



CITY OF  
*Bloomington*  
ILLINOIS



**Comprehensive Annual Financial Report**  
*of the*  
**City of Bloomington, Illinois**  
*for the Fiscal Year*  
**May 1, 2013 to April 30, 2014**

**CITY OF BLOOMINGTON, ILLINOIS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED APRIL 30, 2014**

*Prepared by:*

*Patti-Lynn Silva*  
*Finance Director*

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# **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            Joni Painter  
Ward 6            Karen Schmidt  
Ward 7            Scott Black  
Ward 8            Diana Hauman  
Ward 9            Jim Fruin

## **Administrative Officials**

City Manager	David A. Hales
Interim Deputy City Manager	Sue McLaughlin
Interim Building Safety	Frank Koehler
City Clerk	Tracey Covert
Corporation Counsel	Jeffrey R. Jurgens
Finance	Patti-Lynn Silva
Fire	Michael Kimmerling
Human Resources	Emily Bell
Information Services	Scott Sprouls
Parks, Recreation & Cultural Arts	John Kennedy
Police Chief	Brendan Heffner
Public Works	Jim Karch
Water	Craig Cummings



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

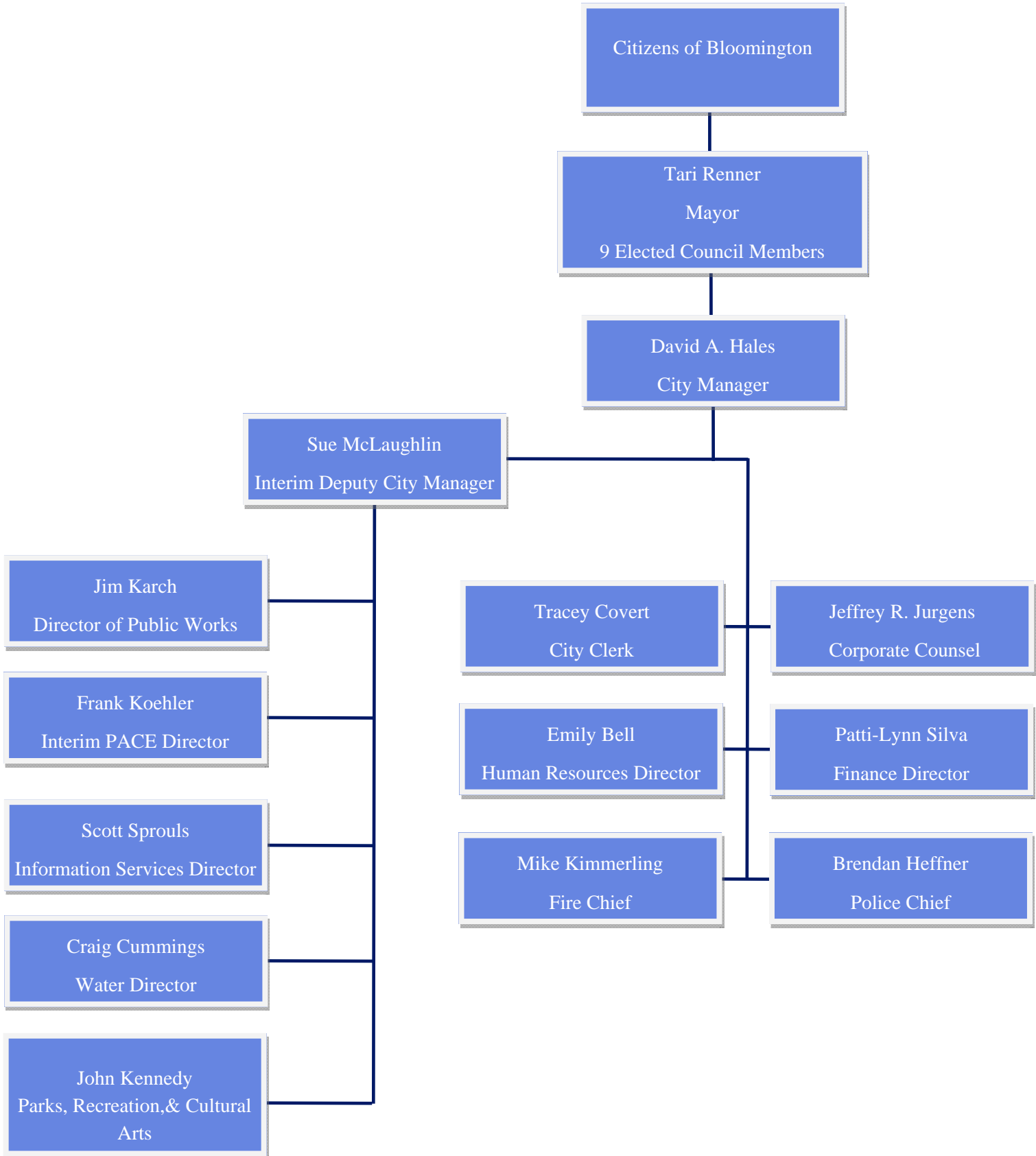
**City of Bloomington  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2013**

Executive Director/CEO

# CITY OF BLOOMINGTON ORGANIZATION CHART







October 30, 2014

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

The Comprehensive Annual Financial Report (CAFR) of the City of Bloomington, Illinois, for the fiscal year ended April 30<sup>th</sup>, 2014, is submitted herewith. This report provides a broad view of the City's financial activities for the 2014 fiscal year and its financial position at April 30<sup>th</sup>, 2014. Illinois statutes require all general purpose local governments to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with General Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed certified public accountants.

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

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 30<sup>th</sup>, 2014, 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 unqualified opinion that the City of Bloomington's financial statements for the fiscal year ended April 30<sup>th</sup>, 2014, 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 during the fall of each year. The Finance Director in cooperation with the City Manager and individual Department Directors refine their budget requests, and the proposed budget is presented to the City Council on or before March 31<sup>st</sup> 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 30<sup>th</sup> 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:** Bloomington was ranked #1 in the State of Illinois and #28 nationally on [\*Forbes\*](#) list of "The Best Small Places for Business and Careers." The economic strength of the Bloomington-Normal metropolitan area is well diversified with many substantial medium-sized businesses and institutions. Diverse and stable employment sources include State Farm, Illinois State University, Illinois Wesleyan University, COUNTRY Financial, Mitsubishi Motors of North America, Advocate BroMenn Regional Medical Center, and OSF St Joseph Medical

Center. These, along with many other employers, contribute to Bloomington-Normal experiencing the lowest unemployment rate of any metro area in Illinois.

Bloomington is located in one of the most productive agricultural areas in the nation, but the economy is diverse and well-balanced. In addition to the major manufacturers and industries, there are two universities, two hospitals, a convention center, one indoor mall, one outdoor mall, and many banks and Savings & Loan Associations located in Bloomington-Normal. The City of Bloomington is one of the fastest-growing metropolitan areas in Illinois. New construction continues to enhance residential, industrial and commercial growth.

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 numerous 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, including the announcement of a new 108,000 sq. ft. Hy-Vee grocery store along Veteran's Parkway and a Route 66 Visitors Center in Downtown Bloomington.

The following higher education facilities are located in Bloomington or in close proximity: Heartland Community College (HCC) was established in 1990 and classes were first offered in the fall of 1991. Since then, enrollment has grown to over 10,000 credit students and 20,000 non-credit students. HCC offers associate and transfer degrees and certifications in 58 different areas. Illinois State University (ISU) was founded in 1857; ISU was the first public university in Illinois. With a 2012 enrollment of 20,502 and faculty numbering 1,394, ISU has six colleges and 35 academic departments offering more than 160 fields of study. Illinois Wesleyan University (IWU) is a private university founded in 1850. IWU has a student enrollment of 2,000 undergraduates. Recognized as one of the nation's premier private residential liberal arts universities, IWU offers 39 majors and three pre professional programs with 184 faculty members. Lincoln College - Normal is a private residential college, offering academic and vocational programs to 500 students. Accredited by the North Central Association, Lincoln offers associate degrees as well as bachelor's degrees in business management and liberal arts with a student/faculty ratio of 15:1.

Bloomington-Normal home sales for calendar year 2013 reflect 2,812 sales with the average price per residence of both new and existing stock increasing over the prior year. The median family income for the Metropolitan Statistical Area (MSA) for FY 2014 was \$86,800 continuing to be the highest in Central 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 2014, the City of Bloomington saw the economy normalize after a stellar year in consumer spending year FY2013. Sales tax revenues declined to pre-2013 trends while income tax and other revenues increased. The City's unemployment rates remain below the national and state averages due to thriving insurance and education industries. In early FY 2015, 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 reserves of \$18.0 million at April 30, 2014. The formal 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 fund balances/net positions to a total of \$.6 million or .2 percent of total fund balance/net position.

The development and adoption of financial policies is the foundation for the City's long term financial plan. As part of the City's long term financial sustainability, the City addressed the following issues in FY 2014:

- The city has continued to work on capital master planning which is in various stages of completion. Rate studies and impact fee analysis will follow during calendar 2015. The Sewer and Stormwater Master Plan were completed in early FY 2014.
- A Facilities Master Plan was also completed in early FY 2014.
- A strategic pension funding policy for the City's Police and Fire pensions was adopted by the Council in FY 2014. This policy will double the contributions from \$6.0 million per year to \$12.0 million per year over a five year period.
- The 2013 Tax Levy was reallocated to accommodate increased Police and Fire Pension contributions of \$1.6 million and funded year one of the pension funding policy.
- The City Council increased its utility tax rates to fund year two and some of year three of the five year phase in of the pension funding policy.
- In addition, the City Council also implemented two new taxes: A 4% Amusement Tax and .04 cents per gallon Local Motor Fuel Tax. The Local Motor Fuel tax was adopted strictly to fund the Street Resurfacing program.
- The City issued a \$10,000,000 Street Resurfacing Bond to address its aging infrastructure.

- Solid Waste Fee increases were adopted to reduce the subsidy to the Solid Waste Fund these fees will phase- in over two years.

Looking ahead, the FY 2015 General Fund budget adopted 6.5% increase in expenditures along with a 5.6% increase in revenues. In FY 2015, a bond refunding will be done to realize savings on the 2004 Series Bonds related to the Coliseum.

**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.

### **Cash Management & Investments**

- Place all investment securities with a third-party custodian for safekeeping.
- 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 2015.

- 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 2014 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**

- Police Three Year (2012-2015) Strategic Plan completed
- Fire Department Strategic Plan completed
- 911 Communication Center Study in progress

#### **Parks & Recreation**

- Eagle View South Park – work completed FY 2014

#### **Roadway Improvements**

- Road resurfacing program utilizing \$10 million bond proceeds

#### **Water & Sewer Utility Improvements**

- Sewer and Stormwater Master Plan completed early FY 2014

#### **Facilities Maintenance**

- City Facilities Master Plan completed early FY 2014

**Other**

- Sidewalk Master Plan completed
- Solid Waste Program analysis
- Downtown Master Plan completed
- Pension Funding Policy adopted by Council
- EDC Property Tax Abatement and Incentive Program adopted by Council

**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 third year the City has received this honor. Bloomington was among eleven jurisdictions receiving the honor in 2014. 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) has awarded a Certificate for Distinguished Budget for City’s budgets since the fiscal year 2012 budget.

The Government Finance Officers Association of the United States and Canada (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 30<sup>th</sup>, 2013. This was the 38<sup>th</sup> 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 only. 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,



Patti-Lynn Silva, Director of Finance



David A Hales, City Manager



## **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, 2014, 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, the Firemen's 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 and Firemen's Pension Fund represents 73 percent, 76 percent, and 69 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, Firemen's 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, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the 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 was 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, 2014 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, 2014

# CITY OF BLOOMINGTON, ILLINOIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended April 30, 2014

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As the management of the City of Bloomington, Illinois staff presents the readers of the City's financial statements this narrative overview of the financial activities of the City for the fiscal year ended April 30<sup>th</sup>, 2014. 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 2014 by \$322.7 million. Of this amount, \$17.0 million is unrestricted.
- The City's total net position increased \$1.8 million which is attributable to improved results for the business-type activities.
- The City's governmental funds ended fiscal year 2014 with combined fund balances of \$52.7 million. This is an increase of \$7.3 million from the prior year.
- The City's enterprise funds had \$189.6 million net position at the close of fiscal year 2014. This represents an \$8.3 million increase from fiscal year 2013.
- Long-term debt including pension and other obligations increased \$4.1 million in fiscal year 2014 to \$136.2 million. Increases in general obligation bonds account for nearly all of the increase. During fiscal year 2014, the city issued approximately \$10.0 million in new money bonds for street resurfacing and sewer repair projects.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

#### **Government-wide financial statements:**

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

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

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 unused 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:

**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.

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

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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.

**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 89-110 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, 2014 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
<b>Assets:</b>						
Current and other assets	\$ 91.2	\$ 83.1	\$ 32.7	\$ 28.8	\$ 123.9	\$ 111.9
Capital assets	174.4	181.1	198.2	197.8	372.6	378.9
Total assets	265.6	264.2	230.9	226.6	496.5	490.8
<b>Deferred Outflows</b>						
of Resources:	0.1	0.2	-	-	0.1	0.2
<b>Liabilities:</b>						
Current liabilities	17.7	15.5	7.0	8.8	24.7	24.3
Noncurrent liabilities	91.2	85.5	34.9	37.1	126.1	122.6
Total liabilities	108.9	101.0	41.9	45.9	150.8	146.9
<b>Deferred Inflows</b>						
of Resources:	23.2	23.2	-	-	23.2	23.2
<b>Net position:</b>						
Net investment in capital assets	140.4	145.5	173.2	173.3	282.4	286.4
Restricted	22.7	21.9	0.5	1.7	23.3	23.7
Unrestricted	(29.5)	(27.2)	15.3	5.7	16.9	10.8
Total net position	\$ 133.6	\$ 140.2	\$ 189.0	\$ 180.7	\$ 322.6	\$ 320.9

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 \$322.6 million at April 30<sup>th</sup>, 2014. The City's combined net position increased by \$1.8 million from the prior year. This is mainly due to increases in the business-type activities. These activities experienced positive operating results and interfund transfers to address prior operating deficits which are discussed later in this analysis.

A significant portion of the City's total net position (\$282.4 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 \$23.3 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$16.9 million (5.3% 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 US Cellular Coliseum debt (approximately \$31.5 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 assets. This action reflects the intention of the City to repay this debt from general governmental funds.



While the net position within the business-type activity is positive this year, it is negatively impacted by a similar situation. A \$9.3 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 assets 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 decreased by \$6.6 million, and the net position from business-type activities increased by \$8.4 million. The decrease in the governmental activities is due a combination of all of the following: decreased revenues, increased expenses and increases in transfers out. Capital assets decreased while noncurrent liabilities increased. The increase in net position from business-type activities was the result of a combination of positive operating results of the Water, Sewer, and Storm Water Funds along with a \$2.6 million transfer in from the General Fund to the US Cellular Coliseum Fund. Solid Waste fund experienced a loss which offset some of the positive operating results in these funds.

### **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**

Table 2 - Statement of Activities - Year Ended April 30, 2014 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 14.4	\$ 14.2	\$ 36.3	\$ 37.0	\$ 50.7	\$ 51.2
Operating grants	4.1	4.1	-	-	4.1	4.1
Capital grants	0.5	3.4	2.1	1.4	2.6	4.8
General Revenues:						
Property taxes	23.3	23.7	-	-	23.3	23.7
Franchise taxes	2.0	2.0	-	-	2.0	2.0
Sales taxes	13.6	14.7	-	-	13.6	14.7
Other taxes	29.8	30.5	1.7	1.3	31.5	31.8
Shared income taxes	7.5	6.9	-	-	7.5	6.9
Investment earnings	0.2	0.1	-	-	0.2	0.1
Miscellaneous	1.8	1.8	0.8	0.8	2.6	2.6
<b>Total revenues</b>	<b>97.2</b>	<b>101.4</b>	<b>40.9</b>	<b>40.5</b>	<b>138.1</b>	<b>141.9</b>
<b>Expenses:</b>						
Governmental Activities:						
General government	14.8	14.4	-	-	14.8	14.4
Public safety	46.2	44.5	-	-	46.2	44.5
Highways and streets	19.2	15.8	-	-	19.2	15.8
Health and welfare	-	-	-	-	-	-
Culture and recreation	16.8	16.1	-	-	16.8	16.1
Parking	0.6	0.6	-	-	0.6	0.6
Community development	1.0	0.8	-	-	1.0	0.8
Interest	3.0	2.9	-	-	3.0	2.9
Business-type Activities:						
Water	-	-	13.8	13.6	13.8	13.6
Solid waste	-	-	6.6	6.2	6.6	6.2
Sewer	-	-	3.5	5.7	3.5	5.7
US Cellular Coliseum	-	-	5.5	4.4	5.5	4.4
Stormwater management	-	-	1.7	2.3	1.7	2.3
Golf operations	-	-	2.6	2.7	2.6	2.7
Parking	-	-	0.3	0.3	0.3	0.3
<b>Total expenses</b>	<b>101.6</b>	<b>95.1</b>	<b>34.0</b>	<b>35.2</b>	<b>135.6</b>	<b>130.3</b>
Excess before transfers	(4.4)	6.3	6.9	5.3	2.5	11.6
<b>Transfers</b>	<b>(1.6)</b>	<b>3.3</b>	<b>1.6</b>	<b>(3.3)</b>	<b>-</b>	<b>-</b>
<b>Extraordinary item</b>	<b>(0.6)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.6)</b>	<b>-</b>
Changes in net position	(6.6)	9.6	8.5	2.0	1.9	11.6
Net position, beginning of year	140.2	129.8	180.7	178.0	320.9	307.8
Prior period adjustment	-	0.8	(0.2)	0.7	(0.2)	1.5
Net position, beginning of year, restated	140.2	130.6	180.5	178.7	320.7	309.3
Net position, end of year	\$ 133.6	\$ 140.2	\$ 189.0	\$ 180.7	\$ 322.6	\$ 320.9

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

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**Revenues** for the City's governmental activities decreased 4.1 percent, while revenue for the business-type activities increased by 0.1 percent in comparison to the prior fiscal year.

**Governmental activities** - Charges for services increased by 1.4 percent, during the current year. Operating grants and contributions remained steady while capital grants decreased \$2.9 million due to fewer infrastructure assets contributed by developers. Tax receipts were generally lower than the preceding year in most categories; however shared income tax increased 8.7 percent (\$0.6 million). The Council elected to lower the property tax levy slightly for tax year 2012 which resulted in slightly lower property taxes for fiscal year 2014. State sales taxes decreased by \$1.1 million or 7.5 percent, while home rule sales taxes also saw similar declines.

**Business-type activities** – Charges for services decreased by \$0.7 million, or 1.9 percent, due in part to decreases in water and sewer consumption. Water, Sewer, Stormwater, and Golf charges all decreased slightly. Solid waste, US Cellular Coliseum, and Parking charges saw increases. Service charges of the Solid Waste Fund increased less than 1 percent. A new garbage cart program and fee structure was implemented in fiscal year 2015. The US Cellular Coliseum fund saw increased revenue of 8.5 percent, but also experienced increased costs resulting in a larger net operating loss.

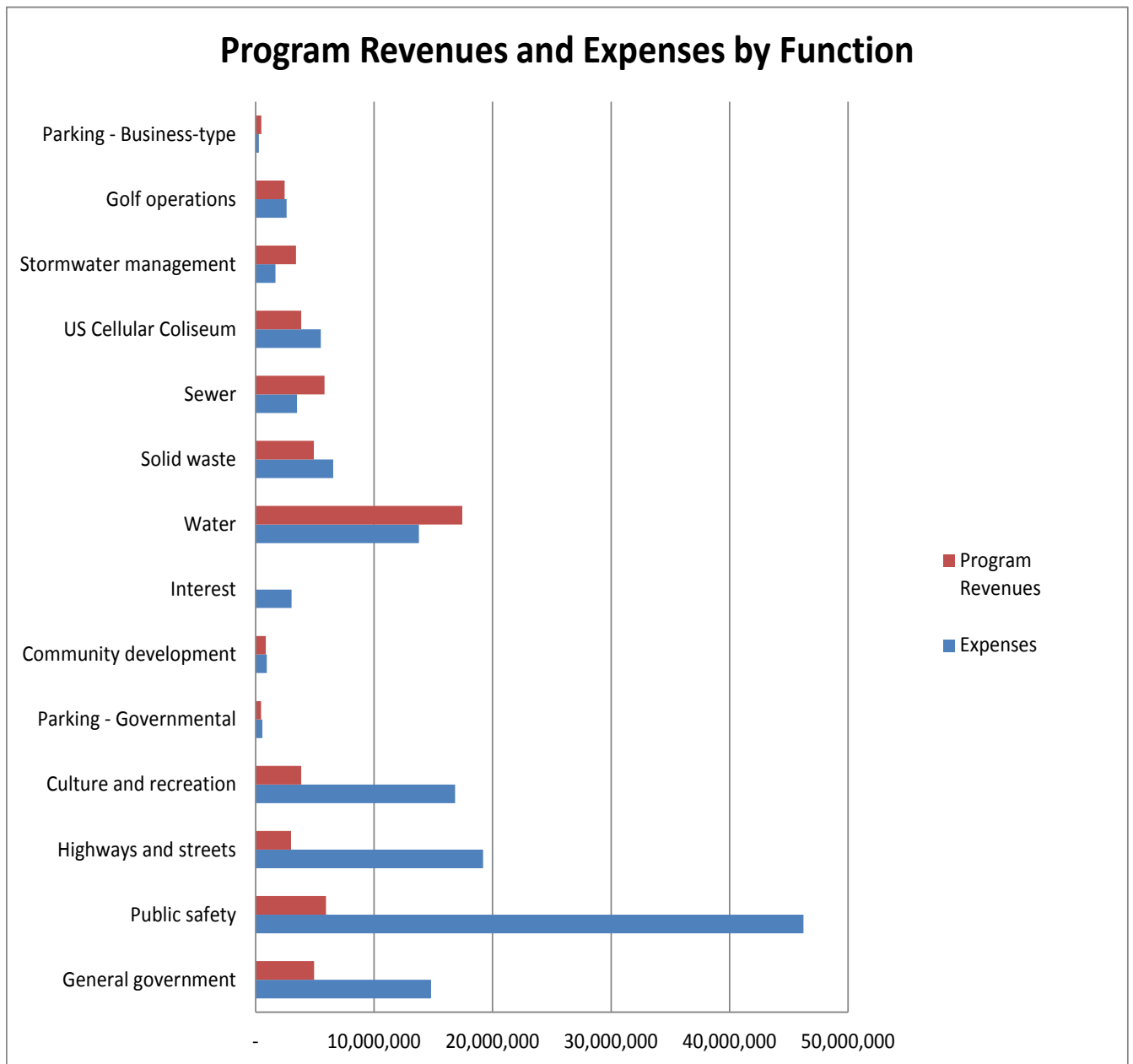
**Expenses** for the City's governmental activities increased by \$6.5 million, or 6.8 percent, while business-type activities decreased by \$1.2 million, or 3.4 percent.

**Governmental Activities** – All functional areas saw increased expenses from prior year levels. Salary and benefit costs were up across all categories mostly the result of increased rates. Expenses relating to General Government increased by 2.8 percent, public safety increased 3.8 percent and culture and recreation increased 4.3 percent. Highways and streets experienced an increase of 21.5 percent or \$3.4 million largely the result of costs related to the harsh winter for snow and ice removal along with capital maintenance projects for street resurfacing, traffic line painting, and sidewalks which are not capitalized as assets. Community development costs increases 25.0 percent or \$0.2 million as a result of costs related to TIF litigation and small increases in both Community Development and IHDA grant funded programs.

**Business-Type Activities** – Overall expenses decreased \$1.2 million or 3.4 percent. Water, Solid Waste, and US Cellular Coliseum saw increases while sewer, stormwater management, and golf saw decreased expenses. Parking expenses were flat compared to the prior year. Water expenses increased overall 1.5 percent and there were a variety of increases and decreases across expense types. Expenses for the US Cellular Coliseum increased 25.0 percent or \$1.1 million with the majority of the increase in the area of promoter expenses and repairs and maintenance. Solid waste expenses increased \$0.4 million or 6.5 percent. Expense areas seeing increases included salaries, fuel and landfill and disposal fees. Sewer expenses decreased \$2.2 million or 38.6 percent. Sewer expenses for FY 2013 included \$2.3 million of costs related to a project with the Village of Downs. Stormwater management saw overall expenses decrease 26.1 percent or \$0.6 million. Stormwater salaries and benefits saw significant decreases as did engineering costs. Golf expenses decreased \$0.1 million or 3.7 percent, with decreased expenses seen across nearly all categories.

