



CITY OF
Bloomington ILLINOIS



Comprehensive Annual Financial Report

of the

City of Bloomington, Illinois

for the Fiscal Year

May 1, 2016 to April 30, 2017

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF BLOOMINGTON, ILLINOIS**
As of and for the Year Ended April 30, 2017

Prepared by:

Patti-Lynn Silva
Finance Director

CITY OF BLOOMINGTON

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October 26, 2017

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, 2017, is submitted herewith. This report provides a broad view of the City's financial activities for the 2017 fiscal year and its financial position at April 30, 2017. Illinois statutes require all general purpose local governments to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with General Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed certified public accountants.

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

Baker Tilly Virchow Krause, LLP, a firm of licensed certified public accountants, has audited the City of Bloomington's financial statements. The goal of the independent audit was to provide reasonable assurance the financial statements of the City of Bloomington for the fiscal year ended April 30, 2017, are free of material misstatement. The independent audit involved the examination, on a test basis, of evidence to support the amounts and disclosures in the financial statements, assess the accounting principles used and the significant estimates made by management, and evaluate the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Bloomington's financial statements for the fiscal year ended April 30, 2017, are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report.

As a recipient of various federal and state financial assistance programs, the City of Bloomington is required under the Federal Single Audit Act, to have an annual audit performed of certain major federal grant programs. The audit contains information concerning whether grant activity is presented fairly in the financial statements, whether internal controls are sufficient to provide reasonable assurance that the funds are managed properly, and whether material grant compliance requirements have been met. The 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 78,292. The City of Bloomington is termed a twin city in conjunction with the Town of Normal.

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

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

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

Accounting System and Budgeting

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

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

The annual budget serves as the foundation for the City's financial planning and control. The City of Bloomington prepares a five-year budget projection for both operating and capital budgets for all funds. Every City department is required to submit a budget request to the City Manager during the fall of each year. The Finance Director, in cooperation with the City Manager and individual Department Directors, refines their budget requests, and the proposed budget is presented to the City Council on or before March 31st of each year. The City Council is required to hold a public hearing on the proposed budget if the budget increases 5 percent and final adoption of a budget occurs no later than April 30th of each year. The budget is also known as the City's Appropriation Ordinance. The appropriated budget is itemized at the fund and department level. Budget transfers or amendments that increase the total appropriation of a fund require the approval of the City Council. A budget-to-actual comparison is provided for each individual governmental fund for which an appropriated annual budget has been adopted. The City's budget process focus is on providing services contained within the City's strategic plan. For the General Fund, a budget-to-actual expenditure comparison is presented in the required supplementary information section. For governmental funds with appropriated annual budgets, other than the general corporate fund, 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 #3 in the State of Illinois and #57 nationally on [*Forbes*](#) 2016 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 businesses and institutions. Diverse and stable employment sources include State Farm Insurance, Illinois State University, COUNTRY Financial, TEKsystems, NTT DATA, Afni, Inc.,

Nestle USA, Bridgestone/Firestone Off-Road Tire, Illinois Wesleyan University, Advocate BroMenn Regional Medical Center, and OSF St Joseph Medical Center. These, along with many other major employers, contribute to Bloomington-Normal historically experiencing the lowest average 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 major manufacturers and industries, there are two universities, two hospitals, a convention center, one indoor mall, one outdoor mall, and numerous banking and financial services firms located in Bloomington-Normal. New construction continues to enhance residential, industrial and commercial growth.

The Bloomington-Normal area has become nationally known as a strong transportation and 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 including Union Pacific, Norfolk Southern, and Amtrak connect Bloomington-Normal to most major cities within the continental United States. Central Illinois Regional Airport (BMI) in Bloomington hosts a FedEx Express air cargo hub which opened in 2015. The airport has established relationships with several airlines, including American, Delta, and Allegiant, with daily passenger jet service to Atlanta, Chicago, Dallas, Minneapolis, and frequent service to Orlando and St. Petersburg.

There are multiple shopping centers located within Bloomington-Normal which serve a large retail trade area including more than 230,000 residents. One enclosed regional mall and one outdoor lifestyle shopping center account for approximately 1,210,000 square feet of leasable retail space. The area enjoys the presence of numerous major national retailers such as Bergner's, Best Buy, Dick's Sporting Goods, Home Depot, Hy-Vee, Jewel-Osco, Kohl's, Kroger, Lowe's, Meijer, Menards, Sam's Club, Sears, Target, Von Maur, and Wal-Mart, in addition to hundreds of chain and local restaurants and is well insulated from competition with the next nearest regional shopping center being more than 40 miles away.

Over the last year, most major employers within the community have remained fairly stable including State Farm Insurance, COUNTRY Financial, and Illinois State University. The end of production at the Mitsubishi Motors manufacturing facility in the adjacent Town of Normal in November 2015 resulted in the full closure of that facility by June of 2016. In December 2016, it was announced that Rivian Automotive, a new electric car manufacturing company, planned to purchase the former Mitsubishi facility with the intent to hire over 500 employees and invest over \$40 million in the facility by the year 2022. Rivian has since purchased the former Mitsubishi facility and is proceeding with its plan which will likely have a positive impact on the local economies of both the City of Bloomington and the Town of Normal.

New construction and renovation projects continue to occur throughout the City, including the 2016 redevelopment of a former 88,000 square foot Kmart store into a Dick's Sporting Goods, Home Goods, Five Below, and Carter's Oshkosh B'Gosh in the newly renamed "Empire Crossing" shopping center. A long vacant Circuit City building in the same shopping center was also renovated into a new PetSmart pet supply store. A DSW Shoes store has also opened in an adjacent space in the Empire Crossing shopping center. Additionally, the former Cub Foods

grocery store on Veterans Parkway has been renovated into a Fresh Thyme Farmers Market grocery store and The Great Escape home leisure store. The Kroger Co. has acquired land in the City of Bloomington with plans to construct a new 128,000 square foot Kroger Marketplace grocery store. In 2017 “the Foundry”, a 20,000 square foot retail development along the City’s Constitution Trail walking and bike path, completed construction and now hosts the City’s first co-operatively owned grocery store: “Green Top Grocery Co-op.”

In 2016-2017, the enclosed mall in Bloomington, the CBL owned “Eastland Mall” has experienced the closure of two retail anchors (Macy’s and JC Penney) as well as multiple small shops including Gap, The Limited, and MC Sports. CBL is actively working to backfill the vacant spaces at Eastland Mall. As of October 2017, CBL announced plans to renovate the recently vacated JC Penney space to create three leasable spaces, one for Planet Fitness and another for a yet to be named soft goods retailer.

The recent significant activity in Bloomington’s retail sector in relation to the backfilling of vacant spaces created by the closure of older struggling national retailers with newer, expanding and more relevant retailers can be seen as a favorable view of the long term prospects for the City’s economic outlook and is likely to result in stable to increased sales tax collections for the City in the months and years ahead.

In addition to the retail developments outlined above, the County of McLean has commenced construction of a \$20 million expansion of the County’s Law and Justice Center to offer more modern detention facilities as part of an intergovernmental initiative between the County, City of Bloomington, and Town of Normal to improve mental health in the community. The expansion of the Law and Justice Center in Downtown Bloomington adds to the many recent private sector investments including the renovation of the upper floors of multiple historic buildings in the City’s downtown into loft apartments. These private sector projects have attracted numerous millennials and empty nesters to live, work, and play in Downtown Bloomington, enjoying the Downtown’s many shops, restaurants, and entertainment venues.

Bloomington-Normal are home to multiple higher education institutions including:

- Illinois State University (ISU) was founded in 1857 as the first public university in Illinois. ISU averages enrollment of around 20,000 students. ISU has six colleges and 35 academic departments offering more than 160 fields of study with over 1,200 faculty members.
- Illinois Wesleyan University (IWU) is a private university founded in 1850. IWU averages student enrollment of 2,000 undergraduates. Recognized as one of the nation’s premier private residential liberal arts universities, IWU offers 42 majors and three pre-professional programs with over 180 faculty members.
- 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 6,000 credit students and 16,000 non-credit students. HCC offers associate and transfer degrees and certifications in 58 different academic areas.
- Lincoln College – Normal Campus is a private residential college, offering academic and vocational programs to over 450 students. Accredited by the North Central Association,

Lincoln offers associate degrees as well as bachelor's degrees in business management and liberal arts.

Bloomington-Normal home sales for calendar year 2016 reflects 2,780 sales with the average price per residence of both new and existing stock decreasing by \$1,039 or -0.6% compared to 2015. The 2016 average new home sales price was \$300,291 while the average 2016 existing home sales price was \$161,820 as reported by the Bloomington-Normal Association of Realtors.

The median household income for the Bloomington-Normal, Illinois Metropolitan Statistical Area (MSA) was \$50,795, continuing to be the highest in Central Illinois and ranking the Bloomington-Normal MSA #13 in the nation and second in Illinois to the Chicago-Gary-Kenosha, Illinois-Indiana-Wisconsin CMSA (population 9,157,540, \$51,046). With a population of 150,433 and a per capita income of \$22,227, the Bloomington-Normal MSA ranks 50th in the nation of all MSAs in per capita income.

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: A five year financial planning process occurs each year to provide a future projection of the City's finances for decision makers. The City's multipronged approach to sustainability includes cost management, addressing deferred infrastructure, funding economic development, strategic revenue enhancements, and preserving public safety. Cost management objectives include achieving collective bargaining objectives, risk management, adjusting service levels, pre-funding pension commitments, and tactical funding of capital assets and debt management. Collective bargaining objectives include elimination of sick leave buy back, moving to a health insurance pool, and plan design. An active safety program was implemented fostering three consecutive years of reduced worker compensation costs. Service levels are under review through the priority based budgeting (PBB) program. The City successfully reduced service levels in the solid waste fund lessening subsidy levels. Programs identified under PBB are reviewed annually through the budget process. Master planning for sanitary sewer and storm water utilities have been completed. Sanitary sewer and storm water rates were recently updated with a recurring annual 3% increase to fund the 20 year capital master plan. The City continues to fund its police and fire pension plans according to their local model which funds each plan earlier and with a goal of 100 % funding. Other master plans for parks, sidewalks, and bicycles have been updated and are in varying stages of implementation.

In 2015 the City Council adopted a one percent increase in the City's Home Rule Sales Tax which has raised an estimated \$9.7M in recurring revenues. The City Council and the internal management team are committed to understanding all city costs and programs evidenced by the Priority Based Budgeting initiatives which began in fiscal year 2017. The Council has supported and initiated local economic development in efforts to create a sustainable and diversified tax base. The City has a diversified business base with unemployment rates below the national and state averages due to thriving agriculture, insurance and education industries. In calendar year 2016, Fitch and Moody's rating agencies reaffirmed the City's credit ratings of AA+ and Aa2 with stable outlooks.

The City's General Fund reflects reserves of \$24.6 million at April 30, 2017, of which \$14.8 million was unassigned. 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 and will continue to make operating transfers to eliminate deficit fund balance/net position.

Long term planning achievements:

- The City supports a regional focus having adopted a formal Comprehensive Plan – *Bring It on Bloomington*.
- Capital planning. The City has completed a Five Year Capital Improvement Plan. Master plans were adopted for Facilities, Fire, Sidewalk, Streets and ADA, Bicycle, and Sanitary Sewer & Storm Water. Funding for capital is underway with the most notable the doubling of both sewer and storm water rates with a recurring 3 % increase each year puts these funds on the path of full sustainability.
- Long term liabilities. The previously adopted a Police and Fire Pension Funding Policy that requires 100% funding by 2043 rather than the State's legislative plan's requirement of 90%. The City raised earmarked revenue to make contributions prescribed by the plan and updates the actuarial valuation information annually to monitor progress.
- Economic development. The City funds a full time economic development coordinator whose goals include recruiting and retaining businesses. Multiple tools are available to work with businesses including Tax Increment Financing (TIF) and other incentive programs. Strong economic development initiatives have led to notable success seen in the local economy section.

The understanding of deferred capital costs, long term liabilities, and the benefits of economic development serve as the foundation for the City's long term financial planning.

Looking ahead, the City Council and executive management are well versed on long term challenges and the risks associated with not addressing them. The City goal is to achieve sustainability in the long term. The City has elected to follow a performance excellence and innovation initiative to address enterprise effectiveness.

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.
- Impose moderate annual water and sewer rate increases so as to avoid large increases at irregular intervals.

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


- Obtain competitive quotes for purchases in excess of \$3,000 and below \$25,000.
- Conduct a formal competitive bidding process for purchases in excess of \$25,000.
- Obtain City Council approval of all purchases in excess of \$50,000.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) has awarded a Certificate for Distinguished Budget for City's budgets since the fiscal year 2012 budget.

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,

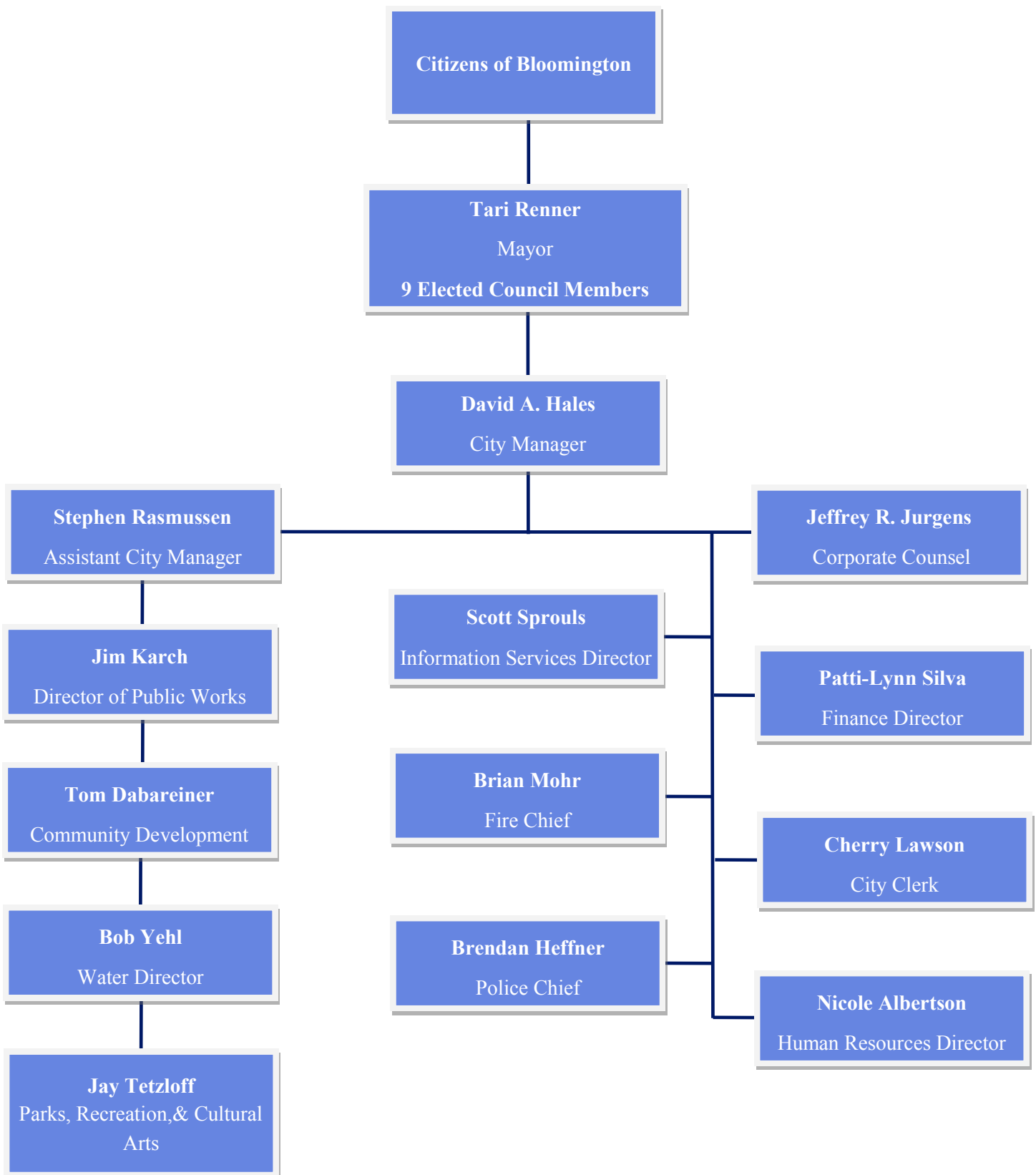


Patti-Lynn Silva, Director of Finance



David A Hales, City Manager

CITY OF BLOOMINGTON ORGANIZATION CHART



OFFICERS AND OFFICIALS

Elected Officials

Mayor Tari Renner

Council Members

Ward 1 Kevin Lower
Ward 2 David Sage
Ward 3 Mboka Mwilambwe
Ward 4 Amelia Buragas
Ward 5 Joni Painter
Ward 6 Karen Schmidt
Ward 7 Scott Black
Ward 8 Diana Hauman
Ward 9 Jim Fruin

Administrative Officials

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

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Bloomington, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of and for the year ended April 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Bloomington's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Miller Park Zoological Society, a discretely presented component unit. We also did not audit the financial statements of the Police Pension Fund and the Firefighters' Pension Fund, fiduciary funds of the City, which represent 72 percent, 78 percent, and 82 percent, respectively, of the assets/deferred outflows of resources, fund balance/net position, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Miller Park Zoological Society, Police Pension Fund, and Firefighters' Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Library Foundation, Miller Park Zoological Society, Police Pension Fund, and Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*.

To the City Council
City of Bloomington, Illinois

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of April 30, 2017 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

To the City Council
City of Bloomington, Illinois

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2017 on our consideration of the City of Bloomington's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bloomington's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

Oak Brook, Illinois
October 26, 2017

City of Bloomington, Illinois
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended April 30, 2017

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, 2017. Staff encourages readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which may be found on pages i thru ix of this report.

FINANCIAL HIGHLIGHTS

- During the year, the City implemented Governmental Accounting Standards Board Statements (GASB) No. 72 and 77. GASB 72 applies to the fair value of assets and categorizes those assets based on the accessibility of markets (active vs. inactive) and the nature of the prices quoted (specific quotes for same asset vs. quotes for like assets). GASB 77 provides disclosures for the amount and nature of tax abatements which result in a reduction in tax revenue (forgo particular tax revenue(s)) in exchange for development or redevelopment of an area that contributes to the economy or otherwise benefits citizens and/or the government.
- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2017 by \$212.8 million. Of this amount, negative \$88.1 million is unrestricted.
- The City's total net position increased \$2.5 million which is attributable to revenues exceeding expenses for both governmental and business-type activities.
- The City's governmental funds ended fiscal year 2017 with combined fund balances of \$54.9 million. This is an increase of \$4.4 million from the prior year.
- The City's enterprise funds had \$194.9 million net position at the close of fiscal year 2017. This represents a \$2.8 million increase from fiscal year 2016.
- Long-term debt including pension and other obligations decreased \$4.9 million in fiscal year 2017 to \$266.7 million. The decrease is attributable primarily to scheduled annual principal payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Government-wide financial statements:

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

All City activities are included in the government-wide statements with the exception of the City's fiduciary funds which are presented separately. Government-wide financial statements distinguish functions of the governmental entity principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of the costs through user fees and charges (business-type activities). The primary governmental activities of the City include activities such as general government, public safety, street maintenance, parks & recreation, and community development, while the business-type activities of the City include water, sewer, Stormwater, solid waste, golf operations, and the 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 I.A. to the financial statements on pages 44 - 46.

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

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

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

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

Fund financial statements:

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

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

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

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

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

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

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

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

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

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Bloomington has presented seven enterprise funds to account for activities that include: water, sewer, Coliseum, stormwater management, solid waste, parking, and golf operations. The Golf Operations Fund, Solid Waste Fund and Parking Fund are classified as nonmajor enterprise funds.

Internal Service funds accumulate and allocate costs incurred internally among the City's various functions. The City of Bloomington uses internal service funds to account for employee group

healthcare, retiree group healthcare, and casualty insurance. Because these services benefit the governmental and business-type functions, these services have been allocated between governmental and business-type activities in the government-wide financial statements. Individual fund data for the three internal service funds is provided in the form of combining statements elsewhere in this report.

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

Fiduciary funds – Fiduciary funds account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the City of 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 Firefighters' Pension funds which are used to report resources held in trust for retirees and beneficiaries. The Private Purpose Trust Fund represents the JM Scott Trust for which the City is the trustee and is responsible to ensure the assets reported in this fund are used only for the purpose intended.

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

Notes to the financial statements:

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

The notes to the financial statements can be found on pages 44 - 106 of this report.

Required Supplementary Information:

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

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

Supplementary Information:

The combining statements in connection with nonmajor funds and internal service funds can be found on pages 119 - 142 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

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

Table 1 - Statement of Net Position as of April 30, 2017 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Assets:						
Current and other assets	\$ 95.5	\$ 91.2	\$ 40.8	\$ 35.5	\$ 136.3	\$ 126.7
Capital assets	161.3	164.8	194.9	196.7	356.2	361.5
Total assets	256.8	256.0	235.7	232.2	492.5	488.2
Deferred Outflows						
of Resources:	24.8	24.0	3.0	3.7	27.8	27.7
Liabilities:						
Current liabilities	17.5	17.8	6.9	7.1	24.4	24.9
Noncurrent liabilities	216.3	220.0	36.7	36.7	253.0	256.7
Total liabilities	233.8	237.8	43.6	43.8	277.4	281.6
Deferred Inflows						
of Resources:	29.9	24.0	0.2	-	30.1	24.0
Net position:						
Net investment in capital assets	124.2	123.4	175.2	177.7	274.6	274.6
Restricted	26.3	25.7	-	-	26.3	25.7
Unrestricted	(132.6)	(130.9)	19.7	14.4	(88.1)	(90.0)
Total net position	\$ 17.9	\$ 18.2	\$ 194.9	\$ 192.1	\$ 212.8	\$ 210.3

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 \$212.8 million at April 30, 2017. The City’s combined net position increased by \$2.5 million from the prior year balances. The governmental activities decreased by \$.3 million and the business-type activities saw an increase of \$2.8 million.

A significant portion of the City’s total net position (\$274.6 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.

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

Restricted net position of \$26.3 million represents resources that are subject to external restrictions on how they may be used. Unfortunately the remaining unrestricted balance is negative \$88.1 million. A positive remaining unrestricted net position would be available 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. This is largely due to the implementation of GASB 68 and 71 which required reporting much larger pension liabilities. In addition, the Bloomington Coliseum debt (approximately \$24.8 million), which is a business-type activity, is paid from the Debt Service Fund which is a governmental activity. The governmental activities record the liability but cannot record the corresponding asset leaving a large negative balance in unrestricted net position. This accounting reflects the intention of the City to repay this debt from general governmental funds.

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

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

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

Current Year Impacts - Overall Net Position

As noted above, the net position from governmental activities decreased by \$.3 million, and the net position from business-type activities increased by \$2.8 million. The slight decrease in the governmental activities is the result of several factors. While the current year realized the first full year of the increase in the home rule sales tax which became effective January 1, 2016, the City also realized the impact of commitment of a portion of the increased tax to fund McLean County for Mental Health and to fund capital improvements to streets, sidewalks, etc. In addition, the City budgeted for increased capital costs for the fiscal year. Capital assets (net of depreciation) decreased as did current liabilities. The increase in net position from business-type activities was the result of a combination of positive results of the Water, Stormwater, Solid Waste, and Bloomington Coliseum funds with a loss reported for the Sewer Fund due to increased personnel and commodity costs.

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

Changes in Net Position

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

Table 2 - Statement of Activities - Year Ended April 30, 2017 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for services	\$ 19.4	\$ 18.0	\$ 34.8	\$ 35.3	\$ 54.2	\$ 53.3
Operating grants	3.8	4.1	-	-	3.8	4.1
Capital grants	0.8	0.8	0.5	0.6	1.3	1.4
General Revenues:						
Property taxes	24.0	23.7	-	-	24.0	23.7
Franchise taxes	2.2	2.0	-	-	2.2	2.0
Sales taxes	13.8	14.2	-	-	13.8	14.2
Other taxes	44.7	40.6	1.3	1.0	46.0	41.6
Shared income taxes	7.3	8.2	-	-	7.3	8.2
Investment earnings	0.3	0.1	0.2	0.1	0.5	0.2
Miscellaneous	1.4	1.7	0.6	0.9	2.0	2.6
Total revenues	117.7	113.4	37.4	37.9	155.1	151.3
Expenses:						
Governmental Activities:						
General government	21.8	17.3	-	-	21.8	17.3
Public safety	55.8	51.1	-	-	55.8	51.1
Highways and streets	19.2	18.4	-	-	19.2	18.4
Health and welfare	-	-	-	-	-	-
Culture and recreation	16.5	15.7	-	-	16.5	15.7
Parking	0.3	0.5	-	-	0.3	0.5
Community development	0.8	0.9	-	-	0.8	0.9
Interest	2.0	2.0	-	-	2.0	2.0
Business-type Activities:						
Water	-	-	13.7	13.3	13.7	13.3
Solid waste	-	-	6.7	6.5	6.7	6.5
Sewer	-	-	6.1	4.7	6.1	4.7
Blomington Coliseum	-	-	4.7	5.1	4.7	5.1
Stormwater management	-	-	2.3	2.4	2.3	2.4
Golf operations	-	-	2.4	2.2	2.4	2.2
Parking	-	-	0.3	0.3	0.3	0.3
Total expenses	116.4	105.9	36.2	34.5	152.6	140.4
Excess(deficiency) before transfers	1.3	7.5	1.2	3.4	2.5	10.9
Transfers	(1.6)	(0.9)	1.6	0.9	-	-
Changes in net position	(0.3)	6.6	2.8	4.3	2.5	10.9
Net position, beginning of year	18.2	125.0	192.1	192.3	210.3	317.3
Prior period adjustment	-	(113.4)	-	(4.5)	-	(117.9)
Net position, beginning of year, restated	18.2	11.6	192.1	187.8	210.3	199.4
Net position, end of year	\$ 17.9	\$ 18.2	\$ 194.9	\$ 192.1	\$ 212.8	\$ 210.3

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

Revenues for the City's governmental activities increased 3.7 percent, while revenue for the business-type activities decreased by 1.1 percent in comparison to the prior fiscal year.

Governmental activities - Charges for services increased by 7.8 percent or \$1.4 million, during the current year. Operating grants and contributions and capital grants decreased \$0.3 million. Tax receipts were up a total of \$3.3 million from the prior year across all categories. The home rule sales tax rate was increased by one percent in January 2016 and this fiscal year was the first full year of the increased tax. Partially offsetting this increased tax was a decrease in state shared income taxes.

Business-type activities – Charges for services decreased slightly by \$.5 million, or 1.2 percent. water, solid waste, and parking charges all increased. Sewer, stormwater, golf, and Coliseum revenues all decreased with the largest decrease at the Coliseum resulting from restructuring the management of the venue. The change at the Coliseum is anticipated to result in increased revenue next fiscal year.

