>	<u>(80,630,241)</u>	<u>(70,172,893)</u>	
22,727,412	23,386,613	25,465,406	23,954,699	23,733,551	
1,301,239	1,453,175	1,840,488	1,880,327	1,975,390	
13,310,929	12,802,414	12,967,729	13,376,536	15,014,025	
13,438,958	13,718,465	13,711,320	14,251,763	12,147,780	
5,487,413	4,945,364	3,026,589	2,892,668	2,972,863	
6,831,333	5,954,799	5,845,551	6,225,737	6,904,133	
3,790,636	3,771,842	3,805,477	3,960,486	4,184,431	
6,114,645	5,689,780	7,988,053	8,561,867	10,864,287	
(3,044,846)	2,226,564	989,986	82,170	65,877	
2,485,164	1,968,950	1,665,977	1,589,103	1,771,832	
291,739	825,743	(5,407,126)	(921,878)	3,296,836	
<u>72,734,622</u>	<u>76,743,709</u>	<u>71,899,450</u>	<u>75,853,478</u>	<u>82,931,005</u>	
-	-	-	-	1,309,531	
12,308	10,522	62,633	23,508	17,545	
1,063,651	810,375	664,659	463,639	783,928	
(960)	(825,743)	-	-	-	
<u>(291,739)</u>	<u>-</u>	<u>5,407,126</u>	<u>921,878</u>	<u>(3,296,836)</u>	
<u>783,260</u>	<u>(4,846)</u>	<u>6,134,418</u>	<u>1,409,025</u>	<u>(1,185,832)</u>	
<u>73,517,882</u>	<u>76,738,863</u>	<u>78,033,868</u>	<u>77,262,503</u>	<u>81,745,173</u>	
(2,240,992)	6,219,802	694,622	(6,576,117)	9,597,570	
<u>3,251,926</u>	<u>2,635,393</u>	<u>8,692,280</u>	<u>3,208,379</u>	<u>1,974,710</u>	
<u>\$ 1,010,934</u>	<u>\$ 8,855,195</u>	<u>\$ 9,386,902</u>	<u>\$ (3,367,738)</u>	<u>\$ 11,572,280</u>	

CITY OF BLOOMINGTON, ILLINOIS

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

	Fiscal Year			
	2004	2005	2006	2007
General fund:				
Reserved	\$ 1,511,498	\$ 5,822,565	\$ 8,755,940	\$ 6,512,511
Unreserved	12,919,082	13,698,432	8,044,345	2,053,859
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total general fund	<u>\$ 14,430,580</u>	<u>\$ 19,520,997</u>	<u>\$ 16,800,285</u>	<u>\$ 8,566,370</u>
All other governmental funds:				
Reserved	\$ 11,124,746	\$ 46,294,843	\$ 25,493,780	\$ 17,130,213
Unreserved, reported in:				
Special revenue funds	7,112,627	3,863,304	3,605,494	4,648,525
Debt service funds	3,127,926	6,717,153	7,426,166	8,975,001
Capital projects funds	6,246,353	(1,215,142)	(5,857,428)	(2,437,466)
Permanent funds	2,004,717	2,170,063	2,675,935	3,250,226
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 29,616,369</u>	<u>\$ 57,830,221</u>	<u>\$ 33,343,947</u>	<u>\$ 31,566,499</u>
Total fund balance	<u>\$ 44,046,949</u>	<u>\$ 77,351,218</u>	<u>\$ 50,144,232</u>	<u>\$ 40,132,869</u>

