

City of East Moline, Illinois



COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
December 31, 2019

City of East Moline, Illinois
Comprehensive Annual Financial Report
Year Ended December 31, 2019

Prepared by:

Finance Department

CITY OF EAST MOLINE, ILLINOIS

December 31, 2019

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CITY OF EAST MOLINE
OFFICE OF THE CITY ADMINISTRATOR

July 20, 2020

To the Honorable Mayor Reggie Freeman,
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, 2019. This report provides a broad view of the city's financial activities for the 2019 fiscal year and its financial position at December 31, 2019. 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, 2019.

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, 2019, 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, 2019, 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, 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 an economic downturn the unemployment rate increased to 9.6% during fiscal 2010 however it has generally been declining overall. During fiscal year 2019, the rate decreased slightly from 5.2% the prior year to 4.9%.

The Port of Call TIF, more commonly referred to as "The Bend", has continued to progress in development throughout the project area. In addition to the hotel that opened in 2018, an event center, outdoor entertainment space, and gas station were completed in 2019. New construction of an apartment complex began 2019, as well as construction on an exposition center. Additional development is expected to continue in the upcoming years.

Construction continues on various parcels along 12th Avenue known as the EMG TIF. An indoor music venue, microbrewery, and other commercial retail businesses were completed in 2019 which has brought numerous out of towners and bicyclists to the area and has increased traffic to the amenities offered along the bike path and downtown areas.

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. This plan continues to be updated on a yearly basis to address the prioritized projects, immediate needs, and emergencies based on revenue sources available.

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 funded 42.10% of the Police Pension Fund and 49.46% of the Firefighter's Pension Fund, as of December 31, 2019. The percent of funding of the Police Pension Fund and the Firefighter's Pension Fund decreased compared to December 31, 2018 funding percentages of 47.49% and 62.57%, respectively. The remaining unfunded amount is being systematically funded over 30 years as part of the annual required contribution calculated by the actuary. The City has implemented GASB Statements #68 and #71 relating to accounting and financial reporting for the police and fire 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 Statements #68 and #71 relating to accounting and financial reporting for the IMRF pension plan.

The City has implemented GASB #75, 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.

2019 Accomplishments

Even with its limited funds, the City of East Moline has continued to be 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:

- 7,428 feet of new water main
- 732 feet of sewer rehabilitation
- 302 feet of storm sewer improvements
- 2.1 lane miles of HMA overlay
- 1.3 lane miles of sealcoat alleys
- 4,546 square yards of PCC Patching
- 3,281 square yards of PCC Alley Pavement
- 5,513 square yards of PCC Pavement

Awards

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 for the fiscal year ended December 31, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

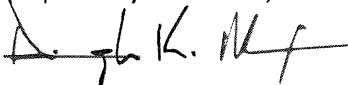
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

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,



Douglas Maxeiner
City Administrator



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of East Moline
Illinois**

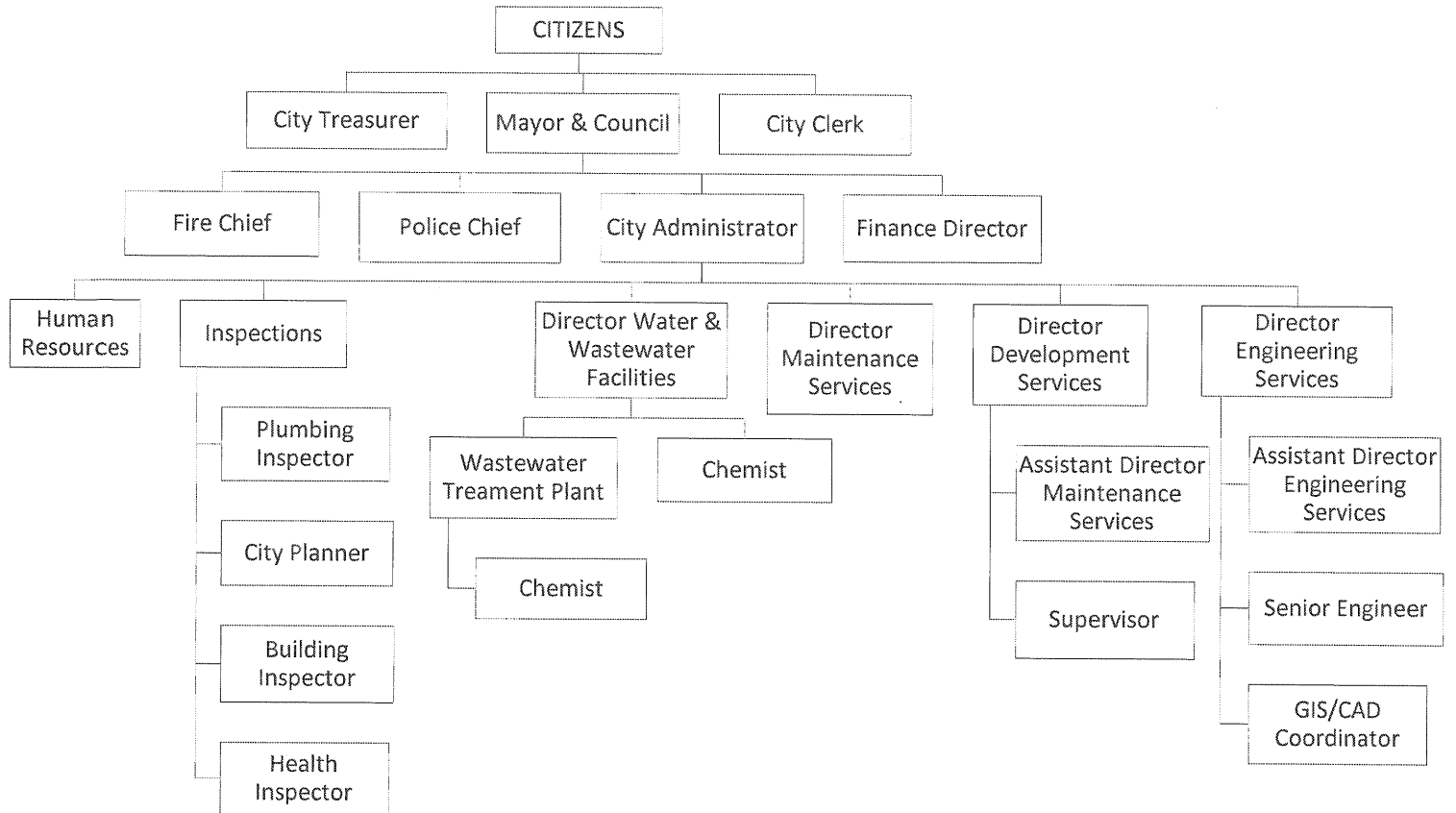
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

**CITY OF EAST MOLINE, ILLINOIS
ORGANIZATIONAL CHART 2019**



CITY OF EAST MOLINE

PRINCIPAL CITY OFFICIALS

LEGISLATIVE

Reggie Freeman
Mayor
30-Apr-21

Term Expiration
Date Of
Elected Officials

Larry Toppert	1st Ward Alderman	30-Apr-21
Gary Almblade	2nd Ward Alderman	30-Apr-23
Nancy Mulcahey	3rd Ward Alderman	30-Apr-21
Jayne O'Brien	4th Ward Alderman	30-Apr-23
Yau (Frederic) Kotoku	5th Ward Alderman	30-Apr-21
Maria Tapia	6th Ward Alderman	30-Apr-23
J.R. Rico	7th Ward Alderman	30-Apr-21
Arletta D. Holmes	City Clerk	30-Apr-21

Administration

Doug Maxeiner City Administrator

Departments

Lincoln Scott	City Attorney
Annaka Whiting	Finance
Timothy Kammler	City Engineer
Jeffrey Ramsey	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 (the "City"), as of and for the year ended December 31, 2019, 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, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages MD&A 1 through MD&A 13, the budgetary comparison information on pages 78 through 85, the pension plans schedules of employer contributions on pages 86 through 88, the other postemployment benefit plan schedule of changes in employer's total OPEB liability and related ratios on page 89, the pension plans schedule of changes in employer's net pension liability and related ratios on pages 90 through 95, and the pension plans schedule of investment returns on page 96 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 statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2020 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 solely 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 effectiveness of the City of East Moline, Illinois' 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.

Carpentier, Mitchell, Goddard & Company, L.L.C.

Moline, Illinois
July 20, 2020

City of East Moline, Illinois

Management's Discussion and Analysis Year Ended December 31, 2019

It is an honor to present to you the financial picture of the City of East Moline, Illinois. We offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of East Moline, Illinois for the year ended December 31, 2019.

Financial Highlights

The assets and deferred outflows of resources of the City of East Moline, Illinois did not exceed its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$(35,824,726) (net deficit). Of this amount, \$(98,352,272) deficit is unrestricted. As of December 31, 2018, assets and deferred outflows of resources did not exceed its liabilities and deferred inflows of resources by \$(26,936,419) (net deficit). Of this amount, \$(86,434,340) deficit was unrestricted.

For fiscal year 2019, the City's net position decreased \$(8,888,307). Governmental activities net position decreased \$(11,858,054) and business-type activities net position increased \$2,969,747. For fiscal year 2018, the City's net position increased \$4,883,526. Governmental activities net position increased \$1,788,893 and business-type activities net position increased \$3,094,633.

As of December 31, 2019, the City's governmental funds reported combined ending fund balances of \$887,818, a decrease of \$(1,530,539) in comparison with the prior year restated balance. Of this amount, a deficit \$(5,390,009), is unassigned fund balance. As of December 31, 2018, the City's governmental funds reported restated combined ending fund balances of \$2,418,357. A deficit of \$(4,251,387) is restated unassigned fund balance.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,345,021, or 8.4% of total General Fund expenditures, compared to \$2,378,310, or 16.4%, as of December 31, 2018.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statement comprised three components: 1) government-wide financial statement; 2) fund financial statements; and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City which are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, culture and

City of East Moline, Illinois

Management's Discussion and Analysis Year Ended December 31, 2019

recreation, community and economic development, debt service, and capital projects. The business-type activities of the City include water revenue, wastewater revenue, drainage revenue, and development loans.

Fund Financial Statements – A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Tax Increment Financing Fund – The Quarter, and Tax Increment Financing Fund – Port of Call, which are considered to be major funds. Data from the other fifteen nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds – The City of East Moline, Illinois maintains two different types of proprietary funds. The City maintains enterprise funds which are used to report the same functions presented as business-type activities in the government-wide financial statements and maintains an internal service fund which is used to accumulate and allocate costs internally among the City's various functions.

Enterprise funds serve external customers and are primarily funded through user charges. The City maintains seven enterprise funds. The enterprise fund financial statements provide separate information for the Water Plant Fund, Water Distribution Fund, Sewer Plant Fund, Sewer Collection Fund, and Drainage Fund as these funds are considered to be major funds of the City. The City also maintains the Economic Development Loan Fund and Housing Rehabilitation Fund which are considered to be nonmajor enterprise funds.

The City uses internal service funds to account for its Employee Insurance, Insurance Reserves, and Motor Pool.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements

City of East Moline, Illinois

Management's Discussion and Analysis
Year Ended December 31, 2019

because the resources of these funds are not available to support the City's programs. The basic fiduciary fund financial statement can be found in Note 9 of this report.

Notes to Basic Financial Statements – The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information – The required supplementary information further explains and supports the financial statements with a comparison of the City's budget for the year, the City's proportionate share of the net pension liability and related contributions for the City's retirement plans, as well as presenting the Schedule of Changes in Employer's Total OPEB Liability and Related Ratios for the Retiree Health Plan.

Supplementary and Other Information – The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the notes to basic financial statements and the required supplementary information. The other information is provided for bond requirements and additional analysis.

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City of East Moline, Illinois

Management's Discussion and Analysis
Year Ended December 31, 2019

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's total net position has decreased from a year ago. Table 1 reflects total net position of \$(35,824,726) at December 31, 2019, which represents an decrease of \$8,888,307 from the December 31, 2018 net position.

Table 1 – Net Position

	Governmental Activities 2019	Governmental Activities 2018	Business- Type Activities 2019	Business- Type Activities 2018	Total 2019	Total 2018
Current and Other Assets	\$ 15,194,575	\$ 16,475,852	\$ 8,373,710	\$ 10,783,124	\$ 23,568,285	\$ 27,258,976
Capital Assets	32,656,166	35,198,605	56,919,391	53,093,133	89,575,557	88,291,738
Total Assets	\$ 47,850,741	\$ 51,674,457	\$ 65,293,101	\$ 63,876,257	\$ 113,143,842	\$ 115,550,714
Deferred Outflows of Resources	\$ 38,978,231	\$ 7,511,847	\$ 6,681,680	\$ 1,647,838	\$ 45,659,911	\$ 9,159,685
Noncurrent Liabilities	\$ 131,576,222	\$ 93,502,696	\$ 39,739,260	\$ 33,922,395	\$ 171,315,482	\$ 127,425,091
Other Liabilities	3,384,151	3,520,755	3,342,910	2,924,085	6,727,061	6,444,840
Total Liabilities	\$ 134,960,373	\$ 97,023,451	\$ 43,082,170	\$ 36,846,480	\$ 178,042,543	\$ 133,869,931
Deferred Inflows of Resources	\$ 14,251,369	\$ 12,687,569	\$ 2,334,567	\$ 5,089,318	\$ 16,585,936	\$ 17,776,887
Net Position:						
Net Investment in Capital Assets	\$ 19,888,840	\$ 22,343,078	\$ 39,031,435	\$ 33,639,330	\$ 58,920,275	\$ 55,982,408
Restricted	2,679,871	2,582,964	927,400	932,549	3,607,271	3,515,513
Unrestricted	(84,951,481)	(75,450,758)	(13,400,791)	(10,983,582)	(98,352,272)	(86,434,340)
Total Net Position	\$ (62,382,770)	\$ (50,524,716)	\$ 26,558,044	\$ 23,588,297	\$ (35,824,726)	\$(26,936,419)

Of the City's net position, \$58,920,275 reflects its net investment in capital assets (e.g., land, construction-in-progress, buildings and improvements, infrastructure, machinery, and equipment) less accumulated depreciation and any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted for the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the City's net position is \$3,607,271 as of December 31, 2019 compared to \$3,515,513 as of December 31, 2018. Restricted net position represents resources subject to external restrictions on how they may be used. For the City, these restricted balances are for the maintenance of roadways, development, special service area, tourism, recreation and culture, public benefit, public safety, liability insurance, other purposes, economic development loans, and housing rehabilitation.

City of East Moline, Illinois

Management’s Discussion and Analysis
Year Ended December 31, 2019

Table 2 highlights the City’s revenues and expenses for the year ended December 31, 2019. These two main components are subtracted to yield the change in net position. This table utilizes the full accrual method of accounting. Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for sales and services, operating grants and contributions, and capital grants and contributions. General revenue includes taxes, investment income, and other unrestricted revenue sources.

Table 2 – Changes in Net Position

	Governmental Activities 2019	Governmental Activities 2018	Business- Type Activities 2019	Business- Type Activities 2018	Total 2019	Total 2018
Revenues:						
Program Revenues:						
Charges for Service						
Governmental	\$ 3,627,497	\$ 3,268,741	\$ -	\$ -	\$ 3,627,497	\$ 3,268,741
Water	-	-	5,466,187	5,481,146	5,466,187	5,481,146
Wastewater	-	-	6,646,962	6,509,594	6,646,962	6,509,594
Drainage	-	-	860,499	907,045	860,499	907,045
Development						
Loans	-	-	678	916	678	916
Operating Grants and						
Contributions	41,539	79,810	-	-	41,539	79,810
Capital Grants and						
Contributions	344,684	457,544	-	-	344,684	457,544
General Revenues:						
Property Tax	6,562,821	6,404,231	-	-	6,562,821	6,404,231
Utility Taxes	1,206,647	1,310,802	-	-	1,206,647	1,310,802
Sales Taxes	488,975	490,736	-	-	488,975	490,736
Other Taxes	194,782	3,287	-	-	194,782	3,287
Intergovernmental	6,943,744	6,194,936	-	-	6,943,744	6,194,936
Investment Earnings	125,394	122,547	46,632	41,778	172,026	164,325
Gain on Sale of						
Assets	18,492	3,224	17,800	-	36,292	3,224
Total Revenues	\$ 19,554,575	\$ 18,335,858	\$ 13,038,758	\$ 12,940,479	\$ 32,593,333	\$ 31,276,337

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City of East Moline, Illinois

Management's Discussion and Analysis
Year Ended December 31, 2019

Table 2 – Changes in Net Pension (continued)

	Governmental Activities 2019	Governmental Activities 2018	Business- Type Activities 2019	Business- Type Activities 2018	Total 2019	Total 2018
Expenses:						
Public Safety	\$ 20,693,229	\$ 9,516,861	\$ -	\$ -	\$ 20,693,229	\$ 9,516,861
Public Works	5,032,022	4,046,902	-	-	5,032,022	4,046,902
Recreation and Culture	1,326,862	943,627	-	-	1,326,862	943,627
Community and Economic Development	490,588	924,818	-	-	490,588	924,818
General Government	866,198	686,037	-	-	866,198	686,037
Interest on Long- Term Debt	474,942	396,208	-	-	474,942	396,208
Water	-	-	5,482,017	4,369,786	5,482,017	4,369,786
Wastewater	-	-	6,462,324	4,550,075	6,462,324	4,550,075
Drainage	-	-	639,613	934,653	639,613	934,653
Development Loans	-	-	13,845	23,844	13,845	23,844
Total Expenses	\$ 28,883,841	\$ 16,514,453	\$ 12,597,799	\$ 9,878,358	\$ 41,481,640	\$ 26,392,811
Excess (Deficiency)						
before Transfers	\$ (9,329,266)	\$ 1,821,405	\$ 440,959	\$ 3,062,121	\$ (8,888,307)	\$ 4,883,526
Transfers	(2,528,788)	(32,512)	2,528,788	32,512	-	-
Change in Net Position	\$ (11,858,054)	\$ 1,788,893	\$ 2,969,747	\$ 3,094,633	\$ (8,888,307)	\$ 4,883,526
Net Position, beginning	(50,524,716)	(52,313,609)	23,588,297	20,493,664	(26,936,419)	(31,819,945)
Net Position, ending	\$ (62,382,770)	\$ (50,524,716)	\$ 26,558,044	\$ 23,588,297	\$ (35,824,726)	\$(26,936,419)

Current Year Impacts

Governmental Activities – Governmental activities decreased the City's net position by \$(9,329,266) before transfers out of \$2,528,788. Key elements contributing to this net change are as follows:

Revenues – For the fiscal year ended December 31, 2019, total revenues from governmental activities increased by \$1,218,717 (6.65%). The majority of the increase was due to increases in charges for services, other taxes, and intergovernmental revenue during the year.