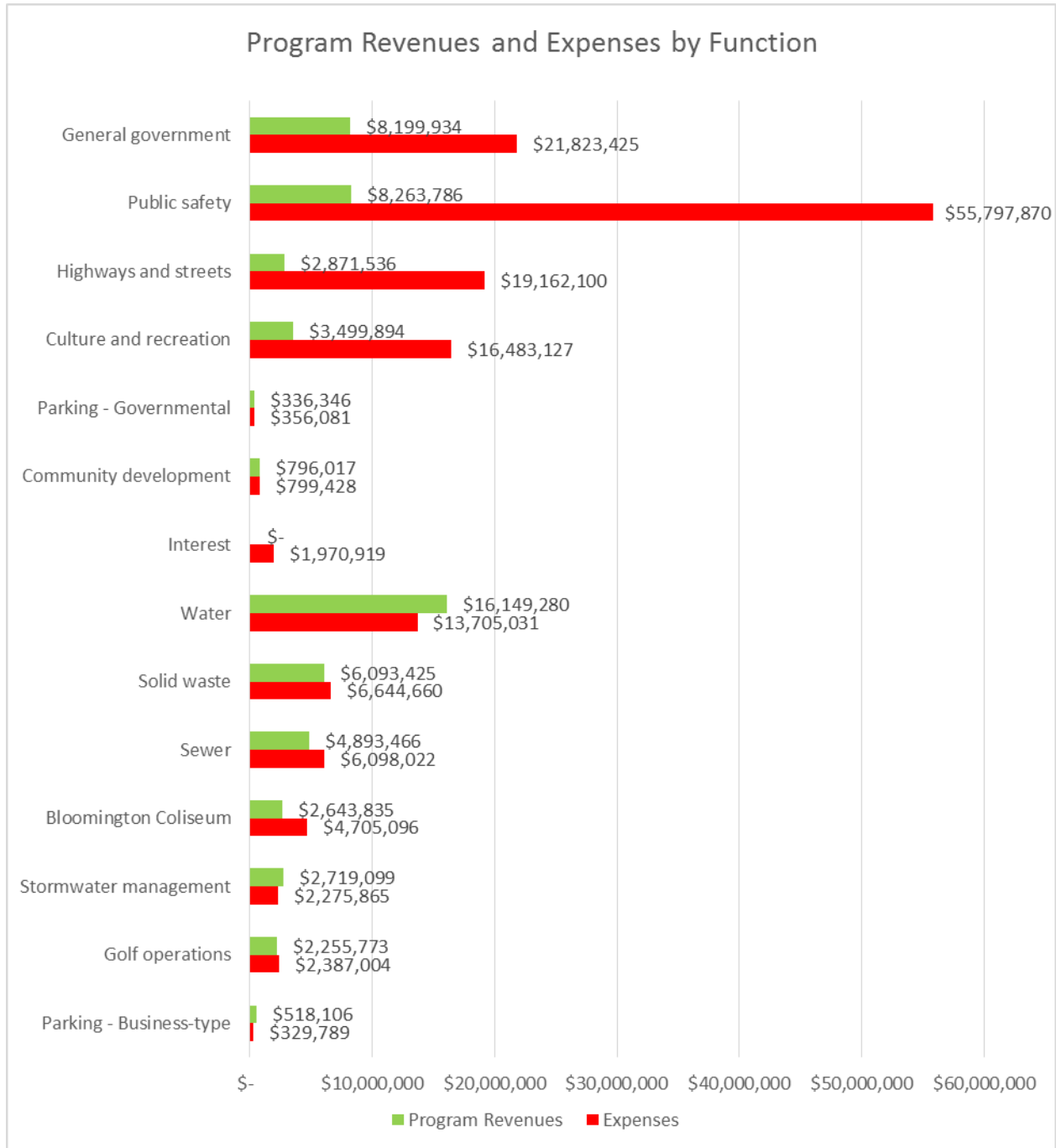
Expenses for the City's governmental activities increased by \$10.5 million, or 9.9 percent, while business-type activities increased by \$1.7 million, or 4.9 percent.

Governmental Activities – General government, public safety, highway and streets, and culture and recreation saw increased expenses from prior year levels while the remaining activities saw declines. Salary and benefit costs were up in most categories. Expenses relating to general government increased \$4.5 million or by 26.0 percent. The primary reasons for the increase were the City's first full year of contributions to McLean County Public Health from the increased home rule sales tax, the purchase of land, and the increase in the capital subsidy for public transportation. Public safety increased \$4.7 million or by 9.2 percent. The primary reasons for the increase were an increase in employer pension contributions of \$1.7 million, a \$1.5 million increase in wages and benefits, and increased expenditures for capital including \$.6 million for a fire rescue pumper. Other increases and decreases offset. Highways and streets experienced an increase of \$0.8 million or 4.3 percent primarily due to engineering service and capital expenditures. Culture and recreation increased by \$.8 million and 5.1 percent primarily due to employee pensions. Community development costs decreased by \$0.1 million or 6.4 percent and Parking decreased \$.2 million or 40 percent. Interest costs remained relatively constant.

Business-Type Activities – Overall expenses increased \$1.7 million or 4.9 percent. Water, Solid Waste, Sewer, and Golf Operations funds saw increases while Stormwater and Bloomington Coliseum funds saw decreased expenses. Parking Fund expenses were flat compared to the prior year. Overall, employee pensions accounted for \$1.1 million of the increase. The most notable increase was seen in the Sewer Fund with increased capital costs of \$1.0 million. The most notable decrease was in the Stormwater Fund with a decrease in capital of \$.3 million.

Net Costs by Function

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



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds – Balance Sheet

On April 30, 2017, the governmental funds reported a combined total fund balance of \$54.9 million, which is an increase of \$4.4 million, or 8.6 percent, from the prior year fund balance of \$50.6 million. During fiscal year 2017 the fund balances for the General Fund and Library Fund increased by \$2.8 million and \$.4 million, respectively, while the fund balance for the Debt Service Fund remained constant with last year at \$7.7 million. Of the total fund balance for governmental funds of \$54.9 million, \$12.6 million is unassigned which indicates the funds are available to support the continued operations of the City. An additional \$13.4 million is considered committed or assigned meaning the City has limited the use of the funds to specific functions. Restricted fund balance of \$28.2 million is limited by legal restrictions from outside parties on how the funds may be spent. Nonspendable fund balance in the amount of \$.7 million is not available for current expenditures as the funds are not in a spendable form such as inventory and loans receivable.

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

Major Governmental Funds – Change in Fund Balance

General Fund

The General Fund is the City's primary operating fund. This fund finances the bulk of the City's day-to-day operations. The fund balance of the General Fund increased \$2.8 million to \$24.6 million.

Total revenue for the General Fund increased by \$8.2 million or 8.7 percent, while General Fund expenditures increased by \$7.1 million or 8.9 percent. Some of the more noteworthy changes are as follows:

Tax revenue increased \$7.9 million or 10.0 percent. A substantial portion of the increase is the result of the one percent increase in the home rules sales tax which became effective January 1, 2016. With the current fiscal year being the first full year of the increased tax, the home rule sales tax increased \$7.9 million. Shared state sales taxes increased \$0.6 million while state shared income taxes decreased \$0.9 million for a net decrease of \$0.3 million. Property taxes increased \$0.3. Local tax categories decreased \$0.3 million. Licenses and permits increased \$0.1 million or 6.6 percent mostly in the areas of building related permits. Charges for services increased \$0.4 million or 3.5 percent. Fines and forfeitures were down \$0.1 or 16.6 percent from last year. Investment and miscellaneous income also saw increases.

General government expenditures had a net increase of \$3.0 million, or 22.4 percent. The primary reason for the increase was the contribution to McClean County Mental Health from a portion of the increased home rule sales tax. The increase to McLean County was \$2.0 million. Public safety expenditures increased \$2.4 million or 5.0 percent, in part due to increases in pension, salary, and benefit costs of \$1.4 million. Highways and streets expenditures increased

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

\$.07 million or 11.6 percent due to increased costs for salt and concrete, temporary labor costs, and outside engineering services. Culture and recreation expenditures increased slightly by \$0.2 million or 1.8 percent. Debt service costs decreased by 4.7 percent. Debt service costs in the General Fund relate to capital leases for equipment used in operations of various General Fund departments. Capital outlay costs were up \$1.6 million due primarily to the purchase of land.

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 2017, the City transferred approximately \$13.8 million from the General Fund to other funds, including: \$3.4 million to the Debt Service Fund, \$5.9 million to the Capital Improvement Fund, \$1.3 million to the Solid Waste Fund, \$0.5 million to the Golf Fund, \$0.2 million to the Community Development Fund, \$0.1 million to the Abraham Lincoln Parking Fund, and \$2.4 million to the Bloomington 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 \$5.2 million at April 30, 2017, an increase of approximately \$0.4 million over prior year, and represents almost 100 percent of fiscal year 2017 expenditures.

Debt Service Fund

Fund balance for the Debt Service Fund remained constant at \$7.7 million. Debt service expenditures totaled \$7.0 million, down from \$9.0 million reported last year. The decrease was due the final retirement of the Series 2012 bonds which took place last year. Tax revenue contributed \$2.23 million towards the debt service expenditures with operating transfers providing \$4.7 million.

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

Nonmajor Governmental Funds

The fund balance for the nonmajor governmental funds increased \$1.2 million from \$16.1 million at April 30, 2016 to \$17.3 million at April 30, 2017. Fund balance increases were seen in the following nonmajor governmental funds: Motor Fuel Tax, Drug Enforcement, Foreign Fire Insurance Board, Community Development, Empire Street TIF, and Capital Improvements. The following nonmajor governmental funds had decreases in fund balances: Board of Elections, IHDA Grant, Park Dedication, Downtown-Southwest TIF, and Capital Lease. Motor Fuel Tax Fund saw an increase in fund balance of \$1.0 million due to minimal projects undertaken in 2017. The Capital Improvements Fund expenditures increased \$0.6 million to \$4.6 million in fiscal year 2017 mainly due to an increase in expenditures for road resurfacing projects.

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

Proprietary Funds

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

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the fiscal year 2017, 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.

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

Table 3 - General Fund - Budget and Actual
 Year Ended April 30, 2017 (in millions)

	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$ 86.4	\$ 86.4	\$ 87.0
Intergovernmental	0.4	0.4	0.3
Licenses and permits	1.2	1.1	1.3
Charges for services	12.9	12.9	12.0
Fines and forfeitures	0.9	0.9	0.8
Investment income	0.1	0.1	0.1
Other	1.0	1.0	0.9
Total revenues	102.9	102.8	102.4
Expenditures:			
Current	88.4	88.8	84.0
Debt service	2.8	2.9	1.9
Capital outlay	-	2.3	1.8
Total expenditures	91.2	94.0	87.7
Other:			
Transfers in and other	1.7	1.7	2.0
Transfers out	(11.9)	(13.6)	(13.8)
Net Change in Fund Balance	\$ 1.5	\$ (3.1)	\$ 2.9

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

Changes from original budget to final budget included encumbrances carried forward from the previous year of approximately \$1.4 million and budget amendments approved by City Council. Budget amendments approved by the City Council for fiscal year 2017 included \$3.3 million in additional transfers to offset deficits in other funds and capital items not in the original budget.

The General Fund actual revenues were \$0.4 million less than the amended budget amount and, in the aggregate, slight variances are expected. Of note, taxes exceeding budget were the municipal sales and franchise taxes (\$0.9 million over budget) and taxes not meeting budget were the state income and telecommunication utility taxes (\$0.7 million under budget). Charges for Services were below budget (\$0.9 million under budget) due primarily to fleet charges being less than budgeted.

The General Fund actual expenditures were \$6.1 million less than the amended budget. Actual expenditures were below the amended budget in all categories. Salaries and benefits were \$2.3 million below budget due to vacancies and reduced overtime due to the mild winter. Purchased service, leases, supplies and commodities combined were \$2.5 million under budget. Finally, there were savings in capital and repair and maintenance costs of \$0.8 million.

CAPITAL ASSETS

At the end of the current year, the City had a combined (governmental and business-type activities) total of capital assets, net of depreciation, of \$356.2 million. This is a decrease of \$5.3 million from the prior year total of \$361.5 million. The table below details capital asset balances.

Table 4 - Capital Assets, Net of Depreciation

	Year Ended April 30, 2017 (in millions)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Capital assets not being depreciated	\$ 26.9	\$ 24.9	\$ 14.1	\$ 12.6	\$ 41.0	\$ 37.5
Land Improvements	13.4	13.6	0.3	0.3	13.7	13.9
Construction	47.3	48.6	38.1	39.1	85.4	87.7
Infrastructure	59.9	64.5	128.2	130.0	188.1	194.5
Machinery and equipment	7.0	6.8	10.9	11.4	17.9	18.2
Licensed vehicles	6.8	6.4	3.3	3.3	10.1	9.7
Total net capital assets	\$ 161.3	\$ 164.8	\$ 194.9	\$ 196.7	\$ 356.2	\$ 361.5

Significant capital additions in fiscal year 2017 included the following:

- Starcom 21 Radio Equipment for public service
- 1500 GPM Rescue Pumper for fire department
- Land at 807 N. Main
- Front end loader for public service
- Heavy moving equipment for public service
- Mowers for public service

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

- Vehicles for the police department
- Vehicles for the fire department

Monies spent for street resurfacing in FY2017 are not reflected as capital assets and are considered capital maintenance.

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

DEBT ADMINISTRATION

The City of Bloomington’s long term debt was \$227.3 million for governmental activities and \$39.4 million for business-type activities as of April 30, 2017. The table below summarizes the City’s long-term debt by type.

Table 5 - Long-Term Debt

Year Ended April 30, 2017 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
General obligation bonds	\$ 57.5	\$ 62.6	\$ 4.8	\$ 5.0	\$ 62.3	\$ 67.6
Loans payable	0.1	0.2	10.3	11.1	10.4	11.3
Notes payable	-	-	9.2	9.9	9.2	9.9
Capital lease payable	4.6	5.7	4.5	2.9	9.1	8.6
Net OPEB obligation	7.8	7.2	1.2	1.1	9.0	8.3
Net pension liabilities	141.1	139.8	7.6	7.9	148.7	147.7
Claims payable	4.8	5.2	-	-	4.8	5.2
Compensated absences	11.4	10.9	1.8	2.0	13.2	12.9
Total long-term debt	\$ 227.3	\$ 231.6	\$ 39.4	\$ 39.9	\$ 266.7	\$ 271.5

Additional information on long term debt may be found in Note III.E. and III.F. in the Notes to the Financial Statements on pages 74 - 82.

No bonds were issued in fiscal year 2017. The City continues to issue capital leases annually to finance various equipment purchases. New loans were also issued in fiscal year 2017 to finance replacement of the point-of-sale, building automation, and video systems at the Coliseum as well as various vehicles and equipment for numerous departments. The City is currently making bi-annual payments on several Illinois Environmental Protection Agency loans, but there were no new loan amounts under these programs in fiscal year 2017. The City also holds notes payable to the Bloomington and Normal Water Reclamation District and the Village of Downs. These notes relate to IEPA loan funded projects the City participated in, but does not own the assets created. This dichotomy is reflected in the financials as deficit balances until the corresponding obligations are paid.

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

Net pension liabilities reflect the implementation of GASB 68 and GASB 71. More detailed information on the City's pensions and related liabilities can be found in the Notes to Financial Statements on pages 87 - 100 and the Required Supplementary Information on pages 109 - 116.

The other post-employment benefits (OPEB) liability is expected to increase on an on-going basis as the City's policy remains to address this liability on a pay as you go basis. More detailed information on the City's OPEB liability can be found in the Notes to Financial Statements on pages 102 - 105 and the Required Supplementary Information on page 117.

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

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

While the economy in the Bloomington area remains stable with relatively low unemployment, revenue growth has been somewhat stagnant and not kept up with expenditure growth. The City has been very public about the fiscal challenges it faces. The Council adopted a one percent sales tax increase which became effective in late FY 2016 and which saw its first full fiscal year in FY 2017 and from which the City realized \$9.7 million. However, half of this additional revenue was earmarked for new mental health initiatives and streets infrastructure. The fiscal year 2018 adopted budget was balanced with no major reductions in service levels. Future budgets will likely include the issuance of bonds to fund some capital projects. The City is also focusing on economic development by investigating the creation of additional TIF districts, continuing to working with developers on incentive packages to build and retain a diverse tax base, and working with owners to repurpose the Eastland Mall.

Request for Information

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

CITY OF BLOOMINGTON

STATEMENT OF NET POSITION As of April 30, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Totals	Library Foundation	Miller Park Zoological Society
ASSETS					
Current Assets:					
Cash and investments	\$ 54,193,531	\$ 36,849,074	\$ 91,042,605	\$ 1,605,687	\$ 594,529
Receivables (net)					
Taxes	24,744,495	-	24,744,495	-	-
Loans	1,800,306	-	1,800,306	-	-
Accounts	2,676,475	4,174,864	6,851,339	-	-
Due from other governmental units	11,033,695	-	11,033,695	-	-
Beneficial interest in Stubblefield Trust	-	-	-	1,140,964	-
Internal balances	616,243	(616,243)	-	-	-
Inventory	412,796	400,228	813,024	-	-
Prepaid items and other assets	20,035	12,220	32,255	-	753
Property held for resale	16,775	-	16,775	-	-
	<u>95,514,351</u>	<u>40,820,143</u>	<u>136,334,494</u>	<u>2,746,651</u>	<u>595,282</u>
Total Current Assets					
Noncurrent Assets:					
Capital Assets					
Land	21,440,791	7,650,506	29,091,297	-	-
Construction in progress	5,534,598	6,407,327	11,941,925	-	-
Depreciable capital assets, net of accumulated depreciation	<u>134,308,551</u>	<u>180,793,138</u>	<u>315,101,689</u>	<u>-</u>	<u>-</u>
Total Noncurrent Assets	<u>161,283,940</u>	<u>194,850,971</u>	<u>356,134,911</u>	<u>-</u>	<u>-</u>
Total Assets	<u>256,798,291</u>	<u>235,671,114</u>	<u>492,469,405</u>	<u>2,746,651</u>	<u>595,282</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	366,906	-	366,906	-	-
Deferred outflows of resources related to pensions	<u>24,380,224</u>	<u>3,009,795</u>	<u>27,390,019</u>	<u>-</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>24,747,130</u>	<u>3,009,795</u>	<u>27,756,925</u>	<u>-</u>	<u>-</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF NET POSITION As of April 30, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Totals	Library Foundation	Miller Park Zoological Society
LIABILITIES					
Current Liabilities:					
Accounts payable and accrued expenses	\$ 5,659,144	\$ 3,389,346	\$ 9,048,490	\$ -	\$ 5,723
Claims payable, current portion	3,247,092	-	3,247,092	-	-
Compensated absences, current portion	1,375,975	61,502	1,437,477	-	-
Accrued interest payable	710,478	177,169	887,647	-	-
Unearned revenue	56,791	491,975	548,766	-	-
Deposits	44,108	23,524	67,632	-	-
Due to other governmental units	-	-	-	-	864
Capital leases, current portion	1,206,282	959,819	2,166,101	-	-
Loan payable, current portion	40,972	835,056	876,028	-	-
Note payable, current portion	-	765,030	765,030	-	-
General obligation bonds, current portion	5,125,000	215,000	5,340,000	-	-
Total Current Liabilities	<u>17,465,842</u>	<u>6,918,421</u>	<u>24,384,263</u>	<u>-</u>	<u>6,587</u>
Noncurrent Liabilities					
Claims payable, noncurrent portion	1,580,149	-	1,580,149	-	-
Compensated absences, noncurrent portion	10,040,664	1,893,972	11,934,636	-	-
Net OPEB obligation	7,824,109	1,150,318	8,974,427	-	-
Net pension liabilities	140,985,207	7,611,214	148,596,421	-	-
Capital leases, noncurrent portion	3,415,368	3,542,647	6,958,015	-	-
Loan payable, noncurrent portion	92,803	9,497,530	9,590,333	-	-
Note payable, noncurrent portion	-	8,403,214	8,403,214	-	-
General obligation bonds, noncurrent portion	52,359,308	4,577,653	56,936,961	-	-
Total Noncurrent Liabilities	<u>216,297,608</u>	<u>36,676,548</u>	<u>252,974,156</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>233,763,450</u>	<u>43,594,969</u>	<u>277,358,419</u>	<u>-</u>	<u>6,587</u>
DEFERRED INFLOWS OF RESOURCES					
Property taxes levied for future period	24,744,495	-	24,744,495	-	-
Deferred inflows of resources related to pensions	5,178,986	150,004	5,328,990	-	-
Total Deferred Inflows of Resources	<u>29,923,481</u>	<u>150,004</u>	<u>30,073,485</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	124,189,511	175,223,265	274,634,378	-	-
Permanently restricted, nonexpendable for library	-	-	-	1,170,993	-
Temporarily restricted	-	-	-	163,592	-
Restricted for					
Pension funding	472,152	-	472,152	-	-
Debt service	7,022,772	-	7,022,772	-	-
Culture and recreation	911,046	-	911,046	-	-
Library	5,229,886	-	5,229,886	-	-
Public safety	135,605	-	135,605	-	-
Motor fuel tax projects	10,342,399	-	10,342,399	-	-
Board of elections	618,979	-	618,979	-	-
Community development	1,586,321	-	1,586,321	-	-
Unrestricted	(132,650,181)	19,712,671	(88,159,112)	1,412,066	588,695
TOTAL NET POSITION	<u>\$ 17,858,490</u>	<u>\$ 194,935,936</u>	<u>\$ 212,794,426</u>	<u>\$ 2,746,651</u>	<u>\$ 588,695</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF ACTIVITIES For the Year Ended April 30, 2017

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 21,823,425	\$ 7,610,241	\$ 589,693	\$ -
Public safety	55,797,870	7,389,074	46,228	828,484
Highways and streets	19,162,100	670,619	2,200,917	-
Culture and recreation	16,483,127	3,316,677	183,217	-
Parking	356,081	336,346	-	-
Community development	799,428	-	796,017	-
Interest on long-term debt	1,970,919	-	-	-
Total Governmental Activities	116,392,950	19,322,957	3,816,072	828,484
Business-type Activities				
Water	13,705,031	15,847,003	463	301,814
Solid Waste	6,644,660	6,093,425	-	-
Sewer	6,098,022	4,716,201	-	177,265
Bloomington Coliseum	4,705,096	2,643,835	-	-
Stormwater Management	2,275,865	2,719,099	-	-
Golf Operations	2,387,004	2,255,773	-	-
Parking	329,789	518,106	-	-
Total Business-type Activities	36,145,467	34,793,442	463	479,079
Total Primary Government	\$ 152,538,417	\$ 54,116,399	\$ 3,816,535	\$ 1,307,563
Component Units				
Library Foundation	\$ 58,944	\$ -	\$ 91,207	\$ -
Miller Park Zoological Society	179,453	212,323	30,471	-
Total Component Units	\$ 238,397	\$ 212,323	\$ 121,678	\$ -
General Revenues				
Taxes				
Property taxes				
Franchise taxes				
Home rule sales taxes				
Utility taxes				
Food and beverage taxes				
Other taxes				
Intergovernmental				
Shared income taxes				
Shared state sales taxes				
Investment income				
Gain on disposal of assets				
Miscellaneous				
Total General Revenues				
Transfers				
Change in net position				
NET POSITION - Beginning of Year				
NET POSITION - END OF YEAR				

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position				
Primary Government				
Governmental Activities	Business-type Activities	Totals	Library Foundation	Miller Park Zoological Society
\$ (13,623,491)	\$ -	\$ (13,623,491)	\$ -	\$ -
(47,534,084)	-	(47,534,084)	-	-
(16,290,564)	-	(16,290,564)	-	-
(12,983,233)	-	(12,983,233)	-	-
(19,735)	-	(19,735)	-	-
(3,411)	-	(3,411)	-	-
(1,970,919)	-	(1,970,919)	-	-
(92,425,437)	-	(92,425,437)	-	-
-	2,444,249	2,444,249	-	-
-	(551,235)	(551,235)	-	-
-	(1,204,556)	(1,204,556)	-	-
-	(2,061,261)	(2,061,261)	-	-
-	443,234	443,234	-	-
-	(131,231)	(131,231)	-	-
-	188,317	188,317	-	-
-	(872,483)	(872,483)	-	-
(92,425,437)	(872,483)	(93,297,920)	-	-
-	-	-	32,263	-
-	-	-	-	63,341
-	-	-	32,263	63,341
24,005,543	-	24,005,543	-	-
2,242,118	-	2,242,118	-	-
21,432,131	1,282,752	22,714,883	-	-
6,716,095	-	6,716,095	-	-
4,301,263	-	4,301,263	-	-
12,270,818	-	12,270,818	-	-
7,241,547	-	7,241,547	-	-
13,749,025	-	13,749,025	-	-
284,891	162,325	447,216	254,789	25,632
-	10,311	10,311	-	-
1,439,315	645,553	2,084,868	-	-
93,682,746	2,100,941	95,783,687	254,789	25,632
(1,590,342)	1,590,342	-	-	-
(333,033)	2,818,800	2,485,767	287,052	88,973
18,191,523	192,117,136	210,308,659	2,459,599	499,722
\$ 17,858,490	\$ 194,935,936	\$ 212,794,426	\$ 2,746,651	\$ 588,695

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

BALANCE SHEET
GOVERNMENTAL FUNDS
As of April 30, 2017

	<u>General</u>	<u>Library</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>
ASSETS				
Cash and investments	\$ 16,450,302	\$ 5,417,208	\$ 7,733,250	\$ 18,395,235
Receivables (net)				
Taxes	17,881,241	4,683,111	2,180,143	-
Loans	271,806	-	-	1,528,500
Accounts	2,623,181	-	-	42,332
Accrued interest receivable	92	-	-	-
Due from other governmental units	10,865,960	-	-	167,735
Due from other funds	1,035,228	300	-	57
Inventory	412,796	-	-	-
Prepaid items	17,901	2,134	-	-
Property held for resale	-	-	-	16,775
TOTAL ASSETS	<u>\$ 49,558,507</u>	<u>\$ 10,102,753</u>	<u>\$ 9,913,393</u>	<u>\$ 20,150,634</u>

See accompanying notes to financial statements.

Totals

\$ 47,995,995
24,744,495
1,800,306
2,665,513
92
11,033,695
1,035,585
412,796
20,035
16,775
\$ 89,725,287

CITY OF BLOOMINGTON

BALANCE SHEET GOVERNMENTAL FUNDS As of April 30, 2017

	General	Library	Debt Service	Nonmajor Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 3,634,982	\$ 186,721	\$ -	\$ 1,756,371
Due to other funds	357	2,335	-	1,032,893
Deposits	12,012	-	-	32,096
Unearned revenues	50,408	700	-	64
Total Liabilities	3,697,759	189,756	-	2,821,424
Deferred Inflows of Resources				
Property taxes levied for future period	17,881,241	4,683,111	2,180,143	-
Unavailable revenues	3,344,121	-	-	-
Total Deferred Inflows of Resources	21,225,362	4,683,111	2,180,143	-
Fund Balances				
Nonspendable				
Inventory	412,796	-	-	-
Loans receivable	271,806	-	-	-
Prepaid items	17,901	2,134	-	-
Restricted				
Debt service	-	-	7,733,250	-
Highways and streets	-	-	-	10,342,399
Board of elections	-	-	-	618,979
Public safety	-	-	-	135,605
Culture and recreation	-	5,227,752	-	911,046
Community development	-	-	-	1,586,321
Pension funding	1,663,067	-	-	-
Committed				
Pension funding	4,906,931	-	-	-
Public safety	-	-	-	1,146,967
Highways and streets	-	-	-	2,496,656
Assigned				
General government	720,280	-	-	-
Public safety	312,906	-	-	-
Highways and streets	290,260	-	-	-
Culture and recreation	1,274,902	-	-	-
Capital projects	-	-	-	2,226,112
Unassigned	14,764,537	-	-	(2,134,875)
Total Fund Balances	24,635,386	5,229,886	7,733,250	17,329,210
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 49,558,507	\$ 10,102,753	\$ 9,913,393	\$ 20,150,634

See accompanying notes to financial statements.