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

Fiscal Year					
2008	2009	2010	2011	2012	2013
\$ 3,487,978	\$ 1,979,663	\$ 1,077,903	\$ 1,137,339	\$ -	\$ -
(108,628)	2,143,575	9,666,497	14,472,349	-	-
-	-	-	-	3,033,252	999,277
-	-	-	-	567,069	-
-	-	-	-	-	-
-	-	-	-	1,600,094	2,890,988
-	-	-	-	11,005,484	15,996,257
<u>\$ 3,379,350</u>	<u>\$ 4,123,238</u>	<u>\$ 10,744,400</u>	<u>\$ 15,609,688</u>	<u>\$ 16,205,899</u>	<u>\$ 19,886,522</u>
\$ 17,709,194	\$ 22,141,631	\$ 22,183,539	\$ 19,742,871	\$ -	\$ -
3,149,423	4,309,132	4,548,701	6,490,469	-	-
10,410,502	-	-	-	-	-
215,166	(3,263,396)	(1,463,076)	162,454	-	-
2,997,312	860,349	2,366,709	3,218,845	-	-
-	-	-	-	1,552,882	1,276,843
-	-	-	-	16,457,650	16,287,019
-	-	-	-	3,784,010	4,950,203
-	-	-	-	3,010,072	2,968,527
-	-	-	-	(9,218)	(15,314)
<u>\$ 34,481,597</u>	<u>\$ 24,047,716</u>	<u>\$ 27,635,873</u>	<u>\$ 29,614,639</u>	<u>\$ 24,795,396</u>	<u>\$ 25,467,278</u>
<u>\$ 37,860,947</u>	<u>\$ 28,170,954</u>	<u>\$ 38,380,273</u>	<u>\$ 45,224,327</u>	<u>\$ 41,001,295</u>	<u>\$ 45,353,800</u>

CITY OF BLOOMINGTON, ILLINOIS

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2004	2005	2006	2007
Revenues:				
Taxes	\$ 51,692,304	\$ 58,742,153	\$ 63,076,831	\$ 64,695,140
Intergovernmental	11,242,773	5,279,616	5,618,529	4,614,035
Licenses and permits	1,220,639	1,230,803	1,226,067	1,323,956
Charges for services	7,052,141	8,233,718	10,189,033	12,498,842
Fines and forfeitures	836,377	961,790	1,035,756	1,140,217
Investment income	1,404,675	1,530,738	2,464,821	2,056,537
Other	3,450,556	2,122,887	2,673,437	2,185,659
Total revenues	<u>76,899,465</u>	<u>78,101,705</u>	<u>86,284,474</u>	<u>88,514,386</u>
Expenditures				
Current:				
General government	9,717,458	8,341,534	9,066,044	12,108,930
Public safety	21,208,982	23,132,980	26,886,389	29,544,586
Highways and streets	7,848,841	5,379,132	8,693,929	5,543,205
Sanitation	9,306,027	9,269,284	10,279,429	11,294,366
Health and welfare	372,180	333,432	324,525	337,589
Culture and recreation	12,757,737	24,031,900	46,786,617	18,245,813
Community development	3,817,235	4,033,837	7,099,653	4,244,130
Parking	-	-	-	-
Capital outlay	6,803,445	3,770,612	9,226,688	7,879,489
Debt service:				
Principal	4,522,146	3,545,586	4,369,554	3,747,517
Bond issuance costs	-	335,977	127,674	-
Interest and fiscal agent fees	1,053,574	2,459,702	3,278,319	1,838,008
Total expenditures	<u>77,407,625</u>	<u>84,633,976</u>	<u>126,138,821</u>	<u>94,783,633</u>
Excess of revenues over (under) expenditures	<u>(508,160)</u>	<u>(6,532,271)</u>	<u>(39,854,347)</u>	<u>(6,269,247)</u>
Other financing sources (uses)				
Transfers in	3,018,578	5,977,886	9,139,667	10,374,894
Transfers out	(1,533,717)	(5,373,125)	(9,212,666)	(14,318,798)
Bonds issued, at par	10,000,000	39,288,472	12,128,000	128,362
Refunding bonds	-	3,365,000	-	-
Capital leases	-	-	-	-
Payment to refunded bond escrow agent	-	(3,365,000)	-	-
Premium (discount) on long-term debt	149,320	(424,582)	93,628	-
Capital contributions	-	-	-	-
Proceeds from sale of property	235,436	367,889	498,732	73,426
Total other financing sources (uses)	<u>11,869,617</u>	<u>39,836,540</u>	<u>12,647,361</u>	<u>(3,742,116)</u>
Net change in fund balances	<u>\$ 11,361,457</u>	<u>\$ 33,304,269</u>	<u>\$ (27,206,986)</u>	<u>\$ (10,011,363)</u>
Debt service as a percentage of noncapital expenditures	9.0%	9.6%	10.1%	11.7%

