



**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

**CITY OF BLOOMINGTON
ILLINOIS**

for the Fiscal Year

MAY 1, 2011

to

APRIL 30, 2012

CITY OF BLOOMINGTON, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2012

Prepared by:

Patti-Lynn Silva
Finance Director

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December 21, 2012

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

The Comprehensive Annual Financial Report (CAFR) of the City of Bloomington, Illinois, for the fiscal year ended April 30th, 2012, is submitted herewith. This report provides a broad view of the City's financial activities for the 2012 fiscal year and its financial position at April 30th, 2012. Illinois statutes require all general purpose local governments to publish within six months of the close of each fiscal year or eight months, if on extension, a complete set of financial statements presented in conformance with General Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm or licensed certified public accountants. The City has opted for an extension this year due to a city wide software conversion and transitions in finance staff.

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

Sikich LLP, a firm of licensed certified public accountants, has audited the City of Bloomington's financial statements. The goal of the independent audit was to provide reasonable assurance the financial statements of the City of Bloomington for the fiscal years ended April 30th, 2012, are free of material misstatement. The independent audit involved the examination, on a test basis, of evidence to support the amounts and disclosures in the financial statements assess the accounting principles used and the significant estimates made by management; and evaluate the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Bloomington's financial statements for the fiscal year ended April 30th, 2012, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

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

Audit Act is reported in a separate report.

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

Profile of Government

The City of Bloomington, incorporated in 1856, is a home rule unit of government under the 1970 Illinois Constitution. The City of Bloomington is located in the heart of Central Illinois, approximately 125 miles southwest of Chicago, 155 miles northeast of St. Louis, and 64 miles Northeast of Springfield, the State Capital. The City of Bloomington is the County Seat of McLean County, the largest county in Illinois (approximately 762,240 acres). The 2010 Census resulted in a total population of 76,610. The City of Bloomington is termed a twin city in conjunction with the Town of Normal.

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

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

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

Accounting System and Budgeting

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

The City's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period. Expenditures are

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

The annual budget serves as the foundation for the City's financial planning and control. The City of Bloomington prepares a five-year budget projection for both operating and capital budgets for all funds. Every City department is required to submit a budget request to the City Manager on or before February 15th of each year. The Finance Director in cooperation with the City Manager and individual Department Directors refine the budget requests, and the proposed budget is presented to the City Council on or before March 31st of each year. The City Council is required to hold a public hearing on the proposed budget and final adoption of a budget occurs no later than April 30th of each year. The budget is also known as the City's Appropriation Ordinance. The appropriated budget is itemized at the fund and department level. Budget transfers or amendments require the approval of the City Council. A budget-to-actual comparison is provided for each individual governmental fund for which an appropriated annual budget has been adopted. The City's budget process has been revised over the last two years to focus upon providing services contained within the City's strategic plan. For the General Fund, a budgetary to actual expenditure comparison is presented in the required supplementary information section. For governmental funds, other than the general corporate fund, with appropriated annual budgets, this comparison is presented in the non-major governmental fund subsection of this report.

Factors Affecting Financial Conditions

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

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

The Bloomington-Normal area has become nationally known as a strong transportation/distribution region. Bloomington-Normal is located at the intersection of interstates 39, 55, and 74, US Routes 51 and 150, and State Route 9. Numerous motor freight carriers and major railroad lines such as Amtrak connect Bloomington-Normal to most major cities within the continental United States. In addition, the expansion of the infrastructure at the Central Illinois Regional Airport has allowed this airport to attract users throughout the Midwest. The airport has established relationships with several airlines. According to the Bloomington-Normal Economic Development Council, in calendar year 2011, the airport served 579,265 passengers, which was a 3.25% percent increase from the prior year.

There are multiple shopping areas located within the Bloomington-Normal which serve a large retail trading area covering a radius of 50 miles or more. One enclosed and one outside shopping

mall accounts for approximately 950,000 square feet of leasable retail area in addition to 8 major anchor stores. The City enjoys the presence of several major retailers such as Lowe's, Macy's, Kohl's, JC Penny, and Wal-Mart, in addition to numerous chain and local restaurants. Most major employers within the community have remained stable and the issuance of commercial building permits has increased 12.7% over the prior year. New projects and renovation continue to occur throughout the City; however, this development has declined from prior years and focused upon remodeling rather than new construction. The Bloomington Center for the Performing Arts (BCPA) and the US Cellular Coliseum will continue to augment the redevelopment of Downtown Bloomington as these recent developments mature. The infrastructure development along Towanda-Barnes Road will continue to enhance expansion and development into the future growth on the east side of the City. This is especially true as multiple government agencies continue to focus on the planning and development of a master plan for the eastside bypass.

Bloomington-Normal home sales for calendar year 2011 reflect 2,048 sales with the average price of a \$169,413 per residence. The median family income by Metropolitan Statistical Area (MSA) for FY 2012 is as follows for Bloomington-Normal: \$80,200, Champaign-Urbana: \$68,000, Decatur: \$60,300, Peoria: \$69,200 and Springfield: \$70,000.

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

Long-Term Financial Planning: During fiscal year 2012, similar to the rest of the nation, the City of Bloomington faced an economy marked by only incremental tax revenue increases. However, the Cities unemployment rates continue to be below the national and state averages due to thriving insurance and education industries. In FY 2012, Fitch, Standard & Poor's and Moody's rating agencies reaffirmed the City's credit ratings of AA+, AA-, and Aa2 with stable outlooks. These affirmations are the result of City's efforts to create and maintain healthy fiscal policies. The City's General Fund reflects the adoption of a formal fund balance policy and as a result reserves grew to \$14.5 million at the end of April 30, 2011. The fund balance policy requires the City's unreserved fund balance to be a minimum of 10% of budgeted expenditures within the General Fund. The policy establishes other levels for the special revenue, debt service, and proprietary funds within the City of Bloomington. The City remained committed to focusing efforts and resources to improve the overall condition of all funds within the City by reducing the amount of funds with deficit balances and adopting a formal debt service policy in FY2012.

The development and adoption of financial policies is the foundation for the Cities long term financial plan. In FY 2012, the City implemented a managed competition methodology which will evaluate all City expenditures by program. In FY2012 a comprehensive study of the City's solid waste program began. The first interim report was submitted to the City Council in September of 2012 and can be found on the Cities website. The report is a comprehensive outline of all information subject to examination is intended to serve as a basis for a second interim report to be shared with the City Council in January 2013. This analysis and review is intended to provide the City Council with the information necessary to make responsible budgetary and policy decisions pertaining to the Solid Waste Program.

As part of the City's Long Term financial sustainability, the City addressed the following issues in FY 2012:

- Replaced \$4.3 million in postponed capital equipment and increased the road resurfacing program.

- Performed fiscal impact analysis on the local economy and development. The city has identified areas for capital master planning, rate studies and impact fee analysis.
- Contributed supplemental funds to three employer pension plans and is preparing to undertake a pension contribution policy which targets 100% funding.
- Fund deficit elimination has occurred in the Sewer fund and the City continues to work towards long term plans for the Storm Water and Parking Funds as well as self-insured funds.

Looking ahead, in December 2012, the City Council voted to keep the property tax flat with a zero percent increase/decrease. The FY 2013 budget includes a \$1.5 million planned use of General Fund balance to fund capital projects within the City. The budget included the investment of \$6.2 million in the replacement of capital equipment (vehicles & equipment) in multiple departments. Furthermore, in April 2012, the City Council voted to increase the garbage fee from \$14.00 per month to \$16.00 per month benefiting the Solid Waste Fund which has had previous deficit balances. Monthly parking fees have been increased from \$40 to \$50 per month to address Parking Fund issues. Annual fee increases took effect with the city ambulance service and for the water and sewer utilities.

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

Accounting and Financial Reporting:

- Issue a Comprehensive Annual Financial Report within 180 days of the end of each fiscal year that complies with the generally accepted accounting principles.
- Capitalize street paving with an acquisition cost of \$100,000, water mains, sanitary sewers, and sidewalks with an acquisition cost of \$25,000, traffic signals with an acquisition cost of \$50,000, and building improvements with an acquisition cost of \$25,000.
- Capitalize vehicles, machinery, furniture, and equipment with an acquisition cost of \$5,000.

Budgetary and Revenue Management

- Maintain a diversified revenue structure.
- It shall be the intent of the City to maintain unrestricted fund balance in the general fund to fund operations for a period of at least two months.

Debt Management

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

- Consider the refunding of outstanding debt when at least a 4% net present value savings can be obtained.
- Place all investment securities with a third-party custodian for safekeeping.

Cash Management & Investments

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

Purchasing

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

FY 2012 Major Initiatives: The City staff, following specific directives of the City Council and the City Manager, has been involved in a variety of projects throughout the year. These projects reflect the City's commitment to ensure citizens live and work in a desirable environment. The most significant of these projects are itemized below:

Public Safety

- Fire Station #1 Renovation – Study and Planning
- Regional Fire Training Tower

Parks & Recreation

- Franklin Park Sidewalk Improvements
- Eagle Crest Park Playground Installation
- Miller Park Lagoon Dredging
- Miller Park Lake Shoreline Wall Repair
- Constitution Trail Emerald Ash Bore Replacement
- White Oak Park Emerald Ash Bore Replacement

Roadway Improvements

- Morris Avenue Reconstruction: Fox Hill Apt – Six Points Road Design
- Mitsubishi Motorway: Six Points Road to Sugar Creek
- Hamilton Road from Timberlake to Main Street NICOR gas relocation
- Design for Hershey Road Extension from Hamilton Road to 750 feet south
- Lafayette and Maple Street Reconstruction

Water & Sewer Utility Improvements

- Lafayette and Maple Street Reconstruction
- Tanner Street Reconstruction - Storm Water Replacement
- The Grove on Kickapoo Creek Water Main Over Sizing
- Harvest Point Subdivision Water Main Over Sizing
- Ireland Grove Road Water Main Replacement – Mercer to cul de-sac West of Brickyard Drive
- Morris Avenue Water Main Design
- Ryan, Wach, and Cloud Water Main Replacement Project

- Water Distribution Master Plan
- Locust – Colton CSO Elimination Phases 1,2,3

Facilities Maintenance

- Design for the Removal of Fiber Optic Cable and Design for the Demolition of City Hall Annex
- Repairs to the Police Department Top Parking Deck 308 South East Street
- Market Street Parking Garage Repairs
- Lincoln Parking Garage Lighting Retrofit

Awards and Acknowledgements

The International City/County Management Association (ICMA) recognized the City for superior performance management efforts with a Certificate of Distinction from the ICMA Center for Performance Measurement (CPM). Bloomington was among fifteen jurisdictions receiving the honor in 2012. The certificate program assesses a local government’s performance management program and encourages analysis of results by comparing to peers and gauging performance over time. Performance management aids in cost reduction, program prioritization, and quality improvement. It also encourages accountability and transparency.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30th, 2011. This was the 36th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

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

Respectfully submitted,



Patti-Lynn Silva, Finance Director



David A Hales, City Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bloomington
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2011

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

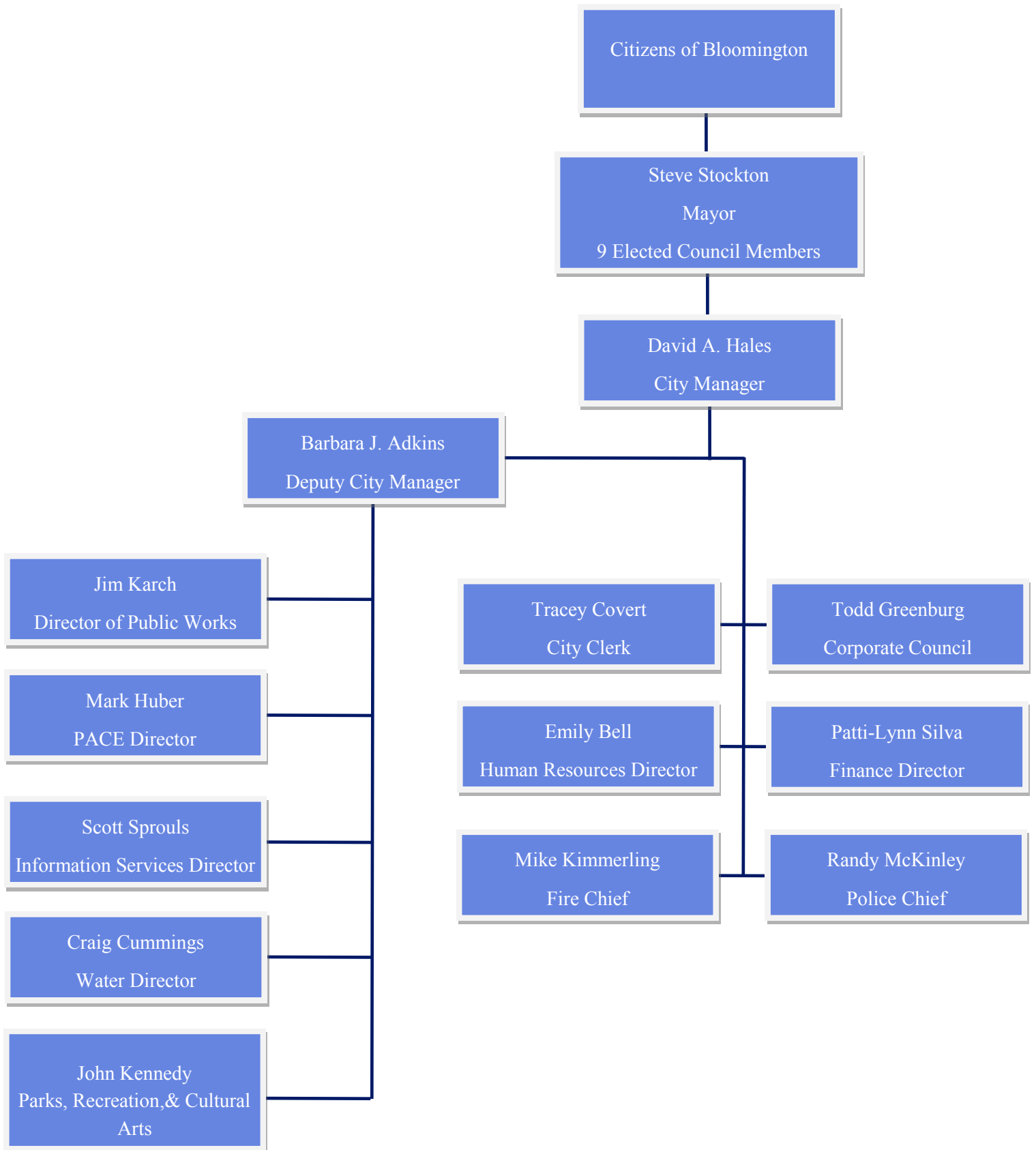


Linda C. Dandison

President

Jeffrey R. Emer

Executive Director



OFFICERS AND OFFICIALS

Elected Officials

Mayor Stephen Stockton

Council Members

Ward 1 Bernie Anderson
Ward 2 David Sage
Ward 3 Mboka Mwilambwe
Ward 4 Judy Stearns
Ward 5 Jennifer McDade
Ward 6 Karen Schmidt
Ward 7 Steven Purcell
Ward 8 Robert Fazzini
Ward 9 Jim Fruin

Administrative Officials

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of and for the year ended April 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Bloomington, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund, which represents 51 percent and 54 percent, respectively, of the assets and revenue of the fiduciary funds of the City of Bloomington, Illinois. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based on the report of the other auditor.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Library Foundation were not audited in accordance with Government Auditing Standards. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bloomington, Illinois, as of April 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2012 on our consideration of the City of Bloomington, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The City of Bloomington, Illinois adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during the year ended April 30, 2012. The statement changed the classifications of governmental fund balances and clarified the definitions of existing fund types. As explained in Note 22 to the basic financial statements, the adoption of this statement restated the nonmajor governmental funds and total governmental funds beginning fund balance.

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

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Bloomington, Illinois basic financial statements for the year ended April 30, 2011, which are not presented with the accompanying financial statements. In our opinion dated October 27, 2011, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomington, Illinois financial statements as a whole. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General Fund and Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the Library Fund, related to the 2011 financial statements are presented for purposes of additional analysis and are not a required part of the 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 2011 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General Fund and Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the Library Fund are fairly stated in all material respects in relation to the basic financial statements from which is has been derived.

Sikich LLP

Springfield, Illinois
December 21, 2012

City of Bloomington, Illinois

Management's Discussion and Analysis

For the Fiscal Year Ended April 30, 2012

As the management of the City of Bloomington, Illinois staff presents the readers of the City's financial statements this narrative overview of the financial activities of the City for the fiscal year ended April 30th, 2012. Staff encourages readers to consider the information presented here in conjunction with additional information that has been furnished in our letter of transmittal, which may be found on pages 4 thru 10 of this report.

Financial Highlights

Overview of the Financial Statements:

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

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

Government-wide financial statements:

The government-wide financial statements are designed to provide readers with a broad overview of the City of Bloomington's finances, in a manner similar to a private-sector business and are presented on the full accrual basis of accounting presenting capital and other long term assets and long term debt and liabilities. All City funds are included in the government-wide statements with the exception of the Cities fiduciary funds which are presented separately. The following two statements make up the government-wide financials:

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

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

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

Government-wide financial statements distinguish functions of the governmental entity principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of the costs through user fees and charges (business-type activities). The primary governmental activities of the City include activities such as general government, public safety, street maintenance, parks & recreation, and community development, while the business-type activities of the City include water, sewer, storm water, parking, solid waste, golf operations, and the US Cellular Coliseum.

The government-wide financial statements may be found on pages 37-40 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 non-major; only major funds are presented separately in the fund financials while all other non-major funds are aggregated. As required for state and local governments these funds are presented on the modified accrual basis of accounting or the fund accounting method differing from full accrual accounting by eliminating the presentation of capital and other long term assets and long term debt and liabilities.

A reconciliation between full accrual and modified accrual presentation for both governmental and business activities can be found on pages 42, 44, 47 and 50 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 finance requirements.

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

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

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

Basic governmental fund financial statements can be found on pages 41-44 of this report.

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

Internal Service funds accounts accumulate and allocate costs incurred internally among the City's various functions. The City of Bloomington uses internal service funds to account for employee group healthcare, retiree group healthcare, and 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 and are not presented in fund financials.

The basic proprietary fund financial statements can be found on pages 45-54 of this report.

Fiduciary funds – Fiduciary funds account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the City of Bloomington's own programs. The accounting used for fiduciary funds is similar to the procedures used by proprietary funds. The City has three fiduciary funds, the police pension and firemen's pension funds, as well as the J.M. Scott Private Purpose Trust. The City is the trustee for these funds and it is responsible to ensure the assets reported in these funds are used only for the purpose intended.

The basic fiduciary fund financial statements can be found on pages 55-56 of this report.

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

The notes to the financial statements can be found on pages 57-115 of this report.

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

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

Required supplemental information can be found on pages 116-127 of this report.

Government-Wide Financial Analysis

Net Assets – As noted earlier, net assets serve as a useful indicator of a government's financial position. In the case of the City, assets exceed liabilities by \$307.8 million at year ended April 30th, 2012. A significant portion of the City's total net assets (approximately \$284.9 million) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure). The City of Bloomington uses these capital resources to provide services to residents. Thus, these resources are not available for future spending. Although the City's investment in capital assets is reported net of related debt, the resources to repay this debt must be provided from other revenue sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

The City's combined net assets decreased by \$11.5 million or 3.6 percent from the prior year. In monetary terms, this is a decrease from \$319.3 million on April 30th, 2011 to \$307.8 million on April 30th, 2012 is mainly due to the City's issuance of new debt to cover early retirement costs and equipment purchases. The following table reflects the condensed Statement of Net Assets of the current year as compared to the previous fiscal year. There are minor variations due to rounding.

Table 1 - Statement of Net Assets as of April 30, 2012 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and other assets	\$ 81.2	\$ 85.3	\$ 17.4	\$ 11.1	\$ 98.6	\$ 96.4
Capital assets	170.7	175.9	194.5	191.9	365.2	367.8
Total assets:	251.9	261.2	211.9	203.0	463.8	464.2
Liabilities:						
Current liabilities	36.2	38.0	6.7	4.1	42.9	42.1
Noncurrent liabilities	85.9	77.8	27.2	25.0	113.1	102.8
Total liabilities:	122.1	115.8	33.9	29.1	156.0	144.9
Net assets:						
Invested in capital assets, net of related debt	136.9	142.0	180.6	179.0	284.9	321.0
Restricted	21.2	24.1	0.7	-	21.9	24.1
Unrestricted	(28.3)	(20.7)	(3.3)	(5.1)	1.0	(25.8)
Total net assets:	\$ 129.8	\$ 145.4	\$ 178.0	\$ 173.9	\$ 307.8	\$ 319.3

At the end of the fiscal year, the City of Bloomington did not report a positive balance in either the governmental activities or the business-type activities unrestricted net assets. The U.S. Cellular Coliseum debt (approximately \$32.7 million), a business-type activity was paid from the Debt Service Fund which is a governmental activity. The Debt Service Fund records the liability but cannot record the corresponding asset leaving a large negative balance in unrestricted net assets. This action reflects the intention of the City to repay this issuance from general governmental funds. See Note #17 in the Notes to the Financial Statements on page 112 for specific information on unrestricted net assets.

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

The negative net asset balance within the business-type activity, is negative for a similar reason a \$10.5 million note payable to the Illinois Environmental Protection Agency is accounted for within the Storm Water Management fund a business-type activity. However, in accordance with the intergovernmental agreement with the Bloomington Normal Water Reclamation District the corresponding asset does not belong to the City and therefore assets are not reflected on the City’s financial statements. The liability is accounted for in the unrestricted portion of net assets rather than within the capital asset category.

For additional information please refer to the Statement of Net Assets on pages 37-38.

Normal Impacts

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

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

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

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

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

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

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

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

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

Changes in Net Assets

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

Table 2 - Changes in Net Assets For Fiscal Year Ended April 30, 2012 (in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 12.8	\$ 12.4	\$ 35.5	\$ 33.7	\$ 48.3	\$ 46.1
Operating grants	4.3	5.3	-	-	4.3	5.3
Capital grants	2.3	2.7	1.4	0.2	3.7	2.9
General revenues:						
Property taxes	24.0	25.5	-	-	24.0	25.5
Franchise taxes	1.9	1.8	-	-	1.9	1.8
Sales taxes	13.4	13.0	-	-	13.4	13.0
Other taxes	35.9	34.3	-	-	35.9	34.3
Investment earnings	0.1	1.0	-	-	0.1	1.0
Miscellaneous	1.6	1.6	0.4	0.7	2.0	2.3
Total revenues	\$ 96.3	\$ 97.6	\$ 37.3	\$ 34.6	\$ 133.6	\$ 132.2
Expenses:						
Governmental activities:						
General government	\$ 18.1	\$ 21.3	\$ -	\$ -	\$ 18.1	\$ 21.3
Public safety	44.7	33.9	-	-	44.7	33.9
Highways & streets	18.0	11.0	-	-	18.0	11.0
Sanitation	-	3.4	-	-	-	3.4
Health & welfare	-	0.2	-	-	-	0.2
Culture & recreation	17.4	15.6	-	-	17.4	15.6
Community development	0.8	3.0	-	-	0.8	3.0
Interest	2.9	3.1	-	-	2.9	3.1
Business-type activities:						
Water	-	-	14.7	11.4	14.7	11.4
Solid waste	-	-	5.9	6.4	5.9	6.4
Sewer	-	-	3.6	2.5	3.6	2.5
Golf operations	-	-	2.7	2.9	2.7	2.9
Parking	-	-	1.1	1.4	1.1	1.4
US Cellular Coliseum	-	-	4.8	4.7	4.8	4.7
Stormwater management	-	-	2.3	2.0	2.3	2.0
Total expenses	\$ 101.9	\$ 91.5	\$ 35.1	\$ 31.3	\$ 137.0	\$ 122.8
Excess before transfers	(5.6)	6.1	2.2	3.3	(3.4)	9.4
Transfers	(1.0)	(5.4)	0.9	5.4	(0.1)	-
Changes in net assets	\$ (6.6)	\$ 0.7	\$ 3.1	\$ 8.7	\$ (3.5)	\$ 9.4
Net assets, beginning of year, reclassified	136.8	144.7	173.9	165.2	310.7	309.9
Prior period adjustment	(0.3)	-	1.0	-	0.7	-
Net assets, beginning of year, restated	136.5	144.7	174.9	165.2	311.4	309.9
Net assets, end of year	\$ 129.9	\$ 145.4	\$ 178.0	\$ 173.9	\$ 307.9	\$ 319.3

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

Current Year Impacts - Overall Government Financial Position

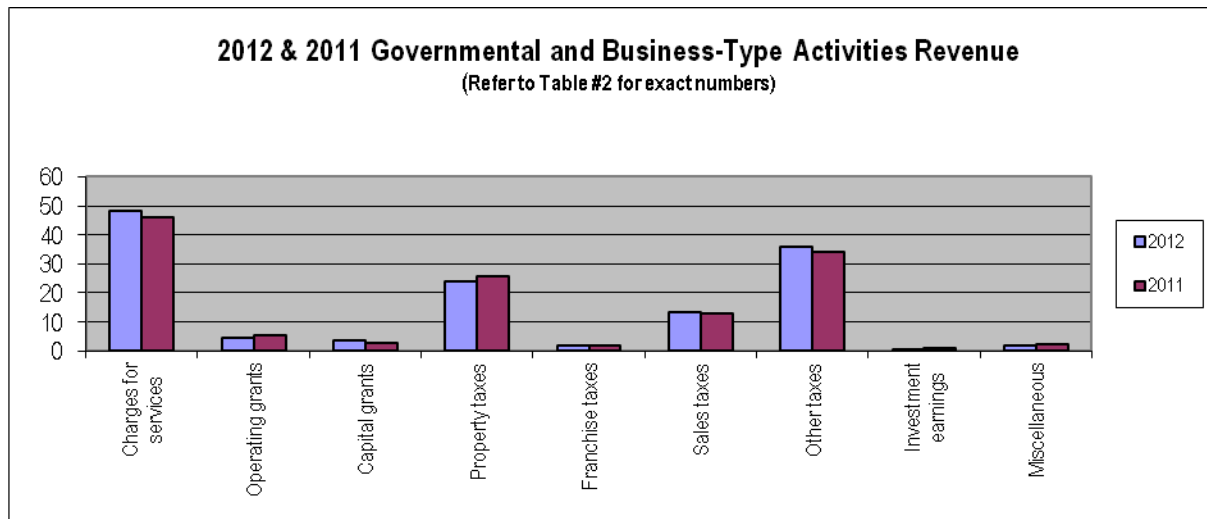
As noted in Table #2, the net assets from governmental activities decreased by \$6.6 million, while the net assets from business-type activities increased by \$3.1 million. A significant portion of the decrease the governmental activities is due to the additional long-term liabilities taken on in 2012 which included issuing bonds to pay early retirement costs due to IMRF and a capital lease to fund various equipment purchases. The OPEB liability also continues to increase each year as the City has elected to fund this on a pay as you go basis. Also depreciation expense has been outpacing capital asset additions and replacements. The increase in net assets from business-type activities was primarily from the positive operating results of the Water, Sewer, and Storm Water Funds. The operating results in these funds will be described in further detail in other sections of the Management Discussion & Analysis.

Revenues for the City's governmental activities decreased 1.3 percent, while revenue for the business-type activities increased by 7.8 percent in comparison to the prior fiscal year.

Governmental activities - Charges for services increased by \$.4 million, or 3.2 percent, during the current year. The increase in revenue is primarily the result of increased fees along with increased volume for ambulance revenues. Operating grants and contributions experienced a \$1.0 million decrease due to the City's receipt of fewer operating grants in comparison to the prior year from Federal and State agencies. Capital grants also decreased by \$.4 million. Tax receipts were generally higher than the preceding year except for property taxes. Property taxes decreased by \$1.5 million, or 5.9 percent. However, mandated sales tax collections increased by \$.4 million, and franchise taxes increased by \$0.1 million. Other taxes, including the state income tax, increased \$1.6 million. Investment earnings decreased from \$1.0 million last year to \$100 thousand in the current year due to lower interest rates and reclassifying the J.M. Scott Health Care Trust from the governmental activities and into a fiduciary fund.

Business-type activities – Charges for services increased by \$1.8 million, or 5.1 percent, due in part to scheduled annual rate increases. Water Fund service charges increased by \$1.0 million, or 6.5 percent, due to higher consumption and the annual increase in water rates. Service charges of the Sewer Fund increased 20.0 percent over the preceding year, due to the implementation of sewer rate increases that took effect on January 1, 2010 and 2011. The US Cellular Coliseum fund, Storm Water fund, Golf Operations fund, and Solid Waste fund all saw minimal changes in revenue.

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

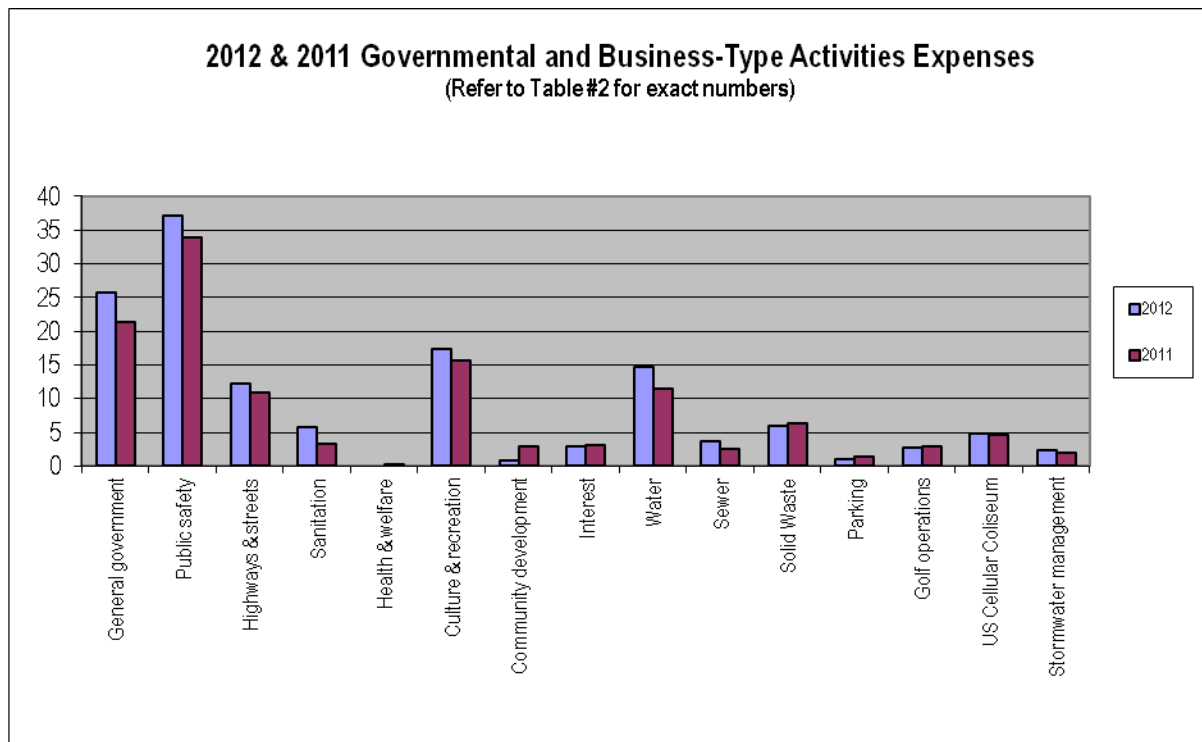


Expenses for the City’s governmental activities increased by \$10.4 million, or 11.4 percent, while business-type activities increased by \$3.8 million, or 12.1 percent. Some of the leading causes for the increases are as follows:

Governmental Activities – Expenses relating to General Government decreased by \$3.2 million, or 15.0 percent due to the net of two large transactions. A reclassification of \$7.0 million of police and fire pension contributions out of the general government function netting against increases from early retirement incentive payments to IMRF. Some smaller increases across numerous contractual and supply line items including fuel costs also occurred. Public Safety expense increased by \$10.8 million; however, \$7.0 million of the increase represents police and fire pension contributions that were reclassified into the public safety function. Public safety also saw additional increases in salary and benefit costs. Highways and Streets spending increased \$7.0 million due to increased liability and workers’ compensation costs, and a change in the structure of the City’s electric supply contract which now requires the City to pay for all of the electricity to street lights and traffic lights. In addition, costs previously categorized as sanitation are now grouped with highways and streets. Culture and recreation spending increased \$1.8 million or 11.5 percent. Community development expenses decreased \$2.2 million or 73.3 percent due to a reduction in the Central Bloomington TIF activity as the TIF expires and prepares to close out.