Expenses – For the fiscal year ending December 31, 2019, governmental expenses increased \$12,369,388 (75.00%).

OPEB and pension expense continues to have an impact in overall governmental activities.

Business-Type Activities – Business-type activities increased the City of East Moline, Illinois' net position by \$2,969,747, resulting in an 12.59% increase in the net position for business-type activities. Key elements contributing to this net change are as follows:

City of East Moline, Illinois

Management's Discussion and Analysis Year Ended December 31, 2019

Revenues – For the fiscal year ended December 31, 2019, total revenue for the business-type activities increased \$98,279 (.76%). The increase in billings was due to increased usage by citizens.

Expenses – Total expenses for the business-type activities at the end of the fiscal year were \$12,597,799, which is an increase of \$2,719,441 (27.53%) from the fiscal year ended December 31, 2018. Much of the increase to the expense was associated with the OPEB adjustments.

As a result, the City's total net position decreased \$(8,888,307) during the year ended December 31, 2019.

Table 3 below discloses cost of services for governmental activities.

The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by local taxes or other general revenue or transfers.

Table 3 – Governmental Activities

	Total Cost of Services 2019	Total Cost of Services 2018	Net Cost of Services 2019	Net Cost of Services 2018
Public Safety	\$ 20,693,229	\$ 9,516,861	\$ 19,993,312	\$ 8,752,042
Public Works	5,032,022	4,046,902	2,821,516	2,091,608
Recreation and Culture	1,326,862	943,627	628,783	283,033
Community and Economic Development	490,588	924,818	448,288	892,726
General Government	866,198	686,037	503,280	292,741
Interest on Long-Term Debt	474,942	396,208	474,942	396,208
Total	\$ 28,883,841	\$ 16,514,453	\$ 24,870,121	\$ 12,708,358

Net cost of services is 86.10% of total cost of services for the year ended December 31, 2019 and 76.95% for the year ended December 31, 2018. As expected, this reflects a continued reliance on taxes and other general revenue sources to fund the cost of services.

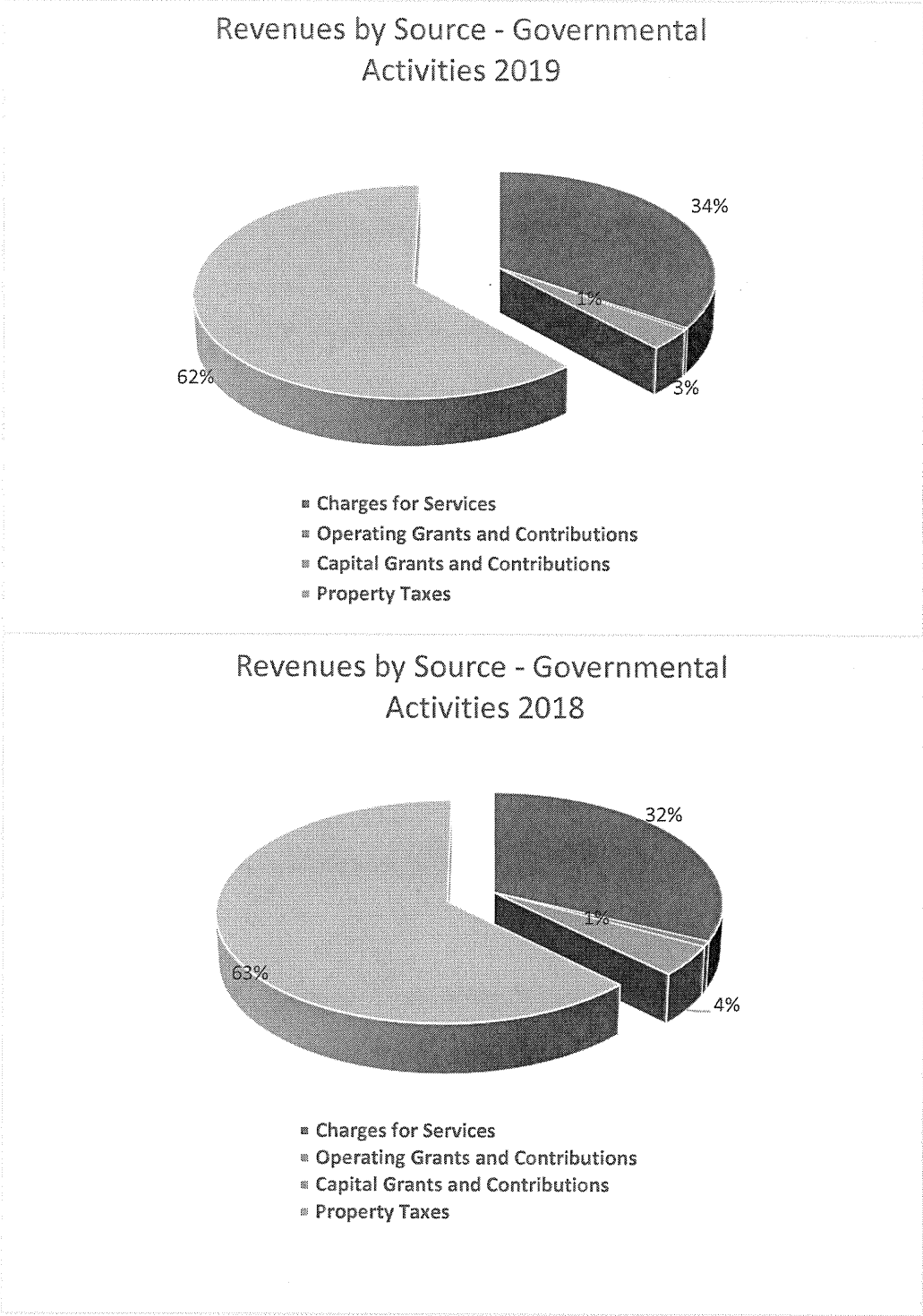
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City of East Moline, Illinois

Management's Discussion and Analysis
Year Ended December 31, 2019

Governmental Activities

The graphs below show the percentage of the total governmental activities program and property tax revenues allocated by each significant revenue type for 2019 and 2018.



City of East Moline, Illinois

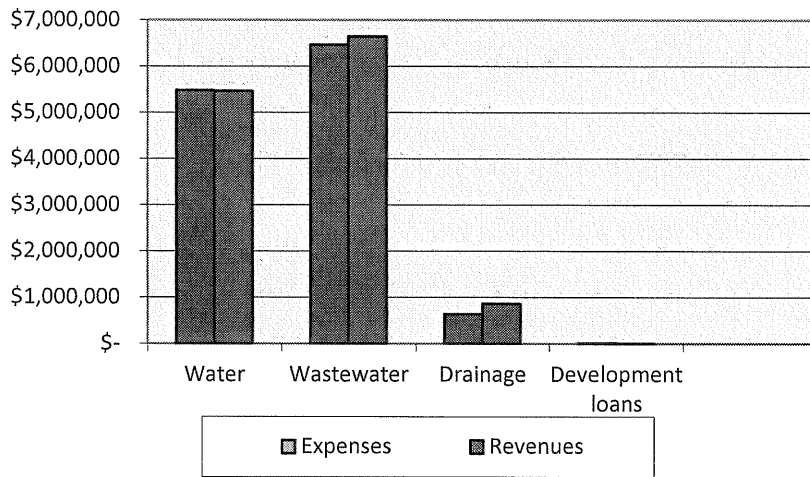
**Management’s Discussion and Analysis
Year Ended December 31, 2019**

Business-Type Activities

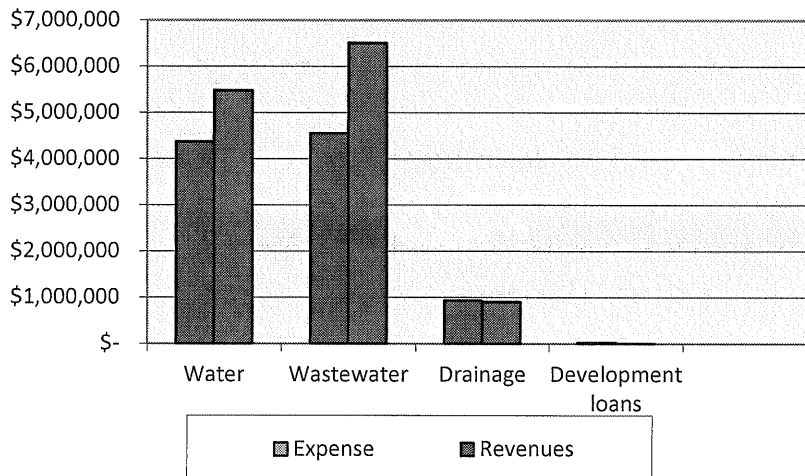
For the year ended December 31, 2019, the business-type activities increased the City’s net position by \$2,969,747 compared to \$3,094,633 for the year ended December 31, 2018.

Total business-type activities revenue for the fiscal year ended December 31, 2019 was \$12,974,326. All but \$678 of this revenue was generated for specific business-type activity expenses. For the fiscal year ended December 31, 2018, total business-type activities revenue was \$12,898,701. All but \$916 of this revenue was generated for specific business-type activity expenses. The graphs below show a comparison between the business-type activity expenditures and program revenues for fiscal years 2019 and 2018.

**Expenses and Program Revenues
Business-Type Activities 2019**



**Expenses and Program Revenues
Business-Type Activities 2018**



City of East Moline, Illinois

Management's Discussion and Analysis Year Ended December 31, 2019

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 a useful measure of the City's net resources available for discretionary use as they represent the portion of fund balance which has not been limited to use for a particular purpose by either an external party, the City itself, or a group or individual which has been delegated authority to assign resources for use for particular purposes by the City Council.

As of December 31, 2019, the City's governmental funds reported combined ending fund balances of \$887,818, a decrease of \$(1,530,539) from December 31, 2018 restated balance. The City's unassigned fund balance was a deficit \$(5,390,009) as of December 31, 2019, compared to a restated deficit fund balance of \$(4,251,387) as of December 31, 2018. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate it is 1) not in spendable form - \$998,700; 2) legally required to be maintained intact or restricted for particular purposes or by third parties - \$2,679,871; or 3) assigned for particular purposes - \$2,599,256.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,345,021. Total fund balance of the General Fund decreased \$(1,899,623) from \$6,256,970 at December 31, 2018 to \$4,357,347 at December 31, 2019. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to General Fund expenditures. Unassigned fund balance represents approximately 8.4% of total General Fund expenditures compared to approximately 16.4% in the prior year, while total fund balance represents approximately 27.3% of General Fund expenditures compared to approximately 43.1% in the prior year.

The General Fund's largest revenue sources is taxes, which consists predominately of property tax and utility tax. These sources contribute approximately 42.5% of revenue used to fund the general purposes of the City, including public safety, streets, and recreation. These revenue sources have a direct correlation with the health of the economy. Another 48.1% of the City's General Fund revenues were derived from intergovernmental sources and include taxes received from the State of Illinois, such as income tax, replacement tax, and sales tax.

The fund balance of the City's General Fund decreased \$(1,899,623) during the current fiscal year. This was due primarily to transfers out exceeding transfers in by approximately \$1,132,000.

The Special Revenue Fund, Tax Increment Financing Fund – The Quarter, accounts for revenue and expenditures related to the development of The Quarter TIF district. Fund balance decreased \$(190,626) from \$(3,274,978) at December 31, 2018 to \$(3,465,604) at December 31, 2019 due to debt payment on funded projects within the TIF district.

The Special Revenue Fund, Tax Increment Financing Fund – Port of Call, accounts for revenue and expenditures related to development of the Port of Call TIF district. Fund balance decreased \$(171,754) from \$(741,715) restated balance at December 31, 2018 to \$(913,469) at December 31, 2019 due to economic development, interest and capital outlay for the TIF district.

Proprietary Funds – The City's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. The Water Funds had a net change in net position

City of East Moline, Illinois

Management's Discussion and Analysis Year Ended December 31, 2019

of \$585,504 while the Wastewater Funds had a combined change in net position of \$868,224. The Drainage Fund had an increase in net position of \$1,597,396. The changes in these funds are primarily due to maintaining charges for services, stabilizing costs, capital contributions and adjusting for pension and OPEB costs.

General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual	Percent of Actual to Final Budget
Revenues				
Taxes	\$ 5,087,685	\$ 6,362,186	\$ 6,489,051	101.99%
Licenses, Permits, and Fees	365,750	360,555	405,095	112.35%
Intergovernmental Revenue	5,387,105	6,505,263	7,307,272	112.33%
Investment Income	83,220	93,075	88,077	94.63%
Other Revenue	727,780	770,601	897,646	116.49%
Total Revenues	\$ 11,651,540	\$ 14,091,680	\$ 15,187,141	107.77%
Expenditures	12,870,647	15,152,132	15,973,254	105.42%
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (1,219,107)	\$ (1,060,452)	\$ (786,113)	
Sale of Property	15,000	21,000	18,950	
Transfers	(408,800)	(408,050)	(1,132,460)	
Net Change in Fund Balance	\$ (1,612,907)	\$ (1,447,502)	\$ (1,899,623)	

The General Fund actual revenue exceeded final budgeted revenues by \$1,095,461 for the fiscal year ended December 31, 2019. All of the revenue categories, except for investment income, came in more than the final budgeted amounts due to the conservative approach the City takes in preparing the annual budget.

The General Fund total actual expenditures were \$821,122 more than the final budgeted amount.

Capital Asset and Debt Administration

Capital Assets – The City's investment in capital assets for its governmental and business-type activities as of December 31, 2019 totals \$89,575,557 (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, buildings, improvements other than buildings, vehicles and equipment, and infrastructure. Major capital asset events during the year included completion of various TIF projects as well as water, wastewater, and drainage infrastructure.

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City of East Moline, Illinois

Management's Discussion and Analysis
Year Ended December 31, 2019

Table 4 – Capital Assets Net of Depreciation

	Governmental Activities 2019	Governmental Activities 2018 (restated)	Business- Type Activities 2019	Business- Type Activities 2018	Total 2019	Total 2018 (restated)
Land	\$ 1,973,288	\$ 1,936,798	\$ 489,013	\$ 484,013	\$ 2,462,307	\$ 2,420,811
Construction-in-Progress	8,165,617	10,927,600	4,383,491	770,081	12,549,108	11,697,681
Buildings	2,516,818	2,613,073	50,905,045	50,717,899	53,421,863	53,330,972
Improvements other than Buildings	1,153,093	1,232,730	-	-	1,153,093	1,232,730
Vehicles and Equipment	2,174,439	1,859,567	1,141,842	1,121,140	3,316,281	2,980,707
Infrastructure	16,672,911	16,257,277	-	-	16,672,911	16,257,277
Total	\$ 32,656,166	\$ 34,827,045	\$ 56,919,391	\$ 53,093,133	\$ 89,575,557	\$ 87,920,178

Additional information on the City's capital assets can be found in Note 5 of this report.

Debt – As of December 31, 2019, the City had long-term debt payable totaling \$174,211,930 compared to \$127,738,176 as of December 31, 2018. For the year ended December 31, 2019, the City paid \$2,571,285 in principal and \$984,949 in interest on outstanding general obligation debt and other borrowings. The City drew \$468,360 from a line of credit for TIF project improvements. As of December 31, 2019, the City had \$19,925,444 in outstanding general obligation bonds, \$279,655 in notes payable, and \$10,200,000 drawn from a bank line of credit.

Table 5 – Outstanding Debt

	Governmental Activities 2019	Governmental Activities 2018	Business- Type Activities 2019	Business- Type Activities 2018	Total 2019	Total 2018
Notes Payable	\$ 234,870	\$ 342,010	\$ 44,785	\$ 66,536	\$ 279,655	\$ 408,546
General Obligation Bonds	2,153,239	2,790,580	17,772,205	19,612,034	19,925,444	22,402,614
Bank Line of Credit	10,200,000	9,731,640	-	-	10,200,000	9,731,640
Other Liability	-	-	268,090	-	268,090	-
Compensated Absences	103,817	85,686	52,726	36,231	156,543	121,917
Net Pension Liability (Asset)	55,778,023	34,259,875	2,852,162	(1,578,549)	58,630,185	32,681,326
OPEB Obligation/Liability	64,006,771	46,324,162	20,745,242	16,067,971	84,752,013	62,392,133
Total	\$ 132,476,720	\$ 93,533,953	\$ 41,735,210	\$ 34,204,223	\$ 174,211,930	\$ 127,738,176

Additional information about the City's long-term debt can be found in Note 6 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The City continues to see an increase in Economic Development throughout the City. As in 2018, the City expects to see a gradual increase to assessed valuations in upcoming years. The valuation increased by 1.16% over the previous year to \$280,190,141.

City of East Moline, Illinois

Management's Discussion and Analysis Year Ended December 31, 2019

Prior to COVID-19 the City anticipated our income tax allocation from the State of Illinois to increase slightly, while this was true in 2019, the City expects to see a decrease in 2020 and 2021 due to the impact that the pandemic has had on the economy. This impact is not limited to Income Tax. Due to changes in legislation for Cannabis and Online Sales Tax, there are areas in which the City does expect to see an increase in revenues. The City began receiving an allocation for the Cannabis Use Tax in 2020 and will also begin seeing online sales tax in 2021. While Police and Fire pension expenditures continue to increase, the City has reduced its liability insurance and worker's compensation exposure by moving from self-insured to IML Risk Management. This is one of many steps the City is taking to reduce these exposures.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Annaka Whiting, Finance Director, City of East Moline, 915 Sixteenth Avenue, East Moline, Illinois 61244.