Totals

\$ 5,578,074
1,035,585
44,108
51,172
6,708,939

24,744,495
3,344,121
28,088,616

412,796
271,806
20,035

7,733,250
10,342,399
618,979
135,605
6,138,798
1,586,321
1,663,067

4,906,931
1,146,967
2,496,656

720,280
312,906
290,260
1,274,902
2,226,112
12,629,662
54,927,732

\$ 89,725,287

CITY OF BLOOMINGTON

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of April 30, 2017

Total Fund Balances - Governmental Funds	\$ 54,927,732
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	161,283,940
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	3,344,121
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	24,366,768
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(5,178,440)
Internal service funds are reported in the statement of net position as governmental activities.	1,891,203
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
General obligation bonds payable	(56,610,000)
Loans payable	(133,775)
Capital lease payable	(4,621,650)
Accrued interest payable	(710,478)
Unamortized bond premium	(942,193)
Unamortized bond discount	67,885
Compensated absences	(11,411,902)
Net OPEB obligation	(7,824,109)
Net pension liabilities	(140,957,518)
A deferred charge on refunding represents an consumption of net position that applies to a future period and, therefore, is not reported in the funds.	<u>366,906</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 17,858,490</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

For the Year Ended April 30, 2017

	General	Library	Debt Service	Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 87,008,628	\$ 4,666,340	\$ 2,229,853	\$ 129,278
Intergovernmental	253,517	59,055	-	3,514,890
Licenses and permits	1,344,424	-	-	-
Charges for services	12,019,019	74,226	-	-
Fines and forfeitures	760,381	-	-	687,844
Investment income	124,773	22,744	32,502	79,215
Other	899,946	463,673	-	75,696
Total Revenues	<u>102,410,688</u>	<u>5,286,038</u>	<u>2,262,355</u>	<u>4,486,923</u>
EXPENDITURES				
Current				
General government	16,784,451	-	-	474,140
Public safety	50,497,373	-	-	117,023
Highways and streets	6,704,941	-	-	1,171,689
Culture and recreation	9,731,219	4,855,617	-	-
Community development	-	-	-	750,029
Parking	360,577	-	-	-
Debt Service				
Principal	1,768,347	-	5,045,000	81,507
Interest and fiscal agent fees	152,250	-	1,926,856	18,493
Capital outlay	1,851,992	9,995	-	6,914,158
Total Expenditures	<u>87,851,150</u>	<u>4,865,612</u>	<u>6,971,856</u>	<u>9,527,039</u>
Excess (deficiency) of revenues over expenditures	<u>14,559,538</u>	<u>420,426</u>	<u>(4,709,501)</u>	<u>(5,040,116)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,904,140	-	4,711,543	6,069,624
Transfers out	(13,778,721)	(36,732)	-	(460,196)
Capital lease and loan proceeds	50,634	-	-	651,586
Proceeds from sale of capital assets	20,883	638	-	-
Total Other Financing Sources (Uses)	<u>(11,803,064)</u>	<u>(36,094)</u>	<u>4,711,543</u>	<u>6,261,014</u>
Net Change in Fund Balances	2,756,474	384,332	2,042	1,220,898
FUND BALANCES - Beginning of Year	<u>21,878,912</u>	<u>4,845,554</u>	<u>7,731,208</u>	<u>16,108,312</u>
FUND BALANCES - END OF YEAR	<u>\$ 24,635,386</u>	<u>\$ 5,229,886</u>	<u>\$ 7,733,250</u>	<u>\$ 17,329,210</u>

See accompanying notes to financial statements.

Totals
\$ 94,034,099
3,827,462
1,344,424
12,093,245
1,448,225
259,234
1,439,315
114,446,004

17,258,591
50,614,396
7,876,630
14,586,836
750,029
360,577

6,894,854
2,097,599
8,776,145
109,215,657

5,230,347

12,685,307
(14,275,649)
702,220
21,521
(866,601)

4,363,746

50,563,986

\$ 54,927,732

CITY OF BLOOMINGTON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended April 30, 2017

Net change in fund balances - total governmental funds	\$	4,363,746
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital asset additions		5,233,155
Depreciation		(9,572,031)
Net book value of assets retired		(24,947)
Contributions of capital assets		817,094

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.		(1,897,214)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Capital leases issued		(702,220)
Bond principal repaid		5,045,000
Capital lease principal repaid		1,768,347
Loan principal repaid		81,507

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		(485,308)
Accrued interest on debt		51,666
Amortization of bond premium		135,545
Amortization of bond discount		(7,903)
Amortization of deferred charge on refunding		(52,630)
Net pension liability		(1,216,969)
Deferred outflows of resources related to pensions		778,523
Deferred inflows of resources related to pensions		(5,178,440)
Other OPEB obligation		(606,164)

Internal service funds are used by management to charge self-insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities		1,136,210
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(333,033)</u>
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CITY OF BLOOMINGTON

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of April 30, 2017

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Bloomington Coliseum</u>	<u>Stormwater Management</u>
ASSETS				
Current Assets				
Cash and investments	\$ 28,955,656	\$ 3,850,976	\$ 1,633,635	\$ 918,410
Receivables, net of allowances for uncollectibles	1,794,061	864,754	195,010	429,980
Due from other funds	-	-	-	-
Inventory	191,234	-	41,398	-
Prepaid items	-	-	12,220	-
Total Current Assets	<u>30,940,951</u>	<u>4,715,730</u>	<u>1,882,263</u>	<u>1,348,390</u>
Noncurrent Assets				
Capital Assets				
Land	4,782,158	276,237	444,524	240,000
Construction in progress	2,503,312	3,336,927	383,585	183,503
Other depreciable capital assets, net of accumulated depreciation	<u>81,293,433</u>	<u>60,376,115</u>	<u>22,796,152</u>	<u>9,027,215</u>
Total Noncurrent Assets	<u>88,578,903</u>	<u>63,989,279</u>	<u>23,624,261</u>	<u>9,450,718</u>
Total Assets	<u>119,519,854</u>	<u>68,705,009</u>	<u>25,506,524</u>	<u>10,799,108</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	<u>1,335,864</u>	<u>331,339</u>	<u>1,028</u>	<u>267,663</u>
Total Deferred Outflows of Resources	<u>1,335,864</u>	<u>331,339</u>	<u>1,028</u>	<u>267,663</u>

See accompanying notes to financial statements.

<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 1,490,397	\$ 36,849,074	\$ 6,197,536
891,059	4,174,864	10,870
-	-	150,189
167,596	400,228	-
-	12,220	-
<u>2,549,052</u>	<u>41,436,386</u>	<u>6,358,595</u>
1,907,587	7,650,506	-
-	6,407,327	-
<u>7,300,223</u>	<u>180,793,138</u>	<u>-</u>
<u>9,207,810</u>	<u>194,850,971</u>	<u>-</u>
<u>11,756,862</u>	<u>236,287,357</u>	<u>6,358,595</u>
<u>1,073,901</u>	<u>3,009,795</u>	<u>13,456</u>
<u>1,073,901</u>	<u>3,009,795</u>	<u>13,456</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of April 30, 2017

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Bloomington Coliseum</u>	<u>Stormwater Management</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	927,815	1,194,900	823,702	97,342
Claims payable	-	-	-	-
Compensated absences	26,893	7,055	-	5,717
Accrued interest payable	51,978	95,599	-	29,592
Due to other funds	-	-	-	-
Unearned revenues	-	-	359,719	-
Deposits	23,500	-	-	-
Current maturities of long-term debt	<u>686,539</u>	<u>569,016</u>	<u>273,601</u>	<u>776,385</u>
Total Current Liabilities	<u>1,716,725</u>	<u>1,866,570</u>	<u>1,457,022</u>	<u>909,036</u>
Noncurrent Liabilities				
Claims payable	-	-	-	-
Compensated absences	924,197	197,883	-	186,495
Net OPEB obligation	405,626	75,098	-	116,757
Net pension liability	3,383,231	834,130	-	653,586
Capital lease payable, noncurrent portion	329,661	222,697	1,510,376	27,796
Loan payable, noncurrent portion	5,811,697	1,747,917	189,999	1,747,917
Note payable, noncurrent portion	-	1,573,271	-	6,829,943
General obligation bonds payable, noncurrent portion	-	<u>4,577,653</u>	-	-
Total Noncurrent Liabilities	<u>10,854,412</u>	<u>9,228,649</u>	<u>1,700,375</u>	<u>9,562,494</u>
Total Liabilities	<u>12,571,137</u>	<u>11,095,219</u>	<u>3,157,397</u>	<u>10,471,530</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	<u>66,677</u>	<u>16,439</u>	-	<u>12,881</u>
Total Deferred Inflows of Resources	<u>66,677</u>	<u>16,439</u>	-	<u>12,881</u>
NET POSITION				
Net investment in capital assets	81,751,007	56,988,534	21,650,285	7,547,111
Unrestricted	<u>26,466,897</u>	<u>936,156</u>	<u>699,870</u>	<u>(6,964,751)</u>
TOTAL NET POSITION	<u>\$108,217,904</u>	<u>\$ 57,924,690</u>	<u>\$ 22,350,155</u>	<u>\$ 582,360</u>

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

Net Position Business-type Activities

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

See accompanying notes to financial statements.

Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
345,587	3,389,346	81,070
-	-	3,247,092
21,837	61,502	-
-	177,169	-
-	-	150,189
132,256	491,975	5,619
24	23,524	-
<u>469,364</u>	<u>2,774,905</u>	<u>-</u>
<u>969,068</u>	<u>6,918,421</u>	<u>3,483,970</u>
-	-	1,580,149
585,397	1,893,972	4,737
552,837	1,150,318	-
2,740,267	7,611,214	27,689
1,452,117	3,542,647	-
-	9,497,530	-
-	8,403,214	-
-	<u>4,577,653</u>	<u>-</u>
<u>5,330,618</u>	<u>36,676,548</u>	<u>1,612,575</u>
<u>6,299,686</u>	<u>43,594,969</u>	<u>5,096,545</u>
<u>54,007</u>	<u>150,004</u>	<u>546</u>
<u>54,007</u>	<u>150,004</u>	<u>546</u>
7,286,328	175,223,265	-
<u>(809,258)</u>	<u>20,328,914</u>	<u>1,274,960</u>
<u>\$ 6,477,070</u>	<u>\$195,552,179</u>	<u>\$ 1,274,960</u>
	(616,243)	616,243
	<u>\$194,935,936</u>	<u>\$ 1,891,203</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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

For the Year Ended April 30, 2017

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Bloomington Coliseum	Stormwater Management
OPERATING REVENUES				
Charges for services	\$ 15,847,003	\$ 4,716,201	\$ 2,643,835	\$ 2,719,099
Total Operating Revenues	<u>15,847,003</u>	<u>4,716,201</u>	<u>2,643,835</u>	<u>2,719,099</u>
OPERATING EXPENSES				
Personal services	5,146,013	1,361,438	1,667,039	1,081,654
Contractual services	3,099,997	1,119,988	1,655,655	559,426
Commodities	3,216,604	2,023,532	291,929	188,847
Depreciation	2,187,785	1,370,574	1,026,309	242,300
Other charges, primarily claims	862	-	31,784	-
Total Operating Expenses	<u>13,651,261</u>	<u>5,875,532</u>	<u>4,672,716</u>	<u>2,072,227</u>
Operating Income (Loss)	<u>2,195,742</u>	<u>(1,159,331)</u>	<u>(2,028,881)</u>	<u>646,872</u>
NONOPERATING REVENUES (EXPENSES)				
Home rule sales taxes	-	-	1,282,752	-
Intergovernmental	463	-	-	-
Investment income (loss)	138,860	22,208	(6,101)	3,360
Gain (loss) on sale of capital assets	5,382	4,161	507	-
Other income	220,450	174,827	-	67,215
Interest and fiscal agent fees	(148,292)	(242,010)	(37,317)	(221,924)
Total Nonoperating Revenues (Expenses)	<u>216,863</u>	<u>(40,814)</u>	<u>1,239,841</u>	<u>(151,349)</u>
Income (Loss) Before Contributions and Transfers	<u>2,412,605</u>	<u>(1,200,145)</u>	<u>(789,040)</u>	<u>495,523</u>
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	301,814	177,265	-	-
Transfers in	-	216,951	2,348,626	236,818
Transfers out	(735,555)	(468,832)	(1,282,752)	(143,311)
Total Contributions and Transfers	<u>(433,741)</u>	<u>(74,616)</u>	<u>1,065,874</u>	<u>93,507</u>
Change in Net Position	1,978,864	(1,274,761)	276,834	589,030
NET POSITION (DEFICIT) - Beginning of Year	<u>106,239,040</u>	<u>59,199,451</u>	<u>22,073,321</u>	<u>(6,670)</u>
NET POSITION- END OF YEAR	<u>\$ 108,217,904</u>	<u>\$ 57,924,690</u>	<u>\$ 22,350,155</u>	<u>\$ 582,360</u>

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

Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 8,867,304	\$ 34,793,442	\$ 16,595,734
<u>8,867,304</u>	<u>34,793,442</u>	<u>16,595,734</u>
4,362,572	13,618,716	78,904
3,070,668	9,505,734	8,957,490
853,900	6,574,812	1,054
1,081,846	5,908,814	-
-	32,646	6,230,320
<u>9,368,986</u>	<u>35,640,722</u>	<u>15,267,768</u>
<u>(501,682)</u>	<u>(847,280)</u>	<u>1,327,966</u>
-	1,282,752	-
-	463	-
3,998	162,325	25,657
261	10,311	-
183,061	645,553	-
<u>(72,615)</u>	<u>(722,158)</u>	<u>-</u>
<u>114,705</u>	<u>1,379,246</u>	<u>25,657</u>
<u>(386,977)</u>	<u>531,966</u>	<u>1,353,623</u>
-	479,079	-
1,931,680	4,734,075	-
<u>(513,283)</u>	<u>(3,143,733)</u>	<u>-</u>
<u>1,418,397</u>	<u>2,069,421</u>	<u>-</u>
1,031,420	2,601,387	1,353,623
<u>5,445,650</u>	<u>192,950,792</u>	<u>(78,663)</u>
<u>\$ 6,477,070</u>	195,552,179	<u>\$ 1,274,960</u>
	217,413	
	<u>\$ 2,818,800</u>	

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the Year Ended April 30, 2017

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Bloomington Coliseum	Stormwater Management
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 16,122,118	\$ 4,791,184	\$ 2,694,305	\$ 2,786,560
Received from interfund services provided	-	-	-	-
Paid to suppliers for goods and services	(6,237,371)	(2,855,272)	(1,610,649)	(695,695)
Paid to employees for services	(5,109,716)	(1,180,261)	(1,668,067)	(963,093)
Payments to claimants	-	-	-	-
Other receipts	220,450	174,827	-	67,215
Net Cash Flows From Operating Activities	<u>4,995,481</u>	<u>930,478</u>	<u>(584,411)</u>	<u>1,194,987</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	138,860	22,208	(6,101)	3,360
Net Cash Flows From Investing Activities	<u>138,860</u>	<u>22,208</u>	<u>(6,101)</u>	<u>3,360</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipts of intergovernmental revenues	463	-	1,282,752	-
Change in due to other funds	-	-	(1,376,083)	-
Transfers out to other funds	(735,555)	(468,832)	(1,282,752)	(143,311)
Transfers in from other funds	-	216,951	2,348,626	236,818
Net Cash Flows From Noncapital Financing Activities	<u>(735,092)</u>	<u>(251,881)</u>	<u>972,543</u>	<u>93,507</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital lease proceeds	-	-	1,455,269	-
Acquisition and construction of capital assets	(711,909)	(888,994)	(64,680)	(779)
Principal paid on bonds	-	(210,000)	-	-
Principal paid on notes	-	(116,538)	-	(632,576)
Principal paid on loans	(565,876)	(96,889)	(50,000)	(96,889)
Principal paid on capital leases	(92,316)	(130,768)	(180,836)	(29,245)
Interest paid	(153,183)	(244,692)	(37,317)	(224,190)
Proceeds from sale of assets	13,211	4,161	507	-
Net Cash Flows From Capital and Related Financing Activities	<u>(1,510,073)</u>	<u>(1,683,720)</u>	<u>1,122,943</u>	<u>(983,679)</u>
Net Change in Cash and Cash Equivalents	2,889,176	(982,915)	1,504,974	308,175
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>26,066,480</u>	<u>4,833,891</u>	<u>128,661</u>	<u>610,235</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 28,955,656</u>	<u>\$ 3,850,976</u>	<u>\$ 1,633,635</u>	<u>\$ 918,410</u>

See accompanying notes to financial statements.

Nonmajor Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 8,937,186	\$ 35,331,353	\$ 8,573,049
-	-	7,976,819
(3,951,617)	(15,350,604)	(9,351,297)
(4,185,247)	(13,106,384)	(102,435)
-	-	(6,567,510)
<u>183,061</u>	<u>645,553</u>	<u>-</u>
<u>983,383</u>	<u>7,519,918</u>	<u>528,626</u>
<u>3,998</u>	<u>162,325</u>	<u>25,657</u>
<u>3,998</u>	<u>162,325</u>	<u>25,657</u>
-	1,283,215	-
(294,895)	(1,670,978)	(150,189)
(513,283)	(3,143,733)	150,189
<u>1,931,680</u>	<u>4,734,075</u>	<u>-</u>
<u>1,123,502</u>	<u>1,202,579</u>	<u>-</u>
644,007	2,099,276	-
(550,602)	(2,216,964)	-
-	(210,000)	-
-	(749,114)	-
-	(809,654)	-
(1,279,767)	(1,712,932)	-
(72,615)	(731,997)	-
<u>261</u>	<u>18,140</u>	<u>-</u>
<u>(1,258,716)</u>	<u>(4,313,245)</u>	<u>-</u>
852,167	4,571,577	554,283
<u>638,230</u>	<u>32,277,497</u>	<u>5,643,253</u>
<u>\$ 1,490,397</u>	<u>\$ 36,849,074</u>	<u>\$ 6,197,536</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended April 30, 2017

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Bloomington Coliseum</u>	<u>Stormwater Management</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 2,195,742	\$ (1,159,331)	\$ (2,028,881)	\$ 646,872
Nonoperating revenue	220,450	174,827	-	67,215
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	2,187,785	1,370,574	1,026,309	242,300
Changes in assets and liabilities				
Accounts receivable	275,115	74,983	426,096	67,461
Due from other governments	-	-	-	-
Inventory	141,102	-	(18,588)	-
Prepaid items	-	-	70,934	-
Deferred outflows related to pensions	330,781	16,287	(1,028)	33,647
Deferred inflows related to pensions	66,677	16,439	-	12,881
Accounts payable	(60,785)	288,248	316,374	52,578
Claims payable	-	-	-	-
Compensated absences	(229,620)	42,480	-	39,038
Deposits payable	(225)	-	-	-
Unearned revenue	-	-	(375,627)	-
Net pension liability	(164,486)	90,415	-	792
Net OPEB obligation	<u>32,945</u>	<u>15,556</u>	<u>-</u>	<u>32,203</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 4,995,481</u>	<u>\$ 930,478</u>	<u>\$ (584,411)</u>	<u>\$ 1,194,987</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	<u>\$ 301,814</u>	<u>\$ 177,265</u>	<u>\$ -</u>	<u>\$ -</u>
Capital assets obtained through capital leases	<u>\$ 442,121</u>	<u>\$ 200,115</u>	<u>\$ 378,196</u>	<u>\$ -</u>

See accompanying notes to financial statements.

<u>Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ (501,682)	\$ (847,280)	\$ 1,327,966
183,061	645,553	-
1,081,846	5,908,814	-
142,139	985,794	(5,505)
-	-	2,964
(5,856)	116,658	-
-	70,934	-
304,899	684,586	25,106
54,007	150,004	546
(24,302)	572,113	(392,753)
-	-	(337,190)
30,610	(117,492)	4,737
(3,768)	(3,993)	-
(72,257)	(447,884)	(43,325)
(227,325)	(300,604)	(53,920)
<u>22,011</u>	<u>102,715</u>	<u>-</u>
<u>\$ 983,383</u>	<u>\$ 7,519,918</u>	<u>\$ 528,626</u>
<u>\$ -</u>		<u>\$ -</u>
<u>\$ 159,640</u>		<u>\$ -</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of April 30, 2017

	Private Purpose Trust	Pension Trusts
ASSETS		
Cash	\$ 322,200	\$ 10,788,353
Investments		
U.S. government securities	-	4,966,023
U.S. government agencies and corporations	-	11,987,088
Annuities - fixed	-	17,020,207
Annuities - variable	-	32,647,901
Insurance contracts	-	1,047,387
Mutual funds	11,574,079	46,412,421
Corporate bonds	-	3,629,364
Receivables		
Contributions	-	41,457
Accrued interest receivable	-	80,266
Due from other governmental units	20,000	-
Prepaid items	-	14,877
Total Assets	<u>11,916,279</u>	<u>128,635,344</u>
LIABILITIES		
Accounts payable	-	3,502
Total Liabilities	<u>-</u>	<u>3,502</u>
NET POSITION		
Restricted for pension benefits and other purposes	<u>\$ 11,916,279</u>	<u>\$ 128,631,842</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Year Ended April 30, 2017

	<u>Private Purpose Trust</u>	<u>Pension Trusts</u>
ADDITIONS		
Contributions		
Employer	\$ -	\$ 9,625,880
Plan members	-	1,900,523
Other	<u>915</u>	<u>23,986</u>
Total Contributions	<u>915</u>	<u>11,550,389</u>
Net investment income		
Net appreciation in fair value of investments	989,814	5,440,210
Investment earnings	<u>298,247</u>	<u>8,703,354</u>
Total Investment Income	1,288,061	14,143,564
Less Investment expense	-	<u>55,633</u>
Net Investment Income	<u>1,288,061</u>	<u>14,087,931</u>
Total Additions	<u>1,288,976</u>	<u>25,638,320</u>
DEDUCTIONS		
Benefits	-	10,514,618
Refunds of contributions	-	109,483
Administration	-	139,227
Health and welfare	<u>285,327</u>	<u>-</u>
Total Deductions	<u>285,327</u>	<u>10,763,328</u>
 Change in Net Position	 1,003,649	 14,874,992
 NET POSITION - Beginning of Year	 <u>10,912,630</u>	 <u>113,756,850</u>
 NET POSITION - END OF YEAR	 <u>\$ 11,916,279</u>	 <u>\$ 128,631,842</u>

See accompanying notes to financial statements.

CITY OF BLOOMINGTON

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CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. REPORTING ENTITY

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

A. REPORTING ENTITY (cont.)

Discretely Presented Component Units

Bloomington Public Library Foundation

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

Miller Park Zoological Society

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

Pension Trust Funds

Police Pension

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

A. REPORTING ENTITY (cont.)

Firefighters' Pension

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In February 2015, the GASB issued statement No. 72 - *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This standard was implemented April 30, 2017.

In August 2015, the GASB issued statement No. 77 - *Tax Abatement Disclosures*. This statement addresses financial reporting related to tax abatement programs. It establishes requirements for disclosures about a reporting government's own tax abatements agreements and agreements entered into by other governments that reduce the reporting government's tax revenues. This standard was implemented April 30, 2017.

Government-Wide Financial Statements

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

Government-Wide Financial Statements (cont.)

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

Fund Financial Statements

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

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

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

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

The City reports the following major governmental funds:

- General Fund - accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Library Fund - used to account for the property taxes levied for library purposes and other resources used to provide library services to the citizens of the City.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

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

Fund Financial Statements (cont.)

The City reports the following major governmental funds: (cont.)

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

The City reports the following major enterprise funds:

Water Fund - accounts for operations of the City's water treatment facilities and services.

Sewer Fund - accounts for operations of the City's waste disposal activities.

Bloomington Coliseum Fund - accounts for the operations of the City's downtown sports and entertainment facility.

Stormwater Management Fund - accounts for operations of the City's stormwater management activities.

The City reports the following nonmajor governmental and enterprise funds:

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

Motor Fuel Tax
Drug Enforcement
Community Development
Park Dedication
Downtown - Southwest TIF

Board of Elections
Foreign Fire Insurance Board
IHDA Grant
Empire Street TIF

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

Capital Improvements

Capital Lease

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

Golf Operations
Solid Waste

Parking

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

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

Fund Financial Statements (cont.)

In addition, the City reports the following fund types:

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

Employee Group Health Care
Retiree Group Health Care
Casualty Insurance

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

J.M. Scott Private Purpose Trust

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

Police Pension
Firefighters' Pension

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

Government-Wide Financial Statements

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

Fund Financial Statements

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

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

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

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

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

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

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

1. Deposits and Investments

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

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

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

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

1. Deposits and Investments (cont.)

Interest Rate Risk

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

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

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

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

Credit Risk

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

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

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

1. Deposits and Investments (cont.)

Concentration of Credit Risk

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

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

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

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

Custodial Credit Risk - Deposits

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

1. Deposits and Investments (cont.)

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

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

Custodial Credit Risk - Investments

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

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

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

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

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

See Note III. A. for further information.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

2. Receivables

Property taxes for the levy year 2016 attaches as an enforceable lien on January 1, 2016, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2016 tax levy, which attached as an enforceable lien on the property as of January 1, 2016, was levied in November 2016.

Tax bills for levy year 2016 are prepared by the McLean County Treasurer and are due and collectible in two installments, on or about June 1, 2017 and September 1, 2017 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2016 property tax levy is recognized as a receivable and deferred inflows in fiscal 2017, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2017, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2016 levy.

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

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

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

3. Inventories and Prepaid Items

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

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

3. Inventories and Prepaid Items (cont.)

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

4. Capital Assets

Government-Wide Statements

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

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

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

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

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

Fund Financial Statements

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

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

5. Deferred Outflows of Resources

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

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

6. Compensated Absences

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

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

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

7. Long-Term Obligations

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

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

7. Long-Term Obligations (cont.)

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

8. Deferred Inflows of Resources

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

9. Equity Classifications

Government-Wide Statements

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

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

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

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$ 124,189,511	\$ 175,223,265	\$ (24,778,398)	\$ 274,634,378
Unrestricted	(132,650,181)	19,712,671	24,778,398	(88,159,112)

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

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

9. Equity Classifications (cont.)

Fund Statements

Governmental fund balances are displayed as follows:

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

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

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

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

10. Property Held for Resale

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

11. Trade/In-Kind Agreements

These agreements primarily provide advertising services to third parties in exchange for services or goods provided by the third party to the Bloomington Coliseum Enterprise Fund. Revenue is recognized as services are provided to the third party and expenses are recognized as the Bloomington 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 unearned revenue.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. DEFICIT BALANCES

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

As of April 30, 2017, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Empire Street TIF	\$ (23,833)	New TIF for which incremental revenues yet be generated to support expenditures.
Downtown - Southwest TIF	(96,856)	New TIF for which incremental revenues yet be generated to support expenditures.
Capital Lease	(2,014,186)	Cumulative expenses exceeding revenues over multiple years.
Retiree Group Health Care	(147,404)	Cumulative claims expense exceeding internal charges for services over multiple years.
Casualty Insurance	(2,455,524)	Cumulative claims expense exceeding internal charges for services over multiple years.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. The deposits and investments of the pension trust funds are held separately from those of other funds.