	Fiscal Year				
2008	2009	2010	2011	2012	2013
\$ 70,029,067	\$ 73,000,976	\$ 71,720,876	\$ 74,643,879	\$ 74,983,554	\$ 77,800,146
4,858,283	7,557,309	5,498,859	7,695,144	4,980,530	4,168,080
1,299,784	1,159,244	1,096,428	1,017,742	1,120,226	1,280,698
14,037,630	15,201,644	17,680,232	10,458,645	10,642,257	11,745,246
962,875	1,058,196	1,149,668	900,787	1,031,879	1,192,438
685,728	(1,796,445)	1,719,064	970,231	76,208	65,667
2,467,166	2,480,562	1,964,350	1,661,377	1,584,503	1,767,232
<u>94,340,533</u>	<u>98,661,486</u>	<u>100,829,477</u>	<u>97,347,805</u>	<u>94,419,157</u>	<u>98,019,507</u>
16,787,245	20,301,571	17,547,660	20,710,593	16,685,623	13,823,919
31,251,494	32,027,770	31,467,245	31,223,244	42,026,078	41,102,503
5,331,028	8,427,235	6,323,406	4,831,185	9,452,467	9,484,042
8,932,278	8,994,956	9,045,286	3,707,985	-	-
337,607	375,591	219,711	224,099	-	-
17,063,156	16,969,886	16,264,050	13,337,386	14,686,438	13,821,831
2,069,292	2,889,084	3,042,173	3,016,860	785,577	773,068
-	-	-	-	-	439,483
12,268,293	10,430,629	3,943,966	6,184,117	8,415,354	9,055,786
3,494,506	5,640,125	3,665,785	3,911,487	1,507,216	4,415,866
-	-	59,573	-	165,794	-
2,893,378	3,433,882	3,056,065	3,112,038	2,912,844	2,947,855
<u>100,428,277</u>	<u>109,490,729</u>	<u>94,634,920</u>	<u>90,258,994</u>	<u>96,637,391</u>	<u>95,864,353</u>
<u>(6,087,744)</u>	<u>(10,829,243)</u>	<u>6,194,557</u>	<u>7,088,811</u>	<u>(2,218,234)</u>	<u>2,155,154</u>
9,284,990	7,728,999	9,144,555	8,496,107	10,543,930	9,996,417
(8,783,275)	(7,437,260)	(8,318,812)	(9,005,355)	(11,965,808)	(10,977,001)
3,740,000	-	-	-	6,181,620	-
-	-	2,840,000	-	5,075,000	-
-	-	-	-	1,594,476	2,592,610
-	-	-	-	(5,182,083)	-
11,698	-	(46,282)	-	196,695	-
-	-	-	-	-	-
411,022	109,909	395,301	264,491	172,368	63,664
<u>4,664,435</u>	<u>401,648</u>	<u>4,014,762</u>	<u>(244,757)</u>	<u>6,616,198</u>	<u>1,675,690</u>
<u>\$ (1,423,309)</u>	<u>\$ (10,427,595)</u>	<u>\$ 10,209,319</u>	<u>\$ 6,844,054</u>	<u>\$ 4,397,964</u>	<u>\$ 3,830,844</u>
8.8%	9.7%	8.0%	11.1%	7.8%	8.4%

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>
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
2011	1,161,010,532	629,450,497	8,368,378	614,629	690,246
2012	1,135,803,071	616,446,829	8,088,718	626,174	739,773

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>
\$ 1,351,696,013	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%
1,800,134,282	0.05%	1.3103	5,400,402,846	33.33%
1,761,704,565	-2.13%	1.3161	5,285,113,695	33.33%

CITY OF BLOOMINGTON, ILLINOIS

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years**

City Direct Rates										
Fiscal	Illinois									Total Direct
	General Fund	Fire Pension Fund	Police Pension Fund	Municipal Retirement Fund	Judgment Fund	Bond and Interest Fund	Public Benefit Fund	Public Library Fund	Audit Fund	
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
2011	0.44285	0.17285	0.18370	0.13904	-	0.12111	-	0.25073	-	1.31028
2012	0.44838	0.16509	0.18060	0.14207	-	0.12376	-	0.25620	-	1.31610

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
4.43450	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
4.65741	0.91571	0.12829	0.16390	0.15486	-	0.47584	6.49601	7.8063
4.72322	0.91165	0.14145	0.16402	0.12745	-	0.48255	6.55034	7.8664

