

CITY OF EAST MOLINE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2014

CITY OF EAST MOLINE, ILLINOIS
December 31, 2014

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June 24, 2015

To the Honorable Mayor John Thodos,
Members of the City Council and Citizens

I am pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of East Moline for the fiscal year ended December 31, 2014. This report provides a broad view of the city's financial activities for the 2014 fiscal year and its financial position at December 31, 2014. Although addressed to elected officials and citizens of the city, this report has a number of other users including bondholders of the city, financial institutions and credit rating agencies.

State law requires that all local governments publish a complete set of financial statements at the end of each fiscal year presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to this requirement, this report is published for the fiscal year ended December 31, 2014.

Responsibility for completeness and reliability of the information contained in this report rests with the City. Since the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City of East Moline's financial statements have been audited by Carpentier, Mitchell, Goddard & Co., LLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of East Moline for the fiscal year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2014, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of 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 it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of East Moline

The City of East Moline, incorporated in 1903, is one of the original "Quad Cities", located in Rock Island County, along the Mississippi River. The City encompasses approximately 9 square miles. The cities of East Moline, Moline, Rock Island, Illinois and the Iowa municipalities of Davenport and Bettendorf form the major portion of the Davenport-Rock Island Standard Statistical Area, DRIM-SMSA. The economy of the area has traditionally been centered on agriculture and the manufacturing of farm and construction equipment.

The City of East Moline, a non-home rule community, operates as a statutory Mayor-City Council form of government. The legislative authority of the City of East Moline is vested in a seven member elected council, consisting of one alderman from each of seven wards, elected on a staggered basis. The Mayor, Treasurer and City Clerk are elected in a City-wide election every four years. The Mayor appoints a City Administrator, with the consent of the City Council, who is the Chief Administrative Officer of the City. Responsibility for the day-to-day operations of the City rests with the City Administrator.

The City of East Moline provides many municipal services including fire and police protection, streets, refuse collection, parks, general administration, a public library and water and sewer services.

The City of East Moline is required to adopt a final budget within 90 days after the end of the fiscal year. It is the intent of the budget document to provide authorization to the City Administrator and department directors to make expenditures during the fiscal year provided; however, no capital expenditure item shall be made without first obtaining approval by the City Council. No departmental total within the budget shall be exceeded without first obtaining approval from the City Council.

Economic Condition and Outlook

The economic condition and outlook for East Moline has substantially improved since the early 1980's. With layoffs and an overall decline in the farm economy, unemployment reached a high of 12.9% in 1985. Since that time unemployment rates steadily declined to the point that the average unemployment rate for East Moline during fiscal year 2001 was 4.4%. During April, 2008 the unemployment rate in East Moline was 4.3%. Due to the current economic downturn the unemployment rate increased to 9.6% during fiscal 2010 however it has been declining and was 7.1% during fiscal year 2014.

The purchasers of the vacant JI Case property are moving forward in their mixed use development plan. The City designated this area as a tax increment financing district during fiscal year 2012.

Long-Term Financial Planning

Prior to April 30, 2012, the City did not have a comprehensive capital improvement plan. Major equipment purchases and improvements had been scheduled on an as needed basis. As such, the City had fallen behind on replacement of critical equipment leading to higher maintenance costs and possible interruptions to critical services.

City staff developed a five year capital improvement plan (CIP) that is included in the annual budget process. For a project to be included in the CIP, it must involve the creation or purchase of an asset with an original cost of at least \$5,000 and a useful life of more than one year. The major categories of projects in the CIP are street, stormwater utility, water plant, water distribution, sewer plant, sewer collection, public safety and parks. The plan does include long range projections of revenues, operational expenditures, capital expenditures, and fund balances. Use of the plan will allow equipment and projects to be funded prior to critical need. Those projects programmed in the first year of the CIP (i.e., the upcoming budget year) are closely scrutinized in the planning process as their funding is addressed in the annual budget.

Pension and Other Post Employment Benefits

The City of East Moline sponsors a single-employer defined benefit pension plan for its police officers and firefighters. Each year, an independent actuary engaged by the City, calculates the amount of the annual contribution that the City must make to each respective pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. The City directs the actuary to calculate the annual required contribution. As a result of the City's conservative funding policy, the City has succeeded in funding 77.09% of the Police Pension Fund and 85.04% of the Firefighter's Pension Fund, as of December 31, 2014. The percent of funding of the Police Pension Fund and the Firefighter's Pension Fund increased compared to December 31, 2013 funding percentages of 63.4% and 78.0%, respectively. The remaining unfunded amount is being systematically funded over 30 years as part of the annual required contribution calculated by the actuary. For the fiscal year ended December 31, 2014, the police and fire pension plans implemented GASB Statement #67 relating to financial reporting for pension plans.

The City also provides pension benefits for its non-public safety employees. These benefits are provided through a state-wide plan managed by the Illinois Municipal Retirement Fund (IMRF). The City has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

The City has implemented GASB 43 and GASB 45, relating to the accounting and reporting of post employment benefits. The City of East Moline does offer retirees, and their families, health insurance if the employee had 20 years of service with the City and was eligible to retirement benefits from their respective pension plan.

2014 Accomplishments

The City of East Moline is committed to improving services to better meet the needs of our citizens and ensuring a healthy economic outlook for all segments of our business and manufacturing community. This commitment resulted in the following accomplishments:

- ***Sewer Slip Lining.*** The City lined approximately 1.7 miles of sewers for the annual sewer slip lining program.
- ***Street Resurfacing Program.*** The City resurfaced a total of 1.5 miles of streets. The annual program has a positive impact upon East Moline's neighborhoods.
- ***Bond Refunding.*** The City refunded \$7,425,000 of the principal of Series 2007 General Obligation Alternate Bonds. The refunding will save the citizens approximately \$408,000 over the next several years.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of East Moline for its Comprehensive Annual Financial Report (CAFR) for the eight month fiscal year ended December 31, 2013. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. The CAFR must satisfy both U. S. generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

Acknowledgment

I would like to thank Mr. James Taylor, CPA of Carpentier, Mitchell, Goddard and Company, LLC and the Finance Department staff for their assistance in the preparation of our annual report.

Also to the Mayor and City Council I extend thanks and appreciation for their support. It is their strong financial commitment to the citizens of the City of East Moline that has enabled the City to grow and prosper financially.

Respectfully submitted,



Cole O'Donnell
City Administrator



Government Finance Officers Association

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

Presented to

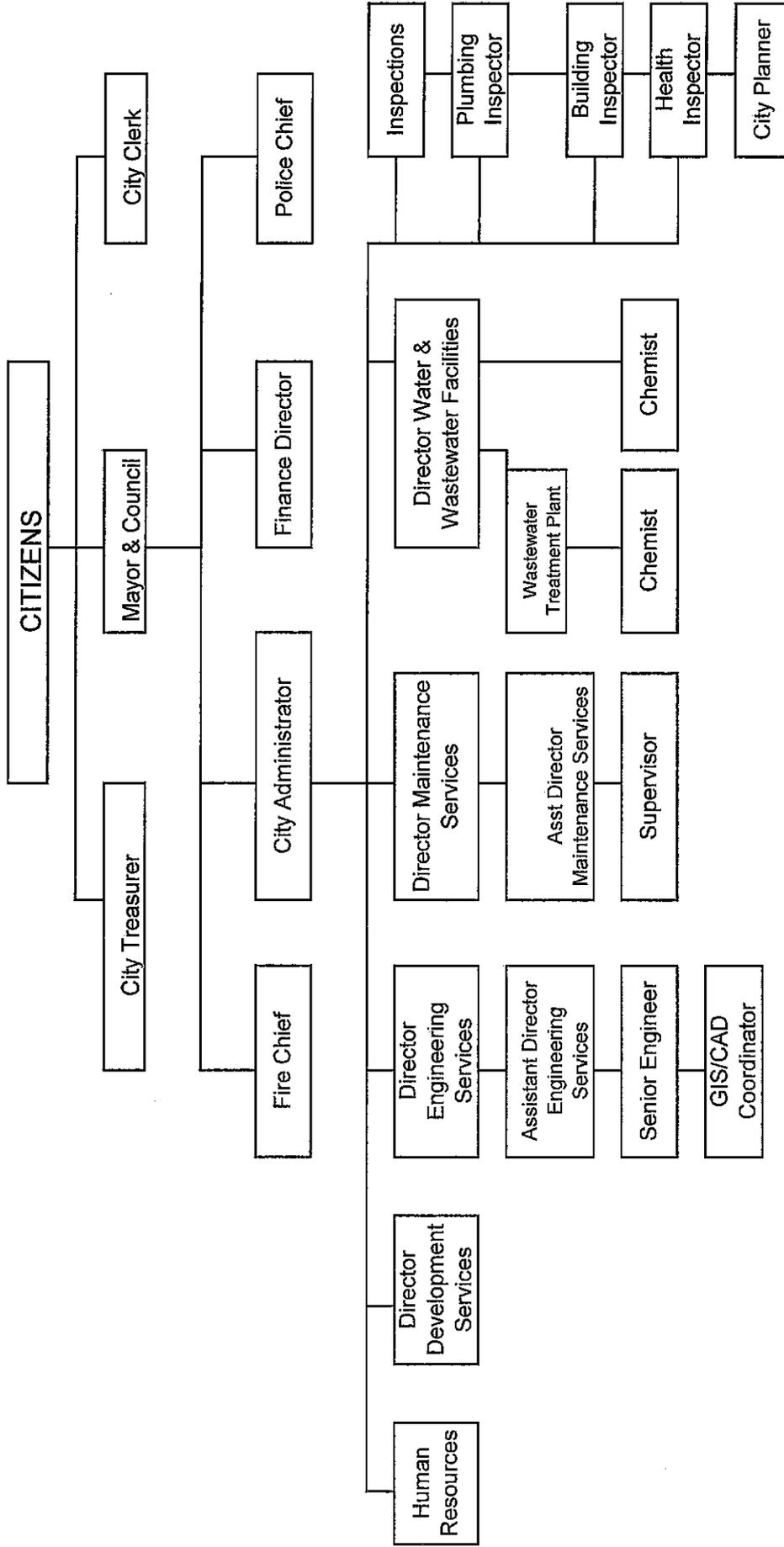
**City of East Moline
Illinois**

For its Comprehensive Annual
Financial Report
for the Eight Months Ended

December 31, 2013

Executive Director/CEO

City of East Moline
Organizational Chart 2014



CITY OF EAST MOLINE

PRINCIPAL CITY OFFICIALS

LEGISLATIVE

John Thodos

Mayor

30-Apr-17

Term Expiration
Date Of
Elected Officials

Helen Heiland	1st Ward Alderman	30-Apr-17
Gary Almblade	2nd Ward Alderman	30-Apr-15
Jeff Stulir	3rd Ward Alderman	30-Apr-17
Ed DeJaynes	4th Ward Alderman	30-Apr-15
Humberto Aguilar	5th Ward Alderman	30-Apr-17
Robert Cheffer	6th Ward Alderman	30-Apr-15
Gary Westbrook	7th Ward Alderman	30-Apr-17
Arletta D. Holmes	City Clerk	30-Apr-17

Administration

Cole O'Donnell City Administrator

Departments

Clayton Lee	City Attorney
Megan M. Petersen	Finance
Timothy Kammler	City Engineer
Victor Moreno	Chief Of Police
Robert DeFrance	Fire Chief
Dave Lambrecht	Maintenance Services
Leath Drake	Water Filtration
Leath Drake	Wastewater
Laura Long	Library



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of East Moline, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of East Moline, Illinois, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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 East Moline, Illinois as of December 31, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The City adopted the GASB Statement No. 67, *Financial Reporting for Pension Plans*, which modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17, the budgetary comparison information on pages 95 through 102, the pension plans and other postemployment benefit plan schedules of funding progress and schedules of employer contributions on pages 103 through 107, the pension plans schedule of changes in employer's net pension liability and related ratios on pages 108 and 109, and the pension plans schedule of investment returns on page 110 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of East Moline, Illinois' basic financial statements. The introductory section, combining statements and individual fund budgetary schedules, capital asset schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and individual fund budgetary schedules, and the capital asset schedules, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and individual fund budgetary schedules, and the capital asset schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2015, on our consideration of the City of East Moline, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of East Moline, Illinois' internal control over financial reporting and compliance.

Chapentier, Mitchell, Goddard & Company, LLC

Moline, Illinois
June 24, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

The City of East Moline's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Our discussion and analysis of the City of East Moline's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2014. Please read it in conjunction with the transmittal letter on page i and the City's financial statements, which begin on page 18.

Financial Highlights

- The City's net position decreased from \$57,905,717 at December 31, 2013 to \$56,918,166 on December 31, 2014, a decrease of \$987,551 (1.7%) from current year operations.
- The Governmental activities net position decreased by \$1,790,975 (6.66%) from current year operations to \$25,095,398 on December 31, 2014.
- The City's General Fund balance increased by \$530,645 from the eight month fiscal year ended December 31, 2013.
- The City's General Fund actual revenues were over budgeted amounts by \$652,813 and the actual expenditures were under the budgeted amounts by \$174,330.
- The City's capital assets (net of depreciation) decreased by \$446,109 from \$78,288,308 at December 31, 2013.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 18 - 20) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 21. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government. An additional part of the basic financial statements are the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities

Our analysis of the City as a whole begins on page 18. One of the most important questions asked about the City's finances is, "Is the City of East Moline in a better financial position at the end of this fiscal year, compared to last year?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, liabilities, and deferred inflows/outflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes in them. You can think of the City's net position, which is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. A person will need to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we have divided the City into two kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported here, including the general administration, garbage, streets, fire, police, and parks. Sales taxes, utility taxes, property taxes, income taxes and fines finance the large part of these activities.
- **Business-type activities** – The City of East Moline charges a fee to customers to help it cover all of the cost of the services provided. The City water, sewer and drainage system is reported in this section.

The Statement of Net Position and Statement of Activities shown on pages 18-20 include not only the City of East Moline itself (known as the primary government), but also a legally separate Library for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

Reporting of the City's Most Significant Funds

Fund Financial Statements

Our analysis of the City's major funds begins on page 14. The Fund financial statements begin on page 21 and provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law or by bond requirements.

- **Governmental Funds** – Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the “modified accrual basis” of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance City programs. We describe the relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements.

- **Proprietary Funds** – When the City charges customers for the service it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The City of East Moline’s proprietary fund is the same as the business type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

The City as Trustee

Reporting the City’s Fiduciary Responsibilities

The City of East Moline is the fiduciary for the Police Pension Fund and the Firefighter’s Pension Fund. The basic fiduciary fund financial statements can be found on pages 41 – 42 of this report. We have excluded these pension funds from the City’s other financial statements because the City cannot use these assets to finance its operations. It is the responsibility of the City for ensuring that these assets are used for their intended purposes.

Notes to the Financial Statements

The notes provide additional information that is essential to 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 43 – 94 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning budgetary information beginning on page 95.

The combining statements in connection with non-major governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information concerning budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 111 – 139 of this report.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure assets – i.e. roads, storm sewers, and water and sewer mains) have not been reported nor depreciated in governmental financial statements. GASB Statement No. 34 requires that these assets be valued and reported within the Governmental Activities column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The City has chosen to depreciate assets over their useful life. If a road project is considered maintenance – recurring costs that does not extend the life of the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE STATEMENT**Statement of Net Position**

Net assets may serve over time as a useful indicator of a government's financial position. The City of East Moline's assets and deferred outflows exceeded liabilities and deferred inflows by \$56,918,166 at the end of the most recent fiscal year.

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The City as a Whole

The condensed Statement of Net Position as of December 31, 2014 and 2013 is as follows:

	Governmental Activities		Difference	% Change
	12/31/2014	12/31/2013		
Current and other assets	\$ 21,080,743	\$ 21,787,710	\$ (706,967)	(3.24)%
Capital assets	<u>\$ 25,745,070</u>	<u>\$ 26,472,504</u>	<u>\$ (727,434)</u>	<u>(2.75)%</u>
Total Assets	\$ 46,825,813	\$ 48,260,214	\$ (1,434,401)	(2.97)%
Long Term Liabilities	\$ 12,729,853	\$ 11,949,907	\$ 779,946	6.53%
Other Liabilities	<u>\$ 2,901,816</u>	<u>\$ 3,419,473</u>	<u>\$ (517,657)</u>	<u>(15.14)%</u>
Total Liabilities	\$ 15,631,669	\$ 15,369,380	\$ 262,289	1.71%
Total Deferred inflows of resources	\$ 6,098,746	\$ 6,004,461	\$ 94,285	1.57%
Net Position				
Net investment in capital assets	\$ 19,966,908	\$ 19,431,883	\$ 535,025	2.75%
Restricted	\$ 1,869,309	\$ 2,607,925	\$ (738,616)	(28.32)%
Unrestricted	<u>\$ 3,259,181</u>	<u>\$ 4,846,565</u>	<u>\$ (1,587,384)</u>	<u>(32.75)%</u>
Total Net Position	\$ 25,095,398	\$ 26,886,373	\$ (1,790,975)	(6.66)%

This summary reflects a decrease of 6.66% for Governmental Activities.

	Business-type Activities		Difference	% Change
	12/31/2014	12/31/2013		
Current and other assets	\$ 7,777,211	\$ 9,353,442	\$ (1,576,231)	(16.85)%
Capital assets	<u>\$ 52,097,129</u>	<u>\$ 51,815,804</u>	<u>\$ 281,325</u>	<u>0.54%</u>
Total Assets	\$ 59,874,340	\$ 61,169,246	\$ (1,294,906)	(2.12)%
Long Term Liabilities	\$ 25,668,794	\$ 26,966,193	\$ (1,297,399)	(4.81)%
Other Liabilities	<u>\$ 2,382,778</u>	<u>\$ 3,183,709</u>	<u>\$ (800,931)</u>	<u>(25.16)%</u>
Total Liabilities	\$ 28,051,572	\$ 30,149,902	\$ (2,098,330)	(6.96)%
Net Position				
Net investment in capital assets	\$ 26,729,014	\$ 24,818,039	\$ 1,910,975	7.70%
Restricted	\$ 898,817	\$ 1,021,689	\$ (122,872)	(12.03)%
Unrestricted	<u>\$ 4,194,937</u>	<u>\$ 5,179,616</u>	<u>\$ (984,679)</u>	<u>(19.01)%</u>
Total Net Position	\$ 31,822,768	\$ 31,019,344	\$ 803,424	2.59%

This summary reflects an increase of 2.59% for Business-type Activities.

Total Government

	12/31/2014	12/31/2013	Difference	% Change
Current and other assets	\$ 28,857,954	\$ 31,141,152	\$ (2,283,198)	(7.33)%
Capital assets	<u>\$ 77,842,199</u>	<u>\$ 78,288,308</u>	<u>\$ (446,109)</u>	<u>(0.57)%</u>
Total Assets	\$ 106,700,153	\$ 109,429,460	\$ (2,729,307)	(2.49)%
Long Term Liabilities	\$ 38,398,647	\$ 38,916,100	\$ (517,453)	(1.33)%
Other Liabilities	<u>\$ 5,284,594</u>	<u>\$ 6,603,182</u>	<u>\$ (1,318,588)</u>	<u>(19.97)%</u>
Total Liabilities	\$ 43,683,241	\$ 45,519,282	\$ (1,836,041)	(4.03)%
Total Deferred inflows of resources	\$ 6,098,746	\$ 6,004,461	\$ 94,285	1.57%
Net Position				
Net investment in capital assets	\$ 46,695,922	\$ 44,249,922	\$ 2,446,000	5.53%
Restricted	\$ 2,768,126	\$ 3,629,614	\$ (861,488)	(23.73)%
Unrestricted	<u>\$ 7,454,118</u>	<u>\$ 10,026,181</u>	<u>\$ (2,572,063)</u>	<u>(25.65)%</u>
Total Net Position	\$ 56,918,166	\$ 57,905,717	\$ (987,551)	(1.71)%

This summary reflects a decrease in the total government activities of 1.71%.

A portion of the City of East Moline's net position (4.86%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$7,454,118) may be used to meet the government's ongoing obligations to citizens and creditors.

For more detailed information, see the Statement of Net Position (page 18).

Normal Impacts

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

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

Borrowing For Capital – which will increase current assets and long term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase invested in capital assets, net of debt.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase invested in capital assets, net of debt.

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

CURRENT YEAR IMPACTS

At the end of the fiscal year, the City of East Moline is able to report positive balances in the government as a whole, as well as for its separate governmental activities and business-type activities.

The net position decreased by \$987,551 (1.71%) from current year operations while last eight month fiscal year the net assets increased by \$455,543 (0.77%). For the current fiscal year, the governmental activities total expenses exceeded total revenues by \$1,531,231 before transfers and the business-type activities total revenues exceeded total expenses by \$543,680 before transfers.

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CHANGES IN NET ASSETS

The following chart shows the revenue and expenses of the City's activities:

CITY OF EAST MOLINE						
Changes In Net Position						
	Governmental		Business-type		Total	
	Activities		Activities			
	12/31/2014	12/31/2013	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Revenues						
Program Revenues						
Charges for services	\$ 3,034,667	\$ 2,046,924	\$ 0	\$ 0	\$ 3,034,667	\$ 2,046,924
Water Treatment	\$ 0	\$ 0	\$ 4,937,661	\$ 3,238,233	\$ 4,937,661	\$ 3,238,233
Wastewater Treatment	\$ 0	\$ 0	\$ 5,617,043	\$ 3,691,785	\$ 5,617,043	\$ 3,691,785
Drainage	\$ 0	\$ 0	\$ 897,123	\$ 599,505	\$ 897,123	\$ 599,505
Development Loans	\$ 0	\$ 0	\$ 11,066	\$ 915	\$ 11,066	\$ 915
Operating grants and contributions	\$ 58,338	\$ 131,994	\$ 0	\$ 0	\$ 58,338	\$ 131,994
Capital grants and contributions	\$ 163,077	\$ 133,209	\$ 0	\$ 48,330	\$ 163,077	\$ 181,539
General Revenues						
Property taxes	\$ 5,981,170	\$ 6,120,224	\$ 0	\$ 0	\$ 5,981,170	\$ 6,120,224
Utility taxes	\$ 1,678,085	\$ 979,663	\$ 0	\$ 0	\$ 1,678,085	\$ 979,663
Sales taxes	\$ 482,759	\$ 318,881	\$ 0	\$ 0	\$ 482,759	\$ 318,881
Other taxes	\$ 3,326	\$ 2,241	\$ 0	\$ 0	\$ 3,326	\$ 2,241
Intergovernmental	\$ 5,728,763	\$ 3,474,643	\$ 0	\$ 0	\$ 5,728,763	\$ 3,474,643
Investment earnings	\$ 12,167	\$ 14,806	\$ 7,670	\$ 3,462	\$ 19,837	\$ 18,268
Gain on Sale of Assets	\$ 12,779	\$ 10,434	\$ 0	\$ 2,126	\$ 12,779	\$ 12,560
Total Revenues	\$17,155,131	\$13,233,019	\$11,470,563	\$ 7,584,356	\$28,625,694	\$20,817,375
Expenses						
General government	\$ 875,915	\$ 330,772	\$ 0	\$ 0	\$ 875,915	\$ 330,772
Public safety	\$12,102,123	\$ 8,079,083	\$ 0	\$ 0	\$12,102,123	\$ 8,079,083
Public works	\$ 4,127,004	\$ 2,755,853	\$ 0	\$ 0	\$ 4,127,004	\$ 2,755,853
Recreation and culture	\$ 992,293	\$ 743,078	\$ 0	\$ 0	\$ 992,293	\$ 743,078
Economic development	\$ 374,145	\$ 525,324	\$ 0	\$ 0	\$ 374,145	\$ 525,324
Interest on long term debt	\$ 214,882	\$ 162,611	\$ 0	\$ 0	\$ 214,882	\$ 162,611
Water Treatment	\$ 0	\$ 0	\$ 4,519,641	\$ 3,321,362	\$ 4,519,641	\$ 3,321,362
Wastewater Treatment	\$ 0	\$ 0	\$ 5,556,400	\$ 3,984,347	\$ 5,556,400	\$ 3,984,347
Drainage	\$ 0	\$ 0	\$ 716,419	\$ 459,268	\$ 716,419	\$ 459,268
Development loans	\$ 0	\$ 0	\$ 134,423	\$ 134	\$ 134,423	\$ 134
Total Expenses	\$18,686,362	\$12,596,721	\$10,926,883	\$ 7,765,111	\$29,613,245	\$20,361,832
Increase (Decrease) in net position before transfers	\$(1,531,231)	\$ 636,298	\$ 543,680	\$ (180,755)	\$ (987,551)	\$ 455,543
Transfers	\$ (259,744)	\$ (37,241)	\$ 259,744	\$ 37,241	\$ 0	\$ 0
Increase (Decrease) in net position	\$(1,790,975)	\$ 599,057	\$ 803,424	\$ (143,514)	\$ (987,551)	\$ 455,543
Net position - Beginning	\$26,886,373	\$27,652,176	\$31,019,344	\$31,429,654	\$57,905,717	\$59,081,830
Prior Period Adjustment	\$ 0	\$(1,364,860)	\$ 0	\$ (266,796)	\$ 0	\$(1,631,656)
Net Position - Ending	\$25,095,398	\$26,886,373	\$31,822,768	\$31,019,344	\$56,918,166	\$57,905,717

Normal Impacts

There are eight basic impacts on revenues and expenses as reflected below:

Revenues

Economic Condition – which 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, impact fees, building fees, tax levy amounts, etc)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain 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 favorable money market rate we receive by using our local bank for the bulk of our business. Downward forces on interest rates can have a negative affect on the money market rate we receive.

Expenses

Introduction of New Programs – within the functional expense categories (General government, Public safety, Public works, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the City Council to consider increasing/decreasing authorized staffing. Staffing costs (salary and related benefits) represent 80% of the City's operating costs.

Salary Increases (annual adjustments, longevity and step increases) – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

CURRENT YEAR IMPACTS

Governmental Activities

Governmental Activities decreased the City's net assets by \$1,531,231 before transfers out of \$259,744. Key elements contributing to this net change are as follows:

Revenues

For the fiscal year ended December 31, 2014, total revenues from governmental activities increased by \$3,922,112 (29.64%). The majority of the increase was due to the prior fiscal year being a short year with only eight months of revenue shown rather than a full twelve month fiscal year.

Taxes received from various sources continue to play an important role in the City's revenue structure. Property taxes decreased \$139,054 (2.27%). The decrease in property taxes was mostly due to a slight reduction in the assessed valuations.

Expenses

For the fiscal year ending December 31, 2014 governmental activity expenses increased \$6,089,641 (48.34%). The majority of the increase was due to the prior fiscal year being a short year with only eight months of expenses shown rather than a full twelve months of expenses. Salary expense increased during the fiscal year as per negotiated in the union contracts.

Business-type Activities

Business-type activities increased the City of East Moline's net position by \$543,680, resulting in a 1.75% increase in the Net Position for Business-type activities. Key elements contributing to this net change are as follows:

Revenues

For the fiscal year ended December 31, 2014, total revenue for the business-type activities increased \$3,886,207 (51.24%). Under charges for services, revenue from water, sewer, and drainage billings increased by \$3,922,304 (52.09%). This was due to only eight months of billings included in revenue in the prior fiscal year versus a full twelve months of billings in the current fiscal year. Scheduled increases in water and sewer rates also contributed to the total increase in charges for services for these revenues.

Expenses

Total expenses for the business-type activities at the end of the fiscal year were \$10,926,883 which is an increase of \$3,161,772 (40.72%) from the eight month fiscal year ended December 31, 2013. The increase in expenses is due to showing eight months of expenses in the prior fiscal year rather than a full twelve months. Also contributing to the increase is the negotiated salary increases per the union contracts.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as the useful measure of a government's net resources available for spending at the end of the fiscal year. As of December 31, 2014 the Governmental Funds (presented on pages 21-22) reported a combined fund balance of \$7,167,912, which is a 0.22% increase from the beginning of the year of \$7,152,452. Of the total fund balance, the unassigned portion is \$(2,476,359). The unassigned balance indicates the amount available for continuing City services. Total assigned fund balance of the governmental funds as of December 31, 2014 was \$3,736,264 while total restricted fund balance was \$4,510,986. Note 18 in the footnotes to the financial statements show detail of the assignments and restrictions on the fund balance of the governmental funds.

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's total fund balance increased by \$530,645 from the prior year.

The City of East Moline has two other major funds, the Tax Increment Financing Fund – The Quarter (The Quarter TIF) and Motor Fuel Tax Fund. The Quarter TIF fund saw a decrease of \$185,261 in its fund balance and the Motor Fuel Tax Fund saw a decrease of \$758,616. Revenue in The Quarter TIF Fund was consistent with the prior year and expenditures increased \$244,882. The increase in expenditures was the result of having a full year of debt service payments during the fiscal year ended December 31, 2014 rather than only eight months of payments in the prior year. Revenue in the Motor Fuel Tax Fund increased \$295,570 and expenditures increased \$784,232. The increase in both revenue and expenditures was the result of including a twelve months of activity rather than eight months as shown in the prior year.

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General Fund Budgetary Highlights

Fiscal Year Ended December 31, 2014

General Fund	Original and Final Budget	Actual	Percent of Actual to Final Budget
Revenues			
Taxes	\$ 5,910,709	\$ 6,143,684	103.94%
Licenses and Permits	190,850	200,713	105.17%
Intergovernmental Revenue	5,688,141	5,935,943	104.36%
Investment Income	6,630	8,546	128.90%
Fees and Reimbursements:			
Landfill Host Fees	110,400	175,134	158.64%
Other Revenue	725,475	834,215	114.99%
Total Revenues	\$ 12,632,205	\$ 13,298,235	105.27%
Expenditures			
	\$ 12,201,050	\$ 12,026,720	98.57%
Excess of Revenues over Expenditures	\$ 431,155	\$ 1,271,515	
Transfers	(776,110)	(740,870)	
Net Change in Fund Balance	\$ (344,955)	\$ 530,645	

The General Fund actual revenues exceeded the original and final budgeted revenue by \$666,030 for the fiscal year ended December 31, 2014. All of the revenue categories came in more than the budgeted amounts due to the conservative approach the City takes in preparing the annual budget.

The General Fund total actual expenditures were \$174,330 less than the original and final budgeted amount.

Capital Asset and Debt Administration

Capital Assets

The City of East Moline's investment in capital assets for its governmental and business-type activities as of December 31, 2014, amounted to \$77,842,199 (net of depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads and highways. The total decrease in the City of East Moline's investment in capital assets (net of depreciation) for the current fiscal year was \$446,109, comprised by a decrease of \$727,434 in the governmental activities, an increase of \$281,325 in the business-type activities.

Major capital asset events during the current fiscal year included the following:

- Finished construction of the 10th Street water tower
- Finished street, water and sewer improvements on numerous streets
- Purchased new generator and partial roof for City Hall

Capital Assets (Net of Depreciation)						
	Governmental Activities		Business-type Activities		Totals	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Land	\$1,900,627	\$1,900,627	\$ 484,013	\$ 484,013	\$2,384,640	\$2,384,640
Construction In Progress	131,586	2,489,603	40,102	3,198,266	171,688	5,687,869
Improvements other than buildings	1,220,914	1,288,231	0	0	1,220,914	1,288,231
Building and System	3,228,100	3,385,868	50,585,890	47,300,571	53,813,990	50,686,439
Vehicles and equipment	2,044,186	2,096,688	987,124	832,954	3,031,310	2,929,642
Infrastructure	<u>17,219,657</u>	<u>15,311,487</u>	<u>0</u>	<u>0</u>	<u>17,219,657</u>	<u>15,311,487</u>
Totals	\$25,745,070	\$26,472,504	\$52,097,129	\$51,815,804	\$77,842,199	\$78,288,308

Additional information on the City of East Moline's capital assets can be found in Note 6 on pages 57-59 of this report.

Debt

At year-end, the City had \$41,285,748 in outstanding notes, bonds, net pension obligations and other post employment benefit obligations compared to \$42,276,730 in the prior year. That is a decrease of \$990,982 (2.34%).

	Governmental Activities		Business-type Activities		Totals	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Note Payable	\$ 209,229	\$ 281,525	\$ 68,098	\$ 6,317,275	\$ 277,327	\$ 6,598,800
General Obligation Bonds	5,568,933	6,759,096	25,300,017	20,680,490	30,868,950	27,439,586
Compensated Absences	55,680	254,809	44,240	120,157	99,920	374,966
Net pension obligation	568,391	478,087	0	0	568,391	478,087
OPEB Obligations	<u>7,436,282</u>	<u>5,707,481</u>	<u>2,034,878</u>	<u>1,677,810</u>	<u>9,471,160</u>	<u>7,385,291</u>
Totals	\$13,838,515	\$13,480,998	\$27,447,233	\$28,795,732	\$41,285,748	\$42,276,730

At the end of the fiscal year the City of East Moline has total bonded debt outstanding of \$30,868,950. The City borrowed over \$8,000,000 of Illinois Environmental Protection State Revolving Loan monies. With the American Recovery and Reinvestment Act, 25% of the proceeds (approximately \$2,000,000) were forgiven and the remaining approximately \$6,000,000 is being repaid at a 1.25 percent rate of interest.