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BASIC FINANCIAL STATEMENTS

City of East Moline, Illinois

Statement of Net Position
December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Library
Assets and Deferred Outflows of Resources				
Assets:				
Current Assets:				
Cash	\$ -	\$ 6,164,557	\$ 6,164,557	\$ 640,379
Investments	4,770,519	654,962	5,425,481	1,700,290
Receivables, net of allowance for uncollectibles	9,345,396	2,063,836	11,409,232	791,336
Prepays	553,158	-	553,158	-
Other assets	-	15,857	15,857	-
Internal balances	525,502	(525,502)	-	-
Total Current Assets	\$ 15,194,575	\$ 8,373,710	\$ 23,568,285	\$ 3,132,005
Capital Assets:				
Nondepreciable:				
Land and construction in progress	10,138,905	4,872,504	15,011,409	359,831
Other capital assets, net of depreciation	22,517,261	52,046,887	74,564,148	431,248
Total Noncurrent Assets	\$ 32,656,166	\$ 56,919,391	\$ 89,575,557	\$ 791,079
Total Assets	\$ 47,850,741	\$ 65,293,101	\$ 113,143,842	\$ 3,923,084
Deferred Outflows of Resources:				
Deferred amount on refundings	\$ 5,000	\$ 197,124	\$ 202,124	\$ -
Pension related deferred outflows	24,963,000	2,769,685	27,732,685	-
OPEB related deferred outflows	14,010,231	3,714,871	17,725,102	-
Total Deferred Outflows of Resources	\$ 38,978,231	\$ 6,681,680	\$ 45,659,911	\$ -

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Library
Liabilities, Deferred Inflows of Resources, and Net Position				
Liabilities:				
Current Liabilities:				
Accounts payable	\$ 1,155,158	\$ 1,060,510	\$ 2,215,668	\$ 60,168
Cash deficit	600,809	-	600,809	-
Accrued liabilities	385,830	99,248	485,078	12,992
Due to fiduciary fund	290,239	-	290,239	-
Accrued interest payable	51,617	187,202	238,819	-
Compensated absences	103,817	52,726	156,543	-
Other liability	-	78,090	78,090	-
Current portion of notes and bonds payable	796,681	1,865,134	2,661,815	-
Total Current Liabilities	\$ 3,384,151	\$ 3,342,910	\$ 6,727,061	\$ 73,160
Noncurrent Liabilities:				
Notes and bonds payable	\$ 1,591,428	\$ 15,951,856	\$ 17,543,284	\$ -
Bank line of credit	10,200,000	-	10,200,000	-
Other liability	-	190,000	190,000	-
Total OPEB liability	64,006,771	20,745,242	84,752,013	-
Net pension liability	55,778,023	2,852,162	58,630,185	-
Total Noncurrent Liabilities	\$ 131,576,222	\$ 39,739,260	\$ 171,315,482	\$ -
Total Liabilities	\$ 134,960,373	\$ 43,082,170	\$ 178,042,543	\$ 73,160
Deferred Inflows of Resources:				
Deferred revenue - property taxes	\$ 7,146,590	\$ -	\$ 7,146,590	\$ 756,233
Pension related deferred inflows	3,675,099	984,321	4,659,420	-
OPEB related inflows	3,429,680	1,350,246	4,779,926	-
Total Deferred Inflows of Resources	\$ 14,251,369	\$ 2,334,567	\$ 16,585,936	\$ 756,233
Net Position:				
Net investment in capital assets	\$ 19,888,840	\$ 39,031,435	\$ 58,920,275	\$ 791,079
Restricted for:				
Maintenance of roadways	1,500,727	-	1,500,727	-
Development	502,811	-	502,811	-
Special service area	157,809	-	157,809	-
Tourism	118,183	-	118,183	-
Recreation and culture	22,731	-	22,731	-
Public benefit	21,542	-	21,542	-
Public safety	177,396	-	177,396	-
Liability insurance	8,851	-	8,851	-
Other purposes	169,821	-	169,821	-
Economic development loans	-	618,907	618,907	-
Housing rehabilitation	-	308,493	308,493	-
Unrestricted	(84,951,481)	(13,400,791)	(98,352,272)	2,302,612
Total Net Position	\$ (62,382,770)	\$ 26,558,044	\$ (35,824,726)	\$ 3,093,691

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, 2019

Functions/Programs:	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 866,198	\$ 348,368	\$ 14,550	\$ -
Public safety	20,693,229	696,685	3,232	-
Public works	5,032,022	1,849,845	15,977	344,684
Recreation and culture	1,326,862	698,079	-	-
Economic development	490,588	34,520	7,780	-
Interest on long-term debt	474,942	-	-	-
Total Governmental Activities	\$ 28,883,841	\$ 3,627,497	\$ 41,539	\$ 344,684
Business-Type Activities:				
Water treatment	\$ 5,482,017	\$ 5,466,187	\$ -	\$ -
Wastewater treatment	6,462,324	6,646,962	-	-
Drainage	639,613	860,499	-	-
Development loans	13,845	678	-	-
Total Business-Type Activities	\$ 12,597,799	\$ 12,974,326	\$ -	\$ -
Total	\$ 41,481,640	\$ 16,601,823	\$ 41,539	\$ 344,684
Component Unit:				
Library	\$ 1,014,364	\$ 24,226	\$ 26,681	\$ 1,149,532

General Revenues

- Property taxes
- Utility taxes
- Admissions taxes
- Non home rule sales tax
- Other taxes
- Investment earnings
- Unrestricted intergovernmental revenues
- Gain on sale of capital assets

Transfers

Total General Revenues and Transfers

Change in net position

Net position, beginning of year

Net position, end of year

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Unit	
Governmental Activities	Business-Type Activities	Total	Library	
\$ (503,280)	\$ -	\$ (503,280)	\$ -	-
(19,993,312)	-	(19,993,312)	-	-
(2,821,516)	-	(2,821,516)	-	-
(628,783)	-	(628,783)	-	-
(448,288)	-	(448,288)	-	-
(474,942)	-	(474,942)	-	-
<u>\$ (24,870,121)</u>	<u>\$ -</u>	<u>\$ (24,870,121)</u>	<u>\$ -</u>	<u>-</u>
\$ -	\$ (15,830)	\$ (15,830)	\$ -	-
-	184,638	184,638	-	-
-	220,886	220,886	-	-
-	(13,167)	(13,167)	-	-
<u>\$ -</u>	<u>\$ 376,527</u>	<u>\$ 376,527</u>	<u>\$ -</u>	<u>-</u>
<u>\$ (24,870,121)</u>	<u>\$ 376,527</u>	<u>\$ (24,493,594)</u>	<u>\$ -</u>	<u>-</u>
			<u>\$ 186,075</u>	
\$ 6,562,821	\$ -	\$ 6,562,821	\$ 742,375	-
1,206,647	-	1,206,647	-	-
32,998	-	32,998	-	-
488,975	-	488,975	-	-
161,784	-	161,784	-	-
125,394	46,632	172,026	133,871	-
6,943,744	-	6,943,744	120,129	-
18,492	17,800	36,292	-	-
(2,528,788)	2,528,788	-	-	-
<u>\$ 13,012,067</u>	<u>\$ 2,593,220</u>	<u>\$ 15,605,287</u>	<u>\$ 996,375</u>	<u>-</u>
\$ (11,858,054)	\$ 2,969,747	\$ (8,888,307)	\$ 1,182,450	-
(50,524,716)	23,588,297	(26,936,419)	1,911,241	-
<u>\$ (62,382,770)</u>	<u>\$ 26,558,044</u>	<u>\$ (35,824,726)</u>	<u>\$ 3,093,691</u>	<u>-</u>

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

City of East Moline, Illinois

Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Tax Increment Financing Fund - The Quarter
Assets		
Cash	\$ 1,905,591	\$ -
Investments	1,587,834	-
Receivables	7,024,652	242,857
Prepays	159,636	-
Advances to other funds	839,064	-
Total Assets	\$ 11,516,777	\$ 242,857
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities:		
Accounts payable	\$ 543,453	\$ -
Fund cash deficit	-	2,471,476
Accrued liabilities	251,041	-
Due to fiduciary fund	290,239	-
Advances from other funds	387,595	996,005
Total Liabilities	\$ 1,472,328	\$ 3,467,481
Deferred Inflows of Resources:		
Unavailable revenue - property taxes	\$ 5,399,261	\$ 240,980
Unavailable revenue - other taxes	287,841	-
Total Deferred Inflows of Resources	\$ 5,687,102	\$ 240,980
Fund Balances:		
Nonspendable	\$ 998,700	\$ -
Restricted	400,341	-
Assigned	1,613,285	-
Unassigned	1,345,021	(3,465,604)
Total Fund Balances	\$ 4,357,347	\$ (3,465,604)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 11,516,777	\$ 242,857

Tax Increment Financing Fund - Port of Call	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,699,897	\$ 3,605,488
-	1,250,808	2,838,642
620,628	1,397,171	9,285,308
-	-	159,636
-	499,804	1,338,868
<u>\$ 620,628</u>	<u>\$ 4,847,680</u>	<u>\$ 17,227,942</u>

\$ 144,947	\$ 274,869	\$ 963,269
785,833	1,786,851	5,044,160
-	6,444	257,485
-	-	290,239
-	924,854	2,308,454
<u>\$ 930,780</u>	<u>\$ 2,993,018</u>	<u>\$ 8,863,607</u>

\$ 603,317	\$ 903,032	\$ 7,146,590
-	42,086	329,927
<u>\$ 603,317</u>	<u>\$ 945,118</u>	<u>\$ 7,476,517</u>

\$ -	\$ -	\$ 998,700
-	2,279,530	2,679,871
-	985,971	2,599,256
(913,469)	(2,355,957)	(5,390,009)
<u>\$ (913,469)</u>	<u>\$ 909,544</u>	<u>\$ 887,818</u>

<u>\$ 620,628</u>	<u>\$ 4,847,680</u>	<u>\$ 17,227,942</u>
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The accompanying notes are an integral part of these financial statements.

(Continued)

**Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Position
December 31, 2019**

Total fund balance - governmental funds	\$ 887,818
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	32,640,592
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	329,927
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.	2,918,844
Internal service fund allocated to business-type activities	1,493,088
Pension/OPEB related deferred outflows of resources and deferred inflows of resources represent a consumption or acquisition of net position in a future period and, therefore, are not reported in the governmental funds, as follows:	
Deferred outflows of resources, pension	24,963,000
Deferred outflows of resources, OPEB	14,010,231
Deferred inflows of resources, pension	(3,675,099)
Deferred inflows of resources, OPEB	(3,429,680)
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds:	
Net pension liability	(55,778,023)
Total OPEB liability	(64,006,771)
Bonds and notes payable, net of discounts and deferrals	(12,583,109)
Compensated absences	(101,971)
Accrued interest payable	(51,617)
Net position of governmental activities	<u>\$ (62,382,770)</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
 Year Ended December 31, 2019

	General Fund	Tax Increment Financing Fund - The Quarter	Tax Increment Financing Fund - Port of Call
Revenues			
Taxes	\$ 6,489,051	\$ 226,397	\$ 16,218
Licenses, permits, and fees	405,095	-	-
Intergovernmental	7,307,272	-	-
Charges for services and rents	575,838	-	-
Investment income	88,077	-	-
Fines	172,157	-	-
Grants	17,782	-	-
Miscellaneous	131,869	-	31,986
Total Revenues	\$ 15,187,141	\$ 226,397	\$ 48,204
Expenditures			
Current:			
General government	\$ 621,487	\$ -	\$ -
Public safety	12,207,561	-	-
Public works	1,587,178	-	-
Recreation and culture	620,326	-	-
Economic development	22,302	104,187	150,052
Capital outlay	799,436	-	154,606
Debt Service:			
Principal	107,140	280,000	-
Interest	7,824	32,836	383,660
Total Expenditures	\$ 15,973,254	\$ 417,023	\$ 688,318
Excess (deficiency) of revenues over (under) expenditures	\$ (786,113)	\$ (190,626)	\$ (640,114)
Other Financing Sources (Uses)			
Sale of property	\$ 18,950	\$ -	\$ -
Issuance of long-term debt	-	-	468,360
Transfers in	43,009	-	-
Transfers out	(1,175,469)	-	-
Total Other Financing Sources (Uses)	\$ (1,113,510)	\$ -	\$ 468,360
Net change in fund balances	\$ (1,899,623)	\$ (190,626)	\$ (171,754)
Fund Balances, beginning of year - restated	6,256,970	(3,274,978)	(741,715)
Fund Balances, end of year	\$ 4,357,347	\$ (3,465,604)	\$ (913,469)

Other Governmental Funds		Total Governmental Funds
1,721,114	\$	8,452,780
-		405,095
819,565		8,126,837
1,111,650		1,687,488
37,317		125,394
-		172,157
23,757		41,539
463		164,318
<u>\$ 3,713,866</u>	<u>\$</u>	<u>19,175,608</u>

\$ 956	\$	622,443
-		12,207,561
2,312,715		3,899,893
331,427		951,753
197,837		474,378
167,027		1,121,069
360,000		747,140
53,435		477,755
<u>\$ 3,423,397</u>	<u>\$</u>	<u>20,501,992</u>

<u>\$ 290,469</u>	<u>\$</u>	<u>(1,326,384)</u>
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\$ -	\$	18,950
-		468,360
675,981		718,990
(234,986)		(1,410,455)
<u>\$ 440,995</u>	<u>\$</u>	<u>(204,155)</u>

\$ 731,464	\$	(1,530,539)
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178,080		2,418,357
<u>\$ 909,544</u>	<u>\$</u>	<u>887,818</u>

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

(Continued)

**Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2019**

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

Net change in fund balance - total governmental funds \$ (1,530,539)

Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Depreciation expense exceeded capital outlay expenditures in the current year as follows:

Depreciation	\$ (1,390,470)	
Capital Outlay	<u>1,121,069</u>	(269,401)

Contributed capital		344,684
Proceeds from sale of capital assets		(18,950)
Gain on sale of capital assets		18,492
Transfer of capital assets		(2,244,937)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 15,791

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.

Issuance of long-term debt		(468,360)
Payments of long-term debt		747,140
Amortization of discounts on issuance of debt		(2,659)
Amortization of deferred amount on refunding		(3,703)
Accrued interest on long-term debt		9,175

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.

Pension expense and related deferred inflows and outflows		(5,689,415)
OPEB expense and related deferred inflows and outflows		(2,983,639)
Compensated absences		(16,945)

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.

Change in internal service fund allocation to business-type activities		158,984
		<u>76,228</u>

Change in net position of governmental activities		<u>\$ (11,858,054)</u>
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The accompanying notes are an integral part of these financial statements.

City of East Moline, Illinois

Statement of Net Position
 Proprietary Funds
 December 31, 2019

	Business-Type Activities -		
	Water Treatment		Wastewater
	Water Distribution		
	Water Plant Fund	Fund	Sewer Plant Fund
Assets			
Current Assets:			
Cash	\$ 2,321,340	\$ -	\$ 2,797,059
Investments	-	-	321,170
Receivables (net of allowance for uncollectibles)	445,355	350,952	460,263
Prepaid expense	-	-	-
Other assets	12,857	3,000	-
Total Current Assets	\$ 2,779,552	\$ 353,952	\$ 3,578,492
Noncurrent Assets:			
Advances to other funds	\$ 907,049	\$ 536,882	\$ 1,634,166
Capital Assets:			
Land	\$ -	\$ 484,013	\$ -
Buildings and system	12,577,017	32,039,796	12,986,181
Equipment and vehicles	200,107	1,020,717	729,128
Construction in progress	-	2,065,815	15,500
Less accumulated depreciation	(3,334,286)	(19,779,754)	(3,152,162)
Total Capital Assets	\$ 9,442,838	\$ 15,830,587	\$ 10,578,647
Total Noncurrent Assets	\$ 10,349,887	\$ 16,367,469	\$ 12,212,813
Total Assets	\$ 13,129,439	\$ 16,721,421	\$ 15,791,305
Deferred Outflows of Resources			
Deferred amount on refundings	\$ 39,328	\$ 44,417	\$ 35,899
Pension related deferred outflows	595,360	672,948	788,332
OPEB related deferred outflows	797,326	948,136	989,918
Total Deferred Outflows of Resources	\$ 1,432,014	\$ 1,665,501	\$ 1,814,149

Enterprise Funds				Governmental Activities	
Treatment Sewer Collection Fund	Drainage Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 2,171,480	\$ -	\$ 174,653	\$ 7,464,532	\$ 1,242,035	
-	-	333,792	654,962	1,931,877	
472,564	275,747	58,955	2,063,836	60,088	
-	-	-	-	393,522	
-	-	-	15,857	-	
<u>\$ 2,644,044</u>	<u>\$ 275,747</u>	<u>\$ 567,400</u>	<u>\$ 10,199,187</u>	<u>\$ 3,627,522</u>	
<u>\$ 782,162</u>	<u>\$ -</u>	<u>\$ 360,000</u>	<u>\$ 4,220,259</u>	<u>\$ 2,000</u>	
\$ -	\$ 5,000	\$ -	\$ 489,013	\$ -	
28,508,718	8,751,588	-	94,863,300	-	
1,045,122	684,154	-	3,679,228	826,492	
560,977	1,741,199	-	4,383,491	-	
(16,798,351)	(3,431,088)	-	(46,495,641)	(810,918)	
<u>\$ 13,316,466</u>	<u>\$ 7,750,853</u>	<u>\$ -</u>	<u>\$ 56,919,391</u>	<u>\$ 15,574</u>	
<u>\$ 14,098,628</u>	<u>\$ 7,750,853</u>	<u>\$ 360,000</u>	<u>\$ 61,139,650</u>	<u>\$ 17,574</u>	
<u>\$ 16,742,672</u>	<u>\$ 8,026,600</u>	<u>\$ 927,400</u>	<u>\$ 71,338,837</u>	<u>\$ 3,645,096</u>	
\$ 77,480	\$ -	\$ -	\$ 197,124	\$ -	
540,458	172,587	-	2,769,685	-	
786,463	193,028	-	3,714,871	-	
<u>\$ 1,404,401</u>	<u>\$ 365,615</u>	<u>\$ -</u>	<u>\$ 6,681,680</u>	<u>\$ -</u>	

(Continued)