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

Business-Type Activities – Expenses increased approximately \$3.8 million across all seven of the categories of the business-type activities on the Statement of Activities. These seven categories include: water, solid waste, sewer, golf operations, U.S. Cellular Coliseum, storm water management, and parking. Water expenses increased 29.0 percent or \$3.3 million due in part to replacement of meters and hydrants along with increased chemical costs. Solid waste expenses declined \$0.5 million or 7.8 percent as efforts were made to reduce costs in this area to make this activity self-supporting. Sewer expenses increased \$1.1 million or 44.0 percent and Stormwater expenses increased \$0.3 million or 15 percent due to increased salary and benefits costs. Salary and benefit costs were re-allocated in 2012 to more accurately capture the costs of these functions. Golf and Parking expenses declined slightly in 2012, and US Cellular Coliseum expenses remained relatively constant.



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

Normal Impacts

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

Revenues:

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

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

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

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

Expenses:

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

Increasing Authorized Personnel - Changes in service demand may cause the City Council to increase/decrease authorized staffing levels; staffing costs (salary and related benefits) represent approximately 60% of the City's General Fund operating costs.

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

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

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

Financial Analysis of the City's Funds

Governmental Funds

On April 30th, 2012, the governmental funds reported a combined total fund balance of \$41.0 million, which is a decrease of \$4.2 million, or 9.3 percent, from the prior year reclassified fund balance of \$45.2 million. The J.M. Scott Health Care Trust was reclassified as a Private Purpose Trust in 2012 resulting in a reduction of \$8.6 million in the total governmental fund balance. In addition, the following funds that were previously reported as nonmajor governmental funds were consolidated as part of the General fund in 2012 in response to changes in accounting standards: Special Olympics and Recreation, Sister City, and Cultural District. The impact on fund balance of the General fund resulting from this change was an increase of \$1.4 million. During 2012 the fund balance for the general fund decreased by \$.08 million while the fund balances for the Library fund and Debt Service fund increased. Fund balance increases were also seen in the following nonmajor governmental funds: Motor Fuel Tax, Board of Elections, Drug Enforcement, Foreign Fire Insurance Board, Community Development, Capital Improvements, Library Expansion, 2007 Bond Fire Station, and Capital Lease. Of the total fund balance for governmental funds of \$41.0 million, \$11.0 million is unassigned which indicates the funds are available to support the continued operations of the City. An additional \$8.4 million is considered committed or assigned meaning the City has limited the use of the funds to specific functions. Restricted fund balance of \$17.0 million is limited by legal restrictions from outside parties on how the funds may be spent. Nonspendable fund balance in the amount of \$4.6 million is not available for current expenditures as the funds are not in a spendable form such as inventory and loans receivable.

Additional information may be found within the Governmental Funds Balance Sheet presented on page 41.

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

Major Governmental Funds

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, as restated for the above noted changes in fund classification, decreased \$0.8 million to \$16.2 million.

Total revenue for the General Fund increased by \$5.5 million or 7.11 percent, while General Fund expenditures increased by \$12.8 million or 19.5 percent. A significant portion of the changes are the result of the reclassification of the Special Olympics and Recreation fund, the Sister City fund, and Cultural District fund as part of the General Fund for 2012. After factoring in those changes, some of the more noteworthy changes are as follows:

Tax revenue increased \$4.4 million with the exception of property taxes which remained relatively consistent; other taxes including income tax, replacement tax, the franchise tax, sales tax, food & beverage tax, hotel/motel tax, vehicle use tax, and local use tax, increased as the economy improved. Intergovernmental revenues decreased \$0.4 primarily due to decreased grant funding. Licenses and permits revenue increased 10.0 percent mostly as a result of increased building permits. Other revenue increased \$0.2 million in part due to an increased contribution from the Miller Park Zoological Society.

General government expenditures had a net decrease of \$3.8 million, or 19.0 percent, as a result of a large reclassification of \$7.6 million dollars in pension contributions reclassified to the public safety function netting against increases in salary and benefit increases, fuel and supply purchases. Public safety expenditures totaled \$41.9 million, an increase of \$11.0 million; however, \$7.6 million in pension contributions are included for 2012 that were classified as general government in 2011. Expenditures relating to highways and streets (including sanitation) increased 26.9 percent to \$9.0 million. Culture and recreation expenditures increased primarily as a result of combining the Cultural District into the General Fund.

Other Financing Sources include transfers which are used to move revenue from a fund that collects the revenue to the fund that expends the funds in addition to proceeds for bonds and capital assets. In fiscal year 2012, the City transferred approximately \$11.3 million from the General Fund to other funds, including: \$2.5 million to debt service funds, \$6.3 million to the Capital Improvement Fund, and \$1.5 million to the Solid Waste Fund and approximately \$0.2 million to the US Cellular Coliseum Enterprise Fund, to support capital projects. Also seen in 2012 are bond proceeds for the refinancing of the early retirement liability through IMRF of \$6.0 million.

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

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 \$2.8 million at April 30, 2012, an increase of approximately \$0.2 million over prior year, or 65 percent of total operating expenditures.

Debt Service Fund

Fund balance for the Debt Service Fund increased by \$0.6 million, or 5.5 percent, to \$11.4 million. Debt service expenditures totaled \$4.2 million, down from the \$7.0 million reported last year. Tax revenue contributed \$2.2 million towards the debt service expenditures, with operating transfers providing \$2.6 million. The fund was established to account for the general long-term debt not financed by a specific source.

Additional information may be found within the Statement of Revenues, Expenditures and Changes in Fund Balances on page 43.

Non-Major Governmental Funds

The fund balance for the non-major governmental funds increased \$4.4 million, or 70.3 percent. Motor Fuel Tax Fund saw an increase in fund balance of \$1.8 million due to minimal projects undertaken in 2012. There was decrease activity in the Central Bloomington TIF Redevelopment Fund as the TIF has expired and will be closing. The Capital Improvement Fund saw an increase in fund balance of \$1.1 million. Capital expenditures for street improvements increased as well as transfers in from other funds. The Library Expansion Fund and 2007 Bond Fire Station Fund were closed in 2012 while a new Capital Lease Fund was established to account for equipment purchases financed through a capital lease.

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

General Fund Budgetary Highlights

Over the course of the fiscal year 2012, the City amended the budget three times. The City amended the budget after six months, nine months, and twelve months of operations. City policy is to amend the budget at these designated time periods. This process assists City staff with the monitoring and reporting of appropriations within the City budget. Below is a table which reflects the original and revised budget plus the actual revenues and expenditures for the General Fund. This corresponds to page 124 in the Required Supplementary Information. There has been some slight rounding in the below table.

Fiscal Year 2012 (in millions)			
General Fund	Original Budget	Amended Budget	Actual
Revenues:			
Taxes	\$ 65.4	\$ 65.4	\$ 68.0
Intergovernmental	0.3	0.3	0.5
Licenses & permits	1.2	1.2	1.1
Charges for services	12.1	12.1	10.6
Fines	0.7	0.7	0.9
Use of money and property	-	-	0.1
Other	0.9	0.9	1.1
Total	\$ 80.6	\$ 80.6	\$ 82.3
Expenditures and transfers:			
Expenditures	\$ (76.4)	\$ (77.9)	\$ (79.8)
Transfers	(7.9)	(9.9)	(4.3)
Total	\$ (84.3)	\$ (87.8)	\$ (84.1)
Change in fund balance	\$ (3.7)	\$ (7.2)	\$ (1.8)

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

There were no amendments to the revenue budget in FY 2012. The General Fund actual revenues were \$1.7 million higher than both the original and amended budget amount. The largest part of this increase occurred within the tax category. As the economy improved, collections for all of the following taxes exceeded budgeted expectations: sales, income, use, franchise, food & beverage, hotel/motel and replacement taxes. However, charges for services were well below budget due to decreases in ambulance service revenues and indirect charges to departments for both technology and fleet maintenance charges.

The General Fund actual expenditures were \$1.4 million more than the amended budget. Actual expenditures in public safety, highways and streets, culture and recreation, and debt service exceeded the amended budget. Public safety overages were due largely to a retroactive pay agreement for the fire union and increased fire overtime due to staffing shortages. The Highways and Streets overage is due to a large journal entry reflecting the early retirement payment. Debt service is over budget due to costs related to a bond refinance during the year and Cultural and Recreation are over slightly. Capital outlay actual expenditures were below both the original and the amended budget by \$2.1 million due to timing of projects and purchases. In addition, some purchases originally budgeted in the General Fund were actually made from the Capital Lease Fund that was established mid-year. The General Government function was slightly under budget.

Capital Assets

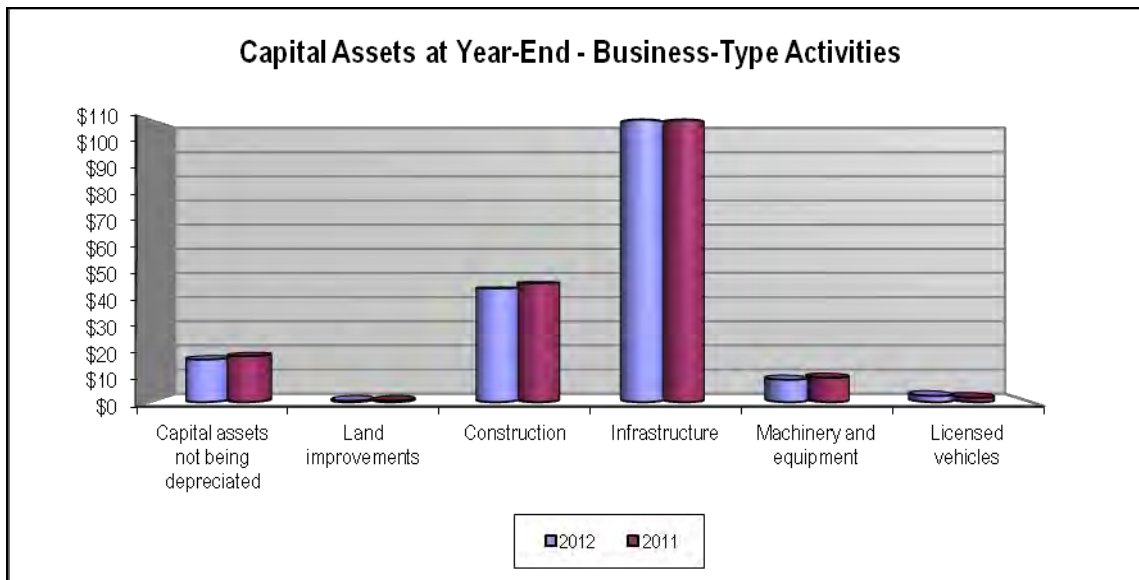
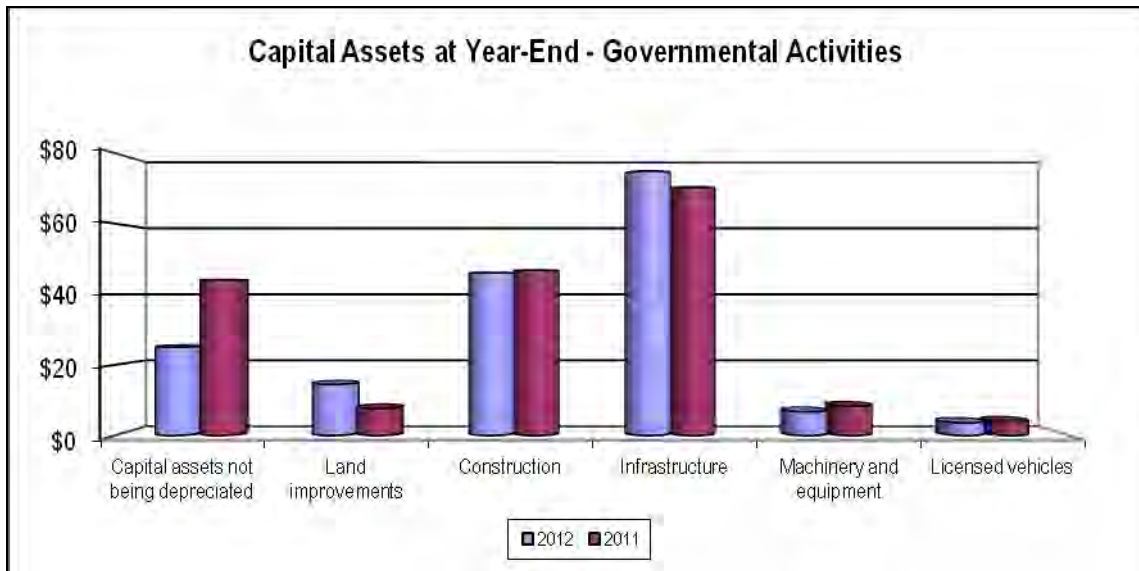
At the end of the current year, the City had a combined (governmental and business-type activities) total of capital assets, net of depreciation, of \$365.3 million. This is a decrease of \$2.5 million, or .7 percent, from the prior year total of \$367.8 million. The decrease in capital assets is mostly attributable to depreciation expense exceeding the amount of additions for the year.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Capital assets not being depreciated	\$ 25.0	\$ 38.8	\$ 16.6	\$ 17.9	\$ 41.6	\$ 56.7
Land improvements	14.5	7.6	0.5	0.5	15.0	8.1
Construction	46.1	46.8	44.3	46.4	90.4	93.2
Infrastructure	74.9	70.4	122.0	116.0	196.9	186.4
Machinery and equipment	6.7	8.3	8.7	9.5	15.4	17.8
Licensed vehicles	3.6	3.9	2.4	1.7	6.0	5.6
Total net capital assets:	\$ 170.8	\$ 175.8	\$ 194.5	\$ 192.0	\$ 365.3	\$ 367.8

Additional information on capital assets may be found in Note 3 in the Notes to the Financial Statements on pages 79-81.

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



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

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

Debt Administration

The City of Bloomington’s long term debt, capital lease payables, net OPEB obligation, and compensated absences totaled \$88.2 million for governmental activities and \$29.0 million for business-type activities as of April 30th, 2012.

Table 4 - Long-Term Debt (in millions)

	Restated Beginning Balance May 1, 2011	Additions	Retirements	Ending Balance April 30, 2012
Governmental activities:				
General Obligation Debt	\$ 66.885	\$ 11.177	\$ 6.225	\$ 71.837
Line of Credit	-	-	-	-
Capital lease payable	0.070	1.594	0.212	1.452
Net OPEB obligation	3.550	0.791	-	4.341
Net pension obligation	0.362	0.321	-	0.683
Developer Agreements	-	-	-	-
Compensated absences	9.579	1.547	1.254	9.872
Governmental activities, long-term liabilities	\$ 80.446	\$ 15.430	\$ 7.691	\$ 88.185
Business-type activities:				
Loan payable	6.898	-	0.396	6.502
Note Payable	11.049	-	0.559	10.490
General Obligation Debt	5.945	1.478	0.170	7.253
Capital lease payable	-	2.706	0.339	2.367
Net OPEB Obligation	0.648	0.120	-	0.768
Net pension obligation	0.106	0.080	-	0.186
Compensated absences	1.339	0.124	0.040	1.423
Business-type activities, long-term liabilities	\$ 25.985	\$ 4.508	\$ 1.504	\$ 28.989

Additional information on long term debt may be found in Note 4 in the Notes to the Financial Statements on pages 82-87.

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

During the year a portion of the Taxable General Obligation Bonds, Series 2004 was refunded through the issuance of \$5.1 million of general obligation refunding bonds. The City also issued Taxable General Obligation Bonds, Series 2012 in the amount of \$7.7 million to pay the City's early retirement incentive liability to the Illinois Municipal Retirement Fund. A capital lease was also used to finance various equipment purchases. The City anticipates continuing to use capital leases to finance future equipment purchases.

The Other Post-Employment Benefits (OPEB) liability will increase on an on-going basis as the City's policy remains to address this liability on a pay as you go basis.

The City continues to make the bi-annual payments required for loan payable to the Illinois Environmental Protection Agency (IEPA). This loan funded the construction of an upgraded water main from Lake Bloomington to the City of Bloomington. The City will see additional IEPA loans in the future to fund water, sewer, and storm water projects. The note payable is the result of an intergovernmental agreement between the City and the Bloomington & Normal Water Reclamation District. The City will see a similar note in fiscal year 2013 with the Village of Downs for a sewer project.

In 2012, Fitch, Standard and Poor's, and Moody's reaffirmed the City's credit ratings of AA+, AA-, and Aa2 with stable outlooks. The City will continue to develop and adopt financial policies to strengthen the financial position of the City

Economic Factors and Next Year's Budget

Unemployment for the City has seen some improvement and continues to be below the State and national rates. The City's assessed value for tax year 2011 (which will be revenue in fiscal year 2013) increased only slightly, but well below the historical growth the City has seen over the past decade. In December 2011, the City Council made the decision to maintain the tax levy at a level dollar amount.

For additional details on the information above refer to the Statistical Section from pages 159-188.

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

The 2012 revenues reflected some improvement in the economy. While this is expected to continue into fiscal year 2013, City staff remained relatively conservative in terms of projections for revenue and expenditures. The City projected two to three percent increases in major tax revenue sources such as state mandated sales tax and home rule sales tax, but lowered projections such as the hotel/motel tax. Similar to FY 2012, City Administration accentuated each department must focus its efforts to provide services to residents in the utmost effective and efficient manner. Long term liabilities (pension, other post-employment benefit funding (OPEB), etc.) remain a strong concern to the City. In FY 2013, the City's budget will levy the statutory minimum for the police and fire pension but added a supplemental payment to each levy of \$0.25 million. The City will maintain a pay-as-you go strategy for the OPEB liability.

For fiscal year 2013, the preparation of the budget followed a zero based methodology with elements of priority budgeting incorporated into the purchase of capital equipment and infrastructure improvements. The City conducted multiple work sessions and instituted a budget open house to obtain input from City residents. The budget presented a strong challenge to the City and staff with limited resources and numerous operating and capital requests. These challenges include, but are not limited to, elastic tax collections, significant pension liabilities, continued costs related to the IMRF early retirement incentive program, and continual replacement and maintenance of postponed unfunded capital equipment and infrastructure. In FY 2013, the City will invest approximately \$14.3 million in the construction, maintenance and repair of the City's aging infrastructure. A significant portion of this infrastructure improvement will be long awaited Phase 1 of the elimination of the Locust-Colton combined Storm Water and Sewer line which has been a concern with the Illinois Environmental Protection Agency. The City will continue to replace capital equipment which has been backlogged since FY 2002. Significant assets being replaced include four automated recycling/garbage trucks, one fire engine pumper, two ambulances, seven police squad cars, and other equipment such as passenger vans, utility trucks, street paint machine, and dump trucks. Significant assets being replaced include seven automated refuse trucks, one aerial fire engine, two ambulances, five dump trucks, six police squad cars, and other equipment such as utility trucks and passenger vehicles. The worn equipment replaced was classified as in need of critical replacement by representatives of the respective departments in addition to fleet management.

Request for Information

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

INSERT FINANCIAL STATEMENTS

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Library Foundation
ASSETS				
Current Assets:				
Cash and investments	\$ 35,035,426	\$ 14,752,118	\$ 49,787,544	\$ 893,510
Restricted accounts - cash	567,069	731,077	1,298,146	-
Beneficial interest in Stubblefield Trust	-	-	-	929,904
Receivables, net of allowances for uncollectibles of \$827,525:				
Taxes	23,586,905	-	23,586,905	-
Loans	1,530,153	-	1,530,153	-
Accounts	2,122,032	4,765,392	6,887,424	-
Accrued Interest	63	-	63	-
Due from other governmental units	10,402,875	-	10,402,875	-
Internal balances	3,154,847	(3,154,847)	-	-
Inventory	197,263	299,488	496,751	-
Prepaid items and other assets	24,187	40,340	64,527	-
Properties held for resale	16,775	-	16,775	-
Total current assets	76,637,595	17,433,568	94,071,163	1,823,414
Noncurrent assets:				
Land	19,367,171	7,937,006	27,304,177	-
Construction-in-progress	5,685,556	8,699,562	14,385,118	-
Other depreciable capital assets, net of accumulated depreciation	145,707,450	177,877,389	323,584,839	-
Total capital assets, net of depreciation	170,760,177	194,513,957	365,274,134	-
Net pension assets	4,032,871	-	4,032,871	-
Bond issuance costs	530,417	47,293	577,710	-
Total noncurrent assets	175,323,465	194,561,250	369,884,715	-
Total assets	251,961,060	211,994,818	463,955,878	1,823,414

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2012

	Primary Government			Component Unit
	Governmental	Business-Type	Total	Library
	Activities	Activities		Foundation
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 4,856,743	\$ 3,657,032	\$ 8,513,775	\$ -
Ticket escrow payable	-	205,247	205,247	-
Claims payable	2,270,606	-	2,270,606	-
Compensated absences	1,593,319	152,748	1,746,067	-
Accrued interest payable	1,095,736	197,412	1,293,148	-
Unearned revenue	25,728	821,676	847,404	-
Deferred revenue, property taxes	23,607,400	-	23,607,400	-
Deposits	17,750	26,062	43,812	-
Current portion of capital lease payable	320,058	520,963	841,021	-
Current portion of loan payable	-	411,139	411,139	-
Current portion of note payable	-	572,734	572,734	-
Current portion of general obligation bonds payable	2,425,807	175,000	2,600,807	-
Total current liabilities	36,213,147	6,740,013	42,953,160	-
Noncurrent liabilities:				
Claims payable	2,053,025	-	2,053,025	-
Compensated absences	8,278,122	1,270,901	9,549,023	-
Net OPEB obligation	4,341,042	767,847	5,108,889	-
Net pension obligation	683,324	186,162	869,486	-
Capital lease payable, noncurrent portion	1,131,886	1,845,230	2,977,116	-
Loan payable, noncurrent portion	-	6,090,588	6,090,588	-
Note payable, noncurrent portion	-	9,917,121	9,917,121	-
General obligation bonds payable, noncurrent portion	69,411,215	7,078,380	76,489,595	-
Total noncurrent liabilities	85,898,614	27,156,229	113,054,843	-
Total liabilities	122,111,761	33,896,242	156,008,003	-
Net assets:				
Invested in capital assets, net of related debt	136,951,012	180,602,114	284,888,303	-
Permanently restricted, nonexpendable for:				
Library	-	-	-	959,933
Temporarily restricted	-	-	-	40,258
Restricted for:				
Capital projects	567,069	731,077	1,298,146	-
Debt service	11,359,661	-	11,359,661	-
Library	2,802,751	-	2,802,751	-
Tax increment financing districts	55,952	-	55,952	-
Motor fuel tax projects	4,525,708	-	4,525,708	-
Board of elections	405,490	-	405,490	-
Drug enforcement	353,163	-	353,163	-
Community development	1,110,908	-	1,110,908	-
Unrestricted	(28,282,415)	(3,234,615)	1,147,793	823,223
Total net assets	\$129,849,299	\$ 178,098,576	\$ 307,947,875	\$ 1,823,414

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

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF ACTIVITIES

Year Ended April 30, 2012

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 18,090,767	\$ 4,235,809	\$ 807,945	\$ -
Public safety	44,705,349	5,045,013	302,575	89,015
Highways and streets	17,919,414	707,684	2,275,072	2,162,696
Health and welfare	7,009	-	-	-
Culture and recreation	17,440,404	2,856,130	126,590	28,142
Community development	844,938	1	826,725	-
Interest on long-term debt	2,885,111	-	-	-
Total governmental activities	101,892,992	12,844,637	4,338,907	2,279,853
Business-type activities:				
Water	14,709,029	16,661,190	-	481,694
Solid waste	5,862,358	4,313,505	-	-
Sewer	3,592,333	4,628,747	-	945,750
U.S. Cellular Coliseum	4,805,847	3,728,185	-	-
Stormwater management	2,268,299	2,763,912	-	-
Golf operations	2,760,286	2,658,486	-	-
Parking	1,116,163	732,200	-	-
Total business-type activities	35,114,315	35,486,225	-	1,427,444
Total primary government	137,007,307	48,330,862	4,338,907	3,707,297
Component Unit:				
Library Foundation	26,325	-	250	-
Total Government	\$ 137,033,632	\$ 48,330,862	\$ 4,339,157	\$ 3,707,297

General revenues:

Taxes:

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

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net assets

Net assets, beginning of year, reclassified

Prior period adjustment

Net assets, beginning of year, restated

Net assets, end of year

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Library Foundation
\$ (13,047,013)	\$ -	\$ (13,047,013)	\$ -
(39,268,746)	-	(39,268,746)	-
(12,773,962)	-	(12,773,962)	-
(7,009)	-	(7,009)	-
(14,429,542)	-	(14,429,542)	-
(18,212)	-	(18,212)	-
(2,885,111)	-	(2,885,111)	-
(82,429,595)		(82,429,595)	-
-	2,433,855	2,433,855	-
-	(1,548,853)	(1,548,853)	-
-	1,982,164	1,982,164	-
-	(1,077,662)	(1,077,662)	-
-	495,613	495,613	-
-	(101,800)	(101,800)	-
-	(383,963)	(383,963)	-
-	1,799,354	1,799,354	-
(82,429,595)	1,799,354	(80,630,241)	
-	-	-	(26,075)
(82,429,595)	1,799,354	(80,630,241)	(26,075)
23,954,699	-	23,954,699	-
1,880,327	-	1,880,327	-
13,376,536	-	13,376,536	-
14,251,763	-	14,251,763	-
2,892,668	-	2,892,668	-
6,225,737	-	6,225,737	-
3,960,486	-	3,960,486	-
8,561,867	-	8,561,867	-
82,170	23,508	105,678	40,468
1,589,103	463,639	2,052,742	3,164
(921,878)	921,878	-	-
75,853,478	1,409,025	77,262,503	43,632
(6,576,117)	3,208,379	(3,367,738)	17,557
136,755,233	173,902,769	310,658,002	1,805,857
(329,817)	987,428	657,611	-
136,425,416	174,890,197	311,315,613	1,805,857
\$ 129,849,299	\$ 178,098,576	\$ 307,947,875	\$ 1,823,414

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

CITY OF BLOOMINGTON, ILLINOIS
Governmental Funds

BALANCE SHEET

April 30, 2012

	General	Library	Debt Service	Nonmajor Governmental Funds	Total
ASSETS					
Cash and investments	\$ 7,044,764	\$ 3,266,324	\$ 10,781,828	\$ 9,981,323	\$ 31,074,239
Restricted accounts - cash	567,069	-	-	-	567,069
Receivables, net of allowance for uncollectibles:					
Taxes	16,893,406	4,513,519	2,179,980	-	23,586,905
Loans	437,416	-	-	1,092,737	1,530,153
Accounts	1,970,160	78,564	-	70,653	2,119,377
Due from other governmental units	9,775,690	-	78,455	548,730	10,402,875
Due from other funds	610,041	-	499,878	-	1,109,919
Interfund advance	2,374,386	-	-	443,370	2,817,756
Inventory	197,263	-	-	-	197,263
Prepaid items	24,187	-	-	-	24,187
Properties held for resale	-	-	-	16,775	16,775
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 39,894,382</u>	<u>\$ 7,858,407</u>	<u>\$ 13,540,141</u>	<u>\$ 12,153,588</u>	<u>\$ 73,446,518</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenditures	\$ 3,379,700	\$ 265,333	\$ 500	\$ 888,880	\$ 4,534,413
Due to other funds	749,536	276,804	-	8,237	1,034,577
Deposits	17,750	-	-	-	17,750
Unearned income	1,220	-	-	-	1,220
Deferred revenue	19,346,907	4,513,519	2,179,980	-	26,040,406
Interfund advance	193,370	-	-	623,487	816,857
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>23,688,483</u>	<u>5,055,656</u>	<u>2,180,480</u>	<u>1,520,604</u>	<u>32,445,223</u>
Fund balances:					
Nonspendable					
Inventory	197,263	-	-	-	197,263
Loans	437,416	-	-	1,092,737	1,530,153
Interfund advances	2,374,386	-	-	443,370	2,817,756
Prepaid items	24,187	-	-	-	24,187
Property held for resale	-	-	-	16,775	16,775
Restricted					
Capital projects	567,069	-	-	-	567,069
Debt service	-	-	11,359,661	-	11,359,661
Highway and streets	-	-	-	4,525,708	4,525,708
Board of elections	-	-	-	405,490	405,490
Public safety	-	-	-	109,443	109,443
Community development	-	-	-	57,348	57,348
Unrestricted					
Committed					
Public safety	-	-	-	353,163	353,163
Culture and recreation	-	2,802,751	-	628,096	3,430,847
Assigned					
General government	658,138	-	-	-	658,138
Public safety	676,136	-	-	-	676,136
Highways and streets	72,904	-	-	-	72,904
Culture and recreation	192,916	-	-	-	192,916
Capital projects	-	-	-	3,010,072	3,010,072
Unassigned	11,005,484	-	-	(9,218)	10,996,266
Total fund balances	<u>16,205,899</u>	<u>2,802,751</u>	<u>11,359,661</u>	<u>10,632,984</u>	<u>41,001,295</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 39,894,382</u>	<u>\$ 7,858,407</u>	<u>\$ 13,540,141</u>	<u>\$ 12,153,588</u>	<u>\$ 73,446,518</u>

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

CITY OF BLOOMINGTON

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

April 30, 2012

Total governmental fund balances		\$ 41,001,295
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		170,760,177
Unearned revenue from capital lease agreement, not reported in the funds.		(4,600)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		2,433,006
Internal service funds are used by management to charge the cost of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets:		
Current assets	\$ 3,963,905	
Internal balances	345,705	
Current liabilities	<u>(4,665,869)</u>	(356,259)
The pension assets resulting from contributions in excess of the annual required contribution are not financial resources and, therefore, are not reported in the funds.		4,032,871
The pension obligations resulting from annual required contributions in excess of the contribution are not due and payable in the current period and, therefore, are not reported in the funds.		(683,324)
The OPEB obligation resulting from annual required contributions in excess of contributions are not due and payable in the current period and, therefore, are not reported in the funds.		(4,341,042)
Internal service funds allocated to business-type activities.		732,901
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences	(9,871,441)	
Bond premium	(323,282)	
Bond discount	317,401	
Bond issuance costs	530,417	
Accrued interest payable	(1,095,736)	
Capital lease payable	(1,451,944)	
General obligation bonds payable	<u>(71,831,141)</u>	<u>(83,725,726)</u>
Net assets of governmental activities		<u>\$ 129,849,299</u>