The City of East Moline's bond rating is Aa3 rating from Moody's Investor Services and the City has been able to purchase bond insurance at a very reasonable rate upgrading our bonds to an AAA rating.

State statutes limit the amount of general obligation debt a governmental entity may issue to 8.625% of its total equalized assessed valuation. The current debt limitation is \$21,950,394 which is significantly in excess of the City of East Moline's existing general obligation debt, debt certificates and installment contracts, totaling \$942,187. Additional information on the City of East Moline's debt can be found in Note 7 on pages 59-69 of this report.

Economic Factors and the Next Years Budgets and Rates.

The City Council has adopted a 4-year rate increase schedule that is effective January 1, 2015, for water and sewer users. The increase in the first year is 4.5% for water and a 3.9% decrease for sewer with varying increases for both utilities in the following 3 years.

The City anticipates that tax revenues will remain steady during the fiscal year ending December 31, 2015.

The City continues to experience declines or stagnant growth in major revenue sources coupled with increases in uncontrollable expenditures such as police and fire pensions, health care coverage, liability insurance, and workers compensation. In an effort to confront these challenges, the City is transferring less to the health insurance fund and reducing the amount of reserves.

All of these factors were considered in preparing the City of East Moline's budget for the December 31, 2015 fiscal year.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. As in the past, the City of East Moline plans on placing the entire Comprehensive Annual Financial Report on the City's web page (www.eastmoline.com). If anyone has any questions about this report or needs additional information, please write Megan Petersen, Finance Director, City of East Moline, 915 – 16th Avenue, East Moline, IL 61244.

BASIC FINANCIAL STATEMENTS

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF NET POSITION
December 31, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Library
ASSETS				
Cash	\$ 11,775,346	\$ 5,132,028	\$ 16,907,374	\$ 846,446
Investments	1,715,326	301,432	2,016,758	249,932
Receivables, net of allowance for uncollectibles	8,044,269	1,889,553	9,933,822	558,451
Internal balances	(454,198)	454,198	-	-
Capital assets:				
Land and construction in progress	2,032,213	524,115	2,556,328	-
Other capital assets, net of depreciation	23,712,857	51,573,014	75,285,871	260,635
Total assets	\$ 46,825,813	\$ 59,874,340	\$ 106,700,153	\$ 1,915,464
LIABILITIES				
Accounts payable and other current liabilities	\$ 1,718,285	\$ 456,825	\$ 2,175,110	\$ 32,385
Accrued interest payable	74,869	147,514	222,383	-
Noncurrent liabilities:				
Due within one year	1,108,662	1,778,439	2,887,101	-
Due in more than one year	12,729,853	25,668,794	38,398,647	-
Total liabilities	\$ 15,631,669	\$ 28,051,572	\$ 43,683,241	\$ 32,385
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	\$ 6,098,746	\$ -	\$ 6,098,746	\$ 530,985
NET POSITION				
Net investment in capital assets	\$ 19,966,908	\$ 26,729,014	\$ 46,695,922	\$ 260,635
Restricted for:				
Maintenance of roadways	1,827,828	-	1,827,828	-
Capital projects	41,481	-	41,481	-
Economic development loans	-	613,482	613,482	-
Housing rehabilitation	-	285,335	285,335	-
Unrestricted	3,259,181	4,194,937	7,454,118	1,091,459
Total net position	\$ 25,095,398	\$ 31,822,768	\$ 56,918,166	\$ 1,352,094

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

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

FUNCTION/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 875,915	\$ 273,511	\$ -	\$ -
Public safety	12,102,123	783,439	38,367	-
Public works	4,127,004	1,442,051	15,977	163,077
Recreation and culture	992,293	534,728	-	-
Economic development	374,145	938	3,994	-
Interest on long-term debt	214,882	-	-	-
Total governmental activities	<u>\$ 18,686,362</u>	<u>\$ 3,034,667</u>	<u>\$ 58,338</u>	<u>\$ 163,077</u>
Business-type activities:				
Water treatment	\$ 4,519,641	\$ 4,937,661	\$ -	\$ -
Wastewater treatment	5,556,400	5,617,043	-	-
Drainage	716,419	897,123	-	-
Development loans	134,423	11,066	-	-
Total business-type activities	<u>\$ 10,926,883</u>	<u>\$ 11,462,893</u>	<u>\$ -</u>	<u>\$ -</u>
Total primary government	<u>\$ 29,613,245</u>	<u>\$ 14,497,560</u>	<u>\$ 58,338</u>	<u>\$ 163,077</u>
Component unit:				
Library	<u>\$ 717,399</u>	<u>\$ 42,263</u>	<u>\$ 26,728</u>	<u>\$ -</u>

General revenues:
Property taxes
Utility taxes
Admissions taxes
Non home rule sales tax
Unrestricted investment earnings
Unrestricted intergovernmental revenues
Gain on sale of capital assets
Transfers

Total general revenues and transfers

Change in net position

NET POSITION, Beginning

NET POSITION, Ending

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Library
\$ (602,404)	\$ -	\$ (602,404)	\$ -
(11,280,317)	-	(11,280,317)	-
(2,505,899)	-	(2,505,899)	-
(457,565)	-	(457,565)	-
(369,213)	-	(369,213)	-
(214,882)	-	(214,882)	-
<u>\$ (15,430,280)</u>	<u>\$ -</u>	<u>\$ (15,430,280)</u>	<u>\$ -</u>
\$ -	\$ 418,020	\$ 418,020	\$ -
-	60,643	60,643	-
-	180,704	180,704	-
-	(123,357)	(123,357)	-
<u>\$ -</u>	<u>\$ 536,010</u>	<u>\$ 536,010</u>	<u>\$ -</u>
<u>\$ (15,430,280)</u>	<u>\$ 536,010</u>	<u>\$ (14,894,270)</u>	<u>\$ -</u>
			<u>\$ (648,408)</u>
\$ 5,981,170	\$ -	\$ 5,981,170	\$ 529,780
1,678,085	-	1,678,085	-
3,326	-	3,326	-
482,759	-	482,759	-
12,167	7,670	19,837	1,027
5,728,763	-	5,728,763	96,155
12,779	-	12,779	-
(259,744)	259,744	-	-
<u>\$ 13,639,305</u>	<u>\$ 267,414</u>	<u>\$ 13,906,719</u>	<u>\$ 626,962</u>
\$ (1,790,975)	\$ 803,424	\$ (987,551)	\$ (21,446)
<u>26,886,373</u>	<u>31,019,344</u>	<u>57,905,717</u>	<u>1,373,540</u>
<u>\$ 25,095,398</u>	<u>\$ 31,822,768</u>	<u>\$ 56,918,166</u>	<u>\$ 1,352,094</u>

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

CITY OF EAST MOLINE, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	General Fund	Tax Increment Financing Fund - The Quarter
ASSETS		
Cash	\$ 6,118,958	\$ -
Investments	706,462	-
Receivables	6,113,736	192,203
Advances to other funds	891,126	-
	\$ 13,830,282	\$ 192,203
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 354,218	\$ 53
Fund cash deficit	-	1,514,131
Accrued liabilities	363,158	-
Advances from other funds	394,549	996,005
	\$ 1,111,925	\$ 2,510,189
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	\$ 4,528,064	\$ 187,597
Unavailable revenue - other taxes	441,154	-
	\$ 4,969,218	\$ 187,597
FUND BALANCES		
Nonspendable	\$ 891,126	\$ -
Restricted	844,350	-
Committed	-	-
Assigned	3,137,343	-
Unassigned	2,876,320	(2,505,583)
	\$ 7,749,139	\$ (2,505,583)
Total fund balances	\$ 7,749,139	\$ (2,505,583)
Total liabilities, deferred inflow of resources, and fund balances	\$ 13,830,282	\$ 192,203

Motor Fuel Tax Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,606,935	\$ 1,910,916	\$ 9,636,809
458,001	550,863	1,715,326
53,643	1,634,314	7,993,896
3,685	502,210	1,397,021
<u>\$ 2,122,264</u>	<u>\$ 4,598,303</u>	<u>\$ 20,743,052</u>
\$ 294,436	\$ 155,806	\$ 804,513
-	1,994,204	3,508,335
-	20,511	383,669
-	906,796	2,297,350
<u>\$ 294,436</u>	<u>\$ 3,077,317</u>	<u>\$ 6,993,867</u>
\$ -	\$ 1,383,085	\$ 6,098,746
-	41,373	482,527
<u>\$ -</u>	<u>\$ 1,424,458</u>	<u>\$ 6,581,273</u>
\$ 3,685	\$ 502,210	\$ 1,397,021
1,824,143	1,842,493	4,510,986
-	-	-
-	598,921	3,736,264
-	(2,847,096)	(2,476,359)
<u>\$ 1,827,828</u>	<u>\$ 96,528</u>	<u>\$ 7,167,912</u>
<u>\$ 2,122,264</u>	<u>\$ 4,598,303</u>	<u>\$ 20,743,052</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
 December 31, 2014

Amounts reported for governmental activities in the statements of net position are different because:

Total fund balance - governmental funds	\$ 7,167,912
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	25,725,658
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	482,527
Internal service funds are used by management to charge the costs of insurance and motor pool to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	5,632,420
Net pension obligation is not reported in governmental funds.	(568,391)
Net other postemployment benefits obligation is not reported in governmental funds.	(7,436,282)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(5,908,446)</u>
Net position of governmental activities	<u>\$ 25,095,398</u>

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

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2014

	General Fund	Tax Incremental Financing Fund - The Quarter
REVENUES		
Taxes	\$ 6,143,684	\$ 184,460
Licenses, permits and fees	375,847	-
Intergovernmental	5,935,943	-
Charges for services and rents	437,990	-
Special assessments	286	-
Investment income	8,546	-
Fines	234,331	-
Grant	38,367	-
Miscellaneous	110,024	-
Total revenues	\$ 13,285,018	\$ 184,460
EXPENDITURES		
Current:		
General government	\$ 465,474	\$ -
Public safety	9,551,693	-
Public works	1,276,142	-
Recreation and culture	439,238	-
Economic development	61,779	88,078
Capital expenditures	232,241	-
Debt service:		
Principal	-	215,000
Interest	153	66,643
Total expenditures	\$ 12,026,720	\$ 369,721
Excess (deficiency) of revenues over (under) expenditures	\$ 1,258,298	\$ (185,261)
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	\$ 13,217	\$ -
Transfers in	215,703	-
Transfers out	(956,573)	-
Total other financing sources (uses)	\$ (727,653)	\$ -
Net change in fund balances	\$ 530,645	\$ (185,261)
FUND BALANCES – Beginning	7,218,494	(2,320,322)
FUND BALANCES – Ending	\$ 7,749,139	\$ (2,505,583)

Motor Fuel Tax Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,822,781	\$ 8,150,925
-	-	375,847
713,847	-	6,649,790
-	954,373	1,392,363
-	-	286
2,611	1,010	12,167
-	-	234,331
163,077	19,971	221,415
-	73	110,097
<u>\$ 879,535</u>	<u>\$ 2,798,208</u>	<u>\$ 17,147,221</u>
\$ -	\$ 2,296	\$ 467,770
-	-	9,551,693
1,144,990	863,052	3,284,184
-	327,067	766,305
-	210,321	360,178
250,705	161,604	644,550
270,000	791,297	1,276,297
3,375	139,474	209,645
<u>\$ 1,669,070</u>	<u>\$ 2,495,111</u>	<u>\$ 16,560,622</u>
<u>\$ (789,535)</u>	<u>\$ 303,097</u>	<u>\$ 586,599</u>
\$ -	\$ -	\$ 13,217
30,919	235,595	482,217
-	(110,000)	(1,066,573)
<u>\$ 30,919</u>	<u>\$ 125,595</u>	<u>\$ (571,139)</u>
\$ (758,616)	\$ 428,692	\$ 15,460
2,586,444	(332,164)	7,152,452
<u>\$ 1,827,828</u>	<u>\$ 96,528</u>	<u>\$ 7,167,912</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

Amounts reported for governmental activities in
the statements of activities are different because:

Net change in fund balance - total governmental funds	\$ 15,460
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. This is the amount by which capital outlays exceeded depreciation in the current period.	(726,227)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(4,869)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(438)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,276,297
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.	191,262
The change in net pension obligation is not reported in governmental funds.	(90,304)
Changes in net other postemployment benefits obligations are reported only in the statement of activities.	(1,728,801)
Internal service funds are used by management to charge the costs of insurance and motor pool to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities.	<u>(723,355)</u>
Change in net position of governmental activities	<u>\$ (1,790,975)</u>

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

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

	Business-type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
ASSETS			
Current assets:			
Cash	\$ 1,161,300	\$ 667,056	\$ 455,731
Investments	-	-	-
Receivables (net of allowance for uncollectibles)	302,196	350,567	311,457
Other assets	-	3,000	-
Total current assets	<u>\$ 1,463,496</u>	<u>\$ 1,020,623</u>	<u>\$ 767,188</u>
Noncurrent assets:			
Advances to other funds	<u>\$ 1,573,646</u>	<u>\$ 1,171,235</u>	<u>\$ 1,871,258</u>
Capital assets:			
Land	\$ -	\$ 484,013	\$ -
Buildings and system	11,012,893	29,317,874	12,763,209
Equipment and vehicles	142,161	858,122	281,844
Construction in progress	-	-	-
Less accumulated depreciation	<u>(2,052,598)</u>	<u>(16,580,163)</u>	<u>(1,621,553)</u>
Total capital assets (net of accumulated depreciation)	<u>\$ 9,102,456</u>	<u>\$ 14,079,846</u>	<u>\$ 11,423,500</u>
Total noncurrent assets	<u>\$ 10,676,102</u>	<u>\$ 15,251,081</u>	<u>\$ 13,294,758</u>
Total assets	<u>\$ 12,139,598</u>	<u>\$ 16,271,704</u>	<u>\$ 14,061,946</u>

Enterprise Funds				Governmental Activities
Treatment		Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Sewer Collection Fund	Drainage Fund			
\$ 2,013,422	\$ 652,336	\$ 182,183	\$ 5,132,028	\$ 5,646,872
-	-	301,432	301,432	-
738,792	126,152	57,389	1,886,553	50,373
-	-	-	3,000	-
<u>\$ 2,752,214</u>	<u>\$ 778,488</u>	<u>\$ 541,004</u>	<u>\$ 7,323,013</u>	<u>\$ 5,697,245</u>
<u>\$ 782,162</u>	<u>\$ -</u>	<u>\$ 360,000</u>	<u>\$ 5,758,301</u>	<u>\$ 2,000</u>
\$ -	\$ -	\$ -	\$ 484,013	\$ -
26,070,404	6,140,623	-	85,305,003	-
1,099,079	244,482	-	2,625,688	846,637
-	40,102	-	40,102	-
<u>(13,882,033)</u>	<u>(2,221,330)</u>	<u>-</u>	<u>(36,357,677)</u>	<u>(827,225)</u>
<u>\$ 13,287,450</u>	<u>\$ 4,203,877</u>	<u>\$ -</u>	<u>\$ 52,097,129</u>	<u>\$ 19,412</u>
<u>\$ 14,069,612</u>	<u>\$ 4,203,877</u>	<u>\$ 360,000</u>	<u>\$ 57,855,430</u>	<u>\$ 21,412</u>
<u>\$ 16,821,826</u>	<u>\$ 4,982,365</u>	<u>\$ 901,004</u>	<u>\$ 65,178,443</u>	<u>\$ 5,718,657</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

	Business-type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 88,660	\$ 15,083	\$ 62,137
Accrued salaries	35,337	35,603	47,715
Accrued interest payable	15,932	49,868	20,134
Compensated absences	-	22,463	-
Other accrued liabilities	-	-	-
Loan payable - current	-	-	-
General obligation bonds - current	217,574	454,773	383,539
Total current liabilities	<u>\$ 357,503</u>	<u>\$ 577,790</u>	<u>\$ 513,525</u>
Noncurrent liabilities:			
Loan payable	\$ -	\$ -	\$ -
General obligation bonds payable (net of unamortized discounts)	4,402,138	4,613,808	7,948,145
Other postemployment benefit obligations	457,847	470,057	600,289
Advances from other funds	1,765,995	1,574,801	579,044
Total noncurrent liabilities	<u>\$ 6,625,980</u>	<u>\$ 6,658,666</u>	<u>\$ 9,127,478</u>
Total liabilities	<u>\$ 6,983,483</u>	<u>\$ 7,236,456</u>	<u>\$ 9,641,003</u>

Enterprise Funds				Governmental Activities
Treatment		Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Sewer Collection Fund	Drainage Fund			
\$ 111,019	\$ 21,432	\$ 2,187	\$ 300,518	\$ 382,524
27,179	10,473	-	156,307	12,579
54,584	6,996	-	147,514	-
18,622	3,155	-	44,240	265
-	-	-	-	135,000
-	33,520	-	33,520	-
446,658	198,135	-	1,700,679	-
<u>\$ 658,062</u>	<u>\$ 273,711</u>	<u>\$ 2,187</u>	<u>\$ 2,382,778</u>	<u>\$ 530,368</u>
\$ -	\$ 34,578	\$ -	\$ 34,578	\$ -
6,368,522	266,725	-	23,599,338	-
506,685	-	-	2,034,878	-
940,132	-	-	4,859,972	-
<u>\$ 7,815,339</u>	<u>\$ 301,303</u>	<u>\$ -</u>	<u>\$ 30,528,766</u>	<u>\$ -</u>
<u>\$ 8,473,401</u>	<u>\$ 575,014</u>	<u>\$ 2,187</u>	<u>\$ 32,911,544</u>	<u>\$ 530,368</u>

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

NET POSITION	Business-type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
Net investment in capital assets	\$ 4,482,744	\$ 9,011,265	\$ 3,091,816
Restricted for:			
Economic development loans	-	-	-
Housing rehabilitation	-	-	-
Unrestricted	673,371	23,983	1,329,127
Total net position	\$ 5,156,115	\$ 9,035,248	\$ 4,420,943

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Net position of business-type activities

Enterprise Funds				Governmental Activities
Treatment				
Sewer Collection Fund	Drainage Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 6,472,270	\$ 3,670,919	\$ -	\$ 26,729,014	\$ 19,412
-	-	613,482	613,482	-
-	-	285,335	285,335	-
1,876,155	736,432	-	4,639,068	5,168,877
<u>\$ 8,348,425</u>	<u>\$ 4,407,351</u>	<u>\$ 898,817</u>	<u>\$ 32,266,899</u>	<u>\$ 5,188,289</u>
			(444,131)	
			<u>\$ 31,822,768</u>	

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

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2014

	Business-type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
OPERATING REVENUES			
Charges for services	\$ 2,313,671	\$ 2,616,453	\$ 2,361,872
Interest income	-	-	-
Other	-	7,537	-
Total operating revenues	<u>\$ 2,313,671</u>	<u>\$ 2,623,990</u>	<u>\$ 2,361,872</u>
OPERATING EXPENSES			
Pumping	\$ 2,019,024	\$ -	\$ 2,131,435
Distribution and collection	-	806,930	-
Engineering	-	177,435	-
Administration and claims	-	398,995	-
Travel and motor vehicles	-	-	-
Depreciation	206,491	625,362	296,185
Total operating expenses	<u>\$ 2,225,515</u>	<u>\$ 2,008,722</u>	<u>\$ 2,427,620</u>
OPERATING INCOME (LOSS)	<u>\$ 88,156</u>	<u>\$ 615,268</u>	<u>\$ (65,748)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	\$ -	\$ 269	\$ 6,915
Interest expense	(108,283)	(177,121)	(166,307)
Total nonoperating revenues (expenses)	<u>\$ (108,283)</u>	<u>\$ (176,852)</u>	<u>\$ (159,392)</u>

Enterprise Funds				Governmental Activities
Treatment		Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Sewer Collection Fund	Drainage Fund			
\$ 3,239,169	\$ 896,373	\$ -	\$ 11,427,538	\$ 2,545,997
-	-	1,066	1,066	-
16,002	750	10,000	34,289	2,419
<u>\$ 3,255,171</u>	<u>\$ 897,123</u>	<u>\$ 11,066</u>	<u>\$ 11,462,893</u>	<u>\$ 2,548,416</u>
\$ -	\$ -	\$ -	\$ 4,150,459	\$ -
829,424	482,249	-	2,118,603	-
479,881	-	-	657,316	-
403,773	-	134,423	937,191	3,385,881
-	-	-	-	643,421
581,469	210,332	-	1,919,839	767
<u>\$ 2,294,547</u>	<u>\$ 692,581</u>	<u>\$ 134,423</u>	<u>\$ 9,783,408</u>	<u>\$ 4,030,069</u>
<u>\$ 960,624</u>	<u>\$ 204,542</u>	<u>\$ (123,357)</u>	<u>\$ 1,679,485</u>	<u>\$ (1,481,653)</u>
\$ 1	\$ -	\$ 485	\$ 7,670	\$ 9,418
(243,658)	(23,838)	-	(719,207)	-
<u>\$ (243,657)</u>	<u>\$ (23,838)</u>	<u>\$ 485</u>	<u>\$ (711,537)</u>	<u>\$ 9,418</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2014

	Business-type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	\$ (20,127)	\$ 438,416	\$ (225,140)
TRANSFERS IN	60,243	184,170	-
TRANSFERS OUT	-	(136,162)	(85,703)
CHANGE IN NET POSITION	\$ 40,116	\$ 486,424	\$ (310,843)
TOTAL NET POSITION, Beginning	<u>5,115,999</u>	<u>8,548,824</u>	<u>4,731,786</u>
TOTAL NET POSITION, Ending	<u>\$ 5,156,115</u>	<u>\$ 9,035,248</u>	<u>\$ 4,420,943</u>

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

Change in net position of business-type activities

Enterprise Funds				Governmental Activities
Treatment				
Sewer Collection Fund	Drainage Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 716,967	\$ 180,704	\$ (122,872)	\$ 967,948	\$ (1,472,235)
258,537	23,659	-	526,609	324,612
-	(45,000)	-	(266,865)	-
\$ 975,504	\$ 159,363	\$ (122,872)	\$ 1,227,692	\$ (1,147,623)
7,372,921	4,247,988	1,021,689		6,335,912
<u>\$ 8,348,425</u>	<u>\$ 4,407,351</u>	<u>\$ 898,817</u>		<u>\$ 5,188,289</u>
			(424,268)	
			<u>\$ 803,424</u>	

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

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2014

	Business-type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 2,309,605	\$ 2,658,126	\$ 2,385,636
Receipts from interfund services provided	-	-	-
Other receipts	-	7,537	-
Payments to suppliers	(1,194,426)	(839,404)	(938,878)
Payments to employees	(581,696)	(681,915)	(728,653)
Payments for interfund services use	(195,923)	(194,737)	(281,285)
Net cash provided (used) by operating activities	<u>\$ 337,560</u>	<u>\$ 949,607</u>	<u>\$ 436,820</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	\$ 60,243	\$ 184,170	\$ -
Transfers to other funds	-	(136,162)	(85,703)
Advances to other funds	-	(188,641)	(408,602)
Advances from other funds	606,957	-	-
Net cash provided (used) by noncapital financing activities	<u>\$ 667,200</u>	<u>\$ (140,633)</u>	<u>\$ (494,305)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	\$ (618,081)	\$ (585,614)	\$ (86,877)
Proceeds from long-term debt issuance	1,532,564	1,602,736	1,398,941
Principal paid on long-term debt	(1,732,338)	(2,027,234)	(1,762,754)
Interest paid on long-term debt	(138,362)	(212,100)	(194,037)
Net cash used by capital and related financing activities	<u>\$ (956,217)</u>	<u>\$ (1,222,212)</u>	<u>\$ (644,727)</u>

Enterprise Funds				Governmental Activities
Treatment		Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Sewer Collection Fund	Drainage Fund			
\$ 3,379,758	\$ 912,881	\$ 6,075	\$ 11,652,081	\$ -
-	-	-	-	2,503,922
16,002	750	10,000	34,289	5,657
(1,251,489)	(181,885)	(191,772)	(4,597,854)	(3,647,245)
(530,593)	(220,637)	-	(2,743,494)	(242,680)
(166,678)	(67,565)	-	(906,188)	(21,600)
<u>\$ 1,447,000</u>	<u>\$ 443,544</u>	<u>\$ (175,697)</u>	<u>\$ 3,438,834</u>	<u>\$ (1,401,946)</u>
\$ 258,537	\$ 23,659	\$ -	\$ 526,609	\$ 324,612
-	(45,000)	-	(266,865)	-
-	-	-	(597,243)	-
-	-	-	606,957	-
<u>\$ 258,537</u>	<u>\$ (21,341)</u>	<u>\$ -</u>	<u>\$ 269,458</u>	<u>\$ 324,612</u>
\$ (870,490)	\$ (40,102)	\$ -	\$ (2,201,164)	\$ -
2,930,759	-	-	7,465,000	-
(3,335,632)	(225,677)	-	(9,083,635)	-
(303,665)	(26,307)	-	(874,471)	-
<u>\$ (1,579,028)</u>	<u>\$ (292,086)</u>	<u>\$ -</u>	<u>\$ (4,694,270)</u>	<u>\$ -</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Business-type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	\$ -	\$ 269	\$ 6,915
Proceeds from investments	-	-	-
Net cash provided by investing activities	\$ -	\$ 269	\$ 6,915
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 48,543	\$ (412,969)	\$ (695,297)
CASH AND CASH EQUIVALENTS - Beginning	1,112,757	1,080,025	1,151,028
CASH AND CASH EQUIVALENTS - Ending	\$ 1,161,300	\$ 667,056	\$ 455,731
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 88,156	\$ 615,268	\$ (65,748)
Adjustments to reconcile operating operating income (loss) to net cash provided by operating activities:			
Depreciation expense	206,491	625,362	296,185
Amortization expense	(4,890)	2,315	(4,464)
(Increase) decrease in receivables	(4,066)	41,673	23,764
Increase (decrease) in accounts payable	(57,556)	(363,858)	7,930
Increase (decrease) in accrued liabilities, excluding accrued interest	12,307	(20,080)	16,773
Increase (decrease) in other postemployment benefit obligation	97,118	48,927	162,380
Net cash provided (used) by operating activities	\$ 337,560	\$ 949,607	\$ 436,820

Enterprise Funds				Governmental
Treatment				Activities
Sewer Collection Fund	Drainage Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 1	\$ -	\$ 485	\$ 7,670	\$ 9,418
-	-	20,339	20,339	-
\$ 1	\$ -	\$ 20,824	\$ 28,009	\$ 9,418
\$ 126,510	\$ 130,117	\$ (154,873)	\$ (957,969)	\$ (1,067,916)
1,886,912	522,219	337,056	6,089,997	6,714,788
<u>\$ 2,013,422</u>	<u>\$ 652,336</u>	<u>\$ 182,183</u>	<u>\$ 5,132,028</u>	<u>\$ 5,646,872</u>
\$ 960,624	\$ 204,542	\$ (123,357)	\$ 1,679,485	\$ (1,481,653)
581,469	210,332	-	1,919,839	767
(3,976)	-	-	(11,015)	-
140,589	16,508	(54,527)	163,941	(38,837)
(247,651)	16,128	2,187	(642,820)	81,699
(32,698)	(3,966)	-	(27,664)	36,078
48,643	-	-	357,068	-
<u>\$ 1,447,000</u>	<u>\$ 443,544</u>	<u>\$ (175,697)</u>	<u>\$ 3,438,834</u>	<u>\$ (1,401,946)</u>

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

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2014

	<u>Pension Trust Funds</u>
ASSETS	
Cash	\$ 17,544,889
Receivables:	
Accrued interest	79,577
Other	203,666
Investments:	
U.S. Government securities	2,269,263
Mutual funds	22,850,577
Other assets	<u>146</u>
Total assets	<u>\$ 42,948,118</u>
LIABILITIES	
Other accrued liabilities	<u>\$ 8,529</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS	<u><u>\$ 42,939,589</u></u>

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

CITY OF EAST MOLINE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year Ended December 31, 2014

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 1,462,149
Employee	503,888
	\$ 1,966,037
Investment income:	
Net increase in fair value of investments	\$ 149,670
Interest	544,245
Dividends and capital gains	783,038
	\$ 1,476,953
Less investment expense	106,927
	\$ 1,370,026
Total additions	\$ 3,336,063
DEDUCTIONS	
Benefits	\$ 2,981,234
Administrative expense	63,754
	\$ 3,044,988
CHANGE IN NET POSITION	\$ 291,075
NET POSITION RESTRICTED FOR PENSION BENEFITS	
Beginning	42,648,514
Ending	\$ 42,939,589

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

CITY OF EAST MOLINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

December 31, 2014

**NOTE 1 – NATURE OF OPERATIONS, REPORTING ENTITY AND
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

NATURE OF OPERATIONS -

The City of East Moline provides a broad range of services to citizens, including general government, public safety, economic development, streets, sanitation and health, cultural and park facilities and social services. It also operates the water and sewer utilities.

FINANCIAL 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.

In addition, the Codification sets forth additional criteria to determine whether certain organizations for which the City is not financially accountable should be reported as component units based on the nature and significance of their relationship with the City. These criteria include 1) the economic resources being received or held by the separate organization being entirely or almost entirely for the direct benefit of the City, its component units, or its constituents, 2) the City being entitled to, or having the ability to otherwise access, a majority of the economic resources received or held by the separate organization and 3) the economic resources received or held by an individual organization that the City is entitled to, or has the ability to otherwise access, are significant to the City.

Based on the aforementioned criteria, the City of East Moline has determined that the Library Fund is a discretely presented component unit. The mayor appoints the members of the Library Board and the City periodically provides subsidies to support the Library.

The Library does not issue separate financial statements, but more information can be obtained from the Library's offices at 740 Sixteenth Avenue, East Moline, Illinois 61244.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS -

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead 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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The tax increment financing fund – The Quarter accounts for revenue and expenditures related to the development of the Quarter TIF district.

The motor fuel tax fund accounts for revenue and expenditures related to projects financed by the state gasoline tax as collected and distributed by the State of Illinois.

The City reports the following major proprietary funds:

The water plant fund accounts for the revenue and expenses related to the water plant.

The water distribution fund accounts for the revenue and expenses related to providing water service to the general public.

The sewer plant fund accounts for the revenue and expenses related to the sewer plant.

The sewer collection fund accounts for the revenue and expenses related to providing sewer service to the general public.

The drainage fund accounts for the revenue and expenses related to providing stormwater utility to the general public.

Additionally, the City reports the following fund types:

Internal service funds account for coverage of insurance for City employees and liability claims against the City and purchase/maintenance of City vehicles and equipment provided to other departments of the City on a cost reimbursement basis.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – (Continued)

The pension trust funds account for the activities of the police and firefighter's pension trust funds, which accumulate resources for pension benefit payments to qualified employees.

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 levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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.

Property taxes, miscellaneous taxes, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports unearned revenue on its financial statements. Unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – (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 waterworks and sewerage system fund and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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.

CASH AND INVESTMENTS -

Cash and Cash Equivalents -

For purposes of cash flows, the City considered all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments -

Investments are accounted for at fair value.

INTERFUND RECEIVABLES AND PAYABLES -

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds" (i.e., the non-current interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

RESTRICTED ASSETS -

Certain proceeds of the enterprise fund general obligation alternate bonds are classified as restricted assets on the balance sheet because their use is limited to certain capital projects.

CAPITAL ASSETS -

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, levees, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 assets lives are not capitalized.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – (Continued)

Property, plant, and equipment are depreciated using the straight line method over the following estimated useful lives:

Type of Asset	Life in Years
Waterworks and sewerage system	50
Buildings	50
Building improvements	20
Infrastructure	
Streets and drainage	40
Traffic signals	20
Levees	75
Equipment and vehicles	3-20

TAX INCREMENT FINANCING-

Tax increment financing (TIF) is a municipal financing “tool” that is used to renovate declining areas or redevelop blighted areas while improving the tax base of such areas. Through TIF, a municipality works hand-in-hand with private developers to rehabilitate or redevelop a designated area. Then the municipality is allowed to capture the increase in various taxes that result from a redevelopment project to pay for the public costs involved in the project. The City of East Moline has eight officially adopted TIF districts which relate to real estate taxes.

PROPERTY TAXES -

Property taxes are levied in Rock Island County in December, on the assessed valuation as of January 1. The tax levy becomes an enforceable lien against the property on January 1 of the year following the tax levy year. Property taxes levied are collected by the County and distributed to the City in installments due in June, August, September and November.