City of East Moline, Illinois

Statement of Net Position
 Proprietary Funds
 December 31, 2019

	Business-Type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
Liabilities			
Current Liabilities:			
Accounts payable	\$ 117,836	\$ 333,405	\$ 129,388
Fund cash deficit	-	1,166,878	-
Accrued salaries	25,428	21,804	30,140
Accrued interest payable	31,990	48,443	33,373
Compensated absences	-	23,115	-
Other accrued liability	-	-	-
Other liability	-	-	-
Note payable - current	15,048	-	6,703
General obligation bonds - current	285,339	453,382	463,438
Total Current Liabilities	\$ 475,641	\$ 2,047,027	\$ 663,042
Noncurrent Liabilities:			
General obligation bonds payable (net of unamortized premiums and discounts)	\$ 3,025,600	\$ 2,523,071	\$ 5,713,272
Note payable	11,302	-	11,732
Other liability	-	-	-
Net pension liability	590,685	719,507	768,785
Other postemployment benefit liability	4,451,099	5,296,261	5,525,495
Advances from other funds	825,293	908,204	579,044
Total Noncurrent Liabilities	\$ 8,903,979	\$ 9,447,043	\$ 12,598,328
Total Liabilities	\$ 9,379,620	\$ 11,494,070	\$ 13,261,370
Deferred Inflows of Resources			
Pension related deferred inflows	\$ 240,494	\$ 220,463	\$ 314,555
OPEB related deferred inflows	302,678	331,345	382,418
Total Deferred Inflows of Resources	\$ 543,172	\$ 551,808	\$ 696,973
Net Position			
Net investment in capital assets	\$ 6,144,877	\$ 12,898,551	\$ 4,419,401
Restricted for:			
Economic development loans	-	-	-
Housing rehabilitation	-	-	-
Unrestricted	(1,506,216)	(6,557,507)	(772,290)
Total Net Position	\$ 4,638,661	\$ 6,341,044	\$ 3,647,111

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

Enterprise Funds				Governmental Activities	
Treatment Sewer Collection Fund	Drainage Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 302,158	\$ 177,723	\$ -	\$ 1,060,510	\$ 185,677	
-	133,097	-	1,299,975	404,172	
17,454	4,422	-	99,248	6,212	
72,093	1,303	-	187,202	-	
28,085	1,526	-	52,726	1,846	
-	-	-	-	128,345	
-	78,090	-	78,090	-	
-	-	-	21,751	-	
527,421	113,803	-	1,843,383	-	
<u>\$ 947,211</u>	<u>\$ 509,964</u>	<u>\$ -</u>	<u>\$ 4,642,885</u>	<u>\$ 726,252</u>	
\$ 3,915,794	\$ 751,085	\$ -	\$ 15,928,822	\$ -	
-	-	-	23,034	-	
-	190,000	-	190,000	-	
644,816	128,369	-	2,852,162	-	
4,396,954	1,075,433	-	20,745,242	-	
940,132	-	-	3,252,673	-	
<u>\$ 9,897,696</u>	<u>\$ 2,144,887</u>	<u>\$ -</u>	<u>\$ 42,991,933</u>	<u>\$ -</u>	
\$ 10,844,907	\$ 2,654,851	\$ -	\$ 47,634,818	\$ 726,252	
\$ 107,255	\$ 101,554	\$ -	\$ 984,321	\$ -	
241,634	92,171	-	1,350,246	-	
<u>\$ 348,889</u>	<u>\$ 193,725</u>	<u>\$ -</u>	<u>\$ 2,334,567</u>	<u>\$ -</u>	
\$ 8,950,731	\$ 6,617,875	\$ -	\$ 39,031,435	15,574	
-	-	618,907	618,907	-	
-	-	308,493	308,493	-	
(1,997,454)	(1,074,236)	-	(11,907,703)	2,903,270	
<u>\$ 6,953,277</u>	<u>\$ 5,543,639</u>	<u>\$ 927,400</u>	<u>\$ 28,051,132</u>	<u>\$ 2,918,844</u>	

(1,493,088)

\$ 26,558,044

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

City of East Moline, Illinois

Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2019

	Business-Type Activities -		
	Water Treatment		Wastewater
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
Operating Revenues			
Charges for services	\$ 3,154,153	\$ 2,302,566	\$ 3,792,490
Interest income	-	-	-
Other	2,978	6,490	-
Total Operating Revenues	\$ 3,157,131	\$ 2,309,056	\$ 3,792,490
Operating Expenses			
Pumping	\$ 2,224,930	\$ -	\$ 2,678,975
Distribution and collection	-	1,252,248	-
Engineering	-	312,501	-
Administration and claims	-	478,180	-
Travel and motor vehicles	-	-	-
Depreciation	296,259	700,350	340,999
Total Operating Expenses	\$ 2,521,189	\$ 2,743,279	\$ 3,019,974
Operating income (loss)	\$ 635,942	\$ (434,223)	\$ 772,516
Nonoperating Revenues (Expenses)			
Investment income	\$ 8,574	\$ 125	\$ 20,879
Interest expense	(73,031)	(106,404)	(117,684)
Gain on sale of capital assets	1,800	16,000	-
Total Nonoperating Revenues (Expenses)	\$ (62,657)	\$ (90,279)	\$ (96,805)
Income (loss) before contributions and transfers	\$ 573,285	\$ (524,502)	\$ 675,711
Capital contributions	-	398,211	-
Transfers in	28,473	167,837	-
Transfers out	(41,800)	(16,000)	-
Change in net position	\$ 559,958	\$ 25,546	\$ 675,711
Total Net Position, beginning of year	4,078,703	6,315,498	2,971,400
Total Net Position, end of year	\$ 4,638,661	\$ 6,341,044	\$ 3,647,111
Change in net position			
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	
\$ 2,849,238	\$ 859,249	\$ -	\$ 12,957,696	\$ 4,659,112	
-	-	678	678	-	
5,234	1,250	-	15,952	53,495	
<u>\$ 2,854,472</u>	<u>\$ 860,499</u>	<u>\$ 678</u>	<u>\$ 12,974,326</u>	<u>\$ 4,712,607</u>	
\$ -	\$ -	\$ -	\$ 4,903,905	\$ -	
1,597,531	350,654	-	3,200,433	-	
362,129	-	-	674,630	-	
556,765	-	13,845	1,048,790	4,379,446	
-	-	-	-	640,824	
615,852	256,312	-	2,209,772	767	
<u>\$ 3,132,277</u>	<u>\$ 606,966</u>	<u>\$ 13,845</u>	<u>\$ 12,037,530</u>	<u>\$ 5,021,037</u>	
\$ (277,805)	\$ 253,533	\$ (13,167)	\$ 936,796	\$ (308,430)	
\$ 9,036	\$ -	\$ 8,018	\$ 46,632	\$ 59,800	
(154,275)	(32,647)	-	(484,041)	-	
-	-	-	17,800	-	
<u>\$ (145,239)</u>	<u>\$ (32,647)</u>	<u>\$ 8,018</u>	<u>\$ (419,609)</u>	<u>\$ 59,800</u>	
\$ (423,044)	\$ 220,886	\$ (5,149)	\$ 517,187	\$ (248,630)	
527,720	1,319,006	-	2,244,937	-	
87,837	57,504	-	341,651	407,614	
-	-	-	(57,800)	-	
\$ 192,513	\$ 1,597,396	\$ (5,149)	\$ 3,045,975	\$ 158,984	
6,760,764	3,946,243	932,549	25,005,157	2,759,860	
<u>\$ 6,953,277</u>	<u>\$ 5,543,639</u>	<u>\$ 927,400</u>	<u>\$ 28,051,132</u>	<u>\$ 2,918,844</u>	
			\$ 3,045,975		
			(76,228)		
			<u>\$ 2,969,747</u>		

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

City of East Moline, Illinois

Statement of Cash Flows
 Proprietary Funds
 Year Ended December 31, 2019

	Business-Type Activities -		
	Water Distribution		
	Water Plant Fund	Fund	Sewer Plant Fund
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 3,161,780	\$ 2,303,385	\$ 3,992,124
Receipts from interfund services provided	-	-	-
Other receipts	2,978	6,490	-
Payments to suppliers	(1,174,073)	(191,804)	(1,351,836)
Payments to employees	(667,289)	(787,916)	(826,806)
Payments for interfund services use	(230,679)	(297,245)	(372,668)
Net Cash Provided by (Used in) Operating Activities	\$ 1,092,717	\$ 1,032,910	\$ 1,440,814
Cash Flows from Noncapital Financing Activities			
Transfers from other funds	\$ 28,473	\$ 167,837	\$ -
Transfers to other funds	(41,800)	(16,000)	-
Advances to other funds	666,597	674,323	47,892
Advances from other funds	(736,206)	(666,597)	-
Fund cash deficit	-	1,166,878	-
Net Cash Provided by (Used in) Noncapital Financing Activities	\$ (82,936)	\$ 1,326,441	\$ 47,892
Cash Flows from Capital and Related Financing Activities			
Cash received for sale of capital assets	\$ 1,800	\$ 16,000	\$ -
Acquisition and construction capital assets	(238,197)	(1,888,967)	(99,472)
Principal paid on long-term debt	(306,239)	(445,199)	(471,783)
Interest paid on long-term debt	(70,320)	(105,184)	(115,500)
Net Cash Used in Capital and Related Financing Activities	\$ (612,956)	\$ (2,423,350)	\$ (686,755)

Enterprise Funds				Governmental Activities	
Sewer Collection Fund	Drainage Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 3,128,643	\$ 825,050	\$ 24,278	\$ 13,435,260	\$ -	
-	-	-	-	4,656,935	
5,234	1,250	-	15,952	37,272	
(988,169)	(109,545)	(13,845)	(3,829,272)	(5,461,043)	
(650,716)	(163,352)	-	(3,096,079)	(289,425)	
(279,680)	(112,847)	-	(1,293,119)	(57,504)	
\$ 1,215,312	\$ 440,556	\$ 10,433	\$ 5,232,742	\$ (1,113,765)	
\$ 87,837	\$ 57,504	\$ -	\$ 341,651	\$ 407,614	
-	-	-	(57,800)	-	
-	-	-	1,388,812	-	
-	-	-	(1,402,803)	-	
-	103,439	-	1,270,317	404,172	
\$ 87,837	\$ 160,943	\$ -	\$ 1,540,177	\$ 811,786	
\$ -	\$ -	\$ -	\$ 17,800	\$ -	
(837,603)	(458,764)	-	(3,523,003)	-	
(528,437)	(109,922)	-	(1,861,580)	-	
(150,376)	(32,813)	-	(474,193)	-	
\$ (1,516,416)	\$ (601,499)	\$ -	\$ (5,840,976)	\$ -	

(Continued)

City East Moline, Illinois

Statement of Cash Flows
 Proprietary Funds
 Year Ended December 31, 2019

	Business-Type Activities -		
	Water Plant Fund	Water Distribution Fund	Sewer Plant Fund
Cash Flows from Investing Activities			
Interest received	\$ 8,574	\$ 125	\$ 20,879
Purchase of investments	-	-	(7,293)
Net Cash Provided by Investing Activities	\$ 8,574	\$ 125	\$ 13,586
Increase (decrease) in cash and cash equivalents	\$ 405,399	\$ (63,874)	\$ 815,537
Cash and cash equivalents, beginning of year	1,915,941	63,874	1,981,522
Cash and cash equivalents, end of year	<u>\$ 2,321,340</u>	<u>\$ -</u>	<u>\$ 2,797,059</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 635,942	\$ (434,223)	\$ 772,516
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	296,259	700,350	340,999
Changes in assets and liabilities:			
Receivables	7,627	819	199,634
Other assets	-	-	-
Pension related deferred outflows	(295,699)	(351,845)	(367,075)
OPEB related deferred outflows	(790,293)	(940,352)	(981,052)
Accounts payable	5,732	287,142	12,458
Accrued liabilities, excluding accrued interest	4,007	10,853	6,547
Net pension liability/asset	950,653	1,131,161	1,180,120
OPEB liability	869,548	1,332,293	1,010,395
Pension related deferred inflows	(547,130)	(651,018)	(679,195)
OPEB related deferred inflows	(43,929)	(52,270)	(54,533)
Net Cash Provided by (Used in) Operating Activities	\$ 1,092,717	\$ 1,032,910	\$ 1,440,814
Noncash Capital and Related Financing Activities			
Contribution of capital assets from Governmental Activities	\$ -	\$ 398,211	\$ -
Construction in progress purchased with other liability	\$ -	\$ -	\$ -

Enterprise Funds			Total Enterprise Funds	Governmental Activities	
Sewer Collection Fund	Drainage Fund	Nonmajor Enterprise Funds		Internal Service Funds	
\$ 9,036	\$ -	\$ 8,018	\$ 46,632	\$ 59,800	
-	-	(7,352)	(14,645)	(43,872)	
\$ 9,036	\$ -	\$ 666	\$ 31,987	\$ 15,928	
\$ (204,231)	\$ -	\$ 11,099	\$ 963,930	\$ (286,051)	
2,375,711	-	163,554	6,500,602	1,528,086	
\$ 2,171,480	\$ -	\$ 174,653	\$ 7,464,532	\$ 1,242,035	
\$ (277,805)	\$ 253,533	\$ (13,167)	\$ 936,796	\$ (308,430)	
615,852	256,312	-	2,209,772	767	
279,405	(34,199)	23,600	476,886	(18,400)	
-	-	-	-	(393,522)	
(292,102)	(71,444)	-	(1,378,165)	-	
(780,680)	(190,943)	-	(3,683,320)	-	
(148,721)	128,234	-	284,845	(163,703)	
12,448	(1,158)	-	32,697	(230,477)	
939,089	229,688	-	4,430,711	-	
1,451,695	13,340	-	4,677,271	-	
(540,474)	(132,193)	-	(2,550,010)	-	
(43,395)	(10,614)	-	(204,741)	-	
\$ 1,215,312	\$ 440,556	\$ 10,433	\$ 5,232,742	\$ (1,113,765)	
\$ 527,720	\$ 1,319,006	\$ -	\$ 2,244,937	\$ -	
\$ -	\$ 268,090	\$ -	\$ 268,090	\$ -	

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

Statement of Net Position
 Fiduciary Funds
 December 31, 2019

	<u>Pension Trust Funds</u>
Assets	
Cash	\$ 183,494
Certificates of deposit	2,121,969
Receivables:	
Accrued interest	113,675
Due from primary government	290,239
Investments:	
U.S. treasury bonds	6,269,818
Residential mortgage-backed securities	3,600,492
Corporate securities	8,131,778
Money market mutual funds	3,958,053
Mutual funds	22,499,832
Prepays	2,851
Total assets	<u>\$ 47,172,201</u>
Liabilities	
Accounts payable	\$ 19,068
Total liabilities	<u>\$ 19,068</u>
Net position restricted for pension benefits	<u><u>\$ 47,153,133</u></u>

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

Statement of Changes in Net Position
 Fiduciary Funds
 Year Ended December 31, 2019

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 2,245,062
Employee	513,214
Total contributions	<u>\$ 2,758,276</u>
Investment income:	
Net increase in fair value of investments	\$ 4,207,224
Interest	627,754
Dividends and capital gains	1,995,706
Total investment income	<u>\$ 6,830,684</u>
Less investment expense	118,008
Net investment income	<u>\$ 6,712,676</u>
Total additions	<u>\$ 9,470,952</u>
Deductions:	
Benefits and refunds	\$ 4,216,842
Administrative expense	53,996
Total deductions	<u>\$ 4,270,838</u>
Change in net position	\$ 5,200,114
Net position restricted for pension benefits - beginning	41,953,019
Net position restricted for pension benefits - ending	<u>\$ 47,153,133</u>

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

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies

Nature of Operations:

The City of East Moline, Illinois 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.

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, Illinois 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.

Basis of Presentation:

Government-Wide Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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 included among program revenues are reported as general revenues.

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The focus of fund financial statements is on major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column within the governmental and enterprise funds in the financial section of the basic financial statements and are detailed in the supplementary information.

Government-Wide Financial Statements: The statement of net position and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

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

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

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

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

The City reports the following major governmental funds:

General Fund: 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.

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Tax Increment Financing Fund: The Quarter accounts for revenue and expenditures related to the development of The Quarter TIF district.

Tax Increment Financing Fund: The Port of Call accounts for revenue and expenditures related to the development of the Port of Call TIF district.

Proprietary Fund Types: Proprietary fund types are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows. The City reports the following major proprietary funds:

Water Plant Fund: The water plant fund accounts for the revenue and expenses related to the water plant.

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

Sewer Plant Fund: The sewer plant fund accounts for the revenue and expenses related to the sewer plant.

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

Drainage Fund: The drainage fund accounts for the revenue and expenses related to providing storm water 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.

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 and Basis of Accounting:

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.

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

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 unavailable/deferred/unearned revenue on its financial statements. Unavailable/deferred/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 unavailable/deferred/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.

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.

Summary of Significant Accounting Policies:

The significant accounting policies followed by the City include the following:

Investments: Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

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

Investments classified in Level 2 of the fair value hierarchy are valued using the market valuation method.

Statement of Cash Flows: 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.

Property Tax Receivable: 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 are collected by the County and distributed to the City in installments due in June, August, September and November. The 2019 property tax levy is recorded as a receivable. All uncollected taxes relating to prior years' levies have been written off.

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

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 2019 taxes are intended to finance the 2020 fiscal year and are not considered available for current operations and are, therefore, shown as deferred inflow of resources.

Accounts Receivable: Accounts receivable are recorded in the enterprise funds at the time the service is billed. Unbilled usage for services used between scheduled billing dates is estimated and recognized as revenue in the period in which the service is provided. These receivables are net of allowance for doubtful accounts.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Reported prepaid items in the governmental funds are reported as nonspendable fund balance to indicate the balances are not available for appropriation.

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 if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Asset Class	Estimated Useful Life
Waterworks and Sewerage System	50 years
Buildings	50 years
Building improvements	20 years
Infrastructure	
Streets and drainage	40 years
Traffic signals	20 years
Levees	75 years
Equipment and Vehicles	3-20 years

Unearned Revenues: Unearned revenues represent monies received by the City which are not yet earned.

Interfund Transactions: 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.

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 Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

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 and gains/losses on refunding 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 expenses in the period incurred.

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.

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 has three items that qualify for reporting in this category: pension related deferred outflows, OPEB related deferred outflows, and deferred amounts on refunding of debt are reported in the government-wide and proprietary statements of net position. The deferred outflows from pension/OPEB related items consists of unrecognized items not yet charged to pension/OPEB expense and contributions from the employer after the measurement date but before the employer's reporting period.