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

CITY OF BLOOMINGTON, ILLINOIS
Governmental Funds

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

Year Ended April 30, 2012

	General	Library	Debt Service	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	\$ 68,086,491	\$ 4,648,600	\$ 2,172,495	\$ 75,968	\$ 74,983,554
Intergovernmental	528,664	95,064	-	4,356,802	4,980,530
Licenses and permits	1,120,226	-	-	-	1,120,226
Charges for services	10,561,967	80,290	-	-	10,642,257
Fines and forfeitures	903,200	-	-	128,679	1,031,879
Investment income	64,567	2,682	4,651	4,308	76,208
Other	1,089,891	407,503	-	87,109	1,584,503
	82,355,006	5,234,139	2,177,146	4,652,866	94,419,157
EXPENDITURES					
Current:					
General government	16,313,140	-	-	372,483	16,685,623
Public safety	41,869,489	-	-	156,589	42,026,078
Highways and streets	9,002,990	-	-	449,477	9,452,467
Culture and recreation	9,947,824	4,571,797	-	166,817	14,686,438
Community development	-	-	-	785,577	785,577
Debt service:					
Principal	212,216	-	1,295,000	-	1,507,216
Interest and fiscal agent fees	32,575	-	2,859,469	20,800	2,912,844
Bond issuance costs	70,891	2,266	92,637	-	165,794
Capital outlay	1,346,245	118,435	-	6,950,674	8,415,354
	78,795,370	4,692,498	4,247,106	8,902,417	96,637,391
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)					
	3,559,636	541,641	(2,069,960)	(4,249,551)	(2,218,234)
OTHER FINANCING SOURCES (USES):					
Transfers in	920,372	-	2,573,135	7,050,423	10,543,930
Bonds issued, at par	5,990,120	191,500	-	-	6,181,620
Refunding bonds	-	-	5,075,000	-	5,075,000
Bond premium	-	-	196,695	-	196,695
Payment to refunded bond escrow agent	-	-	(5,182,083)	-	(5,182,083)
Capital lease	-	-	-	1,594,476	1,594,476
Proceeds from sale of capital assets	136,064	2,045	-	34,259	172,368
Transfers out	(11,372,973)	(550,585)	-	(42,250)	(11,965,808)
	(4,326,417)	(357,040)	2,662,747	8,636,908	6,616,198
NET CHANGE IN FUND BALANCE					
	(766,781)	184,601	592,787	4,387,357	4,397,964
FUND BALANCE, BEGINNING OF YEAR, RECLASSIFIED					
	16,972,680	2,618,150	10,766,874	6,245,627	36,603,331
Prior period adjustment					
	-	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR, RESTATED					
	16,972,680	2,618,150	10,766,874	6,245,627	36,603,331
FUND BALANCE, END OF YEAR					
	\$ 16,205,899	\$ 2,802,751	\$ 11,359,661	\$ 10,632,984	\$ 41,001,295

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

CITY OF BLOOMINGTON

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

Year Ended April 30, 2012

Net change in fund balances - governmental funds	\$ 4,397,964
Amounts reported for governmental activities in the statement of activities are different because:	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount by which capital outlays exceeded depreciation in the current year:</p>	
Capital outlay	5,535,344
Depreciation	(11,171,065)
<p>The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, donations and disposals) is to increase/decrease net assets:</p>	
Disposals of capital assets	(31,496)
Loss on disposal of capital assets	(428,680)
Contributions of capital assets	1,688,505
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>	
Change in compensated absences	(292,312)
<p>The issuance of long-term debt (e.g. bonds, loan, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:</p>	
Repayment of long-term debt	6,507,216
Capital lease	(1,594,476)
Bond proceeds	(6,181,620)
Refunding bonds issued	(5,075,000)
Loss on refunding	276,715
Bond issuance costs	165,794
Bond premium	(196,695)
Amortization of issuance costs, bond premium, bond discount, and loss on refunding	(149,948)
Interest	83,049
<p>Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>	
	274,492
<p>Change in internal service fund allocation to business-type activities.</p>	
	46,172
<p>Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.</p>	
Reduction of fund deferred revenue	125,129
<p>The increase in pension obligation resulting from annual required contributions in excess of the contributions do not require the use of current financial resources and, therefore, is not reported as expenditures in the funds.</p>	
	(321,031)
<p>The increase in OPEB obligation resulting from annual required contributions in excess of the contributions do not require the use of current financial resources and, therefore, is not reported as expenditures in the funds.</p>	
	(790,681)
<p>The increase in pension asset resulting from contributions in excess of the annual required contributions do not require the use of current financial resources and, therefore, is not reported as expenditures in the funds.</p>	
	<u>556,507</u>
Change in net assets of governmental activities	<u>\$ (6,576,117)</u>

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

CITY OF BLOOMINGTON, ILLINOIS
Proprietary Funds

BALANCE SHEET

April 30, 2012

	Business-type Activities - Enterprise Funds			
	Water	Sewer	US Cellular Coliseum	Stormwater Management
ASSETS				
Current assets:				
Cash and investments	\$ 11,752,472	\$ 63,861	\$ 724,618	\$ 40,716
Restricted accounts - cash	-	-	-	-
Accounts receivable, net of allowance for uncollectibles	2,321,187	685,114	328,125	545,597
Accrued interest receivable	-	-	-	-
Due from other funds	675,000	-	-	-
Inventory	124,922	-	-	-
Prepaid items and other assets	1,145	-	39,195	-
Total current assets	<u>14,874,726</u>	<u>748,975</u>	<u>1,091,938</u>	<u>586,313</u>
Noncurrent assets:				
Capital assets:				
Land	4,782,158	276,237	444,524	240,000
Construction-in-progress	4,318,479	2,951,292	-	1,429,791
Other depreciable capital assets, net of accumulated depreciation	78,091,725	59,984,848	25,159,194	6,886,141
Total capital assets, net of depreciation	<u>87,192,362</u>	<u>63,212,377</u>	<u>25,603,718</u>	<u>8,555,932</u>
Interfund advances	3,800,000	-	-	-
Bond issuance costs	17,496	29,797	-	-
Total noncurrent assets	<u>91,009,858</u>	<u>63,242,174</u>	<u>25,603,718</u>	<u>8,555,932</u>
Total assets	<u>\$ 105,884,584</u>	<u>\$ 63,991,149</u>	<u>\$ 26,695,656</u>	<u>\$ 9,142,245</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 1,425,070	\$ 718,850	\$ 433,229	\$ 726,406
Ticket escrow payable	-	-	205,247	-
Claims payable	-	-	-	-
Compensated absences	55,882	21,298	-	20,316
Accrued interest payable	63,903	103,945	-	29,564
Due to other funds	14,635	199	-	170
Unearned revenue	-	-	710,175	-
Deposits	18,050	-	-	-
Current maturities of long-term debt	411,139	175,000	-	572,734
Total current liabilities	<u>1,988,679</u>	<u>1,019,292</u>	<u>1,348,651</u>	<u>1,349,190</u>
Noncurrent liabilities:				
Claims payable	-	-	-	-
Interfund advances	-	1,850,000	2,303,019	250,000
Compensated absences	516,846	86,197	-	62,068
Net OPEB obligation	280,295	32,236	-	53,879
Net pension obligation	69,142	19,245	-	17,488
Capital lease payable, noncurrent portion	-	-	-	-
Loan payable, noncurrent portion	6,090,588	-	-	-
Note payable, noncurrent portion	-	-	-	9,917,121
General obligation bonds payable noncurrent portion	1,478,380	5,600,000	-	-
Total noncurrent liabilities	<u>8,435,251</u>	<u>7,587,678</u>	<u>2,303,019</u>	<u>10,300,556</u>
Total liabilities	<u>10,423,930</u>	<u>8,606,970</u>	<u>3,651,670</u>	<u>11,649,746</u>
Net assets (deficit):				
Invested in capital assets, net of related debt	80,690,635	57,437,377	25,603,718	8,555,932
Restricted for capital projects	-	-	-	-
Unrestricted	14,770,019	(2,053,198)	(2,559,732)	(11,063,433)
Total net assets (deficit)	<u>95,460,654</u>	<u>55,384,179</u>	<u>23,043,986</u>	<u>(2,507,501)</u>
Total liabilities and net assets (deficit)	<u>\$ 105,884,584</u>	<u>\$ 63,991,149</u>	<u>\$ 26,695,656</u>	<u>\$ 9,142,245</u>

Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 2,170,451	\$ 14,752,118	\$ 3,961,187
731,077	731,077	-
885,369	4,765,392	2,655
-	-	63
-	675,000	343,585
174,566	299,488	-
-	40,340	-
<u>3,961,463</u>	<u>21,263,415</u>	<u>4,307,490</u>
2,194,087	7,937,006	-
-	8,699,562	-
<u>7,755,481</u>	<u>177,877,389</u>	<u>-</u>
9,949,568	194,513,957	-
-	3,800,000	652,120
-	47,293	-
<u>9,949,568</u>	<u>198,361,250</u>	<u>652,120</u>
<u>\$ 13,911,031</u>	<u>\$ 219,624,665</u>	<u>\$ 4,959,610</u>
\$ 353,477	\$ 3,657,032	\$ 322,330
-	205,247	-
-	-	2,270,606
55,252	152,748	-
-	197,412	-
1,078,923	1,093,927	-
111,501	821,676	19,908
8,012	26,062	-
520,963	1,679,836	-
<u>2,128,128</u>	<u>7,833,940</u>	<u>2,612,844</u>
-	-	2,053,025
1,400,000	5,803,019	650,000
605,790	1,270,901	-
401,437	767,847	-
80,287	186,162	-
1,845,230	1,845,230	-
-	6,090,588	-
-	9,917,121	-
-	7,078,380	-
<u>4,332,744</u>	<u>32,959,248</u>	<u>2,703,025</u>
<u>6,460,872</u>	<u>40,793,188</u>	<u>5,315,869</u>
8,314,452	180,602,114	-
731,077	731,077	-
<u>(1,595,370)</u>	<u>(2,501,714)</u>	<u>(356,259)</u>
<u>7,450,159</u>	<u>178,831,477</u>	<u>(356,259)</u>
<u>\$ 13,911,031</u>	<u>\$ 219,624,665</u>	<u>\$ 4,959,610</u>

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

CITY OF BLOOMINGTON

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

April 30, 2012

Total enterprise funds net assets	\$ 178,831,477
Amounts reported for enterprise activities in the statement of net assets are different because:	
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	<u>(732,901)</u>
Net assets of business-type activities	<u><u>\$ 178,098,576</u></u>

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

CITY OF BLOOMINGTON, ILLINOIS
Proprietary Funds

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

Year Ended April 30, 2012

	Business-type Activities - Enterprise Funds			
	Water	Sewer	US Cellular Coliseum	Stormwater Management
REVENUES				
Charges for services	\$ 16,661,190	\$ 4,628,747	\$ 3,728,185	\$ 2,763,912
OPERATING EXPENSES				
Personal services	5,933,019	1,429,158	1,654,957	1,364,193
Contractual services	2,274,697	329,757	1,921,019	306,765
Commodities	4,098,496	235,874	237,144	69,456
Depreciation	2,104,048	1,342,408	911,269	247,613
Other charges, primarily claims	114,577	-	75,395	2,671
Total operating expenses	<u>14,524,837</u>	<u>3,337,197</u>	<u>4,799,784</u>	<u>1,990,698</u>
OPERATING INCOME (LOSS)	<u>2,136,353</u>	<u>1,291,550</u>	<u>(1,071,599)</u>	<u>773,214</u>
NONOPERATING INCOME (EXPENSE)				
Investment income	21,165	-	2,343	-
Loss on disposal of capital assets	-	-	-	-
Other income	671,865	375,679	-	60,930
Other expense	-	-	(4,000)	-
Interest expense	(167,289)	(251,561)	-	(273,153)
Total nonoperating income (expenses)	<u>525,741</u>	<u>124,118</u>	<u>(1,657)</u>	<u>(212,223)</u>
CHANGE IN NET ASSETS BEFORE CONTRIBUTIONS AND TRANSFERS	<u>2,662,094</u>	<u>1,415,668</u>	<u>(1,073,256)</u>	<u>560,991</u>
CONTRIBUTION REVENUE	<u>481,694</u>	<u>945,750</u>	<u>-</u>	<u>-</u>
TRANSFERS				
Transfers in	-	-	200,000	100,000
Transfers out	(369,616)	(129,540)	-	(36,890)
Total transfers	<u>(369,616)</u>	<u>(129,540)</u>	<u>200,000</u>	<u>63,110</u>
CHANGE IN NET ASSETS	2,774,172	2,231,878	(873,256)	624,101
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>92,320,974</u>	<u>52,719,371</u>	<u>23,867,242</u>	<u>(3,071,509)</u>
Prior period adjustment	<u>365,508</u>	<u>432,930</u>	<u>50,000</u>	<u>(60,093)</u>
NET ASSETS (DEFICIT), BEGINNING OF YEAR, RESTATED	<u>92,686,482</u>	<u>53,152,301</u>	<u>23,917,242</u>	<u>(3,131,602)</u>
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ 95,460,654</u>	<u>\$ 55,384,179</u>	<u>\$ 23,043,986</u>	<u>\$ (2,507,501)</u>

<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 7,704,191	\$ 35,486,225	\$ 12,566,658
4,897,712	15,279,039	-
2,871,085	7,703,323	4,521,559
1,108,788	5,749,758	-
790,531	5,395,869	-
-	192,643	8,276,569
<u>9,668,116</u>	<u>34,320,632</u>	<u>12,798,128</u>
<u>(1,963,925)</u>	<u>1,165,593</u>	<u>(231,470)</u>
-	23,508	5,962
(938,710)	(938,710)	-
293,875	1,402,349	-
-	(4,000)	-
<u>(51,508)</u>	<u>(743,511)</u>	<u>-</u>
<u>(696,343)</u>	<u>(260,364)</u>	<u>5,962</u>
<u>(2,660,268)</u>	<u>905,229</u>	<u>(225,508)</u>
<u>-</u>	<u>1,427,444</u>	<u>-</u>
1,500,000	1,800,000	934,438
<u>(342,076)</u>	<u>(878,122)</u>	<u>(434,438)</u>
<u>1,157,924</u>	<u>921,878</u>	<u>500,000</u>
(1,502,344)	3,254,551	274,492
<u>8,753,420</u>	<u>174,589,498</u>	<u>(630,751)</u>
<u>199,083</u>	<u>987,428</u>	<u>-</u>
<u>8,952,503</u>	<u>175,576,926</u>	<u>(630,751)</u>
<u>\$ 7,450,159</u>	<u>\$ 178,831,477</u>	<u>\$ (356,259)</u>

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

CITY OF BLOOMINGTON

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

Year Ended April 30, 2012

Net change in net assets in enterprise funds \$ 3,254,551

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

Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net expense of certain activities of internal service funds is reported with business-type activities. (46,172)

Change in net assets of business-type activities \$ 3,208,379

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

CITY OF BLOOMINGTON
Proprietary Funds

STATEMENT OF CASH FLOWS

Year Ended April 30, 2012

	Business-type Activities - Enterprise Funds			
	Water	Sewer	US Cellular Coliseum	Stormwater Management
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 16,461,759	\$ 4,510,837	\$ 3,927,102	\$ 2,750,223
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(6,601,382)	(453,085)	(2,173,589)	(244,322)
Payments to claimants	-	-	-	-
Payments to employees	(5,775,668)	(1,408,649)	(1,633,761)	(1,354,397)
Other receipts	671,865	375,679	-	60,930
Net cash from operating activities	<u>4,756,574</u>	<u>3,024,782</u>	<u>119,752</u>	<u>1,212,434</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Payments to interfund accounts	(402,274)	(1,783,026)	(150,714)	(41,292)
Proceeds from interfund accounts	2,025,000	-	200,000	350,000
Proceeds from general obligation bonds	1,478,380	-	-	-
Bond issue costs	(17,496)	-	-	-
Payments on debt	-	-	-	(831,424)
Net cash from noncapital financing activities	<u>3,083,610</u>	<u>(1,783,026)</u>	<u>49,286</u>	<u>(522,716)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from capital debt	-	-	-	-
Purchase of capital assets	(1,566,826)	(865,150)	-	(1,158,464)
Proceeds from sales of capital assets	-	-	-	-
Principal paid on long-term debt	(396,434)	(170,000)	-	-
Interest paid on long-term debt	(169,274)	(253,082)	-	-
Net cash from capital and related financing activities	<u>(2,132,534)</u>	<u>(1,288,232)</u>	<u>-</u>	<u>(1,158,464)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	21,165	-	2,343	-
Proceeds from investment sales	-	-	-	-
Net cash from investing activities	<u>21,165</u>	<u>-</u>	<u>2,343</u>	<u>-</u>
Net increase in cash	5,728,815	(46,476)	171,381	(468,746)
Cash and cash equivalents, beginning of year	<u>6,023,657</u>	<u>110,337</u>	<u>553,237</u>	<u>509,462</u>
Cash and cash equivalents, end of year	<u>\$ 11,752,472</u>	<u>\$ 63,861</u>	<u>\$ 724,618</u>	<u>\$ 40,716</u>
Cash and cash equivalents consists of the following:				
Cash and cash investments	\$ 11,752,472	\$ 63,861	\$ 724,618	\$ 40,716
Restricted accounts - cash	-	-	-	-
Less items not meeting the definition of cash equivalents	-	-	-	-
Cash and cash equivalents, end of year	<u>\$ 11,752,472</u>	<u>\$ 63,861</u>	<u>\$ 724,618</u>	<u>\$ 40,716</u>

<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 7,584,229	\$ 35,234,150	\$ 9,295,508
-	-	3,263,414
(4,102,565)	(13,574,943)	(4,403,929)
-	-	(8,441,499)
(4,800,730)	(14,973,205)	-
293,875	1,402,349	-
<u>(1,025,191)</u>	<u>8,088,351</u>	<u>(286,506)</u>
2,527,706	150,400	(896,700)
(347,553)	2,227,447	1,467,802
-	1,478,380	-
-	(17,496)	-
-	(831,424)	-
<u>2,180,153</u>	<u>3,007,307</u>	<u>571,102</u>
2,705,524	2,705,524	-
(1,683,281)	(5,273,721)	-
139,664	139,664	-
(339,331)	(905,765)	-
(51,508)	(473,864)	-
<u>771,068</u>	<u>(3,808,162)</u>	<u>-</u>
-	23,508	5,980
-	-	22,467
-	<u>23,508</u>	<u>28,447</u>
1,926,030	7,311,004	313,043
975,498	8,172,191	3,564,498
<u>\$ 2,901,528</u>	<u>\$ 15,483,195</u>	<u>\$ 3,877,541</u>
\$ 2,170,451	\$ 14,752,118	\$ 3,961,187
731,077	731,077	-
-	-	(83,646)
<u>\$ 2,901,528</u>	<u>\$ 15,483,195</u>	<u>\$ 3,877,541</u>

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

CITY OF BLOOMINGTON
Proprietary Funds

STATEMENT OF CASH FLOWS

Year Ended April 30, 2012

	Business-type Activities - Enterprise Funds			
	Water	Sewer	US Cellular Coliseum	Stormwater Management
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	\$ 2,136,353	\$ 1,291,550	\$ (1,071,599)	\$ 773,214
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	2,104,048	1,342,408	911,269	247,613
Other income (expense)	671,865	375,679	-	60,930
Change in assets and liabilities:				
Receivables	(199,431)	(117,910)	(47,400)	(13,689)
Inventory	(9,758)	-	-	-
Prepaid items and other assets	12,508	-	(17,500)	-
Accounts payable and accrued expenses	(117,595)	112,546	98,665	134,570
Ticket escrow payable	-	-	199,503	-
Claims payable	-	-	-	-
Unearned revenue	-	-	46,814	-
Deposits	1,233	-	-	-
Compensated absences	100,486	823	-	(11,330)
Net OPEB obligation	32,734	3,482	-	11,523
Net pension obligation	24,131	16,204	-	9,603
Net cash from operating activities	<u>\$ 4,756,574</u>	<u>\$ 3,024,782</u>	<u>\$ 119,752</u>	<u>\$ 1,212,434</u>
Schedule of noncash items:				
Capital and related financing activities:				
Contribution of capital assets	\$ 481,694	\$ 945,750	\$ -	\$ -
Purchase of machinery and equipment on account	-	-	83,925	-
Investing activities, net of appreciation in fair value of investments	\$ -	\$ -	\$ -	\$ -

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

<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ (1,963,925)	\$ 1,165,593	\$ (231,470)
790,531	5,395,869	-
293,875	1,402,349	-
(80,258)	(458,688)	1,007
12,249	2,491	-
-	(4,992)	3,465
(133,863)	94,323	114,165
-	199,503	-
-	-	(164,930)
(39,704)	7,110	(8,743)
(1,078)	155	-
(5,520)	84,459	-
71,884	119,623	-
30,618	80,556	-
<u>\$ (1,025,191)</u>	<u>\$ 8,088,351</u>	<u>\$ (286,506)</u>
\$ -	\$ 1,427,444	\$ -
-	83,925	-
\$ -	\$ -	\$ (1,000)

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

CITY OF BLOOMINGTON, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

April 30, 2012

	<u>Pension Trust Funds</u>	<u>J.M. Scott Private-Purpose Trust Fund</u>
ASSETS		
Cash	\$ 7,090,069	\$ 112,458
Investments:		
U.S. government securities	5,133,921	-
U.S. government agencies and corporations	12,446,286	-
Annuities - fixed	17,473,792	-
Annuities - variable	18,833,007	-
Mutual funds	15,115,636	-
Stocks	9,365,725	5,121,895
Corporate bonds	2,859,478	3,749,932
Receivables:		
Employee	52,864	-
Accrued interest	294,766	-
Other	-	223
	<u>88,665,544</u>	<u>8,984,508</u>
Total assets		
LIABILITIES		
Accounts payable	3,713	2,417
Loan payable	-	85,660
	<u>3,713</u>	<u>88,077</u>
Total liabilities		
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES		
	<u>\$ 88,661,831</u>	<u>\$ 8,896,431</u>

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

CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

Year Ended April 30, 2012

	<u>Pension Trust Funds</u>	<u>J.M. Scott Private-Purpose Trust Fund</u>
ADDITIONS		
Contributions:		
Employer	\$ 7,572,275	-
Active members	1,602,876	-
Other sources	98,978	2,739
Total contributions	<u>9,274,129</u>	<u>2,739</u>
Investment income		
Net appreciation in fair value of investments	291,906	616,395
Interest	1,486,234	98
Dividends	225	-
Total investment income	<u>1,778,365</u>	<u>616,493</u>
Less investment expense	<u>43,401</u>	<u>-</u>
Net investment income	<u>1,734,964</u>	<u>616,493</u>
Total additions	<u>11,009,093</u>	<u>619,232</u>
DEDUCTIONS		
Benefits	7,729,110	-
Refund of contributions	200,307	-
Administrative expenses	184,388	-
Health and welfare	-	343,797
Total deductions	<u>8,113,805</u>	<u>343,797</u>
NET INCREASE	2,895,288	275,435
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
BEGINNING OF YEAR	<u>85,766,543</u>	<u>8,620,996</u>
END OF YEAR	<u>\$ 88,661,831</u>	<u>\$ 8,896,431</u>

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

Discretely Presented Component Unit:

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Government-wide and Fund Financial Statements

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

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

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

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-wide and Fund Financial Statements – Continued

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. There are no indirect expenses. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

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

The following are the City's major governmental funds:

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-wide and Fund Financial Statements – Continued

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

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

The following are the City's major enterprise funds:

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

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

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

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

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firemen's Pension Fund. The City also reports the J.M. Scott private-purpose trust fund as a fiduciary fund.

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

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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

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

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

Property taxes receivable represents the 2011 levy that is due and collectible in 2012-2013 fiscal year. The 2011 levy was adopted in December 2011. Property taxes attach as an enforceable lien on the property as of January 1 and are due and collectible in June and September of the fiscal year following the 2011 tax levy. For governmental funds, property taxes are reported as deferred revenue until the measurable and available criteria have been met (the year intended to finance and collected within 60 days after year end). No allowance is provided for uncollectible taxes, which is immaterial to the financial statements. The 2012 levy has not been recorded as a receivable in accordance with GASB Statement No. 33, *Accounting for Nonexchange Transactions*. While the levy attached as a lien as of January 1, 2012, the taxes will not be levied by the City or extended by the County until December 2012, and therefore, the amount is not measurable at April 30, 2012.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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

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

D. Cash and Investments

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

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

E. Statement of cash flows

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

F. Accounts receivable

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

G. Trade/in-kind agreements

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

H. Inventory

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

I. Prepaid Items/Expenses

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

J. Capital assets

Including land, construction, land improvements, machinery and equipment, licensed vehicles, zoo animals, and infrastructure are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Infrastructure capitalization thresholds are as follows:

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

J. Capital Assets – Continued

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

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

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

Depreciation has been provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives for each capital asset type are as follows:

Infrastructure	10 - 65 years
Land improvements	20 - 50 years
Construction	20 - 50 years
Machinery and equipment	3 - 75 years
Licensed vehicles	3 - 20 years
Zoo animals	10 - 60 years

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

K. Deferred revenues

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

L. Unearned revenue

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

M. Ticket escrow payable

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

N. Interfund transactions

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

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

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

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

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

O. Compensated absences

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

O. Compensated absences – Continued

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

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

P. Fund balance

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

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

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Q. Net assets

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

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

R. Bond premium, discounts, and issuance costs

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

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

S. Properties held for resale

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

T. Use of estimates

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

2. CASH AND INVESTMENTS

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

In accordance with the City's investment policy, the City's funds may be invested in instruments permitted by the Illinois Public Funds Investment Act (30 ILCS 230/5). The City's policy further limits investments to (1) bonds, notes, certificates of indebtedness, treasury bills, or other securities guaranteed by United States including the Government National Mortgage Association, the Tennessee Valley Authority, Small Business Administration, Farmer's Home Administration, General Services Administration, Maritime Administration, and the Export-Import Bank;(2) Interest-bearing savings accounts, interest-bearing certificates of deposit which include participation within the certificate of deposit account registry service (CDAR) program as long as the City's investment in any one bank does not exceed the FDIC limit, interest-bearing time deposits, or any other investments that are direct obligations of any local banks; (3) Commercial paper with no single investment exceeding \$2.0 million in face value with a

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

maturity of no longer than 180 days and must have one of the following bond ratings: A-1, P-1, F-1 or D-1; (4) Securities legally issued by state or federal savings and loan associations which are insured by the FDIC; (5) Money-market mutual funds registered under the amended Investment Company Act of 1940 provided that the portfolio is limited to bonds, notes, and certificates of indebtedness, treasury bills, or other securities which are guaranteed by the United States or agreements to repurchase these same types of obligations, and qualified agencies under the Illinois Public Funds Investment Act; (6) Repurchase Agreements through any bank or other financial institution, a regional investment pool, the State of Illinois Treasurer's Investment Pool, or the Illinois Metropolitan Investment Fund (IMET); (7) Agency bonds with a rating of AAA subject to approval by the Director of Finance; (8) Taxable Municipal Bonds with a credit rating of AA or higher from one rating agency, or bonds which are insured to equate to a AAA rating to the extent that such investments do not exceed 10% of the total portfolio; (9) Agency structured notes, index amortizing notes, and other derivative securities are specifically prohibited; (10) Bond mutual funds registered under the Investment Company Act of 1940, provided that the portfolio is limited to bonds, notes, treasury bills, or other securities which are guaranteed by the United States government or agreements to repurchase these same types of obligations, and qualified U.S. agencies under the Illinois Public Funds Investment Act; (11) No single investment, except those guaranteed by the United States government, may exceed 5% of the funds' total market value.

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

A. Deposits

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

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

The Police and Firemen's Pension Funds investment policies do not specifically address custodial credit risk for deposits, except for the Pension Funds' compliance with State statutes. As of April 30, 2012, the Firemen's Pension Fund bank balances of deposits held at various institutions which were exposed to custodial credit risk because the balances were uninsured and uncollateralized totaled \$1,309,197. As of April 30, 2012, the Firemen's Pension Fund bank balances of deposits held at various institutions which were exposed to custodial credit risk because the balances were collateralized by assets held by the pledging financial institutions totaled \$349,200.

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments

Custodial Credit Risk: The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. To limit its exposure, the City's investment policy requires assets be secured through third-party custody and safekeeping procedures. The investment policy limits investments with any one financial institution to 30% of available funds.

The J.M. Scott investment policy does not specifically address custodial credit risk for investments.

The Police Pension Fund's investment policy does not mitigate custodial credit risk for investments. As of April 30, 2012, \$7,305 of the Pension Fund's investments of \$47,294,038 were exposed to custodial credit risk, as they were uninsured and uncollateralized. The uninsured and uncollateralized balance of \$7,305 is Government National Mortgage Association securities held by the Police Pension Fund.

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

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the City's investment policy, the City limits its exposure to interest rate risk by structuring the portfolio so that investments will have short term durations due to cash flow needs as well as avoiding the need to sell securities prior to maturity.

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

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

The Firemen's Pension Fund's investment policy requires the Fund to minimize the risk of large losses caused by highly volatile changes in interest rates through the use of proper diversification and to maintain cash flow adequate to meet anticipated disbursements for up to a one-year period. Anticipated expenses for a one-year period will be maintained in short-term investments, namely the Illinois Funds account maintained by the state treasurer. The investment policy does not limit the maximum maturity length of investments in the Firemen's Pension Fund.

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

	<u>Fair Value</u>	<u>< 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>> 10 Years</u>
City of Bloomington					
IMET	\$ 7,709,465	\$ -	\$ 7,709,465	\$ -	\$ -
U.S. Government Agency Bonds	83,646	83,646	-	-	-
Total City of Bloomington	<u>\$ 7,793,111</u>	<u>\$ 83,646</u>	<u>\$ 7,709,465</u>	<u>\$ -</u>	<u>\$ -</u>
Police Pension Fund					
Mutual Funds	\$ 15,115,636	\$ 15,115,636	\$ -	\$ -	\$ -
U.S. Government Securities	5,133,921	-	3,800,282	1,026,971	306,668
U.S. Government Agencies and Corporations	12,435,360	2,022,059	8,769,624	1,068,740	574,937
Corporate Bonds	2,859,478	-	479,731	2,222,104	157,643
Annuities - Fixed	2,383,918	2,383,918	-	-	-
Equity Securities	9,365,725	9,365,725	-	-	-
Total Police Pension Fund	<u>\$ 47,294,038</u>	<u>\$ 28,887,338</u>	<u>\$ 13,049,637</u>	<u>\$ 4,317,815</u>	<u>\$ 1,039,248</u>
Firemen's Pension Fund					
U.S. Agency securities	\$ 10,926	\$ -	\$ -	\$ -	\$ 10,926
Annuities - Fixed	15,089,874	-	5,481,191	9,552,352	56,331
Total Firemen's Pension Fund	<u>\$ 15,100,800</u>	<u>\$ -</u>	<u>\$ 5,481,191</u>	<u>\$ 9,552,352</u>	<u>\$ 67,257</u>
J.M. Scott Private-Purpose Trust Fund					
Mutual Fund	\$ 8,871,827	\$ 8,871,827	\$ -	\$ -	\$ -
Money Market Mutual Fund	7,346	7,346	-	-	-
Total J.M. Scott Private-Purpose Trust Fund	<u>\$ 8,879,173</u>	<u>\$ 8,879,173</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy requires that United States Government Agency bonds have a rating of AAA, taxable municipal bonds have a rating of AA or higher or are insured to equate to a AAA rating so long as no more than 10% of the total portfolio is invested in taxable municipal bonds, and that commercial paper have a rating of A-1, P-1, F-1, or D-1 provided that no single investment in a commercial paper exceeds \$2 million in face value with a maturity of no longer than 180 days.