**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.



## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

### **Governmental Funds – Balance Sheet**

On April 30<sup>th</sup>, 2014, the governmental funds reported a combined total fund balance of \$52.7 million, which is an increase of \$7.3 million, or 16.1 percent, from the prior year fund balance of \$45.4 million. During fiscal year 2014 the fund balances for the general fund and debt service fund decreased by \$1.9 million and \$1.2 million, respectively, while the fund balance for the Library fund increased \$0.5 million. Of the total fund balance for governmental funds of \$52.7 million, \$13.9 million is unassigned which indicates the funds are available to support the continued operations of the City. An additional \$9.2 million is considered committed or assigned meaning the City has limited the use of the funds to specific functions. Restricted fund balance of \$27.6 million is limited by legal restrictions from outside parties on how the funds may be spent. Nonspendable fund balance in the amount of \$2.0 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 decreased \$1.9 million to \$18.0 million.

Total revenue for the General Fund decreased by \$1.2 million or 1.4 percent, while General Fund expenditures increased by \$3.4 million or 4.6 percent. Some of the more noteworthy changes are as follows:

Tax revenue decreased \$1.6 million (2.3 percent). State sales tax and home rule sales taxes declined \$2.1 million or 7.4 percent, while state shared income taxes increased 8.7 percent. Results were mixed across the other taxes with some showing increases and others declining. Licenses and permits revenue decreased 5.9 percent mostly as a result of decreased building and related permits. Charges for services increased 1.5 percent. Fines and forfeitures increased 9.7 percent. Investment and miscellaneous income also saw increases.

General government expenditures had a net increase of \$3.4 million, or 4.6 percent. Expenditures increased in all areas except parking and capital. Salary and benefits costs were up over all areas. Highways and streets expenditures increased \$1.0 million (15.5 percent) which included additional costs for the harsh winter clearing snow and ice. Debt service costs increased \$0.5 million or 36.1 percent, but included an additional payment of \$437,900 on the fire truck lease paid from proceeds from the sale of one of the old fire trucks.

Other financing sources and uses include transfers which are used to move revenue from a fund that collects the revenue to the fund that expends the funds. In fiscal year 2014, the City transferred approximately \$12.1 million from the General Fund to other funds, including: \$2.6 million to debt service funds, \$5.0 million to the Capital Improvement Fund, \$1.3 million to the Solid Waste Fund, and \$2.6 million to the US Cellular Coliseum 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 \$4.0 million at April 30, 2014, an increase of approximately \$.5 million over prior year. The fund balance at April 30, 2014, represents about 85% of fiscal year 2014 expenditures.

#### Debt Service Fund

Fund balance for the Debt Service Fund decreased by \$1.2 million to \$10.5 million. Debt service expenditures totaled \$16.0 million, up from the \$6.0 million reported last year. This increase is the result of the City calling \$8.0 million of the 2003 bonds and retiring them through the issuance of a new bond series 2013A. Tax revenue contributed \$2.3 million towards the debt service expenditures, with operating transfers providing \$4.3 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 increased \$9.9 million. Fund balance increases were seen in the following nonmajor governmental funds: Motor Fuel Tax, Board of Elections, Drug Enforcement, IHDA Grant, Pepsi Ice Center, and Capital Improvements. The following nonmajor governmental funds had decreases in fund balances: Foreign Fire Insurance Board, Community Development, Park Dedication, Central Bloomington TIF Redevelopment, and Capital Lease. Motor Fuel Tax Fund saw an increase in fund balance of \$1.8 million due to minimal projects undertaken in 2014. The Capital Improvements fund expenditures increased \$2.4 million to \$7.4 million in fiscal year 2014. Fund balance in the Capital Improvements Fund increased \$8.3 million due to the issuance of bonds to be used for road resurfacing projects that will be completed in fiscal year 2015.

#### **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 2014, the City amended the budget via Council approval. City staff monitor actual expenditures compared to appropriations within the City budget and request amendments from City Council when needed. The original budget amounts presented in this report reflect the amounts as originally adopted by the City Council.

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

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 30,2014 (in millions)

	Original Budget	Final Budget	Actual
<b>Revenues:</b>			
Taxes	\$ 68.1	\$ 68.1	\$ 69.2
Intergovernmental	0.4	0.4	0.4
Licenses and permits	1.3	1.3	1.2
Charges for services	12.9	12.9	11.8
Fines and forfeitures	0.9	0.9	1.2
Investment income	0.1	0.1	0.2
Other	1.3	1.3	1.3
<b>Total revenues</b>	<b>85.0</b>	<b>85.0</b>	<b>85.3</b>
<b>Expenditures:</b>			
Current	75.0	77.0	74.7
Debt service	1.4	1.3	1.8
Capital outlay	1.0	1.6	0.7
<b>Total expenditures</b>	<b>77.4</b>	<b>79.9</b>	<b>77.2</b>
<b>Other:</b>			
Transfers in and other	1.9	1.9	1.8
Transfers out	(9.4)	(12.2)	(12.1)
<b>Net Change in Fund Balance</b>	<b>0.1</b>	<b>(5.2)</b>	<b>(2.2)</b>

Changes from original budget to final budget included encumbrances carried forward from the previous year of approximately \$1.6 million and budget amendments approved by City Council. Budget amendments approved by the City Council for fiscal year 2014 included: \$100,000 for street signs, \$192,990 for lease payments on a fire truck purchase, and \$2,896,566 in additional transfers to offset deficits in other funds.

The General Fund actual revenues were \$.3 million higher than the amended budget amount. The largest part of this variance occurred within the tax category. Collections for all of the following taxes exceeded budgeted expectations: income, franchise, local use, vehicle use, video gaming, electric utility tax, food & beverage, and hotel/motel taxes.

The General Fund actual expenditures were \$2.7 million less than the amended budget.

Actual expenditures in the following categories were below the amended budget: General Government, Culture and Recreation, and Capital Outlay. Capital outlay actual expenditures were below the amended budget by \$0.9 million due to timing of projects and purchases.

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

**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 \$372.6 million. This is a decrease of \$6.3 million from the prior year total of \$378.9 million. The table below details capital asset balances.

Table 4 - Capital Assets, Net of Depreciation (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Capital assets not being depreciated	\$ 23.4	\$ 27.4	\$ 12.4	\$ 22.2	\$ 35.8	\$ 49.6
Land Improvements	14.6	14.0	0.4	0.4	15.0	14.4
Construction	51.1	53.2	40.9	41.9	92.0	95.1
Infrastructure	73.1	74.1	130.5	121.4	203.6	195.5
Machinery and equipment	6.3	7.0	10.1	8.9	16.4	15.9
Licensed vehicles	5.9	5.4	3.9	3.0	9.8	8.4
<b>Total net capital assets</b>	<b>\$ 174.4</b>	<b>\$ 181.1</b>	<b>\$ 198.2</b>	<b>\$ 197.8</b>	<b>\$ 372.6</b>	<b>\$ 378.9</b>

Significant capital additions in fiscal year 2014 included the following:

- Garbage trucks and related equipment
- Two fire trucks
- Fuel system
- Fleet of golf carts
- Equipment for water treatment at Lake Bloomington
- Eagle View Park
- Regency pump station
- Locust – Colton CSO elimination
- Lafayette Street reconstruction
- Morris Avenue Reconstruction: Fox Hill Apt – Six Points Road
- Tanner Street Reconstruction
- Hamilton Road: Timberlake - Main

Monies spent for street resurfacing in FY2014 are not reflected as capital assets and are considered capital maintenance.

Additional information on capital assets may be found in Note 3 in the Notes to the Financial Statements on pages 46-47.

**DEBT ADMINISTRATION**

The City of Bloomington’s long term debt was \$97.5 million for governmental activities and \$38.7 million for business-type activities as of April 30<sup>th</sup>, 2014. The table below summarizes the City’s long-term debt by type.



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

Table 5 - Long-Term Debt (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 73.9	\$ 68.8	\$ 6.3	\$ 7.1	\$ 80.2	\$ 75.9
Loans payable	-	-	12.2	12.5	12.2	12.5
Notes payable	-	-	11.4	12.1	11.4	12.1
Capital lease payable	5.6	6.1	5.9	5.9	11.5	12.0
Net OPEB obligation	6.0	5.4	0.9	0.9	6.9	6.3
Net pension obligation	0.8	0.8	0.4	0.4	1.2	1.2
Compensated absences	11.2	10.4	1.6	1.7	12.8	12.1
<b>Total long-term debt</b>	<b>\$ 97.5</b>	<b>\$ 91.5</b>	<b>\$ 38.7</b>	<b>\$ 40.6</b>	<b>\$ 136.2</b>	<b>\$ 132.1</b>

Additional information on long term debt may be found in Note 4 in the Notes to the Financial Statements on pages 48-54.

General obligation bonds were issued in fiscal year 2014 to refund the 2003 Series bonds related to park and street capital improvements. The City also issued new money bonds to generate roughly \$10 million in proceeds to be used for street resurfacing. Another capital lease was used to finance various equipment purchases. The City also incurred additional costs under two Illinois Environmental Protection Agency loans related to the Locust-Colton CSO elimination project. Repayment on one of these loans began in fiscal year 2014, and repayment on the other will begin in fiscal year 2015. The City continues to make the bi-annual payments required on its other loans payable to the Illinois Environmental Protection Agency (IEPA). The City also holds notes payable to the Bloomington and Normal Water Reclamation District and the Village of Downs. These notes relate to IEPA loan funded projects the City participated in, but does not own the assets created. This dichotomy may reflect in the financials as deficit balances until corresponding obligation in paid.

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 August 2014, Fitch and Moody’s reaffirmed the City’s credit ratings of AA+ and Aa2 with stable outlooks.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET**

For fiscal year 2015, 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.

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

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During the fiscal year 2015 budget cycle, the City was faced with several challenges; revenue growth began to stagnant while the cost of doing business continued to rise creating a structural deficit in the General Fund.

The City's 2015 budget was adopted with a hybrid approach of cutting expenditures and raising revenues resulting in a balanced budget.

The City's assessed value for tax year 2013 which results in revenue in fiscal year 2015, decreased slightly by .01 percent and the 2014 preliminary assessed value is up by 2.0 percent more in line with previous levies. The City Council adopted only a small increase in the property tax levy compared to the prior year for the Library salary increases of \$.03 thousand.

City staff is closely monitoring revenues in 2015. Sales taxes and home rule sales taxes are running slightly behind budget projections and about 3-4 percent below fiscal year 2014 levels. Income tax distributions and other tax revenues are also coming in less than budget projections and fiscal year 2014 actual amounts. However, franchise tax, video gaming tax, local use tax, and vehicle use tax are all trending above budget. Although difficult to be certain of projections in the first several years of a new tax; the new Local Motor Fuel Tax is trending well above projections. The amusement tax is still undetermined at this time.

In FY 2014, the City completed the process of master planning and needs assessment for many areas to more fully understand and quantify the construction, maintenance and repair needs of the City's aging infrastructure. Rate studies are planned for calendar 2015 for some of these areas and will be considered as part of future budget discussions.

Long term liabilities including pension and other post-employment benefit (OPEB) funding remain a concern to the City and many other communities. In fiscal year 2014, the City Council adopted a pension funding policy that will be implemented starting with the fiscal year 2015 contributions. The policy calls for increasing pension contributions in order to achieve 100% funding for police and fire pensions. The City has raised revenues to achieve this goal through FY2016 and partially into FY2017. During fiscal year 2015, the Council approved the refunding of bonds related to the US Cellular Coliseum which will result in debt service savings in future years. The City continues a pay-as-you go strategy for the OPEB liability.

**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.

**CITY OF BLOOMINGTON, ILLINOIS**

STATEMENT OF NET POSITION

April 30, 2014

	Primary Government			Component Units	
	Governmental	Business-Type	Total	Library	Miller Park
	Activities	Activities		Foundation	Zoological Society
<b>ASSETS</b>					
Current Assets:					
Cash and investments	\$ 40,603,406	\$ 27,058,800	\$ 67,662,206	\$ 1,216,474	\$ 532,511
Restricted accounts - cash	10,611,413	535,256	11,146,669	-	-
Beneficial interest in Stubblefield Trust	-	-	-	1,099,160	-
Receivables, net of allowances for uncollectibles of \$693,247:					
Taxes	23,219,066	-	23,219,066	-	-
Loans	1,590,731	-	1,590,731	-	-
Accounts	2,396,130	6,501,558	8,897,688	-	-
Accrued Interest	-	-	-	-	-
Due from other governmental units	8,880,730	-	8,880,730	-	-
Internal balances	1,780,947	(1,780,947)	-	-	-
Inventory	352,997	411,646	764,643	-	-
Prepaid items and other assets	158,399	41,548	199,947	-	472
Properties held for resale	16,775	-	16,775	-	-
<b>Total current assets</b>	<b>89,610,594</b>	<b>32,767,861</b>	<b>122,378,455</b>	<b>2,315,634</b>	<b>532,983</b>
Noncurrent assets:					
Land	19,744,622	7,650,506	27,395,128	-	-
Construction-in-progress	3,641,815	4,781,615	8,423,430	-	-
Other depreciable capital assets, net of accumulated depreciation	151,077,157	185,775,083	336,852,240	-	-
<b>Total capital assets, net of depreciation</b>	<b>174,463,594</b>	<b>198,207,204</b>	<b>372,670,798</b>	<b>-</b>	<b>-</b>
Net pension assets	1,499,095	-	1,499,095	-	-
<b>Total noncurrent assets</b>	<b>175,962,689</b>	<b>198,207,204</b>	<b>374,169,893</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>265,573,283</b>	<b>230,975,065</b>	<b>496,548,348</b>	<b>2,315,634</b>	<b>532,983</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Unamortized loss on refunding	94,037	-	94,037	-	-
<b>Total deferred outflows of resources</b>	<b>94,037</b>	<b>-</b>	<b>94,037</b>	<b>-</b>	<b>-</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 265,667,320</b>	<b>\$ 230,975,065</b>	<b>\$ 496,642,385</b>	<b>\$ 2,315,634</b>	<b>\$ 532,983</b>

**CITY OF BLOOMINGTON, ILLINOIS**

STATEMENT OF NET POSITION

April 30, 2014

	Primary Government			Component Units	
	Governmental	Business-Type	Total	Library	Miller Park
	Activities	Activities		Foundation	Zoological Society
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued expenses	\$ 6,011,465	\$ 2,343,377	\$ 8,354,842	\$ -	\$ 2,472
Ticket escrow payable	-	21,126	21,126	-	-
Claims payable	2,243,673	-	2,243,673	-	-
Compensated absences	1,505,509	118,555	1,624,064	-	-
Accrued interest payable	1,164,770	194,831	1,359,601	-	-
Unearned revenue	44,466	694,309	738,775	-	-
Deposits	23,654	25,918	49,572	-	-
Current portion of capital lease payable	1,214,684	1,691,815	2,906,499	-	-
Current portion of developer agreements	-	-	-	-	-
Current portion of loan payable	-	614,236	614,236	-	-
Current portion of note payable	-	718,452	718,452	-	-
Current portion of general obligation bonds payable	5,454,690	626,620	6,081,310	-	-
<b>Total current liabilities</b>	<b>17,662,911</b>	<b>7,049,239</b>	<b>24,712,150</b>	<b>-</b>	<b>2,472</b>
Noncurrent liabilities:					
Claims payable	1,826,889	-	1,826,889	-	-
Compensated absences	9,703,681	1,502,410	11,206,091	-	-
Net OPEB obligation	5,973,836	900,272	6,874,108	-	-
Net pension obligation	788,296	395,287	1,183,583	-	-
Capital lease payable, noncurrent portion	4,437,549	4,184,539	8,622,088	-	-
Loan payable, noncurrent portion	-	11,586,828	11,586,828	-	-
Note payable, noncurrent portion	-	10,650,951	10,650,951	-	-
General obligation bonds payable, noncurrent portion	68,421,958	5,660,943	74,082,901	-	-
<b>Total noncurrent liabilities</b>	<b>91,152,209</b>	<b>34,881,230</b>	<b>126,033,439</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>108,815,120</b>	<b>41,930,469</b>	<b>150,745,589</b>	<b>-</b>	<b>2,472</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred property taxes	23,219,066	-	23,219,066	-	-
<b>Total deferred inflows of resources</b>	<b>23,219,066</b>	<b>-</b>	<b>23,219,066</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>132,034,186</b>	<b>41,930,469</b>	<b>173,964,655</b>	<b>-</b>	<b>2,472</b>
Net position:					
Net investment in capital assets	140,453,350	173,237,434	282,447,391	-	-
Permanently restricted, nonexpendable for:					
Library	-	-	-	1,129,189	-
Temporarily restricted	-	-	-	121,707	336,588
Restricted for:					
Capital projects	190,825	535,256	726,081	-	-
Debt service	10,543,660	-	10,543,660	-	-
Library	4,001,441	-	4,001,441	-	-
Motor fuel tax projects	5,718,446	-	5,718,446	-	-
Board of elections	577,235	-	577,235	-	-
Drug enforcement	402,954	-	402,954	-	-
Community development	1,292,258	-	1,292,258	-	-
Unrestricted	(29,547,035)	15,271,906	16,968,264	1,064,738	193,923
<b>Total net position</b>	<b>\$ 133,633,134</b>	<b>\$ 189,044,596</b>	<b>\$ 322,677,730</b>	<b>\$ 2,315,634</b>	<b>\$ 530,511</b>

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

**CITY OF BLOOMINGTON, ILLINOIS**

STATEMENT OF ACTIVITIES

Year Ended April 30, 2014

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental activities:				
General government	\$ 14,805,107	\$ 4,200,014	\$ 742,297	\$ -
Public safety	46,229,840	5,760,420	147,284	39,692
Highways and streets	19,207,028	708,805	2,297,161	-
Culture and recreation	16,842,699	3,318,385	116,023	411,520
Parking	580,796	466,577	-	-
Community development	954,862	-	857,533	-
Interest on long-term debt	3,048,823	-	-	-
Total governmental activities	101,669,155	14,454,201	4,160,298	451,212
Business-type activities:				
Water	13,793,431	16,715,287	-	738,223
Solid waste	6,557,550	4,913,004	-	-
Sewer	3,493,445	5,144,926	-	681,008
U.S. Cellular Coliseum	5,500,304	3,864,740	-	-
Stormwater management	1,680,889	2,728,131	-	681,008
Golf operations	2,623,429	2,456,062	-	-
Parking	289,365	498,045	-	-
Total business-type activities	33,938,413	36,320,195	-	2,100,239
Total primary government	135,607,568	50,774,396	4,160,298	2,551,451
Component Units:				
Library Foundation	35,910	-	520	-
Miller Park Zoological Society	159,544	135,593	97,857	-
Total component units	195,454	135,593	98,377	-
<b>Total Government</b>	<b>\$ 135,803,022</b>	<b>\$ 50,909,989</b>	<b>\$ 4,258,675</b>	<b>\$ 2,551,451</b>

**General revenues:**

Taxes:

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

Shared income tax

Shared state sales tax

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net position before extraordinary items

Extraordinary item - impairment loss

Changes in net position

Net position, beginning of year

Prior period adjustment

Net position, beginning of year, restated

**Net position, end of year**

<b>Net (Expense) Revenue and Changes in Net Position</b>					
<b>Primary Government</b>			<b>Component Units</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Library Foundation</b>	<b>Miller Park Zoological Society</b>	
\$ (9,862,796)	\$ -	\$ (9,862,796)	\$ -	\$ -	
(40,282,444)	-	(40,282,444)	-	-	
(16,201,062)	-	(16,201,062)	-	-	
(12,996,771)	-	(12,996,771)	-	-	
(114,219)	-	(114,219)	-	-	
(97,329)	-	(97,329)	-	-	
(3,048,823)	-	(3,048,823)	-	-	
(82,603,444)	-	(82,603,444)	-	-	
-	3,660,079	3,660,079	-	-	
-	(1,644,546)	(1,644,546)	-	-	
-	2,332,489	2,332,489	-	-	
-	(1,635,564)	(1,635,564)	-	-	
-	1,728,250	1,728,250	-	-	
-	(167,367)	(167,367)	-	-	
-	208,680	208,680	-	-	
-	4,482,021	4,482,021	-	-	
(82,603,444)	4,482,021	(78,121,423)			
-	-	-	(35,390)	-	
-	-	-	-	73,906	
-	-	-	(35,390)	73,906	
(82,603,444)	4,482,021	(78,121,423)	(35,390)	73,906	
23,318,742	-	23,318,742	-	-	
2,031,681	-	2,031,681	-	-	
12,884,341	1,665,044	14,549,385	-	-	
3,181,207	-	3,181,207	-	-	
4,227,203	-	4,227,203	-	-	
9,538,733	-	9,538,733	-	-	
7,465,350	-	7,465,350	-	-	
13,599,481	-	13,599,481	-	-	
168,227	12,299	180,526	246,619	1,829	
1,841,407	706,115	2,547,522	8,555	-	
(1,620,659)	1,620,659	-	-	-	
76,635,713	4,004,117	80,639,830	255,174	1,829	
(5,967,731)	8,486,138	2,518,407	219,784	75,735	
(613,000)	-	(613,000)	-	-	
(6,580,731)	8,486,138	1,905,407	219,784	75,735	
140,213,865	180,712,139	320,926,004	2,095,850	454,776	
-	(153,681)	(153,681)	-	-	
140,213,865	180,558,458	320,772,323	2,095,850	454,776	
\$ 133,633,134	\$ 189,044,596	\$ 322,677,730	\$ 2,315,634	\$ 530,511	

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

**CITY OF BLOOMINGTON, ILLINOIS**  
Governmental Funds

BALANCE SHEET

April 30, 2014

	General	Library	Debt Service	Nonmajor Governmental Funds	Total
<b>ASSETS</b>					
Cash and investments	\$ 9,616,766	\$ 6,069,062	\$ 10,544,160	\$ 9,658,254	\$ 35,888,242
Restricted accounts - cash	-	-	-	10,611,413	10,611,413
Receivables, net of allowance for uncollectibles:					
Taxes	16,492,213	4,546,710	2,180,143	-	23,219,066
Loans	363,972	-	-	1,226,759	1,590,731
Accounts	2,362,137	-	-	31,818	2,393,955
Accrued interest	-	-	-	-	-
Due from other governmental units	8,339,496	-	-	541,234	8,880,730
Due from other funds	3,085,044	-	-	-	3,085,044
Interfund advance	29,846	-	-	-	29,846
Inventory	352,997	-	-	-	352,997
Prepaid items	5,001	-	-	2,423	7,424
Properties held for resale	-	-	-	16,775	16,775
	<u>\$ 40,647,472</u>	<u>\$ 10,615,772</u>	<u>\$ 12,724,303</u>	<u>\$ 22,088,676</u>	<u>\$ 86,076,223</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenditures	\$ 3,670,022	\$ 389,469	\$ 500	\$ 1,700,735	\$ 5,760,726
Due to other funds	-	1,678,152	-	4,468	1,682,620
Deposits	23,654	-	-	-	23,654
Unearned revenue	37,738	-	-	2,423	40,161
Interfund advance	-	-	-	229,846	229,846
	<u>3,731,414</u>	<u>2,067,621</u>	<u>500</u>	<u>1,937,472</u>	<u>7,737,007</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable property taxes	16,492,213	4,546,710	2,180,143	-	23,219,066
Unavailable revenues	2,401,553	-	-	-	2,401,553
	<u>18,893,766</u>	<u>4,546,710</u>	<u>2,180,143</u>	<u>-</u>	<u>25,620,619</u>
Total liabilities and deferred inflows of resources	<u>22,625,180</u>	<u>6,614,331</u>	<u>2,180,643</u>	<u>1,937,472</u>	<u>33,357,626</u>
<b>FUND BALANCE</b>					
Nonspendable					
Inventory	352,997	-	-	-	352,997
Loans	363,972	-	-	1,226,759	1,590,731
Interfund advances	29,846	-	-	-	29,846
Prepaid items	5,001	-	-	2,423	7,424
Property held for resale	-	-	-	16,775	16,775
Restricted					
Capital projects	-	-	-	10,611,413	10,611,413
Debt service	-	-	10,543,660	-	10,543,660
Highway and streets	-	-	-	5,718,446	5,718,446
Board of elections	-	-	-	577,235	577,235
Public safety	-	-	-	118,932	118,932
Community development	-	-	-	46,301	46,301
Unrestricted					
Committed					
Public safety	-	-	-	402,954	402,954
Culture and recreation	-	4,001,441	-	946,671	4,948,112
Assigned					
General government	1,057,425	-	-	-	1,057,425
Public safety	593,491	-	-	-	593,491
Highways and streets	202,827	-	-	-	202,827
Culture and recreation	1,326,486	-	-	-	1,326,486
Parking	24,668	-	-	-	24,668
Capital projects	-	-	-	677,451	677,451
Unassigned	14,065,579	-	-	(194,156)	13,871,423
Total fund balances	<u>18,022,292</u>	<u>4,001,441</u>	<u>10,543,660</u>	<u>20,151,204</u>	<u>52,718,597</u>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<u>\$ 40,647,472</u>	<u>\$ 10,615,772</u>	<u>\$ 12,724,303</u>	<u>\$ 22,088,676</u>	<u>\$ 86,076,223</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, 2014