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 City activities reported deferred revenues from three sources: property taxes, pension related deferred inflows, and OPEB related deferred inflows. 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. The deferred inflows from pension/OPEB related items consists of the differences between expected and actual experience with regard to economic or demographic assumptions.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and the Fire and Police Retirement System and additions to/deductions from the pension fund's fiduciary net position have been determined on the same basis as they are reported by the pension funds. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Equity: Governmental funds equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balance is reported for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include resolutions and ordinances by the City with intent to use them for a specific purpose. Assigned fund balances are amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City Administrator and Finance Director by the City Council through the adoption of the budget.

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Any residual fund balance of the General Fund and a deficit in other funds, if any, is reported as unassigned. The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned and then unassigned funds.

Net Position: In the proprietary funds and government-wide financial statements, net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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, Illinois has eight officially adopted TIF districts which relate to real estate taxes.

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

Nonspendable: Balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain 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.

Committed: Amounts which can be used only for specific purposes determined pursuant to constraints formally imposed by the City Council through 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: Fund balances that contain self-imposed constraints of the government to be used for a particular purpose. The authority to assign fund balances has been delegated to the City Administrator and Finance Director.

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

When an expenditure is incurred for purposes for which amounts in the committed, assigned, or unassigned fund balance classifications could be used, the City's policy is generally to first apply the expenditure to restricted fund balance and then to less restrictive classifications – committed, assigned and then unassigned fund balances.

Notes to Basic Financial Statements

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

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

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

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

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

Note 2. 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.

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Notes to Basic Financial Statements

**Note 2. Legal Compliance and Accountability, Budgetary Procedures, and Budgetary Accounting
(Continued)**

Deficit Equity Balances:

City funds with deficit fund balances as of December 31, 2019 are as follows:

	<u>Deficit Amount</u>
Special Revenue Funds	
Tax Increment Financing	
Great River Industrial Park	\$ 1,039,132
Gateway Industrial Park	60,000
Port of Call	913,469
Kennedy Drive	832,148
The Quarter	3,465,604
EM Glass	52,109
Debt Service Fund	372,568

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.

Excess of Expenditures over Appropriations:

Expenditures exceeded appropriations in the following funds:

	<u>Amount Over Budget</u>
Tax Increment Financing - Lucky Strike	\$ 2,612
Tax Increment Financing - The Quarter	4,188
Tax Increment Financing - Port of Call	70,318
Municipal Swimming Pool Fund	32,683
Hotel Motel Tax Fund	4,771
Non-Home Rule Sales Tax Fund	60,285
General Fund	821,122
Garbage Fund	41,791
Motor Fuel Tax Fund	180,554

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City of East Moline, Illinois

Notes to Basic Financial Statements

Note 3. Cash and Investments

Cash and investments as of December 31, 2019 are classified in the accompanying financial statements as follows:

Statement of Net Position	
Primary Government	
Cash	\$ 5,563,748
Investments	5,425,481
Component Unit - Library	
Cash	640,379
Investments	1,700,290
Fiduciary Funds:	
Cash	183,494
Certificates of deposit	2,121,969
U.S. treasury bonds	6,269,818
Residential mortgage-backed securities	3,600,492
Corporate securities	8,131,778
Money market mutual funds	3,958,053
Mutual Funds	22,499,832
Total Cash and Investments	\$ 60,095,334

Cash and investments as of December 31, 2019 consist of the following:

Cash on hand	\$ 6,900
Deposits with financial institutions	8,502,690
Investments	51,585,744
Total Cash and Investments	\$ 60,095,334

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 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 Trust 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 the Illinois Trust are valued at the share price, the price for which the investment could be sold.

During the twelve months ending December 31, 2019, the City complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made. However, the component unit-Library did not comply with these statutes pertaining to investments.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 3. Cash and Investments (Continued)

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:

Investment Type	Primary Government	Component Unit	Total Fair Value	Investment Maturities (in years)
				Less than 1 Year
Illinois Funds - investment pool	\$ 1,474,524	\$ 363,000	\$ 1,837,524	\$ 1,837,524
Illinois Trust - investment pool	3,950,957	---	3,950,957	3,950,957
Fixed income funds	---	385,076	385,076	385,076
Money market mutual funds	---	33,987	33,987	33,987
Equity securities	---	918,227	918,227	918,227
Total	\$ 5,425,481	\$ 1,700,290	\$ 7,125,771	\$ 7,125,771

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 Trust 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.

Investment Type	Primary Government	Component Unit	Total	Exempt from Disclosure	Ratings as of Year End	
					AAAm	NR
Illinois Funds - investment pool	\$ 1,474,524	\$ 363,000	\$ 1,837,524	\$ ---	\$ 1,837,524	\$ ---
Illinois Trust - investment pool	3,950,957	---	3,950,957	---	3,950,957	---
Fixed income funds	---	385,076	385,076	---	---	385,076
Money market mutual funds	---	33,987	33,987	33,987	---	---
Equity securities	---	918,227	918,227	---	---	918,227
Total	\$ 5,425,481	\$ 1,700,290	\$ 7,125,771	\$ 33,987	\$ 5,788,481	\$ 1,303,303

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: 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, Illinois 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.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 3. Cash and Investments (Continued)

As of December 31, 2019, the carrying amount of the City's deposits including the component unit, with financial institutions totaled \$6,197,227 with bank balances totaling \$6,313,208. Bank balances of \$6,313,208 are insured or collateralized with securities held by the City or its agent in the City's name.

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, 2019, there was no investment custodial risk for the City. The Illinois Funds and the Illinois Trust are not subject to custodial credit risk.

Note 4. Receivables

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

	General	TIF Fund - The Quarter	TIF Fund - Port of Call	Water Plant	Water Distribution
Receivables:					
Property taxes	\$ 5,573,668	\$ 242,857	\$ 603,800	\$ ---	\$ ---
Other taxes	1,304,638	---	---	---	---
Accounts	146,346	---	16,828	355,531	291,723
Estimated unbilled usage	---	---	---	119,508	85,665
State allotments	---	---	---	---	---
Notes and loans	---	---	---	---	2,188
Accrued Interest	---	---	---	---	---
Other	---	---	---	8,316	14,076
Gross Receivables	\$ 7,024,652	\$ 242,857	\$ 620,628	\$ 483,355	\$ 393,652
Less: allowance for uncollectables	---	---	---	38,000	42,700
Net Total Receivables	\$ 7,024,652	\$ 242,857	\$ 620,628	\$ 445,355	\$ 350,952

	Sewer Plant Fund	Sewer Collection Fund	Drainage Fund	Nonmajor and Other Funds	Total
Receivables:					
Property taxes	\$ ---	\$ ---	\$ ---	\$ 924,116	\$ 7,344,441
Other taxes	---	---	---	138,153	1,442,791
Accounts	350,916	382,953	295,704	177,682	2,017,683
Estimated unbilled usage	122,649	105,575	34,043	35,882	503,322
State allotments	---	---	---	214,243	214,243
Notes and loans	---	---	---	70,807	72,995
Accrued Interest	---	---	---	113,675	113,675
Other	9,198	25,036	---	10,531	67,157
Gross Receivables	\$ 482,763	\$ 513,564	\$ 329,747	\$ 1,685,009	\$ 11,776,307
Less: allowance for uncollectables	22,500	41,000	54,000	55,200	253,400
Net Total Receivables	\$ 460,263	\$ 472,564	\$ 275,747	\$ 1,629,889	\$ 11,522,907

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets

The following is a summary of changes in capital assets for the year ended December 31, 2019:

	Beginning Balance (restated)	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 1,936,798	\$ 36,490	\$ ---	\$ 1,973,288
Construction in progress	10,927,600	651,565	3,413,548	8,165,617
Total Capital Assets, not being depreciated	\$ 12,864,398	\$ 688,055	\$ 3,413,548	\$ 10,138,905
Capital Assets, being depreciated:				
Buildings	\$ 5,155,614	\$ 44,905	\$ ---	\$ 5,200,519
Improvements other than buildings	2,502,154	30,280	---	2,532,434
Vehicles and equipment	8,547,141	690,013	87,313	9,149,841
Infrastructure	29,106,736	1,181,111	---	30,287,847
Total Capital Assets, being depreciated	\$ 45,311,645	\$ 1,946,309	\$ 87,313	\$ 47,170,641
Less Accumulated Depreciation for:				
Buildings	\$ 2,542,541	\$ 141,160	\$ ---	\$ 2,683,701
Improvements other than buildings	1,269,424	109,917	---	1,379,341
Vehicles and equipment	6,687,574	374,683	86,855	6,975,402
Infrastructure	12,849,459	765,477	---	13,614,936
Total Accumulated Depreciation	\$ 23,348,998	\$ 1,391,237	\$ 86,855	\$ 24,653,380
Total Capital Assets, being depreciated, net	\$ 21,962,647	\$ 555,072	\$ 458	\$ 22,517,261
Governmental Activities Capital Assets, net	\$ 34,827,045	\$ 1,243,127	\$ 3,414,006	\$ 32,656,166

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City of East Moline, Illinois

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 484,013	\$ 5,000	\$ ---	\$ 489,013
Construction in progress	770,081	4,356,962	743,552	4,383,491
Total Capital Assets, not being depreciated	\$ 1,254,094	\$ 4,361,962	\$ 743,552	\$ 4,872,504
Capital Assets, being depreciated:				
Waterworks, sewerage, and drainage systems	\$ 92,714,598	\$ 2,148,702	\$ ---	\$ 94,863,300
Vehicles and equipment	3,502,610	268,918	92,300	3,679,228
Total Capital Assets, being depreciated	\$ 96,217,208	\$ 2,417,620	\$ 92,300	\$ 98,542,528
Less Accumulated Depreciation for:				
Waterworks, sewerage, and drainage systems	\$ 41,996,699	\$ 1,961,556	\$ ---	\$ 43,958,255
Vehicles and equipment	2,381,470	248,216	92,300	2,537,386
Total Accumulated Depreciation	\$ 44,378,169	\$ 2,209,772	\$ 92,300	\$ 46,495,641
Total Capital Assets, being depreciated, net	\$ 51,839,039	\$ 207,848	\$ ---	\$ 52,046,887
Business-Type Activities Capital Assets, net	\$ 53,093,133	\$ 4,569,810	\$ 743,552	\$ 56,919,391

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

Governmental Activities:	
General government	\$ 143,956
Public safety	263,272
Public works	864,695
Recreation and culture	108,955
Economic development	9,592
Capital assets held by the City's internal service funds are charged to various functions based on their usage of the assets	767
Total Depreciation Expense – Governmental Activities	\$ 1,391,237
Business-Type Activities:	
Waterworks, sewerage, and drainage systems	\$ 2,209,772

Notes to Basic Financial Statements

Note 6. Long-Term Debt

As of December 31, 2019, the outstanding long-term debt of the City was as follows:

Note Payable

The City obtained five agreements with a company for LED retrofit projects totaling \$232,177. The payments to the company are equal to energy rebate payments received by the City from its electric service carrier. The debt is serviced by the General, Water Plant, and Sewer Plant Funds. The annual debt service requirements of this loan are as follows:

Year Ending December 31	Principal	Interest	Total
2020	\$ 54,941	\$ ---	\$ 54,941
2021	25,988	---	25,988
2022	9,295	---	9,295
Total	\$ 90,224	\$ ---	\$ 90,224

The City obtained a \$375,403 loan from a bank to purchase a fire truck. The loan has an interest rate of 3.36% and is payable in monthly installments of \$6,814. The annual debt service requirements of this loan are as follows:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	3.36%	\$ 76,491	\$ 5,282	\$ 81,773
2021	3.36%	79,155	2,618	81,773
2022	3.36%	33,785	287	34,072
Total		\$ 189,431	\$ 8,187	\$ 197,618

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City of East Moline, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Debt (Continued)

General Obligation Bonds

General obligation alternate bonds totaling \$4,410,061 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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	1.25%	\$ 314,455	\$ 54,146	\$ 368,601
2021	1.25%	318,398	50,203	368,601
2022	1.25%	322,390	46,211	368,601
2023	1.25%	326,433	42,168	368,601
2024	1.25%	330,526	38,075	368,601
2025	1.25%	334,670	33,931	368,601
2026	1.25%	338,867	29,734	368,601
2027	1.25%	343,116	25,485	368,601
2028	1.25%	347,418	21,183	368,601
2029	1.25%	351,775	16,826	368,601
2030	1.25%	356,186	12,416	368,602
2031	1.25%	360,652	7,950	368,602
2032	1.25%	365,175	3,427	368,602
Total		\$ 4,410,061	\$ 381,755	\$ 4,791,816

General obligation refunding alternate bonds totaling \$ 955,000 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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	2.65%	\$ 230,000	\$ 24,827	\$ 254,827
2021	2.80%	235,000	18,490	253,490
2022	3.00%	240,000	11,600	251,600
2023	3.20%	250,000	4,000	254,000
Total		\$ 955,000	\$ 58,917	\$ 1,013,917

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Debt (Continued)

General obligation alternate bonds totaling \$375,000 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.

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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	2.65%	\$ 90,000	\$ 10,312	\$ 100,312
2021	3.20%	90,000	7,680	97,680
2022	3.20%	95,000	4,720	99,720
2023	3.20%	100,000	1,600	101,600
Total		\$ 375,000	\$ 24,312	\$ 399,312

General obligation refunding alternate bonds totaling \$2,030,000 net of \$19,822 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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	3.00%	\$ 655,000	\$ 63,087	\$ 718,087
2021	3.50%	675,000	39,813	714,813
2022	4.00%	700,000	14,000	714,000
Total		\$ 2,030,000	\$ 116,900	\$ 2,146,900

General obligation alternate refunding bonds totaling \$445,000 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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	3.70%	\$ 215,000	\$ 12,717	\$ 227,717
2021	3.80%	230,000	4,370	234,370
Total		\$ 445,000	\$ 17,087	\$ 462,087

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Debt (Continued)

General obligation alternate refunding bonds totaling \$955,000 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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	3.70%	\$ 290,000	\$ 30,980	\$ 320,980
2021	3.80%	320,000	19,535	339,535
2022	3.90%	345,000	6,728	351,728
Total		<u>\$ 955,000</u>	<u>\$ 57,243</u>	<u>\$ 1,012,243</u>

General obligation alternate refunding bonds totaling \$1,125,000 net of \$1,447 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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	3.70%	\$ 360,000	\$ 36,120	\$ 396,120
2021	3.80%	375,000	22,335	397,335
2022	3.90%	390,000	7,605	397,605
Total		<u>\$ 1,125,000</u>	<u>\$ 66,060</u>	<u>\$ 1,191,060</u>

General obligation alternate bonds totaling \$1,375,544 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.

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City of East Moline, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Debt (Continued)

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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	1.25%	\$ 122,125	\$ 2,722	\$ 124,847
2021	1.25%	122,342	2,506	124,848
2022	1.25%	122,561	2,287	124,848
2023	1.25%	122,783	2,064	124,847
2024	1.25%	123,008	1,840	124,848
2025	1.25%	123,235	1,612	124,847
2026	1.25%	123,466	1,382	124,848
2027	1.25%	123,699	1,149	124,848
2028	1.25%	123,935	912	124,847
2029	1.25%	124,173	673	124,846
2030	1.25%	124,416	431	124,847
2031	1.25%	19,801	185	19,986
Total		\$ 1,375,544	\$ 17,763	\$ 1,393,307

General obligation alternate bonds totaling \$7,170,000 net of \$207,332 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:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	2.50%	\$ 140,000	\$ 258,760	\$ 398,760
2021	2.50%	140,000	255,260	395,260
2022	3.00%	140,000	251,410	391,410
2023	3.00%	560,000	240,910	800,910
2024	3.00%	580,000	223,810	803,810
2025	3.00%	605,000	206,035	811,035
2026	4.00%	625,000	184,460	809,460
2027	4.00%	655,000	158,860	813,860
2028	4.00%	680,000	132,160	812,160
2029	4.00%	715,000	104,260	819,260
2030	4.00%	745,000	75,060	820,060
2031	4.00%	775,000	44,660	819,660
2032	3.60%	810,000	14,580	824,580
Total		\$ 7,170,000	\$ 2,150,225	\$ 9,320,225

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Debt (Continued)

General obligation debt certificates totaling \$864,888 remain outstanding from the original issue of \$1,200,000 dated October 14, 2016. It is the intent of the City officials to service this debt from the Drainage Fund.

Principal and interest are due monthly. The annual debt service requirements of this debt are as follows:

Year Ending December 31	Interest Rate	Principal	Interest	Total
2020	3.50%	\$ 113,803	\$ 28,932	\$ 142,735
2021	3.50%	118,179	24,337	142,516
2022	3.50%	123,119	18,302	141,421
2023	3.50%	127,083	14,338	141,421
2024	3.50%	131,143	10,278	141,421
2025	3.50%	135,398	6,022	141,420
2026	3.50%	116,163	1,693	117,856
Total		\$ 864,888	\$ 103,902	\$ 968,790

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City of East Moline, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Debt (Continued)

Line of Credit

The City has a \$10,200,000 line of credit with a bank for financing a tax increment financing project. As of December 31, 2019, the City had drawn \$10,200,000 for the project. Interest is 3.76%. The terms are interest only monthly with a final maturity on May 16, 2020.

Subsequent to year-end, the line of credit was paid off with two new bond issues: \$9,150,000 General Obligation Alternate Bonds Series 2020A and \$1,615,000 Taxable General Obligation Alternate Bonds Series 2020B. Principal payments on these bonds begin in 2025 and 2022 for Series 2020A and 2020B, respectively.