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

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

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

As of April 30, 2012, the City’s investments were rated as follows:

Investment Type	Moody’s Investors Services	Standard & Poor’s	A.M. Best Company
City of Bloomington:			
Money Market Mutual Funds:			
Illinois Metropolitan Investment Fund	Not Rated	AAf/S1	N/A
Illinois Funds Money Market Fund	Not Rated	AAAm	N/A
U.S. Government Agencies and Corporations:			
U.S. Government Agency Bonds	Aaa	AA+	N/A
Police Pension Fund:			
Money Market Mutual Funds:			
American Funds Europacific Growth Fund	Not Rated	Not Rated	N/A
American Funds Growth Fund of America	Not Rated	Not Rated	N/A
Blackrock Equity Fund	Not Rated	Not Rated	N/A
CGM Realty Fund	Not Rated	Not Rated	N/A
DFA U.S. Small Cap Value Portfolio	Not Rated	Not Rated	N/A
Dodge & Cox Stock Fund	Not Rated	Not Rated	N/A
Oppenheimer Developing Markets Equity Fund	Not Rated	Not Rated	N/A
Royce Special Equity Fund	Not Rated	Not Rated	N/A
Schwab Government Money Fund	Not Rated	Not Rated	N/A
Schwab U.S. Treasury Money Fund	Not Rated	Not Rated	N/A
Sentinel Small Company Fund	Not Rated	Not Rated	N/A
Thornburg Value Fund	Not Rated	Not Rated	N/A
Virtus Real Estate Securities Equity Fund	Not Rated	Not Rated	N/A
William Blair International Growth Fund	Not Rated	Not Rated	N/A
Annuities - Fixed:			
Prosaver Platinum 8-Year Annuity	Aa3	N/A	A+
Prosaver Platinum 7-Year Annuity	Aa3	N/A	A+
Corporate Bonds	Aaa	AAA	N/A
U.S. Government Agencies and Corporations:			
Federal Home Loan Mortgage Corporation	Aaa	AA+	A+
Government National Mortgage Association	Aaa	AA+	A+
Federal Home Loan Bank	Aaa	AA+	A+
Federal National Mortgage Association	Aaa	AA+	A+
Federal Farm Credit Bank	Aaa	AA+	A+
Equity Securities - SPDR Trust Unit SR1 Stock	Not Rated	Not Rated	N/A

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

<u>Investment Type</u>	<u>Moody's Investors Services</u>	<u>Standard & Poor's</u>	<u>A.M. Best Company</u>
Firemen's Pension Fund:			
Money Market Funds:			
Illinois Funds	Not Rated	AAAm	Not Rated
U.S. Agency Securities:			
Federal Home Loan Bank Callable Bonds	Aaa ³	AAA ⁴	Not Rated
Annuities:			
Jackson National Life	A1	AA	A+
Sun Life Financial – Sun Life Assurance Co.	A3	BBB ⁺¹	A1
Sun Life Financial – Key Port Annuities	A3	BBB ⁺¹	A1
OM Financial/Fidelity and Guaranty Insurance Company	Ba1	Not Rated	B++
ING USA Annuity and Life Insurance Company	Not Rated	A	A
Aviva USA Corporation	A1	A+	A
Symetra Life Insurance Company	A3	A	A
RBC Liberty Life Insurance Company	Not Rated	Not Rated	B++
American National Insurance Company	A	A	Not Rated
Nationwide	A1	A+	A+
J.M. Scott Private-Purpose Trust Fund:			
Money Market Mutual Funds:			
Vanguard Admiral Treasury Money Market Fund	Not Rated	Not Rated	N/A
Vanguard Inflation – Protect Sec. Adm	Not Rated	Not Rated	N/A
Vanguard Total Stock Market Idx Inst	Not Rated	Not Rated	N/A
Vanguard Long-Term Invest-Gr Adm	Not Rated	*	N/A

* Includes various ratings from Below B to Aaa.

¹ – Outlook stable

² – Negative outlook

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

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

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

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

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

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Cash	1.00%	3.00%	10.00%
Fixed income	29.00	42.00	75.50
Large cap domestic equities	20.00	42.00	47.50
Small cap domestic equities	2.50	5.00	10.00
International equities	-	5.00	10.00
Real estate	-	3.00	5.00

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

The Police Pension Fund further requires the investment in a general account of an insurance company shall not be invested in more than 10 percent of real estate and more than 10 percent of bonds with rating of less than Baal by Moody's or BBB+ by Standard & Poor's. Total investments in contracts and agreements of life insurance companies shall not exceed 15 percent of the aggregate market value of the Police Pension Fund and no more than 5 percent of the Police Pension Fund assets may be invested in one single insurance company. Up to 5 percent of the assets of the Police Pension Fund may be invested in nonconvertible bonds, debenture, notes and other corporate obligations; Canadian securities; and direct obligations of Israel.

Investments in notes secured by mortgages under Sections 203, 207, 220 and 221 of the National Housing Act are limited to 20 percent of the investment portfolio.

Investments in stocks and convertible debt are limited to 50 percent of the investment portfolio. Investments in any one issuer that represent more than 5 percent or more of the total Police Pension Fund's investments are as follows:

SPDR Trust Unit SR1 Stock	\$ 9,365,725
Blackrock Equity Dividend	2,505,683

The Firemen's Pension Fund's investment policy does not specifically address concentration of credit risk for investments, except for compliance with State statutes. It is the policy of the Firemen's Pension Fund to invest in a manner that seeks to ensure the prudent and consistent management of the investments of the Firemen's Pension Fund. The state statutes governing the Firemen's Pension Fund limit combined investments in separate accounts managed by life insurance companies (variable annuities), mutual funds and common and preferred stocks to 50 percent of the Firemen's Pension Fund's net assets. Investments in any one issuer that represents 5 percent or more of the total Firemen's Pension Fund's net assets as of April 30, 2012 (excluding those investments issued by or explicitly guaranteed by the U.S. government) are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Fair Value</u>
Firemen's Pension Fund:		
Aviva USA Corporation	Annuity Contracts – fixed	\$ 3,542,640
Aviva USA Corporation	Annuity Contracts – fixed	2,007,451
Sun Life Financial	Annuity Contracts – variable	2,521,604

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

2. CASH AND INVESTMENTS – Continued

B. Investments – Continued

As of April 30, 2012, the Firemen's Pension Fund was in compliance with the 50 percent limit of net assets for combined investments in variable annuities, mutual funds and common and preferred stocks. Total investments in these types of assets were \$18,833,007 or 48.2 percent for the year ended April 30, 2012.

3. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended April 30, 2012:

	Restated Beginning Balance <u>May 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Ending Balance <u>April 30, 2012</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 19,795,851	\$ -	\$ 428,680	\$ 19,367,171
Construction-in-progress	<u>8,587,668</u>	<u>4,539,943</u>	<u>7,442,055</u>	<u>5,685,556</u>
Total capital assets, not being depreciated	<u>28,383,519</u>	<u>4,539,943</u>	<u>7,870,735</u>	<u>25,052,727</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

3. CAPITAL ASSETS – Continued

	Restated Beginning Balance <u>May 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Ending Balance <u>April 30, 2012</u>
Capital assets, being depreciated:				
Land improvements	\$ 16,993,819	\$ 1,825,073	\$ 212,944	\$ 18,605,948
Construction	61,775,786	309,018	8,318	62,076,486
Infrastructure	222,535,021	5,881,741	21,041	228,395,721
Machinery and equipment	23,186,115	1,694,228	7,920,999	16,959,344
Licensed vehicles	12,093,920	415,901	581,771	11,928,050
Zoo animals	<u>15,200</u>	<u>-</u>	<u>7,200</u>	<u>8,000</u>
Total capital assets, being depreciated	<u>336,599,861</u>	<u>10,125,961</u>	<u>8,752,273</u>	<u>337,973,549</u>
Less accumulated depreciation for:				
Land improvements	3,863,218	482,270	212,944	4,132,544
Construction	14,580,196	1,419,659	8,318	15,991,537
Infrastructure	148,329,946	5,149,134	21,041	153,458,039
Machinery and equipment	14,855,889	3,391,361	7,918,068	10,329,182
Licensed vehicles	8,181,109	723,694	553,206	8,351,597
Zoo animals	<u>5,453</u>	<u>4,947</u>	<u>7,200</u>	<u>3,200</u>
Total accumulated depreciation	<u>189,815,811</u>	<u>11,171,065</u>	<u>8,720,777</u>	<u>192,266,099</u>
Total capital assets, being depreciated, net	<u>146,784,050</u>	<u>(1,045,104)</u>	<u>31,496</u>	<u>145,707,450</u>
Governmental activities capital assets, net	<u>\$ 175,167,569</u>	<u>\$ 3,494,839</u>	<u>\$ 7,902,231</u>	<u>\$ 170,760,177</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 7,966,439	\$ -	\$ 29,433	\$ 7,937,006
Construction-in-progress	<u>7,125,753</u>	<u>5,090,288</u>	<u>3,516,479</u>	<u>8,699,562</u>
Total capital assets, not being depreciated	<u>15,092,192</u>	<u>5,090,288</u>	<u>3,545,912</u>	<u>16,636,568</u>
Capital assets, being depreciated:				
Land improvements	1,015,154	-	56,699	958,455
Construction	60,498,625	35,100	1,683,075	58,850,650
Infrastructure	154,214,797	4,896,810	85,681	159,025,926
Machinery and equipment	25,221,919	796,790	3,223,995	22,794,714
Licensed vehicles	<u>7,017,444</u>	<u>1,199,510</u>	<u>22,520</u>	<u>8,194,434</u>
Total capital assets, being depreciated	<u>247,967,939</u>	<u>6,928,210</u>	<u>5,071,970</u>	<u>249,824,179</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

3. CAPITAL ASSETS - continued

	Restated Beginning Balance <u>May 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Ending Balance <u>April 30, 2012</u>
Less accumulated depreciation for:				
Land improvements	\$ 538,055	\$ 47,314	\$ 56,699	\$ 528,670
Construction	14,030,472	1,077,386	616,944	14,490,914
Infrastructure	34,935,272	2,193,400	85,681	37,042,991
Machinery and equipment	15,707,027	1,572,394	3,215,690	14,063,731
Licensed vehicles	<u>5,336,706</u>	<u>505,375</u>	<u>21,597</u>	<u>5,820,484</u>
Total accumulated depreciation	<u>70,547,532</u>	<u>5,395,869</u>	<u>3,996,611</u>	<u>71,946,790</u>
 Total capital assets, being depreciated, net	 <u>177,420,407</u>	 <u>1,532,341</u>	 <u>1,075,359</u>	 <u>177,877,389</u>
Business-type activities capital assets, net	<u>\$ 192,512,599</u>	<u>\$ 6,622,629</u>	<u>\$ 4,621,271</u>	<u>\$ 194,513,957</u>

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

Governmental Activities	
General government	\$ 756,335
Public safety	2,332,178
Highways and streets	5,414,334
Health and welfare	6,648
Culture and recreation	2,602,209
Community development	<u>59,361</u>
	<u>\$ 11,171,065</u>
Business-type Activities	
Water	\$ 2,104,048
Sewer	1,342,408
U.S. Cellular Coliseum	911,269
Stormwater management	247,613
Golf operations	300,467
Solid waste	284,744
Parking	<u>205,320</u>
	<u>\$ 5,395,869</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended April 30, 2012:

	Restated Balance <u>May 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>April 30, 2012</u>	Due within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds:					
Series 2003	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	\$ 1,000,000
Series 2004 taxable	29,455,000	-	5,175,000	24,280,000	190,000
Series 2004 demand	12,700,000	-	700,000	12,000,000	700,000
Series 2005	8,375,000	-	420,000	7,955,000	435,000
Series 2007*	3,740,000	-	-	3,740,000	115,000
Series 2009 refunding	2,840,000	-	-	2,840,000	-
Series 2011 refunding	-	5,075,000	-	5,075,000	-
Series 2012 taxable*	-	<u>6,181,620</u>	-	<u>6,181,620</u>	-
	<u>67,110,000</u>	<u>11,256,620</u>	<u>6,295,000</u>	<u>72,071,620</u>	<u>2,440,000</u>
Unamortized bond premium	164,960	196,695	38,373	323,282	40,714
Unamortized bond discount	(389,695)	-	(72,294)	(317,401)	(15,376)
Unamortized loss on refunding	-	<u>(276,715)</u>	<u>(36,236)</u>	<u>(240,479)</u>	<u>(39,531)</u>
Total General Obligation Bonds	66,885,265	11,176,600	6,224,843	71,837,022	2,425,807
Other liabilities:					
Capital lease payable	69,684	1,594,476	212,216	1,451,944	320,058
Net OPEB obligation	3,550,361	790,681	-	4,341,042	-
Net pension obligation	362,293	321,031	-	683,324	-
Compensated absences	<u>9,579,129</u>	<u>1,547,055</u>	<u>1,254,743</u>	<u>9,871,441</u>	<u>1,593,319</u>
Total Governmental	<u>\$ 80,446,732</u>	<u>\$ 15,429,843</u>	<u>\$ 7,691,802</u>	<u>\$ 88,184,773</u>	<u>\$ 4,339,184</u>

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

	Restated Balance <u>May 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>April 30, 2012</u>	Due Within <u>One Year</u>
Business-type Activities:					
Other liabilities:					
Loan payable	\$ 6,898,161	\$ -	\$ 396,434	\$ 6,501,727	\$ 411,139
Note payable	11,048,535	-	558,680	10,489,855	572,734
GO Bonds, Series 2007*	5,945,000	-	170,000	5,775,000	175,000
GO Bonds, Series 2012 taxable*	-	1,478,380	-	1,478,380	-
Capital lease payable	-	2,705,524	339,331	2,366,193	520,963
Net OPEB obligation	648,224	119,623	-	767,847	-
Net pension obligation	105,606	80,556	-	186,162	-
Compensated absences	<u>1,339,189</u>	<u>124,496</u>	<u>40,036</u>	<u>1,423,649</u>	<u>152,748</u>
Business-type activities, long-term liabilities	<u>\$ 25,984,715</u>	<u>\$ 4,508,579</u>	<u>\$ 1,504,481</u>	<u>\$ 28,988,813</u>	<u>\$ 1,832,584</u>

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

General Obligation Bonds, Series 2003

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

Taxable General Obligation Bonds, Series 2004

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

General Obligation Demand Bonds, Series 2004

The City issued \$15,600,000 General Obligation Demand Bonds, Series 2004 in 2004 for the purpose of constructing a public ice rink and parking garage, capital improvements for the cultural district, and refunding a portion of the General Obligation Bonds, Series 1994. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$100,000 to \$1,200,000 are due each June 1 from 2007 to 2024. Interest is variable at the lesser of 9% or 125% of the rate for the 20 G.O. Bonds Index of average municipal bond yields and is due each June 1. The future interest payments on the variable rate bonds are computed using an interest rate of 3.0%. The demand bonds are secured by an Irrevocable Bond Purchase Agreement dated October 1, 2004 with an expiration date of October 13, 2010. The demand bonds are subject to purchase on the demand of the holder at a price equal to the aggregate principal amount of the bonds to be redeemed plus accrued interest thereon to the redemption date, without premium, on 60 days' written notice and delivery to the Bond Registrar, U.S. Bank, N.A.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

General Obligation Bonds, Series 2005

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

General Obligation Bonds, Series 2007

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

General Obligation Refunding Bonds, Series 2009

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

General Obligation Refunding Bonds, Series 2011

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

On May 31, 2011, the City issued \$5,075,000 in General Obligation Refunding Bonds, Series 2011 with interest rates of 2.00% to 3.50% to refund \$5,000,000 of outstanding Taxable General Obligation Bonds, Series 2004 with interest rates of 5.50% to 6.375%. As a result of the refunding, the City will realize additional cash flows savings of approximately \$5,875,107 and an economic gain of \$3,441,029.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Taxable General Obligation Bonds, Series 2012

The City issued \$7,660,000 Taxable General Obligation Bonds, Series 2012 in 2012 for the purpose of paying the City’s early retirement incentive liability to the Illinois Municipal Retirement Fund. The City pays debt service expenditures from dedicated revenues and abates associated property tax levies. Principal payments ranging from \$2,270,000 to \$3,000,000 are due each December 1 from 2013 to 2015. Interest ranges from 0.990% to 1.570% and is due semi-annually in June and December.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2013	\$ 2,440,000	\$ 3,119,764	\$ 5,559,764
April 30, 2014	5,641,000	3,036,049	8,677,049
April 30, 2015	5,096,890	2,897,998	7,994,888
April 30, 2016	5,238,730	2,764,704	8,003,434
April 30, 2017	3,865,000	2,608,032	6,473,032
April 30, 2018 – 2022	16,990,000	10,927,657	27,917,657
April 30, 2023 – 2027	15,475,000	7,265,807	22,740,807
April 30, 2028 – 2032	10,535,000	3,622,106	14,157,106
April 30, 2033 – 2035	<u>6,790,000</u>	<u>656,372</u>	<u>7,446,372</u>
	<u>\$ 72,071,620</u>	<u>\$ 36,898,489</u>	<u>\$ 108,970,109</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2013	\$ 175,000	\$ 256,935	\$ 431,935
April 30, 2014	764,000	256,156	1,020,156
April 30, 2015	628,110	242,455	870,565
April 30, 2016	661,270	229,086	890,356
April 30, 2017	210,000	213,131	423,131
April 30, 2018 – 2022	1,175,000	926,072	2,101,072
April 30, 2023 – 2027	1,445,000	653,575	2,098,575
April 30, 2028 – 2032	1,790,000	299,269	2,089,269
April 30, 2033	<u>405,000</u>	<u>9,112</u>	<u>414,112</u>
	<u>\$ 7,253,380</u>	<u>\$ 3,085,791</u>	<u>\$ 10,339,171</u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Capital Lease Payable

In 2007, the City entered into a capital lease agreement to finance the purchase of musical equipment for the cultural district. The lease calls for annual payments of principal and interest of \$16,775 with interest at 6.40 percent through 2016. Equipment under the capital lease has a cost of \$171,362 and accumulated depreciation of \$12,947 as of April 30, 2012.

In 2012, the City entered into a capital lease agreement to finance the purchase of various equipment for City departments. The lease calls for monthly payments of principal and interest of \$76,865 with interest at 2.79 percent through 2016. Equipment under the capital lease has a cost of \$2,038,382 and accumulated depreciation of \$129,826 as of April 30, 2012.

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

April 30, 2013	\$ 358,800
April 30, 2014	358,800
April 30, 2015	358,800
April 30, 2016	358,800
April 30, 2017	<u>114,008</u>
Total minimum lease payments	1,549,208
Less: Amount representing interest	<u>97,264</u>
Present value of minimum lease payments	<u>\$ 1,451,944</u>

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

April 30, 2013	\$ 580,352
April 30, 2014	580,352
April 30, 2015	580,352
April 30, 2016	580,352
April 30, 2017	<u>193,451</u>
Total minimum lease payments	2,514,859
Less: Amount representing interest	<u>148,666</u>
Present value of minimum lease payments	<u>\$ 2,366,193</u>

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

4. LONG-TERM DEBT – Continued

Loans Payable

The City entered into two separate loan agreements with the Illinois Environmental Protection Agency, both for the Drinking Water State Revolving Fund Program. The City may draw up to \$8,588,512 for the program. Payment will be required each May 1 and November 1 until final repayment on April 1, 2025 on the first agreement, each June 5 and December 5 until final repayment on June 5, 2025 on the second agreement, and each March 10 and September 10 until final repayment on September 10, 2029 on the third agreement. The outstanding loans payable as of April 30, 2012 matures as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2013	\$ 411,139	\$ 161,732	\$ 572,871
April 30, 2014	421,609	151,262	572,871
April 30, 2015	432,345	140,526	572,871
April 30, 2016	443,354	129,517	572,871
April 30, 2017	454,644	118,227	572,871
April 30, 2018 – 2022	2,452,895	411,460	2,864,355
April 30, 2023 – 2027	1,653,766	111,194	1,764,960
April 30, 2028 – 2030	<u>231,975</u>	<u>10,322</u>	<u>242,297</u>
	<u>\$ 6,501,727</u>	<u>\$ 1,234,240</u>	<u>\$ 7,735,967</u>

Stormwater Notes Payable

The City entered into an intergovernmental agreement with the Bloomington & Normal Water Reclamation District to pay a portion of two Illinois Environmental Protection Agency loans provided to the District. The City is responsible for 60% of the loans totaling \$20,474,800 paid in semi-annual installments of \$102,265 and \$305,278 through August 2026 and September 2027. The outstanding notes payable as of April 30, 2012 mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 30, 2013	\$ 572,734	\$ 258,689	\$ 831,423
April 30, 2014	587,142	244,281	831,423
April 30, 2015	601,913	229,511	831,424
April 30, 2016	617,055	214,369	831,424
April 30, 2017	632,577	198,846	831,423
April 30, 2018 – 2022	3,409,744	747,373	4,157,117
April 30, 2023 – 2027	3,758,803	296,363	4,055,166
April 30, 2028	<u>309,887</u>	<u>3,874</u>	<u>313,761</u>
	<u>\$ 10,489,855</u>	<u>\$ 2,193,306</u>	<u>\$ 12,683,161</u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES

The individual fund interfund receivable and payable balances as of April 30, 2012 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental activities:		
General	\$ 610,041	\$ 749,536
Library	-	276,804
Debt service	499,878	-
Nonmajor governmental funds	-	8,237
Internal service	<u>343,585</u>	<u>-</u>
Total governmental activities	<u>1,453,504</u>	<u>1,034,577</u>
Business-type activities:		
Water	675,000	14,635
Sewer	-	199
Stormwater management	-	170
Nonmajor enterprise funds	<u>-</u>	<u>1,078,923</u>
Total business-type activities	<u>675,000</u>	<u>1,093,927</u>
Total	<u>\$ 2,128,504</u>	<u>\$ 2,128,504</u>

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

- \$610,041 due from other funds to the General fund. This balance relates to a) accrued but unpaid transfers of \$276,804 from the Library fund for central garage charges, credit card charges, and payroll expenses b) accrued but unpaid transfers of \$8,237 from Nonmajor governmental funds for postage and credit card charges, and c) a short term loan of \$325,000 to Nonmajor enterprise funds. The City expects the obligation will be liquidated within one year.
- \$749,536 due to other funds from the General fund. This balance relates to a) accrued but unpaid transfers of \$499,878 to the Debt service fund for bond payments, and b) \$249,658 to Internal service funds to cover life insurance expenses. The City expects the obligation will be liquidated within one year.
- \$276,804 due to other funds from the Library fund. This balance relates to accrued but unpaid transfers to the General fund for central garage charges, credit card charges, and payroll expenses. The City expects the obligation will be liquidated within one year.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES – Continued

- \$499,878 due from other funds to the Debt service fund. This balance relates to accrued but unpaid transfers from the General fund to cover bond payments. The City expects the obligation will be liquidated within one year.
- \$8,237 due to other funds from Nonmajor governmental funds. This balance relates to accrued but unpaid transfers from the General fund for postage and credit card charges. The City expects the obligation will be liquidated within one year.
- \$343,585 due from other funds to Internal service funds. This balance relates to a) \$249,658 from the General fund for insurance expenditures, b) \$14,635 from the Water fund for insurance expenditures, c) \$199 from the Sewer fund for insurance expenditures, d) \$170 from the Stormwater management fund for insurance expenditures, and e) \$78,923 from Nonmajor enterprise funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$675,000 due from other funds to the Water fund. This balance relates to accrued but unpaid transfers to Nonmajor enterprise funds to cover operating expenses. The City expects the obligation will be liquidated within one year.
- \$14,635 due to other funds from the Water fund. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$199 due to other funds from the Sewer fund. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$170 due to other funds from the Stormwater management fund. This balance relates to accrued but unpaid transfers to Internal service funds for insurance expenditures. The City expects the obligation will be liquidated within one year.
- \$1,078,923 due to other funds from Nonmajor enterprise funds. This balance relates to a) a short term loan of \$325,000 to the General Fund, b) \$78,923 of accrued but unpaid transfers to Internal service funds for insurance expenditures, and c) \$675,000 of accrued but unpaid transfers to the Water fund to cover operating expenses. The City expects the obligation will be liquidated within one year.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES – Continued

	Interfund Advance Receivable	Interfund Advance Payable
Governmental activities:		
General	\$ 2,374,386	\$ 193,370
Nonmajor governmental funds	443,370	623,487
Internal service funds	<u>652,120</u>	<u>650,000</u>
Total governmental activities	<u>3,469,876</u>	<u>1,466,857</u>
Business-type activities:		
Water	3,800,000	-
Sewer	-	1,850,000
U.S. Cellular Coliseum	-	2,303,019
Stormwater management	-	250,000
Nonmajor enterprise funds	<u>-</u>	<u>1,400,000</u>
Total business-type activities	<u>3,800,000</u>	<u>5,803,019</u>
Total	<u>\$ 7,269,876</u>	<u>\$ 7,269,876</u>

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

- \$2,374,386 advance from the General fund. This balance relates to a) \$23,487 to Nonmajor governmental funds to cover administrative costs, b) \$2,300,899 to U.S. Cellular Coliseum fund to cover operating expenses, and c) \$50,000 to Nonmajor enterprise funds to cover operating expenses. Repayment is not expected within one year.
- \$193,370 advance to the General fund from Nonmajor governmental funds for a loan on the constitution trail project. Repayment is not expected within one year.
- \$443,370 advance from Nonmajor governmental funds. This balance relates to a) \$193,370 to the General fund for a loan on the constitution trail project and b) \$250,000 to the Stormwater management fund to cover operating expenses. Repayment is not expected within one year.
- \$623,487 advance to Nonmajor governmental funds. This balance relates to a) \$23,487 from the General fund to cover administrative costs and b) \$600,000 from the Water fund for a 5 year loan to fund road resurfacing. Repayment is not expected within one year.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

5. INTERFUND RECEIVABLES AND PAYABLES – Continued

- \$652,120 advance from Internal service funds. This balance relates to a) \$650,000 to Internal service funds to cover operating expenses and b) \$2,120 to U.S. Cellular Coliseum to cover operating expenses. Repayment is not expected within one year.
- \$650,000 advance to Internal service funds from Internal service funds to cover operating expenses. Repayment is not expected within one year.
- \$3,800,000 advance from the Water fund. This balance relates to a) \$600,000 to Nonmajor governmental funds for a 5 year loan to fund road resurfacing, b) \$1,850,000 to the Sewer fund to cover operating expenses, and c) \$1,350,000 to Nonmajor enterprise funds to cover operating expenses. Repayment is not expected within one year.
- \$1,850,000 advance to the Sewer fund from the Water fund to cover operating expenses. Repayment is not expected within one year.
- \$2,303,019 advance to U.S. Cellular Coliseum. This balance relates to a) \$2,300,899 from the General fund to cover operating expenses and b) \$2,120 from Internal service funds to cover operating expenses. Repayment is not expected within one year.
- \$250,000 advance to the Stormwater management fund from Nonmajor governmental funds to cover operating expenses. Repayment is not expected within one year.
- \$1,400,000 advance to Nonmajor enterprise funds. This balance relates to a) \$50,000 from the General fund to cover operating expenses and b) \$1,350,000 from the Water fund to cover operating expenses. Repayment is not expected within one year.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

6. INTERFUND TRANSFERS

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

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities:		
General	\$ 920,372	\$ 11,372,973
Library	-	550,585
Debt service	2,573,135	-
Nonmajor governmental funds	7,050,423	42,250
Internal service funds	<u>934,438</u>	<u>434,438</u>
Total governmental activities	<u>11,478,368</u>	<u>12,400,246</u>
Business-type activities:		
Water	-	369,616
Sewer	-	129,540
U.S. Cellular Coliseum	200,000	-
Stormwater management	100,000	36,890
Nonmajor enterprise funds	<u>1,500,000</u>	<u>342,076</u>
Total business-type activities	<u>1,800,000</u>	<u>878,122</u>
Total	<u>\$ 13,278,368</u>	<u>\$ 13,278,368</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

6. INTERFUND TRANSFERS – Continued

The purposes of interfund transfers are as follows:

- \$920,372 transferred from other funds to the General fund. This amount relates to a) \$42,250 from the Nonmajor governmental funds for routine budget transfers and to close out residual balances, b) \$369,616 from the Water fund for infrastructure and administration fees, c) \$129,540 from the Sewer fund for infrastructure and administration fees, d) \$36,890 from the Stormwater Management fund for infrastructure and administration fees, and e) \$342,076 from the Nonmajor enterprise funds for administration fees. The transfers will not be repaid.
- \$11,372,973 transferred to other funds from the General fund. This amount relates to a) routine budget transfers of \$2,573,135 to the Debt service fund , b) \$6,499,838 to Nonmajor governmental funds for routine budget transfers, to offset deficit balances, and close out residual balances, c) \$500,000 to the Internal service funds to offset deficit balances, d) routine transfers of \$200,000 to supplement the U.S. Cellular Coliseum fund, e) \$100,000 to the Stormwater fund to offset project costs and f) \$1,500,000 to Nonmajor enterprise funds to supplement expenses. The transfers will not be repaid.
- \$550,585 transferred to other funds from the Library fund. This amount relates to a routine transfer to Nonmajor governmental funds for principal repayment. The transfer will not be repaid.
- \$2,573,135 transferred from other funds to the Debt service fund. This amount relates to a routine budget transfer from the General fund. The transfer will not be repaid.
- \$7,050,423 transferred from other funds to Nonmajor governmental funds. This amount relates to a) \$6,499,838 from the General fund for routine budget transfers, to offset deficit balances, and to close out residual balances, and b) a routine transfer of \$550,585 from the Library fund for principal. The transfers will not be repaid.
- \$42,250 transferred to other funds from Nonmajor governmental funds. This amount relates to a routine budget transfer and to close out residual balances from the General fund. The transfer will not be repaid.
- \$934,438 transferred from other funds to Internal service funds. This amount relates to routine budget transfers of a) \$500,000 from the General fund, and b) \$434,438 from Internal service funds. The transfers will not be repaid.
- \$434,438 transferred from other funds to Internal service funds. This amount relates to routine budget transfers from Internal service funds. The transfer will not be repaid.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

6. INTERFUND TRANSFERS – Continued

- \$369,616 transferred to other fund from the Water fund. This amount relates to infrastructure and administration fees transferred to the General fund. The transfer will not be repaid.
- \$129,540 transferred to other funds from the Sewer fund. This amount relates to a routine budget transfer of \$129,540 to the General fund. The transfer will not be repaid.
- \$200,000 transferred from other funds to the U.S. Cellular Coliseum fund. This amount relates to routine transfers to supplement expenses from the General Fund. The transfer will not be repaid.
- \$100,000 transferred from other funds to the Stormwater management fund. This amount relates to transfers from the General fund to offset project costs. The transfer will not be repaid.
- \$36,890 transferred to other funds from the Stormwater management fund. This amount relates to infrastructure and administration fees transferred to the General fund. The transfer will not be repaid.
- \$1,500,000 transferred from other funds to Nonmajor enterprise funds. This amount relates to transfers from the General fund to supplement expenses. The transfer will not be repaid.
- \$342,076 transferred to other funds from Nonmajor enterprise funds. This amount relates to a transfer to the General fund for administration fees. The transfer will not be repaid.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS

Plan Descriptions and Provisions:

Illinois Municipal Retirement Fund

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

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

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

Funding Policy. As set by statute, the City's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 used by the City was 22.38 percent of annual covered payroll. The City's annual required contribution rate for calendar year 2011 was 25.58 percent. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund – Continued

Annual Pension Cost and Net Pension Obligation. For fiscal year ending April 30, 2012, the City’s annual pension cost and net pension obligation were as follows:

Annual required contribution	\$ 4,666,620
Interest on net pension asset	105,184
Adjustments to annual required contribution	<u>(28,580)</u>
Annual pension cost	4,743,224
Annual contributions made	<u>4,341,637</u>
Increase in net pension obligation	401,587
Net pension obligation, beginning of year	<u>467,899</u>
Net pension obligation, end of year	<u><u>\$ 869,486</u></u>

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/12	\$ 4,743,224	92%	\$ 869,486
4/30/11	3,962,032	90%	467,899
4/30/10	2,379,831	100%	-

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.50 percent investment rate of return (net of administrative and direct investment expenses) (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit and (d) post-retirement benefit increases of 3 percent annually. The actuarial value of the City’s plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The City’s plan’s unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund – Continued

Funded Status and Funding Progress. As of December 31, 2011, the most recent actuarial valuation date, the plan was 31.95 percent funded. The actuarial accrued liability for benefits was \$52,162,327 and the actuarial value of assets was \$16,665,580, resulting in an underfunded actuarial accrued liability (UAAL) of \$35,496,747. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$20,673,949 and the ratio of the UAAL to the covered payroll was 172 percent.