Total governmental fund balances		\$ 52,718,597
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.		174,463,594
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		2,401,553
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	\$ 4,868,314	
Current liabilities	<u>(4,325,606)</u>	542,708
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.		1,499,095
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.		(788,296)
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.		(5,973,836)
Internal service funds allocated to business-type activities.		578,523
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	(11,209,190)	
Bond premium	(988,605)	
Bond discount	282,577	
Loss on refunding	94,037	
Accrued interest payable	(1,164,770)	
Capital lease payable	(5,652,233)	
General obligation bonds payable	<u>(73,170,620)</u>	<u>(91,808,804)</u>
Net position of governmental activities		<u>\$ 133,633,134</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, 2014

	<u>General</u>	<u>Library</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>REVENUES</b>					
Taxes	\$ 69,245,163	\$ 4,638,435	\$ 2,308,144	\$ 82,763	\$ 76,274,505
Intergovernmental	448,163	91,228	-	4,059,118	4,598,509
Licenses and permits	1,205,523	-	-	-	1,205,523
Charges for services	11,840,357	88,477	-	-	11,928,834
Fines and forfeitures	1,202,381	-	-	117,464	1,319,845
Investment income	165,894	864	26	1,534	168,318
Other	1,293,138	427,515	-	120,754	1,841,407
<b>Total revenues</b>	<u>85,400,619</u>	<u>5,246,519</u>	<u>2,308,170</u>	<u>4,381,633</u>	<u>97,336,941</u>
<b>EXPENDITURES</b>					
Current:					
General government	13,944,624	-	-	543,992	14,488,616
Public safety	42,525,641	-	-	124,561	42,650,202
Highways and streets	7,662,390	-	-	23,902	7,686,292
Culture and recreation	9,867,817	4,537,423	-	55,798	14,461,038
Community development	-	-	-	906,444	906,444
Parking	409,150	-	-	-	409,150
Debt service:					
Principal	1,656,145	-	13,241,000	-	14,897,145
Interest and fiscal agent fees	186,101	-	2,680,895	10,400	2,877,396
Bond issuance costs	-	-	124,468	-	124,468
Capital outlay	704,903	184,553	-	9,187,036	10,076,492
<b>Total expenditures</b>	<u>76,956,771</u>	<u>4,721,976</u>	<u>16,046,363</u>	<u>10,852,133</u>	<u>108,577,243</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>8,443,848</u>	<u>524,543</u>	<u>(13,738,193)</u>	<u>(6,470,500)</u>	<u>(11,240,302)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	1,190,022	-	4,293,050	5,172,205	10,655,277
Bonds issued, at par	-	-	-	9,780,000	9,780,000
Refunding bonds issued	-	-	7,800,000	-	7,800,000
Bond premium	-	-	461,126	395,132	856,258
Capital lease	-	-	-	1,422,956	1,422,956
Proceeds from sale of capital assets	601,283	842	-	3,600	605,725
Transfers out	(12,099,383)	(36,732)	-	(379,002)	(12,515,117)
<b>Total other financing sources (uses)</b>	<u>(10,308,078)</u>	<u>(35,890)</u>	<u>12,554,176</u>	<u>16,394,891</u>	<u>18,605,099</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,864,230)	488,653	(1,184,017)	9,924,391	7,364,797
<b>FUND BALANCE, BEGINNING OF YEAR</b>	19,886,522	3,512,788	11,727,677	10,226,813	45,353,800
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 18,022,292</u>	<u>\$ 4,001,441</u>	<u>\$ 10,543,660</u>	<u>\$ 20,151,204</u>	<u>\$ 52,718,597</u>

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, 2014

Net change in fund balances - governmental funds	\$ 7,364,797
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	4,032,376
Depreciation	(9,525,376)
<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	(524,616)
Impairment loss	(613,000)
Contributions of capital assets	13,000
<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	(773,897)
<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	14,897,145
Capital lease proceeds	(1,422,956)
Bond proceeds	(9,780,000)
Refunding bonds issued	(7,800,000)
Bond premium	(856,258)
Amortization of bond premium, bond discount, and loss on refunding	25,898
Change in accrued interest payable	(72,857)
Transfer capital lease to business-type activities	239,181
<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>	
	252,442
<p>Change in internal service fund allocation to business-type activities.</p>	
	(42,271)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.</p>	
Reduction of fund unearned revenue	(27,767)
<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>	
	(29,402)
<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>	
	(536,414)
<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>(1,400,756)</u>
Change in net position of governmental activities	<u>\$ (6,580,731)</u>

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

**CITY OF BLOOMINGTON, ILLINOIS**  
Proprietary Funds

BALANCE SHEET

April 30, 2014

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Solid Waste</b>	<b>Sewer</b>	<b>US Cellular Coliseum</b>
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 23,613,212	\$ -	\$ 2,303,046	\$ 363,357
Restricted accounts - cash	-	48,256	487,000	-
Accounts receivable, net of allowance for uncollectibles	3,009,945	857,158	1,264,840	246,678
Accrued interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventory	171,281	-	-	-
Prepaid items and other assets	-	-	-	41,548
Total current assets	<u>26,794,438</u>	<u>905,414</u>	<u>4,054,886</u>	<u>651,583</u>
Noncurrent assets:				
Capital assets:				
Land	4,782,158	-	276,237	444,524
Construction-in-progress	2,517,913	-	2,082,093	-
Other depreciable capital assets, net of accumulated depreciation	80,599,272	4,835,503	62,763,843	23,563,367
Total capital assets, net of depreciation	<u>87,899,343</u>	<u>4,835,503</u>	<u>65,122,173</u>	<u>24,007,891</u>
Interfund advances	200,000	-	-	-
Total noncurrent assets	<u>88,099,343</u>	<u>4,835,503</u>	<u>65,122,173</u>	<u>24,007,891</u>
Total assets	<u>\$ 114,893,781</u>	<u>\$ 5,740,917</u>	<u>\$ 69,177,059</u>	<u>\$ 24,659,474</u>
<b>LIABILITIES AND NET POSITION</b>				
Current liabilities:				
Accounts payable and accrued expenses	\$ 1,018,371	\$ 291,619	\$ 374,257	\$ 385,535
Ticket escrow payable	-	-	-	21,126
Claims payable	-	-	-	-
Compensated absences	51,852	39,390	11,198	-
Accrued interest payable	71,019	-	97,570	-
Due to other funds	-	963,051	-	439,373
Unearned revenue	-	-	-	496,607
Deposits	21,250	-	-	-
Current maturities of long-term debt	957,548	1,096,036	454,772	-
Total current liabilities	<u>2,120,040</u>	<u>2,390,096</u>	<u>937,797</u>	<u>1,342,641</u>
Noncurrent liabilities:				
Claims payable	-	-	-	-
Interfund advances	-	-	-	-
Compensated absences	826,611	308,903	69,770	-
Net OPEB obligation	335,516	392,564	39,938	-
Net pension obligation	170,422	129,674	34,981	-
Capital lease payable, noncurrent portion	-	2,079,432	384,676	-
Loan payable, noncurrent portion	7,509,634	-	2,038,597	-
Note payable, noncurrent portion	-	-	1,922,886	-
General obligation bonds payable noncurrent portion	461,270	-	5,199,673	-
Total noncurrent liabilities	<u>9,303,453</u>	<u>2,910,573</u>	<u>9,690,521</u>	<u>-</u>
Total liabilities	<u>11,423,493</u>	<u>5,300,669</u>	<u>10,628,318</u>	<u>1,342,641</u>
Net position (deficit):				
Net investment in capital assets	79,870,271	1,708,291	55,608,569	24,007,891
Restricted for capital projects	-	48,256	487,000	-
Unrestricted	23,600,017	(1,316,299)	2,453,172	(691,058)
Total net position (deficit)	<u>103,470,288</u>	<u>440,248</u>	<u>58,548,741</u>	<u>23,316,833</u>
<b>Total liabilities and net position (deficit)</b>	<u>\$ 114,893,781</u>	<u>\$ 5,740,917</u>	<u>\$ 69,177,059</u>	<u>\$ 24,659,474</u>

<u>Stormwater Management</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 460,522	\$ 318,663	\$ 27,058,800	\$ 4,715,164
-	-	535,256	-
1,115,540	7,397	6,501,558	2,175
-	-	-	-
-	-	-	-
-	240,365	411,646	-
-	-	41,548	150,975
<u>1,576,062</u>	<u>566,425</u>	<u>34,548,808</u>	<u>4,868,314</u>
240,000	1,907,587	7,650,506	-
181,609	-	4,781,615	-
9,815,544	4,197,554	185,775,083	-
<u>10,237,153</u>	<u>6,105,141</u>	<u>198,207,204</u>	<u>-</u>
-	-	200,000	-
<u>10,237,153</u>	<u>6,105,141</u>	<u>198,407,204</u>	<u>-</u>
<u>\$ 11,813,215</u>	<u>\$ 6,671,566</u>	<u>\$ 232,956,012</u>	<u>\$ 4,868,314</u>
\$ 134,798	\$ 138,797	\$ 2,343,377	\$ 250,739
-	-	21,126	-
-	-	-	2,243,673
8,470	7,645	118,555	-
26,242	-	194,831	-
-	-	1,402,424	-
-	197,702	694,309	4,305
-	4,668	25,918	-
680,046	462,721	3,651,123	-
<u>849,556</u>	<u>811,533</u>	<u>8,451,663</u>	<u>2,498,717</u>
-	-	-	1,826,889
-	-	-	-
86,596	210,530	1,502,410	-
70,594	61,660	900,272	-
25,885	34,325	395,287	-
115,541	1,604,890	4,184,539	-
2,038,597	-	11,586,828	-
8,728,065	-	10,650,951	-
-	-	5,660,943	-
<u>11,065,278</u>	<u>1,911,405</u>	<u>34,881,230</u>	<u>1,826,889</u>
<u>11,914,834</u>	<u>2,722,938</u>	<u>43,332,893</u>	<u>4,325,606</u>
8,004,882	4,037,530	173,237,434	-
-	-	535,256	-
<u>(8,106,501)</u>	<u>(88,902)</u>	<u>15,850,429</u>	<u>542,708</u>
<u>(101,619)</u>	<u>3,948,628</u>	<u>189,623,119</u>	<u>542,708</u>
<u>\$ 11,813,215</u>	<u>\$ 6,671,566</u>	<u>\$ 232,956,012</u>	<u>\$ 4,868,314</u>

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, 2014

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Total enterprise funds net position	\$ 189,623,119
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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.	<u>(578,523)</u>
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Net position of business-type activities	<u><u>\$ 189,044,596</u></u>
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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, 2014

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Solid Waste</u>	<u>Sewer</u>
<b>REVENUES</b>			
Charges for services	\$ 16,715,287	\$ 4,913,004	\$ 5,144,926
<b>OPERATING EXPENSES</b>			
Personal services	4,740,338	3,620,820	884,207
Contractual services	2,754,033	1,910,006	825,433
Commodities	4,160,185	300,240	205,770
Depreciation	1,957,748	663,655	1,344,531
Other charges, primarily claims	10,128	-	-
Total operating expenses	<u>13,622,432</u>	<u>6,494,721</u>	<u>3,259,941</u>
<b>OPERATING INCOME (LOSS)</b>	<u>3,092,855</u>	<u>(1,581,717)</u>	<u>1,884,985</u>
<b>NONOPERATING INCOME (EXPENSE)</b>			
Home rule sales tax	-	-	-
Investment income	10,401	-	-
Gain (loss) on disposal of capital assets	11,672	2,927	18,684
Other income	240,333	116,876	247,923
Other expense	-	-	-
Interest expense	(188,245)	(76,067)	(236,314)
Total nonoperating income (expenses)	<u>74,161</u>	<u>43,736</u>	<u>30,293</u>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<u>3,167,016</u>	<u>(1,537,981)</u>	<u>1,915,278</u>
<b>CONTRIBUTION REVENUE</b>	<u>738,223</u>	<u>-</u>	<u>681,008</u>
<b>TRANSFERS</b>			
Transfers in	-	1,304,000	-
Transfers out	(540,356)	(239,922)	(147,400)
Total transfers	<u>(540,356)</u>	<u>1,064,078</u>	<u>(147,400)</u>
<b>CHANGE IN NET POSITION</b>	<u>3,364,883</u>	<u>(473,903)</u>	<u>2,448,886</u>
<b>NET POSITION (DEFICIT), BEGINNING OF YEAR</b>	100,105,405	914,151	56,162,567
<b>Prior period adjustment</b>	<u>-</u>	<u>-</u>	<u>(62,712)</u>
<b>NET POSITION (DEFICIT), BEGINNING OF YEAR, RESTATED</b>	<u>100,105,405</u>	<u>914,151</u>	<u>56,099,855</u>
<b>NET POSITION (DEFICIT), END OF YEAR</b>	<u>\$ 103,470,288</u>	<u>\$ 440,248</u>	<u>\$ 58,548,741</u>

<b>Business-type Activities - Enterprise Funds</b>			<b>Total Enterprise Funds</b>	<b>Governmental Activities</b>
<b>US Cellular Coliseum</b>	<b>Stormwater Management</b>	<b>Nonmajor Enterprise Funds</b>		<b>Internal Service Funds</b>
\$ 3,864,740	\$ 2,728,131	\$ 2,954,107	\$ 36,320,195	\$ 13,105,132
1,677,064	608,936	1,248,192	12,779,557	-
2,184,902	520,908	554,768	8,750,050	5,455,992
726,928	45,425	768,793	6,207,341	-
854,532	266,423	275,199	5,362,088	-
58,791	-	-	68,919	7,396,607
<u>5,502,217</u>	<u>1,441,692</u>	<u>2,846,952</u>	<u>33,167,955</u>	<u>12,852,599</u>
(1,637,477)	1,286,439	107,155	3,152,240	252,533
1,665,044	-	-	1,665,044	-
1,898	-	-	12,299	(91)
-	-	210	33,493	-
-	32,943	34,547	672,622	-
-	-	-	-	-
-	(242,609)	(69,494)	(812,729)	-
<u>1,666,942</u>	<u>(209,666)</u>	<u>(34,737)</u>	<u>1,570,729</u>	<u>(91)</u>
29,465	1,076,773	72,418	4,722,969	252,442
-	681,008	-	2,100,239	-
2,646,000	205,566	263,000	4,418,566	364,000
(1,665,044)	(91,779)	(113,406)	(2,797,907)	(364,000)
<u>980,956</u>	<u>113,787</u>	<u>149,594</u>	<u>1,620,659</u>	<u>-</u>
1,010,421	1,871,568	222,012	8,443,867	252,442
22,397,381	(1,973,187)	3,726,616	181,332,933	290,266
(90,969)	-	-	(153,681)	-
<u>22,306,412</u>	<u>(1,973,187)</u>	<u>3,726,616</u>	<u>181,179,252</u>	<u>290,266</u>
<u>\$ 23,316,833</u>	<u>\$ (101,619)</u>	<u>\$ 3,948,628</u>	<u>\$ 189,623,119</u>	<u>\$ 542,708</u>

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, 2014

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Net change in net position in enterprise funds \$ 8,443,867

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.

42,271

Change in net position of business-type activities

\$ 8,486,138

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, 2014

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Solid Waste</b>	<b>Sewer</b>	<b>US Cellular Coliseum</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 16,048,256	\$ 4,935,991	\$ 4,548,799	\$ 3,180,122
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(6,982,506)	(2,150,746)	(862,902)	(2,834,417)
Payments to claimants	-	-	-	-
Payments to employees	(4,641,518)	(3,662,808)	(927,873)	(1,675,402)
Other receipts	240,333	116,876	247,923	-
Net cash from operating activities	<u>4,664,565</u>	<u>(760,687)</u>	<u>3,005,947</u>	<u>(1,329,697)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Home rule sales tax	-	-	-	1,665,044
Payments to interfund accounts	(540,356)	(76,873)	(147,400)	(1,665,044)
Proceeds from interfund accounts	3,525,000	1,304,000	-	685,373
Payments on debt	-	-	-	-
Net cash from noncapital financing activities	<u>2,984,644</u>	<u>1,227,127</u>	<u>(147,400)</u>	<u>685,373</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Proceeds from capital debt	811,250	349,360	1,261,815	-
Purchase of capital assets	(1,132,504)	(2,752,870)	(2,364,886)	(27,785)
Principal paid on long-term debt	(1,052,305)	(997,740)	(300,049)	-
Interest paid on long-term debt	(183,955)	(76,067)	(239,589)	-
Net cash from capital and related financing activities	<u>(1,557,514)</u>	<u>(3,477,317)</u>	<u>(1,642,709)</u>	<u>(27,785)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest and dividends received	10,401	-	-	1,898
Proceeds from investment sales	-	-	-	-
Net cash from investing activities	<u>10,401</u>	<u>-</u>	<u>-</u>	<u>1,898</u>
Net increase (decrease) in cash	6,102,096	(3,010,877)	1,215,838	(670,211)
Cash and cash equivalents, beginning 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, end of year	<u>\$ 23,613,212</u>	<u>\$ 48,256</u>	<u>\$ 2,790,046</u>	<u>\$ 363,357</u>
Cash and cash equivalents consists of the following:				
Cash and cash equivalents	\$ 23,613,212	\$ -	\$ 2,303,046	\$ 363,357
Restricted accounts - cash	-	48,256	487,000	-
Less items not meeting the definition of cash equivalents	-	-	-	-
<b>Cash and cash equivalents, end of year</b>	<u>\$ 23,613,212</u>	<u>\$ 48,256</u>	<u>\$ 2,790,046</u>	<u>\$ 363,357</u>

<b>Stormwater Management</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities Internal Service Funds</b>
\$ 2,099,131	\$ 3,074,094	\$ 33,886,393	\$ 10,349,825
-	-	-	2,753,554
(491,330)	(1,369,171)	(14,691,072)	(5,381,341)
-	-	-	(7,337,260)
(723,738)	(1,227,201)	(12,858,540)	-
32,943	34,547	672,622	-
<u>917,006</u>	<u>512,269</u>	<u>7,009,403</u>	<u>384,778</u>
-	-	1,665,044	-
(91,778)	263,000	(2,258,451)	(514,000)
205,566	(238,405)	5,481,534	514,000
(587,142)	-	(587,142)	-
<u>(473,354)</u>	<u>24,595</u>	<u>4,300,985</u>	<u>-</u>
787,129	280,540	3,490,094	-
(988,927)	(304,841)	(7,571,813)	-
-	(297,204)	(2,647,298)	-
(244,291)	(69,494)	(813,396)	-
<u>(446,089)</u>	<u>(390,999)</u>	<u>(7,542,413)</u>	<u>-</u>
-	-	12,299	1,795
-	-	-	23,482
-	-	12,299	25,277
(2,437)	145,865	3,780,274	410,055
462,959	172,798	23,813,782	4,283,199
<u>\$ 460,522</u>	<u>\$ 318,663</u>	<u>\$ 27,594,056</u>	<u>\$ 4,693,254</u>
\$ 460,522	\$ 318,663	\$ 27,058,800	\$ 4,715,164
-	-	535,256	-
-	-	-	(21,910)
<u>\$ 460,522</u>	<u>\$ 318,663</u>	<u>\$ 27,594,056</u>	<u>\$ 4,693,254</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, 2014

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Solid Waste</b>	<b>Sewer</b>	<b>US Cellular Coliseum</b>
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ 3,092,855	\$ (1,581,717)	\$ 1,884,985	\$ (1,637,477)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	1,957,748	663,655	1,344,531	854,532
Other income	240,333	116,876	247,923	-
Change in assets and liabilities:				
Receivables	(667,031)	22,987	(596,127)	64,572
Inventory	23,909	-	-	-
Prepaid items and other assets	945	-	-	1,074
Accounts payable and accrued expenses	(81,114)	59,500	168,301	136,792
Ticket escrow payable	-	-	-	(509,769)
Claims payable	-	-	-	-
Unearned revenue	-	-	-	(239,421)
Deposits	(1,900)	-	-	-
Compensated absences	120,773	(42,476)	(46,588)	-
Net OPEB obligation	(30,447)	3,167	3,974	-
Net pension obligation	8,494	(2,679)	(1,052)	-
<b>Net cash from operating activities</b>	<u>\$ 4,664,565</u>	<u>\$ (760,687)</u>	<u>\$ 3,005,947</u>	<u>\$ (1,329,697)</u>
Schedule of noncash items:				
Capital and related financing activities:				
Contribution of capital assets	\$ 738,223	\$ -	\$ 681,008	\$ -
<b>Investing activities, net of (depreciation) in fair value of investments</b>	\$ -	\$ -	\$ -	\$ -

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

<u>Stormwater Management</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 1,286,439	\$ 107,155	\$ 3,152,240	\$ 252,533
266,423	275,199	5,362,088	-
32,943	34,547	672,622	-
(629,000)	119,562	(1,685,037)	3,335
-	(34,587)	(10,678)	-
-	-	2,019	(150,975)
75,003	(7,946)	350,536	225,626
-	-	(509,769)	-
-	-	-	59,347
-	425	(238,996)	(5,088)
-	(3,077)	(4,977)	-
(115,289)	11,380	(72,200)	-
8,237	12,471	(2,598)	-
(7,750)	(2,860)	(5,847)	-
<u>\$ 917,006</u>	<u>\$ 512,269</u>	<u>\$ 7,009,403</u>	<u>\$ 384,778</u>
\$ 681,008	\$ -	\$ 2,100,239	\$ -
\$ -	\$ -	\$ -	\$ (1,823)

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

**CITY OF BLOOMINGTON, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION**

**FIDUCIARY FUNDS**

April 30, 2014

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	<b><u>Pension</u></b>	<b><u>J.M. Scott</u></b>
	<b><u>Trust Funds</u></b>	<b><u>Private-Purpose</u></b>
		<b><u>Trust Fund</u></b>
<b>ASSETS</b>		
Cash	\$ 5,701,192	\$ 216,953
Investments:		
U.S. government securities	941,328	-
U.S. government agencies and corporations	15,191,730	-
Annuities - fixed	16,796,072	-
Annuities - variable	28,430,029	-
Mutual funds	36,215,281	-
Stocks	-	6,324,815
Corporate bonds	3,217,682	3,833,893
Receivables:		
Contributions	87,805	-
Accrued interest	210,606	-
	<u>106,791,725</u>	<u>10,375,661</u>
Total assets		
	<u>106,791,725</u>	<u>10,375,661</u>
<b>LIABILITIES</b>		
Accounts payable	6,032	-
Loan payable	-	51,396
	<u>6,032</u>	<u>51,396</u>
Total liabilities		
	<u>6,032</u>	<u>51,396</u>
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES</b>	<u><u>\$ 106,785,693</u></u>	<u><u>\$ 10,324,265</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, 2014

	<b>Pension Trust Funds</b>	<b>J.M. Scott Private-Purpose Trust Fund</b>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 6,094,676	\$ -
Plan members	1,832,716	-
Other sources	245,145	2,216
	<u>8,172,537</u>	<u>2,216</u>
Total contributions		
	<u>8,172,537</u>	<u>2,216</u>
Net investment income		
Net appreciation in fair value of investments	8,710,013	726,191
Investment earnings	1,433,683	229,941
	<u>10,143,696</u>	<u>956,132</u>
Total investment income		
	<u>10,143,696</u>	<u>956,132</u>
Less investment expense	50,660	-
	<u>10,093,036</u>	<u>956,132</u>
Net investment income		
	<u>10,093,036</u>	<u>956,132</u>
Total additions		
	<u>18,265,573</u>	<u>958,348</u>
<b>DEDUCTIONS</b>		
Benefits	8,676,103	-
Refund of contributions	9,529	-
Administrative expenses	153,043	-
Health and welfare	-	299,943
	<u>8,838,675</u>	<u>299,943</u>
Total deductions		
	<u>8,838,675</u>	<u>299,943</u>
<b>NET INCREASE</b>	9,426,898	658,405
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>		
<b>BEGINNING OF YEAR</b>	<u>97,358,795</u>	<u>9,665,860</u>
<b>END OF YEAR</b>	<u>\$ 106,785,693</u>	<u>\$ 10,324,265</u>

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

# CITY OF BLOOMINGTON, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2014

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### 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.

**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 trust funds to account for assets that the City holds in a fiduciary capacity or on behalf of others as their agent. 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.



**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 property taxes levied for library purposes 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.

**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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement presentation  
(Continued)**

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

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

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

Property taxes receivable represents the 2013 levy that is due and collectible in 2014-2015 fiscal year. The 2013 levy was adopted in December 2013. 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 2013 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 2014 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, 2014, the taxes will not be levied by the City or extended by the County until December 2014, and therefore, the amount is not measurable at April 30, 2014.

**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.

**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.

**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 assets 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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

K. Deferred Outflows/Inflows of Resources – Continued

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 assets 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, 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".