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Taxpayer</u>	2012		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
State Farm Insurance Company	\$ 172,020,615	1	9.04%
Eastland Mall	17,137,921	2	0.90%
Country Life Insurance Company	13,099,549	3	0.69%
Illinois Agricultural Association	9,280,347	4	0.49%
Brickyard Complex	8,507,083	5	0.45%
Wingover Apartments	6,520,730	6	0.34%
Westminister Village	6,029,494	7	0.32%
US REIF Parkway Fee LLC	5,573,494	8	0.29%
Wal-Mart	5,146,997	9	0.27%
Turneberry Village	4,433,454	10	0.23%
General Telephone Co	-		-
M & J/LJP Parkway LP	-		-
DPR Limited-IRS Distribution Center	-		-
BT Bloomington	-		-
Totals	\$ 247,749,684		13.03%

Source: City of Bloomington Township

Note: Total 2002* Assessed Valuation \$ 1,191,994,423

Total 2012 Assessed Valuation \$ 1,902,091,707

*2002 assessed values were used as 2003 assessed values were not readily available.

2002*

<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
\$ 77,294,291	1	6.48%
10,335,913	3	0.87%
10,519,250	2	0.88%
9,189,677	4	0.77%
5,797,886	6	0.49%
4,974,128	8	0.42%
5,875,169	5	0.49%
5,375,312	7	0.45%
4,175,256	9	0.35%
<u>3,988,147</u>	10	<u>0.33%</u>
<u>\$ 137,525,029</u>		<u>11.54%</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
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	23,586,905	23,572,329	99.94%	-	23,572,329	99.94%
2013	2011	23,586,905	23,544,567	99.82%	-	23,544,567	99.82%
2014**	2012	-	-	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

** 2012 levy will be collected in fiscal year 2014

CITY OF BLOOMINGTON, ILLINOIS

**SALES TAX REVENUE
Last Ten Fiscal Years
(Unaudited)**

<u>Fiscal Year</u>	<u>State Sales Tax</u>	<u>Tax Rate*</u>	<u>Home Rule Sales Tax</u>	<u>Tax Rate**</u>	<u>Total Sales Taxes</u>
2004	#	1.00%	#	1.25%	#
2005	\$ 12,858,196	1.00%	\$ 11,624,134	1.25%	\$ 24,482,330
2006	14,123,222	1.00%	12,231,126	1.25%	26,354,348
2007	13,419,819	1.00%	12,320,596	1.25%	25,740,415
2008	13,149,421	1.00%	11,766,331	1.25%	24,915,752
2009	12,915,142	1.00%	13,438,958	1.50%	26,354,100
2010	12,499,420	1.00%	13,718,466	1.50%	26,217,886
2011	12,687,593	1.00%	13,711,320	1.50%	26,398,913
2012	13,055,794	1.00%	14,251,763	1.50%	27,307,557
2013	14,716,743	1.00%	15,357,311	1.50%	30,074,054

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

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

** A 0.25% increase in the home rule sales tax became effective in fiscal year 2009. This increase sunsets July 1, 2015.

Data for fiscal year 2004 was not readily available.

CITY OF BLOOMINGTON

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

Fiscal Year	Governmental Activities			Business-Type Activities	
	General Obligation Bonds	Capital Lease Payable	Developer Agreements	General Obligation Bonds	Loan Payable
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
2012	71,837,022	1,451,944	-	7,223,583	6,501,727
2013	68,613,251	6,124,603	-	7,050,073	12,547,689

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.

<u>Business-Type Activities</u>				
<u>Capital Lease Payable</u>	<u>Note Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ -	\$ -	\$ 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
2,366,193	10,489,855	99,870,324	3.252%	1,303.62
5,908,123	12,073,084	112,316,823	3.485%	1,457.32

CITY OF BLOOMINGTON, ILLINOIS

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

Fiscal Year	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt	Percentage of Actual Property Value	Debt Per Capita
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%	813.05
2012	79,060,605	11,359,661	67,700,944	3.76%	883.71
2013	75,663,324	11,727,677	63,935,647	3.63%	829.57