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

Police Pension

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Police Pension - Continued

The Plan provides retirement benefits, as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increase each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3 percent of one-half of the consumer price index. Employees with at least 10 years of service but less than 20 years of creditable service may retire at or after the age of 60 and receive a reduced benefit.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Police Pension – Continued

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

Annual Pension Cost and Net Pension Asset. The City's annual pension cost and net pension asset to the Police Pension Plan for the most current year (April 30, 2012) were as follows:

Annual required contribution	\$ 3,859,645
Interest on net pension asset	(132,508)
Adjustments to annual required contribution	<u>108,838</u>
Annual pension cost	3,835,975
Annual contributions made	<u>4,111,770</u>
Increase in net pension asset	275,795
Net pension asset, beginning of year	<u>1,766,779</u>
Net pension asset, end of year	<u>\$ 2,042,574</u>

The annual required contribution was determined as part of the May 1, 2011 actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.5 percent investment rate of return and (b) projected salary increases ranging from 1.12 to 4.86 percent. Both (a) and (b) included an inflation component of 3 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percent of payroll on a closed basis. The remaining amortization period at the May 1, 2011 actuarial valuation date was 22 years.

Three Year Trend Information and Funding Status.

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
04/30/12	\$ 3,835,975	107.19%	\$ 2,042,574
04/30/11	3,817,243	101.33%	1,766,779
04/30/10	3,127,153	100.43%	1,716,083

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Police Pension – Continued

Funding Status and Funding Progress. As of May 1, 2011, the most recent actuarial valuation date, the Police pension plan was 58.23 percent funded. The actuarial accrued liability for benefits was \$90,608,780 and the actuarial value of assets was \$52,763,950, resulting in an underfunded actuarial accrued liability (UAAL) of \$37,844,830. The covered payroll of active employees covered by the plan was \$8,903,996 and the ratio of the UAAL to the covered payroll was 425.03 percent.

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

Firemen's Pension

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

The Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Firemen's Pension – Continued

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

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Firemen’s Pension – Continued

Annual Pension Cost and Net Pension Asset. The City's annual pension cost and net pension asset to the Firemen's Pension Plan for the most current year (April 30, 2012) were as follows:

Annual required contributions	\$ 3,202,697
Interest on net pension asset	(128,219)
Adjustments to annual required contribution	<u>105,315</u>
Annual pension cost	3,179,793
Annual contributions made	<u>3,460,505</u>
Increase in net pension asset	280,712
Net pension asset, beginning of year	<u>1,709,585</u>
Net pension asset, end of year	<u>\$ 1,990,297</u>

The annual required contribution for the current year was determined as part of the May 1, 2011, actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.5 percent investment rate of return and (b) projected salary increases ranging from 1.12 to 4.86 percent. Both (a) and (b) included an inflation component of 3 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percent of payroll on a closed basis. The remaining amortization period as of May 1, 2011 actuarial valuation date was 22 years.

Three Year Trend Information and Funding Status.

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
04/30/12	\$ 3,179,793	108.83%	\$ 1,990,383
04/30/11	3,090,922	101.62%	1,709,585
04/30/10	2,348,471	100.70%	1,659,666

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

7. DEFINED BENEFIT PENSION PLANS – Continued

Firemen’s Pension – Continued

Funding Status and Funding Progress. As of May 1, 2011, the most recent actuarial valuation date, the Firemen’s pension plan was 51.38 percent funded. The actuarial accrued liability for benefits was \$77,411,228 and the actuarial value of assets was \$39,770,280, resulting in an underfunded actuarial accrued liability (UAAL) of \$37,640,948. The covered payroll of active employees covered by the plan was \$7,137,776 and the ratio of the UAAL to the covered payroll was 527.35 percent.

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

8. LEASES

The City of Bloomington leases a total of 227 residential lots to various individuals under agreements expiring in 2023 and 2031. Other long-term agreements involve a lake marina which is leased through April 15, 2017 and a parking area property which is leased indefinitely. In addition, certain parking lots, parking garage spaces, and various other properties are rented on a monthly or other short-term basis. All of these agreements are accounted for as operating leases.

A total of \$100,572 in lease revenue relating to these leases was received by the City during the fiscal year ended April 30, 2012. The following is a schedule by years of minimum future rentals due to the City under noncancellable lease agreements in effect as of April 30, 2012:

<u>Fiscal Year Ending April 30:</u>	<u>Operating</u>
2013	\$ 102,741
2014	104,965
2015	107,244
2016	109,580
2017	99,325
2018 – 2022	528,939
2023 – 2027	598,446
2028 – 2032	<u>677,087</u>
	<u>\$ 2,328,327</u>

The assets leased have a cost of \$3,266,482, accumulated depreciation of \$1,986,957 and net book value of \$1,279,525.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

8. LEASES – Continued

The City is a lessee for office space and a parking area. The lease was amended on October 4, 2005 requiring the City to pay \$633,180 on October 1, 2006, then beginning October 1, 2007 payments of \$719,509 each October 1 until October 1, 2010. The lease was amended on September 27, 2010 requiring the City to pay the amounts below on each October 1 until October 1, 2023. A total of \$718,380 in lease expense relating to these leases was paid by the City during the fiscal year ended April 30, 2012. The future minimum lease obligation is as follows:

<u>Fiscal Year Ending April 30:</u>	<u>Operating</u>
2013	\$ 719,509
2014	719,202
2015	719,509
2016	719,509
2017	719,509
2018 – 2022	3,029,704
2023	<u>114,500</u>
	<u>\$ 6,741,442</u>

9. DEFERRED COMPENSATION PLAN

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

10. JOINT VENTURE

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

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

10. JOINT VENTURE – Continued

Summarized financial information of the Bloomington-Normal Public Transit System, for the year ended June 30, 2011, is presented below:

<u>Balance Sheet as of June 30, 2011</u>		
Current assets:		
Cash and cash equivalents	\$ 4,496,596	
Receivables	2,373,398	
Inventory	2,997	
Prepaid expenses	<u>152,198</u>	
Total current assets		\$ 7,025,189
Capital assets, net		<u>12,800,910</u>
Total assets		<u>\$ 19,826,099</u>
Current liabilities:		
Accounts payable, accrued expenses and other	\$ 948,374	
Compensated absences	<u>156,000</u>	
Total current liabilities		\$ 1,104,374
Noncurrent liabilities:		
Compensated absences, net of current portion		<u>367,717</u>
Total liabilities		1,472,091
Net assets:		
Investment in capital assets, net	12,800,910	
Unrestricted	<u>5,553,098</u>	
Total net assets		<u>18,354,008</u>
Total liabilities and net assets		<u>\$ 19,826,099</u>

Statement of Revenues, Expenses, and Changes in Net Assets
For Year Ended June 30, 2011

Operating revenues		
Passenger fares	\$ 620,275	
Contract fares	414,565	
Miscellaneous income	<u>12,034</u>	
Total revenues		1,046,874
Operating expenses		<u>8,966,562</u>
Operating loss		(7,919,688)
Non-Operating and other revenues		<u>8,824,606</u>
Change in net assets		904,918
Net assets, beginning of year		<u>17,449,090</u>
Net assets, end of year		<u>\$ 18,354,008</u>

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

11. RISK MANAGEMENT AND SELF INSURANCE

The City is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City is self-insured and carries supplemental commercial insurance. The City maintains internal service funds for its self-insured employees' health insurance program, and its general liability, property, and worker's compensation insurance claims. Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the fund financial statements as revenues and expenditures/expenses.

For medical claims, self-insurance is in effect up to a stop loss of \$125,000 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 \$155,000 per occurrence for general liability, \$25,000 for property, and \$500,000 per occurrence for worker's compensation for the fire and police departments and \$450,000 for all other departments of the City. In addition, the City has an aggregate retention of \$560,000 for liability and property losses. The City has purchased commercial insurance for coverage in excess of self-insured reserve limits and for all other risks of loss. For those exposures covered by insurance policies, settled claims have not exceeded insurance coverage purchased for each of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The changes in the aggregate liabilities for claims for the years ended April 30, 2012 and 2011 are as follows:

	<u>Health Insurance</u>		<u>Casualty Insurance</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Claims payable, beginning of the year	\$ 412,511	\$ 301,870	\$ 4,076,050	\$ 3,804,812
Claims incurred and changes in accrual	5,868,361	5,236,232	2,419,262	2,534,219
Claims payments	<u>(6,044,344)</u>	<u>(5,125,591)</u>	<u>(2,408,209)</u>	<u>(2,262,981)</u>
Claims payable, end of the year	<u>\$ 236,528</u>	<u>\$ 412,511</u>	<u>\$ 4,087,103</u>	<u>\$ 4,076,050</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

12. DEVELOPMENT AND MANAGEMENT AGREEMENT

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

Amounts paid to CIAM under this agreement totaled \$280,213 during the year ended April 30, 2012.

13. COMMITMENTS AND CONTINGENT LIABILITIES

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

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

The City has several construction contract commitments to be financed from capital projects and enterprise funds. The total outstanding construction commitments of the City as of April 30, 2012 are \$7,944,964.

In August of 2009, the City entered into a three year intergovernmental agreement with the Town of Normal, McLean County, and the McLean County Soil and Water Conservation District for the funding of a soil conservationist position with the McLean County Soil and Water Conservation District (District). The three year commitment will derive from the City's Water fund in the amount of \$40,000 in year one and \$70,000 in years two and three. During fiscal year 2012, the City made one payment of \$70,000 to the District.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

13. COMMITMENTS AND CONTINGENT LIABILITIES - Continued

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

General	\$ 1,600,094
Library	53,030
Nonmajor governmental	<u>2,133,239</u>
Total	<u>\$ 3,786,363</u>

14. CONDUIT DEBT

The City has issued industrial revenue bonds to provide financing for various economic development projects. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of April 30, 2012, there were 8 series of bonds outstanding. The aggregate principal amount payable for the series of bonds could not be determined; however, their original issue amounts of the bonds totaled \$25,969,050.

15. TERMINATION BENEFITS

On April 30, 2008, the City adopted Resolution 2008-28, adopting an Early Retirement Incentive Program offered by the Illinois Municipal Retirement Fund (IMRF). Eligible employees were required to enter into an irrevocable pledge by April 30, 2009. For an employee to be eligible to retire under this plan, the employee must have attained age fifty and have at least twenty years of creditable service by his or her retirement date. Sixty-seven employees of the City accepted the early retirement agreement. Under the agreement, the City and the employee were required to contribute an additional five years of contributions to the plan giving the individuals additional creditable service for these five years. The City has elected to amortize its additional contributions over a six year period. These additional contributions are made through regular monthly contributions to IMRF.

As of April 30, 2012, the City's remaining contributions due under the program were \$0. During the fiscal year, the City issued Taxable General Obligation Bonds, Series 2012 for the purpose of paying the City's early retirement incentive liability to the Illinois Municipal Retirement Fund.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

16. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

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

Benefits Provided

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

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

Membership

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

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

16. OTHER POST-EMPLOYMENT BENEFITS – Continued

Funding Policy

The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. All retirees contribute 100% of the blended premium to the plan and the City contributes the remainder to cover the cost of providing the benefits to the retirees via the insured plan (pay as you go). For the fiscal year ended April 30, 2012, retirees contributed \$1,341,520 and the City contributed \$467,526. Active employees do not contribute to the plan until retirement.

Annual OPEB costs and Net OPEB Obligation

The City had an actuarial valuation performed for the plan as of May 1, 2010 to determine the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2012. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2010, 2011, and 2012 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2010	\$ 1,604,698	\$ 430,044	26.8%	\$ 3,701,019
April 30, 2011	\$ 1,327,021	\$ 829,455	62.5%	\$ 4,198,585
April 30, 2012	\$ 1,377,830	\$ 467,526	33.9%	\$ 5,108,889

The net OPEB obligation (NOPEBO) as of April 30, 2012 (latest information available), was calculated as follows:

Annual required contribution	\$ 1,349,839
Interest on net OPEB obligation	167,944
Adjustment to annual required contribution	<u>(139,953)</u>
Annual OPEB cost	1,377,830
Contributions made	<u>467,526</u>
Increase (decrease) in net OPEB obligation	910,304
Net OPEB obligation beginning of year	<u>4,198,585</u>
NET OPEB OBLIGATION END OF YEAR	<u>\$ 5,108,889</u>

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

16. OTHER POST-EMPLOYMENT BENEFITS – Continued

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

Actuarial accrued liability (AAL)	\$ 18,839,491
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 18,839,491
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 25,899,456
UAAL as a percentage of covered payroll	72.7%

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

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

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

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

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

During fiscal year 2008, the Coliseum Fund and the Parking Fund transferred debt totaling \$29,455,000 and \$3,550,055, respectively, to the governmental funds, as the City intends to repay these bonds with general government funds. During fiscal year 2012, the City issued \$5,075,000 general obligation refunding bonds, Series 2011 for the purpose of refunding a portion of the taxable general obligation bonds, Series 2004. The original bonds did not produce a capital asset in the governmental activities. The Net Assets reported as Invested in Capital Assets, Net of Related Debt (ICANRD) in the Governmental Activities in the Statement of Net Assets does not include the debt balance as of April 30, 2012 totaling \$32,715,355, but rather is included in the unrestricted net asset calculation as this debt did not produce a capital asset for the governmental activities. However, the debt is included in the calculation of the Net Assets ICANRD in the total primary government column on the Statement of Net Assets.

18. DEVELOPMENT ASSISTANCE

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

- The City will rebate to developers the cost of improvements for various downtown projects if incremental taxes are generated. During fiscal year 2012, \$458,955 was rebated under these agreements. Approximately \$280,170 in taxes may be rebated in future years if certain criteria are met.

19. INDIVIDUAL FUND DISCLOSURES

The following is a summary of deficit fund balances/net assets of individual funds as of April 30, 2012:

Nonmajor Governmental Funds:	
Special Revenue Funds	
IHDA Grant	\$ (9,218)
Stormwater Management Fund	(2,558,180)
Retiree Group Health Care Fund	(808,787)
Casualty Insurance Fund	(1,031,653)

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

20. PERMANENTLY RESTRICTED DONATIONS

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

1. Myers Trust – a \$7,029 restricted donation was made by Dora Myers. Income earned from the Trust is to be used for the purchase, collection, and exhibition of meritorious works in sculpture and painting. Also included in this fund is the Perry-Russell Trust. The Perry-Russell Trust consists of a \$5,500 restricted donation. Income earned from the Trust is to be used to establish an art studio/gallery for works of art to be collected, kept, preserved, or exhibited for the advancement of education in art.
2. Churchill Trust – a \$17,500 restricted donation was made by the Estate of Helen Churchill. Income earned from the Trust is to be used for the purchase of books, which can not be purchased with other available funds of the Bloomington Public Library.
3. The Bloomington Public Library Foundation is the beneficiary of 50% of the Elisabeth L. Stubblefield and Louise M. Stubblefield Trust. Donations received from this trust are to be used for the purpose of supplementing and increasing the salaries of employees of the Bloomington Public Library if possible, and to benefit the Bloomington Public Library. The fair market value of the foundation's portion of the trust is \$929,904 at April 30, 2012.

21. SUBSEQUENT EVENTS

On May 1, 2012, the City retired \$1,200,000 of the 2004 General Obligation Demand Bonds related to the issuance of the refund bonds for the 1994 Tax Increment Financing Bonds. The bonds were scheduled to be retired from June 2012 to June 2014.

On September 24, 2012, the City approved a capital lease in the amount of \$5,572,610 for the purchase of various equipment. The lease calls for monthly installments of \$97,137 including principal and interest at 1.84 percent through August 2017.

CITY OF BLOOMINGTON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS – Continued

22. RECLASSIFICATION

As shown in the following table, the financial statements of the City have been reclassified as of April 30, 2011 for the implementation of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Special Olympics and Recreation, Sister City Program, and Cultural District were presented as special revenue funds in previous years but were reclassified to the General Fund based upon criteria of GASB Statement No. 54. J.M. Scott Health Care Trust was presented as a permanent fund in previous years but was reclassified to a Private-Purpose Trust fiduciary fund based upon criteria of GASB Statement No. 54.

	<u>General Fund</u>	NonMajor <u>Governmental Funds</u>	<u>Governmental Activities</u>
Fund balance, April 30, 2011, as previously reported	\$ 15,609,688	\$ 16,229,615	\$ 145,376,229
Implementation of GASB Statement No. 54	<u>1,362,992</u>	<u>(9,983,988)</u>	<u>(8,620,996)</u>
Fund balance, April 30, 2011, as reclassified	<u>\$ 16,972,680</u>	<u>\$ 6,245,627</u>	<u>\$ 136,755,233</u>

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS – Continued

23. PRIOR PERIOD ADJUSTMENTS

The City has restated beginning fund balance/net assets as of May 1, 2011 to a) correct reporting of capital assets b) correct reporting of compensated absences and c) correct a previously unrecorded trade receivable for a suite agreement related to prior fiscal years.

	<u>Governmental Activities</u>	<u>Water</u>	<u>Sewer</u>	<u>US Cellular Coliseum</u>	<u>Stormwater Management</u>
Fund balance/net assets, May 1 (as previously reported)	\$ 136,755,233	\$ 92,320,974	\$ 52,719,371	\$ 23,867,242	\$ (3,071,509)
Restated for					
a) Capital assets	(737,649)	294,815	397,981	-	(67,933)
b) Compensated absences	407,832	70,693	34,949	-	7,840
c) Trade receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Fund balance/net assets, May 1 (as restated)	<u>\$ 136,425,416</u>	<u>\$ 92,686,482</u>	<u>\$ 53,152,301</u>	<u>\$ 23,917,242</u>	<u>\$ (3,131,602)</u>

	<u>Nonmajor Enterprise</u>	<u>Business-Type Activities</u>
Fund balance/net assets, May 1 (as previously reported)	\$ 8,753,420	\$ 173,902,769
Restated for		
a) Capital assets	-	624,863
b) Compensated absences	199,083	312,565
c) Trade receivables	<u>-</u>	<u>50,000</u>
Fund balance/net assets, May 1 (as restated)	<u>\$ 8,952,503</u>	<u>\$ 174,890,197</u>

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)
12/31/11	\$ 16,665,580	\$ 52,162,327	31.95%	\$ 35,496,747	\$ 20,673,949	171.70%
12/31/10	10,328,110	48,645,814	21.23%	38,317,704	20,269,736	189.04%
12/31/09	7,622,898	45,279,638	16.84%	37,656,740	22,268,546	169.10%
12/31/08	31,583,191	56,110,543	56.29%	24,527,352	25,457,547	96.35%
12/31/07	54,552,316	63,482,422	85.93%	8,930,106	23,459,963	38.07%
12/31/06	48,475,641	57,383,499	84.48%	8,907,858	21,713,728	41.02%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$13,566,247. On a market basis, the funded ratio would be 26.01%.

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)
5/1/11	\$ 52,763,950	\$ 90,608,780	58.23%	\$ 37,844,830	\$ 8,903,996	425.03%
5/1/10	48,078,031	86,863,392	55.35%	38,785,361	9,505,164	408.05%
5/1/09	44,228,726	82,953,509	53.32%	38,724,783	8,788,202	440.65%
5/1/08	44,388,369	75,336,945	58.92%	30,948,576	8,041,709	384.85%
5/1/07	41,082,107	71,842,046	57.18%	30,759,939	8,277,458	371.61%
5/1/06	38,044,418	65,285,667	58.27%	27,241,249	8,005,324	340.29%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)
5/1/11	\$ 39,770,280	\$ 77,411,228	51.38%	\$ 37,640,948	\$ 7,137,776	527.35%
5/1/10	36,832,670	73,891,946	49.85%	37,059,276	6,729,062	550.73%
5/1/09	34,880,656	70,089,350	49.77%	35,208,694	6,470,110	544.17%
5/1/08	39,077,302	64,675,814	60.42%	25,598,512	6,379,893	401.24%
5/1/07	36,720,534	59,245,402	61.98%	22,524,868	5,590,814	402.89%
5/1/06	34,408,977	61,968,657	55.53%	27,559,680	6,586,507	418.43%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (Overfunded) As a Percentage of Covered Payroll (4) / (5)
5/1/11	\$ -	\$ 18,839,491	0.00%	\$ 18,839,491	\$ 25,899,456	72.74%
5/1/10	-	18,247,629	0.00%	18,247,629	24,903,323	73.27%
5/1/09	-	22,600,932	0.00%	22,600,932	25,973,637	87.01%
5/1/08	-	21,520,937	0.00%	21,520,937	27,856,150	77.26%
5/1/07	-	18,200,500	0.00%	18,200,500	26,054,700	69.85%

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

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2012	\$ 4,341,637	\$ 4,666,620	93.04%
2011	3,494,133	3,962,032	88.19%
2010	2,379,831	2,379,831	100.00%
2009	2,723,957	2,723,957	100.00%
2008	2,632,208	2,632,208	100.00%
2007	2,349,425	2,349,425	100.00%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2012	\$ 4,111,770	\$ 3,859,645	106.53%
2011	3,867,939	3,843,510	100.64%
2010	3,128,358	3,156,183	99.12%
2009	2,528,567	2,392,466	105.69%
2008	2,036,942	1,889,809	107.79%
2007	1,966,185	1,826,840	107.63%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2012	\$ 3,460,505	\$ 3,202,697	108.05%
2011	3,140,710	3,116,325	100.78%
2010	2,364,899	2,376,491	99.51%
2009	2,640,429	2,493,809	105.88%
2008	1,904,995	1,772,416	107.48%
2007	1,909,591	1,726,093	110.63%

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2012	\$ 467,526	\$ 1,349,839	34.64%
2011	829,455	1,302,347	63.69%
2010	430,044	1,587,855	27.08%
2009	192,116	1,514,594	12.68%
2008	211,486	1,407,400	15.03%

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

CITY OF BLOOMINGTON, ILLINOIS
General Fund

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

For the Year Ended April 30, 2012

	Budget		Actual	Variance
	Original	Final		
REVENUES				
Taxes	\$ 65,375,106	\$ 65,375,106	\$ 68,086,491	\$ 2,711,385
Intergovernmental	338,234	338,234	528,664	190,430
Licenses and permits	1,151,000	1,151,000	1,120,226	(30,774)
Charges for services	12,123,358	12,123,358	10,561,967	(1,561,391)
Fines and forfeitures	717,250	717,250	903,200	185,950
Investment income	45,250	45,250	64,567	19,317
Other	860,303	860,303	1,089,891	229,588
Total revenues	<u>80,610,501</u>	<u>80,610,501</u>	<u>82,355,006</u>	<u>1,744,505</u>
EXPENDITURES				
Current:				
General government	16,743,732	16,750,898	16,602,130	148,768
Public safety	41,096,616	41,200,159	42,412,742	(1,212,583)
Highways and streets	6,912,760	7,013,332	9,069,097	(2,055,765)
Culture and recreation	9,954,626	10,018,163	10,071,331	(53,168)
Debt service:				
Principal	-	-	212,216	(212,216)
Interest and fiscal agent fees	-	-	32,575	(32,575)
Bond issuance costs	-	-	70,891	(70,891)
Capital outlay	2,183,135	3,428,819	1,346,245	2,082,574
Total expenditures	<u>76,890,869</u>	<u>78,411,371</u>	<u>79,817,227</u>	<u>(1,405,856)</u>
EXCESS OF REVENUES OVER				
EXPENDITURES BEFORE OTHER				
OTHER FINANCING SOURCES (USES)				
	<u>3,719,632</u>	<u>2,199,130</u>	<u>2,537,779</u>	<u>338,649</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,467,019	1,717,019	920,372	(796,647)
Bonds issued, at par	-	-	5,990,120	5,990,120
Proceeds from sale of capital assets	75,000	75,000	136,064	61,064
Transfers out	(9,453,266)	(11,761,224)	(11,372,973)	388,251
Total other financing sources (uses)	<u>(7,911,247)</u>	<u>(9,969,205)</u>	<u>(4,326,417)</u>	<u>5,642,788</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,191,615)</u>	<u>\$ (7,770,075)</u>	(1,788,638)	<u>\$ 5,981,437</u>
FUND BALANCE, BEGINNING OF YEAR			<u>16,972,680</u>	
FUND BALANCE, END OF YEAR, BUDGETARY BASIS			15,184,042	
CHANGE IN ENCUMBRANCES			<u>1,021,857</u>	
FUND BALANCE, END OF YEAR			<u>\$ 16,205,899</u>	

See accompanying Independent Auditor's Report.

**CITY OF BLOOMINGTON
LIBRARY FUND**

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

For the Year Ended April 30, 2012

	Budget		Actual	Variance
	Original	Final		
REVENUES:				
Taxes	\$ 4,649,133	\$ 4,649,133	\$ 4,648,600	\$ (533)
Intergovernmental	77,000	77,000	95,064	18,064
Charges for services	63,500	63,500	80,290	16,790
Investment income	5,000	5,000	2,682	(2,318)
Miscellaneous	425,000	425,000	407,503	(17,497)
	5,219,633	5,219,633	5,234,139	14,506
EXPENDITURES:				
Current:				
Culture and recreation	4,906,296	5,089,836	4,557,329	532,507
Debt service:				
Bond issuance costs	-	-	2,266	(2,266)
	4,906,296	5,089,836	4,559,595	530,241
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER OTHER FINANCING SOURCES (USES)	313,337	129,797	674,544	544,747
OTHER FINANCIAL SOURCES (USES):				
Transfers in	165,301	165,301	-	(165,301)
Bonds issued, at par	-	-	191,500	191,500
Proceeds from sale of capital assets	1,000	1,000	2,045	1,045
Transfers out	(758,503)	(758,503)	(550,585)	207,918
	(592,202)	(592,202)	(357,040)	235,162
NET CHANGE IN FUND BALANCE	\$ (278,865)	\$ (462,405)	317,504	\$ 779,909
FUND BALANCE, BEGINNING OF YEAR			2,618,150	
FUND BALANCE, END OF YEAR BUDGETARY BASIS			2,935,654	
CHANGE IN ENCUMBRANCES			(132,903)	
FUND BALANCE, END OF YEAR			\$ 2,802,751	

CITY OF BLOOMINGTON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. BUDGETARY BASIS OF ACCOUNTING

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

- Prior to February 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are adopted on a modified accrual basis except for the following modifications:
 - Encumbrances are treated as expenditures in the year in which the purchase commitment is made.
 - Collections of special revenue fund loans, capital project fund assessments and special assessments are budgeted as revenue in the year received.
 - Special revenue fund loans are shown as expenditures when the funds are disbursed.
 - Special revenue fund disbursements which result in increases in balances of properties held for rehabilitation or development and transfers to savings accounts used for property rehabilitation purposes are shown as expenditures. Receipts from sales of these properties or transfers from the savings accounts are treated as revenues.
 - The proceeds of general obligation bond proceeds reserved for enterprise fund projects and expenditures of such monies are accounted for in a Capital Projects Fund.
 - Certain transfers between governmental funds are budgeted as revenues and expenditures. Budgeted Governmental Fund expenditures also include capital expenditures related to proprietary fund operations.
 - In the Debt Service Fund, transfers from enterprise funds for payment of revenue-supported general obligation debt are reflected as revenue and payments of the debt and are shown as expenditures.
 - For report presentation purposes, actual revenues and expenditures and other financing sources and uses have been adjusted to incorporate these modifications with reconciliation provided.
 - Capital contributions and capital outlay from donated assets are not budgeted.
- Public hearings are conducted at locations throughout the City to obtain taxpayer comments.

CITY OF BLOOMINGTON, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. BUDGETARY BASIS OF ACCOUNTING – Continued

- Prior to May 1, the annual operating budget is legally enacted through passage of an ordinance. Passage of the annual budget is done in lieu of an appropriation ordinance as permitted by the Illinois Compiled Statutes.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. The level of control (level at which expenditures may not exceed budget) is the fund total, not the individual line items.
- The annual budget can be amended by a two-thirds vote of the City Council. Various budget amendments were approved in this manner by the Council during the current year and the changes are reflected in the budgetary figures included in the accompanying financial statements. The budget expenditure adjustments for the year ended April 30, 2012 were \$5,678,285 in total with \$879,812 of the adjustments charged to the General Fund.
- All appropriations lapse at year-end.