The 2014 property tax levy is recorded as a receivable. All uncollected taxes relating to prior years' levies have been written off. For governmental funds, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year-end, if any, are recorded as revenue.

The 2014 taxes are intended to finance the 2015 fiscal year and are not considered available for current operations and are, therefore, shown as deferred inflow of resources.

COMPENSATED ABSENCES -

City employees are entitled to certain compensated absences based on their length of employment. With minor exceptions, compensated absences either vest or accumulate and are accrued when they are earned.

Vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is not reported in governmental funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – (Continued)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES -

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not have items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item that qualifies for reporting in this category. The governmental funds report unavailable revenues from two sources: Property taxes and other taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

LONG-TERM OBLIGATIONS -

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

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 received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

FUND EQUITY -

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – (Continued)

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through a resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. The City Council has by resolution authorized the City Administrator and Finance Director to assign fund balance.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the City's procedure is to pay the expenditure from restricted fund balance and then from less-restrictive classifications - committed, assigned and then unassigned fund balances.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION -

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$5,908,446 difference are as follows:

Bonds payable	\$ 5,623,000
Less: Issuance discount (to be amortized as interest expense)	(22,304)
Less: Deferred charge for refunding (to be amortized as interest expense)	(31,763)
Note Payable	209,229
Accrued interest payable	74,869
Compensated absences	55,415
	\$ 5,908,446

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – (Continued)

EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES -

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "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 details of this \$726,227 difference are as follows:

Capital outlay	\$ 644,550
Depreciation expense	<u>(1,370,777)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (726,227)</u>

Another element of that reconciliation states that the "issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$1,276,297 difference are as follows:

Principal repayments:	
General obligation debt	\$ 1,204,000
Note payable	<u>72,297</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,276,297</u>

Another element of that reconciliation states that "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." The details of this \$191,262 difference are as follows:

Compensated absences	\$ 196,499
Accrued interest	8,600
Amortization of bond discounts	(4,706)
Amortization of deferred charge on refunding	<u>(9,131)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 191,262</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – LEGAL COMPLIANCE AND ACCOUNTABILITY

BUDGETARY PROCEDURES AND BUDGETARY ACCOUNTING -

Annual appropriated budgets are adopted at the department level on a basis consistent with U.S. generally accepted accounting principles. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level. All annual appropriations lapse at the end of the fiscal year.

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

All departments of the City submit requests for appropriations to the City Administrator to be used in preparing a budget. At least 45 days prior to December 31, the City Administrator submits to the governing body a proposed budget for the general, special revenue, debt service, capital projects and enterprise funds for the fiscal year commencing January 1. The budget includes proposed expenditures and transfers to other funds and the means of financing them. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. A final budget must be prepared and adopted no later than December 31.

The administrator is authorized to transfer budgeted amounts within any department; however, transfers between departments or any revisions that alter the total expenditures of any department or any fund must be approved by the governing body. The amounts reflected in the financial statements represent the original budget and the final amended budget. For some departments, the original and final budgets are the same.

The City does not have a legally adopted annual budget for the following funds:

Economic Development Fund
Port of Call Tax Increment Financing Fund

DEFICIT EQUITY BALANCES -

City funds with deficit fund balances as of December 31, 2014 are as follows:

	<u>Deficit Amount</u>
Special Revenue Funds	
Tax Increment Financing	
Great River Industrial Park	\$ 1,244,279
Gateway Industrial	230,679
Port of Call	80,080
Kennedy Drive	605,809
The Quarter	2,505,583
Debt Service Fund	349,251

The deficit fund balances in the Tax Increment Financing Funds are anticipated to be recovered through future years' tax increment. The other deficits in the above funds reflect expenditures made in advance of the collection and recognition of the deferred property tax revenue and other revenue. These deficits are not in violation of law and are not expected to be a burden on the resources of any other fund. City management intends to fund these deficits through future tax collections and the recognition of future other revenue.

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – CASH AND INVESTMENTS

Cash and investments as of December 31, 2014 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Primary Government	
Cash	\$16,907,374
Investments	2,016,758

Component Unit-Library

Cash	846,446
Investments	249,932

Fiduciary funds:

Cash	17,544,889
U.S. government agency securities	2,269,263
Mutual funds	<u>22,850,577</u>
Total cash and investments	<u>\$62,685,239</u>

Cash and investments as of December 31, 2014 consist of the following:

Cash on hand	\$ 4,778
Deposits with financial institutions	35,293,931
Investments	<u>27,386,530</u>
Total cash and investments	<u>\$ 62,685,239</u>

The investment and deposit of City monies is governed by the provisions of the Illinois Compiled Statutes and the City's investment policy. In accordance with these provisions, all City monies must be invested in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds, and the Illinois Institutional Investors Trust.

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

The Illinois Institutional Investors Trust (IIIT) is a diversified, open-end, actively managed investment trust organized under the laws of the State of Illinois, including the 1970 Constitution of the State of Illinois, the Intergovernmental Cooperation Act and the Public Funds Investment Act. The Fund was established for the purpose of allowing various public agencies including, but not limited to, counties, townships, cities, towns, villages, school districts, housing authorities and public water supply districts, to jointly invest funds in accordance with the Law of the State of Illinois. Investments in IIIT are valued at the share price, the price for which the investment could be sold.

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – (Continued)

During the twelve months ending December 31, 2014, the City complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates 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. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to maximize yields while maintaining safety of principal.

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

<u>Investment Type</u>	<u>Primary Government</u>	<u>Component Unit</u>	<u>Total Fair Value</u>	<u>Investment Maturities (in Years) Less than 1 Year</u>
Illinois Funds- investment pool	\$1,996,176	\$249,932	\$2,246,108	\$2,246,108
Illinois Institutional Investors-investment pool	<u>20,582</u>	<u>- - -</u>	<u>20,582</u>	<u>20,582</u>
Total	<u>\$2,016,758</u>	<u>\$249,932</u>	<u>\$2,266,690</u>	<u>\$2,266,690</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – (Continued)

Disclosures Relating to 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. The City limits its exposure to credit risk by investing in securities issued by agencies of the U.S. Government that are explicitly or implicitly guaranteed by the U.S. Government and investing in the Illinois Funds and the Illinois Institutional Investors Trust (IIIT) both “AAAm” rated funds. However, the investment policy is silent regarding exposure to credit risk. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization and the actual rating as of year end for each investment type.

<u>Investment Type</u>	<u>Primary Government</u>	<u>Component Unit</u>	<u>Total</u>	<u>Rating as of Year End AAAm</u>
Illinois Funds- investment pool	\$1,996,176	\$249,932	\$2,246,108	\$2,246,108
Illinois Institutional Investors- investment pool	<u>20,582</u>	<u>- - -</u>	<u>20,582</u>	<u>20,582</u>
Total	<u>\$2,016,758</u>	<u>\$249,932</u>	<u>\$2,266,690</u>	<u>\$2,266,690</u>

Concentration of Credit Risk

The City had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments or investments by reporting unit (primary government, discretely presented component unit, governmental activities, major fund, nonmajor funds in the aggregate, fiduciary funds, etc.).

Custodial Credit Risk –

Custodial credit risk – deposits. In the case of deposits, this is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City of East Moline may request collateral for any part of deposits in financial institutions when the City determines it to be in the best interests of safeguarding the funds on deposit.

As of December 31, 2014, the carrying amount of the City’s deposits including the component unit, with financial institutions totaled \$17,749,042 with the bank balances totaling \$17,719,535. Bank balances of \$17,719,535 are entirely insured or collateralized with securities held by the City or its agent in the City’s name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2014, there was no investment custodial risk for the City. The Illinois Funds and the Illinois Institutional Investors Trust are not subject to custodial credit risk.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – RECEIVABLES

Receivables as of year end, including the applicable allowance, are as follows:

	General Fund	Tax Increment Financing Fund - The Quarter	Motor Fuel Tax Fund	Water Plant Fund	Water Distribution Fund
Receivables:					
Property taxes	\$4,647,342	\$ 192,203	\$ - - -	\$ - - -	\$ - - -
Other taxes	1,278,270	- - -	- - -	- - -	- - -
Accounts	186,482	- - -	- - -	221,581	249,332
Estimated unbilled usage	- - -	- - -	- - -	100,615	96,762
State allotments	- - -	- - -	53,643	- - -	- - -
Notes and loans	- - -	- - -	- - -	- - -	- - -
Accrued interest	- - -	- - -	- - -	- - -	- - -
Grant	1,642	- - -	- - -	- - -	- - -
Other	- - -	- - -	- - -	- - -	29,473
Gross receivables	<u>\$6,113,736</u>	<u>\$ 192,203</u>	<u>\$ 53,643</u>	<u>\$ 322,196</u>	<u>\$ 375,567</u>
Less: allowance for uncollectibles	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>20,000</u>	<u>25,000</u>
Net total receivables	<u>\$6,113,736</u>	<u>\$ 192,203</u>	<u>\$ 53,643</u>	<u>\$ 302,196</u>	<u>\$ 350,567</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – (Continued)

	Sewer Plant Fund	Sewer Collection Fund	Drainage Fund	Non-Major and Other Funds	Total
Receivables:					
Property taxes	\$ - - -	\$ - - -	\$ - - -	\$ 1,402,432	\$ 6,241,977
Other taxes	- - -	- - -	- - -	121,174	1,399,444
Accounts	220,139	318,590	106,023	69,971	1,372,118
Estimated unbilled usage	101,706	127,262	35,129	25,357	486,831
State allotments	- - -	- - -	- - -	- - -	53,643
Notes and loans	- - -	311,223	- - -	61,389	372,612
Accrued interest	- - -	- - -	- - -	79,577	79,577
Grant	- - -	- - -	- - -	- - -	1,642
Other	4,612	6,717	- - -	276,919	317,721
 Gross receivables	 \$ 326,457	 \$ 763,792	 \$ 141,152	 \$ 2,036,819	 \$10,325,565
Less: allowance for uncollectibles	15,000	25,000	15,000	11,500	111,500
 Net total receivables	 <u>\$ 311,457</u>	 <u>\$ 738,792</u>	 <u>\$ 126,152</u>	 <u>\$ 2,025,319</u>	 <u>\$10,214,065</u>

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current twelve month fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

Unavailable property tax	\$ 6,098,746
Unavailable other taxes	<u>482,527</u>
Total unavailable revenue for governmental funds	<u>\$ 6,581,273</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2014:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,900,627	\$ - - -	\$ - - -	\$ 1,900,627
Construction in progress	2,489,603	337,904	2,695,921	131,586
Total capital assets, not being depreciated	\$ 4,390,230	\$ 337,904	\$ 2,695,921	\$ 2,032,213
Capital assets, being depreciated:				
Buildings	\$ 5,567,711	\$ - - -	\$ - - -	\$ 5,567,711
Improvements other than buildings	2,081,503	26,407	- - -	2,107,910
Vehicles and equipment	7,969,332	384,466	467,062	7,886,736
Infrastructure	24,565,147	2,591,694	- - -	27,156,841
Total capital assets, being depreciated	\$40,183,693	\$ 3,002,567	\$ 467,062	\$42,719,198
Less accumulated depreciation for:				
Buildings	\$ 2,181,843	\$ 157,768	\$ - - -	\$ 2,339,611
Improvements other than buildings	793,272	93,724	- - -	886,996
Vehicles and equipment	5,872,644	436,528	466,622	5,842,550
Infrastructure	9,253,660	683,524	- - -	9,937,184
Total accumulated depreciation	\$18,101,419	\$ 1,371,544	\$ 466,622	\$19,006,341
Total capital assets being depreciated, net	\$22,082,274	\$ 1,631,023	\$ 440	\$23,712,857
Governmental activities capital assets, net	\$26,472,504	\$ 1,968,927	\$ 2,696,361	\$25,745,070

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 484,013	\$ - - -	\$ - - -	\$ 484,013
Construction in progress	3,198,266	795,630	3,953,794	40,102
Total capital assets, not being depreciated	<u>\$ 3,682,279</u>	<u>\$ 795,630</u>	<u>\$ 3,953,794</u>	<u>\$ 524,115</u>
Capital assets, being depreciated:				
Waterworks, sewerage & drainage systems	\$80,296,652	\$ 5,008,350	\$ - - -	\$85,305,002
Vehicles and equipment	2,325,629	350,978	50,918	2,625,689
Total capital assets, being depreciated	<u>\$82,622,281</u>	<u>\$ 5,359,328</u>	<u>\$ 50,918</u>	<u>\$87,930,691</u>
Less accumulated depreciation for:				
Waterworks, sewerage & drainage systems	\$32,996,081	\$ 1,723,031	\$ - - -	\$34,719,112
Vehicles and equipment	1,492,675	196,808	50,918	1,638,565
Total accumulated depreciation	<u>\$34,488,756</u>	<u>\$ 1,919,839</u>	<u>\$ 50,918</u>	<u>\$36,357,677</u>
Total capital assets, being depreciated, net	<u>\$48,133,525</u>	<u>\$ 3,439,489</u>	<u>\$ - - -</u>	<u>\$51,573,014</u>
Business-type activities capital assets, net	<u>\$51,815,804</u>	<u>\$ 4,235,119</u>	<u>\$ 3,953,794</u>	<u>\$52,097,129</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – (Continued)

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:

General government	\$ 101,127
Public safety	323,792
Public works	778,607
Recreation and culture	153,284
Economic development	13,967
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	767
Total depreciation expense - governmental activities	\$ 1,371,544

Business-type activities:

Waterworks, Sewerage, and Drainage Systems	\$ 1,919,839
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NOTE 7 – LONG-TERM DEBT

As of December 31, 2014, the outstanding long-term debt of the City was as follows:

Note Payable

The City obtained a \$183,713 loan from a bank. The loan has an interest rate of 3.75% and is payable semi-annually on January 15 and July 15 through 2016. It is the intent of the City officials to service this debt from the garbage fund. The annual debt service requirements of this loan are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	3.750%	\$ 37,788	\$ 2,575	\$ 40,363
2016	3.750	39,211	1,127	40,338
Total		\$ 76,999	\$ 3,702	\$ 80,701

NOTES TO FINANCIAL STATEMENTS

NOTE 7 -- (Continued)

The City obtained a \$162,635 loan from a bank. The loan has an interest rate of 3.154% and is payable annually on August 31 through 2016. It is the intent of the City officials to service this debt from the drainage fund. The annual debt service requirements of this loan are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	3.154%	\$ 33,520	\$ 2,148	\$ 35,668
2016	3.154	34,578	1,090	35,668
Total		\$ 68,098	\$ 3,238	\$ 71,336

The City obtained a \$89,125 loan from a bank. The loan has an interest rate of 3.50% and is payable annually on July 15 through 2017. It is the intent of the City officials to service this debt from the garbage fund. The annual debt service requirements of this loan are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	3.50%	\$ 17,320	\$ 1,909	\$ 19,229
2016	3.50	17,931	1,298	19,229
2017	3.50	18,551	658	19,209
Total		\$ 53,802	\$ 3,865	\$ 57,667

The City obtained a \$97,607 loan from a bank. The loan has an interest rate of 2.60% and is payable annually on July 15 through 2018. It is the intent of the City officials to service this debt from the garbage fund. The annual debt service requirements of this loan are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	2.60%	\$ 18,874	\$ 2,067	\$ 20,941
2016	2.60	19,367	1,574	20,941
2017	2.60	19,882	1,059	20,941
2018	2.60	20,305	535	20,840
Total		\$ 78,428	\$ 5,235	\$ 83,663

NOTES TO FINANCIAL STATEMENTS

NOTE 7 -- (Continued)

General Obligation Bonds

General obligation alternate bonds totaling \$5,924,880 remain outstanding from the original issue of \$6,216,681 dated April 16, 2014. It is the intent of the City officials to service this debt from the sewer plant fund.

Principal and interest are payable semi-annually on June 7 and December 7 through 2032. The annual debt service requirements of this loan are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	1.250%	\$295,461	\$73,140	\$368,601
2016	1.250	299,165	69,436	368,601
2017	1.250	302,917	65,684	368,601
2018	1.250	306,715	61,886	368,601
2019	1.250	310,561	58,040	368,601
2020	1.250	314,455	54,146	368,601
2021	1.250	318,398	50,203	368,601
2022	1.250	322,390	46,211	368,601
2023	1.250	326,433	42,168	368,601
2024	1.250	330,526	38,075	368,601
2025	1.250	334,670	33,931	368,601
2026	1.250	338,867	29,734	368,601
2027	1.250	343,116	25,485	368,601
2028	1.250	347,418	21,183	368,601
2029	1.250	351,775	16,826	368,601
2030	1.250	356,186	12,416	368,602
2031	1.250	360,652	7,950	368,602
2032	1.250	365,175	3,427	368,602
Total		\$ 5,924,880	\$ 709,941	\$ 6,634,821

General obligation alternate refunding bonds totaling \$135,000 remain outstanding from the original issue of \$530,000 dated December 20, 2011. It is the intent of the City officials to service this debt from TIF funds.

Principal is due annually on December 1 and interest is payable semi-annually on June 1 and December 1. The annual debt service requirements on this debt are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	2.000%	\$ 135,000	\$ 2,700	\$ 137,700
Total		\$ 135,000	\$ 2,700	\$ 137,700

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

General obligation alternate refunding bonds totaling \$290,000 remain outstanding from the original issue of \$1,315,000 dated December 1, 2004. It is the intent of the City officials to service this debt from TIF funds.

Principal is due annually on December 30 and interest is payable semi-annually on June 30 and December 30. The annual debt service requirements are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	3.750%	145,000	10,875	155,875
2016	3.750	145,000	5,437	150,437
Total		\$ 290,000	\$ 16,312	\$ 306,312

General obligation refunding alternate bonds totaling \$2,045,000 remain outstanding from the original issue of \$2,460,000 dated December 20, 2011. It is the intent of the City officials to service this debt from utility taxes, Water Distribution Fund, and Sewer Collection Fund.

Principal is due annually on January 15. Interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	1.550%	\$ 210,000	\$ 47,795	\$ 257,795
2016	1.750	215,000	44,285	259,285
2017	2.000	220,000	40,205	260,205
2018	2.150	220,000	35,640	255,640
2019	2.400	225,000	30,575	255,575
2020	2.650	230,000	24,827	254,827
2021	2.800	235,000	18,490	253,490
2022	3.000	240,000	11,600	251,600
2023	3.200	250,000	4,000	254,000
Total		\$ 2,045,000	\$ 257,417	\$2,302,417

General obligation alternate bonds totaling \$795,000 remain outstanding from the original issue of \$955,000 dated December 20, 2011. It is the intent of the City officials to service this debt from TIF funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

Principal is due annually on January 15. Interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending <u>December 31</u>	Interest <u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	1.750%	\$80,000	\$ 19,600	\$ 99,600
2016	1.750	85,000	18,156	103,156
2017	2.150	85,000	16,499	101,499
2018	2.150	85,000	14,671	99,671
2019	2.650	85,000	12,631	97,631
2020	2.650	90,000	10,312	100,312
2021	3.200	90,000	7,680	97,680
2022	3.200	95,000	4,720	99,720
2023	3.200	<u>100,000</u>	<u>1,600</u>	<u>101,600</u>
Total		<u>\$ 795,000</u>	<u>\$ 105,869</u>	<u>\$ 900,869</u>

General obligation refunding alt bonds totaling \$5,055,244 net of \$120,244 unamortized premium are outstanding from the original issue of \$5,725,000 dated December 20, 2011. It is the intent of the City officials to service this debt from the Water Plant Fund, Water Distribution Fund, Sewer Plant Fund and Sewer Collection Fund.

Principal is due annually on January 15. Interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending <u>December 31</u>	Interest <u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	2.000%	\$395,000	\$147,650	\$542,650
2016	2.500	610,000	136,075	746,075
2017	2.500	620,000	120,700	740,700
2018	3.000	630,000	103,500	733,500
2019	3.000	650,000	84,300	734,300
2020	3.500	655,000	63,087	718,087
2021	3.500	675,000	39,813	714,813
2022	4.000	<u>700,000</u>	<u>14,000</u>	<u>714,000</u>
Total		<u>\$ 4,935,000</u>	<u>\$709,125</u>	<u>\$5,644,125</u>

General obligation debt certificates totaling \$464,860 remain outstanding from the original issue of \$2,500,000 dated June 23, 2009. It is the intent of the City officials to service this debt from the Drainage Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

Principal and interest are due semi-annually on March 15 and September 15. The annual debt service requirements on this debt are as follows:

For the Year Ending <u>December 31</u>	Interest <u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	3.75%	\$ 198,135	\$ 18,181	\$ 216,316
2016	3.75	207,625	8,691	216,316
2017	3.75	<u>59,100</u>	<u>1,186</u>	<u>60,286</u>
Total		<u>\$ 464,860</u>	<u>\$ 28,058</u>	<u>\$ 492,918</u>

General obligation alternate bonds totaling \$300,000 are outstanding from the original issue of \$8,000,000 dated December 19, 2007. It is the intent of the City officials to service this debt from the Water Distribution Fund and Sewer Collection Fund.

Principal is due annually on January 15, starting in the year of 2011. Interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending <u>December 31</u>	Interest <u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	3.625%	\$ 75,000	\$ 9,602	\$ 84,602
2016	3.625	110,000	6,249	116,249
2017	3.700	<u>115,000</u>	<u>2,127</u>	<u>117,127</u>
Total		<u>\$ 300,000</u>	<u>\$ 17,978</u>	<u>\$ 317,978</u>

General obligation bonds totaling \$200,000 remain outstanding from the original issue of \$1,190,000 dated December 15, 2008. It is the intent of the City officials to service this debt from park and fire funds.

Principal is due annually on December 30. Interest is due semi-annually on June 30 and December 30. The annual debt service requirements on this debt are as follows:

For the Year Ending <u>December 31</u>	Interest <u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	3.92%	\$ 200,000	\$ 7,840	\$ 207,840
Total		<u>\$ 200,000</u>	<u>\$ 7,840</u>	<u>\$ 207,840</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7 -- (Continued)

General obligation alternate refunding bonds totaling \$1,300,000 remain outstanding from the original issue of \$1,780,000 dated July 14, 2010. It is the intent of the City officials to service this debt from TIF Funds.

Principal is due annually on January 15 and interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	3.000%	\$ 150,000	\$ 41,905	\$ 191,905
2016	3.000	155,000	37,330	192,330
2017	3.050	170,000	32,412	202,412
2018	3.300	185,000	26,768	211,768
2019	3.600	195,000	20,205	215,205
2020	3.700	215,000	12,717	227,717
2021	3.800	<u>230,000</u>	<u>4,370</u>	<u>234,370</u>
Total		<u>\$ 1,300,000</u>	<u>\$ 175,707</u>	<u>\$1,475,707</u>

General obligation alternate refunding bonds totaling \$2,085,000 remain outstanding from the original issue of \$2,540,000 dated July 14, 2010. It is the intent of the City officials to service this debt from TIF funds.

Principal is due annually on January 15. Interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	3.000%	\$ 185,000	\$ 69,938	\$ 254,938
2016	3.000	205,000	64,087	269,087
2017	3.050	225,000	57,581	282,581
2018	3.300	245,000	50,108	295,108
2019	3.600	270,000	41,205	311,205
2020	3.700	290,000	30,980	320,980
2021	3.800	320,000	19,535	339,535
2022	3.900	<u>345,000</u>	<u>6,728</u>	<u>351,728</u>
Total		<u>\$ 2,085,000</u>	<u>\$ 340,162</u>	<u>\$2,425,162</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

General obligation alternate refunding bonds totaling \$2,900,825 net of \$9,175 of unamortized discount are outstanding from the original issue of \$4,435,000 dated July 14, 2010. It is the intent of the City officials to service this debt from the Water Distribution and Sewer Collection Funds.

Principal is due annually on January 15. Interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending December 31	Interest <u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	3.000%	\$ 490,000	\$ 92,170	\$ 582,170
2016	3.000	305,000	80,245	385,245
2017	3.050	320,000	70,790	390,790
2018	3.300	330,000	60,465	390,465
2019	3.600	340,000	48,900	388,900
2020	3.700	360,000	36,120	396,120
2021	3.800	375,000	22,335	397,335
2022	3.900	<u>390,000</u>	<u>7,605</u>	<u>397,605</u>
 Total		 <u>\$ 2,910,000</u>	 <u>\$ 418,630</u>	 <u>\$3,328,630</u>

General obligation alternate bonds totaling \$1,983,017 are outstanding from the original issue of \$2,397,499 dated October 31, 2011. It is the intent of the City officials to service this debt from the Water Plant Fund.

Principal is due quarterly on April 27, June 17, October 27, and December 17. Interest is due quarterly on April 27, June 17, October 27, and December 17. The annual debt service requirements on this debt are as follows:

For the Year Ending December 31	Interest <u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	1.250%	\$ 121,083	\$ 3,765	\$ 124,848
2016	1.250	121,286	3,561	124,847
2017	1.250	121,492	3,355	124,847
2018	1.250	121,700	3,147	124,847
2019	1.250	121,912	2,935	124,847
2020	1.250	122,125	2,722	124,847
2021	1.250	122,342	2,506	124,848
2022	1.250	122,561	2,287	124,848
2023	1.250	122,783	2,064	124,847
2024	1.250	123,008	1,840	124,848
2025	1.250	123,235	1,612	124,847
2026	1.250	123,466	1,382	124,848
2027	1.250	123,699	1,149	124,848
2028	1.250	123,935	912	124,847
2029	1.250	124,173	673	124,846
2030	1.250	124,416	431	124,847
2031	1.250	<u>19,801</u>	<u>185</u>	<u>19,986</u>
 Total		 <u>\$ 1,983,017</u>	 <u>\$ 34,526</u>	 <u>\$2,017,543</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

General obligation alternate bonds totaling \$7,788,421 net of \$323,421 unamortized premium are outstanding from the original issue of \$7,465,000 dated December 29, 2014. It is the intent of the City officials to service this debt from the Water Plant Fund, Water Distribution Fund, Sewer Plant Fund and Sewer Collection Fund.

Principal is due annually on January 15, starting in the year of 2016. Interest is due semi-annually on January 15 and July 15. The annual debt service requirements on this debt are as follows:

For the Year Ending December 31	Interest Rate	Principal	Interest	Total
2015	2.000%	\$ - - -	\$ 145,045	\$ 145,045
2016	2.000	5,000	266,360	271,360
2017	2.000	20,000	266,110	286,110
2018	2.000	135,000	264,560	399,560
2019	2.000	135,000	261,860	396,860
2020	2.500	140,000	258,760	398,760
2021	2.500	140,000	255,260	395,260
2022	3.000	140,000	251,410	391,410
2023	3.000	560,000	240,910	800,910
2024	3.000	580,000	223,810	803,810
2025	3.000	605,000	206,035	811,035
2026	4.000	625,000	184,460	809,460
2027	4.000	655,000	158,860	813,860
2028	4.000	680,000	132,160	812,160
2029	4.000	715,000	104,260	819,260
2030	4.000	745,000	75,060	820,060
2031	4.000	775,000	44,660	819,660
2032	3.600	<u>810,000</u>	<u>14,580</u>	<u>824,580</u>
Total		<u>\$ 7,465,000</u>	<u>\$3,354,160</u>	<u>\$10,819,160</u>

Advance Refunding

On December 29, 2014, the City issued \$7,465,000 General Obligation Alternate Revenue Refunding Bonds, Series 2014 to refund, through an advance refunding, \$7,425,000 of the General Obligation Alternate Revenue Bonds, Series 2007. As a result of the refunding, the City achieved cash flow savings of \$408,752 and an economic gain of \$471,191. The Series 2007 Bonds will be called and paid from escrow on January 15, 2016.

Net Other Postemployment Benefit Obligation

In fiscal year 2009, the City implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This pronouncement required the City to calculate and record a net other postemployment benefit obligation (NOPEBO) at April 30, 2009. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since May 1, 2008.

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

Long-term liability activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 390,000	\$ - - -	\$ (190,000)	\$ 200,000	\$ 200,000
Alternate revenue bonds	6,437,000	- - -	(1,014,000)	5,423,000	779,000
Less deferred amounts:					
For issuance discounts	(27,646)	- - -	5,202	(22,444)	- - -
For issuance premiums	636	- - -	(496)	140	- - -
On refunding bonds	<u>(40,894)</u>	<u>- - -</u>	<u>9,131</u>	<u>(31,763)</u>	<u>- - -</u>
Total bonds payable	\$ 6,759,096	\$ - - -	\$(1,190,163)	\$ 5,568,933	\$979,000
Note payable	\$ 281,525	\$ - - -	\$ (72,296)	\$ 209,229	\$ 73,982
Compensated absences	254,809	664,823	(863,952)	55,680	55,680
Net pension obligation	478,087	90,304	- - -	568,391	- - -
Net other postemployment benefit obligation	<u>5,707,481</u>	<u>1,728,801</u>	<u>- - -</u>	<u>7,436,282</u>	<u>- - -</u>
Governmental activity Long-term liabilities	<u>\$13,480,998</u>	<u>\$2,483,928</u>	<u>\$(2,126,411)</u>	<u>\$13,838,515</u>	<u>\$1,108,662</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$20,629,940	\$ 13,681,681	\$(9,101,864)	\$25,209,757	\$1,700,679
Less deferred amounts:					
For issuance discounts	(49,524)	- - -	31,627	(17,897)	- - -
For issuance premiums	146,629	323,420	(26,384)	443,665	- - -
On Refunding bonds	<u>(46,555)</u>	<u>(298,230)</u>	<u>9,277</u>	<u>(335,508)</u>	<u>- - -</u>
Total bonds payable	\$20,680,490	\$ 13,706,871	\$(9,087,344)	\$25,300,017	\$1,700,679
Note payable	\$ 6,317,275	- - -	\$(6,249,177)	\$ 68,098	\$ 33,520
Compensated absences	120,157	249,846	(325,763)	44,240	44,240
Net other postemployment benefit obligation	<u>1,677,810</u>	<u>357,068</u>	<u>- - -</u>	<u>2,034,878</u>	<u>- - -</u>
Business-type activity Long-term liabilities	<u>\$28,795,732</u>	<u>\$ 14,313,785</u>	<u>\$(15,662,284)</u>	<u>\$27,447,233</u>	<u>\$1,778,439</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$265 of internal service funds compensated absences are included in the above amounts.

Compensated absences will be paid from the General Fund, Garbage, Library and Pool Special Revenue Funds, and the Water and Sewer Funds.

The General Fund will liquidate the net other postemployment benefit obligation in future years.

Legal Debt Margin

As of December 31, 2014, the general obligation debt issued by the City did not exceed its legal debt margin as shown by the computation that follows:

Assessed valuations, real property	<u>\$254,497,321</u>
Debt limit – 8.625% of total assessed valuation	\$ 21,950,394
General obligation debt, outstanding	<u>942,187</u>
Unused legal debt capacity based on 8.625%	<u>\$ 21,008,207</u>

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2014 is as follows:

	Receivable Fund				
	General Fund	Motor Fuel Tax Fund	Nonmajor Governmental	Water Plant	Water Distribution
Payable Fund:					
General Fund	\$ ---	\$ ---	\$ 319,549	\$ ---	\$ 75,000
Tax Increment Financing Fund – The Quarter	225,953	---	160,052	---	---
Nonmajor Governmental	463,502	3,685	22,609	---	215,000
Water Plant	198,355	---	---	---	634,353
Water Distribution	3,316	---	---	1,571,485	---
Sewer Plant	---	---	---	---	246,882
Sewer Collection	<u>---</u>	<u>---</u>	<u>---</u>	<u>2,161</u>	<u>---</u>
Total	<u>\$ 891,126</u>	<u>\$ 3,685</u>	<u>\$ 502,210</u>	<u>\$1,573,646</u>	<u>\$ 1,171,235</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – (Continued)

	Receivable Fund				Total
	Sewer Plant	Sewer Collection	Nonmajor Enterprise	Internal Service Fund	
Payable Fund:					
General	\$ - - -	\$ - - -	\$ - - -	\$ - - -	\$ 394,549
Tax Increment Financing Fund - The Quarter	- - -	250,000	360,000	- - -	996,005
Nonmajor Governmental	- - -	200,000	- - -	2,000	906,796
Water Plant	933,287	- - -	- - -	- - -	1,765,995
Water Distribution	- - -	- - -	- - -	- - -	1,574,801
Sewer Plant	- - -	332,162	- - -	- - -	579,044
Sewer Collection	<u>937,971</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>940,132</u>
Total	<u>\$1,871,258</u>	<u>\$ 782,162</u>	<u>\$ 360,000</u>	<u>\$ 2,000</u>	<u>\$ 7,157,322</u>

Interfund balances are the result of loans between funds to cover cash shortages.