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
<i>City</i>			
Deposits	\$ 41,692,141	\$ 43,033,889	Custodial credit risk
Illinois Funds	33,125,525	33,125,525	Credit risk
IMET - Convenience Fund	7,478,786	7,478,786	Credit risk
IMET - 1-3 Year Fund	168,508	168,508	Credit risk, interest rate risk
U.S. Treasury obligations	3,006,827	3,006,827	Custodial credit risk, interest rate risk
U.S. Agency obligations - explicitly guaranteed	1,193,664	1,193,664	Custodial credit risk, interest rate risk
U.S. Agency obligations - implicitly guaranteed	4,309,112	4,309,112	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Petty cash	68,042	-	N/A
<i>Pension Trusts</i>			
Deposits	10,494,298	4,317,585	Custodial credit risk
Illinois Funds	259,152	259,152	Credit risk
IMET - Convenience Fund	34,903	34,903	Credit risk
U.S. Treasury obligations	4,966,023	4,966,023	Custodial credit risk, interest rate risk
U.S. Agency obligations	11,987,088	11,987,088	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Corporate bonds	3,629,364	3,629,364	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Annuities - fixed	17,020,207	17,020,207	Credit risk, interest rate risk
Annuities - variable	32,647,901	32,647,901	Credit risk
Insurance contracts	1,047,387	1,047,387	Credit risk, interest rate risk
Mutual funds - other than bond funds	46,412,421	46,412,421	N/A
<i>Private-Purpose Trust</i>			
Deposits	322,200	322,200	Custodial credit risk
Mutual funds - other than bond funds	11,574,079	11,574,079	N/A
Total Deposits and Investments	<u>\$ 231,437,628</u>	<u>\$ 226,534,621</u>	

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

A. DEPOSITS AND INVESTMENTS (cont.)

Reconciliation to financial statements

Per statement of net position	
Cash and investments	\$ 91,042,605
Per statement of net position - fiduciary funds	
Cash - private-purpose trust	322,200
Mutual funds - private-purpose trust	11,574,079
Cash - pension trusts	10,788,353
U.S. government securities - pension trusts	4,966,023
U.S. government agencies and corporations - pension trusts	11,987,088
Annuities - fixed - pension trusts	17,020,207
Annuities - variable - pension trusts	32,647,901
Mutual funds - pension trusts	46,412,421
Insurance contracts	1,047,387
Corporate bonds - pension trusts	<u>3,629,364</u>
Total Deposits and Investments	<u>\$ 231,437,628</u>

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

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

As of April 30, 2017, the City's investments were measured using the market valuation approach and valuation inputs as follows:

Investment Type	April 30, 2017			
	Level 1	Level 2	Level 3	Total
Mutual funds - other than bond funds	\$ 11,574,079	\$ -	\$ -	\$ 11,574,079
U.S. Agency obligations	-	5,502,776	-	5,502,776
U.S. Treasury obligations	<u>3,006,827</u>	-	-	<u>3,006,827</u>
Total	<u>\$ 14,580,906</u>	<u>\$ 5,502,776</u>	<u>\$ -</u>	<u>\$ 20,083,682</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

Firefighters' Pension Fund

Investment Type	April 30, 2017			
	Level 1	Level 2	Level 3	Total
U.S. Agency obligations	\$ -	\$ 3,308	\$ -	\$ 3,308
Annuities - fixed	-	16,235,546	-	16,235,546
Annuities - variable	-	32,647,901	-	32,647,901
Total	\$ -	\$ 48,886,755	\$ -	\$ 48,886,755

Police Pension Fund

Investment Type	April 30, 2017			
	Level 1	Level 2	Level 3	Total
U.S. Treasury obligations	\$ 4,966,023	\$ -	\$ -	\$ 4,966,023
U.S. Agency obligations	11,983,780	-	-	11,983,780
Corporate bonds	-	3,629,364	-	3,629,364
Insurance contracts	-	1,047,387	-	1,047,387
Annuities - fixed	-	784,661	-	784,661
Mutual funds	46,412,421	-	-	46,412,421
Total	\$ 63,362,224	\$ 5,461,412	\$ -	\$ 68,823,636

Custodial Credit Risk

Deposits

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

As of April 30, 2017, \$1,540,199 of the City's total bank balances were exposed to custodial credit risk.

Investments

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

A. DEPOSITS AND INVESTMENTS (cont.)

Credit Risk

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

As of April 30, 2017, the City's investments were rated as follows:

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

As of April 30, 2017, the Police Pension Fund's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services	A.M. Best Company
IMET	AAAf/S1	Aaa-BF	N/A
U.S. Agency obligations	AA+	A2 to Aaa	N/A
Corporate bonds	A	A2	N/A
Annuities - fixed	N/A	Aa3	A+
Insurance contracts	AA+	Aa	A+

As of April 30, 2017, the Firefighters' Pension Fund's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services	A.M. Best Company
Illinois Funds	AAAm	Aaa	N/A
Annuities - fixed	BBB- to AA-	Baa3 to Aa3	B++ to A+
Annuities - variable	BBB to AA+	Baa2 to Aa1	A- to A++

Concentration of Credit Risk

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

A. DEPOSITS AND INVESTMENTS (cont.)

Concentration of Credit Risk (cont.)

At April 30, 2017, the investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
Federal Farm Credit Bank	U.S. Agency obligations - implicitly guaranteed	6.26%

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

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

Jackson National Life	\$ 12,804,801
American Investors Life	8,220,413
VOYA Life Insurance Contract	7,586,747
Delaware Insurance Contract	5,640,213
American General	4,863,072

Interest Rate Risk

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

As of April 30, 2017, the City's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	More than 10
IMET - 1-3 Year Fund	\$ 168,508	\$ -	\$ 168,508	\$ -	\$ -
U.S. Treasury obligations	3,006,827	-	2,012,657	-	-
U.S. Agency obligations	<u>5,502,776</u>	<u>621,383</u>	<u>4,881,393</u>	-	-
Totals	<u>\$ 8,678,111</u>	<u>\$ 621,383</u>	<u>\$ 7,062,558</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk (cont.)

Police Pension Fund

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasury obligations	\$ 4,966,023	\$ 1,084,831	\$ 996,406	\$ -	\$ 2,884,786
U.S. Agency obligations	11,983,780	3,579,333	6,116,580	1,218,452	1,069,415
Corporate bonds	3,629,364	-	1,611,405	2,017,959	-
Annuities - fixed	784,661	784,661	-	-	-
Insurance contracts	1,047,387	1,047,387	-	-	-
Totals	\$ 22,411,215	\$ 6,496,212	\$ 8,724,391	\$ 3,236,411	\$ 3,954,201

Firefighters' Pension Fund

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Agency obligations	\$ 3,308	\$ -	\$ -	\$ 3,308	\$ -
Totals	\$ 3,308	\$ -	\$ -	\$ 3,308	\$ -

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

B. RECEIVABLES

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

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Totals</u>
Accounts receivable			
Ambulance	\$ 798,828	\$ -	\$ 798,828
Food & beverage tax	434,492	-	434,492
Hotel/motel tax	142,676	-	142,676
Package liquor tax	97,851	-	97,851
Local motor fuel tax	188,867	-	188,867
Amusement tax	107,029	-	107,029
Utility tax	715,103	-	715,103
Water customers	196,713	-	196,713
Grants	-	34,948	34,948
Miscellaneous	<u>437,831</u>	<u>8,197</u>	<u>446,028</u>
Gross receivables	3,119,390	43,145	3,162,535
Less: Allowance for uncollectibles	<u>(496,117)</u>	<u>(813)</u>	<u>(496,930)</u>
Net total accounts receivable	<u>\$ 2,623,273</u>	<u>\$ 42,332</u>	<u>\$ 2,665,605</u>
	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Totals</u>
Due from other governmental units			
State sales tax	\$ 3,470,321	\$ -	\$ 3,470,321
Home rule sales tax	5,388,488	-	5,388,488
Income tax	1,167,803	-	1,167,803
Telecommunications tax	670,554	-	670,554
Auto rental tax	17,137	-	17,137
Motor fuel tax allotments	-	167,735	167,735
Video gaming tax	138,867	-	138,867
Other	<u>12,800</u>	<u>-</u>	<u>12,800</u>
Total	<u>\$ 10,865,970</u>	<u>\$ 167,735</u>	<u>\$ 11,033,705</u>

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

As of April 30, 2017, the City had loans receivable, net of allowance for uncollectible of \$292,992, in the amount of \$1,800,306, primarily related to various economic development loans issued to residents and local businesses. Of this amount, \$1,687,747 related to deferred loans, for which no payment is due until the property is sold or paid by the estate, and are considered to be collectible in more than one year.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

B. RECEIVABLES (cont.)

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

Uncollectibles related to Water Fund receivables	\$ 331,017
Uncollectibles related to Solid Waste Fund receivables	188,762
Uncollectibles related to Sewer Fund receivables	86,273
Uncollectibles related to Bloomington Coliseum Fund receivables	267,309
Uncollectibles related to Stormwater Management Fund receivables	1,243,049
Uncollectibles related to Golf Operations Fund receivables	13,435
Uncollectibles related to Parking Fund receivables	<u>1,004</u>
 Total Uncollectibles of the Current Fiscal Year	 <u><u>\$ 2,130,849</u></u>

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 24,744,495	\$ -
Home rule sales tax	-	1,817,483
State sales tax	-	1,093,576
Telecommunications tax	-	222,748
Auto rental tax	-	5,821
Other	<u>51,172</u>	<u>204,493</u>
 Total Unearned/Unavailable Revenue for Governmental Funds	 <u><u>\$ 24,795,667</u></u>	 <u><u>\$ 3,344,121</u></u>
 Unearned revenue included in liabilities	 \$ 51,172	
Unearned revenue included in deferred inflows	<u>24,744,495</u>	
 Total Unearned Revenue for Governmental Funds	 <u><u>\$ 24,795,667</u></u>	

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

C. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2017, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 20,011,300	\$ 1,429,491	\$ -	\$ 21,440,791
Construction in progress	<u>4,856,712</u>	<u>3,307,946</u>	<u>2,630,060</u>	<u>5,534,598</u>
Total Capital Assets Not Being Depreciated	<u>24,868,012</u>	<u>4,737,437</u>	<u>2,630,060</u>	<u>26,975,389</u>
Capital assets being depreciated				
Land improvements	19,669,306	231,183	-	19,900,489
Construction	74,867,910	354,749	-	75,222,659
Infrastructure	239,097,024	758,619	-	239,855,643
Machinery and equipment	20,497,627	1,303,741	524,652	21,276,716
Licensed vehicles	<u>15,137,186</u>	<u>1,294,580</u>	<u>365,420</u>	<u>16,066,346</u>
Total Capital Assets Being Depreciated	<u>369,269,053</u>	<u>3,942,872</u>	<u>890,072</u>	<u>372,321,853</u>
Total Capital Assets	<u>394,137,065</u>	<u>8,680,309</u>	<u>3,520,132</u>	<u>399,297,242</u>
Less: Accumulated depreciation for				
Land improvements	6,021,422	472,885	-	6,494,307
Construction	26,216,300	1,744,054	-	27,960,354
Infrastructure	174,633,040	5,326,157	-	179,959,197
Machinery and equipment	13,657,177	1,165,146	517,976	14,304,347
Licensed vehicles	<u>8,778,457</u>	<u>863,789</u>	<u>347,149</u>	<u>9,295,097</u>
Total Accumulated Depreciation	<u>229,306,396</u>	<u>9,572,031</u>	<u>865,125</u>	<u>238,013,302</u>
Net Capital Assets Being Depreciated	<u>139,962,657</u>	<u>(5,629,159)</u>	<u>24,947</u>	<u>134,308,551</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 164,830,669</u>	<u>\$ (891,722)</u>	<u>\$ 2,655,007</u>	<u>\$ 161,283,940</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 528,759
Public safety	1,239,679
Highways and streets	5,589,426
Culture and recreation	2,020,696
Community development	51,298
Parking	<u>142,173</u>
Total Governmental Activities Depreciation Expense	<u>\$ 9,572,031</u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciation				
Land	\$ 7,650,506	\$ -	\$ -	\$ 7,650,506
Construction in progress	<u>4,940,439</u>	<u>2,061,107</u>	<u>594,219</u>	<u>6,407,327</u>
Total Capital Assets Not Being Depreciation	<u>12,590,945</u>	<u>2,061,107</u>	<u>594,219</u>	<u>14,057,833</u>
Capital assets being depreciated				
Land improvements	958,455	-	-	958,455
Construction	56,065,087	-	-	56,065,087
Infrastructure	176,435,095	642,922	-	177,078,017
Machinery and equipment	30,060,698	1,071,653	142,319	30,990,032
Licensed vehicles	<u>9,502,973</u>	<u>844,131</u>	<u>156,595</u>	<u>10,190,509</u>
Total Capital Assets Being Depreciated	<u>273,022,308</u>	<u>2,558,706</u>	<u>298,914</u>	<u>275,282,100</u>
Total Capital Assets	<u>285,613,253</u>	<u>4,619,813</u>	<u>893,133</u>	<u>289,339,933</u>
Less: Accumulated depreciation for				
Land improvements	662,939	30,151	-	693,090
Construction	16,925,639	1,024,416	-	17,950,055
Infrastructure	46,401,527	2,452,982	-	48,854,509
Machinery and equipment	18,670,415	1,597,898	142,319	20,125,994
Licensed vehicles	<u>6,210,712</u>	<u>803,367</u>	<u>148,765</u>	<u>6,865,314</u>
Total Accumulated Depreciation	<u>88,871,232</u>	<u>5,908,814</u>	<u>291,084</u>	<u>94,488,962</u>
Net Capital Assets Being Depreciated	<u>184,151,076</u>	<u>(3,350,108)</u>	<u>7,830</u>	<u>180,793,138</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u>\$ 196,742,021</u>	<u>\$ (1,289,001)</u>	<u>\$ 602,049</u>	<u>\$ 194,850,971</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Business-type Activities

Water	\$ 2,187,785
Solid waste	812,733
Sewer	1,370,574
U.S. Cellular Coliseum	1,026,309
Stormwater management	242,300
Golf operations	166,441
Parking	<u>102,672</u>

Total Business-type Activities Depreciation Expense	<u><u>\$ 5,908,814</u></u>
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D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General	Library	\$ 2,335
General	Nonmajor Governmental	1,032,893
Library	General	300
Nonmajor Governmental	General	57
Internal Service	Internal Service	<u>150,189</u>
Total - Fund Financial Statements		1,185,774
Add: Interfund receivables created with internal service fund eliminations		616,243
Less: Government-wide eliminations		<u>(1,185,774)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u><u>\$ 616,243</u></u>

All amounts are due within one year.

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

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

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount
General	Library	\$ 36,732
General	Nonmajor Governmental	6,427
General	Water	735,555
General	Sewer	468,832
General	Stormwater Management	143,311
General	Nonmajor Enterprise	513,283
Debt Service	General	3,428,791
Debt Service	Bloomington Coliseum	1,282,752
Nonmajor Governmental	General	6,069,624
Sewer	Nonmajor Governmental	216,951
Bloomington Coliseum	General	2,348,626
Stormwater Management	Nonmajor Governmental	236,818
Nonmajor Enterprise	General	<u>1,931,680</u>
Total - Fund Financial Statements		17,419,382
Less: Government-wide eliminations		<u>(15,829,040)</u>
Total Transfers - Government-Wide Statement of Activities		<u>\$ 1,590,342</u>

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended April 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
General Obligation Bonds					
Series 2004 demand	\$ 8,900,000	\$ -	\$ 800,000	\$ 8,100,000	\$ 900,000
Series 2005	6,105,000	-	510,000	5,595,000	530,000
Series 2007	3,250,000	-	135,000	3,115,000	140,000
Series 2009 refunding	2,840,000	-	-	2,840,000	-
Series 2011 refunding	2,955,000	-	1,170,000	1,785,000	1,140,000
Series 2013A refunding	5,730,000	-	965,000	4,765,000	965,000
Series 2013C	8,295,000	-	950,000	7,345,000	970,000
Series 2014A refunding	14,235,000	-	415,000	13,820,000	480,000
Series 2014B refunding	9,345,000	-	100,000	9,245,000	-
Subtotal	61,655,000	-	5,045,000	56,610,000	5,125,000
Unamortized bond premium	1,077,738	-	135,545	942,193	-
Unamortized bond discount	(75,788)	-	(7,903)	(67,885)	-
Total General Obligation Bonds	62,656,950	-	5,172,642	57,484,308	5,125,000
Other Liabilities					
Capital lease payable	5,687,777	702,220	1,768,347	4,621,650	1,206,282
Loan payable	215,282	-	81,507	133,775	40,972
Claims payable	5,164,431	2,727,627	3,064,817	4,827,241	3,247,092
Compensated absences	10,926,594	2,037,362	1,547,317	11,416,639	1,375,975
Net pension liability - IMRF	15,516,503	2,017,654	2,260,981	15,273,176	-
Net pension liability - Police	64,590,330	6,671,668	4,947,245	66,314,753	-
Net pension liability - Fire	59,715,325	4,360,588	4,678,635	59,397,278	-
Net OPEB obligation	7,217,945	606,164	-	7,824,109	-
Total Other Liabilities	169,034,187	19,123,283	18,348,849	169,808,621	5,870,321
Total Governmental Activities Long-Term Liabilities	\$ 231,691,137	\$ 19,123,283	\$ 23,521,491	\$ 227,292,929	\$ 10,995,321

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

E. LONG-TERM OBLIGATIONS (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-type Activities					
General Obligation Bonds					
Series 2007	\$ 5,025,000	\$ -	\$ 210,000	\$ 4,815,000	\$ 215,000
Subtotal	5,025,000	-	210,000	4,815,000	215,000
Unamortized bond discount	(23,837)	-	(1,490)	(22,347)	-
Total General Obligation Bonds	5,001,163	-	208,510	4,792,653	215,000
Other Liabilities					
Capital lease payable	2,936,050	3,279,348	1,712,932	4,502,466	959,819
Loans payable	11,142,240	-	809,654	10,332,586	835,056
Notes payable	9,917,358	-	749,114	9,168,244	765,030
Compensated absences	1,960,573	157,864	162,963	1,955,474	61,502
Net pension liability - IMRF	7,911,818	828,176	1,128,780	7,611,214	-
Net OPEB obligation	1,047,603	102,715	-	1,150,318	-
Total Other Liabilities	34,915,642	4,368,103	4,563,443	34,720,302	2,621,407
Total Business-type Activities Long-Term Liabilities	\$ 39,916,805	\$ 4,368,103	\$ 4,771,953	\$ 39,512,955	\$ 2,836,407

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

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

As of April 30, 2017, the City reported an unamortized deferred charge on refunding related to outstanding refunding bonds equal to \$366,906.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Bonds

General Obligation Demand Bonds, Series 2004

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

Principal payments are due annually on June 1 of each year, commencing June 1, 2005, and ending on June 1, 2024, in amounts ranging from \$100,000 to \$1,200,000. Interest is due annually on June 1 of each year at the lesser of 9% or 125% of the rate for the 20 Year G.O. Bonds Index of average municipal bond yields. Future interest payments on the variable rate bonds are computed using an interest rate of 3%. Principal and interest payments are made from dedicated revenues and associated property tax levies are abated.

General Obligation Bonds, Series 2005

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

General Obligation Bonds, Series 2007

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

General Obligation Refunding Bonds, Series 2009

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

General Obligation Refunding Bonds, Series 2011

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

General Obligation Refunding Bonds, Series 2013A

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

General Obligation Bonds, Series 2013C

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

General Obligation Refunding Bonds, Series 2014A

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

General Obligation Refunding Bonds, Series 2014B

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

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

<u>Years</u>	<u>Governmental Activities General Obligation Bonds</u>		<u>Business-type Activities General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 5,125,000	\$ 1,876,821	\$ 215,000	\$ 204,100
2019	4,865,000	1,719,746	225,000	195,031
2020	4,005,000	1,580,799	235,000	185,684
2021	4,320,000	1,445,140	245,000	175,784
2022	4,475,000	1,307,006	255,000	165,472
2023-2027	18,020,000	4,511,544	1,445,000	653,575
2028-2032	9,945,000	2,028,460	1,790,000	299,269
2033-2035	5,855,000	348,443	405,000	9,113
Totals	<u>\$ 56,610,000</u>	<u>\$ 14,817,959</u>	<u>\$ 4,815,000</u>	<u>\$ 1,888,028</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

E. LONG-TERM OBLIGATIONS (cont.)

Loans Payable

On November 23, 2015, the City entered into a loan agreement for the purchase of voting equipment totaling \$344,020. Payments are made annually on November 23 of each year until final repayment on November 23, 2019.

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

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

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

Years	Governmental Activities Loans Payable		Business-type Activities Loans Payable	
	Principal	Interest	Principal	Interest
2018	\$ 40,972	\$ 11,491	\$ 835,057	\$ 177,467
2019	44,491	7,972	850,801	161,723
2020	48,312	4,150	866,897	145,627
2021	-	-	883,352	129,172
2022	-	-	850,175	112,349
2035-2027	-	-	3,338,947	324,279
2028-2032	-	-	2,027,025	115,070
2033-2035	-	-	680,332	10,020
Totals	<u>\$ 133,775</u>	<u>\$ 23,613</u>	<u>\$ 10,332,586</u>	<u>\$ 1,175,707</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

E. LONG-TERM OBLIGATIONS (cont.)

Notes Payable

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

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

Years	Business-type Activities Notes Payable	
	Principal	Interest
2018	\$ 765,030	\$ 182,933
2019	781,343	166,619
2020	798,067	149,895
2021	815,211	132,751
2022	832,787	115,175
2023-2027	4,341,496	296,363
2028-2032	834,310	3,874
Totals	<u>\$ 9,168,244</u>	<u>\$ 1,047,610</u>

Capital Leases

Refer to Note III. F.

F. LEASE DISCLOSURES

Lessee - Capital Leases

In 2001, the City, along with McLean County, entered into a capital lease agreement with the Public Building Commission for an office building and parking facility. Principal and interest payments range from \$107,573 to \$668,985 and are due each October 1, until final payment on October 1, 2022. Interest rates range from 2.00% to 4.00%. Construction under the capital lease carried a cost value of \$8,343,255 and accumulated depreciation of \$2,952,973 as of April 30, 2017.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

F. LEASE DISCLOSURES (cont.)

In 2014, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$25,839 with an interest rate of 1.85% until March 24, 2019. Equipment under the capital lease carries a cost of \$1,482,000 and accumulated depreciation of \$336,210 as of April 30, 2017.

In 2014, the City entered into an additional capital lease agreement to finance the purchase of a fire truck. The lease calls for semi-annual payments of principal and interest of \$51,158 with an interest rate of 2.1% until July 30, 2018. Equipment under the capital lease carries a cost of \$964,950 and accumulated depreciation of \$224,083 as of April 30, 2017.

On May 27, 2015, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for semi-annual payments of principal and interest of \$289,901 with an interest rate of 2.1% until November 22, 2019. Equipment under the capital lease carries a cost of \$2,767,142 and accumulated depreciation of \$712,938 as of April 30, 2017.

On May 27, 2015, the City entered into an additional capital lease agreement to finance the purchase of a fire truck. The lease calls for semi-annual payments of principal and interest of \$48,807 with an interest rate of 3.05% until November 22, 2024. Equipment under the capital lease carries a cost of \$813,858 and accumulated depreciation of \$64,430 as of April 30, 2017.

On July 22, 2016 the City entered into an additional capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$35,658 with an interest rate of 2.15% until June 22, 2021. Equipment under the capital lease carries a cost of \$2,030,428 and accumulated depreciation of \$220,474 as of April 30, 2017.

On July 22, 2016 the City entered into an additional capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$18,573 with an interest rate of 2.75% until June 22, 2026. Equipment under the capital lease carries a cost of \$1,951,139 and accumulated depreciation of \$253,602 as of April 30, 2017.

The future minimum lease obligations and the net present value on these minimum lease payments as of April 30, 2017, are as follows:

Years	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2018	\$ 1,206,282	\$ 118,414	\$ 1,324,696	\$ 959,819	\$ 112,256	\$ 1,072,075
2019	1,179,469	86,870	1,266,339	969,668	87,290	1,056,958
2020	1,058,468	57,528	1,115,996	811,359	63,867	875,226
2021	610,735	31,169	641,904	729,833	41,644	771,477
2022	224,229	15,010	239,239	231,316	24,829	256,145
2023-2027	<u>342,467</u>	<u>18,927</u>	<u>361,394</u>	<u>800,471</u>	<u>47,651</u>	<u>848,122</u>
Totals	<u>\$ 4,621,650</u>	<u>\$ 327,918</u>	<u>\$ 4,949,568</u>	<u>\$ 4,502,466</u>	<u>\$ 377,537</u>	<u>\$ 4,880,003</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

F. LEASE DISCLOSURES (cont.)

Lessor - Operating Leases

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

A total of \$114,932 in lease revenue relating to these leases was received by the City during the fiscal year ended April 30, 2017. The following is a schedule, by year, of minimum future rentals due to the City under noncancellable lease agreements in effect as of April 30, 2017:

<u>Years</u>	<u>Governmental Activities Principal</u>
2018	\$ 117,507
2019	120,080
2020	122,718
2021	125,422
2022	114,847
2023-2027	612,229
2028-2032	<u>692,680</u>
Totals	<u>\$ 1,905,483</u>

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

G. NET POSITION

Net position reported on the government wide statement of net position at April 30, 2017, includes the following:

Governmental Activities

Net Investment in Capital Assets	
Capital assets, net of accumulated depreciation	\$ 161,283,940
Less: Long-term debt outstanding	(61,365,425)
Plus: Noncapital long-term debt outstanding	24,850,000
Plus: Unamortized debt discount	67,885
Less: Unamortized debt premium	(600,786)
Less: Unamortized loss on refunding	<u>(46,103)</u>
Total Net Investment in Capital Assets	<u>\$ 124,189,511</u>

Business-type Activities

Net Investment in Capital Assets	
Capital assets, net of accumulated depreciation	\$ 194,850,971
Less: Long-term debt outstanding	(28,818,296)
Plus: Noncapital long-term debt outstanding	9,168,243
Plus: Unamortized debt discount	<u>22,347</u>
Total Net Investment in Capital Assets	<u>\$ 175,223,265</u>

H. COMPONENT UNITS

BLOOMINGTON PUBLIC LIBRARY FOUNDATION

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

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

a. Deposits and Investments

As of April 30, 2017, the Foundation held deposits with a carrying value of \$335,151 and investments, consisting of mutual funds, with a carrying value of \$1,270,436.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

H. COMPONENT UNIT (cont.)

BLOOMINGTON PUBLIC LIBRARY FOUNDATION (cont.)

a. Deposits and Investments (cont.)

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

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

Investment Type	April 30, 2017			
	Level 1	Level 2	Level 3	Total
U.S. equity mutual funds	\$ 1,270,436	\$ -	\$ -	\$ 1,270,436
Beneficial Interest in Stubblefield Trust	-	-	1,140,964	1,140,964
Total	\$ 1,270,436	\$ -	\$ 1,140,964	\$ 2,411,400

b. Permanently Restricted Donations

The following restricted donations have been made to the Foundation:

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

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

3. Stubblefield Trust – the Foundation is the beneficiary of 50% of the Elizabeth L. Stubblefield and Louise M. Stubblefield Trust. Donations received from this trust are restricted for the purpose of supplementing and increasing the salaries of employees of the Bloomington Public Library if possible, and to benefit the Bloomington Public Library. The fair market value of the Foundation’s portion of the trust is \$1,140,964 at April 30, 2017.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

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

H. COMPONENT UNIT (cont.)

BLOOMINGTON PUBLIC LIBRARY FOUNDATION (cont.)

c. Beneficial Interest in Perpetual Trust

In fiscal year 2009, the Foundation was named as a beneficiary of a perpetual trust composed of cash and cash equivalents, equities, fixed income, and alternative investments. At April 30, 2017, the balance of the trust corpus was \$1,140,964. There is no provision for distribution of trust corpus. The Foundation is to receive 50% of trust income. There is no restriction on this income. Under the terms of such a trust, the Foundation has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust.

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

The Foundation's beneficial interest in perpetual trusts at April 30, 2017 consists of the following:

	<u>2017</u>
Cash and cash equivalents	\$ 31,565
Equities	786,406
Fixed income	<u>322,993</u>
Total	<u>\$ 1,140,964</u>

MILLER PARK ZOOLOGICAL SOCIETY

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

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

a. Deposits and Investments

As of April 30, 2017, the carrying amount of the Society's deposits was \$326,644 and investments, consisting of equities, fixed income, and alternative investments, was \$267,885.

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

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

H. COMPONENT UNIT (cont.)

MILLER PARK ZOOLOGICAL SOCIETY (cont.)

a. Deposits and Investments (cont.)