Long-term liability activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Alternate revenue bonds	\$ 2,797,000	\$ ---	\$ (640,000)	\$ 2,157,000	\$ 687,000
Less: discounts	(6,420)	---	2,659	(3,761)	---
Total Bonds Payable	\$ 2,790,580	\$ ---	\$ (637,341)	\$ 2,153,239	\$ 687,000
Notes payable	342,010	---	(107,140)	234,870	109,681
Bank line-of-credit	9,731,640	468,360	---	10,200,000	---
Compensated absences	85,686	614,706	(596,575)	103,817	103,817
Net pension liability	34,259,875	21,518,148	---	55,778,023	---
Total other postemployment benefit liability	46,324,162	17,682,609	---	64,006,771	---
Governmental Activities Long-Term Liabilities	\$ 93,533,953	\$ 40,283,823	\$ (1,341,056)	\$ 132,476,720	\$ 900,498
Business-Type Activities:					
Bonds Payable:					
General obligation bonds	\$ 19,350,887	\$ ---	\$ (1,802,394)	\$ 17,548,493	\$ 1,843,383
Less deferred amounts					
Discounts	(5,552)	---	2,408	(3,444)	---
Premiums	266,699	---	(39,543)	227,156	---
Total Bonds Payable	\$ 19,612,034	\$ ---	\$ (1,839,829)	\$ 17,772,205	\$ 1,843,383
Note payable	66,536	---	(21,751)	44,785	21,751
Other liability	---	268,090	---	268,090	78,090
Compensated absences	36,231	261,817	(245,322)	52,726	52,726
Net pension liability (asset)	(1,578,549)	4,430,711	---	2,852,162	---
Total other postemployment benefit liability	16,067,971	4,677,271	---	20,745,242	---
Business-Type Activities Long-Term Liabilities	\$ 34,204,223	\$ 9,637,889	\$ (2,106,902)	\$ 41,735,210	\$ 1,995,950

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, \$660 of internal service funds compensated absences are included in the above amounts.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 6. Long-Term Debt (Continued)

Other postemployment liabilities are generally liquidated by the Employee Insurance Internal Service Fund. The Police and Firefighters' net pension liabilities are paid out of the General Fund. Compensated absences and the IMRF net pension liability are paid out of the fund to which related employee salaries are charged.

The Other liability consists of amounts due to a developer. It is the intent of the City to service this liability from the Drainage Fund.

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

Legal Debt Margin

As of December 31, 2019, 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>\$ 280,190,141</u>
Debt limit - 8.625% of total assessed valuation	\$ 24,166,400
General obligation debt, outstanding	11,612,633
Unused legal debt capacity based on 8.625%	<u>\$ 12,553,767</u>

Note 7. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2019 is as follows:

	General Fund	Nonmajor Government	Water Plant	Water Distribution	Sewer Plant	Sewer Collection	Nonmajor Enterprise	Internal Service	Total
Payable fund:									
General Fund	\$ ---	\$ 312,595	\$ ---	\$ 75,000	\$ ---	\$ ---	\$ ---	\$ ---	\$ 387,595
TIF – The Quarter	225,953	160,052	---	---	---	250,000	360,000	---	996,005
Nonmajor Governmental	480,697	27,157	---	215,000	---	200,000	---	2,000	924,854
Water Plant	129,098	---	---	---	696,195	---	---	---	825,293
Water Distribution	3,316	---	904,888	---	---	---	---	---	908,204
Sewer Plant	---	---	---	246,882	---	332,162	---	---	579,044
Sewer Collection	---	---	2,161	---	937,971	---	---	---	940,132
Total	<u>\$ 839,064</u>	<u>\$ 499,804</u>	<u>\$ 907,049</u>	<u>\$ 536,882</u>	<u>\$ 1,634,166</u>	<u>\$ 782,162</u>	<u>\$ 360,000</u>	<u>\$ 2,000</u>	<u>\$ 5,561,127</u>

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

During 2019, the Tax Increment Financing Fund-Port of Call, a major governmental fund, transferred assets for \$398,211, \$527,720 and \$1,319,006 to the Water Distribution Fund, Sewer Collection Fund and Drainage Fund, major enterprise funds, respectively. These transactions were reported in the Water Distribution Fund, Sewer Collection Fund and Drainage Fund as capital contributions and as a transfer between governmental and business-type activities in the Statement of Activities.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 7. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers:

	General Fund	Nonmajor Governmental	Water Plant	Water Distribution	Total
Transfer In:					
General Fund	\$ ---	\$ 1,209	\$ 41,800	\$ ---	\$ 43,009
Nonmajor Governmental	596,204	79,777	---	---	675,981
Water Plant	28,473				28,473
Water Distribution	90,837	77,000	---	---	167,837
Sewer Collection	10,837	77,000	---	---	87,837
Drainage	41,504			16,000	57,504
Internal Service	407,614	---	---	---	407,614
Total	\$1,175,469	\$ 234,986	\$ 41,800	\$ 16,000	\$1,468,255

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 8. Employees' Retirement System

Illinois Municipal Retirement Fund (IMRF):

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's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided - IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years, capped initially at \$106,800, but increases annually thereafter and is limited to 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms - At December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	144
Inactive plan members entitled to but not yet receiving benefits	50
Active plan members	92
Total	286

Contributions - As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2019 was 6.17%. For the fiscal year ended December 31, 2019, the City contributed \$370,796 to the plan. 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The City's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.39% to 14.25%
- The Investment Rate of Return was assumed to be 7.25%.

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation pursuant to an experience study of the years 2014 to 2016.
- For Non-disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	37%	7.15%
International equity	18%	7.25%
Fixed income	28%	3.75%
Real estate	9%	6.25%
Alternative investments	7%	3.20-8.50%
Cash equivalents	1%	2.50%
Total	100%	

Single Discount Rate - A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at December 31, 2017	\$ 45,672,601	\$ 48,052,718	\$ (2,380,117)
Changes for the year:			
Service cost	\$ 549,908	\$ ---	\$ 549,908
Interest on the total pension liability	3,332,806	---	3,332,806
Changes in benefit terms	---	---	---
Differences between expected and actual experience of the total pension liability	(685,088)	---	(685,088)
Changes of assumptions	1,246,081	---	1,246,081
Contributions - employer	---	597,313	(597,313)
Contributions - employees	---	261,030	(261,030)
Net investment income	---	(2,919,404)	2,919,404
Benefit payments, including refunds of employee contributions	(3,020,272)	(3,020,272)	---
Other (net transfer)	---	(265,879)	265,879
Net changes	\$ 1,423,435	\$ (5,347,212)	\$ (6,770,647)
Balances at December 31, 2018	\$ 47,096,036	\$ 42,705,506	\$ 4,390,530

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
Total pension liability	\$ 52,705,930	\$ 47,096,036	\$ 42,429,236
Plan fiduciary net position	42,705,506	42,705,506	42,705,506
Net Pension Liability (Asset)	\$ 10,000,424	\$ 4,390,530	\$ (276,270)

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Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions
 For the year ended December 31, 2019, the City recognized pension expense of \$1,114,703. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflow of Resources
Deferred amounts to be recognized in pension expense in future periods			
Differences between expected and actual experience	\$ 67,279	\$ 923,792	\$ (856,513)
Changes of assumptions	895,714	672,506	223,208
Net difference between projected and actual earnings on pension plan investments	3,036,050	---	3,036,050
Contributions subsequent to the measurement date	370,796	---	370,796
Total	\$ 4,369,839	\$ 1,596,298	\$ 2,773,541

Deferred outflows of resources of \$370,796 related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. The remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2020	\$ 555,603
2021	114,394
2022	446,285
2023	1,286,463
2024	---
Thereafter	---
Total	\$ 2,402,745

Defined Benefit Single-Employer Pension Plans

Police Pension Plan:

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 (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The Police 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 police employees constitute the pension board.

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Plan Membership - At December 31, 2019, the Police Pension Plan membership consisted of the following:

Inactive plan members currently receiving benefits	46
Inactive plan members entitled to but not receiving benefits	4
Active members	<u>36</u>
Total	<u><u>86</u></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 ½ 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 ½ 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. ½% 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% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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, 2019, the City's contribution was 47.7% of covered payroll.

Net Pension Liability/(Asset) - The net pension liability/(asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of January 1, 2019.

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

Note 8. Employees' Retirement System (Continued)

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.

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

Asset Class	Portfolio Target Percentage	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%
Total	100%	

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 2015 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, 2019 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.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Investment Concentrations – Investment in anyone issuer (other than U.S. government guaranteed obligations) that represent 5.0% or more of the Fund's investment holdings are as follows:

Investment	Fair Value
FNMA	\$1,269,809
Mutual Funds:	
Dodge and Cox Stock Fund	\$ 2,659,397
Oakmark International Fund Instl	2,156,220
Vanguard Value Index Sign	2,659,704
Vanguard 500 Index Fund	1,048,467

Investment Rate of Return - For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (17.40)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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 \$1,005,691 and the bank balance totaled \$1,005,691.

The valuation methods for recurring fair value measurements are as follows:

Investment Type	Total			
	Fair Value	Level 1	Level 2	Level 3
U.S. Treasury bonds	\$ 3,251,410	\$ 2,086,580	\$ 1,164,830	\$ ---
Residential mortgage - backed securities	1,825,101	---	1,825,101	---
Corporate securities	4,120,724	3,565,199	555,525	---
Money market mutual funds	1,320,275	1,320,275	---	---
Mutual funds	10,445,258	10,445,258	---	---
Total	\$ 20,962,768	\$ 17,417,312	\$ 3,545,456	\$ ---

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

Investment Type	Total Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasury bonds	\$ 3,251,410	\$ ---	\$ 922,212	\$ 1,815,608	\$ 513,590
Residential mortgage - backed securities	1,825,101	---	25,568	112,522	1,687,011
Corporate securities	4,120,724	273,238	1,815,774	978,866	1,052,846
Money market mutual funds	1,320,275	1,320,275	---	---	---
Mutual funds	10,445,258	10,445,258	---	---	---
Total	\$ 20,962,768	\$ 12,038,771	\$ 2,763,554	\$ 2,906,996	\$ 3,253,447

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

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

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	Total Fair Value	Exempt from Disclosure	Ratings as of Year End			
			AAA	AA+	AA	AA-
U.S. Treasury bonds	\$ 3,251,410	\$ 3,251,410	\$ ---	\$ ---	\$ ---	\$ ---
Residential mortgage - backed securities	1,825,101	---	---	1,825,101	---	---
Corporate securities	4,120,724	---	140,669	178,398	235,821	19,360
Money market mutual funds	1,320,275	1,320,275	---	---	---	---
Mutual funds	10,445,258	10,445,258	---	---	---	---
Total	\$ 20,962,768	\$ 15,016,943	\$ 140,669	\$ 2,003,499	\$ 235,821	\$ 19,360

Investment Type	Ratings as of Year End					
	A+	A	A-	BBB+	BBB	BBB-
U.S. Treasury bonds	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Residential mortgage - backed securities	---	---	---	---	---	---
Corporate securities	379,314	567,285	766,619	638,040	201,314	68,503
Money market mutual funds	---	---	---	---	---	---
Mutual funds	---	---	---	---	---	---
Total	\$ 379,314	\$ 567,285	\$ 766,619	\$ 638,040	\$ 201,314	\$ 68,503

Investment Type	Ratings as of Year End		
	BB+	BB	NR
U.S. Treasury bonds	\$ ---	\$ ---	\$ ---
Residential mortgage - backed securities	---	---	---
Corporate securities	114,398	23,010	787,993
Money market mutual funds	---	---	---
Mutual funds	---	---	---
Total	\$ 114,398	\$ 23,010	\$ 787,993

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (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, 2019, the entire amount of the bank balance of the deposits was covered by federal depository, equivalent insurance, or pledged collateral. 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.

Actuarial Assumptions- The total pension liability was determined by an actuarial valuation as of January 1, 2019 updated to December 31, 2019 using the following actuarial methods and assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	January 1, 2019
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5-Year smoothed market value
Actuarial Assumptions	
Interest Rate	5.63%
Individual Pay Increases	3.12% to 6.86%
Inflation	2.25%

Mortality

Active Mortality – follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Retiree Mortality – follows the L&A Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

Disabled Mortality – follows the Sex Distinct Raw Rates as developed in the PUBS-2010 Study for disabled participants. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Spouse Mortality – follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate - The discount rate used to measure the total pension liability was 5.63%. 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.

Note 8. Employees' Retirement System (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at December 31, 2018	\$ 41,338,660	\$ 19,630,359	\$ 21,708,301
Changes for the year:			
Service cost	\$ 624,956	\$ ---	\$ 624,956
Interest on the total pension liability	2,818,063	---	2,818,063
Changes in benefit terms	128,465	---	128,465
Differences between expected and actual experience of the total pension liability	463,860	---	463,860
Changes of assumptions	8,828,091	---	8,828,091
Contributions - employer	---	1,298,858	(1,298,858)
Contributions - employees	---	269,386	(269,386)
Net investment income	---	3,172,556	(3,172,556)
Benefit payments, including refunds of employee contributions	(2,161,222)	(2,161,222)	---
Administrative expense	---	(32,210)	32,210
Net changes	\$ 10,702,213	\$ 2,547,368	\$ 8,154,845
Balances at December 31, 2019	\$ 52,040,873	\$ 22,177,727	\$ 29,863,146

Change in Assumptions – The mortality, mortality improvement, retirement termination, and disability rates were updated based on a study of Police and Firefighters Pension Funds in the State of Illinois, performed by an independent actuary.

The High-Quality 20 Year Tax-Exempt General Obligation (“G.O”) Bond Rate assumption was changed from 4.09% to 2.74% for the current year.

The Discount Rate used in the determination of Total Pension Liability was changed from 7.00% to 5.63%.

The mortality assumption has been updated to include mortality improvements as stated in the MP-2019 table, applied on a fully-generational basis.

The projected individual and pay increase assumption has been updated, as well as the projected total payroll increases, consumer price index and inflation rates.

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 5.63% 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 (4.63%) or one percentage point higher (6.63%) than the current rate:

	1% Decrease (4.63%)	Current Discount (5.63%)	1% Increase (6.63%)
Total pension liability	\$ 60,844,022	\$ 52,040,873	\$ 45,110,559
Plan fiduciary net position	22,177,727	22,177,727	22,177,727
Net Pension Liability (Asset)	\$ 38,666,295	\$ 29,863,146	\$ 22,932,832

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2019, the City recognized pension expense of \$3,823,249. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	\$ 2,082,498	\$ ---
Changes of assumptions	7,488,471	---
Net difference between projected and actual earnings on pension plan investments	1,414,896	1,456,249
Total deferred amounts to be recognized in pension expense in future periods	\$ 10,985,865	\$ 1,456,249

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2020	\$ 1,841,186
2021	1,841,186
2022	1,841,183
2023	1,369,556
2024	1,733,616
Thereafter	902,889
Total	\$ 9,529,616

Firefighters Pension Plan:

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 (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. 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, 2019, the Firefighters' Pension Plan membership consisted of the following:

Inactive plan members currently receiving benefits	47
Inactive plan members entitled to but not receiving benefits	-
Active Members	35
Total	82

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

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (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 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 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. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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, 2019, the City's contribution was 36.9% of covered payroll.

Net Pension Liability/(Asset) - The net pension liability/(asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of January 1, 2019.

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

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

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 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	Portfolio Target Percentage	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%
Total	100%	

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 2015 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, 2019 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.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Investment Concentrations – Investments in any one issuer (other than U.S. Government guaranteed obligations) that represent 5.0% or more of the Fund's investment are holdings as follows:

Investment	Fair Value
FNMA	\$1,361,000
Mutual Funds:	
Dodge & Cox Stock Fund	1,553,950
DFA Emerging Markets	1,093,070
Lazard Emerging Markets	1,116,537
Vanguard 500 Index ADM SHS	1,159,604
Vanguard Extended MKT Index ADM #598	1,578,545
Vanguard Value Index ADM #506	1,572,121

Investment Rate of Return - For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (16.96)%. 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 \$1,299,772 and the bank balance totaled \$1,304,644.

The valuation methods for recurring fair value measurements are as follows:

As of December 31, 2019, the investments were measured using valuation inputs as follows:

Investment Type	Total			
	Fair Value	Level 1	Level 2	Level 3
U.S. Treasury bonds	\$ 3,018,408	\$ 1,886,866	\$ 1,131,542	\$ ---
Residential mortgage - backed securities	1,775,391	---	1,775,391	---
Corporate securities	4,011,054	3,472,805	538,249	---
Money market mutual funds	2,637,778	2,637,778	---	---
Mutual funds	12,054,574	12,054,574	---	---
Total	\$ 23,497,205	\$ 20,052,023	\$ 3,445,182	\$ ---

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

Investment Type	Total Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasury bonds	\$ 3,018,408	\$ ---	\$ 757,463	\$ 1,763,385	\$ 497,560
Residential mortgage - backed securities	1,775,391	2	38,759	51,487	1,685,143
Corporate securities	4,011,054	247,092	1,767,170	1,073,667	923,125
Money market mutual funds	2,637,778	2,637,778	---	---	---
Mutual funds	12,054,574	12,054,574	---	---	---
Total	\$ 23,497,205	\$ 14,939,446	\$ 2,563,392	\$ 2,888,539	\$ 3,105,828

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

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

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	Total Fair Value	Exempt from Disclosure	Ratings as of Year End			
			AAA	AA+	AA	AA-
U.S. Treasury bonds	\$ 3,018,408	\$ 3,018,408	\$ ---	\$ ---	\$ ---	\$ ---
Residential mortgage - backed securities	1,775,391	---	---	1,775,391	---	---
Corporate securities	4,011,054	---	131,588	130,274	210,274	20,379
Money market mutual funds	2,637,778	2,637,778	---	---	---	---
Mutual funds	12,054,574	12,054,574	---	---	---	---
Total	\$ 23,497,205	\$ 17,710,760	\$ 131,588	\$ 1,905,665	\$ 210,274	\$ 20,379

Investment Type	Ratings as of Year End					
	A+	A	A-	BBB+	BBB	BBB-
U.S. Treasury bonds	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Residential mortgage - backed securities	---	---	---	---	---	---
Corporate securities	321,337	598,408	801,290	668,315	179,974	69,535
Money market mutual funds	---	---	---	---	---	---
Mutual funds	---	---	---	---	---	---
Total	\$ 321,337	\$ 598,408	\$ 801,290	\$ 668,315	\$ 179,974	\$ 69,535

Investment Type	Ratings as of Year End		
	BB+	BB	NR
U.S. Treasury bonds	\$ ---	\$ ---	\$ ---
Residential mortgage - backed securities	---	---	---
Corporate securities	130,816	23,010	725,854
Money market mutual funds	---	---	---
Mutual funds	---	---	---
Total	\$ 130,816	\$ 23,010	\$ 725,854

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (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, 2019, the entire amount of the bank balance of the deposits was covered by federal depository, equivalent insurance, or pledged collateral. 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.