The following funds had expenditures in excess of budgeted amounts for the year ended April 30, 2012:

General	\$ 1,500,480
Pepsi Ice Center	74,503
Library Expansion	165

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

CITY OF BLOOMINGTON, ILLINOIS

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

April 30, 2012

	Special Revenue			
	Motor Fuel Tax	Board of Elections	Drug Enforcement	Foreign Fire Insurance Board
ASSETS				
Cash and investments	\$ 4,401,095	\$ 415,139	\$ 361,095	\$ 110,197
Receivables, net of allowance for uncollectibles:				
Loans	-	-	-	-
Accounts	-	-	-	1,852
Due from other governmental units	148,730	-	-	-
Interfund advances	-	-	-	-
Properties held for resale	-	-	-	-
	\$ 4,549,825	\$ 415,139	\$ 361,095	\$ 112,049
Total assets	\$ 4,549,825	\$ 415,139	\$ 361,095	\$ 112,049
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 16,771	\$ 9,649	\$ 7,932	\$ 2,606
Due to other funds	7,346	-	-	-
Deposits	-	-	-	-
Deferred revenue	-	-	-	-
Interfund advance	-	-	-	-
	24,117	9,649	7,932	2,606
Total liabilities	24,117	9,649	7,932	2,606
FUND BALANCE				
Nonspendable				
Loans	-	-	-	-
Interfund advances	-	-	-	-
Property held for resale	-	-	-	-
Restricted				
Highways and streets	4,525,708	-	-	-
Board of elections	-	405,490	-	-
Public safety	-	-	-	109,443
Community development	-	-	-	-
Unrestricted				
Committed				
Public safety	-	-	353,163	-
Culture and recreation	-	-	-	-
Assigned				
Capital projects	-	-	-	-
Unassigned	-	-	-	-
	4,525,708	405,490	353,163	109,443
Total fund balance	4,525,708	405,490	353,163	109,443
TOTAL LIABILITIES AND FUND BALANCE	\$ 4,549,825	\$ 415,139	\$ 361,095	\$ 112,049

Special Revenue

<u>Community Development</u>	<u>IHDA Grant</u>	<u>Park Dedication</u>
\$ 14,887	\$ 14,269	\$ 628,096
1,092,737	-	-
68,801	-	-
-	-	-
-	-	443,370
<u>16,775</u>	<u>-</u>	<u>-</u>
<u>\$ 1,193,200</u>	<u>\$ 14,269</u>	<u>\$1,071,466</u>
\$ 81,401	\$ -	\$ -
891	-	-
-	-	-
-	-	-
<u>-</u>	<u>23,487</u>	<u>-</u>
<u>82,292</u>	<u>23,487</u>	<u>-</u>
1,092,737	-	-
-	-	443,370
16,775	-	-
-	-	-
-	-	-
1,396	-	-
-	-	-
-	-	628,096
-	-	-
<u>-</u>	<u>(9,218)</u>	<u>-</u>
<u>1,110,908</u>	<u>(9,218)</u>	<u>1,071,466</u>
<u>\$ 1,193,200</u>	<u>\$ 14,269</u>	<u>\$1,071,466</u>

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
April 30, 2012**

	Capital Projects		
	Central Bloomington TIF Redevelopment	Pepsi Ice Center	Capital Improvements
ASSETS			
Cash and cash equivalents	\$ 55,952	\$ 9,778	\$ 3,436,992
Receivables, net of allowance for uncollectibles:			
Loans	-	-	-
Accounts	-	-	-
Due from other governmental funds	-	-	400,000
Interfund advances	-	-	-
Properties held for resale	-	-	-
	-	-	-
Total assets	\$ 55,952	\$ 9,778	\$ 3,836,992
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ -	\$ 5,593	\$ 757,771
Due to other funds	-	-	-
Deposits	-	-	-
Deferred revenue	-	-	-
Interfund advance	-	-	600,000
	-	-	600,000
Total liabilities	-	5,593	1,357,771
FUND BALANCE			
Nonspendable			
Loans	-	-	-
Interfund advances	-	-	-
Property held for resale	-	-	-
Restricted			
Highways and streets	-	-	-
Board of elections	-	-	-
Public safety	-	-	-
Community development	55,952	-	-
Unrestricted			
Committed			
Public safety	-	-	-
Culture and recreation	-	-	-
Assigned			
Capital projects	-	4,185	2,479,221
Unassigned	-	-	-
	-	-	-
Total fund balance	55,952	4,185	2,479,221
TOTAL LIABILITIES AND FUND BALANCE	\$ 55,952	\$ 9,778	\$ 3,836,992

Capital Projects

<u>Library Expansion</u>	<u>2007 Bond Fire Station</u>	<u>Capital Lease</u>	<u>Total</u>
\$ -	\$ -	\$ 533,823	\$ 9,981,323
-	-	-	1,092,737
-	-	-	70,653
-	-	-	548,730
-	-	-	443,370
-	-	-	16,775
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 533,823</u>	<u>\$ 12,153,588</u>
\$ -	\$ -	\$ 7,157	\$ 888,880
-	-	-	8,237
-	-	-	-
-	-	-	-
-	-	-	623,487
<u>-</u>	<u>-</u>	<u>7,157</u>	<u>1,520,604</u>
-	-	-	1,092,737
-	-	-	443,370
-	-	-	16,775
-	-	-	4,525,708
-	-	-	405,490
-	-	-	109,443
-	-	-	57,348
-	-	-	353,163
-	-	-	628,096
-	-	526,666	3,010,072
-	-	-	(9,218)
<u>-</u>	<u>-</u>	<u>526,666</u>	<u>10,632,984</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 533,823</u>	<u>\$ 12,153,588</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	Special Revenue			
	Motor Fuel Tax	Board of Elections	Drug Enforcement	Foreign Fire Insurance Board
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ 75,968
Intergovernmental	2,275,072	567,192	18,424	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	128,679	-
Investment income	2,595	-	-	357
Other, primarily contributions	-	-	-	-
	<u>2,277,667</u>	<u>567,192</u>	<u>147,103</u>	<u>76,325</u>
EXPENDITURES:				
Current:				
General government	-	372,483	-	-
Public safety	-	-	84,452	72,137
Highways and streets	449,477	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	-	-	-
	<u>449,477</u>	<u>372,483</u>	<u>84,452</u>	<u>72,137</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,828,190</u>	<u>194,709</u>	<u>62,651</u>	<u>4,188</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	8,880	-
Capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	34,259	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>43,139</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>1,828,190</u>	<u>194,709</u>	<u>105,790</u>	<u>4,188</u>
FUND BALANCES, BEGINNING OF YEAR	<u>2,697,518</u>	<u>210,781</u>	<u>247,373</u>	<u>105,255</u>
FUND BALANCES, END OF YEAR	<u>\$ 4,525,708</u>	<u>\$ 405,490</u>	<u>\$ 353,163</u>	<u>\$ 109,443</u>

Special Revenue

Community Development	IHDA Grant	Park Dedication
\$ -	\$ -	\$ -
770,315	164,857	16,642
-	-	-
-	-	-
854	16	-
1	-	70,582
771,170	164,873	87,224
-	-	-
-	-	-
-	-	-
-	-	129,574
636,758	143,687	-
-	-	-
-	-	-
-	-	-
636,758	143,687	129,574
134,412	21,186	(42,350)
-	-	-
-	-	-
-	-	-
(6,427)	(24,000)	-
(6,427)	(24,000)	-
127,985	(2,814)	(42,350)
982,923	(6,404)	1,113,816
\$ 1,110,908	\$ (9,218)	\$ 1,071,466

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	Capital Projects			
	Central Bloomington TIF Redevelopment	Pepsi Ice Center	Capital Improvements	Library Expansion
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	544,300	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	252	-	-	94
Other, primarily contributions	-	-	16,526	-
Total revenues	<u>252</u>	<u>-</u>	<u>560,826</u>	<u>94</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	37,243	-	-
Community development	5,132	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal agent fees	-	-	20,800	-
Capital outlay	-	89,995	5,771,001	-
Total expenditures	<u>5,132</u>	<u>127,238</u>	<u>5,791,801</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,880)</u>	<u>(127,238)</u>	<u>(5,230,975)</u>	<u>94</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	71,184	6,338,946	550,585
Capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers out	-	-	-	(165)
Total other financing sources (uses)	<u>-</u>	<u>71,184</u>	<u>6,338,946</u>	<u>550,420</u>
NET CHANGE IN FUND BALANCES	<u>(4,880)</u>	<u>(56,054)</u>	<u>1,107,971</u>	<u>550,514</u>
FUND BALANCES, BEGINNING OF YEAR	<u>60,832</u>	<u>60,239</u>	<u>1,371,250</u>	<u>(550,514)</u>
FUND BALANCES, END OF YEAR	<u>\$ 55,952</u>	<u>\$ 4,185</u>	<u>\$ 2,479,221</u>	<u>\$ -</u>

Capital Projects

<u>2007 Bond Fire Station</u>	<u>Capital Lease</u>	<u>Total</u>
\$ -	\$ -	\$ 75,968
-	-	4,356,802
-	-	-
-	-	128,679
2	138	4,308
-	-	87,109
<u>2</u>	<u>138</u>	<u>4,652,866</u>
-	-	372,483
-	-	156,589
-	-	449,477
-	-	-
-	-	166,817
-	-	785,577
-	-	-
-	-	20,800
<u>21,730</u>	<u>1,067,948</u>	<u>6,950,674</u>
<u>21,730</u>	<u>1,067,948</u>	<u>8,902,417</u>
<u>(21,728)</u>	<u>(1,067,810)</u>	<u>(4,249,551)</u>
80,828	-	7,050,423
-	1,594,476	1,594,476
-	-	34,259
<u>(11,658)</u>	<u>-</u>	<u>(42,250)</u>
<u>69,170</u>	<u>1,594,476</u>	<u>8,636,908</u>
47,442	526,666	4,387,357
<u>(47,442)</u>	<u>-</u>	<u>6,245,627</u>
<u>\$ -</u>	<u>\$ 526,666</u>	<u>\$ 10,632,984</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	<u>Special Revenue</u>	
	<u>Motor Fuel Tax</u>	
	<u>Final Budget</u>	<u>Actual</u>
REVENUES:		
Taxes	\$ -	\$ -
Intergovernmental	2,028,877	2,275,072
Charges for services	-	-
Fines and forfeitures	-	-
Investment income	4,100	2,595
Other, primarily contributions	-	-
Total revenues	<u>2,032,977</u>	<u>2,277,667</u>
EXPENDITURES:		
Current:		
General government	-	-
Public safety	-	-
Highways and streets	3,990,705	268,376
Health and welfare	-	-
Culture and recreation	-	-
Community development	-	-
Debt service		
Principal	-	-
Interest and fiscal agent fees	-	-
Capital outlay	-	-
Total expenditures	<u>3,990,705</u>	<u>268,376</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,957,728)</u>	<u>2,009,291</u>
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Capital lease	-	-
Proceeds from sale of capital assets	-	-
Transfers out	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,957,728)</u>	2,009,291
FUND BALANCES, BEGINNING OF YEAR		2,697,518
FUND BALANCES, END OF YEAR BUDGETARY BASIS		4,706,809
CHANGE IN ENCUMBRANCES		<u>(181,101)</u>
FUND BALANCES, END OF YEAR		<u>\$ 4,525,708</u>

Special Revenue

Board of Elections		Drug Enforcement	
Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -
407,831	567,192	5,000	18,424
-	-	-	-
-	-	160,500	128,679
-	-	-	-
318	-	-	-
<u>408,149</u>	<u>567,192</u>	<u>165,500</u>	<u>147,103</u>
403,480	372,483	-	-
-	-	120,800	84,452
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>403,480</u>	<u>372,483</u>	<u>120,800</u>	<u>84,452</u>
<u>4,669</u>	<u>194,709</u>	<u>44,700</u>	<u>62,651</u>
-	-	-	8,880
-	-	-	-
-	-	-	34,259
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>43,139</u>
<u>\$ 4,669</u>	194,709	<u>\$ 44,700</u>	105,790
	210,781		<u>247,373</u>
	405,490		353,163
	-		-
	<u>\$ 405,490</u>		<u>\$ 353,163</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	Special Revenue			
	Community Development		IHDA Grant	
	Final Budget	Actual	Final Budget	Actual
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	995,979	770,315	228,000	164,857
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	1,500	854	-	16
Other, primarily contributions	30,000	1	-	-
Total revenues	<u>1,027,479</u>	<u>771,170</u>	<u>228,000</u>	<u>164,873</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community development	1,021,052	636,758	204,000	143,687
Debt services				
Principal	-	-	-	-
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	-	-	-
Total expenditure	<u>1,021,052</u>	<u>636,758</u>	<u>204,000</u>	<u>143,687</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>6,427</u>	<u>134,412</u>	<u>24,000</u>	<u>21,186</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers out	(6,427)	(6,427)	(24,000)	(24,000)
Total other financing sources (uses)	<u>(6,427)</u>	<u>(6,427)</u>	<u>(24,000)</u>	<u>(24,000)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>127,985</u>	<u>\$ -</u>	<u>(2,814)</u>
FUND BALANCES, BEGINNING OF YEAR		<u>982,923</u>		<u>(6,404)</u>
FUND BALANCES, END OF YEAR BUDGETARY BASIS		1,110,908		(9,218)
CHANGE IN ENCUMBRANCES		<u>-</u>		<u>-</u>
FUND BALANCES, END OF YEAR		<u>\$ 1,110,908</u>		<u>\$ (9,218)</u>

Capital Projects

Park Dedication		Central Bloomington TIF Redevelopment		Pepsi Ice Center	
Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	16,642	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	252	-	-
89,000	70,582	-	-	-	-
89,000	87,224	-	252	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
299,805	63,139	-	-	31,317	25,935
-	-	24,435	5,132	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	10,110	89,995
299,805	63,139	24,435	5,132	41,427	115,930
(210,805)	24,085	(24,435)	(4,880)	(41,427)	(115,930)
-	-	-	-	71,184	71,184
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	71,184	71,184
\$ (210,805)	24,085	\$ (24,435)	(4,880)	\$ 29,757	(44,746)
	1,113,816		60,832		60,239
	1,137,901		55,952		15,493
	(66,435)		-		(11,308)
	\$ 1,071,466		\$ 55,952		\$ 4,185

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	Capital Projects			
	Capital Improvements		Library Expansion	
	Final Budget	Actual	Final Budget	Actual
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	400,000	544,300	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	-	-	94
Other, primarily contributions	50,000	16,526	-	-
Total revenues	450,000	560,826	-	94
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal agent fees	-	20,800	-	-
Capital outlay	7,416,097	5,369,182	-	-
Total expenditures	7,416,097	5,389,982	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,966,097)	(4,829,156)	-	94
OTHER FINANCING SOURCES (USES):				
Transfers in	6,338,946	6,338,946	550,585	550,585
Capital lease	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers out	-	-	-	(165)
Total other financing sources (uses)	6,338,946	6,338,946	550,585	550,420
NET CHANGE IN FUND BALANCES	\$ (627,151)	1,509,790	\$ 550,585	550,514
FUND BALANCES, BEGINNING OF YEAR		1,371,250		(550,514)
FUND BALANCES, END OF YEAR BUDGETARY BASIS		2,881,040		-
CHANGE IN ENCUMBRANCES		(401,819)		-
FUND BALANCES, END OF YEAR		\$ 2,479,221		\$ -

Capital Projects

2007 Bond Fire Station		Capital Lease	
Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	2	-	138
-	-	-	-
-	2	-	138
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
33,387	(21,657)	4,300,000	1,503,175
<u>33,387</u>	<u>(21,657)</u>	<u>4,300,000</u>	<u>1,503,175</u>
(33,387)	21,659	(4,300,000)	(1,503,037)
80,828	80,828	-	-
-	-	4,300,000	1,594,476
-	-	-	-
-	(11,658)	-	-
<u>80,828</u>	<u>69,170</u>	<u>4,300,000</u>	<u>1,594,476</u>
<u>\$ 47,441</u>	90,829	<u>\$ -</u>	91,439
	<u>(47,442)</u>		-
	43,387		91,439
	<u>(43,387)</u>		<u>435,227</u>
	<u>\$ -</u>		<u>\$ 526,666</u>

NONMAJOR ENTERPRISE FUNDS

NONMAJOR ENTERPRISE FUNDS

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

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

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

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING BALANCE SHEET
NONMAJOR ENTERPRISE FUNDS**

April 30, 2012

	<u>Golf Operations</u>	<u>Solid Waste</u>	<u>Parking</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and investments	\$ 595,855	\$ 1,511,158	\$ 63,438	\$ 2,170,451
Restricted accounts - cash	-	685,162	45,915	731,077
Accounts receivable, net of allowance for uncollectibles	19,067	814,496	51,806	885,369
Inventory	<u>174,566</u>	<u>-</u>	<u>-</u>	<u>174,566</u>
Total current assets	<u>789,488</u>	<u>3,010,816</u>	<u>161,159</u>	<u>3,961,463</u>
Noncurrent assets:				
Land	1,907,587	-	286,500	2,194,087
Other depreciable capital assets, net of accumulated depreciation	<u>1,905,215</u>	<u>1,723,942</u>	<u>4,126,324</u>	<u>7,755,481</u>
Total capital assets, net of depreciation	<u>3,812,802</u>	<u>1,723,942</u>	<u>4,412,824</u>	<u>9,949,568</u>
TOTAL ASSETS	<u><u>\$ 4,602,290</u></u>	<u><u>\$ 4,734,758</u></u>	<u><u>\$ 4,573,983</u></u>	<u><u>\$ 13,911,031</u></u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 81,951	\$ 242,425	\$ 29,101	\$ 353,477
Compensated absences	9,381	40,917	4,954	55,252
Due to other funds	327,072	751,784	67	1,078,923
Unearned revenue	111,501	-	-	111,501
Deposits	-	-	8,012	8,012
Current maturities of long-term debt	<u>104,257</u>	<u>406,597</u>	<u>10,109</u>	<u>520,963</u>
Total current liabilities	<u>634,162</u>	<u>1,441,723</u>	<u>52,243</u>	<u>2,128,128</u>
Noncurrent liabilities:				
Interfund advances	-	-	1,400,000	1,400,000
Compensated absences	176,074	411,555	18,161	605,790
Net OPEB obligation	33,985	306,977	60,475	401,437
Net pension obligation	15,761	58,629	5,897	80,287
Capital lease payable, noncurrent portion	<u>369,275</u>	<u>1,440,149</u>	<u>35,806</u>	<u>1,845,230</u>
Total noncurrent liabilities	<u>595,095</u>	<u>2,217,310</u>	<u>1,520,339</u>	<u>4,332,744</u>
TOTAL LIABILITIES	<u>1,229,257</u>	<u>3,659,033</u>	<u>1,572,582</u>	<u>6,460,872</u>
NET ASSETS:				
Invested in capital assets, net of related debt	3,339,270	562,358	4,412,824	8,314,452
Restricted for capital projects	-	685,162	45,915	731,077
Unrestricted (deficit)	<u>33,763</u>	<u>(171,795)</u>	<u>(1,457,338)</u>	<u>(1,595,370)</u>
Total net assets	<u>3,373,033</u>	<u>1,075,725</u>	<u>3,001,401</u>	<u>7,450,159</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,602,290</u></u>	<u><u>\$ 4,734,758</u></u>	<u><u>\$ 4,573,983</u></u>	<u><u>\$ 13,911,031</u></u>

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

For the Year Ended April 30, 2012

	<u>Golf Operations</u>	<u>Solid Waste</u>	<u>Parking</u>	<u>Total</u>
Operating revenues, charges for services	\$ 2,658,486	\$ 4,313,505	\$ 732,200	\$ 7,704,191
Operating expenses:				
Personal services	1,185,478	3,343,065	369,169	4,897,712
Contractual services	554,080	1,912,420	404,585	2,871,085
Commodities	707,755	270,318	130,715	1,108,788
Depreciation	300,467	284,744	205,320	790,531
Total operating expenses	<u>2,747,780</u>	<u>5,810,547</u>	<u>1,109,789</u>	<u>9,668,116</u>
Operating income (loss)	<u>(89,294)</u>	<u>(1,497,042)</u>	<u>(377,589)</u>	<u>(1,963,925)</u>
Nonoperating revenues:				
Loss on disposal of capital assets	-	-	(938,710)	(938,710)
Other income	38,651	255,224	-	293,875
Other expense, primarily interest expense	(9,520)	(37,128)	(4,860)	(51,508)
Total nonoperating revenue	<u>29,131</u>	<u>218,096</u>	<u>(943,570)</u>	<u>(696,343)</u>
CHANGE IN NET ASSETS BEFORE TRANSFERS	<u>(60,163)</u>	<u>(1,278,946)</u>	<u>(1,321,159)</u>	<u>(2,660,268)</u>
Transfers in	-	1,500,000	-	1,500,000
Transfers out	(96,636)	(209,194)	(36,246)	(342,076)
Total transfers	<u>(96,636)</u>	<u>1,290,806</u>	<u>(36,246)</u>	<u>1,157,924</u>
Change in net assets	(156,799)	11,860	(1,357,405)	(1,502,344)
TOTAL NET ASSETS, BEGINNING OF YEAR	<u>3,503,046</u>	<u>899,585</u>	<u>4,350,789</u>	<u>8,753,420</u>
Prior period adjustment	<u>26,786</u>	<u>164,280</u>	<u>8,017</u>	<u>199,083</u>
TOTAL NET ASSETS, BEGINNING OF YEAR, RESTATED	<u>3,529,832</u>	<u>1,063,865</u>	<u>4,358,806</u>	<u>8,952,503</u>
TOTAL NET ASSETS, END OF YEAR	<u>\$ 3,373,033</u>	<u>\$ 1,075,725</u>	<u>\$ 3,001,401</u>	<u>\$ 7,450,159</u>

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

For the Year Ended April 30, 2012

	Golf Operations	Solid Waste	Parking	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 2,616,588	\$ 4,260,607	\$ 707,034	\$ 7,584,229
Payments to suppliers	(1,281,965)	(2,286,012)	(534,588)	(4,102,565)
Payments to employees	(1,165,215)	(3,264,999)	(370,516)	(4,800,730)
Other receipts	38,651	255,224	-	293,875
Net cash from operating activities	<u>208,059</u>	<u>(1,035,180)</u>	<u>(198,070)</u>	<u>(1,025,191)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Payments to interfund accounts	(100,491)	(209,194)	(37,868)	(347,553)
Proceeds from interfund accounts	325,000	2,202,706	-	2,527,706
Net cash from noncapital financing activities	<u>224,509</u>	<u>1,993,512</u>	<u>(37,868)</u>	<u>2,180,153</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from capital debt	541,440	2,111,584	52,500	2,705,524
Purchases of capital assets	(521,697)	(1,161,584)	-	(1,683,281)
Proceeds from the sales of capital assets	-	-	139,664	139,664
Principal paid on long-term debt	(67,908)	(264,838)	(6,585)	(339,331)
Interest paid on long-term debt	(9,520)	(37,128)	(4,860)	(51,508)
Net cash from capital and related financing activities	<u>(57,685)</u>	<u>648,034</u>	<u>180,719</u>	<u>771,068</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	374,883	1,606,366	(55,219)	1,926,030
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>220,972</u>	<u>589,954</u>	<u>164,572</u>	<u>975,498</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 595,855</u></u>	<u><u>\$ 2,196,320</u></u>	<u><u>\$ 109,353</u></u>	<u><u>\$ 2,901,528</u></u>
CASH AND CASH EQUIVALENTS CONSISTS OF THE FOLLOWING:				
Cash and cash equivalents	\$ 595,855	\$ 1,511,158	\$ 63,438	\$ 2,170,451
Restricted accounts - cash	-	685,162	45,915	731,077
	<u><u>\$ 595,855</u></u>	<u><u>\$ 2,196,320</u></u>	<u><u>\$ 109,353</u></u>	<u><u>\$ 2,901,528</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ (89,294)	\$ (1,497,042)	\$ (377,589)	\$ (1,963,925)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	300,467	284,744	205,320	790,531
Other Income	38,651	255,224	-	293,875
Change in assets and liabilities:				
Receivables	(2,194)	(52,898)	(25,166)	(80,258)
Inventory	12,249	-	-	12,249
Accounts payable and accrued expenses	(32,379)	(103,274)	1,790	(133,863)
Deposits	-	-	(1,078)	(1,078)
Unearned income	(39,704)	-	-	(39,704)
Compensated absences	3,494	3,084	(12,098)	(5,520)
Net OPEB obligation	12,149	50,760	8,975	71,884
Net pension obligation	4,620	24,222	1,776	30,618
Net cash from operating activities	<u><u>\$ 208,059</u></u>	<u><u>\$ (1,035,180)</u></u>	<u><u>\$ (198,070)</u></u>	<u><u>\$ (1,025,191)</u></u>
SCHEDULE OF NONCASH ITEMS, CAPITAL AND RELATED FINANCING ACTIVITIES				
Contribution of capital assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

GENERAL FUND

GENERAL FUND

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

CITY OF BLOOMINGTON, ILLINOIS

**GENERAL FUND
COMBINING BALANCE SHEET - BY SUBFUND
April 30, 2012**

	<u>General</u>	<u>Fixed Asset Replacement</u>	<u>Judgment</u>	<u>Flex Cash</u>
ASSETS				
Cash and investments	\$ 5,013,335	\$ -	\$ 29,320	\$ 14,567
Restricted accounts - cash	567,069	-	-	-
Receivables, net of allowance for uncollectibles:				
Taxes	10,474,921	-	-	-
Loans	437,416	-	-	-
Accounts	1,948,924	-	-	-
Due from other governmental units	9,775,690	-	-	-
Due from other funds	692,181	-	-	-
Interfund advances	2,374,386	-	-	-
Inventory	197,263	-	-	-
Prepaid items	9,937	-	-	14,250
	<u>\$ 31,491,122</u>	<u>\$ -</u>	<u>\$ 29,320</u>	<u>\$ 28,817</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable and accrued expenditures	\$ 3,162,986	\$ -	\$ -	\$ -
Due to other funds	247,524	-	-	-
Deposits	-	-	-	-
Unearned income	1,220	-	-	-
Deferred revenue	12,907,927	-	-	-
Interfund advances	143,370	-	-	50,000
	<u>16,463,027</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
FUND BALANCE				
Nonspendable				
Inventory	197,263	-	-	-
Loans	437,416	-	-	-
Interfund advances	2,374,386	-	-	-
Prepaid items	9,937	-	-	14,250
Restricted				
Capital projects	567,069	-	-	-
Unrestricted				
Assigned				
General government	658,138	-	-	-
Public safety	676,136	-	-	-
Highways and streets	72,904	-	-	-
Culture and recreation	129,302	-	-	-
Unassigned	9,905,544	-	29,320	(35,433)
Total fund balance	<u>15,028,095</u>	<u>-</u>	<u>29,320</u>	<u>(21,183)</u>
TOTAL LIABILITIES AND FUND BALANCE				
	<u>\$ 31,491,122</u>	<u>\$ -</u>	<u>\$ 29,320</u>	<u>\$ 28,817</u>

<u>Police Pension Levy</u>	<u>Firemen's Pension Levy</u>	<u>Special Olympics and Recreation</u>	<u>Sister City Program</u>	<u>Cultural District</u>	<u>Eliminations</u>	<u>Total</u>
\$ -	\$ -	\$ 218,955	\$ 103,896	\$ 1,664,691	\$ -	\$ 7,044,764
-	-	-	-	-	-	567,069
3,306,933	3,111,552	-	-	-	-	16,893,406
-	-	-	-	-	-	437,416
-	-	-	-	21,236	-	1,970,160
-	-	-	-	-	-	9,775,690
-	-	-	-	-	(82,140)	610,041
-	-	-	-	-	-	2,374,386
-	-	-	-	-	-	197,263
-	-	-	-	-	-	24,187
<u>\$ 3,306,933</u>	<u>\$ 3,111,552</u>	<u>\$ 218,955</u>	<u>\$ 103,896</u>	<u>\$ 1,685,927</u>	<u>\$ (82,140)</u>	<u>\$ 39,894,382</u>
\$ -	\$ -	\$ 14,463	\$ 18,047	\$ 184,204	\$ -	\$ 3,379,700
-	-	-	-	584,152	(82,140)	749,536
-	-	-	-	17,750	-	17,750
-	-	-	-	-	-	1,220
3,306,933	3,111,552	-	-	20,495	-	19,346,907
-	-	-	-	-	-	193,370
<u>3,306,933</u>	<u>3,111,552</u>	<u>14,463</u>	<u>18,047</u>	<u>806,601</u>	<u>(82,140)</u>	<u>23,688,483</u>
-	-	-	-	-	-	197,263
-	-	-	-	-	-	437,416
-	-	-	-	-	-	2,374,386
-	-	-	-	-	-	24,187
-	-	-	-	-	-	567,069
-	-	-	-	-	-	658,138
-	-	-	-	-	-	676,136
-	-	-	-	-	-	72,904
-	-	39,589	-	24,025	-	192,916
-	-	164,903	85,849	855,301	-	11,005,484
-	-	204,492	85,849	879,326	-	16,205,899
<u>\$ 3,306,933</u>	<u>\$ 3,111,552</u>	<u>\$ 218,955</u>	<u>\$ 103,896</u>	<u>\$ 1,685,927</u>	<u>\$ (82,140)</u>	<u>\$ 39,894,382</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	<u>General</u>	<u>Fixed Asset Replacement</u>	<u>Judgment</u>	<u>Flex Cash</u>
REVENUES:				
Taxes	\$ 59,064,130	\$ -	\$ -	\$ -
Intergovernmental	424,144	-	-	-
Licenses and permits	1,120,226	-	-	-
Charges for services	9,745,873	-	-	-
Fines and forfeitures	903,200	-	-	-
Investment income	65,063	-	20	-
Other	739,711	-	-	13,775
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	72,062,347	-	20	13,775
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES:				
Current:				
General government	16,111,921	-	168,467	4,601
Public safety	34,297,128	-	-	-
Highways and streets	9,002,990	-	-	-
Culture and recreation	7,445,606	-	-	-
Debt service:				
Principal	199,981	-	-	-
Interest and fiscal agent fees	28,036	-	-	-
Bond issuance costs	70,891	-	-	-
Capital outlay	1,346,245	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	68,502,798	-	168,467	4,601
	<hr/>	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,559,549</u>	<u>-</u>	<u>(168,447)</u>	<u>9,174</u>
	<hr/>	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES):				
Transfers in	920,372	53	-	-
Bonds issued, at par	5,990,120	-	-	-
Proceeds from sale of capital assets	136,064	-	-	-
Transfers out	(11,020,341)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(3,973,785)	53	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	(414,236)	53	(168,447)	9,174
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, BEGINNING OF YEAR, RECLASSIFIED	<u>15,442,331</u>	<u>(53)</u>	<u>197,767</u>	<u>(30,357)</u>
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, END OF YEAR	<u>\$ 15,028,095</u>	<u>\$ -</u>	<u>\$ 29,320</u>	<u>\$ (21,183)</u>

Police Pension Levy	Firemen's Pension Levy	Special Olympics and Recreation	Sister City Program	Cultural District	Eliminations	Total
\$ 4,111,770	\$ 3,460,591	\$ -	\$ -	\$ 1,450,000	\$ -	\$ 68,086,491
-	-	90,020	1,000	13,500	-	528,664
-	-	-	-	-	-	1,120,226
-	-	-	-	816,094	-	10,561,967
-	-	-	-	-	-	903,200
-	-	-	-	(516)	-	64,567
-	-	44,341	6,866	285,198	-	1,089,891
<u>4,111,770</u>	<u>3,460,591</u>	<u>134,361</u>	<u>7,866</u>	<u>2,564,276</u>	<u>-</u>	<u>82,355,006</u>
-	-	-	28,151	-	-	16,313,140
4,111,770	3,460,591	-	-	-	-	41,869,489
-	-	-	-	-	-	9,002,990
-	-	272,784	-	2,229,434	-	9,947,824
-	-	-	-	12,235	-	212,216
-	-	-	-	4,539	-	32,575
-	-	-	-	-	-	70,891
-	-	-	-	-	-	1,346,245
<u>4,111,770</u>	<u>3,460,591</u>	<u>272,784</u>	<u>28,151</u>	<u>2,246,208</u>	<u>-</u>	<u>78,795,370</u>
-	-	(138,423)	(20,285)	318,068	-	3,559,636
-	-	135,030	12,101	250,000	(397,184)	920,372
-	-	-	-	-	-	5,990,120
-	-	-	-	-	-	136,064
-	-	-	-	(749,816)	397,184	(11,372,973)
-	-	135,030	12,101	(499,816)	-	(4,326,417)
-	-	(3,393)	(8,184)	(181,748)	-	(766,781)
-	-	207,885	94,033	1,061,074	-	16,972,680
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,492</u>	<u>\$ 85,849</u>	<u>\$ 879,326</u>	<u>\$ -</u>	<u>\$ 16,205,899</u>

DEBT SERVICE FUND

DEBT SERVICE FUND

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

CITY OF BLOOMINGTON, ILLINOIS

**DEBT SERVICE FUND
COMBINING BALANCE SHEET - BY SUBFUND
April 30, 2012**

	<u>General Bond and Interest</u>	<u>Market Square TIF Bond Redemption</u>	<u>2004 Coliseum Bond Redemption</u>	<u>2004 Multi-Project Bond Redemption</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ 6,240,550	\$ 1,514,525	\$ 2,272,767	\$ 753,986	\$ 10,781,828
Receivables, net of allowance for uncollectibles:					
Taxes	2,179,980	-	-	-	2,179,980
Due from other governmental units	-	78,455	-	-	78,455
Due from other funds	499,878	-	-	-	499,878
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 8,920,408</u>	<u>\$ 1,592,980</u>	<u>\$ 2,272,767</u>	<u>\$ 753,986</u>	<u>\$ 13,540,141</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 500	\$ -	\$ -	\$ -	\$ 500
Deferred revenue	2,179,980	-	-	-	2,179,980
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>2,180,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,180,480</u>
FUND BALANCE					
Restricted					
Debt service	6,739,928	1,592,980	2,272,767	753,986	11,359,661
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>6,739,928</u>	<u>1,592,980</u>	<u>2,272,767</u>	<u>753,986</u>	<u>11,359,661</u>
TOTAL LIABILITIES AND FUND BALANCE					
	<u>\$ 8,920,408</u>	<u>\$ 1,592,980</u>	<u>\$ 2,272,767</u>	<u>\$ 753,986</u>	<u>\$ 13,540,141</u>