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

Investment Type	April 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	\$ 146,504	\$ -	\$ -	\$ 146,504
Fixed Income	95,655	-	-	95,655
Alternative Investments	<u>25,726</u>	<u>-</u>	<u>-</u>	<u>25,726</u>
Total	<u>\$ 267,885</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267,885</u>

b. Support of Zoo Operations and Related Party Activity

The City owns and operates the Zoo. In September 2012, the Society entered into an agreement with the City, providing for office space and utilities to the Society. The terms of this agreement state that the Society shall remit to the City a minimum payment of \$50,000 split into two payments (April and October) and also remit \$7 per membership sold (excluding memberships above \$100) as of October 1, increasing the amount of the October payment. The Society incurred \$60,115 in operational support for the year ended April 30, 2017. As of April 30, 2017, all required payments had been made by the Society to the City. In addition to the operational support, the Society contributed \$21,481 to the City.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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

Illinois Municipal Retirement Fund

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

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

Plan membership. At December 31, 2016, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	427
Inactive, non-retired members	357
Active members	<u>393</u>
Total	<u><u>1,177</u></u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Contributions. As set by statute, City employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's actuarially determined contribution rate for calendar year 2016 was 14.93% of annual covered payroll for IMRF. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

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

Actuarial Assumptions. The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2016 using the following actuarial methods and assumptions:

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	38.00%	8.30%	6.85%
International equities	17.00%	8.45%	6.75%
Fixed income	27.00%	3.05%	3.00%
Real estate	8.00%	6.90%	5.75%
Alternatives	9.00%		
Private equity		12.45%	7.35%
Hedge funds		5.35%	5.25%
Commodities		4.25%	2.65%
Cash equivalents	1.00%	2.25%	2.25%

Discount rate. The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2015 measurement date was 7.47%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 196,641,150	\$ 174,363,685	\$ 156,074,593
Plan fiduciary net pension	151,479,295	151,479,295	151,479,295
Net pension liability/(asset)	<u>\$ 45,161,855</u>	<u>\$ 22,884,390</u>	<u>\$ 4,595,298</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in net pension liability/(asset). The changes in net pension liability/(asset) for the calendar year ended December 31, 2016 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2015	\$ 169,788,790	\$ 146,360,469	\$ 23,428,321
Service cost	2,423,453	-	2,423,453
Interest on total pension liability	12,404,365	-	12,404,365
Differences between expected and actual experience of the total pension liability	254,798	-	254,798
Change of assumptions	(618,202)	-	(618,202)
Benefit payments, including refunds of employee contributions	(9,889,519)	(9,889,519)	-
Contributions - employer	-	3,474,535	(3,474,535)
Contributions - employee	-	1,055,315	(1,055,315)
Net investment income	-	10,010,192	(10,010,192)
Other (net transfer)	-	468,303	(468,303)
Balances at December 31, 2016	\$ 174,363,685	\$ 151,479,295	\$ 22,884,390
Plan fiduciary net position as a percentage of the total pension liability			86.88 %

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2017, the City recognized pension expense of \$5,267,306. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,143,716	\$ -
Assumption changes	187,296	451,012
Net difference between projected and actual earnings on pension plan investments	6,767,877	-
Contributions subsequent to the measurement date	1,002,597	-
Total	\$ 9,101,486	\$ 451,012

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending April 30, 2018. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$7,647,877) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2017	\$ 2,756,715
2018	2,599,306
2019	2,135,171
2020	156,685
Total	\$ 7,647,877

Police Pension

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

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

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

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

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

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2017 was 44.43% of annual covered payroll.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of April 30, 2017, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed as of April 30, 2017 using the following actuarial methods and assumptions:

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

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

Long-term expected real rate of return. The long-term expected rate of return on the Police Pension Plan's investments was determined using a building block method. The best estimate for future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target allocation within the Plan investment policy. Expectation inflation is added back in. Adjustment is made to reflect geometric returns. Best estimated or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of April 30, 2017 are as follows:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	42%	0.75% - 4.50%
Domestic equities	42%	4.75% - 5.00%
International equities	5%	5.50% - 7.75%
Real Estate	3%	3.75%
Blended	5%	0.75%
Cash and cash equivalents	-%	-%

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

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

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

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 159,783,587	\$ 138,593,340	\$ 121,467,748
Plan fiduciary net position	72,278,587	72,278,587	72,278,587
Net pension liability	\$ 87,505,000	\$ 66,314,753	\$ 49,189,161

Changes in net pension liability/(asset). The City's changes in net pension liability/(asset) for the calendar year ended April 30, 2017 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2016	\$ 128,677,076	\$ 64,086,746	\$ 64,590,330
Service cost	2,481,510	-	2,481,510
Interest on total pension liability	8,806,662	-	8,806,662
Differences between expected and actual experience of the total pension liability	3,058,467	-	3,058,467
Change of assumptions	1,304,863	-	1,304,863
Benefit payments, including refunds of employee contributions	(5,735,238)	(5,735,238)	-
Contributions - employer	-	4,947,245	(4,947,245)
Contributions - employee	-	1,090,131	(1,090,131)
Contributions - other	-	23,986	(23,986)
Net investment income	-	7,946,053	(7,946,053)
Administration	-	(80,336)	80,336
Balances at April 30, 2017	\$ 138,593,340	\$ 72,278,587	\$ 66,314,753

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2017, the City recognized pension expense of \$7,548,983. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 5,395,089	\$ -
Assumption changes	3,606,372	-
Net difference between projected and actual earnings on pension plan investments	2,840,790	2,761,102
Total	\$ 11,842,251	\$ 2,761,102

The amounts reported as deferred outflows and inflows of resources related to pensions (\$9,081,149) will be recognized in pension expense as follows:

Year Ending April 30,	Amount
2018	\$ 1,789,267
2019	1,789,267
2020	1,789,267
2021	842,339
2022	1,532,613
Thereafter	1,338,396
Total	\$ 9,081,149

Firefighters' Pension

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

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

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

Plan membership. At April 30, 2017, the Firefighters' Pension Plan membership consisted of:

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

Contributions. Participants contribute a fixed percentage of their base salary to the plans. At April 30, 2017, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2017 was 52.21% of annual covered payroll.

Net pension liability/(asset). The net pension liability/(asset) was measured as of April 30, 2017, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

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

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

Actuarial assumptions. The total pension liability was determined by an actuarial valuation performed as of April 30, 2017 using the following actuarial methods and assumptions:

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Long-term expected real rate of return. The long-term expected rate of return on the Firefighters' Pension Plan's investments was determined using a building block method. The best estimate for future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target allocation within the Plan investment policy. Expectation inflation is added back in. Adjustment is made to reflect geometric returns. Best estimated or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of April 30, 2017 are as follows:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	35%	1.5% - 2%
Equities	65%	9% - 10%

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

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 132,654,646	\$ 115,750,533	\$ 101,982,237
Plan fiduciary net position	<u>56,353,255</u>	<u>56,353,255</u>	<u>56,353,255</u>
Net pension liability	<u>\$ 76,301,391</u>	<u>\$ 59,397,278</u>	<u>\$ 45,628,982</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Changes in net pension liability/(asset). The City's changes in net pension liability/(asset) for the calendar year ended April 30, 2017 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2016	\$ 109,385,429	\$ 49,670,104	\$ 59,715,325
Service cost	2,125,600	-	2,125,600
Interest on total pension liability	7,485,870	-	7,485,870
Differences between expected and actual experience of the total pension liability	1,301,818	-	1,301,818
Change of assumptions	340,679	-	340,679
Benefit payments, including refunds of employee contributions	(4,888,863)	(4,888,863)	-
Contributions - employer	-	4,678,635	(4,678,635)
Contributions - employee	-	810,392	(810,392)
Net investment income	-	6,141,878	(6,141,878)
Administration	-	(58,891)	58,891
Balances at April 30, 2017	<u>\$ 115,750,533</u>	<u>\$ 56,353,255</u>	<u>\$ 59,397,278</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2017, the City recognized pension expense of \$6,381,566. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,137,578	\$ -
Assumption changes	2,309,344	-
Net difference between projected and actual earnings on pension plan investments	<u>2,999,360</u>	<u>2,116,876</u>
Total	<u>\$ 6,446,282</u>	<u>\$ 2,116,876</u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$4,329,406) will be recognized in pension expense as follows:

Year Ending April 30,	Amount
2018	\$ 1,017,449
2019	1,017,449
2020	1,017,445
2021	17,665
2022	546,881
Thereafter	<u>712,517</u>
Total	<u>\$ 4,329,406</u>

B. RISK MANAGEMENT

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

Self-Insurance

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

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance (cont.)

Claims Liability

	Prior Year	Current Year
Claims payable - beginning of year	\$ 4,754,080	\$ 4,948,323
Current year claims and changes in estimates	3,228,002	2,727,627
Claim payments	(3,033,759)	(2,848,709)
Claims payable - end of year	\$ 4,948,323	\$ 4,827,241

Public Entity Risk Pool

Intergovernmental Personnel Benefit Cooperative

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

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

C. COMMITMENTS AND CONTINGENCIES

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

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

The City has commitments to active construction projects to be financed primarily from capital projects and enterprise funds as of April 30, 2017. The total outstanding commitments of the City as of April 30, 2017 are \$8,073,999.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

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

General	\$	1,330,593
Library		62,898
Nonmajor governmental		7,387,570
Water		3,971,290
Sewer		2,035,519
Bloomington Coliseum		274,746
Stormwater Management		931,026
Nonmajor Enterprise		262,110
Internal Service		9,251

D. JOINT VENTURES

Bloomington-Normal Public Transit System

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

E. OTHER POSTEMPLOYMENT BENEFITS

The City administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides post-employment health care and life insurance benefits for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. The City is required by State Statute to provide insurance to its retirees as long as insurance is provided to its active employees. Benefit provisions are governed by the City and can be amended by the City through its personnel manual and union contracts. The Retiree Health Plan does not issue a publicly available financial report.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the City and the unions and modifications to its personnel manual for non-union employees. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. Until a retiree reaches age 65, \$5,000 of life insurance coverage is provided at no cost. All retirees contribute 100% of the blended premium to the plan and the City contributes the remainder to cover the cost of providing the benefits to the retirees via the plan (pay as you go). For the fiscal year ended April 30, 2017, retirees contributed \$1,454,499 and the City contributed \$472,121. Active employees do not contribute to the plan until retirement.

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

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the City's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$	1,146,000
Interest on net OPEB obligation		329,000
Adjustment to annual required contribution		<u>(294,000)</u>
Annual OPEB cost		1,181,000
Contributions made		<u>(472,121)</u>
Increase in net OPEB obligation (asset)		708,879
Net OPEB obligation- beginning of year		<u>8,265,548</u>
Net OPEB obligation - end of year	\$	<u><u>8,974,427</u></u>

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2015	\$ 1,683,064	52.50%	\$ 7,652,233
April 30, 2016	1,162,959	47.26%	8,265,548
April 30, 2017	1,181,000	39.98%	8,974,427

The funded status of the plan as of May 1, 2016, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$	17,668,000
Actuarial value of plan assets		-
Unfunded Actuarial Accrued Liability (UAAL)	\$	17,668,000
Funded ratio (actuarial value of plan assets/AAL)		-%
Covered payroll (active plan members)	\$	43,325,684
UAAL as a percentage of covered payroll		40.78%

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

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

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

In the May 1, 2016 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 4.00% investment rate of return and an annual healthcare cost trend rate of 7.00% initially, reduced by decrements to an ultimate rate of 4.50%. Both rates include a 3.00% inflation assumption. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at April 30, 2017, was 30 years.

F. SUBSEQUENT EVENTS

In October 2017, the City entered into two capital lease agreements to finance the purchase of various equipment for City departments in the amount of \$4,763,623. The leases call for monthly payments of \$60,434 and \$13,209 with interest rates of 2.591% and 3.197%, respectively.

On July 24, 2017 the City issued general obligation refunding bonds in the amount of \$7,240,000 with interest rates ranging from 1.30% to 2.08%. These bonds were issued to refund the City's general obligation demand bonds, Series 2004.

CITY OF BLOOMINGTON

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2017

NOTE IV - OTHER INFORMATION (cont.)

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

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

- *Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*
- *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*
- *Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- *Statement No. 80, Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14*
- *Statement No. 81, Irrevocable Split-Interest Agreements*
- *Statement No. 82, Pension Issues - an Amendment of GASB Statements No. 67, No. 68, and No. 73*
- *Statement No. 83, Certain Asset Retirement Obligations*
- *Statement No. 84, Fiduciary Activities*
- *Statement No. 85, Omnibus 2017*
- *Statement No. 86, Certain Debt Extinguishment Issues*
- *Statement No. 87, Leases*

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BLOOMINGTON

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
For the Year Ended April 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 86,454,247	\$ 86,454,247	\$ 87,008,628	\$ 554,381
Intergovernmental	370,421	370,421	253,517	(116,904)
Licenses and permits	1,152,602	1,152,602	1,344,424	191,822
Charges for services	12,978,085	12,938,085	12,019,019	(919,066)
Fines and forfeitures	855,400	855,400	760,381	(95,019)
Investment income	76,225	76,225	124,773	48,548
Other	985,232	985,232	899,946	(85,286)
Total Revenues	<u>102,872,212</u>	<u>102,832,212</u>	<u>102,410,688</u>	<u>(421,524)</u>
EXPENDITURES				
Current:				
General government	18,239,807	18,348,971	16,793,473	1,555,498
Public safety	51,458,317	51,530,940	50,565,805	965,135
Highways and streets	7,271,918	7,489,239	6,817,649	671,590
Culture and recreation	10,871,472	10,904,064	9,428,557	1,475,507
Parking	535,040	535,040	360,577	174,463
Capital outlay	-	2,290,041	1,851,992	438,049
Debt Service				
Principal	2,479,541	2,479,541	1,768,347	711,194
Interest and fiscal agent fees	296,726	296,726	152,250	144,476
Total Expenditures	<u>91,152,821</u>	<u>93,874,562</u>	<u>87,738,650</u>	<u>6,135,912</u>
Excess of revenues over expenditures	<u>11,719,391</u>	<u>8,957,650</u>	<u>14,672,038</u>	<u>5,714,388</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,707,066	1,707,066	1,904,140	197,074
Transfers out	(11,948,217)	(13,608,217)	(13,778,721)	(170,504)
Proceeds from sale of capital assets	18,000	18,000	20,883	2,883
Capital lease and loan proceeds	-	-	50,634	50,634
Total Other Financing Sources (Uses)	<u>(10,223,151)</u>	<u>(11,883,151)</u>	<u>(11,803,064)</u>	<u>80,087</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ 1,496,240</u>	<u>\$ (2,925,501)</u>	2,868,974	<u>\$ 5,794,475</u>
Change in encumbrances			(112,500)	
Net Change in Fund Balance - GAAP Basis			2,756,474	
FUND BALANCE - Beginning of Year			<u>21,878,912</u>	
FUND BALANCE - END OF YEAR			<u>\$ 24,635,386</u>	

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

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - LIBRARY FUND
 For the Year Ended April 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 4,677,110	\$ 4,677,110	\$ 4,666,340	\$ (10,770)
Intergovernmental	107,500	107,500	59,055	(48,445)
Charges for services	86,200	86,200	74,226	(11,974)
Investment income	1,200	1,200	22,744	21,544
Other	460,000	460,000	463,673	3,673
Total Revenues	<u>5,332,010</u>	<u>5,332,010</u>	<u>5,286,038</u>	<u>(45,972)</u>
EXPENDITURES				
Current:				
Culture and recreation	5,170,564	5,236,828	4,852,251	384,577
Capital outlay	<u>162,100</u>	<u>162,100</u>	<u>9,995</u>	<u>152,105</u>
Total Expenditures	<u>5,332,664</u>	<u>5,398,928</u>	<u>4,862,246</u>	<u>536,682</u>
Excess of revenues over expenditures	<u>(654)</u>	<u>(66,918)</u>	<u>423,792</u>	<u>490,710</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(36,732)	(36,732)	(36,732)	-
Proceeds from sale of capital assets	<u>1,000</u>	<u>1,000</u>	<u>638</u>	<u>(362)</u>
Total Other Financing Sources (Uses)	<u>(35,732)</u>	<u>(35,732)</u>	<u>(36,094)</u>	<u>(362)</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ (36,386)</u>	<u>\$ (102,650)</u>	387,698	<u>\$ 490,348</u>
Change in encumbrances			(3,366)	
Net Change in Fund Balance - GAAP Basis			384,332	
FUND BALANCE - Beginning of Year			<u>4,845,554</u>	
FUND BALANCE - END OF YEAR			<u>\$ 5,229,886</u>	

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

CITY OF BLOOMINGTON

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS Last Two Fiscal Years

	2016	2017
Total pension liability		
Service cost	\$ 2,438,585	\$ 2,423,453
Interest	11,892,995	12,404,365
Differences between expected and actual experience	2,047,317	254,798
Changes of assumptions	400,338	(618,202)
Benefit payments, including refunds of member contributions	<u>(9,112,267)</u>	<u>(9,889,519)</u>
Net change in total pension liability	7,666,968	4,574,895
Total pension liability - beginning	<u>162,121,822</u>	<u>169,788,790</u>
Total pension liability - ending (a)	<u>\$ 169,788,790</u>	<u>\$ 174,363,685</u>
Plan fiduciary net position		
Employer contributions	\$ 3,951,246	\$ 3,474,535
Employee contributions	1,032,762	1,055,315
Net investment income	722,524	10,010,192
Benefit payments, including refunds of member contributions	(9,112,267)	(9,889,519)
Other (net transfer)	<u>3,197,196</u>	<u>468,303</u>
Net change in plan fiduciary net position	(208,539)	5,118,826
Plan fiduciary net position - beginning	<u>146,569,008</u>	<u>146,360,469</u>
Plan fiduciary net position - ending (b)	<u>\$ 146,360,469</u>	<u>\$ 151,479,295</u>
Employer's net pension liability - ending (a) - (b)	<u>\$ 23,428,321</u>	<u>\$ 22,884,390</u>
Plan fiduciary net position as a percentage of the total pension liability	86.20%	86.88%
Covered-employee payroll	\$ 23,076,791	\$ 23,264,707
Employer's net pension liability as a percentage of covered-employee payroll	101.52%	98.37%

Notes to Schedule:

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

CITY OF BLOOMINGTON

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

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

Notes to Schedule:

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

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	27 years
Asset valuation method	5-Year smoothed market
Inflation	2.75%
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 CHBCA

Other information:

There were no benefit changes during the year.

CITY OF BLOOMINGTON

POLICE PENSION FUND

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

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

Notes to Schedule:

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

CITY OF BLOOMINGTON

POLICE PENSION FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Last Ten Fiscal Years

	2008	2009	2010	2011
Actuarially determined contribution	\$ 1,889,809	\$ 2,392,466	\$ 3,156,183	\$ 3,843,510
Contributions in relation to the actuarially determined contribution	<u>2,036,942</u>	<u>2,528,567</u>	<u>3,128,358</u>	<u>3,867,939</u>
Contribution deficiency (excess)	<u>\$ (147,133)</u>	<u>\$ (136,101)</u>	<u>\$ 27,825</u>	<u>\$ (24,429)</u>
Covered-employee payroll	\$ 8,277,458	\$ 8,041,709	\$ 8,788,202	\$ 9,505,164
Contributions as a percentage of covered-employee payroll	24.61%	31.44%	35.60%	40.69%

Notes to Schedule:

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

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

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	24 years
Asset valuation method	5-Year smoothed market
Inflation	2.50%
Salary increases	3.75% - 14.40%
Investment rate of return	7.00%
Retirement age	L&A 2016 Illinois Police Retirement Rates Capped at age 65
Mortality	L&A 2016 Illinois Police Mortality Rates

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 3,859,645	\$ 4,057,967	\$ 3,836,673	\$ 5,065,095	\$ 4,667,258	\$ 4,947,245
<u>4,111,770</u>	<u>3,311,122</u>	<u>3,183,834</u>	<u>3,758,825</u>	<u>4,690,359</u>	<u>4,947,245</u>
<u>\$ (252,125)</u>	<u>\$ 746,845</u>	<u>\$ 652,839</u>	<u>\$ 1,306,270</u>	<u>\$ (23,101)</u>	<u>\$ -</u>
\$ 8,903,996	\$ 9,212,701	\$ 9,722,152	\$ 10,408,623	\$ 10,843,786	\$ 11,133,837
46.18%	35.94%	32.75%	36.11%	43.25%	44.43%

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

CITY OF BLOOMINGTON

FIREFIGHTERS' PENSION FUND

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

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

Notes to Schedule:

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

CITY OF BLOOMINGTON

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

	2008	2009	2010	2011
Actuarially determined contribution	\$ 1,772,416	\$ 2,493,809	\$ 2,376,491	\$ 3,116,325
Contributions in relation to the actuarially determined contribution	1,904,995	2,640,429	2,364,899	3,140,710
Contribution deficiency (excess)	\$ (132,579)	\$ (146,620)	\$ 11,592	\$ (24,385)
Covered-employee payroll	\$ 5,590,814	\$ 6,379,893	\$ 6,470,110	\$ 6,729,062
Contributions as a percentage of covered-employee payroll	34.07%	41.39%	36.55%	46.67%

Notes to Schedule:

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

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

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	24 years
Asset valuation method	5-Year smoothed market
Inflation	2.50%
Salary increases	3.75% - 17.86%
Investment rate of return	7.00%
Retirement age	L&A 2016 Illinois Firefighters Retirement Rates Capped at age 65
Mortality	L&A 2016 Illinois Firefighters Mortality Rates

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 3,202,697	\$ 3,545,575	\$ 3,688,461	\$ 4,045,021	\$ 4,405,755	\$ 4,673,635
<u>3,460,505</u>	<u>3,115,854</u>	<u>2,910,842</u>	<u>3,941,587</u>	<u>4,416,266</u>	<u>4,678,635</u>
<u>\$ (257,808)</u>	<u>\$ 429,721</u>	<u>\$ 777,619</u>	<u>\$ 103,434</u>	<u>\$ (10,511)</u>	<u>\$ (5,000)</u>
\$ 7,137,776	\$ 7,359,892	\$ 7,137,776	\$ 8,617,171	\$ 8,338,822	\$ 8,960,353
48.48%	42.34%	40.78%	45.74%	52.96%	52.21%

CITY OF BLOOMINGTON

OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS AND FUNDING PROGRESS As of and for the Year Ended April 30, 2017

Fiscal Year Ended	Employer Contributions	Annual Required Contribution (ARC)	Percentage of ARC Contributed
April 30, 2017	\$ 472,121	\$ 1,146,000	41.20%
April 30, 2016	549,644	1,149,000	47.84%
April 30, 2015	859,959	1,625,795	52.89%
April 30, 2014	906,966	1,398,513	64.85%
April 30, 2013	150,545	1,347,891	11.17%
April 30, 2012	467,526	1,349,839	34.64%

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
May 1, 2016	-	\$ 17,668,000	\$ 17,668,000	0.00%	\$ 43,325,684	40.78%
May 1, 2015	-	16,496,000	16,496,000	0.00%	41,992,230	39.28%
May 1, 2014	-	23,198,380	23,198,380	0.00%	40,307,251	57.55%
May 1, 2013	-	18,890,424	18,890,424	0.00%	27,879,708	67.76%
May 1, 2012	-	18,258,810	18,258,810	0.00%	26,807,411	68.11%
May 1, 2011	-	18,839,491	18,839,491	0.00%	25,899,456	72.74%

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

CITY OF BLOOMINGTON

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended April 30, 2017

BUDGETARY INFORMATION

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

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

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

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

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

See independent auditors' report.

SUPPLEMENTARY INFORMATION

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2017

NONMAJOR GOVERNMENTAL FUNDS

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

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

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

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

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

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

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

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

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

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

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

CITY OF BLOOMINGTON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of April 30, 2017

	<u>Motor Fuel Tax</u>	<u>Board of Elections</u>	<u>Drug Enforcement</u>	<u>Foreign Fire Insurance Board</u>	<u>Community Development</u>
ASSETS					
Cash and investments	\$ 10,312,962	\$ 645,344	\$ 1,147,819	\$ 140,146	\$ 41,422
Receivables (net)					
Loans	-	-	-	-	1,528,500
Accounts	-	-	-	-	35,012
Due from other governmental units	167,735	-	-	-	-
Due from other funds	-	-	-	-	57
Property held for resale	-	-	-	-	16,775
TOTAL ASSETS	<u>\$ 10,480,697</u>	<u>\$ 645,344</u>	<u>\$ 1,147,819</u>	<u>\$ 140,146</u>	<u>\$ 1,621,766</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 138,298	\$ 26,365	\$ 852	\$ 4,541	\$ 34,229
Due to other funds	-	-	-	-	1,152
Deposits	-	-	-	-	-
Unearned revenues	-	-	-	-	64
Total Liabilities	<u>138,298</u>	<u>26,365</u>	<u>852</u>	<u>4,541</u>	<u>35,445</u>
Fund Balances (Deficit)					
Nonspendable					
Restricted					
Highways and streets	10,342,399	-	-	-	-
Board of elections	-	618,979	-	-	-
Public safety	-	-	-	135,605	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	1,586,321
Committed					
Public safety	-	-	1,146,967	-	-
Highways and streets	-	-	-	-	-
Assigned					
Capital projects	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances (deficit)	<u>10,342,399</u>	<u>618,979</u>	<u>1,146,967</u>	<u>135,605</u>	<u>1,586,321</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,480,697</u>	<u>\$ 645,344</u>	<u>\$ 1,147,819</u>	<u>\$ 140,146</u>	<u>\$ 1,621,766</u>

<u>IHDA Grant</u>	<u>Park Dedication</u>	<u>Empire Street TIF</u>	<u>Downtown-Southwest TIF</u>	<u>Capital Improvements</u>	<u>Capital Lease</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 911,046	\$ -	\$ -	\$ 5,196,496	\$ -	\$ 18,395,235
-	-	-	-	-	-	1,528,500
-	-	-	-	7,320	-	42,332
-	-	-	-	-	-	167,735
-	-	-	-	-	-	57
-	-	-	-	-	-	16,775
<u>\$ -</u>	<u>\$ 911,046</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,203,816</u>	<u>\$ -</u>	<u>\$ 20,150,634</u>
\$ -	\$ -	\$ 600	\$ -	\$ 448,952	\$ 1,102,534	\$ 1,756,371
-	-	23,233	96,856	-	911,652	1,032,893
-	-	-	-	32,096	-	32,096
-	-	-	-	-	-	64
-	-	23,833	96,856	481,048	2,014,186	2,821,424
-	-	-	-	-	-	10,342,399
-	-	-	-	-	-	618,979
-	-	-	-	-	-	135,605
-	911,046	-	-	-	-	911,046
-	-	-	-	-	-	1,586,321
-	-	-	-	-	-	1,146,967
-	-	-	-	2,496,656	-	2,496,656
-	-	-	-	2,226,112	-	2,226,112
-	-	(23,833)	(96,856)	-	(2,014,186)	(2,134,875)
-	911,046	(23,833)	(96,856)	4,722,768	(2,014,186)	17,329,210
<u>\$ -</u>	<u>\$ 911,046</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,203,816</u>	<u>\$ -</u>	<u>\$ 20,150,634</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended April 30, 2017