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of January 1, 2109 updated to December 31, 2019 using the following actuarial methods and assumptions, applied to all periods in the measurement:

Actuarial Valuation Date	January 1, 2019
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5-year smoothed market value
Actuarial assumptions	
Interest Rate	5.67%
Individual Pay Increases	3.12% to 6.86%
Inflation	2.25%

Mortality

Active Mortality – follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Retiree Mortality – follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

Disabled Mortality – follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

Spouse Mortality – follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate - The discount rate used to measure the total pension liability was 5.67%. 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.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at December 31, 2018	\$ 35,675,800	\$ 22,322,658	\$ 13,353,142
Changes for the year:			
Service cost	\$ 640,880	\$ ---	\$ 640,880
Interest on the total pension liability	2,425,359	---	2,425,359
Changes in benefit terms	67,702	---	67,702
Differences between expected and actual experience of the total pension liability	1,700,987	---	1,700,987
Changes of assumptions	10,896,805	---	10,896,805
Contributions - employer	---	946,204	(946,204)
Contributions - employees	---	243,828	(243,828)
Net investment income	---	3,540,120	(3,540,120)
Benefit payments, including refunds of employee contributions	(2,055,620)	(2,055,620)	---
Administrative expense	---	(21,786)	21,786
Net changes	\$ 13,676,113	\$ 2,652,746	\$ 11,023,367
Balances at December 31, 2019	\$ 49,351,913	\$ 24,975,404	\$ 24,376,509

Change in Assumptions – The mortality, mortality improvement, retirement termination, and disability rates were updated based on a study of Police and Firefighters Pension Funds in the State of Illinois, performed by an independent actuary.

The High-Quality 20 Year Tax-Exempt General Obligation (“G.O”) Bond Rate assumption was changed from 4.09% to 2.74% for the current year.

The Discount Rate used in the determination of Total Pension Liability was changed from 7.00% to 5.67%.

The mortality assumption has been updated to include mortality improvements as stated in the MP-2019 table, applied on a fully-generational basis.

The projected individual and pay increase assumption has been updated, as well as the projected total payroll increases, consumer price index and inflation rates.

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 5.67% 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 (4.67%) or one percentage point higher (6.67%) than the current rate:

	1% Decrease (4.67%)	Current Discount (5.67%)	1% Increase (6.67%)
Total pension liability	\$ 56,970,805	\$ 49,351,913	\$ 43,214,681
Plan fiduciary net position	24,975,404	24,975,404	24,975,404
Net Pension Liability (Asset)	\$ 31,995,401	\$ 24,376,509	\$ 18,239,277

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 8. Employees' Retirement System (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions
 For the year ended December 31, 2019, the City recognized pension expense of \$3,845,829. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	\$ 1,561,217	\$ ---
Changes of assumptions	8,974,971	---
Net difference between projected and actual earnings on pension plan investments	1,840,793	1,606,873
Total deferred amounts to be recognized in pension expense in future periods	\$ 12,376,981	\$ 1,606,873

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2020	\$ 2,465,460
2021	2,465,460
2022	2,465,456
2023	1,851,864
2024	1,520,370
Thereafter	1,498
Total	\$ 10,770,108

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.

Summary information of all pension plans as of December 31, 2019 is as follows:

	IMRF	Police Pension	Firefighters' Pension	Total
Net pension liability (asset)	\$ 4,390,530	\$ 29,863,146	\$ 24,376,509	\$ 58,630,185
Deferred outflows of resources related to pensions	4,369,839	10,985,865	12,376,981	27,732,685
Deferred inflows of resources related to pensions	1,596,298	1,456,249	1,606,873	4,659,420
Pension expense/expenditures	1,114,703	3,823,249	3,845,829	8,783,781

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 9. Combining Fiduciary Funds

The following is the combining statements of the City's two pension trust funds:

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
Assets			
Cash	\$ 16,725	\$ 166,769	\$ 183,494
Certificates of deposit	988,966	1,133,003	2,121,969
Receivables			
Accrued interest	57,372	56,303	113,675
Due from primary government	168,113	122,126	290,239
Investments			
U.S. treasury bonds	3,251,410	3,018,408	6,269,818
Residential mortgage-backed securities	1,825,101	1,775,391	3,600,492
Corporate securities	4,120,724	4,011,054	8,131,778
Money market mutual funds	1,320,275	2,637,778	3,958,053
Mutual funds	10,445,258	12,054,574	22,499,832
Prepays	2,851	---	2,851
Total Assets	\$ 22,196,795	\$ 24,975,406	\$ 47,172,201
Liabilities			
Accounts payable	\$ 19,068	\$ ---	\$ 19,068
Total Liabilities	\$ 19,068	\$ ---	\$ 19,068
Net Position Restricted for Pension Benefits	\$ 22,177,727	\$ 24,975,406	\$ 47,153,133

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Notes to Basic Financial Statements

Note 9. Combining Fiduciary Funds (Continued)

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
Additions			
Contributions			
Employer	\$ 1,298,858	\$ 946,204	\$ 2,245,062
Employee	269,386	243,828	513,214
Total Contributions	\$ 1,568,244	\$ 1,190,032	\$ 2,758,276
Investment Income (Loss)			
Net increase in fair value of investments	\$ 2,165,063	\$ 2,042,161	\$ 4,207,224
Interest	313,145	314,609	627,754
Dividends and capital gains	751,894	1,243,812	1,995,706
Total Investment Income (Loss)	\$ 3,230,102	\$ 3,600,582	\$ 6,830,684
Less investment expense	57,546	60,462	118,008
Net Investment Income (Loss)	\$ 3,172,556	\$ 3,540,120	\$ 6,712,676
Total Additions	\$ 4,740,800	\$ 4,730,152	\$ 9,470,952
Deductions			
Benefits and refunds	\$ 2,161,222	\$ 2,055,620	\$ 4,216,842
Administrative expense	32,210	21,786	53,996
Total Deductions	\$ 2,193,432	\$ 2,077,406	\$ 4,270,838
Change in net position	\$ 2,547,368	\$ 2,652,746	\$ 5,200,114
Net position restricted for pension benefits - Beginning	\$ 19,630,359	\$ 22,322,660	\$ 41,953,019
Net position restricted for pension benefits - Ending	\$ 22,177,727	\$ 24,975,406	\$ 47,153,133

Note 10. 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 administered by the City. 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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. 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.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 10. Other Postemployment Benefits (Continued)

Membership - At December 31, 2019, membership consisted of:

Retirees and beneficiaries currently receiving benefits	145
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	133
Total	<u>278</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 20.0% of the blended rate cost of coverage 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.

Contributions - For the City of East Moline, Illinois, there is no determination of an actuarially determined contributions (ADC) and normal cost, as the total OPEB liabilities are currently an unfunded obligation. The City does not have any assets accumulated in a trust dedicated exclusively to the payment of OPEB benefits. Therefore, the total OPEB liability is currently an unfunded obligation with benefit payments determined on a pay-as-you-go basis through internal allocated funds. Contributions are made as benefit payments become due without accumulating assets for future liabilities.

For 2019, the City contributed \$2,072,561. Retiree and active members receiving benefits have required contributions of \$662.34 per month for single health coverage and \$1,377.70 per month for family coverage.

OPEB liabilities are generally liquidated by the Employee Insurance Internal Service Fund.

Total OPEB Liability - The City's total OPEB liability was measured as of December 31, 2019 and was determined by an actuarial valuation as of January 1, 2018.

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 contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The 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.

Notes to Basic Financial Statements

Note 10. Other Postemployment Benefits (Continued)

Actuarial Assumptions - The total OPEB liability, after considering the sharing of benefit-related costs with inactive retiree members, was determined by an actuarial valuation performed as of January 1, 2018, updated to December 31, 2019, using the following actuarial methods and assumptions applied to all periods in the measurement:

Actuarial Valuation Date	January 1, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Salary Increase Rate	3.00%
Discount Rate	2.74%
Healthcare Cost Trend Rates	8.0% for 2018, decreasing 0.50% per year to an ultimate rate of 4.0% for 2027 and later years
Mortality Rates	Active, Retiree, and Spousal IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment. These Rates are then Improved Generationally using MP-2016 Improvement Rates.

Active Police and Firefighter Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study Improved to 2017 using MP-2019 Improvement Rates. These Rates are then Improved Generationally using MP-2019 Improvement Rates.

Retiree Firefighter Mortality follows the L&A Assumption Study for Firefighters 2020. These Rates are Experience Weighted with the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study Improved to 2017 using MP-2019 Improvement Rates. These Rates are then Improved Generationally using MP-2019 Improvement Rates.

Disabled Firefighter Mortality follows the L&A Assumption Study for Disabled Firefighters 2020. These Rates are Experience Weighted with the Sex Distinct Raw Rates as Developed in the PubS-2010 Study for Disabled Participants Improved to 2017 using MP-2019 Improvement Rates. These Rates are then Improved Generationally using MP-2019 Improvement Rates.

Disabled Police Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010 Study for Disabled Participants Improved to 2017 using MP-2019 Improvement Rates. These Rates are then Improved Generationally using MP-2019 Improvement Rates.

Spouse Police and Firefighter Mortality follows the Sex Distinct Raw Rates as Developed in the PubG-2010 Study until Age 45 and the PubS-2010(A) Study for Contingent Survivors for all Ages After Age 45 Improved to 2017 using MP-2019 Improvement Rates. These Rates are then Improved Generationally using MP-2019 Improvement Rates.

Notes to Basic Financial Statements

Note 10. Other Postemployment Benefits (Continued)

The discount rate was based on the Bond Buyer 20-Bond GO index.

Changes in Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at January 1, 2019	<u>\$ 62,392,133</u>
Changes for the year:	
Service cost	\$ 1,290,754
Interest	2,515,590
Changes in benefit terms	- - -
Differences between expected and actual experience	332,741
Changes in assumptions	20,293,356
Benefit payments	<u>(2,072,561)</u>
Net changes	<u>\$ 22,359,880</u>
 Balance at December 31, 2019	 <u>\$ 84,752,013</u>

Change in Assumptions - The inflation, mortality, mortality improvement, retirement, termination and disability rates were updated based on a comprehensive study of Police and Firefighters' Pension Funds in the state of Illinois, performed by an independent actuary. The IMRF decrements used were also updated.

The assumed rate on High Quality 20-year Tax-Exempt G/O. Bonds was changed from 4.10% to 2.74% for the current year.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.74) or 1 percentage point higher (3.74%) than the current discount rate:

	1% Decrease (1.74%)	Current Discount (2.74%)	1% Increase (3.74%)
Total OPEB liability	<u>\$101,454,726</u>	<u>\$ 84,752,013</u>	<u>\$ 71,799,835</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.0% decreasing to 3.0%) or 1 percentage point higher (9.0% decreasing to 5.0%) than the current healthcare cost trend rates:

	1% Decrease (7.0% decreasing to 3.0%)	Healthcare Cost Trend Rates (8.0% decreasing to 4.0%)	1% Increase (9.0% decreasing to 5.0%)
Total OPEB liability	<u>\$ 69,270,574</u>	<u>\$ 84,752,013</u>	<u>\$ 105,458,461</u>

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB - For the year ended December 31, 2019, the City recognized OPEB expense of \$5,289,726. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Notes to Basic Financial Statements

Note 10. Other Postemployment Benefits (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in OPEB expense in future periods		
Differences between expected and actual experience	\$ 381,362	\$ - - -
Changes in assumptions or other inputs	17,343,740	4,779,926
Total deferred amounts to be recognized in OPEB expense in future periods	\$ 17,725,102	\$ 4,779,926

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Year Ending December 31	Net Deferred Inflows of Resources
2020	\$ 2,039,066
2021	2,039,066
2022	2,039,066
2023	2,039,066
2024	2,150,695
Thereafter	2,638,217
Total	\$ 12,945,176

Note 11. Commitments and Contingencies

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 totaling \$287,776. REDEEM has incurred these TIF reimbursable expenditures as of December 31, 2019. 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, 2019 due to the contract stipulations between REDEEM and the City.

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.

Litigation - Several lawsuits and claims, arising in the normal course of City operations, were pending at December 31, 2019. 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.

Notes to Basic Financial Statements

Note 12. 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 13. 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, 2019 is \$0.

Note 14. 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 joined IML Risk Management Association (RMA) effective 08/06/2019. The City maintains commercial insurance coverage for losses relating to liability (law, public officials, general and auto liability) and workers' compensation. The City's medical plan belongs to a pooled insurance group, Intergovernmental Personnel Benefit Cooperative (IPBC) which has a stop loss coverage of \$500,000 and that claims between \$35,000 to \$500,000 are shared equally among the members of the IPBC. There has been no significant reduction in coverage.

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 years ended December 31, 2019 and 2018 are as follows:

	Health Insurance		Liability Insurance	
	12/31/2019	12/31/2018	12/31/2019	12/31/2018
Unpaid claims, beginning of year	\$ 270,000	\$ 355,000	\$ 385,268	\$ 289,957
Incurred claims (including IBNRs)	3,601,578	3,910,639	198,659	291,616
Claim payments	(3,726,578)	(3,995,639)	(455,478)	(196,305)
Unpaid claims, end of year	\$ 145,000	\$ 270,000	\$ 128,449	\$ 385,268

Based on experience, the claims payable as of December 31, 2019 is considered current and due within one year.

Note 15. 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

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 15. Landfill Closure and Post-Closure Care Costs (Continued)

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.

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 16. Discretely Presented Component Unit

Library Fund

Capital asset activity for the Library for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, not being depreciated:				
Land	\$ 45,435	\$ ---	\$ ---	\$ 45,435
Construction in progress	---	314,396	---	314,396
Total Capital Assets, not being depreciated	\$ 45,435	\$ 314,396	\$ ---	\$ 359,831
Capital Assets, being depreciated:				
Books	\$ 520,288	\$ 57,318	\$ 83,173	\$ 494,433
Buildings	660,986	---	---	660,986
Improvements other than buildings	7,460	---	---	7,460
Vehicles and equipment	80,218	---	---	80,218
Total Capital Assets, being depreciated	\$ 1,268,952	\$ 57,318	\$ 83,173	\$ 1,243,097
Less Accumulated Depreciation:				
Books	\$ 300,766	\$ 64,673	\$ 83,173	\$ 282,266
Buildings	430,127	19,055	---	449,182
Improvements other than buildings	7,460	---	---	7,460
Vehicles and equipment	72,277	664	---	72,941
Total Accumulated Depreciation	\$ 810,630	\$ 84,392	\$ 83,173	\$ 811,849
Total Capital Assets, being depreciated, net	\$ 458,322	\$ (27,074)	\$ ---	\$ 431,248
Library Capital Assets, net	\$ 503,757	\$ 287,322	\$ ---	\$ 791,079

Depreciation expense charged to the Library component unit was \$84,392.

City of East Moline, Illinois

Notes to Basic Financial Statements

Note 16. Discretely Presented Component Unit (Continued)

Unrestricted investment earnings at December 31, 2019 for the Library are as follows:

Interest	\$ 10,405
Dividends	21,906
Net increase in fair value of investments	<u>101,560</u>
Total investment earnings	<u><u>\$ 133,871</u></u>

Receivables as of December 31, 2019 for the Library are as follows:

Property taxes	\$ 781,550
Accounts	<u>9,786</u>
Total receivables	<u><u>\$ 791,336</u></u>

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City of East Moline, Illinois

Notes to Basic Financial Statements

Note 17. Fund Balances

The classifications of fund balances as of December 31, 2019 by opinion unit are as follows:

	General	TIF – The Quarter	TIF – Port of Call	Nonmajor	Total
Fund Balance					
Nonspendable:					
Prepays	\$ 159,636	\$ ---	\$ ---	\$ ---	\$ 159,636
Advances	839,064	---	---	---	839,064
Total Nonspendable	\$ 998,700	\$ ---	\$ ---	\$ ---	\$ 998,700
Restricted:					
TIF Districts	\$ ---	\$ ---	\$ ---	\$ 502,811	\$ 502,811
Special service area	---	---	---	157,809	157,809
Tourism	---	---	---	118,183	118,183
Public benefit	21,542	---	---	---	21,542
Recreation/culture	22,731	---	---	---	22,731
Road repairs	---	---	---	1,500,727	1,500,727
Emergency service	36,769	---	---	---	36,769
Foreign fire	48,559	---	---	---	48,559
Drug seizure	92,068	---	---	---	92,068
Tort and judgment	8,851	---	---	---	8,851
IMRF expenses	81,181	---	---	---	81,181
FICA expenses	88,640	---	---	---	88,640
Total Restricted	\$ 400,341	\$ ---	\$ ---	\$ 2,279,530	\$ 2,679,871
Committed:	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Assigned:					
Refuse	\$ ---	\$ ---	\$ ---	\$ 621,683	\$ 621,683
Recreation/culture	---	---	---	125,964	125,964
Economic development	---	---	---	164,446	164,446
Capital improvements and equipment	807,168	---	---	73,878	881,046
Public safety					
Crossing guard	20,429	---	---	---	20,429
Landfill closures	253,539	---	---	---	253,539
Fire	3,269	---	---	---	3,269
Sick leave	25,455	---	---	---	25,455
OPEB	503,425	---	---	---	503,425
Total Assigned	\$ 1,613,285	\$ ---	\$ ---	\$ 985,971	\$ 2,599,256
Unassigned:	\$ 1,345,021	\$ (3,465,604)	\$ (913,469)	\$ (2,355,957)	\$ (5,390,009)
Total Fund Balances	\$ 4,357,347	\$ (3,465,604)	\$ (913,469)	\$ 909,544	\$ 887,818

Notes to Basic Financial Statements

Note 18. Tax Abatements

The City enters into property tax abatement agreements with local businesses under the state of Illinois Enterprise Zone Act. Under the Act, localities may grant property tax abatements of a business' property tax bill for the purpose of attracting or retaining business within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the Enterprise Zone.

For the fiscal year ended December 31, 2019, the City abated property taxes totaling \$16,757 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- An 80% property tax abatement to a business for purchasing a tract of land and construct a 100,000-square foot building industrial, commercial and related and appurtenant facilities, infrastructure and improvements. The abatement amounted to \$15,687.