**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. The rates at which the amounts will be paid and form of payment are determined by contract.

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

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.



**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 of at least ten percent of budgeted General Fund expenditures including transfers.

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.

**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.

**2. CASH AND INVESTMENTS (Continued)**

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 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.

**2. CASH AND INVESTMENTS (Continued)**

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

**2. CASH AND INVESTMENTS (Continued)**

A. Deposits

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

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

The Police and Firemen's Pension Funds investment policies do not specifically address custodial credit risk for deposits, except for the Pension Funds' compliance with State statutes.

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.

**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, 2014, \$5,663 of the Pension Fund's investments of \$58,203,438 were exposed to custodial credit risk, as they were uninsured and uncollateralized. The uninsured and uncollateralized balance of \$5,663 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 specifically provide limitations on the maturities of investments.

**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. 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>&lt; 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>&gt; 10 Years</u>
<b>City of Bloomington</b>					
IMET	\$ 7,760,869	\$ -	\$ 7,760,869	\$ -	\$ -
Mutual Funds	2,705,432	2,705,432	-	-	-
Municipal Bonds	2,832,687	-	2,832,687	-	-
U.S. Government Agency Bonds	3,021,120	-	2,999,210	-	21,910
U.S. Treasury Strips	2,958,438	-	2,958,438	-	-
Total City of Bloomington	<u>\$ 19,278,546</u>	<u>\$ 2,705,432</u>	<u>\$ 16,551,204</u>	<u>\$ -</u>	<u>\$ 21,910</u>
<b>Police Pension Fund</b>					
Mutual Funds	\$ 36,215,281	\$ 36,215,281	\$ -	\$ -	\$ -
U.S. Government Securities	941,328	-	-	406	940,922
U.S. Government Agencies and Corporations	15,184,694	1,015,372	9,729,897	3,776,868	662,557
Corporate Bonds	3,217,682	-	109,957	3,107,725	-
Annuities - Fixed	2,644,453	2,644,453	-	-	-
Total Police Pension Fund	<u>\$ 58,203,438</u>	<u>\$ 39,875,106</u>	<u>\$ 9,839,854</u>	<u>\$ 6,884,999</u>	<u>\$ 1,603,479</u>
<b>Firemen's Pension Fund</b>					
U.S. Agency securities	\$ 7,036	\$ -	\$ -	\$ 3,073	\$ 3,963
Total Firemen's Pension Fund	<u>\$ 7,036</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,073</u>	<u>\$ 3,963</u>
<b>J.M. Scott Private-Purpose Trust Fund</b>					
Mutual Fund	\$ 10,166,057	\$ 10,166,057	\$ -	\$ -	\$ -
Money Market Mutual Fund	7,348	7,348	-	-	-
Total J.M. Scott Private-Purpose Trust Fund	<u>\$ 10,173,405</u>	<u>\$ 10,173,405</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2014, 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, 2014, 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	Aaa-bf	Not Rated	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:			
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
Illinois State Housing Development Authority	Aa3	AA	N/A
Jefferson WI School District	Aa3	Not Rated	N/A
U.S. Government Agencies and Corporations:			
Federal Home Loan Mortgage Corporation	Aaa	AA+	N/A
Federal Farm Credit Bank	Aaa	AA+	N/A
Federal Home Loan Bank	Aaa	AA+	N/A
Federal National Mortgage Association	Aaa	AA+	N/A
Police Pension Fund:			
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
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
Pimco Total Return 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
William Blair International Growth Fund	Not Rated	Not Rated	N/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 &amp; Poor's</u>	<u>A.M. Best Company</u>
Police Pension Fund (continued):			
Annuities - Fixed:			
Prosaver Platinum 8-Year Annuity	Aa3	N/A	A+
Prosaver Platinum 7-Year Annuity	Aa3	N/A	A+
Corporate Bonds	A3	A-	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+
Firemen's Pension Fund:			
Money Market Funds:			
Illinois Funds	Not Rated	AAAm	Not Rated
Annuities:			
Jackson National Life	A+	AA	A1
Sun Life Financial – Sun Life Assurance Co.	A-	Not Rated	Not Rated
Sun Life Financial – Key Port Annuities	A1	AA-	Aa3
ING USA Annuity and Life Insurance Company	A	A-	A3
Aviva USA Corporation	BBB+	A-	A3
Symetra Life Insurance Company	A	A	A3
RBC Liberty Life Insurance Company	B++	A-	A3
American National Insurance Company	A	A	Not Rated
Nationwide	A+	AA	A1
OM Financial/Fidelity and Guaranty Insurance	B++	BBB-	Baa3
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.

**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 the National Housing Act are limited to 20 percent of the investment portfolio.

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**2. CASH AND INVESTMENTS (Continued)**

**B. Investments – Continued**

Investments in stocks and convertible debt are limited to 50 percent of the investment portfolio.

Investments that represent 5 percent or more of the total Police Pensions Fund's investments are as follows:

Schwab Total Stock Market	\$ 14,566,406
Blackrock Equity Dividend	2,993,114
Dodge & Cox Stock Fund	2,979,400
American Funds Growth Fund of American	2,976,161
Harbor Capital Appreciation Fund	2,954,630

It is the policy of the Firemen's 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 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, 2014 (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:		
Jackson National Life	Annuity Contracts	\$11,943,105*
Sun Life Financial	Annuity Contracts	8,368,401*
ING Life Insurance Contract	Annuity Contracts	8,129,562*
American Investors Life	Annuity Contracts	7,991,036*
Symetra	Annuity Contracts	2,664,009*
Genworth	Annuity Contracts	1,372,392
RBC (Athene)	Annuity Contracts	1,372,082
American National	Annuity Contracts	740,062

\* Represents more than 5% of total net position

**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, 2014:

	Beginning Balance May 1, 2013	Additions	Retirements	Ending Balance April 30, 2014
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 19,730,323	\$ 14,299	\$ -	\$ 19,744,622
Construction-in-progress	7,639,502	2,038,891	6,036,578	3,641,815
Total capital assets, not being depreciated	<u>27,369,825</u>	<u>2,053,190</u>	<u>6,036,578</u>	<u>23,386,437</u>
Capital assets, being depreciated:				
Land improvements	\$ 18,605,948	\$ 1,041,913	\$ -	\$ 19,647,861
Construction*	74,256,905	167,704	613,000	73,811,609
Infrastructure	232,765,431	4,342,312	-	237,107,743
Machinery and equipment	18,376,772	486,383	574,097	18,289,058
Licensed vehicles	14,132,851	1,990,452	2,346,948	13,776,355
Zoo animals	8,000	-	8,000	-
Total capital assets, being Depreciated	<u>358,145,907</u>	<u>8,028,764</u>	<u>3,542,045</u>	<u>362,632,626</u>
Less accumulated depreciation for:				
Land improvements	4,606,589	464,273	-	5,070,862
Construction	21,051,643	1,706,756	-	22,758,399
Infrastructure	158,621,641	5,332,224	-	163,953,865
Machinery and equipment	11,424,732	1,094,552	573,512	11,945,772
Licensed vehicles	8,726,317	927,538	1,827,284	7,826,571
Zoo animals	3,600	33	3,633	-
Total accumulated depreciation	<u>204,434,522</u>	<u>9,525,376</u>	<u>2,404,429</u>	<u>211,555,469</u>
Total capital assets, being depreciated, net	<u>153,711,385</u>	<u>(1,496,612)</u>	<u>1,137,616</u>	<u>151,077,157</u>
Governmental activities capital assets, net	<u>\$ 181,081,210</u>	<u>\$ 556,578</u>	<u>\$ 7,174,194</u>	<u>\$ 174,463,594</u>

\*The retirements in the Construction category represent an impairment loss relating to the Pepsi Ice Center parking garage. The impairment loss has been reported as an extraordinary item on the Statement of Activities.

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. CAPITAL ASSETS (Continued)**

	Beginning Balance <u>May 1, 2013</u>	Additions	Retirements	Ending Balance <u>April 30, 2014</u>
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 7,650,506	\$ -	\$ -	\$ 7,650,506
Construction-in-progress	<u>14,538,469</u>	<u>2,393,766</u>	<u>12,150,620</u>	<u>4,781,615</u>
Total capital assets, not being depreciated	<u>22,188,975</u>	<u>2,393,766</u>	<u>12,150,620</u>	<u>12,432,121</u>
Capital assets, being depreciated:				
Land improvements	958,455	-	-	958,455
Construction	55,792,038	27,786	-	55,819,824
Infrastructure	160,672,036	11,430,763	-	172,102,799
Machinery and equipment	23,793,132	2,403,675	70,987	26,125,820
Licensed vehicles	<u>8,551,266</u>	<u>1,709,436</u>	<u>628,888</u>	<u>9,631,814</u>
Total capital assets, being depreciated	<u>249,766,927</u>	<u>15,571,660</u>	<u>699,875</u>	<u>264,638,712</u>
Less accumulated depreciation for:				
Land improvements	562,983	34,312	-	597,295
Construction	13,933,954	977,802	-	14,911,756
Infrastructure	39,255,640	2,309,847	-	41,565,487
Machinery and equipment	14,906,413	1,222,357	70,987	16,057,783
Licensed vehicles	<u>5,510,981</u>	<u>817,769</u>	<u>597,442</u>	<u>5,731,308</u>
Total accumulated depreciation	<u>74,169,971</u>	<u>5,362,087</u>	<u>668,429</u>	<u>78,863,629</u>
Total capital assets, being depreciated, net	<u>175,596,956</u>	<u>10,209,573</u>	<u>31,446</u>	<u>185,775,083</u>
Business-type activities capital assets, net	<u>\$ 197,785,931</u>	<u>\$ 12,603,339</u>	<u>\$ 12,182,066</u>	<u>\$ 198,207,204</u>

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

<b>Governmental Activities</b>	
General government	\$ 475,828
Public safety	1,224,623
Highways and streets	5,601,944
Health	1,402
Culture and recreation	2,037,103
Community development	48,418
Parking	<u>136,058</u>
	<u>\$ 9,525,376</u>
<b>Business-type Activities</b>	
Water	\$ 1,957,747
Solid waste	663,655
Sewer	1,344,531
U.S. Cellular Coliseum	854,532
Stormwater management	266,423
Golf operations	194,600
Parking	<u>80,599</u>
	<u>\$ 5,362,087</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, 2014:

	Balance May 1, 2013	Additions	Retirements	Balance April 30, 2014	Due within One Year
<b>Governmental Activities:</b>					
<b>General Obligation Bonds:</b>					
Series 2003	\$ 9,000,000	\$ -	\$ 9,000,000	\$ -	\$ -
Series 2004 taxable	24,090,000	-	155,000	23,935,000	155,000
Series 2004 demand	10,500,000	-	400,000	10,100,000	400,000
Series 2005	7,520,000	-	455,000	7,065,000	470,000
Series 2007*	3,625,000	-	120,000	3,505,000	125,000
Series 2009 refunding	2,840,000	-	-	2,840,000	-
Series 2011 refunding	5,075,000	-	690,000	4,385,000	715,000
Series 2012 taxable*	6,181,620	-	2,421,000	3,760,620	1,831,890
Series 2013A refunding	-	7,800,000	-	7,800,000	1,100,000
Series 2013B taxable	-	555,000	-	555,000	555,000
Series 2013C	-	9,225,000	-	9,225,000	-
Subtotal	68,831,620	17,580,000	13,241,000	73,170,620	5,351,890
Unamortized bond premium	282,568	856,258	150,221	988,605	120,212
Unamortized bond discount	(299,989)	-	(17,412)	(282,577)	(17,412)
Total General Obligation Bonds	68,814,199	18,436,258	13,373,809	73,876,648	5,454,690
<b>Other liabilities:</b>					
Capital lease payable	6,124,603	1,422,956	1,895,326	5,652,233	1,214,684
Net OPEB obligation	5,437,422	536,414	-	5,973,836	-
Net pension obligation	758,894	29,402	-	788,296	-
Compensated absences	10,435,293	2,286,816	1,512,919	11,209,190	1,505,509
Total Governmental**	\$ 91,570,411	\$ 22,711,846	\$ 16,782,054	\$ 97,500,203	\$ 8,174,883

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

\*\*The retirements column includes \$239,181 of long-term debt transferred from governmental activities to the Solid Waste Fund (\$45,751) and to the Golf Fund (\$193,430).

	Balance May 1, 2013	Additions	Retirements	Balance April 30, 2014	Due Within One Year
<b>Business-type Activities:</b>					
<b>General Obligation Bonds:</b>					
Series 2007*	\$ 5,600,000	\$ -	\$ 185,000	\$ 5,415,000	\$ 190,000
Series 2012 taxable*	1,478,380	-	579,000	899,380	438,110
Subtotal	7,078,380	-	764,000	6,314,380	628,110
Unamortized bond discount	(28,307)	-	(1,490)	(26,817)	(1,490)
Total General Obligation Bonds	7,050,073	-	762,510	6,287,563	626,620
<b>Other liabilities:</b>					
Loan payable	12,547,689	2,226,918	2,573,543	12,201,064	614,236
Note payable	12,073,084	-	703,681	11,369,403	718,452
Capital lease payable	5,908,123	1,263,175	1,294,944	5,876,354	1,691,815
Net OPEB obligation	902,870	-	2,598	900,272	-
Net pension obligation	401,133	-	5,846	395,287	-
Compensated absences	1,693,165	-	72,200	1,620,965	118,555
Business-type activities, long-term liabilities**	\$ 40,576,137	\$ 3,490,093	\$ 5,415,322	\$ 38,650,908	\$ 3,769,678

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

\*\*The additions column includes \$239,181 of long-term debt transferred from governmental activities to the Solid Waste Fund (\$45,751) and to the Golf Fund (\$193,430).

**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.



**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.

General Obligation Refunding Bonds, Series 2013A

The City issued \$7,800,000 General Obligation Refunding Bonds, Series 2013A in 2013 for the purpose of refunding a portion of the General Obligation Bonds, Series 2003. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$330,000 to \$1,100,000 are due each June 1 from 2014 to 2023. Interest ranges from 2.00% to 4.00% and is due semi-annually in June and December.

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. LONG-TERM DEBT (Continued)**

General Obligation Refunding Bonds, Series 2013A (Continued)

On October 29, 2013 the City issued \$7,800,000 in General Obligation Refunding Bonds, Series 2013A with interest rates of 2.00% to 4.00% to refund \$8,000,000 of outstanding General Obligation Bonds, Series 2003 with interest rates of 3.10% to 4.50%. As a result of the refunding, the City will realize additional cash flows savings of approximately \$467,843 and an economic gain of \$427,026.

Taxable General Obligation Bonds, Series 2013B

The City issued \$555,000 Taxable General Obligation Bonds, Series 2013B in 2013 for the purpose of financing street resurfacing and sewer repairs for the City. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. The principal payment of \$555,000 is due December 1, 2014. Interest is 1.00% and is due semi-annually in June and December.

General Obligation Bonds, Series 2013C

The City issued \$9,225,000 General Obligation Bonds, Series 2013C in 2013 for the purpose of for the purpose of financing street resurfacing and sewer repairs for the City. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$930,000 to \$1,140,000 are due each December 1 from 2015 to 2023. Interest ranges from 2.00% to 3.00% and is due semi-annually in June and December.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2015	\$ 5,351,890	\$ 3,025,814	\$ 8,377,704
April 30, 2016	6,138,730	2,866,616	9,005,346
April 30, 2017	4,780,000	2,701,916	7,481,916
April 30, 2018	4,970,000	2,545,104	7,515,104
April 30, 2019	4,620,000	2,381,923	7,001,923
April 30, 2020 – 2024	20,995,000	9,609,101	30,604,101
April 30, 2025 – 2029	13,975,000	5,637,273	19,612,273
April 30, 2030 – 2034	9,955,000	2,396,756	12,351,756
April 30, 2035	<u>2,385,000</u>	<u>76,022</u>	<u>2,461,022</u>
	<u>\$ 73,170,620</u>	<u>\$ 31,240,525</u>	<u>\$ 104,411,145</u>

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. LONG-TERM DEBT (Continued)**

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	225,000	195,031	420,031
April 30, 2020 – 2024	1,275,000	825,125	2,100,125
April 30, 2025 – 2029	1,575,000	522,809	2,097,809
April 30, 2030 – 2033	1,525,000	140,963	1,665,963
	<u>\$ 6,314,380</u>	<u>\$ 2,572,700</u>	<u>\$ 8,887,080</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 \$107,573 to \$668,985 and are due each October 1 through 2022. Interest ranges from 2.00% to 4.00%. Construction under the capital lease has a cost of \$8,343,255 and accumulated depreciation of \$2,272,379 as of April 30, 2014.

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 \$4,300,000 and accumulated depreciation of \$1,003,153 as of April 30, 2014.

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 \$5,563,359 and accumulated depreciation of \$711,565 as of April 30, 2014.

In 2014, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$25,839 with interest at 1.85% through 2019. Equipment under the capital lease has a cost of \$528,066 and accumulated depreciation of \$19,755 as of April 30, 2014.

In 2014, the City entered into a second capital lease agreement to finance the purchase of a fire truck. The lease calls for semi-annual payments of principal and interest of \$51,158 with interest at 2.1% through 2018. Equipment under the capital lease has a cost of \$964,950 and accumulated depreciation of \$40,742 as of April 30, 2014.

**CITY OF BLOOMINGTON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**4. LONG-TERM DEBT (Continued)**

Capital Lease Payable (Continued)

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

April 30, 2015	\$ 1,349,589
April 30, 2016	1,451,685
April 30, 2017	1,227,298
April 30, 2018	609,474
April 30, 2019	552,456
April 30, 2020 – 2022	<u>939,602</u>
Total minimum lease payments	6,130,104
Less: Amount representing interest	<u>477,871</u>
Present value of minimum lease payments	<u>\$ 5,652,233</u>

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

April 30, 2015	\$ 1,834,054
April 30, 2016	1,704,587
April 30, 2017	1,316,606
April 30, 2018	463,099
April 30, 2019	446,645
April 30, 2020 – 2021	<u>503,980</u>
Total minimum lease payments	6,268,971
Less: Amount representing interest	<u>392,617</u>
Present value of minimum lease payments	<u>\$ 5,876,354</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.

Loans Payable

In previous years, the City entered into five separate loan agreements with the Illinois Environmental Protection Agency, all for the Drinking Water State Revolving Fund Program. The City may draw up to \$17,536,574 for the program. Payment will be required each 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, each March 10 and September 10 until final repayment on September 10, 2029 on the third agreement, each December 17 and June 17 until final repayment on June 17, 2033 on the fourth and fifth agreements.

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. LONG-TERM DEBT (Continued)**

Loans Payable

The outstanding loans payable as of April 30, 2014 matures as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2015	\$ 614,236	\$ 190,279	\$ 804,515
April 30, 2016	744,587	207,937	952,524
April 30, 2017	759,654	192,870	952,524
April 30, 2018	775,057	177,467	952,524
April 30, 2019	790,801	161,723	952,524
April 30, 2020 – 2024	4,202,759	559,861	4,762,620
April 30, 2025 – 2029	2,464,369	215,668	2,680,037
April 30, 2030 – 2034	1,849,601	60,988	1,910,588
	<u>\$ 12,201,064</u>	<u>\$ 1,766,793</u>	<u>\$ 13,967,857</u>

Notes Payable

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

The outstanding notes payable as of April 30, 2014 mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2015	\$ 718,452	\$ 229,510	\$ 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	781,343	166,619	947,962
April 30, 2020 – 2024	4,166,148	573,663	4,739,811
April 30, 2025 – 2029	3,164,377	124,395	3,288,772
April 30, 2030 – 2032	291,345	-	291,345
	<u>\$ 11,369,403</u>	<u>\$ 1,690,335</u>	<u>\$ 13,059,738</u>

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. INTERFUND RECEIVABLES AND PAYABLES**

The individual fund interfund receivable and payable balances as of April 30, 2014 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental activities:		
General	\$ 3,085,044	\$ -
Library	-	1,678,152
Nonmajor governmental funds	-	4,468
Total governmental activities	<u>3,085,044</u>	<u>1,682,620</u>
Business-type activities:		
Solid waste	-	963,051
U.S. Cellular Coliseum	-	439,373
Total business-type activities	<u>-</u>	<u>1,402,424</u>
Total	<u>\$ 3,085,044</u>	<u>\$ 3,085,044</u>

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

- \$3,085,044 due from other funds to the General fund. This balance relates to a) accrued but unpaid transfers of \$1,678,152 from the Library fund for central garage charges and payroll expenses, b) accrued but unpaid transfers of \$4,468 from Nonmajor governmental funds for postage and miscellaneous expenses, c) accrued but unpaid transfers of \$963,051 from the Solid waste fund to cover operating expenses and d) accrued but unpaid transfers of \$439,373 from the U.S. Cellular Coliseum fund to cover operating expenses. The City expects the obligation will be liquidated within one year.
- \$1,678,152 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.
- \$4,468 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)**

- \$963,051 due to other funds from the Solid waste fund. This balance relates to accrued but unpaid transfers from the General fund to cover operating expenses. The City expects the obligation will be liquidated within one year.
- \$439,373 due to other funds from the U.S. Cellular Coliseum funds. This balance relates to accrued but unpaid transfers from the General 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	\$ 29,846	\$ -
Nonmajor governmental funds	<u>-</u>	<u>229,846</u>
Total governmental activities	<u>29,846</u>	<u>229,846</u>
Business-type activities:		
Water	<u>200,000</u>	<u>-</u>
Total business-type activities	<u>200,000</u>	<u>-</u>
Total	<u>\$ 229,846</u>	<u>\$ 229,846</u>

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

- \$29,846 advance from the General fund. This balance relates to accrued but unpaid transfers to Nonmajor governmental funds. Repayment is not expected within one year.
- \$229,846 advance to Nonmajor governmental funds. This balance relates to a) \$29,846 of accrued but unpaid transfers from the General fund and b) \$200,000 from the Water fund for a 5 year loan to fund road resurfacing. Repayment is not expected within one year.
- \$200,000 advance from the Water fund. This balance relates to a \$200,000 transfer to Nonmajor governmental funds 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)**

**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	\$ 1,190,022	\$ 12,099,383
Library	-	36,732
Debt service	4,293,050	-
Nonmajor governmental funds	5,172,205	379,002
Internal service funds	<u>364,000</u>	<u>364,000</u>
Total governmental activities	<u>11,019,277</u>	<u>12,879,117</u>
Business-type activities:		
Water	-	540,356
Solid waste	1,304,000	239,922
Sewer	-	147,400
U.S. Cellular Coliseum	2,646,000	1,665,044
Stormwater management	205,566	91,779
Nonmajor enterprise funds	<u>263,000</u>	<u>113,406</u>
Total business-type activities	<u>4,418,566</u>	<u>2,797,907</u>
*Total	<u>\$ 15,437,843</u>	<u>\$ 15,677,024</u>

\* The \$239,181 difference between Transfers In and Transfers Out is due to the transfer of long-term debt from the Governmental Activities to the Golf Fund (\$193,430) and the Solid Waste Fund (\$45,751).

The purposes of interfund transfers are as follows:

- \$1,190,022 transferred from other funds to the General fund. This amount relates to a) \$36,732 from the Library fund for routine budget transfers, b) \$20,427 from the Nonmajor governmental funds for routine budget transfers, c) \$540,356 from the Water fund for administration fees, d) \$239,922 from the Solid waste fund for administration fees, e) \$147,400 from the Sewer fund for administration fees, f) \$91,779 from the Stormwater management fund for administration fees, and g) \$113,406 from the Nonmajor enterprise funds for administration fees. The transfers will not be repaid.
- \$12,099,383 transferred to other funds from the General fund. This amount relates to a) routine budget transfers of \$2,628,006 to the Debt service fund, b) \$5,052,811 to Nonmajor governmental funds for routine budget transfers and transfers to offset deficit balances, c) \$263,000 to Nonmajor enterprise funds for routine budget transfers and transfers to offset deficit balances, d) \$1,304,000 to the Solid waste fund to supplement operations and capital purchases, e) \$205,566 to the Stormwater management fund to offset deficit balance and f) routine budget transfers of \$2,646,000 to the U.S. Cellular Coliseum for capital projects. The transfers will not be repaid.



**6. INTERFUND TRANSFERS (Continued)**

- \$36,732 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.
- \$4,293,050 transferred from other funds to the Debt service fund. This amount relates to a) routine budget transfers of \$2,628,006 from the General fund, and b) \$1,665,044 from the U.S. Cellular Coliseum fund for routine budget transfers for debt service payments. The transfer will not be repaid.
- \$5,172,205 transferred from other funds to Nonmajor governmental funds. This amount relates to routine budget transfers and transfers to offset deficit balances from the General fund. The transfers will not be repaid.
- \$379,002 transferred to other funds from Nonmajor governmental funds. This amount relates to a routine budget transfers and from the General fund. The transfer will not be repaid.
- \$364,000 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.
- \$540,356 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.
- \$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.
- \$239,922 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.
- \$147,400 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.
- \$2,646,000 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.
- \$1,665,044 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.
- \$205,566 transferred from other funds to the Stormwater management fund. This amount relates to a transfer from the General fund to offset deficit balances. The transfer will not be repaid.