	<u>Motor Fuel Tax</u>	<u>Board of Elections</u>	<u>Drug Enforcement</u>	<u>Foreign Fire Insurance Board</u>	<u>Community Development</u>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 90,423	\$ -
Intergovernmental	2,200,917	517,956	-	-	796,601
Fines and forfeitures	-	-	687,844	-	-
Investment income (loss)	40,746	3,989	385	130	1,074
Other	-	-	-	-	-
Total Revenues	<u>2,241,663</u>	<u>521,945</u>	<u>688,229</u>	<u>90,553</u>	<u>797,675</u>
EXPENDITURES					
Current					
General government	-	474,140	-	-	-
Public safety	-	-	38,309	78,714	-
Highways and streets	1,114,063	-	-	-	-
Community development	-	-	-	-	643,657
Debt Service					
Principal	-	81,507	-	-	-
Interest and fiscal agent fees	-	18,493	-	-	-
Capital outlay	91,606	-	99,563	-	(1,899)
Total Expenditures	<u>1,205,669</u>	<u>574,140</u>	<u>137,872</u>	<u>78,714</u>	<u>641,758</u>
Excess (deficiency) of revenues over expenditures	<u>1,035,994</u>	<u>(52,195)</u>	<u>550,357</u>	<u>11,839</u>	<u>155,917</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	216,951
Transfers out	-	-	-	-	(223,378)
Capital lease and loan proceeds	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,427)</u>
Net Change in Fund Balances	1,035,994	(52,195)	550,357	11,839	149,490
FUND BALANCES (DEFICIT)					
- Beginning of Year	<u>9,306,405</u>	<u>671,174</u>	<u>596,610</u>	<u>123,766</u>	<u>1,436,831</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 10,342,399</u>	<u>\$ 618,979</u>	<u>\$ 1,146,967</u>	<u>\$ 135,605</u>	<u>\$ 1,586,321</u>

<u>IHDA Grant</u>	<u>Park Dedication</u>	<u>Empire Street TIF</u>	<u>Downtown-Southwest TIF</u>	<u>Capital Improvements</u>	<u>Capital Lease</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 38,855	\$ -	\$ -	\$ -	\$ 129,278
(584)	-	-	-	-	-	3,514,890
-	-	-	-	-	-	687,844
-	4,513	(266)	-	21,241	7,403	79,215
-	<u>35,410</u>	-	-	<u>40,286</u>	-	<u>75,696</u>
<u>(584)</u>	<u>39,923</u>	<u>38,589</u>	-	<u>61,527</u>	<u>7,403</u>	<u>4,486,923</u>
-	-	-	-	-	-	474,140
-	-	-	-	-	-	117,023
-	57,626	-	-	-	-	1,171,689
-	-	9,516	96,856	-	-	750,029
-	-	-	-	-	-	81,507
-	-	-	-	-	-	18,493
-	-	-	-	<u>4,561,679</u>	<u>2,163,209</u>	<u>6,914,158</u>
-	<u>57,626</u>	<u>9,516</u>	<u>96,856</u>	<u>4,561,679</u>	<u>2,163,209</u>	<u>9,527,039</u>
<u>(584)</u>	<u>(17,703)</u>	<u>29,073</u>	<u>(96,856)</u>	<u>(4,500,152)</u>	<u>(2,155,806)</u>	<u>(5,040,116)</u>
547	-	-	-	5,852,126	-	6,069,624
-	-	-	-	(236,818)	-	(460,196)
-	-	-	-	-	<u>651,586</u>	<u>651,586</u>
<u>547</u>	-	-	-	<u>5,615,308</u>	<u>651,586</u>	<u>6,261,014</u>
(37)	(17,703)	29,073	(96,856)	1,115,156	(1,504,220)	1,220,898
<u>37</u>	<u>928,749</u>	<u>(52,906)</u>	-	<u>3,607,612</u>	<u>(509,966)</u>	<u>16,108,312</u>
<u>\$ -</u>	<u>\$ 911,046</u>	<u>\$ (23,833)</u>	<u>\$ (96,856)</u>	<u>\$ 4,722,768</u>	<u>\$ (2,014,186)</u>	<u>\$ 17,329,210</u>

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - MOTOR FUEL TAX FUND
 For the Year Ended April 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,880,854	\$ 1,880,854	\$ 2,200,917	\$ 320,063
Investment income (loss)	400	400	40,746	40,346
Total Revenues	1,881,254	1,881,254	2,241,663	360,409
EXPENDITURES				
Current:				
Highways and streets	620,000	1,995,833	2,629,665	(633,832)
Capital outlay	4,280,000	4,321,417	91,606	4,229,811
Total Expenditures	4,900,000	6,317,250	2,721,271	3,595,979
Net Change in Fund Balance - Budgetary Basis	\$ (3,018,746)	\$ (4,435,996)	(479,608)	\$ 3,956,388
Change in encumbrances			1,515,602	
Net Change in Fund Balance - GAAP Basis			1,035,994	
FUND BALANCE - Beginning of Year			9,306,405	
FUND BALANCE - END OF YEAR			\$ 10,342,399	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - BOARD OF ELECTIONS FUND
 For the Year Ended April 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 525,986	\$ 525,986	\$ 517,956	\$ (8,030)
Investment income (loss)	1,741	1,741	3,989	2,248
Total Revenues	<u>527,727</u>	<u>527,727</u>	<u>521,945</u>	<u>(5,782)</u>
EXPENDITURES				
Current:				
General government	649,557	649,557	474,140	175,417
Debt Service				
Principal	-	-	81,507	(81,507)
Interest and fiscal agent fees	-	-	18,493	(18,493)
Total Expenditures	<u>649,557</u>	<u>649,557</u>	<u>574,140</u>	<u>75,417</u>
Net Change in Fund Balance	<u>\$ (121,830)</u>	<u>\$ (121,830)</u>	(52,195)	<u>\$ 69,635</u>
FUND BALANCE - Beginning of Year			<u>671,174</u>	
FUND BALANCE - END OF YEAR			<u>\$ 618,979</u>	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - DRUG ENFORCEMENT FUND
 For the Year Ended April 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 125,500	\$ 125,500	\$ 687,844	\$ 562,344
Investment income (loss)	1,500	1,500	385	(1,115)
Total Revenues	127,000	127,000	688,229	561,229
EXPENDITURES				
Current:				
Public safety	216,585	207,135	19,641	187,494
Capital outlay	151,000	221,562	99,563	121,999
Total Expenditures	367,585	428,697	119,204	309,493
Excess (deficiency) of revenues over expenditures	(240,585)	(301,697)	569,025	870,722
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	3,000	3,000	-	(3,000)
Total Other Financing Sources	3,000	3,000	-	(3,000)
Net Change in Fund Balance - Budgetary Basis	\$ (237,585)	\$ (298,697)	569,025	\$ 867,722
Change in encumbrances			(18,668)	
Net Change in Fund Balance - GAAP Basis			550,357	
FUND BALANCE - Beginning of Year			596,610	
FUND BALANCE - END OF YEAR			\$ 1,146,967	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - COMMUNITY DEVELOPMENT FUND
 For the Year Ended April 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 872,383	\$ 872,383	\$ 796,601	\$ (75,782)
Investment income (loss)	41	41	1,074	1,033
Other	30,000	30,000	-	(30,000)
Total Revenues	902,424	902,424	797,675	(104,749)
EXPENDITURES				
Current:				
Community development	895,997	895,997	639,737	256,260
Capital outlay	-	-	(1,899)	1,899
Total Expenditures	895,997	895,997	637,838	258,159
Excess of revenues over expenditures	6,427	6,427	159,837	153,410
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	216,951	216,951
Transfers out	(6,427)	(6,427)	(223,378)	(216,951)
Total Other Financing Sources (Uses)	(6,427)	(6,427)	(6,427)	-
Net Change in Fund Balance - Budgetary Basis	\$ -	\$ -	153,410	\$ 153,410
Change in encumbrances			(3,920)	
Net Change in Fund Balance - GAAP Basis			149,490	
FUND BALANCE - Beginning of Year			1,436,831	
FUND BALANCE - END OF YEAR			\$ 1,586,321	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - PARK DEDICATION FUND
 For the Year Ended April 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment income (loss)	\$ 2,000	\$ 2,000	\$ 4,513	\$ 2,513
Other	18,503	18,503	35,410	16,907
Total Revenues	<u>20,503</u>	<u>20,503</u>	<u>39,923</u>	<u>19,420</u>
EXPENDITURES				
Current:				
Highways and streets	<u>275,000</u>	<u>278,000</u>	<u>226,582</u>	<u>51,418</u>
Total Expenditures	<u>275,000</u>	<u>278,000</u>	<u>226,582</u>	<u>51,418</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ (254,497)</u>	<u>\$ (257,497)</u>	(186,659)	<u>\$ 70,838</u>
Change in encumbrances			168,956	
Net Change in Fund Balance - GAAP Basis			(17,703)	
FUND BALANCE - Beginning of Year			<u>928,749</u>	
FUND BALANCE - END OF YEAR			<u>\$ 911,046</u>	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - CAPITAL IMPROVEMENTS FUND
 For the Year Ended April 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 130,150	\$ 130,150	\$ -	\$ (130,150)
Investment income (loss)	10,000	10,000	21,241	11,241
Other	50,000	50,000	40,286	(9,714)
Total Revenues	<u>190,150</u>	<u>190,150</u>	<u>61,527</u>	<u>(128,623)</u>
EXPENDITURES				
Capital outlay	<u>8,110,984</u>	<u>8,503,697</u>	<u>6,379,652</u>	<u>2,124,045</u>
Total Expenditures	<u>8,110,984</u>	<u>8,503,697</u>	<u>6,379,652</u>	<u>2,124,045</u>
Excess (deficiency) of revenues over expenditures	<u>(7,920,834)</u>	<u>(8,313,547)</u>	<u>(6,318,125)</u>	<u>1,995,422</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,899,120	5,899,120	5,852,126	(46,994)
Transfers out	-	(236,818)	(236,818)	-
Total Other Financing Sources (Uses)	<u>5,899,120</u>	<u>5,662,302</u>	<u>5,615,308</u>	<u>(46,994)</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ (2,021,714)</u>	<u>\$ (2,651,245)</u>	(702,817)	<u>\$ 1,948,428</u>
Change in encumbrances			1,817,973	
Net Change in Fund Balance - GAAP Basis			1,115,156	
FUND BALANCE - Beginning of Year			<u>3,607,612</u>	
FUND BALANCE - END OF YEAR			<u>\$ 4,722,768</u>	

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - CAPITAL LEASE FUND
 For the Year Ended April 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income (loss)	\$ -	\$ -	\$ 7,403	\$ 7,403
Total Revenues	<u>-</u>	<u>-</u>	<u>7,403</u>	<u>7,403</u>
EXPENDITURES				
Capital outlay	<u>6,169,846</u>	<u>7,229,238</u>	<u>2,920,793</u>	<u>4,308,445</u>
Total Expenditures	<u>6,169,846</u>	<u>7,229,238</u>	<u>2,920,793</u>	<u>4,308,445</u>
Excess (deficiency) of revenues over expenditures	<u>(6,169,846)</u>	<u>(7,229,238)</u>	<u>(2,913,390)</u>	<u>4,315,848</u>
OTHER FINANCING SOURCES				
Capital lease and loan proceeds	<u>6,169,846</u>	<u>6,169,846</u>	<u>651,586</u>	<u>(5,518,260)</u>
Total Other Financing Sources	<u>6,169,846</u>	<u>6,169,846</u>	<u>651,586</u>	<u>(5,518,260)</u>
Net Change in Fund Balance - Budgetary Basis	<u>\$ -</u>	<u>\$ (1,059,392)</u>	(2,261,804)	<u>\$ (1,202,412)</u>
Change in encumbrances			757,584	
Net Change in Fund Balance - GAAP Basis			(1,504,220)	
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(509,966)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (2,014,186)</u>	

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2017

DEBT SERVICE FUND

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

CITY OF BLOOMINGTON

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - DEBT SERVICE FUND
 For the Year Ended April 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,235,143	\$ 2,235,143	\$ 2,229,853	\$ (5,290)
Investment income (loss)	21,485	21,485	32,502	11,017
Total Revenues	<u>2,256,628</u>	<u>2,256,628</u>	<u>2,262,355</u>	<u>5,727</u>
EXPENDITURES				
Debt Service				
Principal	5,045,000	5,045,000	5,045,000	-
Interest and fiscal agent fees	<u>2,121,778</u>	<u>2,121,778</u>	<u>1,926,856</u>	<u>194,922</u>
Total Expenditures	<u>7,166,778</u>	<u>7,166,778</u>	<u>6,971,856</u>	<u>194,922</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,910,150)</u>	<u>(4,910,150)</u>	<u>(4,709,501)</u>	<u>200,649</u>
OTHER FINANCING SOURCES				
Transfers in	<u>4,711,543</u>	<u>4,711,543</u>	<u>4,711,543</u>	-
Total Other Financing Sources	<u>4,711,543</u>	<u>4,711,543</u>	<u>4,711,543</u>	-
Net Change in Fund Balance	<u>\$ (198,607)</u>	<u>\$ (198,607)</u>	2,042	<u>\$ 200,649</u>
FUND BALANCE - Beginning of Year			<u>7,731,208</u>	
FUND BALANCE - END OF YEAR			<u>\$ 7,733,250</u>	

CITY OF BLOOMINGTON

DEBT SERVICE FUND
COMBINING BALANCE SHEET
As of April 30, 2017

	General Bond and Interest	2004 Coliseum Bond Redemption	2004 Multi-Project Bond Redemption	Total
ASSETS				
Cash and investments	\$ 4,779,287	\$ 1,279,089	\$ 1,674,874	\$ 7,733,250
Receivables:				
Taxes	<u>2,180,143</u>	-	-	<u>2,180,143</u>
TOTAL ASSETS	<u>\$ 6,959,430</u>	<u>\$ 1,279,089</u>	<u>\$ 1,674,874</u>	<u>\$ 9,913,393</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflows of resources				
Property taxes levied for future period	<u>2,180,143</u>	-	-	<u>2,180,143</u>
Total deferred inflows of resources	<u>2,180,143</u>	-	-	<u>2,180,143</u>
Fund balances				
Restricted				
Debt service	<u>4,779,287</u>	<u>1,279,089</u>	<u>1,674,874</u>	<u>7,733,250</u>
Total fund balances	<u>4,779,287</u>	<u>1,279,089</u>	<u>1,674,874</u>	<u>7,733,250</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 6,959,430</u>	<u>\$ 1,279,089</u>	<u>\$ 1,674,874</u>	<u>\$ 9,913,393</u>

CITY OF BLOOMINGTON

DEBT SERVICE FUND
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES
 For the Year Ended April 30, 2017

	General Bond and Interest	2004 Coliseum Bond Redemption	2004 Multi-Project Bond Redemption	Total
REVENUES				
Taxes	\$ 2,179,853	\$ -	\$ 50,000	\$ 2,229,853
Investment income	21,260	4,519	6,723	32,502
Total Revenues	<u>2,201,113</u>	<u>4,519</u>	<u>56,723</u>	<u>2,262,355</u>
EXPENDITURES				
Debt service:				
Principal	3,730,000	515,000	800,000	5,045,000
Interest and fiscal agent fees	980,410	811,868	134,578	1,926,856
Total Expenditures	<u>4,710,410</u>	<u>1,326,868</u>	<u>934,578</u>	<u>6,971,856</u>
Excess (deficiency) of revenues over (under) expenditures	(2,509,297)	(1,322,349)	(877,855)	(4,709,501)
OTHER FINANCING SOURCES				
Transfers in	2,573,570	1,282,752	855,221	4,711,543
Total Other Financing Sources	<u>2,573,570</u>	<u>1,282,752</u>	<u>855,221</u>	<u>4,711,543</u>
Net Change in Fund Balances	64,273	(39,597)	(22,634)	2,042
FUND BALANCES - Beginning of Year	<u>4,715,014</u>	<u>1,318,686</u>	<u>1,697,508</u>	<u>7,731,208</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,779,287</u>	<u>\$ 1,279,089</u>	<u>\$ 1,674,874</u>	<u>\$ 7,733,250</u>

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2017

NONMAJOR ENTERPRISE FUNDS

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

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

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

CITY OF BLOOMINGTON

COMBINING STATEMENT OF NET POSITION NONMAJOR ENTERPRISE FUNDS As of April 30, 2017

	Golf Operations	Parking	Solid Waste	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets				
Cash and investments	\$ 1,112,925	\$ 268,859	\$ 108,613	\$ 1,490,397
Accounts receivable, net of allowance for uncollectibles	(884)	1,855	890,088	891,059
Inventory	167,596	-	-	167,596
Total Current Assets	<u>1,279,637</u>	<u>270,714</u>	<u>998,701</u>	<u>2,549,052</u>
Noncurrent Assets				
Capital Assets				
Land	1,907,587	-	-	1,907,587
Other depreciable capital assets, net of accumulated depreciation	1,361,782	2,349,854	3,588,587	7,300,223
Total Noncurrent Assets	<u>3,269,369</u>	<u>2,349,854</u>	<u>3,588,587</u>	<u>9,207,810</u>
Total Assets	<u>4,549,006</u>	<u>2,620,568</u>	<u>4,587,288</u>	<u>11,756,862</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	223,810	12,307	837,784	1,073,901
Total Deferred Outflows of Resources	<u>223,810</u>	<u>12,307</u>	<u>837,784</u>	<u>1,073,901</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	118,838	1,185	225,564	345,587
Compensated absences	3,670	271	17,896	21,837
Unearned revenues	132,256	-	-	132,256
Deposits	-	24	-	24
Current maturities of long-term debt	27,832	237,057	204,475	469,364
Total Current Liabilities	<u>282,596</u>	<u>238,537</u>	<u>447,935</u>	<u>969,068</u>
Noncurrent Liabilities				
Compensated absences	199,469	146	385,782	585,397
Net OPEB obligation	88,182	15,900	448,755	552,837
Net pension liability	574,663	31,033	2,134,571	2,740,267
Capital lease payable, noncurrent portion	49,977	909,723	492,417	1,452,117
Total Noncurrent Liabilities	<u>912,291</u>	<u>956,802</u>	<u>3,461,525</u>	<u>5,330,618</u>
Total Liabilities	<u>1,194,887</u>	<u>1,195,339</u>	<u>3,909,460</u>	<u>6,299,686</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	11,326	612	42,069	54,007
Total Deferred Inflows of Resources	<u>11,326</u>	<u>612</u>	<u>42,069</u>	<u>54,007</u>
NET POSITION				
Net investment in capital assets	3,191,560	1,203,073	2,891,695	7,286,328
Unrestricted	375,043	233,851	(1,418,152)	(809,258)
TOTAL NET POSITION	<u>\$ 3,566,603</u>	<u>\$ 1,436,924</u>	<u>\$ 1,473,543</u>	<u>\$ 6,477,070</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION NONMAJOR ENTERPRISE FUNDS For the Year Ended April 30, 2017

	Golf Operations	Parking	Solid Waste	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 2,255,773	\$ 518,106	\$ 6,093,425	\$ 8,867,304
Total Operating Revenues	<u>2,255,773</u>	<u>518,106</u>	<u>6,093,425</u>	<u>8,867,304</u>
OPERATING EXPENSES				
Personal services	1,141,538	55,599	3,165,435	4,362,572
Contractual services	539,752	71,962	2,458,954	3,070,668
Commodities	551,822	53,381	248,697	853,900
Depreciation	166,441	102,672	812,733	1,081,846
Total Operating Expenses	<u>2,399,553</u>	<u>283,614</u>	<u>6,685,819</u>	<u>9,368,986</u>
Operating Income	<u>(143,780)</u>	<u>234,492</u>	<u>(592,394)</u>	<u>(501,682)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income (loss)	4,743	(284)	(461)	3,998
Gain (loss) on sale of capital assets	-	-	261	261
Other income	26,976	-	156,085	183,061
Interest expense	(1,882)	(46,968)	(23,765)	(72,615)
Total Non-Operating Revenues (Expenses)	<u>29,837</u>	<u>(47,252)</u>	<u>132,120</u>	<u>114,705</u>
Net Income (Loss) Before Transfers	<u>(113,943)</u>	<u>187,240</u>	<u>(460,274)</u>	<u>(386,977)</u>
TRANSFERS				
Transfers in	522,883	107,514	1,301,283	1,931,680
Transfers out	(139,359)	-	(373,924)	(513,283)
Total Transfers	<u>383,524</u>	<u>107,514</u>	<u>927,359</u>	<u>1,418,397</u>
Change in Net Position	269,581	294,754	467,085	1,031,420
NET POSITION - Beginning of Year	<u>3,297,022</u>	<u>1,142,170</u>	<u>1,006,458</u>	<u>5,445,650</u>
NET POSITION - END OF YEAR	<u><u>\$ 3,566,603</u></u>	<u><u>\$ 1,436,924</u></u>	<u><u>\$ 1,473,543</u></u>	<u><u>\$ 6,477,070</u></u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended April 30, 2017

	Golf Operations	Parking	Solid Waste	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 2,267,808	\$ 450,383	\$ 6,218,995	\$ 8,937,186
Paid to suppliers for goods and services	(1,107,505)	(122,697)	(2,721,415)	(3,951,617)
Paid to employees for services	(1,066,535)	(53,117)	(3,065,595)	(4,185,247)
Other receipts	26,976	-	156,085	183,061
Net Cash Flows From Operating Activities	<u>120,744</u>	<u>274,569</u>	<u>588,070</u>	<u>983,383</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	4,743	(284)	(461)	3,998
Net Cash Flows From Investing Activities	<u>4,743</u>	<u>(284)</u>	<u>(461)</u>	<u>3,998</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Change in due to other funds	-	(82,752)	(212,143)	(294,895)
Transfers out to other funds	(139,359)	-	(373,924)	(513,283)
Transfers in from other funds	522,883	107,514	1,301,283	1,931,680
Net Cash Flows From Noncapital Financing Activities	<u>383,524</u>	<u>24,762</u>	<u>715,216</u>	<u>1,123,502</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital lease proceeds	51,853	245,265	346,889	644,007
Acquisition and construction of capital assets	(6,292)	-	(544,310)	(550,602)
Principal paid on capital leases	(77,995)	(228,485)	(973,287)	(1,279,767)
Interest paid	(1,882)	(46,968)	(23,765)	(72,615)
Proceeds from sale of assets	-	-	261	261
Net Cash Flows From Capital and Related Financing Activities	<u>(34,316)</u>	<u>(30,188)</u>	<u>(1,194,212)</u>	<u>(1,258,716)</u>
Net Change in Cash and Cash Equivalents	474,695	268,859	108,613	852,167
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>638,230</u>	-	-	<u>638,230</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,112,925</u>	<u>\$ 268,859</u>	<u>\$ 108,613</u>	<u>\$ 1,490,397</u>

	Golf Operations	Parking	Solid Waste	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (143,780)	\$ 234,492	\$ (592,394)	\$ (501,682)
Nonoperating revenue	26,976	-	156,085	183,061
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	166,441	102,672	812,733	1,081,846
Changes in assets and liabilities				
Accounts receivable	9,492	7,077	125,570	142,139
Inventory	(5,856)	-	-	(5,856)
Deferred outflows related to pensions	36,257	2,837	265,805	304,899
Deferred inflows related to pensions	11,326	612	42,069	54,007
Accounts payable	(10,075)	(463)	(13,764)	(24,302)
Compensated absences	12,259	301	18,050	30,610
Deposits payable	-	(3,768)	-	(3,768)
Unearned revenue	2,543	(74,800)	-	(72,257)
Net pension liability	10,373	(1,268)	(236,430)	(227,325)
Net OPEB obligation	4,788	6,877	10,346	22,011
	<u>\$ 120,744</u>	<u>\$ 274,569</u>	<u>\$ 588,070</u>	<u>\$ 983,383</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES				
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets obtained through capital leases	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,640</u>	

CITY OF BLOOMINGTON

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of April 30, 2017

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
ASSETS				
Current Assets				
Cash and investments	\$ 3,802,147	\$ -	\$ 2,395,389	\$ 6,197,536
Receivables				
Accounts receivable, net of allowance for uncollectibles	2,031	8,839	-	10,870
Due from other funds	150,189	-	-	150,189
Total Current Assets	<u>3,954,367</u>	<u>8,839</u>	<u>2,395,389</u>	<u>6,358,595</u>
Total Assets	<u>3,954,367</u>	<u>8,839</u>	<u>2,395,389</u>	<u>6,358,595</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	-	-	13,456	13,456
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>13,456</u>	<u>13,456</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	74,986	1,928	4,156	81,070
Claims payable	-	-	3,247,092	3,247,092
Due to other funds	-	150,189	-	150,189
Unearned revenues	1,493	4,126	-	5,619
Total Current Liabilities	<u>76,479</u>	<u>156,243</u>	<u>3,251,248</u>	<u>3,483,970</u>
Noncurrent Liabilities				
Claims payable	-	-	1,580,149	1,580,149
Compensated absences	-	-	4,737	4,737
Net pension liability	-	-	27,689	27,689
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>1,612,575</u>	<u>1,612,575</u>
Total Liabilities	<u>76,479</u>	<u>156,243</u>	<u>4,863,823</u>	<u>5,096,545</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	-	-	546	546
NET POSITION				
Unrestricted	<u>3,877,888</u>	<u>(147,404)</u>	<u>(2,455,524)</u>	<u>1,274,960</u>
TOTAL NET POSITION	<u>\$ 3,877,888</u>	<u>\$ (147,404)</u>	<u>\$ (2,455,524)</u>	<u>\$ 1,274,960</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION INTERNAL SERVICE FUNDS For the Year Ended April 30, 2017

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
OPERATING REVENUES				
Charges for services	\$ 10,860,396	\$ 1,646,375	\$ 4,088,963	\$ 16,595,734
Total Operating Revenues	<u>10,860,396</u>	<u>1,646,375</u>	<u>4,088,963</u>	<u>16,595,734</u>
OPERATING EXPENSES				
Personal services	-	-	78,904	78,904
Contractual services	6,929,775	993,053	1,034,662	8,957,490
Other charges, primarily claims	2,741,106	761,587	2,727,627	6,230,320
Commodities	-	-	1,054	1,054
Total Operating Expenses	<u>9,670,881</u>	<u>1,754,640</u>	<u>3,842,247</u>	<u>15,267,768</u>
Operating Income (Loss)	<u>1,189,515</u>	<u>(108,265)</u>	<u>246,716</u>	<u>1,327,966</u>
NONOPERATING REVENUES				
Investment income (loss)	16,173	(1,121)	10,605	25,657
Total Nonoperating Revenues	<u>16,173</u>	<u>(1,121)</u>	<u>10,605</u>	<u>25,657</u>
Income (Loss) Before Transfers	<u>1,205,688</u>	<u>(109,386)</u>	<u>257,321</u>	<u>1,353,623</u>
Change in net position	1,205,688	(109,386)	257,321	1,353,623
NET POSITION (DEFICIT) - Beginning of Year	<u>2,672,200</u>	<u>(38,018)</u>	<u>(2,712,845)</u>	<u>(78,663)</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ 3,877,888</u>	<u>\$ (147,404)</u>	<u>\$ (2,455,524)</u>	<u>\$ 1,274,960</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended April 30, 2017

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 3,072,795	\$ 1,411,291	\$ 4,088,963	\$ 8,573,049
Received from interfund services provided	7,792,058	184,761	-	7,976,819
Paid to suppliers for goods and services	(7,279,990)	(1,011,369)	(1,059,938)	(9,351,297)
Paid to employees for services	-	-	(102,435)	(102,435)
Payments to claimants	<u>(2,912,474)</u>	<u>(806,327)</u>	<u>(2,848,709)</u>	<u>(6,567,510)</u>
Net Cash Flows From Operating Activities	<u>672,389</u>	<u>(221,644)</u>	<u>77,881</u>	<u>528,626</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	<u>16,173</u>	<u>(1,121)</u>	<u>10,605</u>	<u>25,657</u>
Net Cash Flows From Investing Activities	<u>16,173</u>	<u>(1,121)</u>	<u>10,605</u>	<u>25,657</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Change in due from other funds	(150,189)	-	-	(150,189)
Change in due to other funds	<u>-</u>	<u>150,189</u>	<u>-</u>	<u>150,189</u>
Net Cash Flows From Noncapital Financing Activities	<u>(150,189)</u>	<u>150,189</u>	<u>-</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	538,373	(72,576)	88,486	554,283
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>3,263,774</u>	<u>72,576</u>	<u>2,306,903</u>	<u>5,643,253</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 3,802,147</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,395,389</u></u>	<u><u>\$ 6,197,536</u></u>