CITY OF BLOOMINGTON, ILLINOIS

DEBT SERVICE FUND

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

For the Year Ended April 30, 2012

	<u>General Bond and Interest</u>	<u>Market Square TIF Bond Redemption</u>	<u>2004 Coliseum Bond Redemption</u>	<u>2004 Multi-Project Bond Redemption</u>	<u>Total</u>
REVENUES:					
Taxes	\$ 1,648,157	\$ 509,469	\$ -	\$ 14,869	\$ 2,172,495
Investment income	<u>4,608</u>	<u>43</u>	<u>-</u>	<u>-</u>	<u>4,651</u>
Total revenues	<u>1,652,765</u>	<u>509,512</u>	<u>-</u>	<u>14,869</u>	<u>2,177,146</u>
EXPENDITURES:					
Debt service:					
Principal	420,000	400,000	175,000	300,000	1,295,000
Interest and fiscal agent fees	1,053,865	18,606	1,688,943	98,055	2,859,469
Bond issuance costs	<u>-</u>	<u>-</u>	<u>92,637</u>	<u>-</u>	<u>92,637</u>
Total expenditures	<u>1,473,865</u>	<u>418,606</u>	<u>1,956,580</u>	<u>398,055</u>	<u>4,247,106</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>178,900</u>	<u>90,906</u>	<u>(1,956,580)</u>	<u>(383,186)</u>	<u>(2,069,960)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	749,816	-	1,823,319	-	2,573,135
Refunding bonds	-	-	5,075,000	-	5,075,000
Bond premium	-	-	196,695	-	196,695
Payment to refunded bond escrow agent	<u>-</u>	<u>-</u>	<u>(5,182,083)</u>	<u>-</u>	<u>(5,182,083)</u>
Total other financing sources	<u>749,816</u>	<u>-</u>	<u>1,912,931</u>	<u>-</u>	<u>2,662,747</u>
NET CHANGE IN FUND BALANCES	928,716	90,906	(43,649)	(383,186)	592,787
FUND BALANCES, BEGINNING OF YEAR	<u>5,811,212</u>	<u>1,502,074</u>	<u>2,316,416</u>	<u>1,137,172</u>	<u>10,766,874</u>
FUND BALANCES, END OF YEAR	<u>\$ 6,739,928</u>	<u>\$ 1,592,980</u>	<u>\$ 2,272,767</u>	<u>\$ 753,986</u>	<u>\$11,359,661</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	<u>Final Budget</u>	<u>Actual</u>
REVENUES:		
Taxes	\$ 1,962,784	\$ 2,172,495
Investment income	515	4,651
Total revenues	<u>1,963,299</u>	<u>2,177,146</u>
 EXPENDITURES:		
Current:		
Debt service:		
Principal	1,295,000	1,295,000
Interest and fiscal agent fees	3,304,653	2,859,469
Total expenditures	<u>4,599,653</u>	<u>4,247,106</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 <u>(2,636,354)</u>	 <u>(2,069,960)</u>
 OTHER FINANCING SOURCES (USES):		
Transfers in	2,573,135	2,573,135
Refunding bonds	-	5,075,000
Bond premium	-	196,695
Payment to refunded bond escrow agent	-	(5,182,083)
Total other financing sources (uses)	<u>2,573,135</u>	<u>2,662,747</u>
 NET CHANGE IN FUND BALANCES	 <u>\$ (63,219)</u>	 592,787
 FUND BALANCES, BEGINNING OF YEAR		 <u>10,766,874</u>
 FUND BALANCES, END OF YEAR BUDGETARY BASIS		 11,359,661
 CHANGE IN ENCUMBRANCES		 <u>-</u>
 FUND BALANCES, END OF YEAR		 <u>\$ 11,359,661</u>

PARKING FUND

PARKING FUND

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

CITY OF BLOOMINGTON, ILLINOIS

**PARKING FUND
COMBINING BALANCE SHEET - BY SUBFUND
April 30, 2012**

	<u>Parking Maintenance and Operation</u>	<u>Abraham Lincoln Parking Facility</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 43,165	\$ 20,273	\$ 63,438
Restricted accounts - cash	45,915	-	45,915
Accounts receivable, net of allowance for uncollectibles	<u>48,492</u>	<u>3,314</u>	<u>51,806</u>
Total current assets	<u>137,572</u>	<u>23,587</u>	<u>161,159</u>
Noncurrent assets:			
Land	286,500	-	286,500
Other depreciable capital assets, net of accumulated depreciation	<u>4,126,324</u>	<u>-</u>	<u>4,126,324</u>
Total capital assets, net of depreciation	<u>4,412,824</u>	<u>-</u>	<u>4,412,824</u>
TOTAL ASSETS	<u><u>\$ 4,550,396</u></u>	<u><u>\$ 23,587</u></u>	<u><u>\$ 4,573,983</u></u>
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued expenses	\$ 15,371	\$ 13,730	\$ 29,101
Compensated absences	4,954	-	4,954
Due to other funds	67	-	67
Deposits	182	7,830	8,012
Current maturities of long-term debt	<u>10,109</u>	<u>-</u>	<u>10,109</u>
Total current liabilities	<u>30,683</u>	<u>21,560</u>	<u>52,243</u>
Noncurrent liabilities:			
Interfund advances	1,350,000	50,000	1,400,000
Compensated absences	18,161	-	18,161
Net OPEB obligation	60,475	-	60,475
Net pension obligation	5,897	-	5,897
Capital lease payable, noncurrent portion	<u>35,806</u>	<u>-</u>	<u>35,806</u>
Total noncurrent liabilities	<u>1,470,339</u>	<u>50,000</u>	<u>1,520,339</u>
TOTAL LIABILITIES	<u>1,501,022</u>	<u>71,560</u>	<u>1,572,582</u>
NET ASSETS:			
Invested in capital assets, net of related debt	4,412,824	-	4,412,824
Restricted for capital projects	45,915	-	45,915
Unrestricted (deficit)	<u>(1,409,365)</u>	<u>(47,973)</u>	<u>(1,457,338)</u>
Total net assets	<u>3,049,374</u>	<u>(47,973)</u>	<u>3,001,401</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,550,396</u></u>	<u><u>\$ 23,587</u></u>	<u><u>\$ 4,573,983</u></u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	Parking Maintenance and Operation	Abraham Lincoln Parking Facility	Total
Operating revenues, charges for services	<u>\$ 435,667</u>	<u>\$ 296,533</u>	<u>\$ 732,200</u>
Operating expenses:			
Personal services	271,566	97,603	369,169
Contractual services	95,576	309,009	404,585
Commodities	84,887	45,828	130,715
Depreciation	<u>205,320</u>	<u>-</u>	<u>205,320</u>
Total operating expenses	<u>657,349</u>	<u>452,440</u>	<u>1,109,789</u>
Operating income (loss)	<u>(221,682)</u>	<u>(155,907)</u>	<u>(377,589)</u>
Nonoperating revenues (expenses):			
Loss on disposal of capital assets	(938,710)	-	(938,710)
Other expense, primarily interest expense	<u>(4,860)</u>	<u>-</u>	<u>(4,860)</u>
Total nonoperating revenue	<u>(943,570)</u>	<u>-</u>	<u>(943,570)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(1,165,252)</u>	<u>(155,907)</u>	<u>(1,321,159)</u>
Transfers out	<u>(36,246)</u>	<u>-</u>	<u>(36,246)</u>
Total transfers	<u>(36,246)</u>	<u>-</u>	<u>(36,246)</u>
Change in net assets	(1,201,498)	(155,907)	(1,357,405)
TOTAL NET ASSETS, BEGINNING OF YEAR	<u>4,242,855</u>	<u>107,934</u>	<u>4,350,789</u>
Prior period adjustment	<u>8,017</u>	<u>-</u>	<u>8,017</u>
TOTAL NET ASSETS, BEGINNING OF YEAR, RESTATED	<u>4,250,872</u>	<u>107,934</u>	<u>4,358,806</u>
TOTAL NET ASSETS (DEFICIT), END OF YEAR	<u>\$ 3,049,374</u>	<u>\$ (47,973)</u>	<u>\$ 3,001,401</u>

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

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

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

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

CITY OF BLOOMINGTON, ILLINOIS

**COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS**

April 30, 2012

	Employee Group Health Care	Retiree Group Health Care	Casualty Insurance	Total
ASSETS				
Cash and investments	\$ 1,015,781	\$ 4,449	\$ 2,940,957	\$ 3,961,187
Accounts receivable, net of allowance for uncollectibles	182	2,473	-	2,655
Accrued interest	-	-	63	63
Due from other funds	-	-	343,585	343,585
Interfund advances	650,000	-	2,120	652,120
	<u>650,000</u>	<u>-</u>	<u>2,120</u>	<u>652,120</u>
Total assets	<u>\$ 1,665,963</u>	<u>\$ 6,922</u>	<u>\$ 3,286,725</u>	<u>\$ 4,959,610</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ -	\$ 91,055	\$ 231,275	\$ 322,330
Claims payable	181,782	54,746	2,034,078	2,270,606
Unearned revenue	-	19,908	-	19,908
Total current liabilities	<u>181,782</u>	<u>165,709</u>	<u>2,265,353</u>	<u>2,612,844</u>
Noncurrent liabilities:				
Claims payable	-	-	2,053,025	2,053,025
Interfund advance	-	650,000	-	650,000
Total noncurrent liabilities	<u>-</u>	<u>650,000</u>	<u>2,053,025</u>	<u>650,000</u>
Total liabilities	181,782	815,709	4,318,378	3,262,844
Net assets, unrestricted (deficit)	<u>1,484,181</u>	<u>(808,787)</u>	<u>(1,031,653)</u>	<u>(356,259)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,665,963</u>	<u>\$ 6,922</u>	<u>\$ 3,286,725</u>	<u>\$ 4,959,610</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
Operating revenues, charges for services	\$ 7,678,508	\$ 1,624,736	\$ 3,263,414	\$ 12,566,658
Operating expenses:				
Contractual services	3,280,105	233,280	1,008,174	4,521,559
Other charges, primarily claims	<u>4,219,137</u>	<u>1,649,223</u>	<u>2,408,209</u>	<u>8,276,569</u>
Total operating expenses	<u>7,499,242</u>	<u>1,882,503</u>	<u>3,416,383</u>	<u>12,798,128</u>
Operating income (loss)	179,266	(257,767)	(152,969)	(231,470)
Nonoperating income, investment earnings	<u>-</u>	<u>-</u>	<u>5,962</u>	<u>5,962</u>
Income (loss) before transfers	<u>179,266</u>	<u>(257,767)</u>	<u>(147,007)</u>	<u>(225,508)</u>
Transfers in	-	434,438	500,000	934,438
Transfers out	<u>(434,438)</u>	<u>-</u>	<u>-</u>	<u>(434,438)</u>
Total transfers	<u>(434,438)</u>	<u>434,438</u>	<u>500,000</u>	<u>500,000</u>
Change in net assets	(255,172)	176,671	352,993	274,492
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>1,739,353</u>	<u>(985,458)</u>	<u>(1,384,646)</u>	<u>(630,751)</u>
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ 1,484,181</u>	<u>\$ (808,787)</u>	<u>\$ (1,031,653)</u>	<u>\$ (356,259)</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	<u>Employee Group Health Care</u>	<u>Retiree Group Health Care</u>	<u>Casualty Insurance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 7,681,002	\$ 1,614,506	\$ -	\$ 9,295,508
Receipts from interfund service transactions	-	-	3,263,414	3,263,414
Payments to claimants	(4,334,363)	(1,709,980)	(2,397,156)	(8,441,499)
Payments to suppliers	<u>(3,355,557)</u>	<u>(179,215)</u>	<u>(869,157)</u>	<u>(4,403,929)</u>
Net cash from operating activities	<u>(8,918)</u>	<u>(274,689)</u>	<u>(2,899)</u>	<u>(286,506)</u>
CASH FLOWS FROM NONCAPITAL ACTIVITIES				
Proceeds from interfund accounts	464,164	434,438	569,200	1,467,802
Payments to interfund accounts	<u>(434,438)</u>	<u>(462,262)</u>	-	<u>(896,700)</u>
Net cash from noncapital activities	<u>29,726</u>	<u>(27,824)</u>	<u>569,200</u>	<u>571,102</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends received	-	-	5,980	5,980
Sale of investments	-	-	<u>22,467</u>	<u>22,467</u>
Net cash from investing activities	<u>-</u>	<u>-</u>	<u>28,447</u>	<u>28,447</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	20,808	(302,513)	594,748	313,043
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>994,973</u>	<u>306,962</u>	<u>2,262,563</u>	<u>3,564,498</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,015,781</u>	<u>\$ 4,449</u>	<u>\$ 2,857,311</u>	<u>\$ 3,877,541</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ 179,266	\$ (257,767)	\$ (152,969)	\$ (231,470)
Adjustments to reconcile operating to net cash from operating activities:				
Change in assets and liabilities:				
Receivables	2,494	(1,487)	-	1,007
Prepaid items and other assets	3,340	125	-	3,465
Accounts payable and accrued expenses	(78,792)	53,940	139,017	114,165
Claims payable	(115,226)	(60,757)	11,053	(164,930)
Unearned revenue	-	(8,743)	-	(8,743)
Net cash from operating activities	<u>\$ (8,918)</u>	<u>\$ (274,689)</u>	<u>\$ (2,899)</u>	<u>\$ (286,506)</u>
Reconciliation of cash and cash equivalents to specific assets on the statement of net assets:				
Cash and investments	\$ 1,015,781	\$ 4,449	\$ 2,940,957	\$ 3,961,187
Less items not meeting the definition of cash equivalents	-	-	<u>(83,646)</u>	<u>(83,646)</u>
Cash and cash equivalents, end of year	<u>\$ 1,015,781</u>	<u>\$ 4,449</u>	<u>\$ 2,857,311</u>	<u>\$ 3,877,541</u>
Schedule of noncash items, investing activities, net appreciation in fair value of investments	\$ -	\$ -	\$ (1,000)	\$ (1,000)

PENSION TRUST FUNDS

PENSION TRUST FUNDS

Police Pension Fund: To account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from police force members at rates fixed by state statutes and City contributions in the form of an annual property tax levy.

Firemen's Pension Fund: To account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from fire department members at rates fixed by state statutes and City contributions in the form of an annual property tax levy.

CITY OF BLOOMINGTON, ILLINOIS

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

April 30, 2012

	Police Pension	Firemen's Pension	Total
ASSETS			
Cash	\$ 1,983,900	\$ 5,106,169	\$ 7,090,069
Investments:			
U.S. government securities	5,133,921	-	5,133,921
U.S. government agencies and corporations	12,435,360	10,926	12,446,286
Annuities - fixed	2,383,918	15,089,874	17,473,792
Annuities - variable	-	18,833,007	18,833,007
Mutual funds	15,115,636	-	15,115,636
Stocks	9,365,725	-	9,365,725
Corporate bonds	2,859,478	-	2,859,478
Receivables:			
Employee	29,840	23,024	52,864
Accrued interest	294,502	264	294,766
	<u>49,602,280</u>	<u>39,063,264</u>	<u>88,665,544</u>
 Total assets			
	<u>49,602,280</u>	<u>39,063,264</u>	<u>88,665,544</u>
 Liabilities, accounts payable	<u>2,429</u>	<u>1,284</u>	<u>3,713</u>
 NET ASSETS, HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 49,599,851</u>	<u>\$ 39,061,980</u>	<u>\$ 88,661,831</u>

CITY OF BLOOMINGTON, ILLINOIS

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

For the Year Ended April 30, 2012

	Police Pension	Firemen's Pension	Total
Additions:			
Contributions:			
Employer	\$ 4,111,770	\$ 3,460,505	\$ 7,572,275
Active members	925,210	677,666	1,602,876
Other sources	98,978	-	98,978
Total contributions	5,135,958	4,138,171	9,274,129
Net investment income:			
Net appreciation (depreciation) in fair value of investments	(293,920)	585,826	291,906
Interest	1,478,994	7,240	1,486,234
Dividends	-	225	225
Total investment income	1,185,074	593,291	1,778,365
Less investment expense	43,401	-	43,401
Net investment income	1,141,673	593,291	1,734,964
 Total additions	 6,277,631	 4,731,462	 11,009,093
Deductions:			
Benefits	3,864,406	3,864,704	7,729,110
Refund of contributions	196,192	4,115	200,307
Administrative expenses	88,121	96,267	184,388
Total deductions	4,148,719	3,965,086	8,113,805
 Net increase	 2,128,912	 766,376	 2,895,288
 NET ASSETS HELD IN TRUST FOR BENEFITS, BEGINNING OF YEAR	 47,470,939	 38,295,604	 85,766,543
 NET ASSETS HELD IN TRUST FOR BENEFITS, END OF YEAR	 \$ 49,599,851	 \$ 39,061,980	 \$ 88,661,831

CITY OF BLOOMINGTON, ILLINOIS

STATISTICAL SECTION

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

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

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

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

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

CITY OF BLOOMINGTON, ILLINOIS

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

	Fiscal Year			
	2003	2004	2005	2006
Governmental activities:				
Invested in capital assets, net of related debt	\$ 101,340,822	\$ 102,956,350	\$ 80,134,161	\$ 129,599,203
Restricted	5,402,151	15,357,846	19,826,638	18,797,111
Unrestricted	24,573,968	26,665,486	55,337,694	16,708,698
Total governmental activities net assets	\$ 131,316,941	\$ 144,979,682	\$ 155,298,493	\$ 165,105,012
Business-type activities:				
Invested in capital assets, net of related debt	\$ 115,691,264	\$ 121,523,887	\$ 121,814,898	\$ 129,681,276
Restricted	-	-	-	-
Unrestricted	3,596,404	1,366,819	5,338,425	(2,228,945)
Total business-type activities net assets	\$ 119,287,668	\$ 122,890,706	\$ 127,153,323	\$ 127,452,331
Primary government:				
Invested in capital assets, net of related debt	\$ 217,032,086	\$ 224,480,237	\$ 201,949,059	\$ 259,280,479
Restricted	16,518,373	15,357,846	19,826,638	18,797,111
Unrestricted	17,054,150	28,032,305	60,676,119	14,479,753
Total primary government net assets	\$ 250,604,609	\$ 267,870,388	\$ 282,451,816	\$ 292,557,343

GASB Statement No. 34 Implemented in Fiscal Year 2003

GASB Statement No. 44 Implemented in Fiscal Year 2007

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

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ 134,912,639	\$ 136,491,878	\$ 148,943,795	\$ 146,605,302	\$ 141,998,425	\$ 136,951,012
21,217,816	25,805,238	22,297,585	23,752,833	24,047,676	21,180,702
13,194,642	(24,458,320)	(32,779,575)	(25,676,528)	(20,669,872)	(28,282,415)
<u>\$ 169,325,097</u>	<u>\$ 137,838,796</u>	<u>\$ 138,461,805</u>	<u>\$ 144,681,607</u>	<u>\$ 145,376,229</u>	<u>\$ 129,849,299</u>
\$ 137,465,199	\$ 173,090,693	\$ 178,771,230	\$ 176,370,673	\$ 179,044,574	\$ 180,602,114
-	-	-	-	-	731,077
(1,912,857)	(13,609,094)	(16,170,178)	(11,160,182)	(5,141,805)	(3,234,615)
<u>\$ 135,552,342</u>	<u>\$ 159,481,599</u>	<u>\$ 162,601,052</u>	<u>\$ 165,210,491</u>	<u>\$ 173,902,769</u>	<u>\$ 178,098,576</u>
\$ 272,377,838	\$ 277,453,948	\$ 295,641,977	\$ 291,052,732	\$ 288,324,761	\$ 284,888,303
21,217,816	25,805,238	22,297,585	23,752,833	24,047,676	21,911,779
11,281,785	(5,938,791)	(16,876,705)	(4,913,467)	6,906,561	1,147,793
<u>\$ 304,877,439</u>	<u>\$ 297,320,395</u>	<u>\$ 301,062,857</u>	<u>\$ 309,892,098</u>	<u>\$ 319,278,998</u>	<u>\$ 307,947,875</u>

CITY OF BLOOMINGTON, ILLINOIS

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental Activities:					
General government	\$ 11,492,732	\$ 11,863,297	\$ 9,315,837	\$ 8,522,974	\$ 12,249,314
Public safety	18,411,111	18,816,277	22,632,094	26,344,845	29,812,433
Highways and streets	11,789,502	12,881,016	11,228,589	9,384,880	10,833,763
Sanitation	8,098,356	8,221,203	9,603,786	10,195,565	11,774,446
Health and welfare	344,003	372,700	333,600	321,696	337,484
Culture and recreation	12,020,505	12,391,433	13,253,966	18,305,653	13,104,306
Community development	2,097,137	3,601,348	3,875,334	6,756,891	4,245,643
Interest on long-term debt	1,322,768	1,371,371	3,429,408	2,966,747	2,159,138
Total governmental activities expenses	<u>65,576,114</u>	<u>69,518,645</u>	<u>73,672,614</u>	<u>82,799,251</u>	<u>84,516,527</u>
Business-type activities:					
Water	9,193,747	8,971,757	8,986,194	10,531,819	10,816,896
Solid waste	-	-	-	-	-
Sewer	2,238,765	2,581,981	2,423,695	2,607,931	2,640,707
Golf operations	-	-	-	-	-
Parking	618,427	1,028,987	1,080,682	1,054,418	1,089,003
U.S. Cellular Coliseum	-	49,159	462,974	3,084,480	7,616,166
Stormwater management	-	-	844,984	1,708,820	1,123,667
Total business-type activities expenses	<u>12,050,939</u>	<u>12,631,884</u>	<u>13,798,529</u>	<u>18,987,468</u>	<u>23,286,439</u>
Total primary government expenses	<u>77,627,053</u>	<u>82,150,529</u>	<u>87,471,143</u>	<u>101,786,719</u>	<u>107,802,966</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	4,041,612	4,573,663	6,360,215	6,889,902	7,589,775
Public safety	1,320,738	1,195,762	1,240,643	2,269,302	3,269,733
Highway and streets	43,635	44,479	290,843	302,484	318,765
Sanitation	-	-	-	-	-
Culture and recreation	3,231,038	3,295,253	3,828,057	3,849,409	4,721,847
Community development	-	-	-	-	-
Operating grants and contributions:					
General government	1,117,843	2,022,589	1,643,091	1,541,092	1,321,270
Public safety	373,198	238,157	115,913	430,063	233,075
Highway and streets	121,005	-	-	2,355,285	2,032,365
Culture and recreation	1,303,161	2,016,740	121,005	108,909	123,356
Community development	-	1,047,303	1,281,005	1,183,180	903,969
Capital grants and contributions:					
General government	-	-	-	-	-
Public safety	-	-	-	9,375	7,997
Highway and streets	1,316,953	4,125,266	4,651,148	4,807,027	5,487,477
Sanitation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	28,888
Community development	-	-	-	19,011	31,782
Total governmental activities program revenues	<u>12,869,183</u>	<u>18,559,212</u>	<u>19,531,920</u>	<u>23,765,039</u>	<u>26,070,299</u>

	Fiscal Year				
	2008	2009	2010	2011	2012
\$ 18,338,392	\$ 21,635,391	\$ 18,403,813	\$ 21,269,595	\$ 18,090,767	
34,450,276	35,549,737	34,729,564	33,941,689	44,705,349	
12,575,599	13,016,483	9,183,775	11,035,611	17,919,414	
9,449,458	9,740,729	9,497,778	3,407,975	-	
341,668	385,763	227,381	185,254	7,009	
19,430,710	19,693,469	18,704,065	15,635,645	17,440,404	
1,722,641	2,581,821	2,585,904	3,006,136	844,938	
3,511,061	3,818,741	3,079,173	3,091,812	2,885,111	
<u>99,819,805</u>	<u>106,422,134</u>	<u>96,411,453</u>	<u>91,573,717</u>	<u>101,892,992</u>	
12,593,489	13,304,208	11,913,635	11,417,741	14,709,029	
-	-	-	6,420,312	5,862,358	
3,036,276	2,978,211	2,671,316	2,519,349	3,592,333	
-	-	-	2,940,876	2,760,286	
1,276,654	1,320,417	1,194,730	1,365,633	1,116,163	
4,924,998	5,487,127	4,316,453	4,745,413	4,805,847	
2,569,307	1,883,729	1,421,742	1,969,551	2,268,299	
<u>24,400,724</u>	<u>24,973,692</u>	<u>21,517,876</u>	<u>31,378,875</u>	<u>35,114,315</u>	
<u>124,220,529</u>	<u>131,395,826</u>	<u>117,929,329</u>	<u>122,952,592</u>	<u>137,007,307</u>	
4,728,635	4,627,434	4,181,471	4,406,488	4,235,809	
4,176,833	4,366,710	5,287,104	4,490,756	5,045,013	
253,236	440,101	270,070	112,721	707,684	
1,852,591	2,494,153	4,833,700	587,510	-	
5,283,744	5,490,683	5,353,983	2,760,663	2,856,130	
5,250	-	-	3,609	1	
776,794	827,948	747,049	941,168	807,945	
217,603	230,740	384,535	623,262	302,575	
2,158,822	2,723,520	1,953,251	2,283,401	2,275,072	
134,062	179,901	284,737	146,574	126,590	
932,531	1,496,741	1,081,081	1,311,676	826,725	
9,738	-	-	16,728	-	
33,563	297,303	75,900	44,211	89,015	
6,172,528	8,134,855	2,424	2,391,243	2,162,696	
173,973	-	-	-	-	
-	2,500	-	-	-	
666,490	125,789	1,432,241	248,879	28,142	
16,875	8,142	-	-	-	
<u>27,593,268</u>	<u>31,446,520</u>	<u>25,887,546</u>	<u>20,368,889</u>	<u>19,463,397</u>	

CITY OF BLOOMINGTON, ILLINOIS

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Business-type activities:					
Charges for services:					
Water	\$ 11,457,577	\$ 11,929,664	\$ 11,762,235	\$ 12,864,096	\$ 12,087,513
Solid waste	-	-	-	-	-
Sewer	2,212,244	2,186,887	2,165,669	2,317,337	2,217,580
Golf operations	-	-	-	-	-
Parking	781,186	656,059	737,942	881,386	938,303
U.S. Cellular Coliseum	-	-	-	484,031	4,339,574
Stormwater management	-	-	1,391,849	2,661,831	2,502,706
Operating grants and contributions:					
Water	-	-	590,681	-	-
Sewer	-	-	287,763	-	-
Stormwater management	-	-	31,991	-	-
Business-type activities (continued):					
Capital grants and contributions:					
Water	-	1,129,220	702,910	775,909	1,230,049
Solid waste	-	-	-	-	-
Sewer	-	1,107,822	546,457	1,036,379	2,023,214
Golf operations	-	-	-	-	-
Stormwater management	-	-	158,186	200,451	40,000
Total business-type activities program revenues	<u>14,451,007</u>	<u>17,009,652</u>	<u>18,375,683</u>	<u>21,221,420</u>	<u>25,378,939</u>
Total primary government program revenues	<u>27,320,190</u>	<u>35,568,864</u>	<u>37,907,603</u>	<u>44,986,459</u>	<u>51,449,238</u>
Net (Expense)/Revenue					
Governmental activities	(52,706,931)	(50,959,433)	(54,140,694)	(59,034,212)	(58,446,228)
Business-type activities	<u>2,400,068</u>	<u>4,377,768</u>	<u>4,577,154</u>	<u>2,233,952</u>	<u>2,092,500</u>
Total primary government net expense	<u>(50,306,863)</u>	<u>(46,581,665)</u>	<u>(49,563,540)</u>	<u>(56,800,260)</u>	<u>(56,353,728)</u>
General Revenues and Other					
Changes in Net Assets					
Governmental activities:					
Taxes:					
Property taxes	13,392,139	14,781,434	15,523,328	16,628,517	16,990,609
Franchise taxes	871,301	880,155	908,809	984,688	1,071,052
Sales tax	15,876,621	12,921,369	13,714,717	15,296,099	14,371,986
Home rule sales tax	-	-	11,212,571	11,859,024	11,606,487
Utility taxes	-	5,209,817	5,478,337	5,492,035	5,201,329
Income taxes	-	3,909,506	4,515,877	5,012,999	6,385,846
Food and beverage	-	-	3,184,108	3,330,564	3,547,681
Other taxes	30,206,186	19,954,451	4,214,587	5,734,824	4,260,465
Investment earnings	(365,542)	1,983,582	1,490,494	2,625,417	2,316,843
Miscellaneous	1,982,066	3,496,999	3,790,779	2,741,346	2,185,659
Transfers	1,539,067	1,484,861	425,898	2,719,148	(5,271,644)
Capital contributions	4,628,564	-	-	-	-
Total governmental activities	<u>68,130,402</u>	<u>64,622,174</u>	<u>64,459,505</u>	<u>72,424,661</u>	<u>62,666,313</u>
Business-type activities:					
Investment earnings	8,346	7,973	43,062	59,570	83,173
Miscellaneous	682,980	702,158	68,299	724,634	652,694
Gain (loss) on sale of assets	-	-	-	-	-
Transfers	(1,539,067)	(1,484,861)	(425,898)	(2,719,148)	5,271,644
Capital contributions	2,286,186	-	-	-	-
Total business-type activities	<u>1,438,445</u>	<u>(774,730)</u>	<u>(314,537)</u>	<u>(1,934,944)</u>	<u>6,007,511</u>
Total primary government	<u>69,568,847</u>	<u>63,847,444</u>	<u>64,144,968</u>	<u>70,489,717</u>	<u>68,673,824</u>
Change in Net Assets:					
Governmental activities	15,423,471	13,662,741	10,318,811	13,390,449	4,220,085
Business-type activities	<u>3,838,513</u>	<u>3,603,038</u>	<u>4,262,617</u>	<u>299,008</u>	<u>8,100,011</u>
Total primary government	<u>\$ 19,261,984</u>	<u>\$ 17,265,779</u>	<u>\$ 14,581,428</u>	<u>\$ 13,689,457</u>	<u>\$ 12,320,096</u>

	Fiscal Year				
	2008	2009	2010	2011	2012
\$ 14,291,026	\$ 13,590,410	\$ 14,166,454	\$ 15,645,249	\$ 16,661,190	
-	-	-	4,282,084	4,313,505	
2,445,451	2,524,990	3,206,540	3,854,987	4,628,747	
-	-	-	2,640,194	2,658,486	
967,286	969,091	3,136,452	821,278	732,200	
3,806,995	3,846,337	2,804,003	3,731,540	3,728,185	
2,801,809	2,754,972	844,666	2,780,282	2,763,912	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
1,527,040	2,060,678	-	58,190	481,694	
-	-	-	-	-	
1,737,800	1,612,880	-	121,433	945,750	
-	-	-	-	-	
58,000	83,000	-	1,500	-	
<u>27,635,407</u>	<u>27,442,358</u>	<u>24,158,115</u>	<u>33,936,737</u>	<u>36,913,669</u>	
<u>55,228,675</u>	<u>58,888,878</u>	<u>50,045,661</u>	<u>54,305,626</u>	<u>56,377,066</u>	
(72,226,537)	(74,975,614)	(70,523,907)	(71,204,828)	(82,429,595)	
<u>3,234,683</u>	<u>2,468,666</u>	<u>2,640,239</u>	<u>2,557,862</u>	<u>1,799,354</u>	
<u>(68,991,854)</u>	<u>(72,506,948)</u>	<u>(67,883,668)</u>	<u>(68,646,966)</u>	<u>(80,630,241)</u>	
21,432,299	22,727,412	23,386,613	25,465,406	23,954,699	
1,200,831	1,301,239	1,453,175	1,840,488	1,880,327	
14,516,483	13,310,929	12,802,414	12,967,729	13,376,536	
11,081,893	13,438,958	13,718,465	13,711,320	14,251,763	
5,430,000	5,487,413	4,945,364	3,026,589	2,892,668	
6,903,198	6,831,333	5,954,799	5,845,551	6,225,737	
3,537,421	3,790,636	3,771,842	3,805,477	3,960,486	
5,696,800	6,114,645	5,689,780	7,988,053	8,561,867	
1,153,736	(3,044,846)	2,226,564	989,986	82,170	
2,467,166	2,485,164	1,968,950	1,665,977	1,589,103	
(31,441,761)	291,739	825,743	(5,407,126)	(921,878)	
-	-	-	-	-	
<u>41,978,066</u>	<u>72,734,622</u>	<u>76,743,709</u>	<u>71,899,450</u>	<u>75,853,478</u>	
75,192	12,308	10,522	62,633	23,508	
934,256	1,063,651	810,375	664,659	463,639	
12,943	(960)	(825,743)	-	-	
31,441,761	(291,739)	-	5,407,126	921,878	
-	-	-	-	-	
<u>32,464,152</u>	<u>783,260</u>	<u>(4,846)</u>	<u>6,134,418</u>	<u>1,409,025</u>	
<u>74,442,218</u>	<u>73,517,882</u>	<u>76,738,863</u>	<u>78,033,868</u>	<u>77,262,503</u>	
(30,248,471)	(2,240,992)	6,219,802	694,622	(6,576,117)	
<u>35,698,835</u>	<u>3,251,926</u>	<u>2,635,393</u>	<u>8,692,280</u>	<u>3,208,379</u>	
<u>\$ 5,450,364</u>	<u>\$ 1,010,934</u>	<u>\$ 8,855,195</u>	<u>\$ 9,386,902</u>	<u>\$ (3,367,738)</u>	