Interfund transfers:

	Transfer Out			
	General	Nonmajor Governmental	Water Distribution	Sewer Plant
Transfer In:				
General	\$ - - -	\$ 40,000	\$ 45,000	\$ 85,703
Motor Fuel Tax	- - -	- - -	30,919	- - -
Nonmajor Governmental	165,595	70,000	- - -	- - -
Water Plant	- - -	- - -	60,243	- - -
Water Distribution	184,170	- - -	- - -	- - -
Sewer Collection	258,537	- - -	- - -	- - -
Drainage	23,659	- - -	- - -	- - -
Internal Service	<u>324,612</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Total	<u>\$956,573</u>	<u>\$ 110,000</u>	<u>\$ 136,162</u>	<u>\$ 85,703</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8 -- (Continued)

	Transfer Out	
	Drainage	Total
Transfer In:		
General	\$ 45,000	\$ 215,703
Motor Fuel Tax	- - -	30,919
Nonmajor Governmental	- - -	235,595
Water Plant	- - -	60,243
Water Distribution	- - -	184,170
Sewer Collection	- - -	258,537
Drainage	- - -	23,659
Internal Service	- - -	324,612
Total	\$ 45,000	\$ 1,333,438

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9 -- RETIREMENT FUND COMMITMENTS

ILLINOIS MUNICIPAL RETIREMENT -

Plan Description

The City's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The City 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. That report may be obtained on-line at www.imrf.org.

Funding Policy

As set by statute, the City 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 annual required contribution rate for calendar year 2014 was 12.16 percent. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost

The required contribution for calendar year 2014 was \$672,458.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Three-Year Trend Information for the Regular Plan

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/14	\$ 672,458	100%	\$ - - -
12/31/13	667,080	100%	- - -
04/30/13	645,841	100%	- - -

The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012 included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the City Regular 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% corridor between the actuarial and market value of assets. The City Regular plan's unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 84.97 percent funded. The actuarial accrued liability for benefits was \$18,593,121 and the actuarial value of assets was \$15,799,466, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,793,655. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$5,530,079 and the ratio of the UAAL to the covered payroll was 51 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.

DEFINED BENEFIT SINGLE-EMPLOYER PENSION PLANS

POLICE PENSION PLAN DESCRIPTIONS AND PROVISIONS -

Plan Administration

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The Police Pension Plan does not have a separately issued report.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

The Plan is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary, and two elected police employees constitute the pension board.

Plan Membership -

At December 31, 2014, the measurement date, the Police Pension Plan membership consisted of the following:

Inactive plan members currently receiving benefits	39
Inactive plan members entitled to but not receiving benefits	7
Employees	
Vested	28
Nonvested	10
Total	<u>84</u>

Benefits Provided -

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the 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 annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited services may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with ten 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 police officer 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. Police salary for the pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. $\frac{1}{2}$ % for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% of $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Contributions -

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year-ended December 31, 2014, the City's contribution was 30.2% of covered payroll.

Investment Policy -

Statutes and the Police Pension Fund's investment policy authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), interest bearing funds or pooled accounts of the Illinois Metropolitan Investment Funds, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase.

In addition to the above, a pension fund established under Article 3 or 4 that has Net Position of at least \$5,000,000 and has appointed an investment adviser under Section 1-113.5 of the Illinois Pension Code, may through that investment adviser, invest a portion of its assets in common and preferred stocks authorized for investments of trust funds under the laws of the state of Illinois.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	49%	1.50%
International equities	10%	5.50%
Domestic equities	40%	6.00%
Cash and cash equivalents	1%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in mutual funds, separate account of an insurance company, or separate accounts of a money manager to 55%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return for the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in July of 2014 and presented to the Trustees at that time. The best estimate ranges of the future rates of return were developed for each major asset class and combined to produce a long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. After adjusting for inflation, the best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2014 are listed in the table above.

Investment Valuations

All investments in the Plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at December 31 for debt securities, equity securities and mutual funds, and contract values for insurance contracts.

Investment Concentrations

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.0% or more of the Fund's investments, other than the mutual fund holdings as follows:

Equity Mutual Funds	Fair Value
Dodge and Cox Stock Fund	\$2,705,348
Harbor International Fund	2,085,597
Vanguard Value Index ADM #506	2,648,538

Investment Rate of Return -

For the year ended December 31, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.06%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 -- (Continued)

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk -

Deposits. At year-end the carrying amount of the Pension Fund's deposits totaled \$7,207,058 and the bank balance totaled \$7,097,861.

Investments. At year-end the Pension Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1 - 5
U.S. Treasury bonds	\$ 2,256,157	\$ - - -	\$2,256,157
U.S. government agency securities	1,320	- - -	1,320
Mutual funds	10,285,332	10,285,332	- - -
Total	\$12,542,809	\$10,285,332	\$2,257,477

The Pension Fund assumes any callable securities will not be called.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Pension Fund's investment policy, the Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government and investment grade corporate bonds rated A or higher. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension code. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization and the actual rating as of year end for each investment type.

Investment Type	Fair Value	Exempt from Disclosure	Rating as of Year End
			AAA
U.S. Treasury bonds	\$ 2,256,157	\$ 2,256,157	\$ - - -
U.S. government agency securities	1,320	- - -	1,320
Mutual funds	10,285,332	10,285,332	- - -
Total	\$12,542,809	\$12,541,489	\$1,320

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Pension Fund's deposits may not be returned to it. At December 31, 2014, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy requires that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. The Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Pension Fund, to act as custodian for its securities.

Net Pension Liability -

The components of the net pension liability of the City as of December 31, 2014 were as follows:

Total pension liability	\$25,845,468
Plan fiduciary net position	<u>19,925,293</u>
City's net pension liability	<u>\$ 5,920,175</u>
Plan fiduciary net position as a percentage of the total pension liability	77.09%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the required supplementary information for additional information related to the funded status of the Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Actuarial Assumptions -

The total pension liability was determined by an actuarial valuation performed as of December 31, 2014 using the following actuarial methods and assumptions:

Actuarial Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5 year smoothed market, no corridor
Actuarial Assumptions	
Interest Rate	7.0%
Salary Increases	Graded rates from 4.86% at age 25 to 1.12% at age 55
Cost of Living Adjustments	2.0%
Inflation	2.0%

Mortality

Active Lives - RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment project by Scale BB to 2015.

Disabled Lives - RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015 with a 150% load for participants under age 50.

Discount Rate -

The discount rate used to measure the total pension liability was 7.0%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Discount Rate Sensitivity -

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.0% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability	\$9,014,320	\$5,920,175	\$2,041,431

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.

FIREFIGHTERS' PENSION PLAN DESCRIPTIONS AND PROVISIONS -

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The Firefighters' Pension Plan does not have a separately issued report.

The Plan is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary, and two elected fire employees constitute the pension board.

Plan Membership -

At December 31, 2014, the measurement date, the Firefighters' Pension Plan membership consisted of the following:

Inactive plan members currently receiving benefits	37
Inactive plan members entitled to but not receiving benefits	2
Employees	
Vested	27
Nonvested	8
Total	74

Benefits Provided -

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

The Firefighters' Pension Plan provides retirement 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 ten 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.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with then 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 ten 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. Noncompounding 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.

Contributions -

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. For the year-ended December 31, 2014, the City's contribution was 27.8% of covered payroll.

Investment Policy -

Statutes and the Firefighters' Pension Fund investment policy authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), interest bearing funds or pooled accounts of the Illinois Metropolitan Investment Funds, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase.

In addition to the above, a pension fund established under Article 3 or 4 that has Net Position of at least \$5,000,000 and has appointed an investment adviser under Section 1-113.5 of the Illinois Pension Code, may through that investment adviser, invest a portion of its assets in common and preferred stocks authorized for investments of trust funds under the laws of the state of Illinois.

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	49%	1.50%
International equities	10%	5.50%
Domestic equities	40%	6.00%
Cash and cash equivalents	1%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in mutual funds, separate account of an insurance company, or separate accounts of a money manager to 55%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return for the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in July of 2014 and presented to the Trustees at that time. The best estimate ranges of the future rates of return were developed for each major asset class and combined to produce a long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. After adjusting for inflation, the best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2014 are listed in the table above.

Investment Valuations

All investments in the Plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at December 31 for debt securities, equity securities and mutual funds, and contract values for insurance contracts.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Investment Concentrations

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.0% or more of the Fund's investments, other than the mutual fund holdings as follows:

Equity Mutual Funds	Fair Value
Aston Fairpointe M/C Fund	\$1,277,059
Dodge & Cox Stock Fund	2,318,448
Harbor International Fund	1,219,133
Vanguard 500 Index ADM SHS	1,513,290
Vanguard Extended MKT Index ADM #598	1,169,298
Vanguard International Value #46	1,218,264
Vanguard Value Index ADM #506	2,348,704

Investment Rate of Return -

For the year ended December 31, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk -

Deposits. At year-end the carrying amount of the Pension Fund's deposits totaled \$10,337,831 and the bank balance totaled \$10,337,831.

Investments. At year-end the Pension Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	More than 10
U.S. government agency securities	\$ 11,786	\$ 582	\$3,223	\$2,911	\$5,070
Mutual funds	12,565,245	12,565,245	---	---	---
Total	\$12,577,031	\$12,565,827	\$3,223	\$2,911	\$5,070

The Pension Fund assumes any callable securities will not be called.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Pension Fund's investment policy, the Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government and investment grade corporate bonds rated A or higher. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension code. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization and the actual rating as of year end for each investment type.

Investment Type	Fair Value	Exempt from Disclosure	Rating as of Year End
U.S. government agency securities	\$ 11,786	\$ - - -	AAA
Mutual funds	12,565,245	12,565,245	- - -
 Total	<u>\$12,577,031</u>	<u>\$12,565,245</u>	<u>\$11,786</u>

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Pension Fund's deposits may not be returned to it. At December 31, 2014, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy requires that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. The Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Pension Fund, to act as custodian for its securities.

Net Pension Liability -

The components of the net pension liability of the City as of December 31, 2014 were as follows:

Total pension liability	\$27,061,981
Plan fiduciary net position	<u>23,014,295</u>
City's net pension liability	<u>\$ 4,047,686</u>
 Plan fiduciary net position as a percentage of the total pension liability	85.04%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the required supplementary information for additional information related to the funded status of the Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Actuarial Assumptions -

The total pension liability was determined by an actuarial valuation performed as of December 31, 2014 using the following actuarial methods and assumptions:

Actuarial Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5 year smoothed market, no corridor
Actuarial Assumptions	
Interest Rate	7.0%
Salary Increases	Graded rates from 4.86% at age 25 to 1.12% at age 55
Cost of Living Adjustments	2.0%
Inflation	2.0%

Mortality

Active Lives - RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment project by Scale BB to 2015.

Disabled Lives - RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015 with a 150% load for participants under age 50.

Discount Rate -

The discount rate used to measure the total pension liability was 7.0%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Discount Rate Sensitivity -

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.0% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net Pension Liability	\$7,290,908	\$4,047,686	\$1,330,395

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.

Basis of Plan Accounting -

The plans are reported using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Amounts recognized as receivables should include those due pursuant to formal commitments as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Annual Pension Costs -

Employer contributions have been determined as follows:

	Police Pension	Firefighters' Pension
Actuarial Valuation Date	January 1, 2014	January 1, 2014
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Asset Valuation Method	Market	Market
Amortization Method	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization Period	30 years	30 years

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Significant Actuarial Assumptions:

a.	Rate of return on investment of present and future assets	7.00% compounded annually	7.00% compounded annually
b.	Projected salary increases - attributable to inflation	5.50% compounded annually	5.50% compounded annually
c.	Additional projected salary increases - attributable to seniority/merit	Not available	Not available

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	For Fiscal Year	Police Pension	Fire- fighters' Pension
Annual Pension Cost (APC)	4/30/13	\$769,604	\$701,360
	12/31/13	556,008	508,710
	12/31/14	863,995	688,458
Actual Contribution	4/30/13	836,859	960,775
	12/31/13	542,526	489,866
	12/31/14	782,786	679,363
Percentage of APC Contributed	4/30/13	108.7%	137.0%
	12/31/13	97.6%	96.3%
	12/31/14	90.6%	98.7%
NPO	4/30/13	211,180	234,581
	12/31/13	224,662	253,425
	12/31/14	305,871	262,520

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

The net pension obligation (asset) has been calculated as follows:

	Police Pension	Fire- fighters' Pension
Annual required contributions	\$ 862,921	\$ 687,478
Interest on net pension obligation	15,726	17,740
Adjustment to annual required contribution	(14,652)	(16,760)
Annual pension cost	\$ 863,995	\$ 688,458
Contributions made	782,786	679,363
Increase (decrease) in net pension obligation	\$ 81,209	\$ 9,095
Net pension obligation, beginning of year	224,662	253,425
Net pension obligation, end of year	\$ 305,871	\$ 262,520

Costs to administer the plans are financed through contributions to the plans.

Funded Status -

The funded status of the plans as of December 31, 2014, based on actuarial valuations performed as of the same date, is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in the Annual Pension Cost portion of the note.

	Police Pension	Firefighters' Pension
Actuarial Accrued Liability (AAL)	\$25,845,468	\$27,061,981
Actuarial Value of Plan Assets	19,925,293	23,014,295
Unfunded Actuarial Accrued Liability (UAAL)	\$ 5,920,175	\$ 4,047,686
Funded Ratio (Actuarial Value of Plan Assets/AAL)	77.09%	85.04%
Covered Payroll (Active Plan Members)	\$ 2,594,594	\$ 2,445,148
UAAL as a Percentage of Covered Payroll	228.17%	165.54%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents additional information related to the funded status of the plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care 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 does not issue a stand-alone financial report.

Benefits Provided

The City provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. In order to qualify, an employee must meet both age and years of service requirements.

All health care benefits are provided through the City's self-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; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. The City provides \$4,000 of life insurance coverage at no cost.

Membership

At December 31, 2014, membership consisted of:

Retirees and beneficiaries currently receiving benefits	126
Terminated employees entitled to benefits but not yet receiving them	3
Active employees	<u>144</u>
Total	<u>273</u>
Participating employers	<u>1</u>

Funding Policy

The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. Retirees contribute between \$200 per year to 18.5% of the actuarially determined premium to the plan and the City contributes the remainder to cover the cost of providing the benefits to the retirees via the self-insured plan (pay as you go). Since the City is self-insured, this amount fluctuates on an annual basis.

NOTES TO FINANCIAL STATEMENTS

NOTE 11 – (Continued)

Annual OPEB Costs and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actuarially contributed to the plan and changes in the City's annual OPEB obligation:

Annual required contribution	\$ 3,695,779
Interest on net OPEB obligation	332,338
Adjustment to annual required obligation	<u>(433,870)</u>
 Annual OPEB cost	 \$ 3,594,247
Contributions made	<u>1,508,378</u>
 Increase in net OPEB obligation	 \$ 2,085,869
Net OPEB obligation, beginning of year	<u>7,385,291</u>
 Net OPEB obligation, end of year	 <u>\$ 9,471,160</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligations for 2014 are as follows in the table below. 2009 was the transition year of GASB Statement No 45.

Fiscal Year <u>Ended</u>	Annual OPEB <u>Cost</u>	Percentage of Annual OPEB Cost <u>Contributed</u>	Net OPEB Obligation <u>(Asset)</u>
04/30/13	\$ 2,329,310	47.80%	\$ 5,898,049
12/31/13	\$ 2,409,797	38.28%	\$ 7,385,291
12/31/14	\$ 3,594,247	41.97%	\$ 9,471,160

Funded status and funding progress. The funded status of the plan as of December 31, 2014, was as follows:

Actuarial accrued liability (AAL)	\$ 47,589,396
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	\$ 47,589,396
Funded ratio (Actuarial value of plan assets/AAL)	0%
Covered payroll (Active plan members)	\$ 9,079,239
UAAL as a percentage of covered payroll	524.16%

NOTES TO FINANCIAL STATEMENTS

NOTE 11 – (Continued)

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 ARCs 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 financial statements, presents multi-year 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 and 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 December 31, 2014 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included 4.5% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 9.0% reduced to an ultimate healthcare cost trend rate of 5.0% after five years. Both rates include a 2.5% inflation assumption. The actuarial value of assets was \$-0-. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis. The remaining amortization period at December 31, 2014 was 29 years.

NOTE 12 – CONTINGENT LIABILITIES

Grants -

Amounts received or receivable from grantor 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.

TIF Reimbursable Expenditures to REDEEM -

The City has a potential payable to Revitalize and Develop East Moline, Inc. (REDEEM) for a portion of The Quarter development and a portion of the GRIP development totaling \$720,500. REDEEM has incurred these TIF reimbursable expenditures as of December 31, 2014. Future tax increments will be used to pay off TIF reimbursable expenditures. The City is not liable for the REDEEM TIF reimbursable expenditures as of December 31, 2014 due to the contract stipulations between REDEEM and the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 12 – (Continued)

Claims -

The City records liabilities resulting from claims when they become probable and reasonably estimable. There are several personal injury and workers compensation lawsuits pending against the City. A liability has been recorded in the Insurance Reserve Fund for certain of these claims. The City Attorney estimates that the remaining claims against the City, not covered by insurance, resulting from such litigation would not materially affect the financial statements of the City.

Tax Increment Agreement -

The City entered into a non-interest bearing promissory note agreement of \$1,800,000 dated October 31, 1995 with a developer, to reimburse the developer for interest cost incurred by the developer relating to the construction, renovation or rehabilitation of the redevelopment project (North Hill TIF). The agreement required the City to pay \$116,488 for the year ending December 31, 2014. This agreement is a limited obligation payable solely from the tax increment generated by the TIF Project Area over and above that necessary to pay all principal and interest due on the City Alternate Bonds. The total amount paid to date, as of December 31, 2014, was \$1,800,000.

Litigation -

Several lawsuits and claims, arising in the normal course of City operations, were pending at December 31, 2014. In the opinion of the City Attorney, there are adequate legal defenses to these actions, and it is not anticipated that there will be any adverse material effect on the financial position of the City.

NOTE 13 – 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 government employees, permit them to defer a portion of their salary into future years. Participation in the plan is optional. Investments are managed by the plan's trustees under various investment options, or combinations thereof, the choice of which is made by the participants. The assets of the deferred compensation plan are held in trust for the benefit of the employees. Accordingly, the assets are not reported in these financial statements. The City has no liability for losses under the plan.

NOTE 14 – INDUSTRIAL REVENUE BONDS

The City has participated in certain industrial revenue bond issues. Under the terms of the issues and the Illinois State Statutes, the bonds are not to be considered direct or contingent liabilities of the City. Property purchased with the bond proceeds are pledged as collateral for the total payment of the bonds and the bondholders can look only to these sources for repayment. The outstanding balance of industrial revenue bonds as of December 31, 2014 is \$1,120,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 15 – RISK MANAGEMENT

The City has established two self-insurance funds (internal service funds) to meet potential losses from general and auto liability, workers' compensation, property and casualty claims, and medical and other risks. The City carries stop-loss medical coverage of approximately \$75,000 per individual. All claim procedures are performed by an independent claims administrator. There have been no reductions in coverages or payments in excess of coverages in the past three years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs, and other economic and social factors. Changes in the balances of claims payable during the eight months ended December 31, 2013 and twelve months ended December 31, 2014, respectively, are as follows:

	<u>Health Insurance</u>		<u>Liability Insurance</u>	
	<u>12/31/2013</u>	<u>12/31/2014</u>	<u>12/31/2013</u>	<u>12/31/2014</u>
Unpaid claims, beginning of year	\$ 201,000	\$ 167,000	\$ 294,693	\$ 141,177
Incurred claims (including IBNRs)	1,400,476	2,502,928	88,443	353,449
Claim payments	<u>(1,434,476)</u>	<u>(2,462,928)</u>	<u>(241,959)</u>	<u>(299,489)</u>
Unpaid claims, end of year	<u>\$ 167,000</u>	<u>\$ 207,000</u>	<u>\$ 141,177</u>	<u>\$ 195,137</u>

Based on experience, \$43,869 of the claims payable as of December 31, 2014 is considered current and due within one year.

NOTE 16 – LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site. The facility was certified closed by the Illinois Environmental Protection Agency March 12, 2002. The minimum three-year post-closure care period began June 1, 2001.

By correspondence from the Illinois Environmental Protection Agency dated May 22, 2003, the City was informed that they were not in compliance with all the conditions of the supplemental permit for closure. The area of noncompliance relates to leaching of contaminants from the landfill onto the adjacent property to the south. To prevent this leaching, the IEPA required that a Leachate Collection System be installed which was completed in 2007. The City continues to collect the leachate and pump the collection tank on a regular basis. Monitoring wells also continue to be monitored by the City and the data provided to the IEPA as required.

NOTES TO FINANCIAL STATEMENTS

NOTE 16 – (Continued)

Tests from the monitoring wells indicated that despite ongoing mitigation efforts of the leachate collection system, unacceptable levels of contaminants from the old landfill are still getting into the ground water table. In correspondence dated July 9, 2013, IEPA denied East Moline’s Supplemental Permit for post-closure care and remedial activities as they were deemed to be non-compliant. With the help of a consultant, the city subsequently prepared and received approval for additional corrective action to consist of verifying the integrity of the leachate collection pipes and evaluating alternate designs to capture additional leachate. The City is continuing to perform regular pumping and testing of the leachate and testing of monitoring well samples, and additional remediation measures will likely be necessary to meet IEPA regulatory requirements in the next few years.

The City’s financial statements do not include a contingent liability for possible fines or any remedial costs should the system prove to be noncompliant.

NOTE 17 – DISCRETELY PRESENTED COMPONENT UNIT

Library Fund

Capital asset activity for the Library for the year ended December 31, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Books	\$ 553,328	\$ 62,231	\$ - - -	\$ 615,559
Less accumulated depreciation for:				
Books	<u>273,632</u>	<u>81,292</u>	<u>- - -</u>	<u>354,924</u>
Library capital assets, net	<u>\$ 279,696</u>	<u>\$ (19,061)</u>	<u>\$ - - -</u>	<u>\$ 260,635</u>

Depreciation expense charged to the Library component unit was \$81,292.

Receivables as of December 31, 2014 for the Library are as follows:

Property taxes	\$ 549,446
Accounts	<u>9,005</u>
Total receivables	<u>\$ 558,451</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 18 – FUND BALANCES

In fiscal year 2012, the City adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The classifications of fund balances as of December 31, 2014 by opinion unit are as follows:

Fund Balance	General	Tax Increment Financing-The Quarter	Motor Fuel Tax	Nonmajor Governmental	Total
Non-spendable:					
Advances	\$ 891,126	\$ - - -	\$ 3,685	\$ 502,210	\$ 1,397,021
Restricted:					
Tax Increment					
Financing Districts	\$ - - -	\$ - - -	\$ - - -	\$1,104,074	\$ 1,104,074
Special Service Area	- - -	- - -	- - -	195,125	195,125
Public Benefit	103,934	- - -	- - -	- - -	103,934
Audit	18,463	- - -	- - -	- - -	18,463
Culture/Recreation	5,437	- - -	- - -	- - -	5,437
Road Repairs	174,639	- - -	1,824,143	543,294	2,542,076
Public Safety					
Emergency Service	35,218	- - -	- - -	- - -	35,218
Foreign Fire	36,882	- - -	- - -	- - -	36,882
Drug Seizure	151,766	- - -	- - -	- - -	151,766
Tort and Judgment	10,350	- - -	- - -	- - -	10,350
IMRF Expenses	114,845	- - -	- - -	- - -	114,845
FICA Expenses	192,816	- - -	- - -	- - -	192,816
Total Restricted	\$ 844,350	\$ - - -	\$ 1,824,143	\$ 1,842,493	\$ 4,510,986
Committed:	\$ - - -	\$ - - -	\$ - - -	\$ - - -	\$ - - -
Assigned:					
Refuse	\$ - - -	\$ - - -	\$ - - -	\$ 523,403	\$ 523,403
Culture/Recreation	306,286	- - -	- - -	34,037	340,323
Capital Improvements & Equipment	1,081,206	- - -	- - -	41,481	1,122,687
Public Safety					
Crossing Guard	22,413	- - -	- - -	- - -	22,413
Landfill closure	979,194	- - -	- - -	- - -	979,194
Fire	130,082	- - -	- - -	- - -	130,082
Sick Leave	24,947	- - -	- - -	- - -	24,947
OPEB	593,215	- - -	- - -	- - -	593,215
Total Assigned	\$3,137,343	\$ - - -	\$ - - -	\$ 598,921	\$ 3,736,264
Unassigned:	\$2,876,320	(\$2,505,583)	\$ - - -	(\$2,847,096)	(\$ 2,476,359)
Total Fund Balances	\$7,749,139	(\$2,505,583)	\$ 1,827,828	\$ 96,528	\$ 7,167,912

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by GASB but are not considered a part of the basic financial statements. Such information includes:

Budgetary Comparison Schedules for the following:

General Fund

Tax Increment Financing Fund – The Quarter

Motor Fuel Tax Fund

Notes to the Required Supplementary Information

Schedules of Funding Progress – Pension and Other Post Employment Benefit Plans

Schedules of Employer Contributions – Pension and Other Post Employment Benefit Plans

Schedules of Changes in Employer's Net Pension Liability and Related Ratios

Schedule of Investment Returns

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Taxes:			
Property	\$ 4,468,709	\$ 4,455,581	\$ (13,128)
Utility	1,440,000	1,684,777	244,777
Admissions	2,000	3,326	1,326
Licenses and permits	190,850	200,713	9,863
Charges for services and rents	384,600	437,990	53,390
Investment income	6,630	8,546	1,916
Intergovernmental	5,688,141	5,935,943	247,802
Landfill host fees	110,400	175,134	64,734
Fines	255,500	234,331	(21,169)
Grant	30,900	38,367	7,467
Special assessments	-	286	286
Miscellaneous	54,475	110,024	55,549
	<u>\$ 12,632,205</u>	<u>\$ 13,285,018</u>	<u>\$ 652,813</u>
EXPENDITURES			
Current			
General Government:			
Administration:			
Salaries	\$ 93,550	\$ 94,028	\$ (478)
Office	31,850	29,362	2,488
Audit	36,000	36,000	-
Printing and advertising	3,850	4,883	(1,033)
Insurance	28,105	18,106	9,999
Equipment rent and repairs	16,000	45,453	(29,453)
Dues and subscriptions	37,600	40,437	(2,837)
Professional services	8,200	14,361	(6,161)
Miscellaneous	5,700	6,787	(1,087)
FICA	12,457	12,620	(163)
IMRF	12,867	15,637	(2,770)
Executive and legislative:			
Salaries	53,200	52,808	392
Office	2,000	1,924	76
Printing and advertising	500	-	500
Insurance	6,035	6,035	-
Dues and subscriptions	900	808	92
Miscellaneous	11,100	7,547	3,553
Building and grounds:			
Office	16,550	15,472	1,078
Insurance	6,035	6,035	-
Repairs and maintenance	91,000	24,062	66,938
Professional services	50,000	570	49,430
Utilities	31,000	32,539	(1,539)
	<u>\$ 554,499</u>	<u>\$ 465,474</u>	<u>\$ 89,025</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

EXPENDITURES (continued)	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Public Safety:			
Health:			
Salaries	\$ 67,900	\$ 66,886	\$ 1,014
Office	6,550	2,826	3,724
Insurance	12,070	12,070	-
Vehicle maintenance	3,730	3,730	-
Dues and subscriptions	800	713	87
Professional services	307,200	100,283	206,917
Miscellaneous	12,350	5,056	7,294
Legal:			
Salaries	-	-	-
Office	-	-	-
Insurance	6,035	6,035	-
Professional services	190,000	245,647	(55,647)
Special projects	-	3,825	(3,825)
Miscellaneous	100	-	100
FICA	3,055	3,095	(40)
IMRF	3,156	3,836	(680)
Crossing Guard	47,000	47,859	(859)
Emergency Services	5,000	13,331	(8,331)
Police Protection:			
Salaries	2,837,000	2,856,524	(19,524)
Office	106,850	91,918	14,932
Radio User Fees	18,000	20,111	(2,111)
Center Station	519,010	540,814	(21,804)
Insurance	464,695	464,695	-
Equipment rent and repairs	44,000	99,149	(55,149)
Dues and subscriptions	3,000	5,864	(2,864)
Training	12,000	21,044	(9,044)
Vehicle maintenance	77,625	77,625	-
Grant expenditures	6,000	8,496	(2,496)
Municipies & CORA	28,000	45,300	(17,300)
Records Management	28,000	29,312	(1,312)
Pension	782,786	782,786	-
Miscellaneous	8,000	16,413	(8,413)
Police and Fire Commission:			
Dues and subscriptions	400	375	25
Miscellaneous	1,000	1,959	(959)
Special projects	-	-	-

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

EXPENDITURES (continued)	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Fire Protection:			
Salaries	\$ 2,644,255	\$ 2,649,323	\$ (5,068)
Office	36,400	25,438	10,962
Training	15,000	15,104	(104)
Radio User Fees	9,000	10,222	(1,222)
Insurance	434,520	434,520	-
Equipment rent and repairs	76,000	64,852	11,148
Dues and subscriptions	3,500	3,876	(376)
Vehicle maintenance	29,220	29,220	-
Utilities	18,000	14,810	3,190
Pension	679,364	679,364	-
Miscellaneous	53,000	47,387	5,613
Total public safety	<u>\$ 9,599,571</u>	<u>\$ 9,551,693</u>	<u>\$ 47,878</u>
Public Works:			
Administration:			
Salaries	\$ 108,850	\$ 113,054	\$ (4,204)
Insurance	12,070	12,071	(1)
Vehicle maintenance	3,730	3,730	-
Office	13,850	13,560	290
Dues and subscriptions	2,200	2,545	(345)
Professional services	1,000	720	280
Inspection:			
Salaries	54,500	54,668	(168)
Office	8,000	7,361	639
Vehicle maintenance	7,460	7,460	-
Insurance	18,105	18,105	-
Dues and subscriptions	1,000	593	407
Light:			
Repairs	30,000	35,375	(5,375)
Traffic Lighting	-	9,259	(9,259)
Street Lighting	240,800	243,485	(2,685)
Street & Bridge:			
Salaries	189,320	212,285	(22,965)
Office	17,750	13,999	3,751
Insurance	66,385	66,386	(1)
Vehicle Maintenance	86,910	86,910	-
Professional Services	10,000	3,652	6,348
Repairs	116,200	85,228	30,972
Miscellaneous	-	2,287	(2,287)
Utilities	45,000	37,575	7,425
Salt	90,000	128,185	(38,185)

(Continued)

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
EXPENDITURES (continued)			
Public benefit and comfort	\$ 125	\$ 35	\$ 90
Engineering:			
Salaries	31,000	31,094	(94)
Office	6,350	4,179	2,171
Insurance	10,560	10,562	(2)
Dues and Subscriptions	300	176	124
Vehicle maintenance	3,730	3,730	-
Professional services	500	163	337
FICA	29,849	30,239	(390)
IMRF	30,831	37,471	(6,640)
Total public works	<u>\$ 1,236,375</u>	<u>\$ 1,276,142</u>	<u>\$ (39,767)</u>
Recreation & Culture			
Fireworks	\$ 10,000	\$ 10,711	\$ (711)
Salaries	178,800	178,920	(120)
Office	2,800	2,203	597
Insurance	18,105	18,105	-
Utilities	20,000	23,454	(3,454)
Vehicle maintenance	46,555	46,555	-
Repairs and maintenance	50,300	14,043	36,257
Tourism	3,000	3,000	-
Fiberoptics	83,000	65,540	17,460
Sponsorship	5,000	-	5,000
Miscellaneous	6,100	6,331	(231)
FICA	31,025	31,430	(405)
IMRF	32,045	38,946	(6,901)
Total recreation and culture	<u>\$ 486,730</u>	<u>\$ 439,238</u>	<u>\$ 47,492</u>
Economic Development:			
Office	\$ 2,300	\$ 1,848	\$ 452
Insurance	6,035	6,035	-
Developer rebate	56,000	53,896	2,104
Total economic development	<u>\$ 64,335</u>	<u>\$ 61,779</u>	<u>\$ 2,556</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2014

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Capital expenditures	\$ 255,200	\$ 232,241	\$ 22,959
Debt Service:			
Principal	4,230	-	4,230
Interest	110	153	(43)
	<u>12,201,050</u>	<u>12,026,720</u>	<u>174,330</u>
Total expenditures	\$	\$	\$
Excess of revenues over expenditures	<u>431,155</u>	<u>1,258,298</u>	<u>827,143</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	\$ -	\$ 13,217	\$ 13,217
Transfers in	10,000	215,703	205,703
Transfers out	(786,110)	(956,573)	(170,463)
	<u>(776,110)</u>	<u>(727,653)</u>	<u>48,457</u>
Total other financing uses	\$	\$	\$
Net change in fund balance	<u>(344,955)</u>	\$ 530,645	<u>875,600</u>
FUND BALANCE – Beginning		<u>7,218,494</u>	
FUND BALANCE – Ending		<u>\$ 7,749,139</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND - THE QUARTER
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 185,000	\$ 184,460	\$ (540)
EXPENDITURES			
Current:			
Economic development	\$ 91,500	\$ 88,078	\$ 3,422
Debt service:			
Principal	215,000	215,000	-
Interest	66,645	66,643	2
Total expenditures	<u>\$ 373,145</u>	<u>\$ 369,721</u>	<u>\$ 3,424</u>
Deficiency of revenues under expenditures	<u>\$ (188,145)</u>	\$ (185,261)	<u>\$ 2,884</u>
FUND BALANCE – Beginning		<u>(2,320,322)</u>	
FUND BALANCE – Ending		<u>\$ (2,505,583)</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Intergovernmental	\$ 513,000	\$ 713,847	\$ 200,847
Investment income	1,625	2,611	986
Grant	-	163,077	163,077
	<u>\$ 514,625</u>	<u>\$ 879,535</u>	<u>\$ 364,910</u>
EXPENDITURES			
Current, public works	\$ 1,615,000	\$ 1,144,990	\$ 470,010
Capital expenditures	-	250,705	(250,705)
Debt service:			
Principal	239,465	270,000	(30,535)
Interest	2,995	3,375	(380)
	<u>\$ 1,857,460</u>	<u>\$ 1,669,070</u>	<u>\$ 188,390</u>
Deficiency of revenues under expenditures	\$ (1,342,835)	\$ (789,535)	\$ 553,300
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ 30,919	\$ 30,919
Net change in fund balance	<u>\$ (1,342,835)</u>	<u>\$ (758,616)</u>	<u>\$ 584,219</u>
FUND BALANCE – Beginning		<u>2,586,444</u>	
FUND BALANCE – Ending		<u>\$ 1,827,828</u>	

CITY OF EAST MOLINE, ILLINOIS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –
BUDGET COMPARISONS
December 31, 2014

I. BUDGETARY BASIS

Annual appropriated budgets are adopted at the department level on a basis consistent with U.S. generally accepted accounting principles. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level. All annual appropriations lapse at the end of the fiscal year.