**6. INTERFUND TRANSFERS (Continued)**

- \$91,779 transferred to other funds from the Stormwater management fund. This amount relates to administration fees transferred to the General fund. The transfer will not be repaid
- \$263,000 transferred from other fund to Nonmajor enterprise funds. This amount relates to a transfer from the General fund to offset deficit balances. The transfer will not be repaid.
- \$113,406 transferred to other funds from Nonmajor enterprise funds. This amount relates to administration fees transferred to the General fund. The transfer will not be repaid.

**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](http://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.

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**7. DEFINED BENEFIT PENSION PLANS**

Illinois Municipal Retirement Fund (Continued)

*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 City's annual required contribution rate for calendar year 2013 was 15.47 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.

*Annual Pension Cost and Net Pension Obligation.* For fiscal year ending April 30, 2014, the City's annual pension cost and net pension obligation were as follows:

Annual required contribution	\$ 3,536,674
Interest on net pension asset	87,002
Adjustments to annual required contribution	<u>(63,446)</u>
Annual pension cost	3,560,230
Annual contributions made	<u>3,536,674</u>
Increase in net pension obligation	23,556
Net pension obligation, beginning of year	<u>1,160,027</u>
Net pension obligation, end of year	<u>\$ 1,183,583</u>

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/14	\$ 3,560,230	99%	\$ 1,183,583
4/30/13	3,387,989	91%	1,160,027
4/30/12	4,743,224	92%	869,486

The required contribution for 2014 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.

**7. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Funded Status and Funding Progress.* As of December 31, 2013, the most recent actuarial valuation date, the plan was 64.76 percent funded; however the actuarial accrued liability for retirees is 100 percent funded. The actuarial accrued liability for benefits was \$60,898,856 and the actuarial value of assets was \$39,440,120, resulting in an underfunded actuarial accrued liability (UAAL) of \$21,458,736. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$22,438,893 and the ratio of the UAAL to the covered payroll was 95.63 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.

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

**CITY OF BLOOMINGTON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension (Continued)

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.

*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, 2014) were as follows:

Annual required contribution	\$ 3,836,673
Interest on net pension asset	(95,614)
Adjustments to annual required contribution	<u>82,106</u>
Annual pension cost	3,823,165
Annual contributions made	<u>3,183,834</u>
Decrease in net pension asset	(639,331)
Net pension asset, beginning of year	<u>1,318,814</u>
Net pension asset, end of year	<u>\$ 679,483</u>

The annual required contribution was determined as part of the May 1, 2013 actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 6.75 percent investment rate of return and (b) 4.50 percent projected salary increases. 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, 2013 actuarial valuation date was 21 years.

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**7. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension (Continued)

*Three Year Trend Information and Funding Status.*

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Asset</u>
04/30/14	\$ 3,823,165	83.28%	\$ 679,483
04/30/13	4,034,882	82.06%	1,318,814
04/30/12	3,835,975	107.19%	2,042,574

*Funding Status and Funding Progress.* As of May 1, 2013, the most recent actuarial valuation date, the Police pension plan was 51.73 percent funded. The actuarial accrued liability for benefits was \$101,542,928 and the actuarial value of assets was \$52,524,514, resulting in an underfunded actuarial accrued liability (UAAL) of \$49,018,414. The covered payroll of active employees covered by the plan was \$9,722,152 and the ratio of the UAAL to the covered payroll was 504.19 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.

**7. DEFINED BENEFIT PENSION PLANS (Continued)**

Firemen's Pension (Continued)

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 firefighter 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 firefighter 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.

*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.

*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, 2014) were as follows:

Annual required contributions	\$ 3,688,461
Interest on net pension asset	(114,631)
Adjustments to annual required contribution	<u>98,437</u>
Annual pension cost	3,672,267
Annual contributions made	<u>2,910,842</u>
Decrease in net pension asset	(761,425)
Net pension asset, beginning of year	<u>1,581,037</u>
Net pension asset, end of year	<u>\$ 819,612</u>

**7. DEFINED BENEFIT PENSION PLANS (Continued)**

Firemen’s Pension (Continued)

The annual required contribution for the current year was determined as part of the May 1, 2013, actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 6.75 percent investment rate of return and (b) 3.50 percent projected salary increases. 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, 2013 actuarial valuation date was 21 years.

*Three Year Trend Information and Funding Status.*

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Asset</u>
04/30/14	\$ 3,672,267	79.27%	\$ 819,612
04/30/13	3,525,114	88.39%	1,581,037
04/30/12	3,179,793	108.83%	1,990,383

*Funding Status and Funding Progress.* As of May 1, 2013, the most recent actuarial valuation date, the Firemen’s pension plan was 53.28 percent funded. The actuarial accrued liability for benefits was \$80,752,546 and the actuarial value of assets was \$43,025,877, resulting in an underfunded actuarial accrued liability (UAAL) of \$37,726,669. The covered payroll of active employees covered by the plan was \$7,137,776 and the ratio of the UAAL to the covered payroll was 528.55 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.



**CITY OF BLOOMINGTON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. LEASES (Continued)**

A total of \$140,842 in lease revenue relating to these leases was received by the City during the fiscal year ended April 30, 2014. 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, 2014:

<u>Fiscal Year Ending April 30:</u>	<u>Operating</u>
2015	\$ 105,994
2016	108,299
2017	98,012
2018	99,283
2019	101,765
2020 – 2024	548,284
2025 – 2029	620,333
2030 – 2032	410,672
	<u>\$ 2,092,642</u>

The assets leased have a cost of \$3,266,482, accumulated depreciation of \$2,097,906 and net book value of \$1,168,576.

**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.

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. JOINT VENTURE (Continued)**

Summarized financial information of the Bloomington-Normal Public Transit System, for the year ended June 30, 2013, is presented below:

<u>Statement of Net Position as of June 30, 2013</u>		
Current assets:		
Cash and cash equivalents	\$ 3,630,425	
Receivables	2,226,454	
Inventory	184,612	
Prepaid expenses	<u>114,957</u>	
Total current assets		\$ 6,156,448
Capital assets, net		<u>13,485,312</u>
Total assets		<u>\$ 19,641,760</u>
Current liabilities:		
Accounts payable, accrued expenses and other	\$ 623,469	
Compensated absences	<u>270,000</u>	
Total current liabilities		\$ 893,469
Noncurrent liabilities:		
Compensated absences, net of current portion		<u>195,621</u>
Total liabilities		1,089,090
Net position:		
Net investment in capital assets	13,485,312	
Unrestricted	<u>5,067,358</u>	
Total net position		<u>18,552,670</u>
Total liabilities and net position		<u>\$ 19,641,760</u>

Statement of Revenues, Expenses, and Changes in Net Position  
For Year Ended June 30, 2013

Operating revenues		
Passenger fares	\$ 885,444	
Contract fares	471,140	
Miscellaneous income	<u>16,411</u>	
Total revenues		1,372,995
Operating expenses		<u>10,635,734</u>
Operating loss		(9,262,739)
Non-Operating and other revenues		<u>10,102,251</u>
Change in net assets		839,512
Net position, beginning of year		<u>17,713,158</u>
Net position, end of year		<u>\$ 18,552,670</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.

**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, 2014 and 2013 are as follows:

	Health Insurance		Casualty Insurance	
	2014	2013	2014	2013
Claims payable, beginning of the year	\$ 118,664	\$ 236,528	\$ 3,892,551	\$ 4,087,103
Claims incurred and changes in accrual	5,850,800	5,680,879	1,315,818	1,217,900
Claims payments	<u>(5,561,996)</u>	<u>(5,798,743)</u>	<u>(1,545,275)</u>	<u>(1,412,452)</u>
Claims payable, end of the year	<u>\$ 407,468</u>	<u>\$ 118,664</u>	<u>\$ 3,663,094</u>	<u>\$ 3,892,551</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 \$314,814 during the year ended April 30, 2014.

**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, 2014 are \$2,774,718.

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	\$ 1,962,975
Library	289,343
Nonmajor governmental	<u>11,659,415</u>
Total	<u>\$ 13,911,733</u>

**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, 2014, there was 1 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 \$790,477.

**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>
<b>TOTAL</b>	<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, 2014, retirees contributed \$1,287,560 and the City contributed \$906,966. 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, 2014. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2012, 2013, and 2014 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
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
April 30, 2014	\$ 1,440,781	\$ 906,966	62.9%	\$ 6,874,108

**CITY OF BLOOMINGTON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**14. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

The net OPEB obligation (NOPEBO) as of April 30, 2014 (latest information available), was calculated as follows:

Annual required contribution	\$ 1,398,513
Interest on net OPEB obligation	253,611
Adjustment to annual required contribution	<u>(211,342)</u>
Annual OPEB cost	1,440,782
Contributions made	<u>906,966</u>
Increase (decrease) in net OPEB obligation	533,816
Net OPEB obligation beginning of year	<u>6,340,292</u>
<b>NET OPEB OBLIGATION END OF YEAR</b>	<b><u>\$ 6,874,108</u></b>

*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)	\$ 18,890,424
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 18,890,424
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 27,879,708
UAAL as a percentage of covered payroll	67.8%

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.



**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, 2014 totaling \$31,490,610, 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.

**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 2014, \$101,973 was rebated under these agreements. Approximately \$268,647 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, 2014:

Nonmajor Governmental Funds:	
Special Revenue Funds	
IHDA Grant	\$ (4,076)
Capital Projects Funds	
Central Bloomington TIF Redevelopment	(5,820)
Stormwater Management Fund	(101,619)
Retiree Group Health Care Fund	(89,299)
Casualty Insurance Fund	(413,594)

**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)**

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**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 \$1,099,161 at April 30, 2014.

**19. SUBSEQUENT EVENTS**

On September 4, 2014, the City issued \$25,000,000 General Obligation Bonds for the purpose of refunding a portion of the Taxable General Obligation Bonds, Series 2004.

**20. PRIOR PERIOD ADJUSTMENTS**

The City has restated beginning net position as of May 1, 2013 to a) correct for the reporting of unrecorded liabilities and b) to correct an error relating to ticket escrow payable.

	<u>Business-Type Activities</u>	<u>Sewer Fund</u>	<u>US Cellular Coliseum Fund</u>
Fund balance/net position, May 1 (as previously reported)	\$ 180,712,139	\$ 52,162,567	\$ 22,397,381
Restated for			
a) Unrecorded liabilities	(62,712)	(62,712)	-
b) Ticket Escrow payable	<u>(90,969)</u>	<u>-</u>	<u>(90,969)</u>
Fund balance/net position, May 1 (as restated)	<u>\$ 180,558,458</u>	<u>\$ 52,094,855</u>	<u>\$ 22,306,412</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF BLOOMINGTON, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2014

<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Liability (AAL) - Entry Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)</b>
12/31/13	\$ 39,440,120	\$ 60,898,856	64.76%	\$ 21,458,736	\$ 22,438,893	95.63%
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%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$53,007,912. On a market basis, the funded ratio would be 87.04%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with 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.

<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Liability (AAL) - Entry Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)</b>
12/31/13	\$ 128,271,540	\$ 149,730,276	85.67%	\$ 21,458,736	\$ 22,438,893	95.63%
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%

**CITY OF BLOOMINGTON, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
POLICE PENSION PLAN

April 30, 2014

<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) - Entry Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)</b>
5/1/13	\$ 52,524,514	\$ 101,542,928	51.73%	\$ 49,018,414	\$ 9,722,152	504.19%
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%

**CITY OF BLOOMINGTON, ILLINOIS**

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

April 30, 2014

<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) - Entry Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)</b>
5/1/13	\$ 43,025,877	\$ 80,752,546	53.28%	\$ 37,726,669	\$ 7,137,776	528.55%
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%

**CITY OF BLOOMINGTON, ILLINOIS**

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

April 30, 2014

<b>Actuarial Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) - Entry Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)</b>
5/1/12	* \$ -	\$ 18,890,424	0.00%	\$ 18,890,424	\$ 27,879,708	67.76%
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%

\* The City was not required to have a full valuation done for fiscal year 2014. The prior valuation included projections for fiscal year 2014 which are what is show above.



**CITY OF BLOOMINGTON, ILLINOIS**

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

April 30, 2014

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<b>Fiscal Year Ended</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage Contributed</b>
2014	\$ 3,536,674	\$ 3,536,674	100.00%
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%

**CITY OF BLOOMINGTON, ILLINOIS**

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

April 30, 2014

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<b>Fiscal Year Ended</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage Contributed</b>
2014	\$ 3,183,834	\$ 3,836,673	82.98%
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%

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, 2014

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<b>Fiscal Year Ended</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage Contributed</b>
2014	\$ 2,910,842	\$ 3,688,461	78.92%
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%

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, 2014

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<b>Fiscal Year Ended</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage Contributed</b>
2014	\$ 906,966	\$ 1,398,513	64.85%
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%

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

**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, 2014

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 68,054,732	\$ 68,054,732	\$ 69,245,163	\$ 1,190,431
Intergovernmental	414,351	432,606	448,163	15,557
Licenses and permits	1,331,305	1,331,305	1,205,523	(125,782)
Charges for services	12,941,215	12,937,215	11,840,357	(1,096,858)
Fines and forfeitures	928,048	928,048	1,202,381	274,333
Investment income	61,450	61,450	165,894	104,444
Other	1,316,807	1,316,807	1,293,138	(23,669)
Total revenues	<u>85,047,908</u>	<u>85,062,163</u>	<u>85,400,619</u>	<u>338,456</u>
<b>EXPENDITURES</b>				
Current:				
General government	15,452,825	17,102,003	13,941,931	3,160,072
Public safety	42,337,216	42,264,619	42,760,550	(495,931)
Highways and streets	6,976,494	7,219,058	7,624,186	(405,128)
Culture and recreation	10,035,799	10,012,131	9,943,661	68,470
Parking	194,045	363,235	399,032	(35,797)
Debt service:				
Principal	1,258,059	1,147,420	1,656,145	(508,725)
Interest and fiscal agent fees	149,939	164,166	186,101	(21,935)
Capital outlay	989,351	1,627,537	704,903	922,634
Total expenditures	<u>77,393,728</u>	<u>79,900,169</u>	<u>77,216,509</u>	<u>2,683,660</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER OTHER FINANCING SOURCES (USES)</b>				
	<u>7,654,180</u>	<u>5,161,994</u>	<u>8,184,110</u>	<u>3,022,116</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,900,384	1,900,384	1,190,022	(710,362)
Bonds issued, at par	-	-	-	-
Proceeds from sale of capital assets	2,500	2,500	601,283	598,783
Transfers out	(9,417,861)	(12,229,527)	(12,099,383)	130,144
Total other financing sources (uses)	<u>(7,514,977)</u>	<u>(10,326,643)</u>	<u>(10,308,078)</u>	<u>18,565</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 139,203</u>	<u>\$ (5,164,649)</u>	<u>(2,123,968)</u>	<u>\$ 3,040,681</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>19,886,522</u>	
<b>FUND BALANCE, END OF YEAR, BUDGETARY BASIS</b>			17,762,554	
<b>CHANGE IN ENCUMBRANCES</b>			<u>259,738</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 18,022,292</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, 2014

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 4,643,877	\$ 4,643,877	\$ 4,638,435	\$ (5,442)
Intergovernmental	89,500	89,500	91,228	1,728
Charges for services	83,600	83,600	88,477	4,877
Investment income	3,300	3,300	864	(2,436)
Miscellaneous	404,000	404,000	427,515	23,515
<b>Total revenues</b>	<b>5,224,277</b>	<b>5,224,277</b>	<b>5,246,519</b>	<b>22,242</b>
<b>EXPENDITURES:</b>				
Current:				
Culture and recreation	4,984,257	4,916,569	4,813,123	103,446
Capital outlay	209,085	209,085	184,553	24,532
<b>Total expenditures</b>	<b>5,193,342</b>	<b>5,125,654</b>	<b>4,997,676</b>	<b>127,978</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER OTHER FINANCING SOURCES (USES)</b>	<b>30,935</b>	<b>98,623</b>	<b>248,843</b>	<b>150,220</b>
<b>OTHER FINANCIAL SOURCES (USES):</b>				
Transfers in	170,768	170,768	-	(170,768)
Proceeds from sale of capital assets	1,000	1,000	842	(158)
Transfers out	(207,500)	(288,832)	(36,732)	252,100
<b>Total other financing sources (uses)</b>	<b>(35,732)</b>	<b>(117,064)</b>	<b>(35,890)</b>	<b>81,174</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (4,797)</b>	<b>\$ (18,441)</b>	<b>212,953</b>	<b>\$ 231,394</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<b>3,512,788</b>	
<b>FUND BALANCE, END OF YEAR BUDGETARY BASIS</b>			<b>3,725,741</b>	
<b>CHANGE IN ENCUMBRANCES</b>			<b>275,700</b>	
<b>FUND BALANCE, END OF YEAR</b>			<b>\$ 4,001,441</b>	

# CITY OF BLOOMINGTON, ILLINOIS

## REQUIRED SUPPLEMENTARY INFORMATION NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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### 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 (Continued)

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**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, 2014 were \$10,811,119 in total with \$6,485,444 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, 2014

	<b>Special Revenue</b>			
	<b>Motor Fuel Tax</b>	<b>Board of Elections</b>	<b>Drug Enforcement</b>	<b>Foreign Fire Insurance Board</b>
<b>ASSETS</b>				
Cash and investments	\$ 5,681,695	\$ 621,683	\$ 405,184	\$ 118,932
Restricted accounts - cash	-	-	-	-
Receivables, net of allowance for uncollectibles:				
Loans	-	-	-	-
Accounts	-	-	-	-
Due from other governmental units	141,234	-	-	-
Prepaid items	-	-	-	-
Properties held for resale	-	-	-	-
<b>Total assets</b>	<b>\$ 5,822,929</b>	<b>\$ 621,683</b>	<b>\$ 405,184</b>	<b>\$ 118,932</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 104,483	\$ 44,448	\$ 2,230	\$ -
Due to other funds	-	-	-	-
Deposits	-	-	-	-
Unearned revenue	-	-	-	-
Interfund advance	-	-	-	-
<b>Total liabilities</b>	<b>104,483</b>	<b>44,448</b>	<b>2,230</b>	<b>-</b>
<b>FUND BALANCE</b>				
Nonspendable				
Loans	-	-	-	-
Interfund advances	-	-	-	-
Prepaid items	-	-	-	-
Property held for resale	-	-	-	-
Restricted				
Capital projects	-	-	-	-
Highways and streets	5,718,446	-	-	-
Board of elections	-	577,235	-	-
Public safety	-	-	-	118,932
Community development	-	-	-	-
Unrestricted				
Committed				
Public safety	-	-	402,954	-
Culture and recreation	-	-	-	-
Assigned				
Capital projects	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balance</b>	<b>5,718,446</b>	<b>577,235</b>	<b>402,954</b>	<b>118,932</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 5,822,929</b>	<b>\$ 621,683</b>	<b>\$ 405,184</b>	<b>\$ 118,932</b>

<b>Special Revenue</b>		
<b>Community Development</b>	<b>IHDA Grant</b>	<b>Park Dedication</b>
\$ 120,879	\$ 23,392	\$ 955,360
-	-	-
1,226,759	-	-
-	31,818	-
-	-	-
2,423	-	-
16,775	-	-
<u>\$ 1,366,836</u>	<u>\$ 55,210</u>	<u>\$ 955,360</u>
\$ 67,687	\$ 29,440	\$ 8,689
4,468	-	-
-	-	-
2,423	-	-
-	29,846	-
<u>74,578</u>	<u>59,286</u>	<u>8,689</u>
1,226,759	-	-
-	-	-
2,423	-	-
16,775	-	-
-	-	-
-	-	-
-	-	-
46,301	-	-
-	-	-
-	-	946,671
-	-	-
-	(4,076)	-
<u>1,292,258</u>	<u>(4,076)</u>	<u>946,671</u>
<u>\$ 1,366,836</u>	<u>\$ 55,210</u>	<u>\$ 955,360</u>

**CITY OF BLOOMINGTON, ILLINOIS**

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**

April 30, 2014

	<b>Capital Projects</b>				<b>Total</b>
	<b>Central Bloomington TIF Redevelopment</b>	<b>Pepsi Ice Center</b>	<b>Capital Improvements</b>	<b>Capital Lease</b>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 8,120	\$ 365	\$ 1,722,644	\$ -	\$ 9,658,254
Restricted accounts - cash	-	-	10,001,910	609,503	10,611,413
Receivables, net of allowance for uncollectibles:					
Loans	-	-	-	-	1,226,759
Accounts	-	-	-	-	31,818
Due from other governmental funds	-	-	400,000	-	541,234
Prepaid items	-	-	-	-	2,423
Properties held for resale	-	-	-	-	16,775
<b>Total assets</b>	<b>\$ 8,120</b>	<b>\$ 365</b>	<b>\$ 12,124,554</b>	<b>\$ 609,503</b>	<b>\$ 22,088,676</b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 13,940	\$ -	\$ 1,245,558	\$ 184,260	\$ 1,700,735
Due to other funds	-	-	-	-	4,468
Deposits	-	-	-	-	-
Deferred revenue	-	-	-	-	2,423
Interfund advance	-	-	200,000	-	229,846
<b>Total liabilities</b>	<b>13,940</b>	<b>-</b>	<b>1,445,558</b>	<b>184,260</b>	<b>1,937,472</b>
<b>FUND BALANCE</b>					
Nonspendable					
Loans	-	-	-	-	1,226,759
Interfund advances	-	-	-	-	-
Prepaid items	-	-	-	-	2,423
Property held for resale	-	-	-	-	16,775
Restricted					
Capital projects	-	-	10,001,910	609,503	10,611,413
Highways and streets	-	-	-	-	5,718,446
Board of elections	-	-	-	-	577,235
Public safety	-	-	-	-	118,932
Community development	-	-	-	-	46,301
Unrestricted					
Committed					
Public safety	-	-	-	-	402,954
Culture and recreation	-	-	-	-	946,671
Assigned					
Capital projects	-	365	677,086	-	677,451
Unassigned	(5,820)	-	-	(184,260)	(194,156)
<b>Total fund balance</b>	<b>(5,820)</b>	<b>365</b>	<b>10,678,996</b>	<b>425,243</b>	<b>20,151,204</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 8,120</b>	<b>\$ 365</b>	<b>\$ 12,124,554</b>	<b>\$ 609,503</b>	<b>\$ 22,088,676</b>

**CITY OF BLOOMINGTON, ILLINOIS**

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

For the Year Ended April 30, 2014

	<b>Special Revenue</b>			
	<b>Motor Fuel Tax</b>	<b>Board of Elections</b>	<b>Drug Enforcement</b>	<b>Foreign Fire Insurance Board</b>
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ 82,763
Intergovernmental	2,297,161	483,578	9,326	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	117,464	-
Investment income	817	-	9	167
Other, primarily contributions	-	-	-	-
<b>Total revenues</b>	<b>2,297,978</b>	<b>483,578</b>	<b>126,799</b>	<b>82,930</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	370,769	-	-
Public safety	-	-	34,953	89,608
Highways and streets	10,907	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Interest and fiscal agent fees	-	-	-	-
Capital outlay	464,278	-	89,824	-
<b>Total expenditures</b>	<b>475,185</b>	<b>370,769</b>	<b>124,777</b>	<b>89,608</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,822,793</b>	<b>112,809</b>	<b>2,022</b>	<b>(6,678)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Capital lease	-	-	-	-
Bonds issued, at par				
Bond premium	-	-	-	-
Proceeds from sale of capital assets	-	-	3,600	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>3,600</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,822,793</b>	<b>112,809</b>	<b>5,622</b>	<b>(6,678)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>3,895,653</b>	<b>464,426</b>	<b>397,332</b>	<b>125,610</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 5,718,446</b>	<b>\$ 577,235</b>	<b>\$ 402,954</b>	<b>\$ 118,932</b>

**Special Revenue**

<b>Community Development</b>	<b>IHDA Grant</b>	<b>Park Dedication</b>
\$ -	\$ -	\$ -
754,547	102,986	11,520
-	-	-
-	-	-
494	4	-
20	-	44,564
<u>755,061</u>	<u>102,990</u>	<u>56,084</u>
-	-	-
-	-	-
-	-	-
-	-	52,298
751,380	93,752	-
-	-	-
-	-	97,198
<u>751,380</u>	<u>93,752</u>	<u>149,496</u>
<u>3,681</u>	<u>9,238</u>	<u>(93,412)</u>
-	16,000	-
-	-	-
-	-	-
-	-	-
(6,427)	(14,000)	-
<u>(6,427)</u>	<u>2,000</u>	<u>-</u>
(2,746)	11,238	(93,412)
<u>1,295,004</u>	<u>(15,314)</u>	<u>1,040,083</u>
<u>\$ 1,292,258</u>	<u>\$ (4,076)</u>	<u>\$ 946,671</u>