CITY OF BLOOMINGTON, ILLINOIS

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

	Fiscal Year			
	2003	2004	2005	2006
General fund:				
Reserved	\$ 965,733	\$ 1,511,498	\$ 5,822,565	\$ 8,755,940
Unreserved	6,994,367	12,919,082	13,698,432	8,044,345
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total general fund	<u>\$ 7,960,100</u>	<u>\$ 14,430,580</u>	<u>\$ 19,520,997</u>	<u>\$ 16,800,285</u>
All other governmental funds:				
Reserved	\$ 14,556,265	\$ 11,124,746	\$ 46,294,843	\$ 25,493,780
Unreserved, reported in:				
Special revenue funds	8,634,687	7,112,627	3,863,304	3,605,494
Debt service funds	2,019,564	3,127,926	6,717,153	7,426,166
Capital projects funds	(1,766,307)	6,246,353	(1,215,142)	(5,857,428)
Permanent funds	1,281,183	2,004,717	2,170,063	2,675,935
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 24,725,392</u>	<u>\$ 29,616,369</u>	<u>\$ 57,830,221</u>	<u>\$ 33,343,947</u>
 Total fund balance	 <u>\$ 32,685,492</u>	 <u>\$ 44,046,949</u>	 <u>\$ 77,351,218</u>	 <u>\$ 50,144,232</u>

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

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ 6,512,511	\$ 3,487,978	\$ 1,979,663	\$ 1,077,903	\$ 1,137,339	\$ -
2,053,859	(108,628)	2,143,575	9,666,497	14,472,349	-
-	-	-	-	-	3,033,252
-	-	-	-	-	567,069
-	-	-	-	-	-
-	-	-	-	-	1,600,094
-	-	-	-	-	11,005,484
<u>\$ 8,566,370</u>	<u>\$ 3,379,350</u>	<u>\$ 4,123,238</u>	<u>\$ 10,744,400</u>	<u>\$ 15,609,688</u>	<u>\$ 16,205,899</u>
\$ 17,130,213	\$ 17,709,194	\$ 22,141,631	\$ 22,183,539	\$ 19,742,871	\$ -
4,648,525	3,149,423	4,309,132	4,548,701	6,490,469	-
8,975,001	10,410,502	-	-	-	-
(2,437,466)	215,166	(3,263,396)	(1,463,076)	162,454	-
3,250,226	2,997,312	860,349	2,366,709	3,218,845	-
-	-	-	-	-	1,552,882
-	-	-	-	-	16,457,650
-	-	-	-	-	3,784,010
-	-	-	-	-	3,010,072
-	-	-	-	-	(9,218)
<u>\$ 31,566,499</u>	<u>\$ 34,481,597</u>	<u>\$ 24,047,716</u>	<u>\$ 27,635,873</u>	<u>\$ 29,614,639</u>	<u>\$ 24,795,396</u>
<u>\$ 40,132,869</u>	<u>\$ 37,860,947</u>	<u>\$ 28,170,954</u>	<u>\$ 38,380,273</u>	<u>\$ 45,224,327</u>	<u>\$ 41,001,295</u>

CITY OF BLOOMINGTON, ILLINOIS

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Revenues:					
Taxes	\$ 51,351,777	\$ 51,692,304	\$ 58,742,153	\$ 63,076,831	\$ 64,695,140
Intergovernmental	10,819,977	11,242,773	5,279,616	5,618,529	4,614,035
Licenses and permits	1,261,416	1,220,639	1,230,803	1,226,067	1,323,956
Charges for services	6,154,225	7,052,141	8,233,718	10,189,033	12,498,842
Fines and forfeitures	790,549	836,377	961,790	1,035,756	1,140,217
Investment income	92,462	1,404,675	1,530,738	2,464,821	2,056,537
Other	2,112,820	3,450,556	2,122,887	2,673,437	2,185,659
Total revenues	<u>72,583,226</u>	<u>76,899,465</u>	<u>78,101,705</u>	<u>86,284,474</u>	<u>88,514,386</u>
Expenditures					
Current:					
General government	10,858,251	9,717,458	8,341,534	9,066,044	12,108,930
Public safety	17,764,701	21,208,982	23,132,980	26,886,389	29,544,586
Highways and streets	4,715,143	7,848,841	5,379,132	8,693,929	5,543,205
Sanitation	7,691,902	9,306,027	9,269,284	10,279,429	11,294,366
Health and welfare	341,489	372,180	333,432	324,525	337,589
Culture and recreation	10,936,750	12,757,737	24,031,900	46,786,617	18,245,813
Community development	2,059,672	3,817,235	4,033,837	7,099,653	4,244,130
Capital outlay	14,213,928	6,803,445	3,770,612	9,226,688	7,879,489
Debt service:					
Principal	4,137,793	4,522,146	3,545,586	4,369,554	3,747,517
Bond issuance costs	-	-	335,977	127,674	-
Interest and fiscal agent fees	1,200,066	1,053,574	2,459,702	3,278,319	1,838,008
Total expenditures	<u>73,919,695</u>	<u>77,407,625</u>	<u>84,633,976</u>	<u>126,138,821</u>	<u>94,783,633</u>
Excess of revenues over (under) expenditures	<u>(1,336,469)</u>	<u>(508,160)</u>	<u>(6,532,271)</u>	<u>(39,854,347)</u>	<u>(6,269,247)</u>
Other financing sources (uses)					
Transfers in	12,613,592	3,018,578	5,977,886	9,139,667	10,374,894
Transfers out	(11,074,525)	(1,533,717)	(5,373,125)	(9,212,666)	(14,318,798)
Bonds issued, at par	-	10,000,000	39,288,472	12,128,000	128,362
Refunding bonds	-	-	3,365,000	-	-
Capital leases	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(3,365,000)	-	-
Premium (discount) on long-term debt	-	149,320	(424,582)	93,628	-
Capital contributions	4,628,564	-	-	-	-
Proceeds from sale of property	213,150	235,436	367,889	498,732	73,426
Total other financing sources (uses)	<u>6,380,781</u>	<u>11,869,617</u>	<u>39,836,540</u>	<u>12,647,361</u>	<u>(3,742,116)</u>
Net change in fund balances	<u>\$ 5,044,312</u>	<u>\$ 11,361,457</u>	<u>\$ 33,304,269</u>	<u>\$ (27,206,986)</u>	<u>\$ (10,011,363)</u>
Debt service as a percentage of noncapital expenditures	9.1%	9.0%	9.6%	10.1%	11.7%

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

8.8%

9.7%

8.0%

11.1%

10.3%

CITY OF BLOOMINGTON, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Farm Property</u>	<u>Railway Property</u>
2003	\$ 822,313,319	\$ 519,140,108	\$ 9,420,399	\$ 487,499	\$ 334,688
2004	861,824,156	543,262,723	9,692,733	509,803	381,264
2005	922,457,891	556,329,628	9,728,391	425,377	380,315
2006	978,715,852	569,998,938	9,928,152	382,422	415,532
2007	1,045,491,797	610,915,300	10,537,721	283,509	434,478
2008	1,096,691,125	620,940,813	10,383,824	295,521	476,611
2009	1,138,287,680	622,816,511	10,247,265	393,358	582,005
2010	1,152,480,233	636,484,972	9,098,042	447,824	653,488
2011	1,161,010,532	629,450,497	8,368,378	614,629	690,246

Source: County of McLean Tax Extension Office

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

<u>Total Taxable Assessed Value</u>	<u>Percent Growth</u>	<u>Total Direct Tax Rate</u>	<u>Actual Taxable Value</u>	<u>Value as a Percentage of Actual Value</u>
\$1,351,696,013	5.89%	1.2839	\$ 4,055,088,039	33.33%
1,415,670,679	4.73%	1.2807	4,247,012,037	33.33%
1,489,321,602	5.20%	1.2719	4,467,964,806	33.33%
1,559,440,896	4.71%	1.2683	4,678,322,688	33.33%
1,667,662,805	6.94%	1.2727	5,002,988,415	33.33%
1,728,787,894	3.67%	1.2565	5,186,363,682	33.33%
1,772,326,819	2.52%	1.3308	5,316,980,457	33.33%
1,799,164,559	1.51%	1.3112	5,397,493,677	33.33%
1,800,134,282	0.05%	1.3103	5,400,402,846	33.33%

CITY OF BLOOMINGTON, ILLINOIS

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

City Direct Rates										
Fiscal	Illinois									
	General Fund	Fire Pension Fund	Police Pension Fund	Municipal Retirement Fund	Judgment Fund	Bond and Interest Fund	Public Benefit Fund	Public Library Fund	Audit Fund	Total Direct
2003	0.50788	0.10346	0.11276	0.09240	0.05178	0.12605	0.01146	0.27325	0.00485	1.28389
2004	0.52874	0.10147	0.10729	0.08406	0.04945	0.12003	0.01095	0.27359	0.00511	1.28069
2005	0.50133	0.11590	0.12266	0.08310	0.02241	0.13810	0.01041	0.27284	0.00510	1.27185
2006	0.50389	0.11366	0.12119	0.10243	0.00962	0.13146	0.00994	0.27099	0.00511	1.26829
2007	0.44664	0.15129	0.14515	0.09960	0.00607	0.14342	0.00940	0.26601	0.00508	1.27266
2008	0.41939	0.13747	0.18257	0.11137	0.00578	0.12610	0.00897	0.26108	0.00376	1.25649
2009	0.41474	0.17583	0.21686	0.14122	-	0.12300	-	0.25467	0.00451	1.33083
2010	0.38496	0.18942	0.22558	0.13914	-	0.12118	-	0.25090	-	1.31118
2011	0.44285	0.17285	0.18370	0.13904	-	0.12111	-	0.25073	-	1.31028

Source: County of McLean Tax Extension Office

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

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

Overlapping Rates

School District	McLean County	Township	Water Reclamation District	Airport Authority	Cemetery	Heartland Community College	Total Overlapping Rates	Total All Rates
4.43450	0.93690	0.15620	0.14310	0.10920	0.02270	0.35260	6.15520	7.4391
4.47001	0.93874	0.18862	0.15014	0.10680	0.02190	0.38752	6.26373	7.5444
4.48075	0.98850	0.23686	0.14835	0.05202	-	0.32921	6.23569	7.5075
4.48221	0.91927	0.22972	0.15303	0.11621	-	0.40655	6.30699	7.5753
4.51459	0.90098	0.22080	0.15871	0.10781	-	0.44423	6.34712	7.6198
4.58085	0.89659	0.18683	0.16036	0.11008	-	0.45473	6.38944	7.6459
4.69289	0.90687	0.18217	0.16476	0.08546	-	0.45910	6.49125	7.8221
4.76383	0.91673	0.17309	0.16391	0.09855	-	0.47361	6.58972	7.9009
4.65741	0.91571	0.12829	0.16390	0.15486	-	0.47584	6.49601	7.8063

CITY OF BLOOMINGTON, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

(Unaudited)

<u>Taxpayer</u>	2012		Percentage of Total City Taxable Assessed Value
	<u>Taxable Assessed Value</u>	<u>Rank</u>	
State Farm Insurance Company	\$ 172,094,180	1	9.56%
Eastland Mall	17,666,667	2	0.98%
Country Life Insurance Company	13,503,698	3	0.75%
Illinois Agricultural Association	9,566,667	4	0.53%
Brickyard Complex	8,685,070	5	0.48%
Wingover Apartments	6,570,667	6	0.37%
Westminister Village	6,075,669	7	0.34%
US REIF Parkway Fee LLC	5,745,450	8	0.32%
Wal-Mart	5,570,522	9	0.31%
Tumbleberry Village	4,467,419	10	0.25%
General Telephone Co.	-		-
TR #1078	-		-
M & J/LJP Parkway LP	-		-
DPR Limited - IRS Distribution Center	-		-
BT Bloomington	-		-
Totals	<u>\$ 249,946,009</u>		<u>13.89%</u>

Source: City of Bloomington Township

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

Total 2011 Assessed Valuation \$ 1,800,134,282

2003

<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
\$ 77,294,291	1	6.48%
10,335,913	3	0.87%
10,519,250	2	0.88%
9,189,677	4	0.77%
-		-
-		-
4,974,128	8	0.42%
-		-
-		-
-		-
5,875,169	5	0.49%
5,797,886	6	0.49%
5,375,312	7	0.45%
4,175,256	9	0.35%
3,988,147	10	0.33%
<u>\$ 137,525,029</u>		<u>11.53%</u>

CITY OF BLOOMINGTON, ILLINOIS

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

Fiscal Year Ended April 30	Tax Year	Taxes Levied for the Fiscal Year*	Collected within the Fiscal Year Levied for		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2004	2002	\$16,510,246	\$16,334,789	98.94%	\$ 139,394	\$16,474,183	99.78%
2005	2003	17,354,447	17,226,781	99.26%	97,884	17,324,665	99.83%
2006	2004	18,129,927	18,018,303	99.38%	78,525	18,096,828	99.82%
2007	2005	18,942,004	18,935,109	99.96%	4,912	18,940,021	99.99%
2008	2006	19,728,090	19,710,873	99.91%	4,940	19,715,813	99.94%
2009	2007	20,976,683	20,926,602	99.76%	5,036	20,931,638	99.79%
2010	2008	21,721,837	21,591,843	99.40%	-	21,591,843	99.40%
2011	2009	23,586,675	23,583,507	99.99%	-	23,583,507	99.99%
2012	2010	23,586,905	23,572,329	99.94%	-	23,572,329	99.94%
2013**	2011	-	-	0.00%	-	-	0.00%

Source: County of McLean Tax Extension Office

Note:

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

* Includes Library

** 2011 levy will be collected in fiscal year 2013

CITY OF BLOOMINGTON

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

Fiscal Year	Governmental Activities			Business-Type Activities	
	General Obligation Bonds	Capital Lease Payable	Developer Agreements	General Obligation Bonds	Loan Payable
2003	\$ 23,718,860	\$ -	\$ -	\$ -	\$1,568,767
2004	31,428,719	-	-	-	2,659,006
2005	67,931,484	-	-	3,174,728	4,884,567
2006	46,232,767	-	1,528,000	32,609,377	6,764,108
2007	43,875,855	111,587	1,128,000	32,548,325	6,498,655
2008	77,002,965	102,081	728,000	6,260,000	6,667,215
2009	71,825,000	91,956	328,000	6,260,000	6,353,679
2010	71,010,000	81,171	-	6,105,000	7,154,597
2011	67,110,000	69,684	-	5,945,000	6,898,161
2012	72,071,620	1,451,944	-	7,253,380	6,501,727

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

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

Business-Type Activities

<u>Capital Lease Payable</u>	<u>Note Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ -	\$ -	\$ 25,287,627	1.184%	379.44
-	-	34,087,725	1.587%	511.48
-	-	75,990,779	3.445%	1,109.24
-	-	87,134,252	3.774%	1,271.90
-	-	84,162,422	3.253%	1,122.54
-	12,076,536	102,836,797	3.859%	1,371.61
-	11,849,815	96,708,450	3.629%	1,289.88
-	11,341,614	95,692,382	3.591%	1,276.32
-	11,048,535	91,071,380	3.139%	1,214.69
2,366,193	10,489,855	100,134,719	3.261%	1,307.07

CITY OF BLOOMINGTON, ILLINOIS

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

Fiscal Year	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt	Percentage of Actual Property Value	Debt Per Capita
2003	\$ 23,718,860	\$2,019,564	\$ 21,699,296	1.70%	\$ 325.60
2004	31,428,719	3,127,926	28,300,793	2.09%	424.65
2005	71,106,212	6,717,153	64,389,059	5.02%	893.55
2006	78,842,144	7,426,166	71,415,978	2.61%	566.46
2007	76,424,180	9,086,299	67,337,881	2.34%	486.16
2008	83,262,965	10,523,803	72,739,162	4.36%	970.18
2009	78,085,000	7,710,167	70,374,833	4.07%	938.64
2010	77,115,000	10,873,990	66,241,010	3.74%	883.51
2011	73,055,000	10,766,874	62,288,126	3.46%	813.05
2012	79,325,000	11,359,661	67,965,339	3.78%	887.16

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

As a Home rule entity, under the State of Illinois Constitution, the City has no statutory debt limit.

CITY OF BLOOMINGTON, ILLINOIS

**Direct and Overlapping Governmental Activities Debt
For the Year Ended April 30, 2012
(Unaudited)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping</u>
Bloomington Normal Airport Authority	\$15,445,000	68.17%	\$ 10,528,857
Bloomington Schools District #87	41,580,000	99.69%	41,451,102
Tri-Valley Community Unit School District #3	5,215,000	0.01%	522
Heartland Community College #540	82,280,000	43.69%	35,948,132
County of McLean	15,481,492	50.21%	7,773,257
Normal Schools District #5	189,960,000	46.06%	<u>87,495,576</u>
Subtotal, Overlapping Debt			183,197,446
City direct debt	72,071,620		<u>72,071,620</u>
Total direct and overlapping debt			<u><u>\$ 255,269,066</u></u>

Source: Debt outstanding provided by each governmental unit.

Overlapping debt percentages based on McLean County 2011 EAV.

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Calendar Year</u>	<u>Population (3)</u>	<u>Per Capita (4) Personal Income</u>	<u>Total Personal Income (thousands) (4)</u>	<u>Median Age (3)</u>	<u>School Enrollment (3)</u>	<u>Median House Costs</u>	<u>Unemployment Rate (2)</u>	<u>Annual Airport Usage (3)</u>
2002	66,645	\$ 32,043	\$ 2,135,506	30	7557	\$ 144,641	2.40%	207,014
2003	66,645	32,238	2,148,502	31	7544	153,422	2.70%	211,828
2004	68,507	32,195	2,205,583	31	7777	161,135	4.60%	224,655
2005	68,507	33,703	2,308,891	30	7139	166,274	4.10%	232,089
2006	74,975	34,511	2,587,462	30	7589	167,963	3.50%	262,409
2007	74,975	35,546	2,665,061	31	7685	171,859	4.00%	269,839
2008	74,975	36,082	2,705,248	31	7324	177,194	5.00%	268,860
2009	74,975	38,985	2,922,900	31	5304*	166,533	7.10%	250,135
2010	74,975	38,695	2,901,158	31	5250 *	176,909	7.70%	280,974
2011	76,610	41,816	3,203,524	32	5414 *	169,413	7.20%	290,974

Sources:

- (1) Regional Office of Education for the McLean county-Dewitt county Education Service Region.
 - (2) State of Illinois Department of Employment Security as of May of the current year.
 - (3) Bloomington Normal Economic Development Council Demographic Profile.
 - (4) US Commerce Department - Bureau of Economic Analysis. Data gathered for Bloomington/Normal region, as separate information is not disclosed.
- * Private school enrollment is no longer provided as of calendar year 2009.

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Employer</u>	2012			2003		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
State Farm Insurance Company	14,528	1	18.96%	15,029	1	22.55%
Country Insurance and Financial Services	2,049	2	2.67%	2,183	3	3.28%
Mitsubishi Motor Manufacturing	1,270	3	1.66%	3,291	2	4.94%
Growmark Inc.	932	9	1.22%	-		0.00%
OSF-St. Joseph Medical Center	832	4	1.09%	1,000	5	1.50%
McLean County Government	806	6	1.05%	909	6	1.36%
Anderson Financial Network, Inc.	778	5	1.02%	1,045	4	1.57%
City of Bloomington	755	7	0.99%	867	7	1.30%
School District #87	693	8	0.90%	725	8	1.09%
Illinois Wesleyan University	527	10	0.69%	577	10	0.87%
Nestle USA			0.00%	516	9	0.77%

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

Note: The estimated population in 2012 is 76,610
The estimated population in 2003 is 66,645

CITY OF BLOOMINGTON, ILLINOIS

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

<u>Function/Program</u>	<u>Full-Time Equivalent Employees as of April 30</u>									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government:										
Legislative	9	9	9	-	-	-	-	-	-	-
City Manager	4	4	4	13	14	14	14	8	8	9
City Clerk	4	3	4	4	4	4	4	3	3	3
Personnel	10	9	10	10	10	10	8	8	7	9
Finance	14	14	15	17	15	15	12	9	9	10
Information Services	10	9	10	14	15	15	15	10	10	10
Legal	5	5	5	6	5	5	6	5	5	6
Building Safety	18	19	21	16	15	15	15	11	11	11
Planning	3	3	3	3	3	3	3	1	1	1
Facility Management	2	2	2	3	4	4	3	3	3	3
Community Development	8	7	7	3	3	3	2	-	-	-
Code Enforcement	-	-	-	11	11	11	13	11	11	12
Parks and Recreation:										
General and Administration	35	32	34	38	39	39	38	37	37	43
SOAR	5	6	6	7	7	7	7	6	6	6
Recreation	24	23	24	25	26	26	23	16	16	15
Pool(s)	10	9	8	4	8	8	9	8	8	7
Zoo	16	15	16	17	18	18	16	15	15	14
Forestry	4	4	4	6	-	-	-	-	-	-
Golf Course(s)	39	40	40	40	39	39	38	34	34	30
Public Ice Rink	-	-	-	8	12	12	11	11	11	11
Police:										
Officers	108	114	120	126	122	121	121	121	124	125
Civilians (a)	25	27	26	44	41	42	57	36	36	37
Fire:										
Firefighters and Officers	89	88	93	94	114	114	114	106	106	106
Civilians	8	9	9	4	3	3	3	3	3	3
Public Works:										
Administration	4	4	4	4	4	4	4	3	3	4
Street Maintenance	16	16	16	16	16	16	16	32	32	22
Street Sweeping	3	4	1	1	1	1	1	-	-	-
Snow and Ice Control	4	4	4	4	4	4	4	-	-	-
Refuse collection	47	47	50	50	50	50	50	59	59	58
Weed Control	3	3	2	2	2	2	2	-	-	-
Fleet Management	7	7	9	10	11	12	11	9	9	9
Street Lighting	1	1	1	2	2	2	2	-	-	-
Traffic Control	10	10	11	11	12	13	13	1	1	-
Water:										
Administration	6	6	6	9	9	9	9	5	5	4
Transmission	21	21	21	27	25	25	27	17	17	18
Purification	19	19	19	20	18	18	18	14	14	16
Lake Bloomington Park	6	6	6	6	8	8	8	8	8	7
Water Meter Billing Services	-	-	-	-	-	-	-	10	1	10
Sewer Maintenance	16	16	15	17	18	18	18	5	5	15
Stormwater	-	-	9	11	11	11	11	10	10	14
Other Programs/Functions:										
Engineering	22	23	19	20	19	19	19	15	15	11
Library	62	60	64	61	59	59	61	63	63	65
Parking	8	8	8	9	9	9	8	7	7	7
JM Scott	3	3	3	3	3	3	3	-	-	-
Cultural District	5	5	6	53	53	53	19	19	19	17
Total	<u>713</u>	<u>714</u>	<u>744</u>	<u>849</u>	<u>862</u>	<u>864</u>	<u>836</u>	<u>739</u>	<u>732</u>	<u>748</u>

Source: City of Bloomington Human Resource Department

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

CITY OF BLOOMINGTON, ILLINOIS

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

Function/Program	Calendar Year			
	2002	2003	2004	2005
Police:				
Calls for service	54,507	54,916	51,775	53,375
Adult arrest	1,895	2,083	1,984	2,410
Juvenile arrest	257	221	252	294
Speeding citations only	6,205	3,699	2,720	4,060
Traffic citations	14,512	13,783	10,907	12,370
Fire:				
Total fire runs	1,794	2,106	2,492	1,587
Total rescue runs	5,620	5,427	5,235	2,894
Property loss	\$ 1,219,642	\$ 1,749,600	\$ 1,114,600	\$ 281,325
Building safety:				
Total building permits	2,579	3,001	3,017	2,685
Total value all permits	\$ 154,261,448	\$ 185,562,460	\$ 156,392,339	\$ 206,139,496
Library, volumes in collection	250,240	248,280	241,240	239,651
Public service:				
Garbage collected (ton)	17,865	18,601	18,537	20,263
Recycle collected (ton)	2,010	2,338	2,420	2,341
Bulk Waste (ton)	N/A	N/A	N/A	10,752
Brush (cubic yard)	N/A	N/A	N/A	25,005
Parks and Recreation:				
Recreation program attendance	199,257	218,243	227,437	234,791
Aquatics program attendance	68,361	55,058	53,296	54,894
Pepsi Ice Center	N/A	N/A	N/A	N/A
Golf rounds played	87,528	89,844	92,303	90,850
Miller Park Zoo attendance	98,262	90,389	113,641	99,321
Street trees maintained	14,212	14,385	14,494	14,688
Cultural District:				
Events	N/A	N/A	N/A	N/A
Attendance	N/A	N/A	N/A	N/A
US Cellular Coliseum:				
Events	N/A	N/A	N/A	N/A
Attendance	N/A	N/A	N/A	N/A

Source: Various City Departments

Note: N/A - Indicator not available

Calendar Year

2006	2007	2008	2009	2010	2011
50,725	62,050	60,308	62,322	58,931	66,284
2,048	1,554	1,975	1,932	1,690	1,800
183	208	356	303	317	323
3,626	1,848	2,492	2,597	2,492	2,209
10,475	13,369	9,939	7,675	9,939	4,310
1,586	1,919	2,310	2,041	2,038	2,126
6,793	7,565	7,743	7,212	7,414	7,600
\$ 2,032,950	\$ 994,650	\$ 1,668,885	\$ 921,800	\$ 824,738	\$ 2,235,790
2,459	2,486	2,747	2,921	2,763	2,334
\$ 219,159,856	\$ 185,771,533	\$ 109,373,823	\$ 151,953,680	\$ 89,134,038	\$ 87,049,482
234,589	243,635	258,982	272,237	283,576	295,496
20,641	20,393	19,933	19,782	19,331	17,479
2,805	2,837	2,857	2,808	2,957	3,001
8,426	8,192	10,413	9,044	4,821	7,164
33,468	22,860	35,136	26,000	23,982	26,101
214,927	215,811	184,047	163,414	148,857	146,140
34,253	58,745	51,397	40,849	48,695	57,091
43,976	89,011	84,439	145,000	133,616	165,000
82,404	81,489	77,000	75,200	76,337	68,367
93,183	104,905	111,357	112,133	101,182	111,863
3,724	1,890	3,297	4,552	6,012	8,590
227	390	460	463	498	469
55,000	81,953	90,794	98,388	86,227	82,880
103	210	166	219	201	216
306,000	289,374	319,932	328,815	300,494	300,533

CITY OF BLOOMINGTON, ILLINOIS

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

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

Source: Various City Departments

Note: MGD - Millions Gallons per Day

2007	2008	2009	2010	2011	2012
1	1	1	1	1	1
-	-	-	-	-	-
4	4	4	4	4	5
11	11	11	11	11	11
37	37	37	51	51	51
300	311	320	321	321	321
134	138	141	153	145	145
594	594	594	594	594	594
52	62	52	52	52	52
3	3	3	3	3	3
26	26	26	26	26	26
1	1	1	1	1	1
22	22	22	22	22	22
45	45	45	45	45	45
20	20	20	20	20	20
2	2	2	2	2	2
31	31	31	31	31	31
37	37	37	37	37	37
1	1	1	1	1	1
1	1	1	1	1	1
240,869	243,635	258,982	272,237	283,576	295,496
2	2	2	2	2	2
21	21	21	21	21	21
12	12	11	11	11	11
24	20	16	16	16	16
250	250	293	295	297	297
200	200	240	246	248	248
100	100	88	88	88	88

CITY OF BLOOMINGTON, ILLINOIS

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

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

CITY OF BLOOMINGTON, ILLINOIS

**Exhibit A - Direct General Obligation Bonded Debt (Principal Only) (1)
As of April 30, 2012**

<u>Year Ending December 31</u>	<u>Total Existing Debt</u>	<u>Less Abated Amount (2)</u>	<u>Net Tax Levied Amount</u>
2012	\$ 2,615,000	\$ 1,500,000	\$ 1,115,000
2013	6,405,000	5,285,000	1,120,000
2014	5,725,000	4,600,000	1,125,000
2015	5,900,000	4,770,000	1,130,000
2016	4,075,000	2,940,000	1,135,000
2017	4,250,000	3,110,000	1,140,000
2018	3,885,000	2,740,000	1,145,000
2019	3,125,000	2,220,000	905,000
2020	3,375,000	2,465,000	910,000
2021	3,530,000	2,615,000	915,000
2022	3,420,000	2,875,000	545,000
2023	3,605,000	3,050,000	555,000
2024	3,520,000	3,335,000	185,000
2025	3,370,000	3,175,000	195,000
2026	3,005,000	2,800,000	205,000
2027	3,215,000	3,005,000	210,000
2028	2,440,000	2,220,000	220,000
2029	2,030,000	1,800,000	230,000
2030	2,220,000	1,980,000	240,000
2031	2,420,000	2,170,000	250,000
2032	2,640,000	2,375,000	265,000
2033	2,170,000	2,170,000	-
2034	2,385,000	2,385,000	-
	<u>\$ 79,325,000</u>	<u>\$ 65,585,000</u>	<u>\$ 13,740,000</u>

(1) Does not include revenue bonds.

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

CITY OF BLOOMINGTON, ILLINOIS

**Exhibit A-1 - Debt Service Requirements
As of April 30, 2012**

<u>Tax Year</u>	<u>Total Debt Service (1)</u>	<u>Less Annually Abated Debt Service (2)</u>	<u>Total Tax Levied Debt Service</u>
2011	\$ 6,737,281	\$ 5,139,430	\$ 1,597,851
2012	9,637,724	8,083,974	1,553,750
2013	8,812,574	7,290,136	1,522,438
2014	9,342,021	7,851,608	1,490,413
2015	6,960,373	5,503,697	1,456,676
2016	6,435,623	5,013,897	1,421,726
2017	5,520,073	4,379,147	1,140,926
2018	5,632,098	4,519,566	1,112,532
2019	5,641,007	4,557,826	1,083,181
2020	5,380,159	4,702,284	677,875
2021	5,399,170	4,732,933	666,237
2022	5,151,840	4,878,065	273,775
2023	4,829,136	4,553,223	275,913
2024	5,052,019	4,774,637	277,382
2025	4,365,344	4,091,931	273,413
2026	3,419,531	3,145,306	274,225
2027	2,866,831	2,592,506	274,325
2028	2,938,388	2,664,413	273,975
2029	3,008,394	2,735,219	273,175
2030	3,086,119	2,809,194	276,925
2031	2,460,381	2,460,381	-
2032	2,537,044	2,537,044	-

(1) Does not include revenue bonds

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