II. BUDGETARY INFORMATION

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

All departments of the City submit requests for appropriations to the City Administrator to be used in preparing a budget. At least 45 days prior to December 31, the City Administrator submits to the governing body a proposed budget for the general, special revenue, debt service, capital projects and enterprise funds for the fiscal year commencing January 1. The budget includes proposed expenditures and transfers to other funds and the means of financing them. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. A final budget must be prepared and adopted no later than December 31.

The administrator is authorized to transfer budgeted amounts within any department; however, transfers between departments or any revisions that alter the total expenditures of any department or any fund must be approved by the governing body. The amounts reflected in the financial statements represent the original budget and the final amended budget. For some departments, the original and final budgets are the same.

CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON
PENSION AND OTHER POST EMPLOYMENT
BENEFIT PLAN FUNDING PROGRESS
December 31, 2014

IMRF -

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)-- Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (OAAL) Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$15,799,466	\$18,593,121	\$2,793,655	84.97%	\$5,530,079	50.52%
12/31/13	15,768,149	18,247,787	2,479,638	86.41	5,490,374	45.16
12/31/12	14,613,071	18,373,646	3,760,575	79.53	5,596,544	67.19
12/31/11	14,762,996	18,605,055	3,842,059	79.35	5,723,587	67.13
12/31/10	15,026,117	18,436,949	3,410,832	81.50	5,736,136	59.46
12/31/09	13,637,433	16,777,053	3,139,620	81.29	5,536,233	56.71

On a market value basis, the actuarial value of assets as of December 31, 2014 is \$19,719,665. On a market basis, the funded ratio would be 106.06%.

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

Other Postemployment Benefit Plan -

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)-- Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (OAAL) Percentage of Covered Payroll ((b-a)/c)
12/31/14	12/31/14	\$ - - -	\$47,589,396	\$47,589,396	0.00%	\$9,079,239	524.16%
12/31/13	12/31/13	- - -	45,989,523	45,989,523	0.00	8,772,211	524.26
4/30/13	4/30/13	- - -	42,889,114	42,889,114	0.00	9,474,005	452.70
4/30/12	4/30/11	- - -	37,025,522	37,025,522	0.00	9,642,738	383.97
4/30/11	4/30/11	- - -	37,025,522	37,025,522	0.00	9,584,716	386.30
4/30/10	4/30/09	- - -	32,790,652	32,790,652	0.00	9,586,704	342.04

The City implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. The information presented for April 30, 2010 was determined as part of the actuarial valuation as of April 30, 2009. The information presented for April 30, 2012 was determined as part of the actuarial valuation as of April 30, 2011.

(Continued)

**CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON
PENSION AND OTHER POST EMPLOYMENT
BENEFIT PLAN FUNDING PROGRESS**
December 31, 2014

Police Pension Plan -

Fiscal Year Ending	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)-- Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (OAAL) Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$19,925,293	\$25,845,468	\$ 5,920,175	77.09%	\$2,594,594	228.17%
12/31/13	18,470,428	29,138,883	10,668,455	63.40	2,416,472	441.50
4/30/13	17,300,691	27,469,421	10,168,730	63.00	2,438,362	417.00
4/30/12	17,535,413	26,361,157	8,825,744	66.50	2,403,993	367.10
4/30/11	16,305,623	25,282,847	8,977,224	64.50	2,349,868	382.00
4/30/10	14,704,861	24,345,826	9,640,965	60.40	2,289,912	421.00

Firefighter's Pension Plan -

Fiscal Year Ending	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)-- Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (OAAL) Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$23,014,295	\$27,061,981	\$4,047,686	85.04%	\$2,445,148	165.54%
12/31/13	21,446,879	27,486,706	6,039,827	78.00	2,329,812	259.20
4/30/13	19,872,120	26,012,226	6,140,106	76.40	2,214,190	277.30
4/30/12	20,549,278	25,388,366	4,839,088	80.90	2,163,073	223.70
4/30/11	19,419,749	24,097,113	4,677,364	80.60	2,052,181	227.90
4/30/10	17,391,043	23,154,660	5,763,617	75.10	1,924,102	299.50

**CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON
PENSION AND OTHER POST EMPLOYMENT
BENEFIT PLAN EMPLOYER CONTRIBUTIONS**

December 31, 2014

IMRF Trend Information -

Fiscal Year Ended	Annual Required Contribution (ARC)	Total Contributions	Percentage of ARC Contributed
12/31/14	\$ 672,458	\$ 672,458	100%
12/31/13	667,080	667,080	100
4/30/13	645,841	645,841	100
4/30/12	654,206	654,206	100
4/30/11	635,564	485,277	76
4/30/10	327,745	327,745	100

Other Postemployment Benefit Plan -

Fiscal Year Ended	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
12/31/14	\$ 1,508,378	\$ 3,695,779	40.8%
12/31/13	922,555	2,463,853	37.4
4/30/13	1,113,697	2,298,094	48.5
4/30/12	1,113,698	2,298,094	48.5
4/30/11	1,113,698	2,096,038	53.1
4/30/10	902,420	2,096,038	43.1

(Continued)

CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON PENSION AND
OTHER POST EMPLOYMENT BENEFIT PLAN EMPLOYER CONTRIBUTIONS
Last Ten Fiscal Years

Police Pension Plan	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Actuarially Determined Contribution	\$ 700,438	\$ 554,998	\$ 761,897	\$ 871,094	\$ 885,021	\$ 634,664	\$ 519,618	\$ 538,599	\$ 601,428	\$ 516,630
Contributions in Relation to the Actuarially Determined Contribution	782,786	542,526	836,859	878,524	709,342	548,793	533,518	582,831	529,842	506,172
CONTRIBUTION DEFICIENCY (Excess)	\$ (82,348)	\$ 12,472	\$ (74,962)	\$ (7,430)	\$ 175,679	\$ 85,871	\$ (13,900)	\$ (44,232)	\$ 71,586	\$ 10,458
Covered Employee Payroll	\$ 2,594,594	\$ 2,416,472	\$ 2,438,362	\$ 2,403,993	\$ 2,349,868	\$ 2,289,912	\$ 2,101,474	\$ 2,101,474	\$ 1,826,512	\$ 1,842,978
Contributions as a Percentage of Covered Employee Payroll	30.2%	22.5%	34.3%	36.5%	30.2%	24.0%	25.4%	27.7%	29.0%	27.5%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67.

Fiscal Year Ended	Annual Required Contribution (ARC)	Total Contributions	Percentage of ARC Contributed
12/31/2014	\$ 862,921	\$ 782,786	90.7%
12/31/2013	554,998	542,526	97.8%
4/30/2013	761,897	836,859	109.8%
4/30/2012	871,094	878,524	100.9%
4/30/2011	885,021	709,342	80.1%
4/30/2010	634,664	548,793	86.5%

Notes to the Required Supplementary Information:

The information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows:

Valuation date:	January 1 of the prior fiscal year for year ended 12/31/2014 and eight month period ended 12/31/2013; May 1 of the prior fiscal year for the years ended 4/30
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	27 years
Asset valuation method	5 year smoothed market, no corridor
Salary increases	Graded rates from 4.86% at age 25 to 1.12% at age 55, plus 2.0% inflation allowance
Investment rate of return	7.0% annually
Postretirement benefit increases	2.0% compounded annually

**CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON PENSION AND
OTHER POST EMPLOYMENT BENEFIT PLAN EMPLOYER CONTRIBUTIONS**

Last Ten Fiscal Years

Firefighters' Pension Plan	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Actuarially Determined Contribution	\$ 463,582	\$ 507,588	\$ 687,686	\$ 711,975	\$ 728,444	\$ 421,572	\$ 365,570	\$ 400,557	\$ 409,949	\$ 406,148
Contributions in Relation to the Actuarially Determined Contribution	679,363	489,866	960,775	535,376	434,973	379,195	391,894	400,557	407,628	420,427
CONTRIBUTION DEFICIENCY (Excess)	\$ (215,781)	\$ 17,722	\$ (273,089)	\$ 176,599	\$ 293,471	\$ 42,477	\$ (26,324)	\$ -	\$ 2,321	\$ (14,279)
Covered Employee Payroll	\$ 2,445,148	\$ 2,329,812	\$ 2,214,190	\$ 2,163,073	\$ 2,052,181	\$ 1,924,102	\$ 1,735,636	\$ 1,735,636	\$ 1,746,034	\$ 1,671,644
Contributions as a Percentage of Covered Employee Payroll	27.8%	21.0%	43.4%	24.8%	21.2%	19.7%	22.6%	23.1%	23.3%	25.2%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67.

Fiscal Year Ended	Annual Required Contribution (ARC)	Total Contributions	Percentage of ARC Contributed
12/31/2014	\$ 687,478	\$ 679,363	98.8%
12/31/2013	507,588	489,866	96.5%
4/30/2013	687,686	960,775	139.7%
4/30/2012	711,975	535,376	75.2%
4/30/2011	728,444	434,973	59.7%
4/30/2010	421,672	379,195	89.9%

Notes to the Required Supplementary Information:

The information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows:

- Valuation date: January 1 of the prior fiscal year for year ended 12/31/2014 and eight month period ended 12/31/2013; May 1 of the prior fiscal year for the years ended 4/30
- Actuarial cost method: Entry age normal
 - Amortization method: Level percentage of payroll
 - Remaining amortization period: 27 years
 - Asset valuation method: 5 year smoothed market, no corridor
 - Salary increases: Graded rates from 4.86% at age 25 to 1.12% at age 55, plus 2.0 inflation allowance
 - Investment rate of return: 7.0% annually
 - Postretirement benefit increases: 2.0% compounded annually

**CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN EMPLOYER'S NET
PENSION LIABILITY AND RELATED RATIOS**

December 31, 2014

Police Pension Plan

TOTAL PENSION LIABILITY

Service Cost	\$ 498,852
Interest	2,016,885
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	(5,010,958)
Changes of Assumptions	328,595
Benefit Payments, Including Refunds of Member Contributions	<u>(1,477,589)</u>

Net Change in Total Pension Liability \$ (3,644,215)

Total Pension Liability - Beginning 29,489,683

TOTAL PENSION LIABILITY - ENDING \$ 25,845,468

PLAN FIDUCIARY NET POSITION

Contributions - Employer	\$ 782,786
Contributions - Member	261,574
Net Investment Income	654,662
Benefit Payments, Including Refunds of Member Contributions	(1,477,589)
Administrative Expense	<u>(26,237)</u>

Net Change in Plan Fiduciary Net Position \$ 195,196

Plan Net Position - Beginning 19,730,097

PLAN NET POSITION - ENDING \$ 19,925,293

EMPLOYER'S NET PENSION LIABILITY \$ 5,920,175

Plan as Fiduciary Net Position
as a Percentage of the Total Pension Liability 77.09%

Covered Employee Payroll \$ 2,594,594

Employer's Net Pension Liability
as a Percentage of Covered Employee Payroll 228.17%

(Continued)

**CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN EMPLOYER'S NET
PENSION LIABILITY AND RELATED RATIOS**

December 31, 2014

Firefighters' Pension Plan

TOTAL PENSION LIABILITY

Service Cost	\$	594,392
Interest		1,659,616
Changes in Benefit Terms		-
Differences Between Expected and Actual Experience		(2,652,969)
Changes of Assumptions		1,730,104
Benefit Payments, Including Refunds of Member Contributions		<u>(1,503,645)</u>
 Net Change in Total Pension Liability	 \$	 (172,502)
 Total Pension Liability - Beginning		 <u>27,234,483</u>

TOTAL PENSION LIABILITY - ENDING

\$ 27,061,981

PLAN FIDUCIARY NET POSITION

Contributions - Employer	\$	679,363
Contributions - Member		242,314
Net Investment Income		705,900
Benefit Payments, Including Refunds of Member Contributions		(1,503,645)
Administrative Expense		<u>(28,054)</u>
 Net Change in Plan Fiduciary Net Position	 \$	 95,878

Plan Net Position - Beginning		<u>22,918,417</u>
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PLAN NET POSITION - ENDING

\$ 23,014,295

EMPLOYER'S NET PENSION LIABILITY

\$ 4,047,686

Plan as Fiduciary Net Position as a Percentage of the Total Pension Liability		85.04%
--	--	--------

Covered Employee Payroll	\$	2,445,148
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Employer's Net Pension Liability as a Percentage of Covered Employee Payroll		165.54%
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CITY OF EAST MOLINE, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
December 31, 2014

Police Pension Plan

	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	4.06%

Firefighters' Pension Plan

	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	3.86%

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Garbage Fund - Accounts for revenue and expenditures related to refuse collection and disposal.

Municipal Swimming Pool Fund - Accounts for expenditures necessary to operate the City's swimming pool.

Economic Development Fund - Accounts for revenues and expenditures related to the purchase and sale of land for economic development purposes.

Non-Home Rule Sales Tax Fund - Accounts for expenditures related to infrastructure improvements financed by sales tax as collected and distributed by the State of Illinois.

Special Service Area – Downtown - Accounts for revenue and expenditures related to improvements to the Downtown Special Service area.

Tax Increment Financing Funds - Accounts for the revenues and expenditures related to the development of the TIF districts.

CAPITAL PROJECTS FUNDS

Capital Projects Fund – Accounts for the revenues and expenditures related to the City's capital projects.

DEBT SERVICE FUNDS

Debt Service Fund – Accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of some governmental funds.

**CITY OF EAST MOLINE, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**
December 31, 2014

		<u>Special</u>
ASSETS	<u>Totals</u>	<u>Garbage</u>
Cash	\$ 1,910,916	\$ 457,133
Investments	550,863	-
Receivables	1,634,314	311,989
Advances to other funds	502,210	-
Total assets	<u>\$ 4,598,303</u>	<u>\$ 769,122</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 155,806	\$ 29,274
Fund cash deficit	1,994,204	-
Accrued liabilities	20,511	11,292
Advances from other funds	906,796	-
Total liabilities	<u>\$ 3,077,317</u>	<u>\$ 40,566</u>
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	\$ 1,383,085	\$ 205,153
Unavailable revenue - other taxes	41,373	-
Total deferred inflows of resources	<u>\$ 1,424,458</u>	<u>\$ 205,153</u>
 FUND BALANCES		
Nonspendable	\$ 502,210	\$ -
Restricted	1,842,493	-
Assigned	598,921	523,403
Unassigned	(2,847,096)	-
Total fund balances	<u>\$ 96,528</u>	<u>\$ 523,403</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,598,303</u>	<u>\$ 769,122</u>

Revenue Funds					
Municipal Swimming Pool	Economic Development	Non-Home Rule Sales Tax	Special Service Area - Downtown	Tax Increment Financing	
				North Hill	Downtown
\$ 82,822	\$ 8,703	\$ 4,445	\$ 181,014	\$ 910,003	\$ 141,775
-	-	550,863	-	-	-
-	-	121,174	74,318	463,697	48,658
1,239	181,052	-	-	6,436	-
<u>\$ 84,061</u>	<u>\$ 189,755</u>	<u>\$ 676,482</u>	<u>\$ 255,332</u>	<u>\$ 1,380,136</u>	<u>\$ 190,433</u>
\$ 9,790	\$ -	\$ 82,906	\$ 200	\$ 68	\$ -
-	-	-	-	-	-
3,995	-	5,224	-	-	-
35,000	32,218	3,685	-	-	-
<u>\$ 48,785</u>	<u>\$ 32,218</u>	<u>\$ 91,815</u>	<u>\$ 200</u>	<u>\$ 68</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 60,007	\$ 463,687	\$ 46,624
-	-	41,373	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,373</u>	<u>\$ 60,007</u>	<u>\$ 463,687</u>	<u>\$ 46,624</u>
\$ 1,239	\$ 181,052	\$ -	\$ -	\$ 6,436	\$ -
-	-	543,294	195,125	909,945	143,809
34,037	-	-	-	-	-
-	(23,515)	-	-	-	-
<u>\$ 35,276</u>	<u>\$ 157,537</u>	<u>\$ 543,294</u>	<u>\$ 195,125</u>	<u>\$ 916,381</u>	<u>\$ 143,809</u>
<u>\$ 84,061</u>	<u>\$ 189,755</u>	<u>\$ 676,482</u>	<u>\$ 255,332</u>	<u>\$ 1,380,136</u>	<u>\$ 190,433</u>

(Continued)

**CITY OF EAST MOLINE, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**
December 31, 2014

	Special		
	Tax Increment		
	Great River Industrial Park	Gateway Industrial Park	Port of Call
ASSETS			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables	134,640	917	170
Advances to other funds	-	-	-
Total assets	<u>\$ 134,640</u>	<u>\$ 917</u>	<u>\$ 170</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 268	\$ -	\$ -
Fund cash deficit	869,730	169,070	80,080
Accrued liabilities	-	-	-
Advances from other funds	374,284	61,609	-
Total liabilities	<u>\$ 1,244,282</u>	<u>\$ 230,679</u>	<u>\$ 80,080</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	\$ 134,637	\$ 917	\$ 170
Unavailable revenue - other taxes	-	-	-
Total deferred inflows of resources	<u>\$ 134,637</u>	<u>\$ 917</u>	<u>\$ 170</u>
FUND BALANCES			
Nonspendable	\$ -	\$ -	\$ -
Restricted	-	-	-
Assigned	-	-	-
Unassigned	(1,244,279)	(230,679)	(80,080)
Total fund balances	<u>\$ (1,244,279)</u>	<u>\$ (230,679)</u>	<u>\$ (80,080)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 134,640</u>	<u>\$ 917</u>	<u>\$ 170</u>

Revenue Funds			
Financing			
Kennedy Drive	Lucky Strike	Capital Projects	Debt Service
\$ -	\$ 83,540	\$ 41,481	\$ -
-	-	-	-
218,689	45,118	-	214,944
313,483	-	-	-
<u>\$ 532,172</u>	<u>\$ 128,658</u>	<u>\$ 41,481</u>	<u>\$ 214,944</u>
\$ -	\$ 33,221	\$ -	\$ 79
519,378	-	-	355,946
-	-	-	-
400,000	-	-	-
<u>\$ 919,378</u>	<u>\$ 33,221</u>	<u>\$ -</u>	<u>\$ 356,025</u>
\$ 218,603	\$ 45,117	\$ -	\$ 208,170
-	-	-	-
<u>\$ 218,603</u>	<u>\$ 45,117</u>	<u>\$ -</u>	<u>\$ 208,170</u>
\$ 313,483	\$ -	\$ -	\$ -
-	50,320	-	-
-	-	41,481	-
(919,292)	-	-	(349,251)
<u>\$ (605,809)</u>	<u>\$ 50,320</u>	<u>\$ 41,481</u>	<u>\$ (349,251)</u>
<u>\$ 532,172</u>	<u>\$ 128,658</u>	<u>\$ 41,481</u>	<u>\$ 214,944</u>

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	<u>Totals</u>	<u>Garbage</u>	<u>Special</u> <u>Municipal Swimming Pool</u>
REVENUES			
Taxes:			
Property	\$ 1,341,129	\$ 204,542	\$ -
Sales	481,652	-	-
Charges for services and rents	954,373	702,304	251,131
Investment income	1,010	-	-
Grant	19,971	15,977	-
Miscellaneous	73	73	-
Total revenues	<u>\$ 2,798,208</u>	<u>\$ 922,896</u>	<u>\$ 251,131</u>
EXPENDITURES			
Current:			
General government	\$ 2,296	\$ -	\$ -
Public works	863,052	655,069	-
Recreation and culture	327,067	-	327,067
Economic development	210,321	-	-
Capital expenditures	161,604	-	-
Debt service:			
Principal	791,297	72,297	-
Interest	139,474	8,237	-
Total expenditures	<u>\$ 2,495,111</u>	<u>\$ 735,603</u>	<u>\$ 327,067</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 303,097</u>	<u>\$ 187,293</u>	<u>\$ (75,936)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 235,595	\$ -	\$ 110,000
Transfers out	<u>(110,000)</u>	<u>(110,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>\$ 125,595</u>	<u>\$ (110,000)</u>	<u>\$ 110,000</u>
Net change in fund balances	\$ 428,692	\$ 77,293	\$ 34,064
FUND BALANCES – Beginning	<u>(332,164)</u>	<u>446,110</u>	<u>1,212</u>
FUND BALANCES – Ending	<u>\$ 96,528</u>	<u>\$ 523,403</u>	<u>\$ 35,276</u>

Revenue Funds			Tax Increment Financing		
Economic Development	Non-Home Rule Sales Tax	Special Service Area - Downtown	North Hill	Downtown	Great Industrial River Park
\$ -	\$ -	\$ 60,176	\$ 449,545	\$ 48,254	\$ 132,638
-	481,652	-	-	-	-
938	-	-	-	-	-
-	64	123	823	-	-
3,994	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,932</u>	<u>\$ 481,716</u>	<u>\$ 60,299</u>	<u>\$ 450,368</u>	<u>\$ 48,254</u>	<u>\$ 132,638</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	207,983	-	-	-	-
-	-	-	-	-	-
23,401	-	40,750	1,158	-	62,476
-	161,604	-	-	-	-
-	-	-	140,000	-	135,000
-	-	-	5,500	-	15,735
<u>\$ 23,401</u>	<u>\$ 369,587</u>	<u>\$ 40,750</u>	<u>\$ 146,658</u>	<u>\$ -</u>	<u>\$ 213,211</u>
\$ (18,469)	\$ 112,129	\$ 19,549	\$ 303,710	\$ 48,254	\$ (80,573)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ (18,469)	\$ 112,129	\$ 19,549	\$ 303,710	\$ 48,254	\$ (80,573)
176,006	431,165	175,576	612,671	95,555	(1,163,706)
<u>\$ 157,537</u>	<u>\$ 543,294</u>	<u>\$ 195,125</u>	<u>\$ 916,381</u>	<u>\$ 143,809</u>	<u>\$ (1,244,279)</u>

(Continued)

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Special Revenue Funds			
	Tax Increment Financing			
	Gateway Industrial Park	Port of Call	Kennedy Drive	Lucky Strike
REVENUES				
Taxes:				
Property	\$ 759	\$ -	\$ 196,966	\$ 44,527
Sales	-	-	-	-
Charges for services and rents	-	-	-	-
Investment income	-	-	-	-
Grant	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>\$ 759</u>	<u>\$ -</u>	<u>\$ 196,966</u>	<u>\$ 44,527</u>
EXPENDITURES				
Current:				
General government	\$ -	\$ -	\$ -	\$ -
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development	-	49,065	250	33,221
Capital expenditures	-	-	-	-
Debt service:				
Principal	-	-	170,000	-
Interest	-	-	74,838	-
Total expenditures	<u>\$ -</u>	<u>\$ 49,065</u>	<u>\$ 245,088</u>	<u>\$ 33,221</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 759</u>	<u>\$ (49,065)</u>	<u>\$ (48,122)</u>	<u>\$ 11,306</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ 759	\$ (49,065)	\$ (48,122)	\$ 11,306
FUND BALANCES – Beginning	<u>(231,438)</u>	<u>(31,015)</u>	<u>(557,687)</u>	<u>39,014</u>
FUND BALANCES – Ending	<u>\$ (230,679)</u>	<u>\$ (80,080)</u>	<u>\$ (605,809)</u>	<u>\$ 50,320</u>

<u>Capital Projects</u>	<u>Debt Service</u>
\$ -	\$ 203,722
-	-
-	-
-	-
-	-
<u>\$ -</u>	<u>\$ 203,722</u>
\$ -	\$ 2,296
-	-
-	-
-	-
-	-
-	274,000
-	35,164
<u>\$ -</u>	<u>\$ 311,460</u>
<u>\$ -</u>	<u>\$ (107,738)</u>
\$ 20,000	\$ 105,595
-	-
<u>\$ 20,000</u>	<u>\$ 105,595</u>
\$ 20,000	\$ (2,143)
<u>21,481</u>	<u>(347,108)</u>
<u>\$ 41,481</u>	<u>\$ (349,251)</u>

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GARBAGE FUND

For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Taxes:			
Property	\$ 205,000	\$ 204,542	\$ (458)
Charges for services	679,200	702,304	23,104
Grant	15,977	15,977	-
Miscellaneous	-	73	73
	<u> </u>	<u> </u>	<u> </u>
Total revenues	\$ 900,177	\$ 922,896	\$ 22,719
EXPENDITURES			
Current, public works	\$ 679,122	\$ 655,069	\$ 24,053
Capital expenditures	40,000	-	40,000
Debt Service			
Principal	72,285	72,297	(12)
Interest	8,230	8,237	(7)
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	\$ 799,637	\$ 735,603	\$ 64,034
Excess of revenues over expenditures	\$ 100,540	\$ 187,293	\$ 86,753
OTHER FINANCING SOURCES (USES)			
Transfers out	(70,000)	(110,000)	(40,000)
Net change in fund balance	<u>\$ 30,540</u>	<u>\$ 77,293</u>	<u>\$ 46,753</u>
FUND BALANCE – Beginning		<u>446,110</u>	
FUND BALANCE – Ending		<u>\$ 523,403</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MUNICIPAL SWIMMING POOL FUND
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Charges for services and rents	\$ 220,200	\$ 251,131	\$ 30,931
EXPENDITURES			
Current, recreation and culture	<u>330,200</u>	<u>327,067</u>	<u>3,133</u>
Deficiency of revenues under expenditures	\$ (110,000)	\$ (75,936)	\$ 34,064
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>110,000</u>	<u>110,000</u>	<u>-</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u><u>\$ 34,064</u></u>	<u><u>\$ 34,064</u></u>
 FUND BALANCE – Beginning		<u>1,212</u>	
FUND BALANCE – Ending		<u><u>\$ 35,276</u></u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
NON-HOME RULE SALES TAX FUND
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Sales tax	\$ 470,000	\$ 481,652	\$ 11,652
Investment income	100	64	(36)
	<u>\$ 470,100</u>	<u>\$ 481,716</u>	<u>\$ 11,616</u>
EXPENDITURES			
Current:			
Public works	\$ 452,000	\$ 207,983	\$ 244,017
Capital expenditures	-	161,604	(161,604)
	<u>\$ 452,000</u>	<u>\$ 369,587</u>	<u>\$ 82,413</u>
Excess of revenues over expenditures	<u>\$ 18,100</u>	\$ 112,129	<u>\$ 94,029</u>
FUND BALANCE – Beginning		<u>431,165</u>	
FUND BALANCE – Ending		<u>\$ 543,294</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SPECIAL SERVICE AREA - DOWNTOWN FUND
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 60,000	\$ 60,176	\$ 176
Investment income	90	123	\$ 33
	<u>\$ 60,090</u>	<u>\$ 60,299</u>	<u>\$ 209</u>
EXPENDITURES			
Current:			
Economic development	\$ 60,000	\$ 40,750	\$ 19,250
	<u>\$ 90</u>	\$ 19,549	<u>\$ 19,459</u>
FUND BALANCE – Beginning		<u>175,576</u>	
FUND BALANCE – Ending		<u>\$ 195,125</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND - NORTH HILL
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 445,000	\$ 449,545	\$ 4,545
Investment income	200	823	623
Total revenues	<u>\$ 445,200</u>	<u>\$ 450,368</u>	<u>\$ 5,168</u>
EXPENDITURES			
Current:			
Economic development	\$ 116,750	\$ 1,158	\$ 115,592
Debt service:			
Principal	140,000	140,000	-
Interest	5,500	5,500	-
Total expenditures	<u>\$ 262,250</u>	<u>\$ 146,658</u>	<u>\$ 115,592</u>
Excess of revenues over expenditures	<u>\$ 182,950</u>	\$ 303,710	<u>\$ 120,760</u>
FUND BALANCE – Beginning		<u>612,671</u>	
FUND BALANCE – Ending		<u>\$ 916,381</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND - DOWNTOWN
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 52,000	\$ 48,254	\$ (3,746)
EXPENDITURES			
Current:			
Economic development	-	-	-
Excess of revenues over expenditures	<u>\$ 52,000</u>	\$ 48,254	<u>\$ (3,746)</u>
FUND BALANCE – Beginning		<u>95,555</u>	
FUND BALANCE – Ending		<u>\$ 143,809</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND - GREAT RIVER INDUSTRIAL PARK
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 132,000	\$ 132,638	\$ 638
EXPENDITURES			
Current:			
Economic development	\$ 50,000	\$ 62,476	(12,476)
Debt service:			
Principal	135,000	135,000	-
Interest	15,735	15,735	-
Total expenditures	<u>\$ 200,735</u>	<u>\$ 213,211</u>	<u>\$ (12,476)</u>
Deficiency of revenues under expenditures	<u>\$ (68,735)</u>	\$ (80,573)	<u>\$ (11,838)</u>
FUND BALANCE – Beginning		<u>(1,163,706)</u>	
FUND BALANCE – Ending		<u>\$ (1,244,279)</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND - GATEWAY INDUSTRIAL PARK
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 600	\$ 759	\$ 159
EXPENDITURES			
Current:			
Economic development	-	-	-
Excess of revenues over expenditures	<u>\$ 600</u>	<u>\$ 759</u>	<u>\$ 159</u>
FUND BALANCE – Beginning		<u>(231,438)</u>	
FUND BALANCE – Ending		<u>\$ (230,679)</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND - KENNEDY DRIVE
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 188,000	\$ 196,966	\$ 8,966
EXPENDITURES			
Current:			
Economic development	\$ 250	\$ 250	\$ -
Debt service:			
Principal	170,000	170,000	
Interest	74,840	74,838	2
	<u>245,090</u>	<u>245,088</u>	<u>2</u>
Total expenditures	\$ 245,090	\$ 245,088	\$ 2
Deficiency of revenues under expenditures	<u>\$ (57,090)</u>	\$ (48,122)	<u>\$ 8,968</u>
FUND BALANCE – Beginning		<u>(557,687)</u>	
FUND BALANCE – Ending		<u>\$ (605,809)</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND - LUCKY STRIKE
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 94,500	\$ 44,527	\$ (49,973)
EXPENDITURES			
Current:			
Economic development	-	33,221	(33,221)
Excess of revenues over expenditures	<u>\$ 94,500</u>	\$ 11,306	<u>\$ (83,194)</u>
FUND BALANCE – Beginning		<u>39,014</u>	
FUND BALANCE – Ending		<u>\$ 50,320</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Miscellaneous	\$ -	\$ -	\$ -
EXPENDITURES			
Capital expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (20,000)	\$ -	\$ 20,000
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
FUND BALANCE – Beginning		<u>21,481</u>	
FUND BALANCE – Ending		<u>\$ 41,481</u>	

CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended December 31, 2014

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 204,870	\$ 203,722	\$ (1,148)
EXPENDITURES			
Current:			
General government	\$ 1,300	\$ 2,296	\$ (996)
Debt service:			
Principal	274,000	274,000	-
Interest	35,165	35,164	1
Total expenditures	<u>\$ 310,465</u>	<u>\$ 311,460</u>	<u>\$ (995)</u>
Deficiency of revenues under expenditures	\$ (105,595)	\$ (107,738)	\$ (2,143)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>105,595</u>	<u>105,595</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (2,143)</u>	<u>\$ (2,143)</u>
FUND BALANCE – Beginning		<u>(347,108)</u>	
FUND BALANCE – Ending		<u>\$ (349,251)</u>	

NONMAJOR ENTERPRISE FUNDS

Economic Development Loan Fund - Accounts for the lending of low interest economic development monies to qualifying entities within the private sector.