**CITY OF BLOOMINGTON, ILLINOIS**

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

For the Year Ended April 30, 2014

	<b>Capital Projects</b>				<b>Total</b>
	<b>Central Bloomington TIF Redevelopment</b>	<b>Pepsi Ice Center</b>	<b>Capital Improvements</b>	<b>Capital Lease</b>	
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 82,763
Intergovernmental	-	-	400,000	-	4,059,118
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	117,464
Investment income	-	-	-	43	1,534
Other, primarily contributions	-	-	76,170	-	120,754
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>476,170</b>	<b>43</b>	<b>4,381,633</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	173,223	-	543,992
Public safety	-	-	-	-	124,561
Highways and streets	-	-	12,995	-	23,902
Culture and recreation	-	3,500	-	-	55,798
Community development	61,312	-	-	-	906,444
Debt service					
Interest and fiscal agent fees	-	-	10,400	-	10,400
Capital outlay	-	-	7,165,149	1,370,587	9,187,036
<b>Total expenditures</b>	<b>61,312</b>	<b>3,500</b>	<b>7,361,767</b>	<b>1,370,587</b>	<b>10,852,133</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(61,312)</b>	<b>(3,500)</b>	<b>(6,885,597)</b>	<b>(1,370,544)</b>	<b>(6,470,500)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	12,000	4,972,311	171,894	5,172,205
Capital lease	-	-	-	1,422,956	1,422,956
Bonds issued, at par	-	-	9,780,000	-	9,780,000
Bond premium	-	-	395,132	-	395,132
Proceeds from sale of capital assets	-	-	-	-	3,600
Transfers out	-	-	-	(358,575)	(379,002)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>12,000</b>	<b>15,147,443</b>	<b>1,236,275</b>	<b>16,394,891</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(61,312)</b>	<b>8,500</b>	<b>8,261,846</b>	<b>(134,269)</b>	<b>9,924,391</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>55,492</b>	<b>(8,135)</b>	<b>2,417,150</b>	<b>559,512</b>	<b>10,226,813</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ (5,820)</b>	<b>\$ 365</b>	<b>\$ 10,678,996</b>	<b>\$ 425,243</b>	<b>\$ 20,151,204</b>

**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, 2014

	<u>Special Revenue</u>	
	<u>Motor Fuel Tax</u>	
	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES:</b>		
Taxes	\$ -	\$ -
Intergovernmental	2,320,698	2,297,161
Fines and forfeitures	-	-
Investment income	2,300	817
Other, primarily contributions	-	-
Total revenues	<u>2,322,998</u>	<u>2,297,978</u>
<b>EXPENDITURES:</b>		
Current:		
General government	-	-
Public safety	-	-
Highways and streets	282,496	36,215
Culture and recreation	-	-
Community development	-	-
Debt service		
Interest and fiscal agent fees	-	-
Capital outlay	2,470,070	464,278
Total expenditures	<u>2,752,566</u>	<u>500,493</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(429,568)</u>	<u>1,797,485</u>
<b>OTHER FINANCING SOURCES (USES):</b>		
Transfers in	-	-
Capital lease	-	-
Bonds issued, at par	-	-
Bond premium	-	-
Proceeds from sale of capital assets	-	-
Transfers out	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (429,568)</u>	1,797,485
<b>FUND BALANCES, BEGINNING OF YEAR</b>		3,895,653
<b>FUND BALANCES, END OF YEAR BUDGETARY BASIS</b>		5,693,138
<b>CHANGE IN ENCUMBRANCES</b>		<u>25,308</u>
<b>FUND BALANCES, END OF YEAR</b>		<u>\$ 5,718,446</u>

**Special Revenue**

<b>Board of Elections</b>		<b>Drug Enforcement</b>	
<b>Final Budget</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
\$ -	\$ -	\$ -	\$ -
495,907	483,578	12,500	9,326
-	-	35,600	117,464
-	-	-	9
337	-	-	-
<u>496,244</u>	<u>483,578</u>	<u>48,100</u>	<u>126,799</u>
466,713	370,769	-	-
-	-	28,586	34,953
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	137,485	89,824
<u>466,713</u>	<u>370,769</u>	<u>166,071</u>	<u>124,777</u>
29,531	112,809	(117,971)	2,022
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	5,000	3,600
-	-	-	-
<u>-</u>	<u>-</u>	<u>5,000</u>	<u>3,600</u>
<u>\$ 29,531</u>	112,809	<u>\$ (112,971)</u>	5,622
	464,426		<u>397,332</u>
	577,235		402,954
	-		-
	<u>\$ 577,235</u>		<u>\$ 402,954</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, 2014

	<b>Special Revenue</b>			
	<b>Community Development</b>		<b>IHDA Grant</b>	
	<b>Final Budget</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,227,435	754,547	105,000	102,986
Fines and forfeitures	-	-	-	-
Investment income	506	494	-	4
Other, primarily contributions	30,000	20	-	-
<b>Total revenues</b>	<u>1,257,941</u>	<u>755,061</u>	<u>105,000</u>	<u>102,990</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Community development	1,252,152	751,350	91,000	93,752
Debt services				
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditure</b>	<u>1,252,152</u>	<u>751,350</u>	<u>91,000</u>	<u>93,752</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>5,789</u>	<u>3,711</u>	<u>14,000</u>	<u>9,238</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	16,000	16,000
Capital lease	-	-	-	-
Bonds issued, at par	-	-	-	-
Bond premium	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers out	(6,427)	(6,427)	(14,000)	(14,000)
<b>Total other financing sources (uses)</b>	<u>(6,427)</u>	<u>(6,427)</u>	<u>2,000</u>	<u>2,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (638)</u>	<u>(2,716)</u>	<u>\$ 16,000</u>	<u>11,238</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>		<u>1,295,004</u>		<u>(15,314)</u>
<b>FUND BALANCES, END OF YEAR BUDGETARY BASIS</b>		1,292,288		(4,076)
<b>CHANGE IN ENCUMBRANCES</b>		<u>(30)</u>		-
<b>FUND BALANCES, END OF YEAR</b>		<u>\$ 1,292,258</u>		<u>\$ (4,076)</u>

<b>Special Revenue</b>		<b>Capital Projects</b>			
<b>Park Dedication</b>		<b>Central Bloomington TIF Redevelopment</b>		<b>Pepsi Ice Center</b>	
<b>Final Budget</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	11,520	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
22,500	44,564	-	-	-	-
<u>22,500</u>	<u>56,084</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	52,298	-	-	3,500	-
-	-	10,000	61,312	-	-
-	-	-	-	-	-
319,370	97,198	-	-	-	-
<u>319,370</u>	<u>149,496</u>	<u>10,000</u>	<u>61,312</u>	<u>3,500</u>	<u>-</u>
<u>(296,870)</u>	<u>(93,412)</u>	<u>(10,000)</u>	<u>(61,312)</u>	<u>(3,500)</u>	<u>-</u>
-	-	-	-	12,000	12,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	12,000	12,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>12,000</u>
<u>\$ (296,870)</u>	<u>(93,412)</u>	<u>\$ (10,000)</u>	<u>(61,312)</u>	<u>\$ 8,500</u>	<u>12,000</u>
	<u>1,040,083</u>		<u>55,492</u>		<u>(8,135)</u>
	946,671		(5,820)		3,865
	-		-		(3,500)
	<u>\$ 946,671</u>		<u>\$ (5,820)</u>		<u>\$ 365</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, 2014

	<b>Capital Projects</b>			
	<b>Capital Improvements</b>		<b>Capital Lease</b>	
	<b>Final Budget</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	400,000	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	-	-	43
Other, primarily contributions	75,000	76,170	-	-
<b>Total revenues</b>	<u>75,000</u>	<u>476,170</u>	<u>-</u>	<u>43</u>
<b>EXPENDITURES:</b>				
Current:				
General government	173,222	173,223	-	-
Public safety	-	-	-	-
Highways and streets	-	12,995	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Interest and fiscal agent fees	-	10,400	-	-
Capital outlay	17,976,300	15,807,668	5,563,047	(474,413)
<b>Total expenditures</b>	<u>18,149,522</u>	<u>16,004,286</u>	<u>5,563,047</u>	<u>(474,413)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(18,074,522)</u>	<u>(15,528,116)</u>	<u>(5,563,047)</u>	<u>474,456</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	4,972,311	4,972,311	-	171,894
Capital lease	-	-	2,673,037	1,422,956
Bonds issued, at par	9,780,000	9,780,000	-	-
Bond premium	395,132	395,132	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers out	-	-	-	(358,575)
<b>Total other financing sources (uses)</b>	<u>15,147,443</u>	<u>15,147,443</u>	<u>2,673,037</u>	<u>1,236,275</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,927,079)</u>	<u>(380,673)</u>	<u>\$ (2,890,010)</u>	<u>1,710,731</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>		<u>2,417,150</u>		<u>559,512</u>
<b>FUND BALANCES, END OF YEAR BUDGETARY BASIS</b>		2,036,477		2,270,243
<b>CHANGE IN ENCUMBRANCES</b>		<u>8,642,519</u>		<u>(1,845,000)</u>
<b>FUND BALANCES, END OF YEAR</b>		<u>\$ 10,678,996</u>		<u>\$ 425,243</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, 2014

	<u>Golf Operations</u>	<u>Parking</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 140,216	\$ 178,447	\$ 318,663
Accounts receivable, net of allowance for uncollectibles	4,789	2,608	7,397
Inventory	240,365	-	240,365
Total current assets	<u>385,370</u>	<u>181,055</u>	<u>566,425</u>
Noncurrent assets:			
Land	1,907,587	-	1,907,587
Other depreciable capital assets, net of accumulated depreciation	1,819,898	2,377,656	4,197,554
Total capital assets, net of depreciation	<u>3,727,485</u>	<u>2,377,656</u>	<u>6,105,141</u>
<b>TOTAL ASSETS</b>	<u>\$ 4,112,855</u>	<u>\$ 2,558,711</u>	<u>\$ 6,671,566</u>
<b>LIABILITIES AND NET POSITION</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 136,551	\$ 2,246	\$ 138,797
Compensated absences	7,645	-	7,645
Due to other funds	-	-	-
Unearned revenue	122,902	74,800	197,702
Deposits	-	4,668	4,668
Current maturities of long-term debt	267,721	195,000	462,721
Total current liabilities	<u>534,819</u>	<u>276,714</u>	<u>811,533</u>
Noncurrent liabilities:			
Compensated absences	210,530	-	210,530
Net OPEB obligation	61,660	-	61,660
Net pension obligation	32,861	1,464	34,325
Capital lease payable, noncurrent portion	274,890	1,330,000	1,604,890
Total noncurrent liabilities	<u>579,941</u>	<u>1,331,464</u>	<u>1,911,405</u>
<b>TOTAL LIABILITIES</b>	<u>1,114,760</u>	<u>1,608,178</u>	<u>2,722,938</u>
<b>NET POSITION</b>			
Net investment in capital assets	3,184,874	852,656	4,037,530
Unrestricted (deficit)	(186,779)	97,877	(88,902)
Total net position	<u>2,998,095</u>	<u>950,533</u>	<u>3,948,628</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 4,112,855</u>	<u>\$ 2,558,711</u>	<u>\$ 6,671,566</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, 2014

	<u><b>Golf Operations</b></u>	<u><b>Parking</b></u>	<u><b>Total</b></u>
Operating revenues, charges for services	\$ 2,456,062	\$ 498,045	\$ 2,954,107
Operating expenses:			
Personal services	1,205,569	42,623	1,248,192
Contractual services	494,513	60,255	554,768
Commodities	723,080	45,713	768,793
Depreciation	194,600	80,599	275,199
Total operating expenses	<u>2,617,762</u>	<u>229,190</u>	<u>2,846,952</u>
Operating income (loss)	<u>(161,700)</u>	<u>268,855</u>	<u>107,155</u>
Nonoperating revenues:			
Loss on disposal of capital assets	210	-	210
Other income	34,547	-	34,547
Other expense, primarily interest expense	(8,939)	(60,555)	(69,494)
Total nonoperating revenue	<u>25,818</u>	<u>(60,555)</u>	<u>(34,737)</u>
<b>CHANGE IN NET POSITION BEFORE TRANSFERS</b>	<u>(135,882)</u>	<u>208,300</u>	<u>72,418</u>
Transfers in	169,000	94,000	263,000
Transfers out	(113,406)	-	(113,406)
Total transfers	<u>55,594</u>	<u>94,000</u>	<u>149,594</u>
Change in net position	(80,288)	302,300	222,012
<b>TOTAL NET POSITION, BEGINNING OF YEAR</b>	<u>3,078,383</u>	<u>648,233</u>	<u>3,726,616</u>
<b>TOTAL NET POSITION, END OF YEAR</b>	<u><u>\$ 2,998,095</u></u>	<u><u>\$ 950,533</u></u>	<u><u>\$ 3,948,628</u></u>

**CITY OF BLOOMINGTON, ILLINOIS**

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

For the Year Ended April 30, 2014

	<b>Golf Operations</b>	<b>Parking</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers and users	\$ 2,466,238	\$ 607,856	\$ 3,074,094
Payments to suppliers	(1,256,442)	(112,729)	(1,369,171)
Payments to employees	(1,184,712)	(42,489)	(1,227,201)
Other receipts	34,547	-	34,547
Net cash from operating activities	<u>59,631</u>	<u>452,638</u>	<u>512,269</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Payments to interfund accounts	(113,405)	(125,000)	(238,405)
Proceeds from interfund accounts	169,000	94,000	263,000
Net cash from noncapital financing activities	<u>55,595</u>	<u>(31,000)</u>	<u>24,595</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from capital debt	280,540	-	280,540
Purchases of capital assets	(304,841)	-	(304,841)
Principal paid on long-term debt	(107,204)	(190,000)	(297,204)
Interest paid on long-term debt	(8,939)	(60,555)	(69,494)
Net cash from capital and related financing activities	<u>(140,444)</u>	<u>(250,555)</u>	<u>(390,999)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(25,218)	171,083	145,865
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>165,434</u>	<u>7,364</u>	<u>172,798</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 140,216</u>	<u>\$ 178,447</u>	<u>\$ 318,663</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (161,700)	\$ 268,855	\$ 107,155
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation	194,600	80,599	275,199
Other Income	34,547	-	34,547
Change in assets and liabilities:			
Receivables	9,751	109,811	119,562
Inventory	(34,587)	-	(34,587)
Accounts payable and accrued expenses	(4,262)	(3,684)	(7,946)
Deposits	-	(3,077)	(3,077)
Unearned income	425	-	425
Compensated absences	11,380	-	11,380
Net OPEB obligation	12,471	-	12,471
Net pension obligation	(2,994)	134	(2,860)
Net cash from operating activities	<u>\$ 59,631</u>	<u>\$ 452,638</u>	<u>\$ 512,269</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, 2014

	<u>General Bond and Interest</u>	<u>Market Square TIF Bond Redemption</u>	<u>2004 Coliseum Bond Redemption</u>	<u>2004 Multi-Project Bond Redemption</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and investments	\$ 6,810,719	\$ 951,729	\$ 1,872,767	\$ 908,945	\$ 10,544,160
Receivables, net of allowance for uncollectibles:					
Taxes	2,180,143	-	-	-	2,180,143
Due from other governmental units	-	-	-	-	-
Total assets	<u>\$ 8,990,862</u>	<u>\$ 951,729</u>	<u>\$ 1,872,767</u>	<u>\$ 908,945</u>	<u>\$ 12,724,303</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 500	\$ -	\$ -	\$ -	\$ 500
Total liabilities	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
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>2,180,643</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,180,643</u>
<b>FUND BALANCE</b>					
Restricted					
Debt service	6,810,219	951,729	1,872,767	908,945	10,543,660
Total fund balance	<u>6,810,219</u>	<u>951,729</u>	<u>1,872,767</u>	<u>908,945</u>	<u>10,543,660</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<u>\$ 8,990,862</u>	<u>\$ 951,729</u>	<u>\$ 1,872,767</u>	<u>\$ 908,945</u>	<u>\$ 12,724,303</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, 2014

	<b>General Bond and Interest</b>	<b>Market Square TIF Bond Redemption</b>	<b>2004 Coliseum Bond Redemption</b>	<b>2004 Multi-Project Bond Redemption</b>	<b>Total</b>
<b>REVENUES:</b>					
Taxes	\$ 2,183,349	\$ 74,795	\$ -	\$ 50,000	\$ 2,308,144
Investment income	26	-	-	-	26
Other	-	-	-	-	-
<b>Total revenues</b>	<b>2,183,375</b>	<b>74,795</b>	<b>-</b>	<b>50,000</b>	<b>2,308,170</b>
<b>EXPENDITURES:</b>					
Debt service:					
Principal	12,686,000	-	155,000	400,000	13,241,000
Interest and fiscal agent fees	1,076,274	521	1,510,044	94,056	2,680,895
Bond issuance costs	124,468	-	-	-	124,468
<b>Total expenditures</b>	<b>13,886,742</b>	<b>521</b>	<b>1,665,044</b>	<b>494,056</b>	<b>16,046,363</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(11,703,367)</b>	<b>74,274</b>	<b>(1,665,044)</b>	<b>(444,056)</b>	<b>(13,738,193)</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	2,058,506	-	1,665,044	569,500	4,293,050
Refunding bonds issued	7,800,000	-	-	-	7,800,000
Bond premium	461,126	-	-	-	461,126
<b>Total other financing sources</b>	<b>10,319,632</b>	<b>-</b>	<b>1,665,044</b>	<b>569,500</b>	<b>12,554,176</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,383,735)</b>	<b>74,274</b>	<b>-</b>	<b>125,444</b>	<b>(1,184,017)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>8,193,954</b>	<b>877,455</b>	<b>1,872,767</b>	<b>783,501</b>	<b>11,727,677</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 6,810,219</b>	<b>\$ 951,729</b>	<b>\$ 1,872,767</b>	<b>\$ 908,945</b>	<b>\$ 10,543,660</b>

**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, 2014

	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES:</b>		
Taxes	\$ 2,235,143	\$ 2,308,144
Investment income	-	26
Other	-	-
Total revenues	<u>2,235,143</u>	<u>2,308,170</u>
<b>EXPENDITURES:</b>		
Current:		
Debt service:		
Principal	13,956,284	13,241,000
Interest and fiscal agent fees	2,728,235	2,680,895
Bond issuance costs	124,468	124,468
Total expenditures	<u>16,808,987</u>	<u>16,046,363</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(14,573,844)</u>	<u>(13,738,193)</u>
<b>OTHER FINANCING SOURCES</b>		
Transfers in	4,293,050	4,293,050
Refunding bonds	7,800,000	7,800,000
Bond premium	461,126	461,126
Total other financing sources	<u>12,554,176</u>	<u>12,554,176</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,019,668)</u>	(1,184,017)
<b>FUND BALANCES, BEGINNING OF YEAR</b>		<u>11,727,677</u>
<b>FUND BALANCES, END OF YEAR BUDGETARY BASIS</b>		10,543,660
<b>CHANGE IN ENCUMBRANCES</b>		<u>-</u>
<b>FUND BALANCES, END OF YEAR</b>		<u>\$ 10,543,660</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, 2014

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and investments	\$ 1,406,979	\$ 28,553	\$ 3,279,632	\$ 4,715,164
Accounts receivable, net of allowance for uncollectibles	1,378	797	-	2,175
Prepaid items and other assets	<u>143,460</u>	<u>7,515</u>	<u>-</u>	<u>150,975</u>
Total assets	<u>\$ 1,551,817</u>	<u>\$ 36,865</u>	<u>\$ 3,279,632</u>	<u>\$ 4,868,314</u>
<b>LIABILITIES AND NET POSITION</b>				
Current liabilities:				
Accounts payable and accrued expenses	\$ 170,883	\$ 49,724	\$ 30,132	\$ 250,739
Claims payable	335,333	72,135	1,836,205	2,243,673
Unearned revenue	-	4,305	-	4,305
Total current liabilities	<u>506,216</u>	<u>126,164</u>	<u>1,866,337</u>	<u>2,498,717</u>
Noncurrent liabilities:				
Claims payable	-	-	1,826,889	1,826,889
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,826,889</u>	<u>1,826,889</u>
Total liabilities	506,216	126,164	3,693,226	4,325,606
Net position, unrestricted (deficit)	<u>1,045,601</u>	<u>(89,299)</u>	<u>(413,594)</u>	<u>542,708</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 1,551,817</u>	<u>\$ 36,865</u>	<u>\$ 3,279,632</u>	<u>\$ 4,868,314</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, 2014

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
Operating revenues, charges for services	\$ 8,910,727	\$ 1,440,851	\$ 2,753,554	\$ 13,105,132
Operating expenses:				
Contractual services	4,138,572	334,443	982,977	5,455,992
Other charges, primarily claims	4,470,231	1,381,101	1,545,275	7,396,607
Total operating expenses	8,608,803	1,715,544	2,528,252	12,852,599
Operating income (loss)	301,924	(274,693)	225,302	252,533
Nonoperating income, investment earnings	-	-	(91)	(91)
Income (loss) before transfers	301,924	(274,693)	225,211	252,442
Transfers in	-	364,000	-	364,000
Transfers out	(364,000)	-	-	(364,000)
Total transfers	(364,000)	364,000	-	-
Change in net position	(62,076)	89,307	225,211	252,442
<b>NET POSITION (DEFICIT), BEGINNING OF YEAR</b>	1,107,677	(178,606)	(638,805)	290,266
<b>NET POSITION (DEFICIT), END OF YEAR</b>	\$ 1,045,601	\$ (89,299)	\$ (413,594)	\$ 542,708

**CITY OF BLOOMINGTON, ILLINOIS**

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

For the Year Ended April 30, 2014

	<b>Employee Group Health Care</b>	<b>Retiree Group Health Care</b>	<b>Casualty Insurance</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 8,913,160	\$ 1,436,665	\$ -	\$ 10,349,825
Receipts from interfund service transactions	-	-	2,753,554	2,753,554
Payments to claimants	(4,232,202)	(1,330,326)	(1,774,732)	(7,337,260)
Payments to suppliers	(4,122,531)	(303,002)	(955,808)	(5,381,341)
Net cash from operating activities	<u>558,427</u>	<u>(196,663)</u>	<u>23,014</u>	<u>384,778</u>
<b>CASH FLOWS FROM NONCAPITAL ACTIVITIES</b>				
Proceeds from interfund accounts	150,000	364,000	-	514,000
Payments to interfund accounts	(364,000)	(150,000)	-	(514,000)
Net cash from noncapital activities	<u>(214,000)</u>	<u>214,000</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest and dividends received	-	-	1,795	1,795
Sale of investments	-	-	23,482	23,482
Net cash from investing activities	<u>-</u>	<u>-</u>	<u>25,277</u>	<u>25,277</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	344,427	17,337	48,291	410,055
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>1,062,552</u>	<u>11,216</u>	<u>3,209,431</u>	<u>4,283,199</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,406,979</u>	<u>\$ 28,553</u>	<u>\$ 3,257,722</u>	<u>\$ 4,693,254</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 301,924	\$ (274,693)	\$ 225,302	\$ 252,533
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Change in assets and liabilities:				
Receivables	2,433	902	-	3,335
Prepaid items and other assets	(143,460)	(7,515)	-	(150,975)
Accounts payable and accrued expenses	159,501	38,956	27,169	225,626
Claims payable	238,029	50,775	(229,457)	59,347
Unearned revenue	-	(5,088)	-	(5,088)
Net cash from operating activities	<u>\$ 558,427</u>	<u>\$ (196,663)</u>	<u>\$ 23,014</u>	<u>\$ 384,778</u>
Reconciliation of cash and cash equivalents to specific assets on the statement of net assets:				
Cash and investments	\$ 1,406,979	\$ 28,553	\$ 3,279,632	\$ 4,715,164
Less items not meeting the definition of cash equivalents	-	-	(21,910)	(21,910)
Cash and cash equivalents, end of year	<u>\$ 1,406,979</u>	<u>\$ 28,553</u>	<u>\$ 3,257,722</u>	<u>\$ 4,693,254</u>
Schedule of noncash items, investing activities, net (depreciation) in fair value of investments	\$ -	\$ -	\$ (1,823)	\$ (1,823)

**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, 2014

	<b>Police Pension</b>	<b>Firemen's Pension</b>	<b>Total</b>
<b>ASSETS</b>			
Cash	\$ 992,452	\$ 4,708,740	\$ 5,701,192
Investments:			
U.S. government securities	941,328	-	941,328
U.S. government agencies and corporations	15,184,694	7,036	15,191,730
Annuities - fixed	2,644,453	14,151,619	16,796,072
Annuities - variable	-	28,430,029	28,430,029
Mutual funds	36,215,281	-	36,215,281
Corporate bonds	3,217,682	-	3,217,682
Receivables:			
Contributions	49,215	38,590	87,805
Accrued interest	210,192	414	210,606
 Total assets	 <u>59,455,297</u>	 <u>47,336,428</u>	 <u>106,791,725</u>
 Liabilities, accounts payable	 <u>5,600</u>	 <u>432</u>	 <u>6,032</u>
 <b>NET POSITION, HELD IN TRUST FOR PENSION BENEFITS</b>	 <u><u>\$ 59,449,697</u></u>	 <u><u>\$ 47,335,996</u></u>	 <u><u>\$ 106,785,693</u></u>



**CITY OF BLOOMINGTON, ILLINOIS**

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

For the Year Ended April 30, 2014

	<b>Police Pension</b>	<b>Firemen's Pension</b>	<b>Total</b>
<b>Additions:</b>			
<b>Contributions:</b>			
Employer	\$ 3,183,834	\$ 2,910,842	\$ 6,094,676
Plan members	1,030,249	802,467	1,832,716
Other sources	245,095	50	245,145
Total contributions	<u>4,459,178</u>	<u>3,713,359</u>	<u>8,172,537</u>
<b>Net investment income:</b>			
Net appreciation (depreciation) in fair value of investments	4,150,866	4,559,147	8,710,013
Investment earnings	1,429,634	4,049	1,433,683
Total investment income	<u>5,580,500</u>	<u>4,563,196</u>	<u>10,143,696</u>
Less investment expense	50,660	-	50,660
Net investment income	<u>5,529,840</u>	<u>4,563,196</u>	<u>10,093,036</u>
Total additions	<u>9,989,018</u>	<u>8,276,555</u>	<u>18,265,573</u>
<b>Deductions:</b>			
Benefits	4,567,646	4,108,457	8,676,103
Refund of contributions	9,529	-	9,529
Administrative expenses	77,997	75,046	153,043
Total deductions	<u>4,655,172</u>	<u>4,183,503</u>	<u>8,838,675</u>
Net increase	5,333,846	4,093,052	9,426,898
<b>NET POSITION HELD IN TRUST FOR BENEFITS, BEGINNING OF YEAR</b>	<u>54,115,851</u>	<u>43,242,944</u>	<u>97,358,795</u>
<b>NET POSITION HELD IN TRUST FOR BENEFITS, END OF YEAR</b>	<u>\$ 59,449,697</u>	<u>\$ 47,335,996</u>	<u>\$ 106,785,693</u>

**CITY OF BLOOMINGTON, ILLINOIS**

**STATISTICAL SECTION**

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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.