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, 2013
(Unaudited)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping</u>
Bloomington Normal Airport Authority	\$54,689,991	67.80%	\$ 37,079,814
Bloomington Schools District #87	52,387,492	99.68%	52,219,852
Normal Schools District #5	225,317,703	45.41%	102,316,769
Tri-Valley Community Unit School District #3	5,921,278	0.52%	30,791
Olympia Unit #16	16,732,086	55.18%	9,232,765
Heartland Community College #540	109,951,060	60.46%	66,476,411
County of McLean	480,278	49.07%	235,672
McLean County Public Building Commission	14,851,038	49.07%	<u>7,287,404</u>
Subtotal, Overlapping Debt			274,879,478
City direct debt	74,737,854		<u>74,737,854</u>
Total direct and overlapping debt			<u><u>\$ 349,617,332</u></u>

Source: Debt outstanding provided by each governmental unit.
Overlapping debt percentages based on McLean County 2012 EAV.

The overlapping debt percentage of each governmental unit is applied to their outstanding debt.

CITY OF BLOOMINGTON, ILLINOIS

**DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
(Unaudited)**

<u>Calendar Year</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 (3)</u>	<u>Median House Costs</u>	<u>Unemployment Rate (2)</u>	<u>Annual Airport Usage (3)</u>
2003	66,645	\$ 32,238	\$ 2,148,502	31	7544	\$ 153,422	2.70%	211,828
2004	68,507	32,195	2,205,583	31	7777	161,135	4.60%	224,655
2005	68,507	33,703	2,308,891	30	7139	166,274	4.10%	232,089
2006	74,975	34,511	2,587,462	30	7589	167,963	3.50%	262,409
2007	74,975	35,546	2,665,061	31	7685	171,859	4.00%	269,839
2008	74,975	36,082	2,705,248	31	7324	177,194	5.00%	268,860
2009	74,975	38,985	2,922,900	31	5304*	166,533	7.10%	250,135
2010	74,975	38,695	2,901,158	31	5250 *	176,909	7.70%	280,974
2011	76,610	41,816	3,203,524	32	5414 *	169,413	7.20%	290,974
2012	77,071	41,816	3,222,801	32.3	5338 *	171,991	6.20%	243,848

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 calendar year 2009.

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Employer</u>	2013			2004		
	<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	14,935	1	16.5%	15,846	1	16.6%
Illinois State University	3,251	2	3.6%	3,372	3	3.5%
Country Insurance and Financial Services	1,955	3	2.2%	1,366	6	1.4%
Unit 5 Schools	1,674	4	1.8%	1,638	5	1.7%
Advocate BroMenn Medical Center	1,347	5	1.5%	1,900	4	2.0%
Mitsubishi Motor Manufacturing	1,294	6	1.4%	3,397	2	3.6%
OSF-St. Joseph Medical Center	1,028	7	1.1%	959	8	1.0%
McLean County Government	806	8	0.9%	909	9	1.0%
District 87 Schools	700	9	0.8%			
Afni, Inc.	700	10	0.8%	1,045	7	1.1%
City of Bloomington				859	10	0.9%
Total top 10 employers	<u>27,690</u>		<u>30.5%</u>	<u>31,291</u>		<u>32.8%</u>
Total Labor Force	90,654			95,526		