Housing Rehabilitation Fund - Accounts for the revenue and expenses associated with the issuance and collection of housing rehabilitation loans to local home owners.

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF NET POSITION
BUSINESS-TYPE ACTIVITIES
NONMAJOR ENTERPRISE FUNDS
December 31, 2014

	<u>Economic Development Loan</u>	<u>Housing Rehabilitation</u>	<u>Total Nonmajor Enterprise Funds</u>
ASSETS			
Current assets:			
Cash	\$ 938	\$ 181,245	\$ 182,183
Investments	228,604	72,828	301,432
Receivables, net of allowance for uncollectible amounts	23,940	33,449	57,389
Total current assets	<u>\$ 253,482</u>	<u>\$ 287,522</u>	<u>\$ 541,004</u>
Advances to other funds	<u>\$ 360,000</u>	<u>\$ -</u>	<u>\$ 360,000</u>
Total noncurrent assets	<u>\$ 360,000</u>	<u>\$ -</u>	<u>\$ 360,000</u>
Total assets	<u>\$ 613,482</u>	<u>\$ 287,522</u>	<u>\$ 901,004</u>
LIABILITIES			
Accounts Payable	<u>\$ -</u>	<u>\$ 2,187</u>	<u>\$ 2,187</u>
NET POSITION			
Restricted	<u>\$ 613,482</u>	<u>\$ 285,335</u>	<u>\$ 898,817</u>

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
BUSINESS-TYPE ACTIVITIES
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	<u>Economic Development Loan</u>	<u>Housing Rehabilitation</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES			
Interest income	\$ 954	\$ 112	\$ 1,066
Miscellaneous revenue	6,000	4,000	10,000
Total operating revenues	\$ 6,954	\$ 4,112	\$ 11,066
OPERATING EXPENSES			
Administration and claims	1,616	132,807	134,423
OPERATING INCOME (LOSS)	<u>\$ 5,338</u>	<u>\$ (128,695)</u>	<u>\$ (123,357)</u>
NONOPERATING REVENUES			
Investment income	\$ 32	\$ 453	\$ 485
Total nonoperating revenues	<u>\$ 32</u>	<u>\$ 453</u>	<u>\$ 485</u>
INCOME (LOSS) BEFORE TRANSFERS	\$ 5,370	\$ (128,242)	\$ (122,872)
TOTAL NET POSITION - Beginning	<u>608,112</u>	<u>413,577</u>	<u>1,021,689</u>
TOTAL NET POSITION - Ending	<u>\$ 613,482</u>	<u>\$ 285,335</u>	<u>\$ 898,817</u>

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
BUSINESS-TYPE ACTIVITIES
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	Economic Development Loan	Housing Rehabilitation	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 4,723	\$ 1,352	\$ 6,075
Other receipts	6,000	4,000	10,000
Payments to suppliers	<u>(26,616)</u>	<u>(165,156)</u>	<u>(191,772)</u>
Net cash used by operating activities	<u>\$ (15,893)</u>	<u>\$ (159,804)</u>	<u>\$ (175,697)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	\$ 32	\$ 453	\$ 485
Proceeds from investments	<u>15,350</u>	<u>4,989</u>	<u>20,339</u>
Net cash provided by investing activities	<u>\$ 15,382</u>	<u>\$ 5,442</u>	<u>\$ 20,824</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>\$ (511)</u>	<u>\$ (154,362)</u>	<u>\$ (154,873)</u>
CASH AND CASH EQUIVALENTS - Beginning	<u>1,449</u>	<u>335,607</u>	<u>337,056</u>
CASH AND CASH EQUIVALENTS - Ending	<u><u>\$ 938</u></u>	<u><u>\$ 181,245</u></u>	<u><u>\$ 182,183</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income (loss)	\$ 5,338	\$ (128,695)	\$ (123,357)
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
(Increase) decrease in receivables	(21,231)	(33,296)	(54,527)
Increase (decrease) in payables	<u>-</u>	<u>2,187</u>	<u>2,187</u>
Net cash used by operating activities	<u><u>\$ (15,893)</u></u>	<u><u>\$ (159,804)</u></u>	<u><u>\$ (175,697)</u></u>

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis.

Employees Insurance Fund - Accounts for costs related to the coverage of insurance for the City employees. Revenue is from charges to user departments.

Insurance Reserve Fund - Accounts for costs related to the coverage of insurance for liability claims against the City. Revenue is primarily from property taxes transferred from other funds.

Motor Pool Fund - Provides for the purchase and maintenance of vehicles and equipment used in the operation of City Services. Revenue is from charges to user departments. Expenses include cost of labor, materials, supplies, maintenance and services.

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
December 31, 2014

	<u>Employee Insurance</u>	<u>Insurance Reserve Fund</u>	<u>Motor Pool Fund</u>	<u>Total Internal Service Funds</u>
ASSETS				
Current assets:				
Cash	\$ 4,217,719	\$ 919,200	\$ 509,953	\$ 5,646,872
Accounts Receivable	42,516	7,857	-	50,373
Advances to other funds	2,000	-	-	2,000
	<u>\$ 4,262,235</u>	<u>\$ 927,057</u>	<u>\$ 509,953</u>	<u>\$ 5,699,245</u>
Noncurrent assets:				
Capital assets:				
Vehicles and equipment	\$ -	\$ -	\$ 846,637	\$ 846,637
Less accumulated depreciation	-	-	(827,225)	(827,225)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,412</u>	<u>\$ 19,412</u>
Total capital assets, net of accumulated depreciation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,412</u>	<u>\$ 19,412</u>
Total assets	<u>\$ 4,262,235</u>	<u>\$ 927,057</u>	<u>\$ 529,365</u>	<u>\$ 5,718,657</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 269,907	\$ 60,137	\$ 52,480	\$ 382,524
Accrued salaries	-	3,735	8,844	12,579
Compensated absences	-	-	265	265
Other accrued liabilities	-	135,000	-	135,000
	<u>\$ 269,907</u>	<u>\$ 198,872</u>	<u>\$ 61,589</u>	<u>\$ 530,368</u>
Total liabilities	<u>\$ 269,907</u>	<u>\$ 198,872</u>	<u>\$ 61,589</u>	<u>\$ 530,368</u>
NET POSITION				
Net investment in capital assets	\$ -	\$ -	\$ 19,412	\$ 19,412
Unrestricted	3,992,328	728,185	448,364	5,168,877
	<u>\$ 3,992,328</u>	<u>\$ 728,185</u>	<u>\$ 467,776</u>	<u>\$ 5,188,289</u>
Total net position	<u>\$ 3,992,328</u>	<u>\$ 728,185</u>	<u>\$ 467,776</u>	<u>\$ 5,188,289</u>

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	<u>Employee Insurance</u>	<u>Insurance Reserve Fund</u>	<u>Motor Pool Fund</u>	<u>Total Internal Service Funds</u>
OPERATING REVENUES				
Charges for services	\$ 1,879,672	\$ -	\$ 666,325	\$ 2,545,997
Other revenues	20	1,949	450	2,419
Total operating revenues	<u>\$ 1,879,692</u>	<u>\$ 1,949</u>	<u>\$ 666,775</u>	<u>\$ 2,548,416</u>
OPERATING EXPENSES				
Administration and claims	\$ 3,004,873	\$ 381,008	\$ -	\$ 3,385,881
Travel and motor vehicles	-	-	643,421	643,421
Depreciation	-	-	767	767
Total operating expenses	<u>\$ 3,004,873</u>	<u>\$ 381,008</u>	<u>\$ 644,188</u>	<u>\$ 4,030,069</u>
OPERATING INCOME (LOSS)	<u>\$ (1,125,181)</u>	<u>\$ (379,059)</u>	<u>\$ 22,587</u>	<u>\$ (1,481,653)</u>
NONOPERATING REVENUES				
Investment income	\$ 7,789	\$ 1,254	\$ 375	\$ 9,418
INCOME (LOSS) BEFORE TRANSFERS	<u>\$ (1,117,392)</u>	<u>\$ (377,805)</u>	<u>\$ 22,962</u>	<u>\$ (1,472,235)</u>
TRANSFERS IN	<u>-</u>	<u>297,955</u>	<u>26,657</u>	<u>324,612</u>
CHANGES IN NET POSITION	<u>\$ (1,117,392)</u>	<u>\$ (79,850)</u>	<u>\$ 49,619</u>	<u>\$ (1,147,623)</u>
TOTAL NET POSITION - Beginning	<u>5,109,720</u>	<u>808,035</u>	<u>418,157</u>	<u>6,335,912</u>
TOTAL NET POSITION - Ending	<u><u>\$ 3,992,328</u></u>	<u><u>\$ 728,185</u></u>	<u><u>\$ 467,776</u></u>	<u><u>\$ 5,188,289</u></u>

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
GOVERNMENTAL ACTIVITIES
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	<u>Employee Insurance</u>	<u>Insurance Reserve Fund</u>	<u>Motor Pool Fund</u>	<u>Total Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund services provided	\$ 1,837,597	\$ -	\$ 666,325	\$ 2,503,922
Other receipts	20	5,187	450	5,657
Payments to suppliers	(2,959,942)	(259,696)	(427,607)	(3,647,245)
Payments to employees	-	(62,224)	(180,456)	(242,680)
Payments for interfund services used	-	(3,600)	(18,000)	(21,600)
Net cash provided (used) by operating activities	<u>\$ (1,122,325)</u>	<u>\$ (320,333)</u>	<u>\$ 40,712</u>	<u>\$ (1,401,946)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	<u>\$ -</u>	<u>\$ 297,955</u>	<u>\$ 26,657</u>	<u>\$ 324,612</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	<u>\$ 7,789</u>	<u>\$ 1,254</u>	<u>\$ 375</u>	<u>\$ 9,418</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>\$ (1,114,536)</u>	<u>\$ (21,124)</u>	<u>\$ 67,744</u>	<u>\$ (1,067,916)</u>
CASH AND CASH EQUIVALENTS - Beginning	<u>5,332,255</u>	<u>940,324</u>	<u>442,209</u>	<u>6,714,788</u>
CASH AND CASH EQUIVALENTS - Ending	<u><u>\$ 4,217,719</u></u>	<u><u>\$ 919,200</u></u>	<u><u>\$ 509,953</u></u>	<u><u>\$ 5,646,872</u></u>

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
GOVERNMENTAL ACTIVITIES
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	<u>Employee Insurance</u>	<u>Insurance Reserve Fund</u>	<u>Motor Pool Fund</u>	<u>Total Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (1,125,181)	\$ (379,059)	\$ 22,587	\$ (1,481,653)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	-	-	767	767
(Increase) decrease in accounts receivable	(42,075)	3,238	-	(38,837)
Increase (decrease) in accounts payable	44,931	18,960	17,808	81,699
Increase (decrease) in accrued liabilities	-	36,528	(450)	36,078
Net cash provided (used) by operating activities	<u>\$ (1,122,325)</u>	<u>\$ (320,333)</u>	<u>\$ 40,712</u>	<u>\$ (1,401,946)</u>

FIDUCIARY FUNDS

Police Pension Fund - Accounts for the resources necessary to provide retirement and disability benefits to sworn personnel of the East Moline Police Department. Revenues are provided by city contributions, employee payroll withholdings and investment income.

Firefighters' Pension Fund - Accounts for the resources necessary to provide retirement and disability benefits to sworn personnel of the East Moline Fire Department. Revenues are provided by city contributions, employee payroll withholdings and investment income.

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
December 31, 2014

	<u>Police Pension</u>	<u>Firefighters Pension</u>	<u>Total Pension Trust Funds</u>
ASSETS			
Cash	\$ 7,207,059	\$ 10,337,830	\$ 17,544,889
Receivables:			
Accrued Interest	50,475	29,102	79,577
Other	124,951	78,715	203,666
Investments:			
U.S. government agency securities	2,257,477	11,786	2,269,263
Mutual funds	10,285,332	12,565,245	22,850,577
Other assets	-	146	146
	<u>\$ 19,925,294</u>	<u>\$ 23,022,824</u>	<u>\$ 42,948,118</u>
LIABILITIES			
Other accrued liabilities	<u>\$ -</u>	<u>\$ 8,529</u>	<u>\$ 8,529</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS	<u>\$ 19,925,294</u>	<u>\$ 23,014,295</u>	<u>\$ 42,939,589</u>

CITY OF EAST MOLINE, ILLINOIS
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET ASSETS
PENSION TRUST FUNDS

For the Year Ended December 31, 2014

	<u>Police Pension</u>	<u>Firefighters Pension</u>	<u>Total Pension Trust Funds</u>
ADDITIONS			
Contributions:			
Employer	\$ 782,786	\$ 679,363	\$ 1,462,149
Employee	261,574	242,314	503,888
Total contributions	<u>\$ 1,044,360</u>	<u>\$ 921,677</u>	<u>\$ 1,966,037</u>
Investment Income:			
Net increase (decrease) in fair value of investments	\$ 167,242	\$ (17,572)	\$ 149,670
Interest	200,583	343,662	544,245
Dividends and capital gains	313,719	469,319	783,038
Total	<u>\$ 681,544</u>	<u>\$ 795,409</u>	<u>\$ 1,476,953</u>
Less investment expense	<u>28,897</u>	<u>78,030</u>	<u>106,927</u>
Net investment income	<u>\$ 652,647</u>	<u>\$ 717,379</u>	<u>\$ 1,370,026</u>
Total additions	<u>\$ 1,697,007</u>	<u>\$ 1,639,056</u>	<u>\$ 3,336,063</u>
DEDUCTIONS			
Benefits	\$ 1,477,589	\$ 1,503,645	\$ 2,981,234
Administrative expense	24,221	39,533	63,754
Total deductions	<u>\$ 1,501,810</u>	<u>\$ 1,543,178</u>	<u>\$ 3,044,988</u>
CHANGE IN NET POSITION	<u>\$ 195,197</u>	<u>\$ 95,878</u>	<u>\$ 291,075</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS			
Beginning	<u>\$ 19,730,097</u>	<u>\$ 22,918,417</u>	<u>\$ 42,648,514</u>
Ending	<u>\$ 19,925,294</u>	<u>\$ 23,014,295</u>	<u>\$ 42,939,589</u>

CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES

CITY OF EAST MOLINE, ILLINOIS
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
SCHEDULE OF CAPITAL ASSETS *
December 31, 2014

CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES

Land	\$ 1,900,627
Improvements other than buildings	2,107,910
Buildings	5,567,711
Vehicles and equipment	7,040,099
Infrastructure	27,156,841
Construction in progress	<u>131,586</u>
 Total capital assets used in governmental activities	 <u><u>\$ 43,904,774</u></u>

INVESTMENTS IN CAPITAL ASSETS

\$ 43,904,774

* This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CITY OF EAST MOLINE, ILLINOIS
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
SCHEDULE BY FUNCTION AND ACTIVITY *

December 31, 2014

	<u>Land</u>	<u>Improvements Other Than Buildings</u>	<u>Buildings</u>
Capital assets purchased prior to May 1, 1995, except for infrastructure	\$ 1,737,595	\$ 246,673	\$ 1,347,642
Function and Activity			
General government			
Administration	\$ 11,990	\$ 26,407	\$ 126,236
Public works	-	-	29,141
Total general governmental	<u>\$ 11,990</u>	<u>\$ 26,407</u>	<u>\$ 155,377</u>
Public safety			
Police	\$ -	\$ -	\$ 257,842
Fire	-	-	387,245
Total public safety	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 645,087</u>
Public works			
Public services	\$ 14,962	\$ -	\$ 1,885,002
Sidewalk	-	-	-
Street system	95,000	-	-
Total public works	<u>\$ 109,962</u>	<u>\$ -</u>	<u>\$ 1,885,002</u>
Recreation and culture			
Parks and recreation	\$ -	\$ 1,412,096	\$ 125,647
Library	-	7,460	563,081
Total recreation and culture	<u>\$ -</u>	<u>\$ 1,419,556</u>	<u>\$ 688,728</u>
Economic development	<u>\$ 41,080</u>	<u>\$ 415,274</u>	<u>\$ 845,875</u>
Capital assets allocated to functions	<u>\$ 163,032</u>	<u>\$ 1,861,237</u>	<u>\$ 4,220,069</u>
Total capital assets used in governmental activities			

<u>Vehicles and Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
\$ 294,988	\$ -	\$ -	\$ 3,626,898
\$ 325,718	\$ - 93,159	\$ - -	\$ 490,351 122,300
\$ 325,718	\$ 93,159	\$ -	\$ 612,651
\$ 2,234,306 2,017,695	\$ - 69,627	\$ - -	\$ 2,492,148 2,474,567
\$ 4,252,001	\$ 69,627	\$ -	\$ 4,966,715
\$ 1,517,220 - 93,017	\$ - 12,528 26,961,132	\$ - - -	\$ 3,417,184 12,528 27,149,149
\$ 1,610,237	\$ 26,973,660	\$ -	\$ 30,578,861
\$ 379,122 137,929	\$ 20,395 -	\$ 131,586 -	\$ 2,068,846 708,470
\$ 517,051	\$ 20,395	\$ 131,586	\$ 2,777,316
\$ 40,104	\$ -	\$ -	\$ 1,342,333
\$ 6,745,111	\$ 27,156,841	\$ 131,586	\$ 40,277,876
			<u>\$ 43,904,774</u>

* This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CITY OF EAST MOLINE, ILLINOIS
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY *
For the Year Ended December 31, 2014

<u>Function and Activity</u>	<u>Land</u>	<u>Improvements Other Than Buildings</u>	<u>Buildings</u>
Balance, January 1, 2014	\$ 1,900,627	\$ 2,081,503	\$ 5,567,711
Additions			
General government	\$ -	\$ 26,407	\$ -
Public safety			
Police	-	-	-
Fire	-	-	-
Public works			
Street system	-	-	-
Public Services	-	-	-
Recreation and culture			
Library	-	-	-
Parks and recreation	-	-	-
Total additions	<u>\$ -</u>	<u>\$ 26,407</u>	<u>\$ -</u>
Dispositions			
General government	\$ -	\$ -	\$ -
Public safety			
Police	-	-	-
Public Works			
Public Services	-	-	-
Street System	-	-	-
Balance, December 31, 2014	<u>\$ 1,900,627</u>	<u>\$ 2,107,910</u>	<u>\$ 5,567,711</u>

<u>Vehicles and Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
\$ 6,909,528	\$ 24,565,147	\$ 2,489,603	\$ 43,514,119
\$ 99,199	\$ -	\$ 71,590	\$ 197,196
266,086	-	11,338	277,424
19,181	-	-	19,181
-	2,591,694	250,705	2,842,399
-	-	-	-
-	-	-	-
-	-	4,270	4,270
<u>\$ 384,466</u>	<u>\$ 2,591,694</u>	<u>\$ 337,903</u>	<u>\$ 3,340,470</u>
\$ 33,812	\$ -	\$ 84,404	\$ 118,216
192,327	-	177,156	369,483
27,756	-	-	27,756
-	-	2,434,360	2,434,360
<u>\$ 7,040,099</u>	<u>\$ 27,156,841</u>	<u>\$ 131,586</u>	<u>\$ 43,904,774</u>

* This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of East Moline Statistical Section

Contents:	Page
Financial Trends	145
<i>These schedules contain trend information to help understand how the City of East Moline's financial performance and well-being have changed over time.</i>	
Revenue Capacity	153
<i>These schedules contain information to help assess the City's most significant local revenue source, the property tax.</i>	
Debt Capacity	162
<i>These schedules present information to help assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	168
<i>These schedules offer demographic and economic indicators to help understand the environment which the City's financial activities take place.</i>	
Operating Information	170
<i>These schedules contain service and infrastructure data to help understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

**City of East Moline
Financial Trends**

CITY OF EAST MOLINE

Net Position by Component

Last ten fiscal years

	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Governmental Activities										
Net Investment in Capital Assets										
Restricted	\$19,966,908	\$19,431,883	\$19,055,456	\$16,611,439	\$12,961,303	\$14,818,819	\$14,489,752	\$13,909,770	\$16,526,483	\$16,118,280
Unrestricted	\$1,869,309	\$2,607,925	\$2,909,625	\$4,550,569	\$406,134	\$577,595	\$643,219	\$498,050	\$1,343,571	\$1,461,788
Total governmental activities net position	\$3,259,181	\$4,846,565	\$5,687,095	\$4,672,118	\$4,988,131	\$5,700,245	\$6,600,809	\$6,752,621	\$2,761,429	\$1,009,921
Total governmental activities net position	\$25,095,398	\$26,886,373	\$27,652,176	\$25,834,126	\$18,354,568	\$21,096,659	\$21,733,780	\$21,160,441	\$20,631,483	\$18,589,989
Business-type Activities										
Net Investment in Capital Assets										
Restricted	\$26,729,014	\$24,818,039	\$22,455,852	\$21,364,312	\$17,103,618	\$15,752,286	\$18,536,948	\$19,668,022	\$12,097,934	\$18,873,890
Unrestricted	\$898,817	\$1,021,689	\$1,146,806	\$1,162,505	\$1,627,169	\$6,069,448	\$10,808,558	\$1,570,684	\$9,633,728	\$2,753,278
Total business-type activities net position	\$4,194,937	\$5,179,616	\$7,826,996	\$6,270,321	\$7,565,743	-\$425,620	-\$6,937,827	\$2,036,727	\$1,532,458	\$2,076,688
Total business-type activities net position	\$31,822,768	\$31,019,344	\$31,429,654	\$28,797,138	\$26,296,530	\$21,396,114	\$22,407,679	\$23,275,433	\$23,264,120	\$23,703,856
Primary Government										
Net Investment in Capital Assets										
Restricted	\$46,695,922	\$44,249,922	\$41,511,308	\$37,975,751	\$30,064,921	\$30,571,105	\$33,026,700	\$33,577,792	\$28,624,417	\$34,992,170
Unrestricted	\$2,768,126	\$3,629,614	\$4,056,431	\$5,713,074	\$2,032,303	\$6,647,043	\$11,451,777	\$2,068,734	\$10,977,299	\$4,215,066
Total Primary Government net position	\$7,454,118	\$10,026,181	\$13,514,091	\$10,942,439	\$12,553,874	\$5,274,625	-\$337,018	\$8,789,348	\$4,293,887	\$3,086,609
Total Primary Government net position	\$56,918,166	\$57,905,717	\$59,081,830	\$54,631,264	\$44,651,098	\$42,492,773	\$44,141,459	\$44,435,874	\$43,895,603	\$42,293,845

CITY OF EAST MOLINE
Changes in Net Position, last ten years
 (accrual basis of accounting)

	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Expenses										
Governmental Activities										
General Government	\$ 875,915	\$ 330,772	\$ 704,666	\$ 1,005,490	\$ 961,755	\$ 757,643	\$ 804,614	\$ 671,284	\$ 576,645	\$ 663,479
Public Safety	\$ 12,102,123	\$ 8,079,083	\$ 10,345,647	\$ 10,283,348	\$ 10,567,621	\$ 8,930,733	\$ 8,463,943	\$ 8,521,695	\$ 7,236,885	\$ 7,289,761
Public Works	\$ 4,127,004	\$ 2,755,853	\$ 3,752,338	\$ 3,316,560	\$ 3,637,249	\$ 3,538,665	\$ 3,877,032	\$ 4,224,674	\$ 3,163,009	\$ 3,019,022
Recreation and culture	\$ 992,293	\$ 743,078	\$ 1,613,717	\$ 1,659,238	\$ 1,731,393	\$ 1,667,605	\$ 1,544,468	\$ 1,564,117	\$ 1,527,975	\$ 1,525,851
Economic development	\$ 374,145	\$ 525,324	\$ 479,794	\$ 737,784	\$ 868,242	\$ 1,402,932	\$ 1,167,637	\$ 455,388	\$ 667,135	\$ 744,991
Interest on long term debt	\$ 214,892	\$ 162,611	\$ 263,041	\$ 336,647	\$ 392,628	\$ 460,095	\$ 465,768	\$ 483,278	\$ 521,717	\$ 550,284
Total Governmental Activities	\$ 18,686,362	\$ 12,896,721	\$ 17,189,203	\$ 17,239,067	\$ 18,158,888	\$ 16,757,673	\$ 16,323,452	\$ 15,920,436	\$ 13,693,566	\$ 13,793,388
Business-Type Activities										
Waterworks & Sewerage	\$ 4,519,641	\$ 3,321,362	\$ 4,806,188	\$ 4,889,671	\$ 4,823,255	\$ 5,644,247	\$ 5,352,395	\$ -	\$ -	\$ 7,079,615
Water Treatment	\$ 5,556,400	\$ 3,954,347	\$ 5,073,341	\$ 5,204,720	\$ 4,766,973	\$ 5,951,060	\$ 5,507,878	\$ -	\$ -	\$ -
Waste Water Treatment	\$ 716,419	\$ 459,268	\$ 706,973	\$ 694,496	\$ 900,444	\$ -	\$ -	\$ -	\$ -	\$ -
Drainage	\$ 134,423	\$ 134	\$ 20,200	\$ 4,306	\$ 5,124	\$ 14,635	\$ 96,449	\$ 12,844	\$ 2,377	\$ -
Development loans	\$ 10,926,883	\$ 7,765,111	\$ 10,606,702	\$ 10,793,193	\$ 10,495,796	\$ 11,609,942	\$ 10,958,722	\$ 8,547,224	\$ 7,242,759	\$ 59,289
Total Business-Type Activities	\$ 29,613,245	\$ 20,361,832	\$ 27,765,905	\$ 28,032,260	\$ 28,654,684	\$ 28,367,615	\$ 27,282,174	\$ 24,467,660	\$ 20,936,325	\$ 20,932,292
Total Primary Government Expenses	\$ 48,299,607	\$ 33,258,553	\$ 44,955,108	\$ 45,271,327	\$ 46,813,572	\$ 45,125,288	\$ 43,605,626	\$ 40,388,096	\$ 34,630,891	\$ 34,725,680
Program Revenues										
Government Activities										
Charges for services	\$ 273,511	\$ 255,755	\$ 270,404	\$ 301,063	\$ 540,348	\$ 220,312	\$ 222,421	\$ 262,452	\$ 283,211	\$ 286,371
General Government	\$ 783,439	\$ 449,035	\$ 757,901	\$ 969,120	\$ 1,361,422	\$ 549,713	\$ 613,020	\$ 672,856	\$ 684,943	\$ 505,528
Public Safety	\$ 1,442,051	\$ 947,154	\$ 1,368,281	\$ 5,047,051	\$ 1,315,632	\$ 1,454,094	\$ 1,480,278	\$ 1,509,954	\$ 1,553,299	\$ 1,519,550
Public Works	\$ 534,728	\$ 394,042	\$ 680,590	\$ 600,108	\$ 597,147	\$ 598,415	\$ 595,479	\$ 709,411	\$ 523,355	\$ 534,297
Recreation and culture	\$ 938	\$ 938	\$ 34,319	\$ 43,088	\$ -	\$ 58,489	\$ 5,201	\$ 2,655	\$ 100,914	\$ 17,568
Economic development	\$ 58,338	\$ 131,994	\$ 157,258	\$ 218,705	\$ 388,714	\$ 200,296	\$ 200,296	\$ 348,602	\$ 451,655	\$ 551,776
Operating grants and contributions	\$ 163,077	\$ 133,209	\$ 1,689,279	\$ 3,951,882	\$ 549,711	\$ 498,815	\$ 456,238	\$ 43,425	\$ 54,000	\$ 335,209
Capital grants and contributions	\$ 3,256,082	\$ 2,312,127	\$ 4,958,032	\$ 11,131,017	\$ 4,495,033	\$ 3,769,562	\$ 3,572,933	\$ 3,549,355	\$ 3,651,377	\$ 3,760,319
Total Governmental Activities Program Revenues	\$ 6,467,136	\$ 5,164,324	\$ 9,780,807	\$ 23,283,146	\$ 8,272,633	\$ 7,549,034	\$ 7,549,034	\$ 6,072,639	\$ 6,044,285	\$ 6,044,285
Business-Type Activities										
Waterworks & Sewerage	\$ 4,937,661	\$ 3,238,233	\$ 4,875,257	\$ 4,615,887	\$ 4,640,258	\$ 3,988,183	\$ 3,816,288	\$ -	\$ -	\$ -
Water Treatment	\$ 5,617,043	\$ 3,691,785	\$ 5,588,488	\$ 5,618,251	\$ 5,582,391	\$ 6,089,786	\$ 5,581,313	\$ -	\$ -	\$ -
Waste Water Treatment	\$ 897,123	\$ 599,505	\$ 898,294	\$ 885,943	\$ 750,581	\$ -	\$ -	\$ -	\$ -	\$ -
Drainage	\$ 11,066	\$ 915	\$ 4,369	\$ 2,580	\$ 3,138	\$ 4,738	\$ 4,592	\$ 4,095	\$ 2,827	\$ 11,049
Development loans	\$ -	\$ -	\$ -	\$ -	\$ 33,679	\$ 244,198	\$ 221,573	\$ 128,541	\$ 91,932	\$ 80,048
Operating grants and contributions	\$ -	\$ 48,330	\$ 1,504,657	\$ 2,189,511	\$ 681,871	\$ -	\$ -	\$ -	\$ -	\$ -
Capital grants and contributions	\$ 11,462,893	\$ 7,578,768	\$ 12,841,065	\$ 13,312,172	\$ 11,691,918	\$ 10,306,905	\$ 9,623,766	\$ 7,681,670	\$ 6,167,398	\$ 6,135,382
Total Business-Type Activities Revenues	\$ 14,718,975	\$ 9,890,885	\$ 17,799,097	\$ 24,443,189	\$ 16,186,951	\$ 14,075,457	\$ 13,196,699	\$ 11,231,025	\$ 9,818,775	\$ 9,885,701

CITY OF EAST MOLINE
Changes in Net Position, last ten years
(accrual basis of accounting)