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<b>FINANCIAL TRENDS</b>	
These schedules contain information to help the reader understand how the City’s financial performance and well-being have changed over time.....	113-122
<b>REVENUE CAPACITY</b>	
These schedules contain information to help the reader assess the City’s most significant local revenue sources, the property tax (or sales tax). .....	123-130
<b>DEBT CAPACITY</b>	
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 .....	131-134
<b>DEMOGRAPHIC AND ECONOMIC INFORMATION</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place .....	135-136
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**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**

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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)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental activities:				
Net investment in capital assets	\$ 80,134,161	\$ 129,599,203	\$ 134,912,639	\$ 136,491,878
Restricted	19,826,638	18,797,111	21,217,816	25,805,238
Unrestricted	<u>55,337,694</u>	<u>16,708,698</u>	<u>13,194,642</u>	<u>(24,458,320)</u>
Total governmental activities net position	<u>\$ 155,298,493</u>	<u>\$ 165,105,012</u>	<u>\$ 169,325,097</u>	<u>\$ 137,838,796</u>
Business-type activities:				
Net investment in capital assets	\$ 121,814,898	\$ 129,681,276	\$ 137,465,199	\$ 173,090,693
Restricted	-	-	-	-
Unrestricted	<u>5,338,425</u>	<u>(2,228,945)</u>	<u>(1,912,857)</u>	<u>(13,609,094)</u>
Total business-type activities net position	<u>\$ 127,153,323</u>	<u>\$ 127,452,331</u>	<u>\$ 135,552,342</u>	<u>\$ 159,481,599</u>
Primary government:				
Net investment in capital assets	\$ 201,949,059	\$ 259,280,479	\$ 272,377,838	\$ 277,453,948
Restricted	19,826,638	18,797,111	21,217,816	25,805,238
Unrestricted	<u>60,676,119</u>	<u>14,479,753</u>	<u>11,281,785</u>	<u>(5,938,791)</u>
Total primary government net position	<u>\$ 282,451,816</u>	<u>\$ 292,557,343</u>	<u>\$ 304,877,439</u>	<u>\$ 297,320,395</u>

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.

<b>Fiscal Year</b>					
<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
\$ 148,943,795	\$ 146,605,302	\$ 141,998,425	\$ 136,951,012	\$ 145,487,378	\$ 140,453,350
22,297,585	23,752,833	24,047,676	21,180,702	21,970,497	22,726,819
<u>(32,779,575)</u>	<u>(25,676,528)</u>	<u>(20,669,872)</u>	<u>(28,282,415)</u>	<u>(27,244,010)</u>	<u>(29,547,035)</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>	<u>\$ 133,633,134</u>
\$ 178,771,230	\$ 176,370,673	\$ 179,044,574	\$ 180,602,114	\$ 173,334,004	\$ 173,237,434
-	-	-	731,077	1,731,542	535,256
<u>(16,170,178)</u>	<u>(11,160,182)</u>	<u>(5,141,805)</u>	<u>(3,234,615)</u>	<u>5,646,593</u>	<u>15,271,906</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>	<u>\$ 189,044,596</u>
\$ 295,641,977	\$ 291,052,732	\$ 288,324,761	\$ 284,888,303	\$ 286,445,538	\$ 282,447,391
22,297,585	23,752,833	24,047,676	21,911,779	23,702,039	23,262,075
<u>(16,876,705)</u>	<u>(4,913,467)</u>	<u>6,906,561</u>	<u>1,147,793</u>	<u>10,778,427</u>	<u>16,968,264</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>	<u>\$ 322,677,730</u>

**CITY OF BLOOMINGTON, ILLINOIS**

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 9,315,837	\$ 8,522,974	\$ 12,249,314	\$ 18,338,392	\$ 21,635,391
Public safety	22,632,094	26,344,845	29,812,433	34,450,276	35,549,737
Highways and streets	11,228,589	9,384,880	10,833,763	12,575,599	13,016,483
Sanitation	9,603,786	10,195,565	11,774,446	9,449,458	9,740,729
Health and welfare	333,600	321,696	337,484	341,668	385,763
Culture and recreation	13,253,966	18,305,653	13,104,306	19,430,710	19,693,469
Parking	-	-	-	-	-
Community development	3,875,334	6,756,891	4,245,643	1,722,641	2,581,821
Interest on long-term debt	3,429,408	2,966,747	2,159,138	3,511,061	3,818,741
Total governmental activities expenses	<u>73,672,614</u>	<u>82,799,251</u>	<u>84,516,527</u>	<u>99,819,805</u>	<u>106,422,134</u>
Business-type activities:					
Water	8,986,194	10,531,819	10,816,896	12,593,489	13,304,208
Solid waste	-	-	-	-	-
Sewer	2,423,695	2,607,931	2,640,707	3,036,276	2,978,211
Golf operations	-	-	-	-	-
Parking	1,080,682	1,054,418	1,089,003	1,276,654	1,320,417
U.S. Cellular Coliseum	462,974	3,084,480	7,616,166	4,924,998	5,487,127
Stormwater management	844,984	1,708,820	1,123,667	2,569,307	1,883,729
Total business-type activities expenses	<u>13,798,529</u>	<u>18,987,468</u>	<u>23,286,439</u>	<u>24,400,724</u>	<u>24,973,692</u>
Total primary government expenses	<u>87,471,143</u>	<u>101,786,719</u>	<u>107,802,966</u>	<u>124,220,529</u>	<u>131,395,826</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services:					
General government	6,360,215	6,889,902	7,589,775	4,728,635	4,627,434
Public safety	1,240,643	2,269,302	3,269,733	4,176,833	4,366,710
Highway and streets	290,843	302,484	318,765	253,236	440,101
Sanitation	-	-	-	1,852,591	2,494,153
Culture and recreation	3,828,057	3,849,409	4,721,847	5,283,744	5,490,683
Parking	-	-	-	-	-
Community development	-	-	-	5,250	-
Operating grants and contributions:					
General government	1,643,091	1,541,092	1,321,270	776,794	827,948
Public safety	115,913	430,063	233,075	217,603	230,740
Highway and streets	-	2,355,285	2,032,365	2,158,822	2,723,520
Culture and recreation	121,005	108,909	123,356	134,062	179,901
Community development	1,281,005	1,183,180	903,969	932,531	1,496,741
Capital grants and contributions:					
General government	-	-	-	9,738	-
Public safety	-	9,375	7,997	33,563	297,303
Highway and streets	4,651,148	4,807,027	5,487,477	6,172,528	8,134,855
Sanitation	-	-	-	173,973	-
Health and welfare	-	-	-	-	2,500
Culture and recreation	-	-	28,888	666,490	125,789
Community development	-	19,011	31,782	16,875	8,142
Total governmental activities program revenues	<u>19,531,920</u>	<u>23,765,039</u>	<u>26,070,299</u>	<u>27,593,268</u>	<u>31,446,520</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 18,403,813	\$ 21,269,595	\$ 18,090,767	\$ 14,421,291	\$ 14,805,106
34,729,564	33,941,689	44,705,349	44,463,306	46,229,840
9,183,775	11,035,611	17,919,414	15,780,609	19,207,031
9,497,778	3,407,975	-	-	-
227,381	185,254	7,009	-	-
18,704,065	15,635,645	17,440,404	16,077,959	16,842,698
-	-	-	598,649	580,795
2,585,904	3,006,136	844,938	821,486	954,862
3,079,173	3,091,812	2,885,111	2,960,261	3,048,823
<u>96,411,453</u>	<u>91,573,717</u>	<u>101,892,992</u>	<u>95,123,561</u>	<u>101,669,155</u>
11,913,635	11,417,741	14,709,029	13,618,340	13,793,431
-	6,420,312	5,862,358	6,240,362	6,557,550
2,671,316	2,519,349	3,592,333	5,731,335	3,493,445
-	2,940,876	2,760,286	2,705,867	2,623,429
1,194,730	1,365,633	1,116,163	287,004	289,365
4,316,453	4,745,413	4,805,847	4,430,258	5,500,304
1,421,742	1,969,551	2,268,299	2,242,027	1,680,889
<u>21,517,876</u>	<u>31,378,875</u>	<u>35,114,315</u>	<u>35,255,193</u>	<u>33,938,413</u>
<u>117,929,329</u>	<u>122,952,592</u>	<u>137,007,307</u>	<u>130,378,754</u>	<u>135,607,568</u>
4,181,471	4,406,488	4,235,809	4,073,958	4,200,014
5,287,104	4,490,756	5,045,013	5,779,223	5,760,420
270,070	112,721	707,684	871,572	708,805
4,833,700	587,510	-	-	-
5,353,983	2,760,663	2,856,130	2,952,864	3,318,385
-	-	-	540,765	466,577
-	3,609	1	-	-
747,049	941,168	807,945	742,693	742,297
384,535	623,262	302,575	172,588	147,284
1,953,251	2,283,401	2,275,072	2,214,382	2,297,161
284,737	146,574	126,590	45,875	116,023
1,081,081	1,311,676	826,725	965,484	857,533
-	16,728	-	-	-
75,900	44,211	89,015	9,856	39,692
2,424	2,391,243	2,162,696	3,403,664	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,432,241	248,879	28,142	17,202	411,520
-	-	-	-	-
<u>25,887,546</u>	<u>20,368,889</u>	<u>19,463,397</u>	<u>21,790,126</u>	<u>19,065,711</u>

**CITY OF BLOOMINGTON, ILLINOIS**

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Business-type activities:					
Charges for services:					
Water	\$ 11,762,235	\$ 12,864,096	\$ 12,087,513	\$ 14,291,026	\$ 13,590,410
Solid waste	-	-	-	-	-
Sewer	2,165,669	2,317,337	2,217,580	2,445,451	2,524,990
Golf operations	-	-	-	-	-
Parking	737,942	881,386	938,303	967,286	969,091
U.S. Cellular Coliseum	-	484,031	4,339,574	3,806,995	3,846,337
Stormwater management	1,391,849	2,661,831	2,502,706	2,801,809	2,754,972
Operating grants and contributions:					
Water	590,681	-	-	-	-
Sewer	287,763	-	-	-	-
Stormwater management	31,991	-	-	-	-
Business-type activities (continued):					
Capital grants and contributions:					
Water	702,910	775,909	1,230,049	1,527,040	2,060,678
Sewer	546,457	1,036,379	2,023,214	1,737,800	1,612,880
Stormwater management	158,186	200,451	40,000	58,000	83,000
Total business-type activities program revenues	<u>18,375,683</u>	<u>21,221,420</u>	<u>25,378,939</u>	<u>27,635,407</u>	<u>27,442,358</u>
Total primary government program revenues	<u>37,907,603</u>	<u>44,986,459</u>	<u>51,449,238</u>	<u>55,228,675</u>	<u>58,888,878</u>
<b>Net (Expense)/Revenue</b>					
Governmental activities	(54,140,694)	(59,034,212)	(58,446,228)	(72,226,537)	(74,975,614)
Business-type activities	<u>4,577,154</u>	<u>2,233,952</u>	<u>2,092,500</u>	<u>3,234,683</u>	<u>2,468,666</u>
Total primary government net expense	<u>(49,563,540)</u>	<u>(56,800,260)</u>	<u>(56,353,728)</u>	<u>(68,991,854)</u>	<u>(72,506,948)</u>
<b>General Revenues and Other</b>					
<b>Changes in Net Position</b>					
Governmental activities:					
Taxes:					
Property taxes	15,523,328	16,628,517	16,990,609	21,432,299	22,727,412
Franchise taxes	908,809	984,688	1,071,052	1,200,831	1,301,239
Sales tax	13,714,717	15,296,099	14,371,986	14,516,483	13,310,929
Home rule sales tax	11,212,571	11,859,024	11,606,487	11,081,893	13,438,958
Utility taxes	5,478,337	5,492,035	5,201,329	5,430,000	5,487,413
Income taxes	4,515,877	5,012,999	6,385,846	6,903,198	6,831,333
Food and beverage	3,184,108	3,330,564	3,547,681	3,537,421	3,790,636
Other taxes	4,214,587	5,734,824	4,260,465	5,696,800	6,114,645
Investment earnings	1,490,494	2,625,417	2,316,843	1,153,736	(3,044,846)
Miscellaneous	3,790,779	2,741,346	2,185,659	2,467,166	2,485,164
Transfers	425,898	2,719,148	(5,271,644)	(31,441,761)	291,739
Total governmental activities	<u>64,459,505</u>	<u>72,424,661</u>	<u>62,666,313</u>	<u>41,978,066</u>	<u>72,734,622</u>
Business-type activities:					
Home rule sales tax	-	-	-	-	-
Investment earnings	43,062	59,570	83,173	75,192	12,308
Miscellaneous	68,299	724,634	652,694	934,256	1,063,651
Gain (loss) on sale of assets	-	-	-	12,943	(960)
Transfers	(425,898)	(2,719,148)	5,271,644	31,441,761	(291,739)
Total business-type activities	<u>(314,537)</u>	<u>(1,934,944)</u>	<u>6,007,511</u>	<u>32,464,152</u>	<u>783,260</u>
Total primary government	<u>64,144,968</u>	<u>70,489,717</u>	<u>68,673,824</u>	<u>74,442,218</u>	<u>73,517,882</u>
<b>Change in Net Assets:</b>					
Governmental activities	10,318,811	13,390,449	4,220,085	(30,248,471)	(2,240,992)
Business-type activities	<u>4,262,617</u>	<u>299,008</u>	<u>8,100,011</u>	<u>35,698,835</u>	<u>3,251,926</u>
Total primary government	<u>\$ 14,581,428</u>	<u>\$ 13,689,457</u>	<u>\$ 12,320,096</u>	<u>\$ 5,450,364</u>	<u>\$ 1,010,934</u>



2010	2011	2012	2013	2014
\$ 14,166,454	\$ 15,645,249	\$ 16,661,190	\$ 17,634,395	\$ 16,715,287
-	4,282,084	4,313,505	4,890,868	4,913,004
3,206,540	3,854,987	4,628,747	5,353,308	5,144,926
-	2,640,194	2,658,486	2,496,674	2,456,062
3,136,452	821,278	732,200	344,802	498,045
2,804,003	3,731,540	3,728,185	3,562,252	3,864,740
844,666	2,780,282	2,763,912	2,730,053	2,728,131
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	58,190	481,694	772,590	738,223
-	121,433	945,750	630,793	681,008
-	1,500	-	-	681,008
<u>24,158,115</u>	<u>33,936,737</u>	<u>36,913,669</u>	<u>38,415,735</u>	<u>38,420,434</u>
<u>50,045,661</u>	<u>54,305,626</u>	<u>56,377,066</u>	<u>60,205,861</u>	<u>57,486,145</u>
(70,523,907)	(71,204,828)	(82,429,595)	(73,333,435)	(82,603,444)
<u>2,640,239</u>	<u>2,557,862</u>	<u>1,799,354</u>	<u>3,160,542</u>	<u>4,482,021</u>
<u>(67,883,668)</u>	<u>(68,646,966)</u>	<u>(80,630,241)</u>	<u>(70,172,893)</u>	<u>(78,121,423)</u>
23,386,613	25,465,406	23,954,699	23,733,551	23,318,742
1,453,175	1,840,488	1,880,327	1,975,390	2,031,681
12,802,414	12,967,729	13,376,536	15,014,025	13,599,481
13,718,465	13,711,320	14,251,763	12,147,780	12,884,341
4,945,364	3,026,589	2,892,668	2,972,863	3,181,207
5,954,799	5,845,551	6,225,737	6,904,133	7,465,350
3,771,842	3,805,477	3,960,486	4,184,431	4,227,203
5,689,780	7,988,053	8,561,867	10,864,287	9,538,733
2,226,564	989,986	82,170	65,877	168,227
1,968,950	1,665,977	1,589,103	1,771,832	1,841,407
825,743	(5,407,126)	(921,878)	3,296,836	(1,620,659)
<u>76,743,709</u>	<u>71,899,450</u>	<u>75,853,478</u>	<u>82,931,005</u>	<u>76,635,713</u>
-	-	-	1,309,531	1,665,044
10,522	62,633	23,508	17,545	12,299
810,375	664,659	463,639	783,928	706,115
(825,743)	-	-	-	-
-	5,407,126	921,878	(3,296,836)	1,620,659
<u>(4,846)</u>	<u>6,134,418</u>	<u>1,409,025</u>	<u>(1,185,832)</u>	<u>4,004,117</u>
<u>76,738,863</u>	<u>78,033,868</u>	<u>77,262,503</u>	<u>81,745,173</u>	<u>80,639,830</u>
6,219,802	694,622	(6,576,117)	9,597,570	(5,967,731)
2,635,393	8,692,280	3,208,379	1,974,710	8,486,138
<u>\$ 8,855,195</u>	<u>\$ 9,386,902</u>	<u>\$ (3,367,738)</u>	<u>\$ 11,572,280</u>	<u>\$ 2,518,407</u>

**CITY OF BLOOMINGTON, ILLINOIS**

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>
General fund:			
Reserved	\$ 5,822,565	\$ 8,755,940	\$ 6,512,511
Unreserved	13,698,432	8,044,345	2,053,859
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total general fund	<u>\$ 19,520,997</u>	<u>\$ 16,800,285</u>	<u>\$ 8,566,370</u>
All other governmental funds:			
Reserved	\$ 46,294,843	\$ 25,493,780	\$ 17,130,213
Unreserved, reported in:			
Special revenue funds	3,863,304	3,605,494	4,648,525
Debt service funds	6,717,153	7,426,166	8,975,001
Capital projects funds	(1,215,142)	(5,857,428)	(2,437,466)
Permanent funds	2,170,063	2,675,935	3,250,226
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total all other governmental funds	<u>\$ 57,830,221</u>	<u>\$ 33,343,947</u>	<u>\$ 31,566,499</u>
Total fund balance	<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	2014
\$ 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	751,816
-	-	-	-	567,069	-	-
-	-	-	-	-	-	-
-	-	-	-	1,600,094	2,890,988	3,204,897
-	-	-	-	11,005,484	15,996,257	14,065,579
<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>	<u>\$ 18,022,292</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	1,245,957
-	-	-	-	16,457,650	16,287,019	27,615,987
-	-	-	-	3,784,010	4,950,203	5,351,066
-	-	-	-	3,010,072	2,968,527	677,451
-	-	-	-	(9,218)	(15,314)	(194,156)
<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>\$ 34,696,305</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>	<u>\$ 52,718,597</u>

**CITY OF BLOOMINGTON, ILLINOIS**

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Revenues</b>				
Taxes	\$ 58,742,153	\$ 63,076,831	\$ 64,695,140	\$ 70,029,067
Intergovernmental	5,279,616	5,618,529	4,614,035	4,858,283
Licenses and permits	1,230,803	1,226,067	1,323,956	1,299,784
Charges for services	8,233,718	10,189,033	12,498,842	14,037,630
Fines and forfeitures	961,790	1,035,756	1,140,217	962,875
Investment income	1,530,738	2,464,821	2,056,537	685,728
Other	2,122,887	2,673,437	2,185,659	2,467,166
Total revenues	<u>78,101,705</u>	<u>86,284,474</u>	<u>88,514,386</u>	<u>94,340,533</u>
<b>Expenditures</b>				
Current:				
General government	8,341,534	9,066,044	12,108,930	16,787,245
Public safety	23,132,980	26,886,389	29,544,586	31,251,494
Highways and streets	5,379,132	8,693,929	5,543,205	5,331,028
Sanitation	9,269,284	10,279,429	11,294,366	8,932,278
Health and welfare	333,432	324,525	337,589	337,607
Culture and recreation	24,031,900	46,786,617	18,245,813	17,063,156
Community development	4,033,837	7,099,653	4,244,130	2,069,292
Parking	-	-	-	-
Capital outlay	3,770,612	9,226,688	7,879,489	12,268,293
Debt service:				
Principal	3,545,586	4,369,554	3,747,517	3,494,506
Bond issuance costs	335,977	127,674	-	-
Interest and fiscal agent fees	2,459,702	3,278,319	1,838,008	2,893,378
Total expenditures	<u>84,633,976</u>	<u>126,138,821</u>	<u>94,783,633</u>	<u>100,428,277</u>
Excess of revenues over (under) expenditures	<u>(6,532,271)</u>	<u>(39,854,347)</u>	<u>(6,269,247)</u>	<u>(6,087,744)</u>
<b>Other financing sources (uses)</b>				
Transfers in	5,977,886	9,139,667	10,374,894	9,284,990
Transfers out	(5,373,125)	(9,212,666)	(14,318,798)	(8,783,275)
Bonds issued, at par	39,288,472	12,128,000	128,362	3,740,000
Refunding bonds	3,365,000	-	-	-
Capital leases	-	-	-	-
Payment to refunded bond escrow agent	(3,365,000)	-	-	-
Premium (discount) on long-term debt	(424,582)	93,628	-	11,698
Capital contributions	-	-	-	-
Proceeds from sale of property	367,889	498,732	73,426	411,022
Total other financing sources (uses)	<u>39,836,540</u>	<u>12,647,361</u>	<u>(3,742,116)</u>	<u>4,664,435</u>
Net change in fund balances	<u>\$ 33,304,269</u>	<u>\$ (27,206,986)</u>	<u>\$ (10,011,363)</u>	<u>\$ (1,423,309)</u>
Debt service as a percentage of noncapital expenditures	9.6%	10.1%	11.7%	8.8%