Source: Bloomington-Normal Economic Development Demographic Profile

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

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Function/Program</u>	<u>Full-Time Equivalent Employees as of April 30</u>									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013*</u>
General Government:										
Legislative	9	9	-	-	-	-	-	-	-	-
City Manager	4	4	13	14	14	14	8	8	9	4
City Clerk	3	4	4	4	4	4	3	3	3	3
Personnel	9	10	10	10	10	8	8	7	9	8
Finance	14	15	17	15	15	12	9	9	10	11
Information Services	9	10	14	15	15	15	10	10	10	10
Legal	5	5	6	5	5	6	5	5	6	6
Building Safety	19	21	16	15	15	15	11	11	11	12
Planning	3	3	3	3	3	3	1	1	1	1
Facility Management	2	2	3	4	4	3	3	3	3	3
Community Development	7	7	3	3	3	2	-	-	-	1
Code Enforcement	-	-	11	11	11	13	11	11	12	11
Parks and Recreation:										
General and Administration	32	34	38	39	39	38	37	37	43	27
SOAR	6	6	7	7	7	7	6	6	6	2
Recreation	23	24	25	26	26	23	16	16	15	5
Pool(s)	9	8	4	8	8	9	8	8	7	1
Zoo	15	16	17	18	18	16	15	15	14	9
Forestry	4	4	6	-	-	-	-	-	-	-
Golf Course(s)	40	40	40	39	39	38	34	34	30	7
Public Ice Rink	-	-	8	12	12	11	11	11	11	3
Police:										
Officers and Civilians	141	146	170	163	163	178	157	160	162	158
Fire:										
Firefighters, Officers and Civilian	97	102	98	117	117	117	109	109	109	109
Public Works:										
Administration	4	4	4	4	4	4	3	3	4	3
Street Maintenance	16	16	16	16	16	16	32	32	22	17
Street Sweeping	4	1	1	1	1	1	-	-	-	-
Snow and Ice Control	4	4	4	4	4	4	-	-	-	-
Refuse collection	47	50	50	50	50	50	59	59	58	-
Weed Control	3	2	2	2	2	2	-	-	-	-
Fleet Management	7	9	10	11	12	11	9	9	9	9
Street Lighting	1	1	2	2	2	2	-	-	-	-
Traffic Control	10	11	11	12	13	13	1	1	-	-
Water:										
Administration	6	6	9	9	9	9	5	5	4	5
Transmission	21	21	27	25	25	27	17	17	18	16
Purification	19	19	20	18	18	18	14	14	16	15
Lake Bloomington Park	6	6	6	8	8	8	8	8	7	5
Water Meter Billing Services	-	-	-	-	-	-	10	1	10	10
Sewer Maintenance	16	15	17	18	18	18	5	5	15	14
Stormwater	-	9	11	11	11	11	10	10	14	12
Other Programs/Functions:										
Solid waste management	-	-	-	-	-	-	-	-	-	39
Engineering	23	19	20	19	19	19	15	15	11	9
Library	60	64	61	59	59	61	63	63	65	45
Parking	8	8	9	9	9	8	7	7	7	7
JM Scott	3	3	3	3	3	3	-	-	-	-
Board of Elections	-	-	-	-	-	-	-	-	-	1
Cultural District	5	6	53	53	53	19	19	19	17	10
Total	714	744	849	862	864	836	739	732	748	608

Source: City of Bloomington Human Resource Department

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

* In 2013, the amounts reported represent full-time positions rather than full-time equivalents.

CITY OF BLOOMINGTON, ILLINOIS

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

Function/Program	Calendar Year			
	2003	2004	2005	2006
Police:				
Calls for service	54,916	51,775	53,375	50,725
Adult arrest	2,083	1,984	2,410	2,048
Juvenile arrest	221	252	294	183
Speeding citations only	3,699	2,720	4,060	3,626
Traffic citations	13,783	10,907	12,370	10,475
Fire:				
Total fire runs	2,106	2,492	1,587	1,586
Total rescue runs	5,427	5,235	2,894	6,793
Property loss	\$ 1,749,600	\$ 1,114,600	\$ 281,325	\$ 2,032,950
Building safety:				
Total building permits	3,001	3,017	2,685	2,459
Total value all permits	\$ 185,562,460	\$ 156,392,339	\$ 206,139,496	\$ 219,159,856
Library:				
Visitors (Fiscal Year)	358,909	342,600	345,819	361,683
Total circulation (Fiscal Year)	599,749	634,618	705,332	732,396
Public service:				
Garbage collected (ton)	18,601	18,537	20,263	20,641
Recycle collected (ton)	2,338	2,420	2,341	2,805
Bulk Waste (ton)	N/A	N/A	10,752	8,426
Brush (cubic yard)	N/A	N/A	25,005	33,468
Parks and Recreation:				
Recreation program attendance	218,243	227,437	234,791	214,927
Aquatics program attendance	55,058	53,296	54,894	34,253
Pepsi Ice Center	N/A	N/A	N/A	43,976
Golf rounds played	89,844	92,303	90,850	82,404
Miller Park Zoo attendance	90,389	113,641	99,321	93,183
Street trees maintained	14,385	14,494	14,688	3,724
Cultural District:				
Events	N/A	N/A	N/A	227
Attendance	N/A	N/A	N/A	55,000
US Cellular Coliseum:				
Events	N/A	N/A	N/A	103
Attendance	N/A	N/A	N/A	306,000