	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
NET (EXPENSE) REVENUE										
Governmental Activities	\$ (15,430,280)	\$ (10,284,594)	\$ (12,201,171)	\$ (6,108,050)	\$ (13,663,855)	\$ (12,989,121)	\$ (12,750,519)	\$ (12,371,081)	\$ (10,042,189)	\$ (10,043,069)
Business-type Activities	\$ 536,010	\$ (186,343)	\$ 2,234,363	\$ 2,518,979	\$ 1,196,122	\$ (1,303,037)	\$ (1,334,956)	\$ (865,554)	\$ (1,075,361)	\$ (1,003,522)
Total Primary Government Net Expense	\$ (14,894,270)	\$ (10,470,937)	\$ (9,966,808)	\$ (3,589,071)	\$ (12,467,733)	\$ (14,292,158)	\$ (14,085,475)	\$ (13,236,635)	\$ (11,117,550)	\$ (11,046,591)
General Revenues and Other Changes in Net Position										
Governmental Activities	\$ 5,981,170	\$ 6,120,224	\$ 6,703,171	\$ 6,238,391	\$ 6,001,373	\$ 5,654,321	\$ 5,811,064	\$ 5,389,693	\$ 5,007,390	\$ 4,785,815
Property taxes	-	-	-	\$ 1,319,131	\$ 1,465,931	\$ 1,174,524	\$ 1,391,582	\$ 1,593,715	\$ 1,448,825	\$ 1,306,517
Replacement taxes	\$ 1,878,085	\$ 979,663	\$ 1,583,274	\$ 1,379,783	\$ 1,453,284	\$ 1,463,396	\$ 1,023,876	\$ 1,537,565	\$ 1,397,249	\$ 1,559,193
Utilities taxes	-	-	-	\$ 2,600,484	\$ 2,563,488	\$ 2,394,654	\$ 3,034,990	\$ 2,572,540	\$ 2,370,389	\$ 2,208,150
Sales taxes	-	-	-	\$ 2,250,965	\$ 1,658,481	\$ 1,652,905	\$ 1,887,332	\$ 2,019,151	\$ 1,848,433	\$ 1,657,721
State income taxes	-	-	-	\$ 2,281	\$ 2,127	\$ 777	\$ 1,700	\$ 1,624	-	\$ 2,237
Admission taxes	\$ 3,326	\$ 2,241	\$ 1,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non home rule sales tax	\$ 482,759	\$ 318,881	\$ 464,784	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	\$ 5,728,763	\$ 3,474,643	\$ 5,603,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted investment earnings	\$ 12,167	\$ 14,806	\$ 15,921	\$ 36,407	\$ 80,845	\$ 125,319	\$ 182,472	\$ 256,313	\$ 292,569	\$ 177,812
Gain on sale of capital assets	\$ 12,779	\$ 10,434	\$ 38,598	\$ -	\$ 17,540	\$ 13,000	\$ 33,604	\$ 5,266	\$ 85,940	\$ 68,460
Transfers	\$ (259,744)	\$ (37,241)	\$ (391,857)	\$ 27,702	\$ 220	\$ (178,806)	\$ (42,762)	\$ (477,042)	\$ (367,898)	\$ (356,814)
Total Governmental Activities	\$ 13,639,305	\$ 10,883,651	\$ 14,019,221	\$ 13,855,144	\$ 13,243,289	\$ 12,300,090	\$ 13,323,858	\$ 12,900,825	\$ 12,082,897	\$ 11,409,091
Business-type activities	\$ 7,670	\$ 3,462	\$ 5,255	\$ 8,666	\$ 34,211	\$ 99,730	\$ 423,714	\$ 398,823	\$ 267,727	\$ 128,426
Unrestricted investment earnings	-	\$ 2,126	\$ 1,041	\$ 665	\$ -	\$ 12,936	\$ 726	\$ 1,002	\$ -	\$ -
Gain on sale of capital assets	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	\$ 259,744	\$ 37,241	\$ 391,857	\$ (27,702)	\$ (220)	\$ 178,806	\$ 42,762	\$ 477,042	\$ 367,898	\$ 356,814
Total Business-type Activities	\$ 267,414	\$ 42,829	\$ 398,153	\$ (18,371)	\$ 33,991	\$ 291,472	\$ 467,202	\$ 876,867	\$ 635,625	\$ 485,240
Total Primary Government	\$ 13,906,719	\$ 10,926,480	\$ 14,417,374	\$ 13,836,773	\$ 13,277,280	\$ 12,591,562	\$ 13,791,060	\$ 13,777,692	\$ 12,718,522	\$ 11,894,331
Change in Net Position										
Governmental activities	\$ (1,790,975)	\$ 599,057	\$ 1,818,050	\$ 7,747,094	\$ (420,566)	\$ (689,031)	\$ 573,339	\$ 529,744	\$ 2,040,708	\$ 1,366,022
Business-type activities	\$ 803,424	\$ (143,514)	\$ 2,632,516	\$ 2,500,608	\$ 1,230,113	\$ (1,011,565)	\$ (867,754)	\$ 11,313	\$ (439,736)	\$ (518,282)
Total Primary Government	\$ (987,551)	\$ 455,543	\$ 4,450,566	\$ 10,247,702	\$ 809,547	\$ (1,700,596)	\$ (294,415)	\$ 541,057	\$ 1,600,972	\$ 847,740

CITY OF EAST MOLINE
Fund Balances - Governmental Funds, Last Ten Fiscal Years
(modified accrual basis of accounting)

General Fund	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Nonspendable	\$ 891,126	\$ 881,412	\$ 692,771	\$ 692,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	\$ 844,350	\$ 1,064,935	\$ 714,072	\$ 618,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	\$ 3,137,343	\$ 2,944,091	\$ 3,570,434	\$ 3,414,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	\$ 2,876,320	\$ 2,328,356	\$ 1,020,935	\$ 134,839	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 692,771	\$ 692,771	\$ 692,771	\$ 692,771	\$ 817,771	\$ 913,454
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ 3,434,733	\$ 3,777,956	\$ 3,965,868	\$ 3,870,655	\$ 2,727,430	\$ 1,892,088
Total General Fund	\$ 7,749,139	\$ 7,218,494	\$ 5,998,212	\$ 4,860,138	\$ 4,127,504	\$ 4,470,727	\$ 4,658,639	\$ 4,563,426	\$ 3,545,201	\$ 2,805,542
All Other Governmental Funds										
Nonspendable	\$ 505,895	\$ 505,895	\$ 740,759	\$ 813,677	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	\$ 3,666,636	\$ 3,930,304	\$ 4,048,026	\$ 5,013,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	\$ 598,921	\$ 467,591	\$ 1,225,564	\$ 1,352,459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	\$ (5,352,679)	\$ (4,969,832)	\$ (5,321,212)	\$ (5,090,564)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 843,719	\$ 1,016,180	\$ 1,076,104	\$ 930,935	\$ 1,722,456	\$ 1,843,146
Unreserved, reported in										
Special revenue funds	\$ -	\$ -	\$ -	\$ -	\$ 124,196	\$ (1,324,647)	\$ (897,359)	\$ (434,992)	\$ (16,908)	\$ 246,799
Capital project funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (42,887)
Debt service funds	\$ -	\$ -	\$ -	\$ -	\$ (473,742)	\$ (422,814)	\$ -	\$ -	\$ -	\$ -
Total All Other Governmental Funds	\$ (581,227)	\$ (66,042)	\$ 693,137	\$ 2,088,664	\$ 494,173	\$ (731,281)	\$ 178,745	\$ 495,943	\$ 1,705,548	\$ 2,047,058

Note: GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, implemented in Fiscal Year 2012.

CITY OF EAST MOLINE
Changes in Fund Balances - Governmental Funds, Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Taxes	\$ 8,150,925	\$ 7,419,609	\$ 8,745,507	\$ 13,356,551	\$ 13,144,684	\$ 12,340,577	\$ 13,150,544	\$ 13,114,288	\$ 12,072,286	\$ 11,519,633
Licenses, permits and fees	\$ 375,847	\$ 287,889	\$ 432,455	\$ 440,898	\$ 772,657	\$ 750,189	\$ 875,973	\$ 870,509	\$ 908,566	\$ 879,964
Intergovernmental	\$ 6,649,790	\$ 4,220,197	\$ 6,527,287	\$ 4,562,000	\$ 701,894	\$ 606,311	\$ 604,097	\$ 651,869	\$ 706,693	\$ 660,806
Charges for services and rents	\$ 1,392,363	\$ 989,226	\$ 1,360,814	\$ 1,319,235	\$ 1,165,324	\$ 1,118,180	\$ 1,081,593	\$ 1,075,870	\$ 1,020,765	\$ 997,446
Special assessments	\$ 286	\$ 1,974	\$ 2,388	\$ 3,427	\$ 5,684	\$ 479	\$ 8,515	\$ 3,544	\$ 2,021	\$ 5,281
Investment income	\$ 12,167	\$ 14,806	\$ 15,921	\$ 36,407	\$ 80,845	\$ 125,319	\$ 182,472	\$ 258,313	\$ 292,569	\$ 177,812
Fines	\$ 234,331	\$ 148,483	\$ 276,738	\$ 436,303	\$ 1,091,438	\$ 288,658	\$ 241,595	\$ 359,900	\$ 346,014	\$ 224,856
Grant	\$ 221,415	\$ 265,203	\$ 1,898,249	\$ 742,726	\$ 680,484	\$ 887,529	\$ 656,534	\$ 392,027	\$ 505,665	\$ 886,985
Miscellaneous	\$ 110,097	\$ 68,722	\$ 181,956	\$ 184,067	\$ 77,552	\$ 137,206	\$ 104,626	\$ 195,836	\$ 181,673	\$ 95,381
Total Revenues	\$ 17,147,221	\$ 13,386,079	\$ 19,441,315	\$ 21,081,614	\$ 17,720,562	\$ 16,234,448	\$ 16,905,949	\$ 16,921,956	\$ 16,016,232	\$ 15,447,764
Expenditures	\$ 467,770	\$ 297,863	\$ 461,242	\$ 514,734	\$ 501,022	\$ 515,366	\$ 565,638	\$ 597,171	\$ 523,519	\$ 565,599
General government	\$ 9,551,693	\$ 6,320,737	\$ 9,546,615	\$ 9,205,983	\$ 9,162,524	\$ 8,004,991	\$ 8,026,849	\$ 8,247,249	\$ 7,373,088	\$ 7,211,654
Public safety	\$ 3,284,184	\$ 2,235,478	\$ 3,041,223	\$ 2,631,800	\$ 2,661,563	\$ 2,735,358	\$ 3,098,461	\$ 3,383,953	\$ 2,516,269	\$ 2,289,421
Public works	\$ 766,305	\$ 585,791	\$ 1,413,315	\$ 1,355,835	\$ 1,500,071	\$ 1,479,473	\$ 1,401,618	\$ 1,375,042	\$ 1,412,222	\$ 1,367,354
Recreation and culture	\$ 360,178	\$ 516,013	\$ 465,827	\$ 723,817	\$ 851,991	\$ 1,392,640	\$ 1,164,733	\$ 440,439	\$ 666,188	\$ 739,981
Economic development	\$ 644,550	\$ 1,245,784	\$ 2,850,296	\$ 970,125	\$ 1,095,960	\$ 967,314	\$ 1,905,857	\$ 884,405	\$ 1,038,458	\$ 1,492,991
Capital expenditures	\$ 1,276,297	\$ 481,329	\$ 1,166,380	\$ 1,068,210	\$ 951,000	\$ 879,001	\$ 774,000	\$ 922,763	\$ 858,151	\$ 804,932
Debt Service	\$ 209,545	\$ 139,586	\$ 256,899	\$ 328,056	\$ 390,963	\$ 459,607	\$ 448,661	\$ 483,415	\$ 516,887	\$ 546,800
Principal	-	-	-	45,003	81,727	-	23,116	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Bond issue costs	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 16,560,622	\$ 11,822,581	\$ 19,201,797	\$ 16,843,563	\$ 17,196,841	\$ 16,433,450	\$ 17,408,933	\$ 16,334,437	\$ 14,904,782	\$ 15,018,732
Excess of Revenues Over (Under) Expenditures	\$ 586,599	\$ 1,563,498	\$ 239,518	\$ 4,238,051	\$ 523,721	\$ (199,002)	\$ (502,984)	\$ 587,519	\$ 1,111,450	\$ 429,032
Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ 2,469,000	\$ 5,345,000	\$ -	\$ 1,190,000	\$ -	\$ -	\$ 35,000
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ 1,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Premium on bonds	\$ -	\$ -	\$ -	\$ (9,405)	\$ (29,380)	\$ -	\$ -	\$ -	\$ -	\$ -
Discount on bonds	\$ -	\$ -	\$ -	\$ (2,415,955)	\$ (5,252,151)	\$ -	\$ -	\$ -	\$ -	\$ -
Payment to refunding bond agent	\$ -	\$ -	\$ -	\$ 183,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan proceeds	\$ 13,217	\$ 26,843	\$ 296,098	\$ 34,717	\$ 17,540	\$ 13,000	\$ 33,604	\$ 10,075	\$ 150,340	\$ 105,960
Sale of property	\$ 482,217	\$ 540,931	\$ 321,706	\$ 1,156,421	\$ 2,701,242	\$ 1,297,278	\$ 1,878,187	\$ 570,555	\$ 259,361	\$ 1,385,684
Transfers in	\$ (1,066,573)	\$ (958,974)	\$ (1,114,775)	\$ (1,957,979)	\$ (2,423,741)	\$ (2,261,124)	\$ (2,820,792)	\$ (1,359,529)	\$ (1,123,002)	\$ (1,361,653)
Transfers Out	\$ (571,135)	\$ (204,468)	\$ (496,971)	\$ (538,125)	\$ 358,510	\$ (950,846)	\$ 280,999	\$ (776,899)	\$ (713,301)	\$ 164,991
Total Other Financing Services	\$ 15,460	\$ 1,359,030	\$ (257,453)	\$ 3,699,926	\$ 862,231	\$ (1,149,848)	\$ (221,985)	\$ (191,380)	\$ 398,149	\$ 594,023
Net Change in Fund Balances	\$ 9.34%	\$ 5.87%	\$ 8.70%	\$ 8.80%	\$ 8.20%	\$ 8.66%	\$ 7.89%	\$ 9.10%	\$ 9.92%	\$ 9.99%
Debt Service as a percentage of noncapital expenditures										

Note - No capital expenditures are included in any other function.

CITY OF EAST MOLINE
Police Pension Fund - Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Additions										
Employer contributions	\$ 782,786	\$ 629,991	\$ 836,859	\$ 878,524	\$ 708,342	\$ 548,793	\$ 533,518	\$ 582,831	\$ 529,842	\$ 506,172
Member contributions	\$ 261,574	\$ 161,549	\$ 298,877	\$ 254,502	\$ 250,708	\$ 256,688	\$ 229,742	\$ 187,620	\$ 179,628	\$ 175,043
Investment income (net of expenses)	\$ 652,647	\$ 1,435,913	\$ 1,454,910	\$ (2,711)	\$ 1,601,330	\$ 2,086,650	\$ (1,876,512)	\$ 422,506	\$ 1,721,194	\$ 1,759,077
Total Addition To Plan Net Position	\$ 1,697,007	\$ 2,227,453	\$ 2,600,646	\$ 1,130,315	\$ 2,561,378	\$ 2,892,109	\$ (1,113,252)	\$ 1,192,957	\$ 2,430,664	\$ 2,440,292
Deductions										
Benefit Payments	\$ 1,477,589	\$ 963,038	\$ 1,401,753	\$ 1,356,001	\$ 1,326,066	\$ 1,267,116	\$ 1,263,245	\$ 1,189,288	\$ 1,142,148	\$ 1,136,096
Administrative expenses	\$ 24,221	\$ 4,746	\$ 29,156	\$ 9,036	\$ 5,522	\$ 24,231	\$ 10,142	\$ 8,935	\$ 26,728	\$ 19,638
Total Deductions From Plan Net Position	\$ 1,501,810	\$ 967,784	\$ 1,430,909	\$ 1,365,037	\$ 1,331,588	\$ 1,291,347	\$ 1,273,387	\$ 1,198,223	\$ 1,168,876	\$ 1,155,732
Change in Net Position	\$ 195,197	\$ 1,259,669	\$ 1,169,737	\$ (234,722)	\$ 1,229,790	\$ 1,600,762	\$ (2,386,639)	\$ (5,266)	\$ 1,261,788	\$ 1,284,560

CITY OF EAST MOLINE
Firefighters Pension Fund - Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Additions										
Employer contributions	\$ 679,363	\$ 567,522	\$ 960,775	\$ 535,376	\$ 434,973	\$ 379,195	\$ 391,894	\$ 400,557	\$ 407,628	\$ 420,427
Member contributions	\$ 242,314	\$ 148,555	\$ 214,051	\$ 207,088	\$ 208,797	\$ 181,354	\$ 171,970	\$ 171,820	\$ 164,343	\$ 161,119
Investment income (net of expenses)	\$ 717,379	\$ 1,761,668	\$ 1,906,230	\$ (29,362)	\$ 1,831,268	\$ 2,793,317	\$ (2,430,084)	\$ 296,963	\$ 2,119,398	\$ 1,723,224
Total Addition To Plan Net Position	\$ 1,639,056	\$ 2,477,745	\$ 3,081,056	\$ 713,112	\$ 2,475,038	\$ 3,363,866	\$ (1,866,220)	\$ 869,340	\$ 2,691,369	\$ 2,304,770
Deductions										
Benefit Payments	\$ 1,503,645	\$ 978,147	\$ 1,477,768	\$ 1,365,315	\$ 1,323,098	\$ 1,263,997	\$ 1,234,704	\$ 1,083,425	\$ 1,048,274	\$ 1,004,026
Administrative expenses	\$ 39,533	\$ 28,060	\$ 28,529	\$ 24,955	\$ 22,409	\$ 51,184	\$ 33,657	\$ 25,520	\$ 21,817	\$ 18,184
Total Deductions From Plan Net Position	\$ 1,543,178	\$ 1,006,207	\$ 1,506,297	\$ 1,390,270	\$ 1,345,507	\$ 1,315,181	\$ 1,268,361	\$ 1,108,945	\$ 1,070,091	\$ 1,022,210
Change in Net Position	\$ 95,878	\$ 1,471,538	\$ 1,574,759	\$ (677,158)	\$ 1,129,531	\$ 2,028,705	\$ (3,134,581)	\$ (239,605)	\$ 1,621,278	\$ 1,282,560

CITY OF EAST MOLINE
 Program Revenues by Function/Program, Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Program Revenues										
Governmental Activities:										
Charges for services:										
General Government	\$ 273,511	\$ 255,755	\$ 270,404	\$ 301,063	\$ 540,348	\$ 220,312	\$ 222,421	\$ 262,452	\$ 283,211	\$ 286,371
Public Safety	\$ 783,439	\$ 449,035	\$ 757,901	\$ 969,120	\$ 1,361,422	\$ 549,713	\$ 613,020	\$ 672,856	\$ 684,943	\$ 505,528
Public Works	\$ 1,442,051	\$ 947,154	\$ 1,368,281	\$ 5,047,051	\$ 1,315,632	\$ 1,454,094	\$ 1,480,278	\$ 1,509,954	\$ 1,553,299	\$ 1,519,550
Recreation and culture	\$ 534,728	\$ 394,042	\$ 680,590	\$ 600,108	\$ 597,147	\$ 598,415	\$ 595,479	\$ 709,411	\$ 523,355	\$ 534,297
Economic development	\$ 938	\$ 938	\$ 34,319	\$ 43,088	\$ -	\$ 58,489	\$ 5,201	\$ 2,655	\$ 100,914	\$ 17,588
Operating grants and contributions	\$ 58,338	\$ 131,994	\$ 157,258	\$ 218,705	\$ 130,773	\$ 388,714	\$ 200,296	\$ 348,602	\$ 451,655	\$ 551,776
Capital grants and contributions	\$ 163,077	\$ 133,209	\$ 1,689,279	\$ 3,951,882	\$ 549,711	\$ 498,815	\$ 456,238	\$ 43,425	\$ 54,000	\$ 335,209
Total Governmental Activities Program Revenues	\$ 3,256,082	\$ 2,312,127	\$ 4,958,032	\$ 11,131,017	\$ 4,495,033	\$ 3,768,552	\$ 3,572,933	\$ 3,549,355	\$ 3,651,377	\$ 3,750,319
Business-Type Activities										
Charges for services:										
Waterworks & Sewerage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,549,034	\$ 6,072,639	\$ 6,044,285
Water Treatment	\$ 4,937,661	\$ 3,238,233	\$ 4,875,257	\$ 4,615,887	\$ 4,640,258	\$ 3,988,183	\$ 3,816,288	\$ -	\$ -	\$ -
Wastewater Treatment	\$ 5,617,043	\$ 3,691,785	\$ 5,558,488	\$ 5,618,251	\$ 5,592,391	\$ 6,069,786	\$ 5,581,313	\$ -	\$ -	\$ -
Drainage	\$ 897,123	\$ 599,505	\$ 898,294	\$ 885,943	\$ 750,581	\$ -	\$ -	\$ -	\$ -	\$ -
Development loans	\$ 11,066	\$ 915	\$ 4,369	\$ 2,580	\$ 3,138	\$ 4,738	\$ 4,592	\$ 4,095	\$ 2,827	\$ 11,049
Operating grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ 33,679	\$ 244,198	\$ 221,573	\$ 128,541	\$ 91,932	\$ 80,048
Capital grants and contributions	\$ -	\$ 48,330	\$ 1,504,657	\$ 2,189,511	\$ 681,871	\$ -	\$ -	\$ -	\$ -	\$ -
Total Business-Type Activities Revenues	\$ 11,462,893	\$ 7,578,768	\$ 12,841,065	\$ 13,312,172	\$ 11,691,918	\$ 10,306,505	\$ 9,623,766	\$ 7,681,670	\$ 6,167,398	\$ 6,135,382
Total Primary Government Revenues	\$ 14,718,975	\$ 9,890,895	\$ 17,799,097	\$ 24,443,189	\$ 16,186,951	\$ 14,075,457	\$ 13,196,699	\$ 11,231,025	\$ 9,818,775	\$ 9,885,701

CITY OF EAST MOLINE
TAXES BY SOURCE, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	Income Tax	Replacement Tax	Utility Tax	Property Tax	Sales Tax	Other Taxes	Total Taxes
Ending							
4/30/2006	\$1,657,721	\$1,306,517	\$1,559,193	\$4,785,815	\$2,208,150	\$2,237	\$11,519,633
4/30/2007	\$1,848,433	\$1,448,825	\$1,397,249	\$5,007,390	\$2,370,389	\$0	\$12,072,286
4/30/2008	\$2,019,151	\$1,593,715	\$1,537,565	\$5,389,693	\$2,572,540	\$1,624	\$13,114,288
4/30/2009	\$1,887,332	\$1,391,582	\$1,023,876	\$5,811,064	\$3,034,990	\$1,700	\$13,150,544
4/30/2010	\$1,652,905	\$1,174,524	\$1,463,396	\$5,654,321	\$2,394,654	\$777	\$12,340,577
4/30/2011	\$1,658,481	\$1,465,931	\$1,453,284	\$6,001,373	\$2,563,488	\$2,127	\$13,144,684
4/30/2012	\$1,798,955	\$1,319,131	\$1,380,932	\$6,238,391	\$2,616,861	\$2,281	\$13,356,551
4/30/2013	\$2,015,539	\$1,346,648	\$1,583,274	\$6,703,171	\$2,698,480	\$9,447	\$14,356,559
12/31/2013	\$1,346,281	\$726,784	\$979,787	\$6,120,224	\$1,840,320	\$36,250	\$11,049,646
12/31/2014	\$2,039,535	\$1,315,482	\$1,684,777	\$5,981,170	\$2,787,056	\$70,952	\$13,878,972
Change							
2006 to 2014	23.03%	0.69%	8.05%	24.98%	26.22%	3071.75%	20.48%

**City of East Moline
Revenue Capacity**

CITY OF EAST MOLINE
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years

Levy Year	Equalized Assessed Valuation					Total	Municipal Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential	Farm	Commercial	Industrial	Rail Road				
2005	\$155,018,303	\$243,762	\$50,755,115	\$28,041,560	\$540,203	\$234,598,943	\$1.8822	\$ 703,796,829	33.33%
2006	\$160,731,135	\$222,944	\$54,066,886	\$28,056,287	\$585,175	\$243,662,427	\$1.8870	\$ 730,987,281	33.33%
2007	\$169,735,082	\$204,954	\$54,614,828	\$28,848,175	\$643,778	\$254,046,817	\$1.8116	\$ 762,140,451	33.33%
2008	\$175,001,801	\$662,117	\$53,262,708	\$28,383,420	\$743,123	\$258,053,169	\$1.7738	\$ 774,159,507	33.33%
2009	\$178,663,229	\$695,966	\$55,116,032	\$28,819,376	\$891,988	\$264,186,591	\$1.8448	\$ 792,559,773	33.33%
2010	\$176,726,393	\$803,217	\$56,669,850	\$29,173,316	\$994,237	\$264,367,013	\$1.9290	\$ 793,101,039	33.33%
2011	\$174,538,404	\$806,216	\$59,337,143	\$28,987,619	\$1,191,930	\$264,861,312	\$2.1118	\$ 794,583,936	33.33%
2012	\$170,943,245	\$850,960	\$57,206,387	\$28,439,176	\$1,281,754	\$258,721,522	\$2.1150	\$ 776,164,566	33.33%
2013	\$165,633,048	\$941,578	\$56,826,576	\$28,749,165	\$1,420,276	\$253,570,643	\$2.1260	\$ 760,711,929	33.33%
2014	\$164,840,755	\$2,791,761	\$56,528,864	\$28,881,127	\$1,454,814	\$254,497,321	\$2.1550	\$ 763,491,963	33.33%

Source - Rock Island County Assessor

Note - Property in the City is reassessed each year. Property is assessed at actual value and then divided by 3 to determine the equalized assessed valuation. Rates are per \$100 of equalized assessed valuation.

CITY OF EAST MOLINE
Direct and Overlapping Property Tax Rates
For the Last Ten Fiscal Years

Fiscal Year End	City Direct Rates										Overlapping Rates									
	Basic Tax Rate	TIF Bonds**	Enterprise Bonds**	MIFT Bonds**	Total Direct	United Twp High	Silvis Elementary	East Moline Elementary	Hampton Elementary	Carbon Cliff	Black Hawk College	Rock Island County	RI County Forest Preserve	Illini Hospital	QC Metro Mass Transit	QC Metro Airport				
4/30/2006	\$ 1.8622	\$ 3.6637	\$ 3.6680	\$ 0.8291	\$ 10.0630	\$ 0.4767	\$ -	\$ 3.3089	\$ 0.0001	\$ 0.0046	\$ 0.1801	\$ 0.5564	\$ -	\$ 3.3374	\$ -	\$ 0.0001				
4/30/2007	\$ 1.8870	\$ 3.3858	\$ 6.1753	\$ 0.7059	\$ 12.1541	\$ 0.5238	\$ -	\$ 2.8689	\$ 0.0005	\$ 0.0019	\$ 0.3116	\$ 0.5029	\$ -	\$ 3.0846	\$ -	\$ 0.0001				
4/30/2008	\$ 1.8116	\$ 3.0944	\$ 8.8348	\$ 0.5870	\$ 14.3277	\$ 0.2603	\$ -	\$ 2.4269	\$ 0.0394	\$ 0.0048	\$ 0.2673	\$ 1.3617	\$ -	\$ 2.7164	\$ -	\$ 0.0001				
4/30/2009	\$ 1.7738	\$ 2.8793	\$ 8.8044	\$ 0.4863	\$ 13.9438	\$ 0.4186	\$ 0.0800	\$ 1.7298	\$ -	\$ 0.0114	\$ 0.3662	\$ 1.2728	\$ 0.2038	\$ 2.1766	\$ -	\$ 0.0001				
4/30/2010	\$ 1.8448	\$ 2.6714	\$ 9.2755	\$ 0.3901	\$ 12.7539	\$ 0.3950	\$ 0.0743	\$ 1.4899	\$ 0.0002	\$ 0.0097	\$ 0.3969	\$ 0.3838	\$ 0.2687	\$ 2.1482	\$ -	\$ 1.0926				
4/30/2011	\$ 1.9290	\$ 2.5438	\$ 9.6764	\$ 0.3001	\$ 12.8738	\$ 0.2021	\$ 0.0725	\$ 2.0404	\$ 0.0003	\$ 0.0094	\$ 0.8114	\$ 1.2193	\$ 0.1955	\$ 1.8052	\$ 0.4547	\$ 1.3669				
4/30/2012	\$ 2.1118	\$ 2.3302	\$ 8.3687	\$ 0.2013	\$ 11.1670	\$ 0.3733	\$ 0.4037	\$ 1.3397	\$ 0.0003	\$ 0.0090	\$ 0.8635	\$ 1.0236	\$ 0.1715	\$ 1.6752	\$ 0.5623	\$ 1.2354				
4/30/2013	\$ 2.1150	\$ 2.1355	\$ 8.1117	\$ 0.1044	\$ 10.5738	\$ 0.2911	\$ 0.3846	\$ 1.7080	\$ 0.0003	\$ 0.0077	\$ 0.9724	\$ 0.9900	\$ 0.1661	\$ 1.5385	\$ 0.5433	\$ 1.2116				
12/31/2013	\$ 2.1150	\$ 2.0763	\$ 8.2320	\$ 0.1065	\$ 10.5686	\$ 0.4128	\$ 0.3814	\$ 2.1066	\$ 0.0002	\$ 0.0074	\$ 0.8055	\$ 0.9252	\$ 0.1603	\$ 1.4197	\$ 0.5193	\$ 1.1806				
12/31/2014	\$ 2.1260	\$ 1.8161	\$ 7.7446	\$ -	\$ 9.6395	\$ 0.2115	\$ 0.3655	\$ 2.0976	\$ 0.0002	\$ 0.0064	\$ 0.6533	\$ 0.8527	\$ 0.1526	\$ 1.2816	\$ 0.4855	\$ 1.1345				

Sources Rock Island County
City Department of Finance

Note Overlapping percentages based on 2014 EAV's

** - The City does not levy for these bond issues

CITY OF EAST MOLINE
Principal Property Tax Payers
Current Year and Nine Years Ago

2014

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Deere & Company	\$ 13,007,764	1	5.11%
Fed Ex	\$ 4,974,353	2	1.95%
Genva Management Service	\$ 4,527,635	3	1.78%
Edward Rose Building Co.	\$ 3,238,192	4	1.27%
VanPelt Corp	\$ 2,145,190	5	0.84%
Blackhawk Hills LLC	\$ 2,011,282	6	0.79%
USGI Inc., Deerfield Woods	\$ 1,986,371	7	0.78%
OFI Properties LLC	\$ 1,877,073	8	0.74%
Quad City Downs, Inc.	\$ 1,746,171	9	0.69%
Kennedy Square Properties	\$ 1,472,447	10	0.58%
Total 10 Largest	\$ 36,986,478		14.53%
City's Taxable EAV	\$ 254,497,321		

2005

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Deere & Company	\$ 13,580,625	1	5.92%
Genva Management Service	\$ 2,400,247	3	1.05%
Edward Rose Building Co.	\$ 3,125,619	2	1.36%
USGI Inc., Deerfield Woods	\$ 1,917,316	7	0.84%
Quad City Downs	\$ 2,120,585	5	0.92%
J. I. Case Co.	\$ 2,250,000	4	0.98%
IL Housing Authority	\$ 1,941,359	6	0.85%
Moline Apartments	\$ 1,570,771	8	0.68%
Colona House	\$ 1,374,810	9	0.60%
Leann Equities	\$ 1,288,538	10	0.56%
Total 10 Largest	\$ 31,569,870		13.76%
City's Taxable EAV	\$ 229,528,440		

CITY OF EAST MOLINE
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 4,469,836	\$ 4,454,192	99.65%	15,644	\$ 4,469,836	100.00%
2006	\$ 4,785,815	\$ 4,768,107	99.63%	9,572	\$ 4,777,679	99.83%
2007	\$ 4,597,910	\$ 4,571,702	99.43%	3,104	\$ 4,574,806	99.50%
2008	\$ 4,598,725	\$ 4,566,994	99.31%	26,246	\$ 4,593,240	99.88%
2009	\$ 4,628,541	\$ 4,608,315	99.56%	11,512	\$ 4,619,827	99.81%
2010	\$ 4,864,351	\$ 4,853,394	99.77%	5,064	\$ 4,858,458	99.88%
2011	\$ 5,095,917	\$ 5,092,135	99.93%	3,782	\$ 5,095,917	100.00%
2012	\$ 5,610,964	\$ 5,586,559	99.57%	4,167	\$ 5,590,726	99.64%
2013	\$ 5,486,403	\$ 5,466,239	99.63%	7,200	\$ 5,473,439	99.76%
2014	\$ 5,419,795	\$ 5,380,777	99.28%	-	\$ 5,380,777	99.28%

Source - Tax settlement book in the County Treasurer's Office
Total levy sheet in the County Treasurer's Office

CITY OF EAST MOLINE
Water Sold by Type of Customer
Last Ten Fiscal Years
(in thousands of gallons)

Type of Customer	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Residential	314,653	230,311	341,588	335,229	333,387	357,030	357,200	377,655	377,655	414,057
Industrial	650,303	473,554	694,425	694,947	776,994	733,363	695,766	451,343	442,224	323,298
Commercial	80,037	106,966	133,688	120,575	126,308	122,316	115,836	466,595	557,124	611,501
Total	1,044,993	810,831	1,169,701	1,150,752	1,236,689	1,212,709	1,168,802	1,295,594	1,377,004	1,348,857

Total Direct Rate	7.74	\$	7.51	\$	7.15	\$	6.75	\$	6.36	\$	5.84	\$	5.56	\$	5.31	\$	3.68	\$	3.68
per 1,000 Gallons																			

Source: City Department of Finance Office

CITY OF EAST MOLINE
Sewer Sold by Type of Customer
Last Ten Fiscal Years
 (in thousands of gallons)

Type of Customer	Fiscal Year									
	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Residential	316,179	231,438	343,239	337,099	329,064	381,445	357,200	397,021	377,655	397,021
Industrial	727,497	527,282	770,355	1,142,515	648,689	737,133	612,330	507,273	527,727	507,273
Commercial	84,828	108,784	137,372	124,025	115,703	122,203	115,836	101,960	114,900	101,960
Total	1,128,505	867,504	1,250,967	1,603,639	1,093,456	1,240,781	1,085,366	1,006,254	1,020,283	1,006,254
Total Direct Rate per 1,000 Gallons \$	6.20 \$	6.02 \$	5.84 \$	5.67 \$	5.51 \$	5.51 \$	5.08 \$	4.79 \$	3.09 \$	3.09 \$

Source: City Department of Finance Office

CITY OF EAST MOLINE
Water and Sewer Rates
Last Ten Fiscal Years

Fiscal Year	Water		Fiscal Year	Sewer	
	Monthly Base	Rate Per 1,000 Gallons		Monthly Base Cost	Rate Per 1,000 Gallons
4/30/2006	\$ 18.56	\$ 3.68	4/30/2006	\$ 16.20	\$ 3.09
4/30/2007	\$ 18.56	\$ 3.68	4/30/2007	\$ 16.20	\$ 3.09
4/30/2008	\$ 10.60	\$ 5.31	4/30/2008	\$ 9.73	\$ 4.79
4/30/2009	\$ 11.12	\$ 5.56	4/30/2009	\$ 10.16	\$ 5.08
4/30/2010	\$ 11.55	\$ 5.84	4/30/2010	\$ 10.97	\$ 5.51
4/30/2011	\$ 12.34	\$ 6.36	4/30/2011	\$ 10.97	\$ 5.51
4/30/2012	\$ 12.92	\$ 6.75	4/30/2012	\$ 11.21	\$ 5.67
4/30/2013	\$ 13.52	\$ 7.15	4/30/2013	\$ 11.47	\$ 5.84
12/31/2013	\$ 14.06	\$ 7.51	12/31/2013	\$ 11.73	\$ 6.02
12/31/2014	\$ 14.40	\$ 7.74	12/31/2014	\$ 12.01	\$ 6.20

Note - The City of East Moline adopted a lower minimum usage in 2008

Source - City Department of Finance Office

CITY OF EAST MOLINE
Sales Tax Collected by Category
Last Ten Calendar Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Merchandise	\$ 28,166	\$ 24,668	\$ 25,585	\$ 24,191	\$ 19,843	\$ 19,892	\$ 13,648	\$ 10,645	\$ 22,197	\$ 36,620
Food	\$ 322,958	\$ 324,725	\$ 328,043	\$ 319,724	\$ 327,664	\$ 309,259	\$ 346,615	\$ 335,470	\$ 303,411	\$ 293,765
Drinking & Eating	\$ 226,276	\$ 223,377	\$ 224,874	\$ 210,452	\$ 212,648	\$ 204,414	\$ 211,935	\$ 202,050	\$ 189,231	\$ 180,234
Apparel	\$ -	\$ -	\$ -	\$ -	\$ 1,503	\$ 0	\$ 944	\$ 0	\$ -	\$ -
Furniture, Household	\$ 7,463	\$ 8,227	\$ 5,953	\$ 10,067	\$ 10,574	\$ 9,585	\$ 12,072	\$ 12,480	\$ 12,948	\$ 8,608
Lumber, Building & Hardware	\$ 55,016	\$ 48,072	\$ 44,351	\$ 32,124	\$ 38,114	\$ 33,111	\$ 31,041	\$ 49,201	\$ 52,288	\$ 33,357
Automotive & Gasoline	\$ 717,379	\$ 733,015	\$ 736,024	\$ 699,612	\$ 706,266	\$ 686,586	\$ 672,632	\$ 662,475	\$ 686,452	\$ 576,545
Drugs and other retail	\$ 297,528	\$ 293,707	\$ 275,547	\$ 279,056	\$ 283,720	\$ 313,001	\$ 313,270	\$ 311,570	\$ 277,178	\$ 227,357
Agriculture & Extractive	\$ 195,068	\$ 159,033	\$ 155,998	\$ 189,058	\$ 166,127	\$ 161,807	\$ 166,762	\$ 167,259	\$ 152,462	\$ 139,338
Manufacturers	\$ 44,241	\$ 50,897	\$ 44,619	\$ 62,894	\$ 25,288	\$ 21,982	\$ 26,372	\$ 24,693	\$ 12,998	\$ 19,319
Totals	\$ 1,894,095	\$ 1,865,711	\$ 1,840,994	\$ 1,827,178	\$ 1,791,737	\$ 1,759,637	\$ 1,795,291	\$ 1,775,843	\$ 1,709,165	\$ 1,515,143
City Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Note - The residents of the City of East Moline, by referendum passed an additional 0.50% sales tax which can only be used for infrastructure improvements or for property tax relief.
The annual breakdown is only for the 1.0% municipal sales tax. The 0.50% is not assessed on groceries, drugs and automobile purchases. These totals do not include the additional 0.5% infrastructure tax.