<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
\$ 73,000,976	\$ 71,720,876	\$ 74,643,879	\$ 74,983,554	\$ 77,800,146	\$ 76,274,505
7,557,309	5,498,859	7,695,144	4,980,530	4,168,080	4,598,509
1,159,244	1,096,428	1,017,742	1,120,226	1,280,698	1,205,523
15,201,644	17,680,232	10,458,645	10,642,257	11,745,246	11,928,834
1,058,196	1,149,668	900,787	1,031,879	1,192,438	1,319,845
(1,796,445)	1,719,064	970,231	76,208	65,667	168,318
2,480,562	1,964,350	1,661,377	1,584,503	1,767,232	1,841,407
<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>	<u>97,336,941</u>
20,301,571	17,547,660	20,710,593	16,685,623	13,823,919	14,488,616
32,027,770	31,467,245	31,223,244	42,026,078	41,102,503	42,650,202
8,427,235	6,323,406	4,831,185	9,452,467	9,484,042	7,686,292
8,994,956	9,045,286	3,707,985	-	-	-
375,591	219,711	224,099	-	-	-
16,969,886	16,264,050	13,337,386	14,686,438	13,821,831	14,461,038
2,889,084	3,042,173	3,016,860	785,577	773,068	906,444
-	-	-	-	439,483	409,150
10,430,629	3,943,966	6,184,117	8,415,354	9,055,786	10,076,492
5,640,125	3,665,785	3,911,487	1,507,216	4,415,866	14,897,145
-	59,573	-	165,794	-	124,468
3,433,882	3,056,065	3,112,038	2,912,844	2,947,855	2,877,396
<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>108,577,243</u>
(10,829,243)	6,194,557	7,088,811	(2,218,234)	2,155,154	(11,240,302)
7,728,999	9,144,555	8,496,107	10,543,930	9,996,417	10,655,277
(7,437,260)	(8,318,812)	(9,005,355)	(11,965,808)	(10,977,001)	(12,515,117)
-	-	-	6,181,620	-	9,780,000
-	2,840,000	-	5,075,000	-	7,800,000
-	-	-	1,594,476	2,592,610	1,422,956
-	-	-	(5,182,083)	-	-
-	(46,282)	-	196,695	-	856,258
-	-	-	-	-	-
<u>109,909</u>	<u>395,301</u>	<u>264,491</u>	<u>172,368</u>	<u>63,664</u>	<u>605,725</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>18,605,099</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>	<u>\$ 7,364,797</u>

9.7%

8.0%

11.1%

7.8%

8.4%

18.2%

**CITY OF BLOOMINGTON, ILLINOIS**

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

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<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Farm Property</u>	<u>Railway Property</u>
2006	2004	\$ 861,824,156	\$ 543,262,723	\$ 9,692,733	\$ 509,803	\$ 381,264
2007	2005	922,457,891	556,329,628	9,728,391	425,377	380,315
2008	2006	978,715,852	569,998,938	9,928,152	382,422	415,532
2009	2007	1,045,491,797	610,915,300	10,537,721	283,509	434,478
2010	2008	1,096,691,125	620,940,813	10,383,824	295,521	476,611
2011	2009	1,138,287,680	622,816,511	10,247,265	393,358	582,005
2012	2010	1,152,480,233	636,484,972	9,098,042	447,824	653,488
2013	2011	1,161,010,532	629,450,497	8,368,378	614,629	690,246
2014	2012	1,135,803,071	616,446,829	8,088,718	626,174	739,773
2015	2013	1,127,217,408	619,594,728	13,294,216	654,109	811,342

**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.

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<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>
\$ 1,415,670,679	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%
1,761,571,803	-0.01%	1.3181	5,284,715,409	33.33%

**CITY OF BLOOMINGTON, ILLINOIS**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Last Ten Fiscal Years

**City Direct Rates**

<b>Levy Year</b>	<b>City Direct Rates</b>									
	<b>General Fund</b>	<b>Fire Pension Fund</b>	<b>Police Pension Fund</b>	<b>Illinois Municipal Retirement Fund</b>	<b>Judgment Fund</b>	<b>Bond and Interest Fund</b>	<b>Public Benefit Fund</b>	<b>Public Library Fund</b>	<b>Audit Fund</b>	<b>Total Direct</b>
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
2013	0.35680	0.22400	0.21333	0.14208	-	0.12376	-	0.25811	-	1.31808

**Source:** County of McLean Tax Extension Office

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

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

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



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**Overlapping Rates**

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<b>School District *</b>	<b>McLean County</b>	<b>Township</b>	<b>Water Reclamation District</b>	<b>Airport Authority</b>	<b>Cemetery</b>	<b>Heartland Community College</b>	<b>Total Overlapping Rates</b>	<b>Total All Rates</b>
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
4.83486	0.90375	0.12243	0.17011	0.12736	-	0.50667	6.66518	7.9833

**CITY OF BLOOMINGTON, ILLINOIS**

**PRINCIPAL PROPERTY TAXPAYERS**

Current Year and Nine Years Ago

(Unaudited)

<u><b>Taxpayer</b></u>	<b>2013</b>		
	<u><b>Taxable Assessed Value</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total City Taxable Assessed Value</b></u>
State Farm Insurance Company	\$ 171,994,562	1	9.03%
Eastland Mall	16,951,118	2	0.89%
Country Life Insurance Company	12,956,762	3	0.68%
Wingover Aparments	9,275,859	4	0.49%
Illinois Agricultural Association	9,179,192	5	0.48%
Bromenn Healthcare	7,119,161	6	0.37%
Brookridge Apartments	6,770,930	7	0.36%
Westminister Village	5,963,773	8	0.31%
US REIF Parkway Fee LLC	5,166,557	9	0.27%
Wal-Mart	5,118,816	10	0.27%
Turneberry Village	-		-
M & J/LJP Parkway LP	-		-
Land Trust BY-1	-		-
Verizon North	-		-
<b>Totals</b>	<u><u>\$ 250,496,730</u></u>		<u><u>13.15%</u></u>

Note: Total 2004 Assessed Valuation

Note: Total 2013 Assessed Valuation \$ 1,904,995,351

Source: City of Bloomington Township

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<b>2004</b>		
<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
\$ 160,152,834	1	10.40%
10,755,551	3	0.70%
13,384,871	2	0.87%
-	-	0.00%
9,102,909	4	0.59%
-	-	-
-	-	-
5,184,403	6	0.34%
-	-	-
5,688,476	5	0.37%
5,078,453	7	0.33%
5,000,000	8	0.32%
4,703,070	9	0.31%
4,535,824	10	0.29%
<u>\$ 223,586,391</u>		<u>14.52%</u>
<u>\$ 1,539,356,485</u>		

**CITY OF BLOOMINGTON, ILLINOIS**

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

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<b>Fiscal Year Ended April 30</b>	<b>Tax Year</b>	<b>Taxes Levied for the Fiscal Year*</b>	<b>Collected within the Fiscal Year Levied for</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
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	23,185,833	23,163,713	99.90%	-	23,163,713	99.90%
2015**	2013	23,219,066	-	-	-	-	-

Source: County of McLean Tax Extension Office

Note:

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

\* Includes Library

\*\* 2013 levy to be collected in fiscal year 2015

**CITY OF BLOOMINGTON, ILLINOIS**

**SALES TAX REVENUE**

Last Ten Fiscal Years

(Unaudited)

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<b>Fiscal Year</b>	<b>State Sales Tax</b>	<b>Tax Rate*</b>	<b>Home Rule Sales Tax</b>	<b>Tax Rate**</b>	<b>Total Sales Taxes</b>
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
2014	13,599,481	1.00%	14,549,385	1.50%	28,148,866

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 was to sunset July 1, 2015, however, the sunset was removed by the Bloomington City Council on April 21, 2014.

**CITY OF BLOOMINGTON**

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

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>Business Activities</b>	
	<b>General Obligation Bonds</b>	<b>Capital Lease Payable (2)</b>	<b>Developer Agreements</b>	<b>General Obligation Bonds</b>	<b>Loan Payable</b>
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	4,661,944	-	7,223,583	6,501,727
2013	68,613,251	6,124,603	-	7,050,073	12,547,689
2014	73,782,612	5,652,233	-	6,287,563	12,201,064

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

(2) In FY2013 it was determined that the PBC lease should be reported as a capital lease rather than an operating lease. FY 2012 amounts were restated for this change but previous years do not reflect the PBC lease as a capital lease.

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<b>Business Activities</b>				
<b>Capital Lease Payable(2)</b>	<b>Note Payable</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income (1)</b>	<b>Per Capita (1)</b>
\$ -	\$ -	\$ 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
4,266,193	10,489,855	104,980,324	3.277%	1,370.32
5,908,123	12,073,084	112,316,823	3.485%	1,457.32
5,876,355	11,369,404	115,169,231	3.412%	1,481.60

**CITY OF BLOOMINGTON, ILLINOIS**

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**

Last Ten Fiscal Years

(Unaudited)

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<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less Amount Available in Debt Service</b>	<b>Net General Bonded Debt</b>	<b>Percentage of Actual Property Value</b>	<b>Debt Per Capita</b>
2005	71,106,212	6,717,153	64,389,059	1.52%	939.89
2006	78,842,144	7,426,166	71,415,978	1.60%	1,042.46
2007	76,424,180	9,086,299	67,337,881	1.44%	898.14
2008	83,262,965	10,523,803	72,739,162	1.45%	970.18
2009	78,085,000	7,710,167	70,374,833	1.36%	938.64
2010	77,115,000	10,873,990	66,241,010	1.25%	883.51
2011	73,055,000	10,766,874	62,288,126	1.15%	830.79
2012	79,060,605	11,359,661	67,700,944	1.25%	883.71
2013	75,663,324	11,727,679	63,935,645	1.21%	829.57
2014	80,070,175	10,543,660	69,526,515	1.32%	894.43

**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 December 31, 2013 (Payable in 2014)  
 (Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Bloomington Normal Airport Authority	\$ 49,517,053	67.82%	\$ 33,582,465
Bloomington Schools District #87	\$ 48,602,021	99.67%	\$ 48,441,634
Normal School District #5	\$ 209,625,730	45.65%	\$ 95,694,146
Tri-Valley Community Unit School District #3	\$ 5,343,173	0.57%	\$ 30,456
Olympia Unit #16	\$ 16,494,027	53.57%	\$ 8,835,850
Heartland Community College #540	\$ 102,983,750	59.89%	\$ 61,676,968
County of McLean	\$ 316,170	48.69%	\$ 153,943
McLean County PBC	\$ 12,948,992	48.69%	\$ 6,304,864
Subtotal, Overlapping Debt			\$ 254,720,327
City direct debt	\$ 98,042,873		<u>\$ 98,042,873</u>
Total direct and overlapping debt			<u><u>\$ 352,763,200</u></u>

**Source:** McLean County Clerk

Debt outstanding based on amounts reported by McLean County as of December 31, 2013.

Overlapping debt percentages based on McLean County 2013 EAV

**CITY OF BLOOMINGTON, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
Last Ten Calendar Years  
(Unaudited)

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<b>Calendar Year</b>	<b>Population (1)</b>	<b>Per Capita (2) Personal Income</b>	<b>Total Personal Income (thousands) (2)</b>	<b>Median Age (1)</b>	<b>School Enrollment (1)</b>	<b>Median House Costs (1)</b>	<b>Unemployment Rate (1)</b>	<b>Annual Airport Usage (1)</b>
2004	68,507	\$ 32,195	\$ 2,205,583	31	7,777	\$ 161,135	4.60%	224,655
2005	68,507	\$ 33,703	\$ 2,308,891	30	7,139	\$ 166,274	4.10%	232,089
2006	74,975	\$ 34,511	\$ 2,587,462	30	7,589	\$ 167,963	3.50%	262,409
2007	74,975	\$ 35,546	\$ 2,665,061	31	7,685	\$ 171,859	4.00%	269,839
2008	74,975	\$ 36,082	\$ 2,705,248	31	7,324	\$ 177,194	5.00%	268,860
2009	74,975	\$ 38,985	\$ 2,922,900	31	5,304*	\$ 166,533	7.10%	250,135
2010	74,975	\$ 38,695	\$ 2,901,158	31	5,250*	\$ 176,909	7.70%	280,974
2011	76,610	\$ 41,816	\$ 3,203,524	32	5,414 *	\$ 169,413	7.20%	290,974
2012	77,071	\$ 41,816	\$ 3,222,801	32.3	5,338*	\$ 171,991	6.90%	243,848
2013	77,733	\$ 43,429	\$ 3,402,995	32.3	5428 *	\$ 173,539	7.30%	215,889

**Sources:**

- (1) Bloomington-Normal 2014 Economic Development Council Demographic Profile.
- (2) US Commerce Department - Bureau of Economic Analysis. Data gathered for Bloomington/Normal region, as separate information is not disclosed.
- \* 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>	<u>2014</u>			<u>2005</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
State Farm Insurance Company	14,765	1	16.8%	14,132	1	17.0%
Illinois State University	3,289	2	3.7%	3,211	2	3.9%
Country Insurance and Financial Services	1,949	3	2.2%	2,289	3	2.7%
Unit 5 Schools	1,576	4	1.8%	1,487	6	1.8%
Mitsubishi Motor Manufacturing	1,251	5	1.4%	1,979	4	2.4%
Tek Systems	1,131	6	1.3%			0.0%
OSF-St. Joseph Medical Center	1,012	7	1.1%	974	8	1.2%
McLean County Government	812	8	0.9%	892	9	1.1%
Advocate BroMenn Medical Center	791	9	0.9%	1,950	5	2.3%
City of Bloomington	765	10	0.9%			
Afni, Inc.				1,047	7	1.3%
District 87 Schools				879	10	1.1%
Total top 10 employers	<u>27,341</u>		31.1%	<u>28,840</u>		34.6%
Total Labor Force	88,052			83,256		

**Source:** Bloomington-Normal 2014 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 Functions/Programs  
Last Ten Fiscal Years  
(Unaudited)

<u>Function/Program</u>	<u>Full-Time Equivalent Employees as of April 30</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>	<u>2014*</u>
General Government:										
Legislative	9	-	-	-	-	-	-	-	-	-
City Manager	4	13	14	14	14	8	8	9	4	7
City Clerk	4	4	4	4	4	3	3	3	3	4
Personnel	10	10	10	10	8	8	7	9	8	8
Finance	15	17	15	15	12	9	9	10	11	13
Information Services	10	14	15	15	15	10	10	10	10	12
Legal	5	6	5	5	6	5	5	6	6	6
Building Safety	21	16	15	15	15	11	11	11	12	12
Planning	3	3	3	3	3	1	1	1	1	1
Facility Management	2	3	4	4	3	3	3	3	3	3
Community Development	7	3	3	3	2	-	-	-	1	-
Code Enforcement	-	11	11	11	13	11	11	12	11	11
Economic Development	-	-	-	-	-	-	-	-	-	1
Parks and Recreation:										
General and Administration	34	38	39	39	38	37	37	43	27	27
SOAR	6	7	7	7	7	6	6	6	2	2
Recreation	24	25	26	26	23	16	16	15	5	5
Pool(s)	8	4	8	8	9	8	8	7	1	-
Zoo	16	17	18	18	16	15	15	14	9	9
Forestry	4	6	-	-	-	-	-	-	-	-
Golf Course(s)	40	40	39	39	38	34	34	30	7	9
Public Ice Rink	-	8	12	12	11	11	11	11	3	3
Police:										
Officers and Civilians	146	170	163	163	178	157	160	162	158	160
Fire:										
Firefighters, Officers and Civilians	102	98	117	117	117	109	109	109	109	113
Public Works:										
Administration	4	4	4	4	4	3	3	4	3	3
Street Maintenance	16	16	16	16	16	32	32	22	17	17
Street Sweeping	1	1	1	1	1	-	-	-	-	-
Snow and Ice Control	4	4	4	4	4	-	-	-	-	-
Refuse Collection	50	50	50	50	50	59	59	58	-	-
Weed Control	2	2	2	2	2	-	-	-	-	-
Fleet Management	9	10	11	12	11	9	9	9	9	9
Street Lighting	1	2	2	2	2	-	-	-	-	-
Traffic Control	11	11	12	13	13	1	1	-	-	-
Water:										
Administration	6	9	9	9	9	5	5	4	5	9
Transmission	21	27	25	25	27	17	17	18	16	14
Purification	19	20	18	18	18	14	14	16	15	16
Lake Bloomington Park	6	6	8	8	8	8	8	7	5	3
Water Meter Billing Services	-	-	-	-	-	10	1	10	10	8
Sewer Maintenance	15	17	18	18	18	5	5	15	14	14
Stormwater	9	11	11	11	11	10	10	14	12	11
Other Programs/Functions:										
Solid waste management	-	-	-	-	-	-	-	-	39	40
Engineering	19	20	19	19	19	15	15	11	9	9
Library	64	61	59	59	61	63	63	65	45	44
Parking	8	9	9	9	8	7	7	7	7	5
JM Scott	3	3	3	3	3	-	-	-	-	-
Board of Elections	-	-	-	-	-	-	-	-	1	1
BCPA	6	53	53	53	19	19	19	17	10	11
<b>Total</b>	<b>744</b>	<b>849</b>	<b>862</b>	<b>864</b>	<b>836</b>	<b>739</b>	<b>732</b>	<b>750</b>	<b>608</b>	<b>620</b>

Source: City of Bloomington Human Resource Department

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

\* Beginning in 2013, the amounts reported represent full-time budgeted positions rather than full-time equivalents.

**CITY OF BLOOMINGTON, ILLINOIS**

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

Function/Program	Calendar Year		
	2004	2005	2006
<b>Police:</b>			
Calls for service (Calendar 2013)	51,775	53,375	50,725
Adult arrest (Calendar 2013)	1,984	2,410	2,048
Juvenile arrest (Calendar 2013)	252	294	183
Speeding citations only (Calendar 2013)	2,720	4,060	3,626
Traffic citations (Calendar 2013)	10,907	12,370	10,475
<b>Fire:</b>			
Total fire runs (Calendar 2013)	2,492	1,587	1,586
Total rescue runs (Calendar 2013)	5,235	2,894	6,793
Property loss (Calendar 2013)	\$ 1,114,600	\$ 281,325	\$ 2,032,950
<b>Building safety:</b>			
Total building permits (Calendar 2013)	3,017	2,685	2,459
Total value all permits (Calendar 2013)	\$ 156,392,339	\$ 206,139,496	\$ 219,159,856
<b>Library:</b>			
Visitors (Fiscal Year 2013)	342,600	345,819	361,683
Total circulation (Fiscal Year 2013)	634,618	705,332	732,396
<b>Public service:</b>			
Garbage collected (ton) (Calendar 2013)	18,537	20,263	20,641
Recycle collected (ton) (Calendar 2013)	2,420	2,341	2,805
Bulk Waste (ton) (Calendar 2013)	N/A	10,752	8,426
Brush (cubic yard) (Calendar 2013)	N/A	25,005	33,468
<b>Parks and Recreation:</b>			
Recreation program attendance (FY 2014)	227,437	234,791	214,927
Aquatics program attendance (FY 2014)	53,296	54,894	34,253
Pepsi Ice Center (FY 2014)	N/A	N/A	43,976
Golf rounds played (Calendar 2013)	92,303	90,850	82,404
Miller Park Zoo attendance (Calendar 2013)	113,641	99,321	93,183
Street trees maintained (Calendar Year 2013)	14,494	14,688	3,724
<b>Cultural District:</b>			
Events (Calendar 2013)	N/A	N/A	227
Attendance (Calendar 2013)	N/A	N/A	55,000
<b>US Cellular Coliseum:</b>			
Events (Fiscal Year 2014)	N/A	N/A	103
Attendance (Fiscal Year 2014)	N/A	N/A	306,000

**Source:** Various City Departments

**Note:** N/A - Indicator not available

Library door counter not working during part of FY 2007 due to renovation

	2007	2008	2009	2010	2011	2012	2013
	62,050	60,308	62,322	58,931	66,284	73,861	74,835
	1,554	1,975	1,932	1,690	1,800	2,211	2,415
	208	356	303	317	323	287	289
	1,848	2,492	2,597	2,492	2,209	1,331	931
	13,369	9,939	7,675	9,939	4,310	6,774	6,357
	1,919	2,310	2,041	2,038	2,126	2,317	2,020
	7,565	7,743	7,212	7,414	7,600	7,993	8,025
\$	994,650	\$ 1,668,885	\$ 921,800	\$ 824,738	\$ 2,235,790	\$ 954,575	\$ 1,450,380
	2,486	2,747	2,921	2,763	2,334	2,590	2,732
\$	185,771,533	\$ 109,373,823	\$ 151,953,680	\$ 89,134,038	\$ 87,049,482	\$ 108,932,734	\$ 103,804,778
	250,806	328,485	335,994	367,116	422,705	412,892	463,042
	754,878	877,432	1,008,316	1,154,024	1,339,740	1,483,853	1,570,410
	20,393	19,933	19,782	19,331	17,479	17,710	17,487
	2,837	2,857	2,808	2,957	3,001	3,735	4,593
	8,192	10,413	9,044	4,821	7,164	4,552	5,601
	22,860	35,136	26,000	23,982	26,101	22,308	29,174
	215,811	184,047	163,414	148,857	146,140	139,320	129,355
	58,745	51,397	40,849	48,695	57,091	57,861	53,272
	89,011	84,439	145,000	133,616	165,000	168,000	163,000
	81,489	77,000	75,200	76,337	68,367	72,349	62,283
	104,905	111,357	112,133	101,182	111,863	107,082	103,544
	1,890	3,297	4,552	6,012	8,590	7,488	8,549
	390	460	463	498	469	534	578
	81,953	90,794	98,388	86,227	82,880	83,345	90,730
	210	166	219	201	216	237	207
	289,374	319,932	328,815	300,494	300,533	292,217	286,101

**CITY OF BLOOMINGTON, ILLINOIS**

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

<b>Function/Program</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
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	300	311
Traffic Signals	127	127	134	138
Parks & Recreation:				
Acreage	602	602	594	594
Parks	52	52	52	62
Golf Course	3	3	3	3
Baseball/Softball Diamonds	24	24	26	26
In-line Hockey Rinks	1	1	1	1
Soccer/Football Fields	14	14	22	22
Basketball Courts	13	13	45	45
Tennis Courts	20	20	20	20
Swimming pools	2	2	2	2
Parks with Playground Equipment	31	31	31	31
Picnic Shelters	28	28	37	37
Community Centers	1	1	1	1
Library:				
Facilities	1	1	1	1
Volumes	241,240	239,651	240,869	243,635
Water:				
Lakes	2	2	2	2
Storage Capacity (MGD)	18	18	21	21
Average Daily Consumption (MGD)	11	11	12	12
Peak Consumption (MGD)	20	20	24	20
Wastewater:				
Sanitary Sewers (miles)	250	250	250	250
Storm Sewers (miles)	200	200	200	200
Combination Sanitary and Storm (miles)	100	100	100	100

**Source:** Various City Departments

**Note:** MGD - Millions Gallons per Day

2009	2010	2011	2012	2013	2014
1	1	1	1	1	1
-	-	-	-	-	-
4	4	4	5	5	5
11	11	11	11	10	21
37	51	51	51	51	52
320	321	321	321	321	322
141	153	145	145	145	145
594	594	594	594	640	640
52	52	52	52	46	46
3	3	3	3	3	3
26	26	26	26	27	28
1	1	1	1	1	1
22	22	22	22	22	23
45	45	45	45	52	53
20	20	20	20	26	26
2	2	2	2	2	2
31	31	31	31	31	32
37	37	37	37	42	43
1	1	1	1	1	1
1	1	1	1	1	1
258,982	272,237	283,576	295,496	291,406	299,628
2	2	2	2	2	2
21	21	21	21	21	21
11	11	11	11	11	11
16	16	16	16	16	16
293	295	297	297	299	301
240	246	248	248	316	317
88	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**

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NOTE: Exhibit labels match exhibits required in the bond covenant.

**CITY OF BLOOMINGTON, ILLINOIS**

Exhibit A - Direct General Obligation Bonded Debt (Principal Only) <sup>1</sup>  
As of April 30, 2014

<b>Year Ending December 31</b>	<b>Total Existing Debt</b>	<b>Less Abated Amount <sup>2</sup></b>	<b>Net Tax Levied Amount</b>
2014	\$ 5,980,000	\$ 4,755,000	\$ 1,225,000
2015	6,800,000	5,700,000	1,100,000
2016	4,990,000	3,890,000	1,100,000
2017	5,185,000	4,080,000	1,105,000
2018	4,845,000	3,730,000	1,115,000
2019	4,110,000	3,235,000	875,000
2020	4,395,000	3,510,000	885,000
2021	4,575,000	3,690,000	885,000
2022	4,490,000	3,985,000	505,000
2023	4,700,000	4,190,000	510,000
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	-
	<b>\$ 79,485,000</b>	<b>\$ 68,180,000</b>	<b>\$ 11,305,000</b>

<sup>1</sup> Does not include revenue bonds.

<sup>2</sup> 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; Taxable General Obligation Bonds, Series 2013B; General Obligation Bonds, Series 2013C; 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, 2014

<b>Tax Year</b>	<b>Total Debt Service <sup>1</sup></b>	<b>Less Annually Abated Debt Service <sup>2</sup></b>	<b>Total Tax Levied Debt Service</b>
2013	\$ 9,694,884	\$ 8,221,084	\$ 1,473,800
2014	10,449,834	9,010,658	1,439,176
2015	8,073,435	6,663,947	1,409,488
2016	7,549,885	6,174,947	1,374,938
2017	6,630,935	5,540,597	1,090,338
2018	6,746,035	5,680,891	1,065,144
2019	6,755,044	5,718,251	1,036,793
2020	6,489,296	5,860,909	628,387
2021	6,510,108	5,893,783	616,325
2022	6,308,940	6,035,165	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	-

<sup>1</sup> - Does not include revenue bonds.

<sup>2</sup> - 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; Taxable General Obligation Bond, Series 2012; Taxable General Obligation Bonds, Series 2013B; and General Obligation Bonds, Series 2013C; 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.