Source: Various City Departments

Note: N/A - Indicator not available

Calendar Year						
2007	2008	2009	2010	2011	2012	
62,050	60,308	62,322	58,931	66,284	73,861	
1,554	1,975	1,932	1,690	1,800	2,211	
208	356	303	317	323	287	
1,848	2,492	2,597	2,492	2,209	1,331	
13,369	9,939	7,675	9,939	4,310	6,774	
1,919	2,310	2,041	2,038	2,126	2,317	
7,565	7,743	7,212	7,414	7,600	7,993	
\$ 994,650	\$ 1,668,885	\$ 921,800	\$ 824,738	\$ 2,235,790	\$ 954,575	
2,486	2,747	2,921	2,763	2,334	2,590	
\$ 185,771,533	\$ 109,373,823	\$ 151,953,680	\$ 89,134,038	\$ 87,049,482	\$ 108,932,734	
250,806	328,485	335,994	367,116	422,705	412,892	
754,878	877,432	1,008,316	1,154,024	1,339,740	1,483,853	
20,393	19,933	19,782	19,331	17,479	17,710	
2,837	2,857	2,808	2,957	3,001	3,735	
8,192	10,413	9,044	4,821	7,164	4,552	
22,860	35,136	26,000	23,982	26,101	22,308	
215,811	184,047	163,414	148,857	146,140	1,393,230	
58,745	51,397	40,849	48,695	57,091	57,861	
89,011	84,439	145,000	133,616	165,000	168,000	
81,489	77,000	75,200	76,337	68,367	72,349	
104,905	111,357	112,133	101,182	111,863	107,082	
1,890	3,297	4,552	6,012	8,590	7,488	
390	460	463	498	469	534	
81,953	90,794	98,388	86,227	82,880	83,345	
210	166	219	201	216	237	
289,374	319,932	328,815	300,494	300,533	292,217	

CITY OF BLOOMINGTON, ILLINOIS

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

Function/Program	2004	2005	2006	2007
Police:				
Stations	1	1	1	1
Zone Offices	-	1	1	-
Fire, Fire Stations	4	4	4	4
Refuse Collection:				
Collection Trucks	11	11	11	11
Other Public Works	37	37	37	37
Streets (Miles)	276	276	276	300
Traffic Signals	121	127	127	134
Parks & Recreation:				
Acreage	595	602	602	594
Parks	44	52	52	52
Golf Course	3	3	3	3
Baseball/Softball Diamonds	17	24	24	26
In-line Hockey Rinks	1	1	1	1
Soccer/Football Fields	13	14	14	22
Basketball Courts	10	13	13	45
Tennis Courts	20	20	20	20
Swimming pools	2	2	2	2
Parks with Playground Equipment	21	31	31	31
Picnic Shelters	20	28	28	37
Community Centers	1	1	1	1
Library:				
Facilities	1	1	1	1
Volumes	248,280	241,240	239,651	240,869
Water:				
Lakes	2	2	2	2
Storage Capacity (MGD)	18	18	18	21
Average Daily Consumption (MGD)	11	11	11	12
Peak Consumption (MGD)	20	20	20	24
Wastewater:				
Sanitary Sewers (miles)	250	250	250	250
Storm Sewers (miles)	197	200	200	200
Combination Sanitary and Storm (miles)	100	100	100	100

Source: Various City Departments

Note: MGD - Millions Gallons per Day

2008	2009	2010	2011	2012	2013
1	1	1	1	1	1
-	-	-	-	-	-
4	4	4	4	5	5
11	11	11	11	11	10
37	37	51	51	51	51
311	320	321	321	321	321
138	141	153	145	145	145
594	594	594	594	594	640
62	52	52	52	52	46
3	3	3	3	3	3
26	26	26	26	26	27
1	1	1	1	1	1
22	22	22	22	22	22
45	45	45	45	45	52
20	20	20	20	20	26
2	2	2	2	2	2
31	31	31	31	31	31
37	37	37	37	37	42
1	1	1	1	1	1
1	1	1	1	1	1
243,635	258,982	272,237	283,576	295,496	291,406
2	2	2	2	2	2
21	21	21	21	21	21
12	11	11	11	11	11
20	16	16	16	16	16
250	293	295	297	297	299
200	240	246	248	248	316
100	88	88	88	88	88