Source: Illinois Department of Revenue

**CITY OF EAST MOLINE
Direct and Overlapping Sales Tax Rate
Last Ten Fiscal Years**

Fiscal Year	City Rate	County Rate	State Rate	Total Sales Tax Rate	
				Rate	Rate
4/30/2006	1.50%	0.25%	5.00%	6.75%	6.75%
4/30/2007	1.50%	0.25%	5.00%	6.75%	6.75%
4/30/2008	1.50%	0.25%	5.00%	6.75%	6.75%
4/30/2009	1.50%	0.25%	5.00%	6.75%	6.75%
4/30/2010	1.50%	0.25%	5.00%	6.75%	6.75%
4/30/2011	1.50%	0.25%	5.00%	6.75%	6.75%
4/30/2012	1.50%	0.25%	5.00%	6.75%	6.75%
4/30/2013	1.50%	0.25%	5.00%	6.75%	6.75%
12/31/2013	1.50%	0.25%	5.00%	6.75%	6.75%
12/31/2014	1.50%	0.25%	5.00%	6.75%	6.75%

Source: City Department of Finance Office

City of East Moline
Debt Capacity

CITY OF EAST MOLINE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities										Business-Type Activities					
	General Obligation Bonds	Percentage of Estimated Actual Taxable Property Value of	Per Capita	Alternate Revenue Bonds	Tax Increment Bonds	Motor Fuel Tax Bonds	Capital Leases & Notes Payable	Water Bonds	Sewer Bonds	Debt Certificates	Capital Leases & Notes Payable	Total Primary Government	Percent of Personal Income ***	Per Capita		
4/30/2006	\$ 365,000	0.05%	\$17.33	\$ 1,348,000	\$ 8,855,000	\$ 1,945,000	\$ 183,915	\$ 5,972,414	\$ 2,879,586	\$ -	\$ -	\$ 21,348,915	N/A	\$ 1,013.72		
4/30/2007	\$ 210,000	0.03%	\$10.02	\$ 1,288,000	\$ 8,380,000	\$ 1,720,000	\$ 110,763	\$ 5,576,063	\$ 2,470,938	\$ 7,000,000	\$ -	\$ 26,755,764	N/A	\$ 1,276.82		
4/30/2008	\$ 50,000	0.01%	\$2.38	\$ 1,133,000	\$ 7,855,000	\$ 1,490,000	\$ 35,000	\$ 9,212,328	\$ 6,299,672	\$ 6,915,000	\$ -	\$ 32,990,000	N/A	\$ 1,571.85		
4/30/2009	\$ 1,190,000	0.15%	\$57.06	\$ 1,162,000	\$ 7,430,000	\$ 1,255,000	\$ 35,000	\$ 8,785,402	\$ 6,027,588	\$ 6,745,000	\$ 300,000	\$ 32,930,000	N/A	\$ 1,578.92		
4/30/2010	\$ 1,090,000	0.14%	\$52.24	\$ 1,098,000	\$ 6,885,000	\$ 1,020,000	\$ -	\$ 9,388,500	\$ 4,823,500	\$ 8,942,630	\$ -	\$ 33,347,630	N/A	\$ 1,598.10		
4/30/2011	\$ 925,000	0.12%	\$43.42	\$ 1,032,000	\$ 6,655,000	\$ 785,000	\$ -	\$ 6,641,736	\$ 11,174,764	\$ 8,501,964	\$ 2,044,808	\$ 37,760,272	N/A	\$ 1,772.62		
4/30/2012	\$ 755,000	0.10%	\$35.29	\$ 984,000	\$ 6,135,000	\$ 530,000	\$ 165,503	\$ 11,060,769	\$ 10,182,512	\$ 2,164,985	\$ 5,772,869	\$ 37,750,638	N/A	\$ 1,764.46		
4/30/2013	\$ 575,000	0.07%	\$26.87	\$ 893,953	\$ 5,456,389	\$ 269,909	\$ 131,123	\$ 10,428,367	\$ 9,712,385	\$ 751,983	\$ 6,493,320	\$ 34,712,429	N/A	\$ 1,622.23		
12/31/2013	\$ 390,000	0.05%	\$18.26	\$ 894,581	\$ 5,204,560	\$ 269,955	\$ 281,525	\$ 10,314,339	\$ 9,708,110	\$ 658,041	\$ 6,317,275	\$ 34,038,386	N/A	\$ 1,593.56		
12/31/2014	\$ 200,000	0.03%	\$9.35	\$ 811,804	\$ 4,557,129	\$ -	\$ 209,229	\$ 9,688,293	\$ 15,146,864	\$ 454,860	\$ 68,098	\$ 31,146,277	N/A	\$ 1,455.57		

Source City Finance Department, Bi-State Regional Commission

Note *** Personal income is available at the County level however not available at the City level. Using County level income would create a significant distortion in the percentage.

CITY OF EAST MOLINE

SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

Schools	Outstanding Debt (4)	Applicable to the City Percent (2)	Amount
School District No. 29	\$350,000	0.13%	\$455
School District No. 34	\$3,665,000	25.29%	\$926,879
School District No. 36	\$860,000	1.90%	\$16,340
School District No. 37	\$7,915,000	67.20%	\$5,318,880
U.T.H.S. District No. 30	\$1,010,000	53.11%	\$536,411
Black Hawk College District No. 503	\$22,265,000	7.44%	\$1,656,516
Other -			
Rock Island County (3)	\$20,730,000	10.43%	\$2,162,139
Rock Island Forest Preserve	\$3,710,000	10.43%	\$386,953
Genesis Medical Center (Illi Hospital)	\$5,665,000	56.47%	\$3,199,026
Metropolitan Mass Transit District	\$8,115,000	15.17%	\$1,231,046
Metropolitan Airport	\$21,745,000	13.23%	\$2,876,864
Subtotal, overlapping debt			\$18,311,509
City Direct Debt			\$5,778,162
Total Direct debt			\$24,089,671

Source -

- (1) Rock Island County
- (2) Overlapping debt percentages are based on 2014 EAV, the most current available.
- (3) Includes bonds issued by the Public Building Commission and by the County for the Nursing Home.
- (4) As of December 31, 2014

CITY OF EAST MOLINE
 Legal Debt Margin Information
 Last Ten Fiscal Years

	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Equalized Assessed Valuation	\$ 254,497,321	\$ 253,570,643	\$ 258,721,522	\$ 264,861,312	\$ 264,367,013	\$ 264,186,591	\$ 258,053,169	\$ 254,046,817	\$ 243,662,427	\$ 234,598,943
State of Illinois Legal Debt Limit	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%	8.625%
Debt Limit	\$ 21,950,394	\$ 21,870,468	\$ 22,314,731	\$ 22,844,288	\$ 22,801,655	\$ 22,786,093	\$ 22,257,086	\$ 21,911,538	\$ 21,015,884	\$ 20,234,159
Total Net Debt Applicable to Limit	\$ 942,187	\$ 1,430,160	\$ 1,590,202	\$ 2,919,985	\$ 9,405,246	\$ 10,032,630	\$ 7,935,000	\$ 6,965,000	\$ 7,300,763	\$ 548,915
Legal Debt Margin Available	\$ 21,008,207	\$ 20,440,308	\$ 20,724,529	\$ 19,924,303	\$ 13,396,409	\$ 12,753,463	\$ 14,322,086	\$ 14,946,538	\$ 13,715,121	\$ 19,685,244
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.29%	6.54%	7.13%	12.78%	41.25%	44.03%	35.65%	31.79%	34.74%	2.71%

Source - City Department of Finance Office

Note - The State of Illinois legal debt limit for general obligation bonds is 8.625% of equalized assessed valuation.

CITY OF EAST MOLINE
Legal Debt Margin Information - Non-Home Rule Communities
Last Ten Fiscal Years

	12/31/2014	12/31/2013	4/30/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Equalized Assessed Valuation	\$ 254,497,321	\$ 253,570,643	\$ 258,721,522	\$ 264,861,312	\$ 264,367,013	\$ 264,186,591	\$ 258,053,169	\$ 243,662,427	\$ 234,598,943		
State of Illinois Legal Debt Limit	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%
Debt Limit	\$ 1,272,487	\$ 1,267,853	\$ 1,293,608	\$ 1,324,307	\$ 1,321,835	\$ 1,320,933	\$ 1,290,266	\$ 1,218,312	\$ 1,172,995		
Total Net Debt Applicable to Limit	\$ 200,000	\$ 390,000	\$ 575,000	\$ 755,000	\$ 925,000	\$ 1,090,000	\$ 1,190,000	\$ 300,763	\$ 548,915		
Legal Debt Margin Available	\$ 1,072,487	\$ 877,853	\$ 718,608	\$ 569,307	\$ 396,835	\$ 230,933	\$ 100,266	\$ 917,549	\$ 624,080		
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	15.72%	30.76%	44.45%	57.01%	69.98%	82.52%	92.23%	3.94%	24.69%		46.80%

Source - City Department of Finance Office

Note - The State of Illinois legal debt limit for general obligation bonds is 0.50% of equalized assessed valuation.

Municipalities with less than 25,000 residents or that have not gained home rule status by referendum are considered non-home rule.

CITY OF EAST MOLINE
Pledged-Revenue Coverage
Last Ten Fiscal Years

	Tax Increment Financing Funds					Enterprise Fund				
	Property Tax Increment	Debt Service		Coverage	Water, Sewer, and Drainage Revenues	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
		Principal	Interest					Principal	Interest	
4/30/2006	\$ 416,516	\$ 265,000	\$ 414,400	0.613	\$ 6,044,285	\$ 5,589,878	\$ 454,407	\$ 740,000	\$ 313,940	0.431
4/30/2007	\$ 687,090	\$ 345,000	\$ 401,937	0.920	\$ 6,072,639	\$ 5,756,731	\$ 315,908	\$ 515,000	\$ 281,837	0.396
4/30/2008	\$ 779,765	\$ 395,000	\$ 388,176	0.996	\$ 7,549,034	\$ 6,621,429	\$ 927,605	\$ 620,000	\$ 595,177	0.763
4/30/2009	\$ 1,112,668	\$ 425,000	\$ 372,026	1.396	\$ 9,397,601	\$ 8,752,453	\$ 645,148	\$ 680,000	\$ 899,747	0.408
4/30/2010	\$ 1,083,104	\$ 445,000	\$ 353,292	1.357	\$ 10,057,969	\$ 10,243,640	\$ (185,671)	\$ 807,370	\$ 854,524	-0.112
4/30/2011	\$ 1,065,331	\$ 480,000	\$ 274,508	1.412	\$ 10,973,230	\$ 7,963,648	\$ 3,009,582	\$ 927,384	\$ 872,252	1.672
4/30/2012	\$ 1,097,889	\$ 555,000	\$ 232,015	1.395	\$ 11,120,081	\$ 8,392,109	\$ 2,727,972	\$ 1,145,479	\$ 909,693	1.327
4/30/2013	\$ 1,051,184	\$ 610,000	\$ 188,648	1.316	\$ 11,332,039	\$ 8,166,148	\$ 3,165,891	\$ 1,171,981	\$ 970,335	1.478
12/31/2013	\$ 1,100,984	\$ 260,000	\$ 101,411	3.046	\$ 7,529,523	\$ 5,905,942	\$ 1,623,581	\$ 351,282	\$ 352,601	2.307
12/31/2014	\$ 1,057,149	\$ 660,000	\$ 162,716	1.285	\$ 11,451,827	\$ 7,729,146	\$ 3,722,681	\$ 1,550,864	\$ 685,806	1.664

Source - City Department of Finance Office

CITY OF EAST MOLINE

**REVENUE BONDS, GENERAL OBLIGATION AND
GENERAL OBLIGATION ALTERNATE REVENUE BONDED DEBT**

Year End December 31	Sources Of Payment										Sources Of Payment				
	Property Taxes			Water-Sewer-Storm Water Revenues			Water-Sewer-Storm Water Revenues				Tax Increment Bonds				
	General Municipal Garage	Water/Sewer Plant	Water/Sewer Plant	Municipal Garage	Water/Sewer Refunded	Storm Water	Water Plant	Water Refunded	Water Plant	Sewer Plant	North Hill	Great River Indus Park	Riverfront "The Quarter"	Kennedy Drive	Riverfront "The Quarter"
2015	\$200,000	\$84,000	\$75,000	\$128,000	\$395,000	\$189,135	\$121,083	\$490,000	\$295,461	\$135,000	\$145,000	\$150,000	\$185,000	\$80,000	
2016		\$86,000	\$110,000	\$129,000	\$610,000	\$207,625	\$121,286	\$305,000	\$299,165		\$145,000	\$155,000	\$205,000	\$85,000	
2017		\$88,000	\$115,000	\$132,000	\$620,000	\$69,100	\$121,492	\$320,000	\$302,917			\$170,000	\$225,000	\$85,000	
2018		\$88,000	\$115,000	\$132,000	\$630,000		\$121,700	\$330,000	\$306,715			\$185,000	\$245,000	\$85,000	
2019		\$90,000	\$135,000	\$135,000	\$650,000		\$121,912	\$340,000	\$310,561			\$195,000	\$270,000	\$85,000	
2020		\$92,000	\$140,000	\$138,000	\$655,000		\$122,125	\$360,000	\$314,455			\$215,000	\$290,000	\$90,000	
2021		\$94,000	\$140,000	\$141,000	\$675,000		\$122,342	\$375,000	\$318,398			\$230,000	\$320,000	\$90,000	
2022		\$96,000	\$140,000	\$144,000	\$700,000		\$122,561	\$390,000	\$322,390				\$345,000	\$95,000	
2023		\$100,000		\$150,000			\$122,783		\$326,433					\$100,000	
2024							\$123,008		\$330,526						
2025							\$123,235		\$334,670						
2026							\$123,466		\$338,867						
2027							\$123,699		\$343,116						
2028							\$123,935		\$347,418						
2029							\$124,173		\$351,775						
2030							\$124,416		\$356,186						
2031							\$19,801		\$360,652						
2032									\$365,175						
Totals	\$200,000	\$818,000	\$300,000	\$1,227,000	\$4,935,000	\$464,860	\$1,983,017	\$2,910,000	\$5,924,880	\$135,000	\$290,000	\$1,300,000	\$2,085,000	\$795,000	

City of East Moline
Demographic and Economic Information

CITY OF EAST MOLINE
Demographic and Economic Statistics
Last Ten Calendar Years

Year	City Population	City Personal Income** (in thousands)	City Per Capita Personal Income**	City Unemployment Rate**
2005	21,060	\$ 4,651,702	\$ 31,272	4.80%
2006	20,955	\$ 4,970,980	\$ 33,167	4.80%
2007	20,988	\$ 5,246,132	\$ 36,208	4.80%
2008	20,856	\$ 5,800,811	\$ 37,535	5.60%
2009	20,867	\$ 5,497,868	\$ 37,545	9.10%
2010	21,302	\$ 5,708,393	\$ 37,056	9.60%
2011	21,395	\$ 5,774,185	\$ 39,132	8.20%
2012	21,398	\$ 6,048,161	\$ 41,016	7.80%
2013	21,360	\$ 6,062,820	\$ 41,171	7.90%
2014	\$ 21,398	N/A	N/A	7.10%

Source - United States Census Bureau
 United States Department of Commerce
 Bureau of Economic Analysis
 Illinois Department of Employment Security

**Note - County level personal income, per capita, and unemployment rate are shown since City level information was not available.

CITY OF EAST MOLINE
Principal Employers
Current Year and Nine Years Ago

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
John Deere Harvester	2,200	1	25.36%	2,000	1	22.09%
Illini Hospital	690	2	7.95%			
East Moline Elementary	440	3	5.07%			
East Moline Correctional	270	4	3.11%	262	3	2.89%
4C Solutions	250	5	2.88%			
United Township High School	230	6	2.65%	250	4	2.76%
Jacobson Warehouse	200	7	2.31%			
Aramark	150	8	1.73%	100	9	1.10%
H.C. Duke & Son, Inc.	140	9	1.61%	123	7	1.36%
Standard Forwarding	125	10	1.44%	300	2	3.31%
Johnson Contracting				100	8	1.10%
McLaughlin Body Co.				250	5	2.76%
Creative Machining Technologies				140	6	1.55%
Metokote Corp				100	10	1.10%
Total City-wide Employment	8,676			9,054		

Source - 2014 Illinois Manufacturers Directory
 2014 Illinois Services Directory
 Telephone Calls
 Speer Financial
 Community Analyst

**City of East Moline
Operating Information**

CITY OF EAST MOLINE
Full-time equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
General Government										
Management Services	18	18	19	19	20	20	20	20	20	18
Finance	4	4	4	5	5	5	5	5	6	6
Development & Planning	0	0	0	0	1	1	2	2	2	1
Inspections	3	3	3	3	3	3	3	3	3	3
Other	5	5	5	5	5	6	6	6	6	6
Police										
Officers	37	37	37	37	39	40	39	39	38	36
Civilians	9	10	9	9	11	10	10	10	10	13
Fire										
Firefighters	35	35	35	34	34	35	33	33	34	34
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works										
Garbage collection	4	4	4	4	4	4	4	4	4	5
Street and bridge	4	5	4	4	5	4	4	4	5	8
Motor pool	3	3	3	4	5	5	5	4	4	4
Parks and Recreation										
Library	3	3	3	4	4	4	4	4	4	5
Water	14	14	14	14	14	14	14	15	15	15
Water plant	9	9	9	14	10	10	10	9	9	11
Water distribution	5	5	6	9	6	6	6	5	5	6
Sewer										
Sewer plant	12	13	13	14	13	13	13	12	14	14
Sewer collection	4	4	4	3	4	4	4	5	4	4
Drainage	3	3	3	3	3	5	5	3	3	3
Total	173	176	176	176	186	190	188	184	187	193
Per audit	173	176	176	186	187	190	188	170	187	193

Source - City Department of Finance

CITY OF EAST MOLINE
Operating Indicators by Function/Program
Last Ten Fiscal Years

	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Police - reported on a calendar year basis										
Calls answered	22,395	22,183	22,623	22,445	22,623	23,646	25,143	26,943	27,773	26,359
Incident numbers	5,595	5,586	7,028	6,104	7,028	7,212	9,036	8,948	9,853	9,728
Cases investigated	932	984	879	964	879	950	852	859	780	835
Arrests	698	710	1,035	894	1,035	1,115	1,481	1,655	1,375	1,503
Traffic stops	2,173	1,966	2,797	2,391	2,797	2,833	3,435	3,438	4,590	4,315
Traffic citations	1,592	1,451	2,126	1,620	2,126	2,159	3,227	2,983	4,403	5,531
Community Service Officer Calls	1,198	1,174	1,268	1,308	1,268	1,302	693	1,395	1,147	1,312
Fire - Reported on a calendar year basis										
Total incidents	2,838	1,853	2,932	2,772	2,932	2,964	2,857	2,713	2,306	2,181
Fire calls	102	86	91	86	91	81	102			
Residential fires	25	24	23	18	23			20	22	29
Commercial fires	-	-	-	2	-	-	-	5	4	3
Other fires	16	10	5	13	5	3	3	55	67	81
Rescue/emergency medical	2,088	1,320	2,194	2,036	2,194	2,280	2,095	2,027	1,698	1,516
False alarms	152	103	130	130	130	154	146	141	115	120
Mutual aid calls	-	-	-	-	-	-	-	17	36	22
Haz-mat responses	12	28	37	36	37	46	64	32	18	11
Good Intent Call	291	207	298	312	298	273	222			
Other hazardous responses	53						4	41	35	23
Other responses	146	90	34	152	34	127	129	375	311	376
Total Property Damage	\$ 839,500	\$ 914,050	\$ 502,710	\$ 628,400	\$ 502,710	\$ 340,190	\$ 172,850			
Public Works - Reported on a calendar year basis										
Garbage Users	6,243	6,243	5,530	5,812	5,530	6,310	6,307	6,337	6,300	6,300
Garbage collection - Tons	8,576	5,947	5,458	3,087	5,458	5,957	6,525	6,691	6,451	6,644
Yard Waste - Tons	302	240	173	101	173	236	286	423	310	246
Bulky Collection - Tons	1,887	880	731	489	731	696	852	806	933	1,086
Recycling Drop Off - Tons	464	280	369	145	369	347	390	959	442	379
Parks and Recreation - Reported on a calendar year basis										
Shelter reservations	274	363	304	246	304	306	305	249	356	320
Library										
Books loaned	74,343	53,997	87,056	82,970	85,288	144,013	135,518	135,200	140,807	139,770
Other formats loaned	64,582	41,968	63,875	55,055	53,458	16,897	18,435	16,567	15,961	16,630
Questions answered	14,908	10,266	16,901	17,129	16,151	16,805	16,277	16,133	15,794	15,179
Card holders	9,146	9,780	9,968	10,484	10,328	10,022	9,592	10,975	9,706	10,982
Attendance	116,537	75,968	122,211	120,336	125,466	130,755	137,912	136,716	137,938	140,296
Website hits	343,698	471,986	668,862	596,579	353,478	276,414				
Water										
Customers	6,781	6,801	6,615	6,372	6,894	7,047	6,903	6,894	6,870	6,570
Main breaks	39	66	14	14	20	37	30	28	43	31
Average daily consumption (1000 Gallons)	4,376	4,426	4,200	4,400	4,600	4,519	4,522	4,280	4,122	4,480
Peak daily consumption (1000 Gallons)	6,384	7,197	6,208	6,600	6,500	6,408	6,204	6,717	6,810	7,410
Waste Water										
Customers	6,755	6,778	6,591	6,349	6,859	6,946	6,815	6,785	6,712	6,454
Avg daily treatment - (1000 Gallons)	4,900	5,100	4,400	5,149	5,800	5,600	6,558	5,700	4,625	3,300

Source - Various City Departments

CITY OF EAST MOLINE
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011	4/30/2010	4/30/2009	4/30/2008	4/30/2007	4/30/2006
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Neighborhood stations	4	4	4	4	4	4	4	4	4	4
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Pumpers	3	3	3	4	4	4	4	4	4	4
Quints	1	1	1	1	1	1	1	1	1	1
Telesquirts	0	0	0	2	2	2	2	2	2	2
Other vehicles	5	4	4	4	4	4	4	4	4	4
Public Works										
Garbage trucks	4	4	4	5	5	5	5	5	5	5
Streets (miles)	87	87	87	87	80	80	80	80	77	77
Streets with curb & gutter	64	64	64	64	64	64	61	60	57	57
Street lights	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Traffic signals	27	27	27	27	27	27	27	27	27	27
Alleys (miles)	14	14	14	14	12	12	12	12	12	12
Parks and Recreation										
Parks	18	18	18	18	18	18	18	18	18	18
Park acreage	238	238	238	238	238	238	238	238	238	238
Bicycle paths (miles)	3.8	3.8	3.8	3.8	3.0	3.0	3.0	3.0	3.0	3.0
Swimming pools	1	1	1	1	1	1	1	1	1	1
Baseball/softball fields	15	15	15	15	15	15	15	15	15	15
Soccer/football fields	10	10	10	10	10	10	10	10	10	10
Disc Golf Course	1	1	1	1	1	1	1	1	1	1
Cricket Field	1	1	1	1	1	1	1	1	1	1
Library										
Buildings	1	1	1	1	1	1	1	1	1	1
Books in collection	55,405	62,510	58,352	57,921	57,200	57,097	57,741	57,816	63,070	65,407
Other formats in collection	28,223	20,512								
Water										
Treatment capacity (1000 gallons)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Water mains (miles)	110	110	110	110	92	92	92	92	92	92
Pump stations	2	2	2	2	3	3	3	3	3	3
Storage capacity (1,000 gal)	4,000	4,000	4,000	4,000	4,350	5,350	5,350	5,350	5,350	5,350
Waste Water										
Sanitary sewer (miles)	87	87	87	87	85	80	80	80	80	80
Treatment capacity (1000 gallons)	11,100	11,100	11,100	11,100	11,100	9,500	9,500	9,500	9,500	9,500
Lift Stations	6	6	6	6	6	5	5	5	5	5

Source - Respective City Departments

CITY OF EAST MOLINE
United Township High School Operating Statistics
Last Ten Fiscal Years

Fiscal Year End	Expenses*	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
2005	\$ 17,756,177	1,846	\$ 9,619	N/A	113	16.34	85.24%
2006	\$ 16,814,070	1,842	\$ 9,128	-5.10%	109	16.90	91.71%
2007	\$ 16,978,156	1,780	\$ 9,538	4.49%	109	16.33	93.62%
2008	\$ 17,160,779	1,781	\$ 9,635	1.02%	110	16.19	89.16%
2009	\$ 18,139,434	1,718	\$ 10,558	9.58%	111	15.48	91.08%
2010	\$ 18,598,584	1,713	\$ 10,857	2.83%	109	15.72	93.07%
2011	\$ 19,129,859	1,664	\$ 11,496	5.89%	106	15.70	96.29%
2012	\$ 19,249,859	1,711	\$ 11,251	-2.13%	102	16.77	97.52%
2013	\$ 18,243,412	1,712	\$ 10,656	-5.29%	97	17.65	90.66%
2014	\$ 18,813,486	1,746	\$ 10,775	1.12%	98	17.82	89.92%

*Net of TRS On-Behalf payments

N/A - Not available

Source United Township High School

CITY OF EAST MOLINE
East Moline Elementary School District Operating Statistics
Last Ten Fiscal Years

Fiscal Year End	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
2005	\$ 20,180,203	2,432	\$ 8,298	N/A	165	14.7	95.10%
2006	\$ 21,078,116	2,436	\$ 8,653	4.28%	153	15.9	95.30%
2007	\$ 21,635,836	2,508	\$ 8,627	-0.30%	159	15.8	95.20%
2008	\$ 24,654,832	2,517	\$ 8,841	2.48%	163	18.3	95.00%
2009	\$ 24,967,180	2,453	\$ 9,468	7.09%	177	16.4	94.90%
2010	\$ 25,972,311	2,529	\$ 10,425	10.11%	178	16.5	94.60%
2011	\$ 27,114,452	2,597	\$ 10,347	-0.75%	171	17.4	94.80%
2012	\$ 28,067,827	2,560	\$ 10,007	-3.29%	177	16.6	95.20%
2013	\$ 28,276,154	2,709	\$ 10,563	5.56%	183	16.4	96.70%
2014	\$ 28,916,156	2,775	\$ 10,823	2.46%	185	17.0	96.70%

Source East Moline Elementary School District

**CITY OF EAST MOLINE
 Silvis Elementary School Operating Statistics
 Last Ten Fiscal Years**

Fiscal Year End	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
2005	\$ 5,056,542	659	\$ 7,377		43	15.3	94.70%
2006	\$ 5,010,102	659	\$ 7,249	-1.74%	43	15.3	95.00%
2007	\$ 5,131,026	660	\$ 7,418	2.33%	42	15.7	95.40%
2008	\$ 5,266,861	677	\$ 7,600	2.45%	43	15.7	94.60%
2009	\$ 6,364,813	671	\$ 8,019	5.51%	45	14.9	94.60%
2010	\$ 5,828,580	651	\$ 8,778	9.47%	41	15.9	95.20%
2011	\$ 6,239,591	635	\$ 7,788	-11.28%	42	15.1	94.80%
2012	\$ 13,891,747	606	\$ 7,939	1.94%	42	14.4	95.20%
2013	\$ 12,321,722	617	\$ 7,878	-0.77%	42	14.7	94.90%
2014	\$ 7,027,488	645	\$ 7,942	0.81%	43	15.0	94.90%

Note: Cost per pupil is based on operating expenditures per pupil

Source Silvis Elementary School District

CITY OF EAST MOLINE, ILLINOIS

BUILDING PERMITS AND CONSTRUCTION VALUES Last Ten Fiscal Years

Fiscal Year	Number of Permits											Total Value	Permit Revenue	Contractor Registration
	Building	Curb Cuts	Electrical	Mechanical	Plumbing	Signs	Demolition	Enterprise Zone	Total Permits	Total Value	Permit Revenue			
12/31/2014	385	26	108	173	186	10	12	40	940	\$10,470,011	\$80,705	372		
12/31/2013	417	31	82	110	119	6	6	29	800	\$19,845,656	\$93,458	352		
4/30/2013	424	25	121	129	191	8	8	38	944	\$5,312,404	\$92,016	345		
4/30/2012	468	27	131	123	223	13	10	0	995	\$27,318,041	\$87,290	458		
4/30/2011	566	44	112	136	219	8	9	0	1,094	\$21,917,557	\$157,441	398		
4/30/2010	469	42	70	108	187	4	10	49	939	\$19,026,224	\$140,180	385		
4/30/2009	586	32	111	176	203	8	8	0	1,124	\$38,929,843	\$81,834	464		
4/30/2008	611	42	105	144	233	12	11	81	1,239	\$30,357,849	\$116,645	409		
4/30/2007	584	43	133	151	218	19	10	88	1,246	\$10,715,613	\$100,861	424		
4/30/2006	516	36	117	127	208	20	12	20	1,056	\$9,349,836	\$95,393	425		

Source - Inspections Department
City of East Moline