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,189,515	\$ (108,265)	\$ 246,716	\$ 1,327,966
Changes in assets and liabilities				
Accounts receivable	-	(5,505)	-	(5,505)
Due from other governments	2,964	-	-	2,964
Deferred outflows related to pensions	-	-	25,106	25,106
Deferred inflows related to pensions	-	-	546	546
Accounts payable	(350,215)	(18,316)	(24,222)	(392,753)
Claims payable	(171,368)	(44,740)	(121,082)	(337,190)
Compensated absences	-	-	4,737	4,737
Unearned revenue	1,493	(44,818)	-	(43,325)
Net pension liability	-	-	(53,920)	(53,920)
	<u>-</u>	<u>-</u>	<u>(53,920)</u>	<u>(53,920)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 672,389</u>	<u>\$ (221,644)</u>	<u>\$ 77,881</u>	<u>\$ 528,626</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
None				

CITY OF BLOOMINGTON

As of and for the Year Ended April 30, 2017

PENSION TRUST FUNDS

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

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

CITY OF BLOOMINGTON

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
As of April 30, 2017

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ASSETS			
Cash	\$ 3,350,377	\$ 7,437,976	\$ 10,788,353
Investments			
U.S. government securities	4,966,023	-	4,966,023
U.S. government agencies and corporations	11,983,780	3,308	11,987,088
Annuities - fixed	784,661	16,235,546	17,020,207
Annuities - variable	-	32,647,901	32,647,901
Insurance contracts	1,047,387	-	1,047,387
Mutual funds	46,412,421	-	46,412,421
Corporate bonds	3,629,364	-	3,629,364
Receivables			
Contributions	23,717	17,740	41,457
Accrued interest receivable	80,217	49	80,266
Prepaid items	<u>2,403</u>	<u>12,474</u>	<u>14,877</u>
Total Assets	<u>72,280,350</u>	<u>56,354,994</u>	<u>128,635,344</u>
LIABILITIES			
Accounts payable	<u>1,763</u>	<u>1,739</u>	<u>3,502</u>
Total Liabilities	<u>1,763</u>	<u>1,739</u>	<u>3,502</u>
NET POSITION			
Restricted for pension benefits	<u>\$ 72,278,587</u>	<u>\$ 56,353,255</u>	<u>\$ 128,631,842</u>

CITY OF BLOOMINGTON

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended April 30, 2017

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
ADDITIONS			
Contributions			
Employer	\$ 4,947,245	\$ 4,678,635	\$ 9,625,880
Plan members	1,090,131	810,392	1,900,523
Other	23,986	-	23,986
Total Contributions	<u>6,061,362</u>	<u>5,489,027</u>	<u>11,550,389</u>
Net investment income			
Net appreciation in fair value of investments	5,774,419	(334,209)	5,440,210
Investment earnings	<u>2,224,987</u>	<u>6,478,367</u>	<u>8,703,354</u>
Total Investment Income	7,999,406	6,144,158	14,143,564
Less Investment expense	<u>53,353</u>	<u>2,280</u>	<u>55,633</u>
Net Investment Income	<u>7,946,053</u>	<u>6,141,878</u>	<u>14,087,931</u>
Total Additions	<u>14,007,415</u>	<u>11,630,905</u>	<u>25,638,320</u>
DEDUCTIONS			
Benefits	5,705,744	4,808,874	10,514,618
Refunds of contributions	29,494	79,989	109,483
Administration	<u>80,336</u>	<u>58,891</u>	<u>139,227</u>
Total Deductions	<u>5,815,574</u>	<u>4,947,754</u>	<u>10,763,328</u>
 Change in Net Position	 8,191,841	 6,683,151	 14,874,992
 NET POSITION - Beginning of Year	 <u>64,086,746</u>	 <u>49,670,104</u>	 <u>113,756,850</u>
 NET POSITION, END OF YEAR	 <u>\$ 72,278,587</u>	 <u>\$ 56,353,255</u>	 <u>\$ 128,631,842</u>

CITY OF BLOOMINGTON

Statistical Section Table of Contents

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

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	144 - 153
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax).	154 - 161
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	162 - 165
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	166 - 169
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	170 - 173

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

CITY OF BLOOMINGTON

Statistical Section Comments Relative to Statistical Section

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

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

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

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

CITY OF BLOOMINGTON

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

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities:				
Net investment in capital assets	\$ 136,491,878	\$ 148,943,795	\$ 146,605,302	\$ 141,998,425
Restricted	25,805,238	22,297,585	23,752,833	24,047,676
Unrestricted	<u>(24,458,320)</u>	<u>(32,779,575)</u>	<u>(25,676,528)</u>	<u>(20,669,872)</u>
Total governmental activities net position	<u>\$ 137,838,796</u>	<u>\$ 138,461,805</u>	<u>\$ 144,681,607</u>	<u>\$ 145,376,229</u>
Business-type activities:				
Net investment in capital assets	\$ 173,090,693	\$ 178,771,230	\$ 176,370,673	\$ 179,044,574
Restricted	-	-	-	-
Unrestricted	<u>(13,609,094)</u>	<u>(16,170,178)</u>	<u>(11,160,182)</u>	<u>(5,141,805)</u>
Total business-type activities net position	<u>\$ 159,481,599</u>	<u>\$ 162,601,052</u>	<u>\$ 165,210,491</u>	<u>\$ 173,902,769</u>
Primary government:				
Net investment in capital assets	\$ 277,453,948	\$ 295,641,977	\$ 291,052,732	\$ 288,324,761
Restricted	25,805,238	22,297,585	23,752,833	24,047,676
Unrestricted	<u>(5,938,791)</u>	<u>(16,876,705)</u>	<u>(4,913,467)</u>	<u>6,906,561</u>
Total primary government net position	<u>\$ 297,320,395</u>	<u>\$ 301,062,857</u>	<u>\$ 309,892,098</u>	<u>\$ 319,278,998</u>

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

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

2012	2013	2014	2015	2016	2017
\$ 136,951,012	\$ 145,487,378	\$ 140,453,350	\$ 130,290,380	\$ 123,410,647	\$ 124,189,511
21,180,702	21,970,497	22,726,819	26,535,308	25,724,683	26,319,160
<u>(28,282,415)</u>	<u>(27,244,010)</u>	<u>(29,547,035)</u>	<u>(31,828,171)</u>	<u>(130,943,807)</u>	<u>(132,650,181)</u>
<u>\$ 129,849,299</u>	<u>\$ 140,213,865</u>	<u>\$ 133,633,134</u>	<u>\$ 124,997,517</u>	<u>\$ 18,191,523</u>	<u>\$ 17,858,490</u>
\$ 180,602,114	\$ 173,334,004	\$ 173,237,434	\$ 173,157,013	\$ 177,662,567	\$ 175,223,265
731,077	1,731,542	535,256	384,676	-	-
<u>(3,234,615)</u>	<u>5,646,593</u>	<u>15,271,906</u>	<u>18,710,885</u>	<u>14,454,569</u>	<u>19,712,671</u>
<u>\$ 178,098,576</u>	<u>\$ 180,712,139</u>	<u>\$ 189,044,596</u>	<u>\$ 192,252,574</u>	<u>\$ 192,117,136</u>	<u>\$ 194,935,936</u>
\$ 284,888,303	\$ 286,445,538	\$ 282,447,391	\$ 271,904,847	\$ 274,624,478	\$ 274,634,378
21,911,779	23,702,039	23,262,075	26,919,984	25,724,683	26,319,160
<u>1,147,793</u>	<u>10,778,427</u>	<u>16,968,264</u>	<u>18,425,260</u>	<u>(90,040,502)</u>	<u>(88,159,112)</u>
<u>\$ 307,947,875</u>	<u>\$ 320,926,004</u>	<u>\$ 322,677,730</u>	<u>\$ 317,250,091</u>	<u>\$ 210,308,659</u>	<u>\$ 212,794,426</u>

CITY OF BLOOMINGTON

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

	2008	2009	2010	2011
Expenses				
Governmental Activities:				
General government	\$ 18,338,392	\$ 21,635,391	\$ 18,403,813	\$ 21,269,595
Public safety	34,450,276	35,549,737	34,729,564	33,941,689
Highways and streets	12,575,599	13,016,483	9,183,775	11,035,611
Sanitation	9,449,458	9,740,729	9,497,778	3,407,975
Health and welfare	341,668	385,763	227,381	185,254
Culture and recreation	19,430,710	19,693,469	18,704,065	15,635,645
Parking	-	-	-	-
Community development	1,722,641	2,581,821	2,585,904	3,006,136
Interest on long-term debt	3,511,061	3,818,741	3,079,173	3,091,812
Total governmental activities expenses	99,819,805	106,422,134	96,411,453	91,573,717
Business-type activities:				
Water	12,593,489	13,304,208	11,913,635	11,417,741
Solid waste	-	-	-	6,420,312
Sewer	3,036,276	2,978,211	2,671,316	2,519,349
Golf operations	-	-	-	2,940,876
Parking	1,276,654	1,320,417	1,194,730	1,365,633
Bloomington Coliseum	4,924,998	5,487,127	4,316,453	4,745,413
Stormwater management	2,569,307	1,883,729	1,421,742	1,969,551
Total business-type activities expenses	24,400,724	24,973,692	21,517,876	31,378,875
Total primary government expenses	124,220,529	131,395,826	117,929,329	122,952,592
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	4,728,635	4,627,434	4,181,471	4,406,488
Public safety	4,176,833	4,366,710	5,287,104	4,490,756
Highway and streets	253,236	440,101	270,070	112,721
Sanitation	1,852,591	2,494,153	4,833,700	587,510
Culture and recreation	5,283,744	5,490,683	5,353,983	2,760,663
Parking	-	-	-	-
Community development	5,250	-	-	3,609
Operating grants and contributions:				
General government	776,794	827,948	747,049	941,168
Public safety	217,603	230,740	384,535	623,262
Highway and streets	2,158,822	2,723,520	1,953,251	2,283,401
Culture and recreation	134,062	179,901	284,737	146,574
Community development	932,531	1,496,741	1,081,081	1,311,676
Capital grants and contributions:				
General government	9,738	-	-	16,728
Public safety	33,563	297,303	75,900	44,211
Highway and streets	6,172,528	8,134,855	2,424	2,391,243
Sanitation	173,973	-	-	-
Health and welfare	-	2,500	-	-
Culture and recreation	666,490	125,789	1,432,241	248,879
Community development	16,875	8,142	-	-
Total governmental activities program revenues	27,593,268	31,446,520	25,887,546	20,368,889

2012	2013	2014	2015	2016	2017
\$ 18,090,767	\$ 14,421,291	\$ 14,805,106	\$ 15,619,531	\$ 17,402,473	\$ 21,823,425
44,705,349	44,463,306	46,229,840	49,672,616	51,075,108	55,797,870
17,919,414	15,780,609	19,207,031	22,497,411	18,417,951	19,162,100
-	-	-	-	-	-
7,009	-	-	-	-	-
17,440,404	16,077,959	16,842,698	16,936,586	15,678,909	16,483,127
-	598,649	580,795	555,875	537,924	356,081
844,938	821,486	954,862	1,765,786	854,320	799,428
2,885,111	2,960,261	3,048,823	2,950,678	2,036,963	1,970,919
<u>101,892,992</u>	<u>95,123,561</u>	<u>101,669,155</u>	<u>109,998,483</u>	<u>106,003,648</u>	<u>116,392,950</u>
14,709,029	13,618,340	13,793,431	12,871,172	13,276,164	13,705,031
5,862,358	6,240,362	6,557,550	6,982,277	6,529,308	6,644,660
3,592,333	5,731,335	3,493,445	4,535,404	4,742,762	6,098,022
2,760,286	2,705,867	2,623,429	2,577,477	2,168,430	2,387,004
1,116,163	287,004	289,365	309,688	295,461	329,789
4,805,847	4,430,258	5,500,304	4,138,094	5,115,442	4,705,096
2,268,299	2,242,027	1,680,889	2,511,502	2,423,371	2,275,865
<u>35,114,315</u>	<u>35,255,193</u>	<u>33,938,413</u>	<u>33,925,614</u>	<u>34,550,938</u>	<u>36,145,467</u>
<u>137,007,307</u>	<u>130,378,754</u>	<u>135,607,568</u>	<u>143,924,097</u>	<u>140,554,586</u>	<u>152,538,417</u>
4,235,809	4,073,958	4,200,014	3,959,679	7,415,052	7,610,241
5,045,013	5,779,223	5,760,420	5,765,961	6,466,873	7,389,074
707,684	871,572	708,805	639,292	576,931	670,619
-	-	-	-	-	-
2,856,130	2,952,864	3,318,385	3,205,570	3,102,963	3,316,677
-	540,765	466,577	401,367	432,232	336,346
1	-	-	-	-	-
807,945	742,693	742,297	755,341	643,844	589,693
302,575	172,588	147,284	96,774	104,463	46,228
2,275,072	2,214,382	2,297,161	2,608,949	2,090,573	2,200,917
126,590	45,875	116,023	147,823	248,680	183,217
826,725	965,484	857,533	1,081,285	1,034,979	796,017
-	-	-	-	-	-
89,015	9,856	39,692	943,110	752,118	828,484
2,162,696	3,403,664	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,142	17,202	411,520	56,000	-	-
-	-	-	-	-	-
<u>19,463,397</u>	<u>21,790,126</u>	<u>19,065,711</u>	<u>19,661,151</u>	<u>22,868,708</u>	<u>23,967,513</u>

CITY OF BLOOMINGTON

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

	2008	2009	2010	2011
Business-type activities:				
Charges for services:				
Water	\$ 14,291,026	\$ 13,590,410	\$ 14,166,454	\$ 15,645,249
Solid waste	-	-	-	4,282,084
Sewer	2,445,451	2,524,990	3,206,540	3,854,987
Golf operations	-	-	-	2,640,194
Parking	967,286	969,091	3,136,452	821,278
Bloomington Coliseum	3,806,995	3,846,337	2,804,003	3,731,540
Stormwater management	2,801,809	2,754,972	844,666	2,780,282
Operating grants and contributions:				
Water	-	-	-	-
Capital grants and contributions:				
Water	1,527,040	2,060,678	-	58,190
Sewer	1,737,800	1,612,880	-	121,433
Stormwater management	58,000	83,000	-	1,500
Total business-type activities program revenues	27,635,407	27,442,358	24,158,115	33,936,737
Total primary government program revenues	55,228,675	58,888,878	50,045,661	54,305,626
Net (Expense)/Revenue				
Governmental activities	(72,226,537)	(74,975,614)	(70,523,907)	(71,204,828)
Business-type activities	3,234,683	2,468,666	2,640,239	2,557,862
Total primary government net expense	(68,991,854)	(72,506,948)	(67,883,668)	(68,646,966)
General Revenues and Other				
Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	21,432,299	22,727,412	23,386,613	25,465,406
Franchise taxes	1,200,831	1,301,239	1,453,175	1,840,488
Sales tax	14,516,483	13,310,929	12,802,414	12,967,729
Home rule sales tax	11,081,893	13,438,958	13,718,465	13,711,320
Utility taxes	5,430,000	5,487,413	4,945,364	3,026,589
Income taxes	6,903,198	6,831,333	5,954,799	5,845,551
Food and beverage	3,537,421	3,790,636	3,771,842	3,805,477
Other taxes	5,696,800	6,114,645	5,689,780	7,988,053
Investment earnings	1,153,736	(3,044,846)	2,226,564	989,986
Miscellaneous	2,467,166	2,485,164	1,968,950	1,665,977
Transfers	(31,441,761)	291,739	825,743	(5,407,126)
Total governmental activities	41,978,066	72,734,622	76,743,709	71,899,450
Business-type activities:				
Home rule sales tax	-	-	-	-
Investment earnings	75,192	12,308	10,522	62,633
Miscellaneous	934,256	1,063,651	810,375	664,659
Gain (loss) on sale of assets	12,943	(960)	(825,743)	-
Transfers	31,441,761	(291,739)	-	5,407,126
Total business-type activities	32,464,152	783,260	(4,846)	6,134,418
Total primary government	74,442,218	73,517,882	76,738,863	78,033,868
Change in Net Position:				
Governmental activities	(30,248,471)	(2,240,992)	6,219,802	694,622
Business-type activities	35,698,835	3,251,926	2,635,393	8,692,280
Total primary government	\$ 5,450,364	\$ 1,010,934	\$ 8,855,195	\$ 9,386,902

	2012	2013	2014	2015	2016	2017
\$	16,661,190	\$ 17,634,395	\$ 16,715,287	\$ 15,670,011	\$ 15,559,320	\$ 15,847,003
	4,313,505	4,890,868	4,913,004	5,328,215	6,012,621	6,093,425
	4,628,747	5,353,308	5,144,926	4,827,318	4,809,656	4,716,201
	2,658,486	2,496,674	2,456,062	2,247,186	2,266,795	2,255,773
	732,200	344,802	498,045	430,144	367,453	518,106
	3,728,185	3,562,252	3,864,740	2,587,395	3,331,795	2,643,835
	2,763,912	2,730,053	2,728,131	2,660,549	2,990,570	2,719,099
	-	-	-	-	739	463
	481,694	772,590	738,223	296,003	361,712	301,814
	945,750	630,793	681,008	158,305	222,629	177,265
	-	-	681,008	9	-	-
	<u>36,913,669</u>	<u>38,415,735</u>	<u>38,420,434</u>	<u>34,205,135</u>	<u>35,923,290</u>	<u>35,272,984</u>
	<u>56,377,066</u>	<u>60,205,861</u>	<u>57,486,145</u>	<u>53,866,286</u>	<u>58,791,998</u>	<u>59,240,497</u>
	(82,429,595)	(73,333,435)	(82,603,444)	(90,337,332)	(83,134,940)	(92,425,437)
	1,799,354	3,160,542	4,482,021	279,521	1,372,352	(872,483)
	<u>(80,630,241)</u>	<u>(70,172,893)</u>	<u>(78,121,423)</u>	<u>(90,057,811)</u>	<u>(81,762,588)</u>	<u>(93,297,920)</u>
	23,954,699	23,733,551	23,318,742	23,214,696	23,709,180	24,005,543
	1,880,327	1,975,390	2,031,681	2,038,485	2,057,918	2,242,118
	13,376,536	15,014,025	13,599,481	13,463,414	14,213,470	13,749,025
	14,251,763	12,147,780	12,884,341	12,578,389	17,116,537	21,432,131
	2,892,668	2,972,863	3,181,207	4,199,502	6,837,815	6,716,095
	6,225,737	6,904,133	7,465,350	7,502,770	8,164,515	7,241,547
	3,960,486	4,184,431	4,227,203	4,323,168	4,462,657	4,301,263
	8,561,867	10,864,287	9,538,733	13,006,938	12,160,846	12,270,818
	82,170	65,877	168,227	31,440	152,614	284,891
	1,589,103	1,771,832	1,841,407	1,441,162	1,709,311	1,439,315
	(921,878)	3,296,836	(1,620,659)	(893,249)	(861,614)	(1,590,342)
	<u>75,853,478</u>	<u>82,931,005</u>	<u>76,635,713</u>	<u>80,906,715</u>	<u>89,723,249</u>	<u>92,092,404</u>
	-	1,309,531	1,665,044	1,451,196	979,315	1,282,752
	23,508	17,545	12,299	621	116,079	162,325
	463,639	783,928	706,115	583,391	939,313	645,553
	-	-	-	-	119,375	10,311
	921,878	(3,296,836)	1,620,659	893,249	861,614	1,590,342
	<u>1,409,025</u>	<u>(1,185,832)</u>	<u>4,004,117</u>	<u>2,928,457</u>	<u>3,015,696</u>	<u>3,691,283</u>
	<u>77,262,503</u>	<u>81,745,173</u>	<u>80,639,830</u>	<u>83,835,172</u>	<u>92,738,945</u>	<u>95,783,687</u>
	(6,576,117)	9,597,570	(5,967,731)	(9,430,617)	6,588,309	(333,033)
	3,208,379	1,974,710	8,486,138	3,207,978	4,388,048	2,818,800
\$	<u>(3,367,738)</u>	<u>\$ 11,572,280</u>	<u>\$ 2,518,407</u>	<u>\$ (6,222,639)</u>	<u>\$ 10,976,357</u>	<u>\$ 2,485,767</u>

CITY OF BLOOMINGTON

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

	Fiscal Year			
	2008	2009	2010	2011
General fund:				
Reserved	\$ 3,487,978	\$ 1,979,663	\$ 1,077,903	\$ 1,137,339
Unreserved	(108,628)	2,143,575	9,666,497	14,472,349
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total general fund	<u>\$ 3,379,350</u>	<u>\$ 4,123,238</u>	<u>\$ 10,744,400</u>	<u>\$ 15,609,688</u>
All other governmental funds:				
Reserved	\$ 17,709,194	\$ 22,141,631	\$ 22,183,539	\$ 19,742,871
Unreserved, reported in:				
Special revenue funds	3,149,423	4,309,132	4,548,701	6,490,469
Debt service funds	10,410,502	-	-	-
Capital projects funds	215,166	(3,263,396)	(1,463,076)	162,454
Permanent funds	2,997,312	860,349	2,366,709	3,218,845
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 34,481,597</u>	<u>\$ 24,047,716</u>	<u>\$ 27,635,873</u>	<u>\$ 29,614,639</u>
 Total fund balance	 <u>\$ 37,860,947</u>	 <u>\$ 28,170,954</u>	 <u>\$ 38,380,273</u>	 <u>\$ 45,224,327</u>

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

2012	2013	2014	2015	2016	2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,033,252	999,277	751,816	681,823	866,382	702,503
567,069	-	-	-	991,845	1,663,067
-	-	-	1,887,372	3,694,295	4,906,931
1,600,094	2,890,988	3,204,897	3,062,217	3,019,496	2,598,348
11,005,484	15,996,257	14,065,579	11,242,859	13,306,894	14,764,537
<u>\$ 16,205,899</u>	<u>\$ 19,886,522</u>	<u>\$ 18,022,292</u>	<u>\$ 16,874,271</u>	<u>\$ 21,878,912</u>	<u>\$ 24,635,386</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,552,882	1,276,843	1,245,957	1,297,951	21,325	2,134
16,457,650	16,287,019	27,615,987	24,911,820	26,391,584	26,555,352
3,784,010	4,950,203	5,351,066	1,443,141	1,100,595	3,643,623
3,010,072	2,968,527	677,451	2,186,698	1,734,442	2,226,112
(9,218)	(15,314)	(194,156)	(1,058,730)	(562,872)	(2,134,875)
<u>\$ 24,795,396</u>	<u>\$ 25,467,278</u>	<u>\$ 34,696,305</u>	<u>\$ 28,780,880</u>	<u>\$ 28,685,074</u>	<u>\$ 30,292,346</u>
<u>\$ 41,001,295</u>	<u>\$ 45,353,800</u>	<u>\$ 52,718,597</u>	<u>\$ 45,655,151</u>	<u>\$ 50,563,986</u>	<u>\$ 54,927,732</u>

CITY OF BLOOMINGTON

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

	Fiscal Year			
	2008	2009	2010	2011
Revenues				
Taxes	\$ 70,029,067	\$ 73,000,976	\$ 71,720,876	\$ 74,643,879
Intergovernmental	4,858,283	7,557,309	5,498,859	7,695,144
Licenses and permits	1,299,784	1,159,244	1,096,428	1,017,742
Charges for services	14,037,630	15,201,644	17,680,232	10,458,645
Fines and forfeitures	962,875	1,058,196	1,149,668	900,787
Investment income	685,728	(1,796,445)	1,719,064	970,231
Other	2,467,166	2,480,562	1,964,350	1,661,377
Total revenues	<u>94,340,533</u>	<u>98,661,486</u>	<u>100,829,477</u>	<u>97,347,805</u>
Expenditures				
Current:				
General government	16,787,245	20,301,571	17,547,660	20,710,593
Public safety	31,251,494	32,027,770	31,467,245	31,223,244
Highways and streets	5,331,028	8,427,235	6,323,406	4,831,185
Sanitation	8,932,278	8,994,956	9,045,286	3,707,985
Health and welfare	337,607	375,591	219,711	224,099
Culture and recreation	17,063,156	16,969,886	16,264,050	13,337,386
Community development	2,069,292	2,889,084	3,042,173	3,016,860
Parking	-	-	-	-
Capital outlay	12,268,293	10,430,629	3,943,966	6,184,117
Debt service:				
Principal	3,494,506	5,640,125	3,665,785	3,911,487
Bond issuance costs	-	-	59,573	-
Interest and fiscal agent fees	2,893,378	3,433,882	3,056,065	3,112,038
Total expenditures	<u>100,428,277</u>	<u>109,490,729</u>	<u>94,634,920</u>	<u>90,258,994</u>
Excess of revenues over (under) expenditures	<u>(6,087,744)</u>	<u>(10,829,243)</u>	<u>6,194,557</u>	<u>7,088,811</u>
Other financing sources (uses)				
Transfers in	9,284,990	7,728,999	9,144,555	8,496,107
Transfers out	(8,783,275)	(7,437,260)	(8,318,812)	(9,005,355)
Bonds issued, at par	3,740,000	-	-	-
Refunding bonds	-	-	2,840,000	-
Capital leases	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium (discount) on long-term debt	11,698	-	(46,282)	-
Proceeds from sale of property	411,022	109,909	395,301	264,491
Unrealized loss on sale of investment	-	-	-	-
Total other financing sources (uses)	<u>4,664,435</u>	<u>401,648</u>	<u>4,014,762</u>	<u>(244,757)</u>
Net change in fund balances	<u>\$ (1,423,309)</u>	<u>\$ (10,427,595)</u>	<u>\$ 10,209,319</u>	<u>\$ 6,844,054</u>
Debt service as a percentage of noncapital expenditures	7.1%	9.3%	7.7%	8.2%

2012	2013	2014	2015	2016	2017
\$ 74,983,554	\$ 77,800,146	\$ 76,274,505	\$ 80,035,386	\$ 86,118,410	\$ 94,034,099
4,980,530	4,168,080	4,598,509	4,757,092	4,155,615	3,827,462
1,120,226	1,280,698	1,205,523	1,141,389	1,260,597	1,344,424
10,642,257	11,745,246	11,928,834	12,455,491	11,698,902	12,093,245
1,031,879	1,192,438	1,319,845	1,169,989	1,094,160	1,448,225
76,208	65,667	168,318	140,138	139,075	259,234
1,584,503	1,767,232	1,841,407	1,441,162	1,651,131	1,439,315
<u>94,419,157</u>	<u>98,019,507</u>	<u>97,336,941</u>	<u>101,140,647</u>	<u>106,117,890</u>	<u>114,446,004</u>
16,685,623	13,823,919	14,488,616	15,065,960	14,904,843	17,258,591
42,026,078	41,102,503	42,650,202	46,020,034	48,233,671	50,614,396
9,452,467	9,484,042	7,686,292	7,063,810	6,699,493	7,876,630
-	-	-	-	-	-
-	-	-	-	-	-
14,686,438	13,821,831	14,461,038	14,730,562	14,373,638	14,586,836
785,577	773,068	906,444	1,069,537	996,933	750,029
-	439,483	409,150	446,857	445,797	360,577
8,415,354	9,055,786	10,076,492	13,232,556	7,092,361	8,776,145
1,507,216	4,415,866	14,897,145	30,346,574	9,000,251	6,894,854
165,794	-	124,468	440,550	-	-
2,912,844	2,947,855	2,877,396	3,571,873	2,173,650	2,097,599
<u>96,637,391</u>	<u>95,864,353</u>	<u>108,577,243</u>	<u>131,988,313</u>	<u>103,920,637</u>	<u>109,215,657</u>
<u>(2,218,234)</u>	<u>2,155,154</u>	<u>(11,240,302)</u>	<u>(30,847,666)</u>	<u>2,197,253</u>	<u>5,230,347</u>
10,543,930	9,996,417	10,655,277	10,880,246	9,442,254	12,685,307
(11,965,808)	(10,977,001)	(12,515,117)	(11,773,495)	(10,259,545)	(14,275,649)
6,181,620	-	9,780,000	-	-	-
5,075,000	-	7,800,000	24,620,000	-	-
1,594,476	2,592,610	1,422,956	-	3,417,707	702,220
(5,182,083)	-	-	(237,800)	-	-
196,695	-	856,258	356,198	-	-
172,368	63,664	605,725	45,954	111,166	21,521
-	-	-	(106,883)	-	-
<u>6,616,198</u>	<u>1,675,690</u>	<u>18,605,099</u>	<u>23,784,220</u>	<u>2,711,582</u>	<u>(866,601)</u>
<u>\$ 4,397,964</u>	<u>\$ 3,830,844</u>	<u>\$ 7,364,797</u>	<u>\$ (7,063,446)</u>	<u>\$ 4,908,835</u>	<u>\$ 4,363,746</u>