CITY OF BLOOMINGTON, ILLINOIS

SUPPLEMENTAL DISCLOSURE REQUIREMENTS SET FORTH IN
\$10,000,000 2003 AND \$10,000,000 2007 BOND ISSUES

	<u>Page</u>
EXHIBIT A	
Direct general obligation bonded debt (principal only)	145
EXHIBIT A-1	
Debt service requirements.....	146
EXHIBIT B	
Overlapping general obligation bonded debt.....	136
EXHIBIT C	
Composition of equalized assessed value	125-126
EXHIBIT D	
City tax rates by purpose-direct and overlapping property tax rates	127-128
EXHIBIT E	
Representative total tax rates	127-128
EXHIBIT F	
Top ten largest taxpayers	129-130
EXHIBIT G	
Combined statement of revenue, expenditures and changes in general fund balances.....	123-124

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, 2013**

<u>Year Ending December 31</u>	<u>Total Existing Debt</u>	<u>Less Abated Amount (2)</u>	<u>Net Tax Levied Amount</u>
2013	\$ 6,005,000	\$ 4,885,000	\$ 1,120,000
2014	5,325,000	4,200,000	1,125,000
2015	5,900,000	4,770,000	1,130,000
2016	4,075,000	2,940,000	1,135,000
2017	4,250,000	3,110,000	1,140,000
2018	3,885,000	2,740,000	1,145,000
2019	3,125,000	2,220,000	905,000
2020	3,375,000	2,465,000	910,000
2021	3,530,000	2,615,000	915,000
2022	3,420,000	2,875,000	545,000
2023	3,605,000	3,050,000	555,000
2024	3,520,000	3,335,000	185,000
2025	3,370,000	3,175,000	195,000
2026	3,005,000	2,800,000	205,000
2027	3,215,000	3,005,000	210,000
2028	2,440,000	2,220,000	220,000
2029	2,030,000	1,800,000	230,000
2030	2,220,000	1,980,000	240,000
2031	2,420,000	2,170,000	250,000
2032	2,640,000	2,375,000	265,000
2033	2,170,000	2,170,000	-
2034	2,385,000	2,385,000	-
	<u>\$ 75,910,000</u>	<u>\$ 63,285,000</u>	<u>\$ 12,625,000</u>

(1) Does not include revenue bonds.

(2) Taxable General Obligation Bonds, Series 2004; General Obligation Demand Bonds, Series 2004; General Obligation Bonds, Series 2005; General Obligation Refunding Bonds, Series 2009; General Obligation Refunding Bonds, Series 2011; Taxable General Obligation Bonds, Series 2012; and a portion of the General Obligation Bonds, Series 2007 that the City has historically and plans to continue to pay from other revenue sources.

CITY OF BLOOMINGTON, ILLINOIS

**Exhibit A-1 - Debt Service Requirements
As of April 30, 2013**

<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>
2012	\$ 9,027,724	\$ 7,473,974	\$ 1,553,750
2013	8,812,574	7,290,136	1,522,438
2014	9,342,021	7,851,608	1,490,413
2015	6,960,373	5,503,697	1,456,676
2016	6,435,623	5,013,897	1,421,726
2017	5,520,073	4,379,147	1,140,926
2018	5,632,098	4,519,566	1,112,532
2019	5,641,007	4,557,826	1,083,181
2020	5,380,159	4,702,284	677,875
2021	5,399,170	4,732,933	666,237
2022	5,151,840	4,878,065	273,775
2023	4,829,136	4,553,223	275,913
2024	5,052,019	4,774,637	277,382
2025	4,365,344	4,091,931	273,413
2026	3,419,531	3,145,306	274,225
2027	2,866,831	2,592,506	274,325
2028	2,938,388	2,664,413	273,975
2029	3,008,394	2,735,219	273,175
2030	3,086,119	2,809,194	276,925
2031	2,460,381	2,460,381	-
2032	2,537,044	2,537,044	-

(1) Does not include revenue bonds

(2) Taxable General Obligation Bonds, Series 2004; General Obligation Demand Bond Series 2004; General Obligation Bonds, Series 2005; General Obligation Refunding Bonds, Series 2009; General Obligation Refunding Bonds, Series 2011; and Taxable General Obligation Bond, Series 2012; 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.