4.9%

8.4%

17.0%

26.4%

11.2%

8.6%

CITY OF BLOOMINGTON

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

Fiscal Year	Tax Year	Residential Property	Commercial Property	Industrial Property	Farm Property
2009	2007	1,045,491,797	610,915,300	10,537,721	283,509
2010	2008	1,096,691,125	620,940,813	10,383,824	295,521
2011	2009	1,138,287,680	622,816,511	10,247,265	393,358
2012	2010	1,152,480,233	636,484,972	9,098,042	447,824
2013	2011	1,161,010,532	629,450,497	8,368,378	614,629
2014	2012	1,135,803,071	616,446,829	8,088,718	626,174
2015	2013	1,127,217,408	619,594,728	13,294,216	654,109
2016	2014	1,155,580,583	625,651,790	12,738,347	674,550
2017	2015	1,171,670,602	626,317,035	11,989,029	690,292
2018	2016	1,194,158,005	645,032,301	10,816,518	715,841

Source: County of McLean Tax Extension Office

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

<u>Railway Property</u>	<u>Total Taxable Assessed Value</u>	<u>Percent Growth</u>	<u>Total Direct Tax Rate</u>	<u>Actual Value</u>	<u>Value as a Percentage of Actual Value</u>
434,478	1,667,662,805	6.94%	1.2727	5,002,988,415	33.33%
476,611	1,728,787,894	3.67%	1.2565	5,186,363,682	33.33%
582,005	1,772,326,819	2.52%	1.3308	5,316,980,457	33.33%
653,488	1,799,164,559	1.51%	1.3112	5,397,493,677	33.33%
690,246	1,800,134,282	0.05%	1.3103	5,400,402,846	33.33%
739,773	1,761,704,565	-2.13%	1.3161	5,285,113,695	33.33%
811,342	1,761,571,803	-0.01%	1.3181	5,284,715,409	33.33%
830,183	1,795,475,453	1.92%	1.3211	5,386,426,359	33.33%
951,400	1,811,618,358	0.90%	1.3283	5,434,855,074	33.33%
935,914	1,851,658,579	2.21%	1.3366	5,554,975,737	33.33%

CITY OF BLOOMINGTON

DIRECT AND OVERLAPPING PROPERTY TAX RATES Last Ten Fiscal Years

Levy Year	City Direct Rates								
	General Fund	Fire Pension Fund	Police Pension Fund	Illinois Municipal Retirement Fund	Judgment Fund	Bond and Interest Fund	Public Benefit Fund	Public Library Fund	Audit Fund
2007	0.44664	0.15129	0.14515	0.09960	0.00607	0.14342	0.00940	0.26601	0.00508
2008	0.41939	0.13747	0.18257	0.11137	0.00578	0.12610	0.00897	0.26108	0.00376
2009	0.41474	0.17583	0.21686	0.14122	-	0.12300	-	0.25467	0.00451
2010	0.38496	0.18942	0.22558	0.13914	-	0.12118	-	0.25090	-
2011	0.44285	0.17285	0.18370	0.13904	-	0.12111	-	0.25073	-
2012	0.44838	0.16509	0.18060	0.14207	-	0.12376	-	0.25620	-
2013	0.35680	0.22400	0.21333	0.14208	-	0.12376	-	0.25811	-
2014	0.35006	0.23370	0.22323	0.13940	-	0.12143	-	0.25323	-
2015	0.36593	0.23162	0.22124	0.13816	-	0.12034	-	0.25098	-
2016	0.42249	0.22665	0.21650	0.10023	-	0.11776	-	0.25296	-

Source: County of McLean Tax Extension Office

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

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

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

Overlapping Rates

Total Direct	School District*	McLean County	Township	Water Reclamation District	Airport Authority	Heartland Community College	Total Overlapping Rates	Total All Rates
1.27266	4.51459	0.90098	0.22080	0.15871	0.10781	0.44423	6.34712	7.61978
1.25649	4.58085	0.89659	0.18683	0.16036	0.11008	0.45473	6.38944	7.64593
1.33083	4.69289	0.90687	0.18217	0.16476	0.08546	0.45910	6.49125	7.82208
1.31118	4.76383	0.91673	0.17309	0.16391	0.09855	0.47361	6.58972	7.90090
1.31028	4.65741	0.91571	0.12829	0.16390	0.15486	0.47584	6.49601	7.80629
1.31610	4.72322	0.91165	0.14145	0.16402	0.12745	0.48255	6.55034	7.86644
1.31808	4.83486	0.90375	0.12243	0.17011	0.12736	0.50667	6.66518	7.98326
1.32105	4.95303	0.90133	0.12541	0.17216	0.13655	0.50469	6.79317	8.11422
1.32827	5.15877	0.91836	0.12433	0.17446	0.13572	0.54046	7.05210	8.38037
1.33659	5.13998	0.91399	0.12166	0.17931	0.12442	0.58840	7.06776	8.40435

CITY OF BLOOMINGTON

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

2016

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Assessed Value</u>
State Farm Insurance Company	\$ 172,191,939	1	8.61%
Eastland Mall	16,951,118	2	0.85%
Country Life Insurance Company	12,956,762	3	0.65%
Wingover Apartments	9,461,336	4	0.47%
Illinois Agricultural Association	9,179,192	5	0.46%
Brookridge Apartments	7,459,132	6	0.37%
US REIF Parkway Fee LLC	6,300,232	7	0.32%
Westminister Village	6,199,992	8	0.31%
Snyder Brickyard Apartment	5,008,555	9	0.25%
Kimco Realty Corp./Schnuck's Strip Mall	4,300,647	10	-
Turneberry Village	-		-
Wal-Mart	-		-
Totals	\$ 250,008,905		12.50%

Note: Total 2007 Assessed Valuation

Note: Total 2016 Assessed Valuation \$ 1,999,953,252

Source: City of Bloomington Township Assessor's Office

2007

<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Assessed Value</u>
\$ 165,788,437	1	9.37%
18,566,682	2	1.05%
14,058,069	3	0.79%
-	-	-
9,725,470	4	0.55%
-	-	-
5,602,584	7	0.32%
5,589,746	8	0.32%
8,437,323	5	0.48%
4,334,632	10	0.24%
5,347,759	9	0.30%
6,137,849	6	0.35%
<u>\$ 243,588,551</u>		<u>13.76%</u>
<u>\$ 1,770,026,952</u>		

CITY OF BLOOMINGTON

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

Fiscal Year Ended April 30	Tax Year	Taxes Levied for the Fiscal Year*	Collected within the Fiscal Year Levied for		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
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	23,214,696	99.98%	-	23,214,696	99.98%
2016	2014	23,719,128	23,709,179	99.96%	-	23,709,179	99.96%
2017	2015	24,063,364	24,005,543	99.76%	-	24,005,543	99.76%
2018**	2016	24,744,317	N/A	N/A	N/A	N/A	N/A

Source: County of McLean Tax Extension Office

Note:

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

* Includes Library

** 2016 levy to be collected in fiscal year 2018

CITY OF BLOOMINGTON

SALES TAX REVENUE Last Ten Fiscal Years (Unaudited)

Fiscal Year	State Sales Tax	Tax Rate*	Home Rule Sales Tax	Tax Rate**	Total Sales Taxes
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
2015	13,463,414	1.00%	14,029,585	1.50%	27,492,999
2016	13,698,690	1.00%	16,000,560	1.50%/2.50%	29,699,250
2017	14,337,218	1.00%	24,200,157	2.50%	38,537,375

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

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

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

CITY OF BLOOMINGTON

RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year	Governmental Activities				General Obligation Bonds (3)
	General Obligation Bonds (3)	Loan Payable	Capital Lease Payable (2)	Developer Agreements	
2008	\$ 77,002,965	\$ -	\$ 102,081	\$ 728,000	\$ 6,260,000
2009	71,825,000	-	91,956	328,000	6,260,000
2010	71,010,000	-	81,171	-	6,105,000
2011	67,110,000	-	69,684	-	5,945,000
2012	71,837,022	-	4,661,944	-	7,223,583
2013	68,613,251	-	6,124,603	-	7,050,073
2014	73,782,612	-	5,652,233	-	6,287,563
2015	69,788,322	-	4,437,549	-	5,660,943
2016	62,656,950	215,282	5,687,776	-	5,001,073
2017	57,484,308	133,775	4,621,650	-	4,792,653

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

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

Business Activities

<u>Loan Payable</u>	<u>Capital Lease Payable(2)</u>	<u>Note Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ 6,667,215	\$ -	\$ 12,076,536	\$ 102,836,797	3.859%	\$ 1,371.61
6,353,679	-	11,849,815	96,708,450	3.629%	1,289.88
7,154,597	-	11,341,614	95,692,382	3.591%	1,276.32
6,898,161	-	11,048,535	91,071,380	3.139%	1,214.69
6,501,727	4,266,193	10,489,855	104,980,324	3.277%	1,370.32
12,547,689	5,908,123	12,073,084	112,316,823	3.485%	1,457.32
12,201,064	5,876,355	11,369,404	115,169,231	3.382%	1,481.60
11,586,828	4,184,540	10,650,952	106,309,134	3.111%	1,350.30
11,142,240	2,936,049	9,917,359	97,556,729	2.791%	1,239.13
10,332,586	4,502,466	9,168,244	91,035,682	2.619%	1,162.77

CITY OF BLOOMINGTON

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

Fiscal Year	General Obligation Bonds (1)	Less Amount Available in Debt Service	Net General Bonded Debt	Percentage of Actual Property Value	Debt Per Capita
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
2015	74,977,100	10,071,799	64,905,301	1.20%	824.40
2016	67,658,023	7,731,208	59,926,815	1.10%	761.17
2017	62,276,961	7,733,251	54,543,710	0.98%	696.67

Note:

CITY OF BLOOMINGTON

DIRECT AND OVERLAPPING DEBT For the Year Ended December 31, 2016 (Payable in 2017) (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	\$ 35,861,097	67.72%	\$ 24,285,135
Bloomington Schools District #87	59,964,792	99.68%	59,772,905
Normal School District #5	143,675,733	45.98%	66,062,102
Tri-Valley Community Unit School District #3	6,088,083	0.60%	36,528
Olympia Unit #16	14,631,014	52.56%	7,690,061
Heartland Community College #540	69,941,175	59.68%	41,740,893
County of McLean	986	48.23%	476
McLean County PBC	4,095,000	48.23%	<u>1,975,019</u>
Subtotal, Overlapping Debt			201,563,118
City direct debt	62,239,733		<u>62,239,733</u>
Total direct and overlapping debt			<u><u>\$ 263,802,851</u></u>

Source: McLean County Clerk

Debt outstanding based on amounts reported by McLean County as of December 31, 2016.

Overlapping debt percentages based on McLean County 2016 EAV

CITY OF BLOOMINGTON

DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Calendar Years (Unaudited)

Calendar Year	Population (1)	Per Capita (2) Personal Income	Total Personal Income (thousands) (3)	Median Age (1)	School Enrollment (1)
2007	74,975	35,546	2,665,061	31	7,685
2008	74,975	36,082	2,705,248	31	7,324
2009	74,975	38,985	2,922,900	31	5,304*
2010	74,975	38,695	2,901,158	31	5,250*
2011	76,610	41,816	3,203,524	32	5,414 *
2012	77,071	41,816	3,222,801	32.3	5,338*
2013	77,733	43,807	3,405,250	32.3	5,428 *
2014	78,730	43,411	3,417,748	32.2	5,415 *
2015	78,730	44,397	3,495,376	33	5,455 *
2016	78,292	44,397	3,475,930	33	5,455 *

Sources:

- (1) Bloomington-Normal 2017 Economic Development Council Demographic Profile
- (2) US Commerce Department - Bureau of Economic Analysis. Data gathered for Bloomington/Normal region, as separate information is not disclosed.
Per Capita Personal Income & Total Personal Income is not currently available for 2016.
- * Private school enrollment is no longer provided as of calendar year 2009

<u>Median House Costs (1)</u>	<u>Unemployment Rate (1)</u>	<u>Annual Airport Usage (1)</u>
171,859	4.00%	269,839
177,194	5.00%	268,860
166,533	7.10%	250,135
176,909	7.70%	274,677
169,413	7.20%	284,852
171,991	6.90%	240,181
173,539	7.30%	211,957
169,318	5.50%	204,523
170,899	4.90%	186,633
169,860	5.10%	192,140

CITY OF BLOOMINGTON

PRINCIPAL EMPLOYERS Current Year and Nine Years Ago (Unaudited)

<u>Employer</u>	2017			2008		
	<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	14,532	1	16.2%	15,297	1	16.7%
Illinois State University	3,300	2	3.7%	3,152	2	3.4%
Country Insurance and Financial Services	1,939	3	2.2%	2,204	3	2.4%
Unit 5 Schools	1,669	4	1.9%	1,754	4	1.9%
Advocate BroMenn Medical Center	1,271	5	1.4%	1,537	6	1.7%
OSF-St. Joseph Medical Center	894	6	1.0%	997	8	1.1%
Afni, Inc.	760	7	0.8%	1,012	7	1.1%
McLean County Government	713	8	0.8%	870	9	1.0%
District 87 Schools	594	T-9	0.7%			
City of Bloomington	594	T-9	0.7%	645	10	0.7%
Mitsubishi Motor Manufacturing				1,725	5	1.9%
Total top 10 employers	26,266		29.3%	29,193		31.9%
Total Labor Force	89,681			91,382		

Source: Bloomington-Normal 2017 Economic Development Demographic Profile

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

CITY OF BLOOMINGTON

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

Function/Program	2008	2009	2010	2011	2012	2013*	2014*	2015*	2016*	2017*
General Government:										
City Manager	14	14	8	8	9	4	7	7	6	6
City Clerk	4	4	3	3	3	3	4	4	4	4
Personnel	10	8	8	7	9	8	8	8	9	11
Finance	15	12	9	9	10	11	13	13	13	12
Information Services	15	15	10	10	10	10	12	12	10	11
Legal	5	6	5	5	6	6	6	6	4	5
Building Safety	15	15	11	11	11	12	12	12	12	10
Planning	3	3	1	1	1	1	1	1	1	1
Facility Management	4	3	3	3	3	3	3	3	3	4
Community Development	3	2	-	-	-	1	-	-	-	-
Code Enforcement	11	13	11	11	12	11	11	11	12	14
Economic Development	-	-	-	-	-	-	1	1	1	1
Parks and Recreation:										
General and Administration	39	38	37	37	43	27	27	27	27	27
SOAR	7	7	6	6	6	2	2	2	2	2
Recreation	26	23	16	16	15	5	5	5	4	4
Pool(s)	8	9	8	8	7	1	-	-	-	-
Zoo	18	16	15	15	14	9	9	9	9	9
Golf Course(s)	39	38	34	34	30	7	8	8	8	7
Public Ice Rink	12	11	11	11	11	3	3	3	3	3
Police:										
Officers and Civilians	163	178	157	160	162	158	160	160	160	161
Fire:										
Firefighters, Officers and Civilians	117	117	109	109	109	109	113	113	117	118
Public Works:										
Administration	4	4	3	3	4	3	3	3	3	4
Street Maintenance	16	16	32	32	22	17	17	17	19	19
Street Sweeping	1	1	-	-	-	-	-	-	-	-
Snow and Ice Control	4	4	-	-	-	-	-	-	-	-
Refuse Collection	50	50	59	59	58	-	-	-	-	-
Weed Control	2	2	-	-	-	-	-	-	-	-
Fleet Management	12	11	9	9	9	9	9	9	9	9
Street Lighting	2	2	-	-	-	-	-	-	-	-
Traffic Control	13	13	1	1	-	-	-	-	-	-
Water:										
Administration	9	9	5	5	4	5	9	9	9	9
Transmission	25	27	17	17	18	16	14	14	16	15
Purification	18	18	14	14	16	15	16	16	15	15
Lake Bloomington Park	8	8	8	8	7	5	3	3	3	3
Water Meter Billing Services	-	-	10	1	10	10	8	8	7	8
Sewer Maintenance	18	18	5	5	15	14	14	14	13	14
Stormwater	11	11	10	10	14	12	11	11	9	10
Other Programs/Functions:										
Solid Waste Management	-	-	-	-	-	39	40	40	40	34
Engineering	19	19	15	15	11	9	9	9	9	7
Library	59	61	63	63	65	45	44	44	45	45
General Fund Parking	9	8	7	7	7	7	5	5	5	5
Abraham Lincoln Parking	-	-	-	-	-	-	-	-	1	1
Casualty Insurance	-	-	-	-	-	-	-	-	1	1
JM Scott	3	3	-	-	-	-	-	-	-	-
Board of Elections	-	-	-	-	-	1	1	1	1	2
BCPA	53	19	19	19	17	10	11	11	11	11
Total	864	836	739	732	750	608	619	619	621	622

Source: City of Bloomington Human Resource Department

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

CITY OF BLOOMINGTON

OPERATING INDICATORS BY FUNCTION/PROGRAM Last Ten Calendar/Fiscal Years (Unaudited)

Function/Program	2007	2008	2009	2010
Police:				
Calls for service (Calendar 2016)	62,050	60,308	62,322	58,931
Adult arrest (Calendar 2016)	1,554	1,975	1,932	1,690
Juvenile arrest (Calendar 2016)	208	356	303	317
Speeding citations only (Calendar 2016)	1,848	2,492	2,597	2,492
Traffic citations (Calendar 2016)	13,369	9,939	7,675	9,939
Fire:				
Total fire runs (Calendar 2016)	1,919	2,310	2,041	2,038
Total rescue runs (Calendar 2016)	7,565	7,743	7,212	7,414
Property loss (Calendar 2016)	\$ 994,650	\$ 1,668,885	\$ 921,800	\$ 824,738
Building safety:				
Total building permits (Calendar 2016)	2,486	2,747	2,921	2,763
Total value all permits (Calendar 2016)	\$ 185,771,533	\$ 109,373,823	\$ 151,953,680	\$ 89,134,038
Library:				
Visitors (Fiscal Year 2016)	250,806	328,485	335,994	367,116
Total circulation (Fiscal Year 2016)	754,878	877,432	1,008,316	1,154,024
Public service:				
Garbage collected (ton) (Calendar 2016)	20,393	19,933	19,782	19,331
Recycle collected (ton) (Calendar 2016)	2,837	2,857	2,808	2,957
Bulk Waste (ton) (Calendar 2016)	8,192	10,413	9,044	4,821
Brush (cubic yard) (Calendar 2016)	22,860	35,136	26,000	23,982
Parks and Recreation:				
Recreation program attendance (FY 2017)	215,811	184,047	163,414	148,857
Aquatics program attendance (FY 2017)	58,745	51,397	40,849	48,695
Pepsi Ice Center (FY 2017)	89,011	84,439	145,000	133,616
Golf rounds played (Calendar 2016)	81,489	77,000	75,200	76,337
Miller Park Zoo attendance (Calendar 2016)	104,905	111,357	112,133	101,182
Street trees maintained (Calendar Year 2016)	1,890	3,297	4,552	6,012
Cultural District:				
Events (Calendar 2016)	390	460	463	498
Attendance (Calendar 2016)	81,953	90,794	98,388	86,227
Bloomington Coliseum:				
Events (Fiscal Year 2017)	210	166	219	201
Attendance (Fiscal Year 2017)	289,374	319,932	328,815	300,494

Source: Various City Departments

Note: N/A - Indicator not available

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

2011	2012	2013	2014	2015	2016
66,284	73,861	74,835	81,662	71,905	67,145
1,800	2,211	2,415	2,557	2,066	1,692
323	287	289	255	247	275
2,209	1,331	931	634	658	294
4,310	6,774	6,357	6,662	5,510	4,416
2,126	2,317	2,020	2,529	2,625	2,487
7,600	7,993	8,025	7,933	8,247	8,327
\$ 2,235,790	\$ 954,575	\$ 1,450,380	\$ 1,886,895	\$ 1,458,195	\$ 3,190,255
2,334	2,590	2,732	2,765	2,147	526
\$ 87,049,482	\$ 108,932,734	\$ 103,804,778	\$ 89,957,848	\$ 102,374,800	\$ 41,231,835
422,705	412,892	463,042	411,492	354,786	315,328
1,339,740	1,483,853	1,570,410	1,442,572	1,430,682	1,392,122
17,479	17,710	17,487	15,631	15,835	16,005
3,001	3,735	4,593	4,902	4,847	4,849
7,164	4,552	5,601	5,282	4,631	4,638
26,101	22,308	29,174	32,397	30,768	40,766
146,140	139,320	129,355	128,378	130,883	123,153
57,091	57,861	53,272	55,281	55,871	59,673
165,000	168,000	163,000	158,000	165,000	160,000
68,367	72,349	62,283	57,627	60,993	61,379
111,863	107,082	103,544	104,215	106,139	121,447
8,590	7,488	8,549	7,827	3,822	5,545
469	534	578	541	525	558
82,880	83,345	90,730	82,523	80,693	83,758
216	237	207	232	199	207
300,533	292,217	286,101	173,382	206,265	159,746

CITY OF BLOOMINGTON

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM Last Ten Fiscal Years (Unaudited)

Function/Program	2008	2009	2010	2011
Police:				
Stations	1	1	1	1
Fire, Fire Stations	4	4	4	4
Refuse Collection:				
Collection Trucks	11	11	11	11
Other Public Works	37	37	51	51
Streets (Miles)	311	320	321	321
Traffic Signals	138	141	153	145
Parks & Recreation:				
Acreage	594	594	594	594
Parks	62	52	52	52
Golf Course	3	3	3	3
Baseball/Softball Diamonds	26	26	26	26
In-line Hockey Rinks-changed to Pickle Ball Courts in FY 2017	1	1	1	1
Soccer/Football Fields	22	22	22	22
Basketball Courts	45	45	45	45
Tennis Courts	20	20	20	20
Swimming pools	2	2	2	2
Parks with Playground Equipment	31	31	31	31
Picnic Shelters	37	37	37	37
Community Centers	1	1	1	1
Library:				
Facilities	1	1	1	1
Volumes	243,635	258,982	272,237	283,576
Water:				
Lakes	2	2	2	2
Storage Capacity (MGD)	21	21	21	21
Average Daily Consumption (MGD)	12	11	11	11
Peak Consumption (MGD)	20	16	16	16
Wastewater:				
Sanitary Sewers (miles)	250	293	295	297
Storm Sewers (miles)	200	240	246	248
Combination Sanitary and Storm (miles)	100	88	88	88

Source: Various City Departments

Note: MGD - Millions Gallons per Day

2012	2013	2014	2015	2016	2017
1	1	1	1	1	1
5	5	5	5	5	5
11	10	21	18	18	20
51	51	52	62	65	74
321	321	322	323	324	325
145	145	145	145	145	145
594	640	640	640	640	640
52	46	46	46	46	38
3	3	3	3	3	3
26	27	28	24	24	24
1	1	1	1	1	4
22	22	23	23	23	23
45	52	53	31	31	31
20	26	26	26	26	26
2	2	2	2	2	2
31	31	32	32	32	32
37	42	43	44	44	44
1	1	1	1	1	1
1	1	1	1	1	1
295,496	291,406	299,628	307,261	316,319	319,329
2	2	2	2	2	2
21	21	21	21	21	21
11	11	11	11	10	10
16	16	16	16	15	13
297	299	301	264	265	266
248	316	317	255	256	257
88	88	88	85	85	85

CITY OF BLOOMINGTON

Supplemental Disclosure Requirements Set Forth In \$10,000,000 2003 and \$10,000,000 2007 Bond Issues

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

CITY OF BLOOMINGTON

Exhibit A - Direct General Obligation Bonded Debt (Principal Only) ¹ As of April 30, 2017

Year Ending December 31	Total Existing Debt	Less Abated Amount ²	Net Tax Levied Amount
2017	\$ 5,340,000	\$ 3,739,244	\$ 1,600,756
2018	5,090,000	3,175,044	1,914,956
2019	4,240,000	2,514,726	1,725,274
2020	4,565,000	2,769,476	1,795,524
2021	4,730,000	2,770,000	1,960,000
2022	4,625,000	3,010,000	1,615,000
2023	4,780,000	3,130,000	1,650,000
2024	3,590,000	3,405,000	185,000
2025	3,435,000	2,400,000	1,035,000
2026	3,035,000	1,830,000	1,205,000
2027	3,195,000	1,985,000	1,210,000
2028	2,365,000	2,145,000	220,000
2029	1,905,000	1,675,000	230,000
2030	2,060,000	1,820,000	240,000
2031	2,210,000	1,960,000	250,000
2032	2,390,000	2,125,000	265,000
2033	1,855,000	1,855,000	-
2034	2,015,000	2,015,000	-
	<u>\$ 61,425,000</u>	<u>\$ 44,323,490</u>	<u>\$ 17,101,510</u>

¹ Does not include revenue bonds.

² General Obligation Demand Bonds, Series 2004; General Obligation Bonds, Series 2005; General Obligation Refunding Bonds, Series 2011; Taxable General Obligation Bonds, Series 2013C; Taxable Refunding Bonds, Series 2014 A; General Obligation Bonds, Series 2014B and a portion of the General Obligation Bonds, Series 2007 that the City has historically and plans to continue to pay from other revenue sources.

CITY OF BLOOMINGTON

Exhibit A-1 - Debt Service Requirements As of April 30, 2017

Tax Year	Total Debt Service ¹	Less Annually Abated Debt Service ²	Total Tax Levied Debt Service
2016	\$ 7,129,559	\$ 4,949,416	\$ 2,180,143
2017	6,101,909	3,921,766	2,180,143
2018	6,270,242	4,090,099	2,180,143
2019	6,278,745	4,098,602	2,180,143
2020	6,012,720	4,107,307	1,905,413
2021	6,002,756	4,107,181	1,895,575
2022	5,821,939	4,272,576	1,549,363
2023	4,370,973	3,136,660	1,234,314
2024	4,594,418	3,233,286	1,361,133
2025	3,899,893	2,583,980	1,315,914
2026	2,948,680	2,674,455	274,225
2027	2,403,668	2,129,343	274,326
2028	2,485,518	2,211,543	273,976
2029	2,551,970	2,278,795	273,175
2030	2,640,895	2,363,970	276,925
2031	2,007,685	2,007,685	-
2032	2,094,423	2,094,423	-

¹ - Does not include revenue bonds.

² General Obligation Demand Bonds, Series 2004; General Obligation Bonds, Series 2005; General Obligation Refunding Bonds, Series 2011; Taxable General Obligation Bonds, Series 2013C; Taxable Refunding Bonds, Series 2014 A; General Obligation Bonds, Series 2014B and a portion of the General Obligation Bonds, Series 2007 that the City has historically and plans to continue to pay from other revenue sources.