Note 19. Prior Period Adjustment

A prior period adjustment was recorded in the Tax Increment Financing Fund-Port of Call to correct an accrued liability booked in the prior year of \$371,560. Due to maximum contract limitations on the infrastructure project the liability is not due. The effect of the error would have decreased net change in fund balance by \$371,560 for December 31, 2018. The effect on beginning fund balance is as follows:

	Tax Increment Financing Fund Port of Call
Fund Balance December 31, 2018	
As previously reported	\$ (1,113,275)
Removal of accrued liability	<u>371,560</u>
Fund Balance December 31, 2018, as restated	<u><u>\$ (741,715)</u></u>

Note 20. Subsequent Event

Subsequent to the date of the financial statements and prior to the audit opinion date, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the City's operations and financial position cannot be determined.

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

Tax Increment Financing Fund – Port of Call

Notes to the Required Supplementary Information

Schedules of Employer Contributions -- Pension Plans

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios

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

Schedule of Investment Returns

Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 General Fund
 Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Taxes:				
Property	\$ 3,724,085	\$ 4,966,186	\$ 5,248,195	\$ 282,009
Utility	1,361,000	1,376,000	1,207,858	(168,142)
Admissions	2,600	20,000	32,998	12,998
Licenses, permits, and fees	365,750	360,555	405,095	44,540
Charges for services and rents	462,100	472,325	575,838	103,513
Investment income	83,220	93,075	88,077	(4,998)
Intergovernmental	5,387,105	6,505,263	7,307,272	802,009
Fines	174,250	176,500	172,157	(4,343)
Grant	35,530	51,130	17,782	(33,348)
Miscellaneous	55,900	70,646	131,869	61,223
Total Revenues	\$ 11,651,540	\$ 14,091,680	\$ 15,187,141	\$ 1,095,461
Expenditures				
Current				
General Government:				
Administration:				
Salaries	\$ 100,065	\$ 94,870	\$ 98,060	\$ (3,190)
Office	20,500	20,550	34,562	(14,012)
Travel	-	-	1,242	(1,242)
Audit	33,600	75,000	56,551	18,449
Printing and advertising	12,650	12,650	1,616	11,034
Insurance	31,710	31,460	31,527	(67)
Equipment rent and repairs	10,000	10,200	86,201	(76,001)
Dues and subscriptions	40,500	40,500	45,311	(4,811)
Professional services	26,030	26,030	20,060	5,970
Vehicle maintenance	3,945	3,945	3,945	-
Miscellaneous	106,650	113,195	18,471	94,724
FICA	12,517	12,517	27,522	(15,005)
IMRF	9,419	9,419	23,654	(14,235)
Executive and Legislative:				
Salaries	52,600	52,600	51,977	623
Office	1,850	1,750	1,547	203
Printing and advertising	700	700	310	390
Dues and subscriptions	6,045	4,300	3,311	989
Miscellaneous	7,300	5,925	9,309	(3,384)
Building and Grounds:				
Salaries	11,105	11,105	12,211	(1,106)
Office	15,800	15,800	19,963	(4,163)
Insurance	7,775	7,775	7,776	(1)
Repairs and maintenance	53,440	52,500	20,917	31,583
Professional services	-	-	-	-
Utilities	35,000	35,000	34,780	220
Miscellaneous	96,700	96,700	10,664	86,036
Total General Government	\$ 695,901	\$ 734,491	\$ 621,487	\$ 113,004

(Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Expenditures - (continued)				
Public Safety:				
Health:				
Salaries	\$ 80,730	\$ 29,800	\$ 24,558	\$ 5,242
Office	6,445	6,495	5,527	968
Insurance	23,085	23,085	23,084	1
Vehicle maintenance	4,900	4,900	5,008	(108)
Dues and subscriptions	1,500	1,300	275	1,025
Professional services	40,000	40,000	218,067	(178,067)
Miscellaneous	76,200	184,500	8,139	176,361
Legal:				
Insurance	14,375	14,375	14,376	(1)
Professional services	250,000	250,000	206,269	43,731
Special projects	-	-	2,122	(2,122)
FICA	133,106	133,106	89,731	43,375
IMRF	18,618	18,618	1,092	17,526
Crossing Guard	-	-	47,446	(47,446)
Emergency Services	52,195	132,195	5,097	127,098
Police Protection:				
Salaries	3,041,440	3,110,000	3,141,354	(31,354)
Office	101,430	89,380	110,058	(20,678)
Radio user fees	18,000	18,000	17,632	368
Center Station	576,000	653,770	638,451	15,319
Insurance	939,665	939,665	970,355	(30,690)
Equipment rent and repairs	35,000	33,500	31,356	2,144
Dues and subscriptions	4,500	3,500	2,694	806
Training	18,000	18,000	18,514	(514)
Vehicle maintenance	85,095	85,095	87,289	(2,194)
Grant expenditures	3,000	4,130	4,906	(776)
Municipies & CORA	27,500	29,500	35,023	(5,523)
Records management	-	-	28,427	(28,427)
Pension	-	1,131,305	1,298,858	(167,553)
Miscellaneous	41,485	40,285	11,569	28,716
Police and Fire Commission:				
Special projects	-	-	-	-
Dues and subscriptions	400	200	19	181
Miscellaneous	1,000	1,000	313	687

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Expenditures - (continued)				
Fire Protection:				
Salaries	\$ 2,980,130	\$ 2,980,130	\$ 2,973,058	\$ 7,072
Office	37,700	37,700	28,097	9,603
Training	1,000	1,000	35,297	(34,297)
Radio user fees	13,700	13,700	10,009	3,691
Insurance	1,021,955	1,021,955	1,021,958	(3)
Equipment rent and repairs	69,500	69,500	41,482	28,018
Dues and subscriptions	5,000	5,000	4,636	364
Vehicle maintenance	32,620	32,620	32,620	-
Utilities	17,000	17,000	13,494	3,506
Pension	-	824,370	946,204	(121,834)
Miscellaneous	86,360	86,360	53,097	33,263
Total Public Safety	\$ 9,858,634	\$ 12,085,039	\$ 12,207,561	\$ (122,522)
Public Works:				
Administration:				
Salaries	\$ 122,820	\$ 129,185	\$ 123,980	\$ 5,205
Insurance	26,185	23,355	23,014	341
Vehicle maintenance	4,990	4,990	4,990	-
Office	5,650	9,400	10,316	(916)
Dues and subscriptions	3,000	3,000	2,839	161
Professional services	-	400	328	72
Miscellaneous	-	-	-	-
Inspection:				
Salaries	58,140	58,140	59,631	(1,491)
Office	7,600	7,600	10,833	(3,233)
Professional fees	-	-	-	-
Miscellaneous	4,889	4,889	-	4,889
Vehicle maintenance	9,030	9,030	9,030	-
Insurance	22,150	7,775	7,776	(1)
Dues and subscriptions	3,000	3,000	1,858	1,142
Street & Bridge:				
Salaries	210,375	221,375	229,677	(8,302)
Office	29,385	29,385	26,733	2,652
Insurance	149,845	149,845	149,844	1
Vehicle maintenance	119,670	119,670	119,670	-
Professional services	6,000	6,000	30,698	(24,698)
Repairs	106,300	106,300	120,091	(13,791)
Miscellaneous	1,870	1,870	951	919
Utilities	46,500	46,500	22,989	23,511
Salt	-	-	172,861	(172,861)

(Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Expenditures - (continued)				
Public Benefit and Comfort	\$ 705	\$ 705	\$ 732	\$ (27)
Light:				
Repairs	33,500	33,500	81,017	(47,517)
Traffic lighting	15,000	15,000	14,294	706
Street lighting	275,705	275,705	180,953	94,752
Engineering:				
Salaries	33,915	33,915	34,042	(127)
Office	6,700	8,220	8,798	(578)
Insurance	19,985	19,985	19,985	-
Dues and subscriptions	300	300	356	(56)
Vehicle maintenance	4,990	4,990	4,990	-
Professional services	-	-	338	(338)
FICA	32,334	32,334	64,938	(32,604)
IMRF	26,238	26,238	48,626	(22,388)
Total Public Works	\$ 1,386,771	\$ 1,392,601	\$ 1,587,178	\$ (194,577)
Recreation and Culture:				
Fireworks and parade	\$ 15,000	\$ 16,500	\$ 18,295	\$ (1,795)
Salaries	195,910	220,910	250,954	(30,044)
Office	5,150	4,750	56,212	(51,462)
Insurance	35,665	35,665	35,663	2
Utilities	15,000	15,000	15,591	(591)
Vehicle maintenance	51,415	51,415	51,415	-
Repairs and maintenance	52,975	54,975	36,142	18,833
Dues and subscriptions	-	-	100	(100)
Tourism	3,000	3,000	-	3,000
Fiberoptics	32,610	32,610	38,940	(6,330)
Sponsorship	8,000	6,750	-	6,750
Miscellaneous	7,055	7,055	6,800	255
FICA	14,968	14,968	59,273	(44,305)
IMRF	12,088	12,088	50,941	(38,853)
Total Recreation and Culture	\$ 448,836	\$ 475,686	\$ 620,326	\$ (144,640)
Economic Development:				
Professional services	\$ -	\$ 7,985	\$ 11,207	\$ (3,222)
Insurance	7,775	7,200	7,775	(575)
Dues and subscriptions	-	650	650	-
Miscellaneous	24,250	-	-	-
FICA	-	-	1,436	(1,436)
IMRF	0	0	1,234	(1,234)
Total Economic Development	\$ 32,025	\$ 15,835	\$ 22,302	\$ (6,467)

(Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Expenditures - (continued)				
Capital Expenditures	\$ 366,705	\$ 366,705	\$ 799,436	\$ (432,731)
Debt Service:				
Principal	73,950	73,950	107,140	(33,190)
Interest	7,825	7,825	7,824	1
Total Expenditures	<u>\$ 12,870,647</u>	<u>\$ 15,152,132</u>	<u>\$ 15,973,254</u>	<u>\$ (821,122)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,219,107)</u>	<u>\$ (1,060,452)</u>	<u>\$ (786,113)</u>	<u>\$ 274,339</u>
Other Financing Sources (Uses):				
Sale of property	\$ 15,000	\$ 21,000	\$ 18,950	\$ (2,050)
Transfers in	567,495	568,245	43,009	(525,236)
Transfers out	(976,295)	(976,295)	(1,175,469)	(199,174)
Total Other Financing Sources (Uses)	<u>\$ (393,800)</u>	<u>\$ (387,050)</u>	<u>\$ (1,113,510)</u>	<u>\$ (726,460)</u>
Net change in fund balances	<u>\$ (1,612,907)</u>	<u>\$ (1,447,502)</u>	<u>\$ (1,899,623)</u>	<u>\$ (452,121)</u>
Fund balance, beginning of year			6,256,970	
Fund balance, end of year			<u>\$ 4,357,347</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Tax Increment Financing Fund - The Quarter
Year Ended December 31, 2019**

	Original Budget	Final budget	Actual Amounts	Variance with Final Budget
Revenues:				
Property taxes	\$ 208,000	\$ 208,000	\$ 226,397	\$ 18,397
Expenditures				
Current:				
Economic development	\$ 99,200	\$ 101,000	\$ 104,187	\$ (3,187)
Debt Service:				
Principal	280,000	280,000	280,000	-
Interest	31,835	31,835	32,836	(1,001)
Total Expenditures	\$ 411,035	\$ 412,835	\$ 417,023	\$ (4,188)
Excess (deficiency) of revenues over (under) expenditures	\$ (203,035)	\$ (204,835)	\$ (190,626)	\$ 14,209
Fund Balance, beginning of year			(3,274,978)	
Fund Balance, end of year			<u>\$ (3,465,604)</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Tax Increment Financing Fund - Port of Call
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 11,500	\$ 11,500	\$ 16,218	\$ 4,718
Miscellaneous	-	25,000	31,986	6,986
Total Revenues	<u>\$ 11,500</u>	<u>\$ 36,500</u>	<u>\$ 48,204</u>	<u>\$ 11,704</u>
Expenditures				
Current:				
Economic development	\$ 10,000	\$ 5,000	\$ 150,052	\$ (145,052)
Capital expenditures	-	260,000	154,606	105,394
Debt Service:				
Interest	364,000	353,000	383,660	(30,660)
Total Expenditures	<u>\$ 374,000</u>	<u>\$ 618,000</u>	<u>\$ 688,318</u>	<u>\$ (70,318)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (362,500)</u>	<u>\$ (581,500)</u>	<u>\$ (640,114)</u>	<u>\$ (58,614)</u>
Other Financing Sources (Uses):				
Issuance of long-term debt	\$ -	\$ 468,360	\$ 468,360	\$ -
Net change in fund balance	<u>\$ (362,500)</u>	<u>\$ (113,140)</u>	<u>\$ (171,754)</u>	<u>\$ (58,614)</u>
Fund Balance, beginning of year-restated			<u>(741,715)</u>	
Fund Balance, end of year			<u>\$ (913,469)</u>	

Notes to the Required Supplementary Information - Budget Comparisons
December 31, 2019

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.

III. Excess of Expenditures over Appropriations

Expenditures exceeded appropriations in the following major funds:

	Amount <u>Over Budget</u>
General	\$ 821,122
Tax Increment Financing - The Quarter	4,188
Tax Increment Financing - Port of Call	70,318

These expenditures were funded by available reserves.

Required Supplementary Information on Pension Plan Employer Contributions Last Ten Fiscal Years*

Illinois Municipal Retirement Plan

	2019	2018	2017	2016	2015
Actuarially Determined Contribution Contributions in Relation to the	\$ 597,312	\$ 588,167	\$ 615,419	\$ 593,717	\$ 623,441
Actuarially Determined Contribution Contribution Deficiency (Excess)	\$ 597,313	588,319	615,419	594,489	662,498
	(1)	(152)	-	(772)	(39,057)
City's covered payroll Contributions as a percentage of covered payroll	\$ 6,300,256	\$ 5,776,713	\$ 5,598,468	\$ 5,703,603	\$ 5,497,382
	9.48%	9.66%	10.99%	10.42%	12.05%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used to Determine Contribution Rate

Valuation Date	Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 25-year closed period.
Asset Valuation Method	Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Wage Growth	SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (2 employees were financed over 29 years). 5 year smoothed market; 20% corridor
Prince Inflation	3.5%
Salary Increases	2.75% approximate; no explicit price inflation assumption is used in this valuation.
Investment Rate of Return	3.75% to 14.50%, including inflation
Retirement Age	7.50%
Mortality	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013. For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

There were no benefit changes during the year.

Notes to Schedule:

*The City implemented GASB Statement No. 68 in the fiscal year 2015. The table will build prospectively from 2015.

Required Supplementary Information on Pension Plan Employer Contributions Last Ten Fiscal Years

	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Police Pension Plan						
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contribution	\$ 1,861,655	\$ 1,774,915	\$ 1,498,898	\$ 700,438	\$ 554,998	\$ 761,897
Actuarially Determined Contribution Contribution Deficiency (Excess)	\$ 1,298,858	\$ 1,141,908	\$ 957,699	\$ 704,267	\$ 897,039	\$ 782,786
	\$ 562,797	\$ 633,007	\$ 541,199	\$ (3,829)	\$ (342,041)	\$ (20,889)
City's covered payroll Contributions as a percentage of covered payroll	\$ 2,725,961	\$ 2,599,524	\$ 2,625,112	\$ 2,526,144	\$ 2,388,592	\$ 2,594,594
	47.65%	43.93%	36.48%	27.88%	37.56%	30.17%

Notes to Schedule:

The plan implemented GASB Statement No. 67 in fiscal year 2014. The Actuarially Determined Contribution shown above for the current year is the Recommended Contribution from the January 1, 2018 Actuarial Valuation completed by Tepfer Consulting Group, LTD for the December 2018 tax levy. The methods and assumptions shown below are based on the same Actuarial Valuation. For more detail on the age-based and service based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method	Entry age normal
Amortization Method	Level dollar
Amortization Target	100% funded over 23 years
Asset Valuation Method	5 year smoothed market value
Inflation	2.00%
Total Pay Increases	3.50%
Individual Pay Increases	3.12% - 6.86%
Expected Rate of Return on Investments	7.0% annually
Mortality Rates	RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015
Retirement Rates	Tepfer Consulting group, Ltd. Retirement Rates
Termination Rates	Tepfer Consulting group, Ltd. Termination Rates
Disability Rates	Tepfer Consulting group, Ltd. Disability Rates

Other Information: There were no benefit changes during the year

City of East Moline, Illinois
Required Supplementary Information on
Pension Plan Employer Contributions
Last Ten Fiscal Years

	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contribution	\$ 1,299,067	\$ 1,194,394	\$ 932,227	\$ 465,731	\$ 637,000	\$ 687,686
Actuarially Determined Contribution Contribution Deficiency (Excess)	\$ 946,204	\$ 906,371	\$ 872,185	\$ 487,530	\$ 634,464	\$ 679,363
	\$ 352,863	\$ 288,023	\$ 60,042	\$ (21,799)	\$ 2,536	\$ 8,323
City's covered payroll Contributions as a percentage of covered payroll	\$ 2,562,743	\$ 2,624,845	\$ 2,528,019	\$ 2,543,225	\$ 2,482,214	\$ 2,445,148
	36.92%	34.53%	34.50%	19.17%	25.56%	27.78%

Notes to Schedule:

The plan implemented GASB Statement No. 67 in fiscal year 2014. The Actuarially Determined Contribution shown above for the current year is the Recommended Contribution from the January 1, 2018 Actuarial Valuation completed by Tepfer Consulting Group, L.TD for the December 2018 tax levy. The methods and assumptions shown below are based on the same Actuarial Valuation. For more detail on the age-based and service based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method	Entry age normal
Amortization Method	Level dollar
Amortization Target	100% funded over 23 years
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Total Pay Increases	3.50%
Individual Pay Increases	3.12% - 6.86%
Expected Rate of Return on Investments	7.0% annually
Mortality Rates	RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015
Retirement Rates	Tepfer Consulting group, Ltd. Retirement Rates
Termination Rates	Tepfer Consulting group, Ltd. Termination Rates
Disability Rates	Tepfer Consulting group, Ltd. Disability Rates

Other Information: There were no benefit changes during the year

Required Supplementary Information
Schedule of Changes in Employer's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Other Postemployment Benefit Plan	2019 [^]	2018
Total OPEB Liability:		
Service Cost	\$ 1,290,754	\$ 1,239,917
Interest	2,515,590	2,287,065
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	332,741	136,705
Changes of Assumptions	20,293,356	(6,737,474)
Benefit Payments	(2,072,561)	(2,037,027)
Net Change in Total OPEB Liability	\$ 22,359,880	\$ (5,110,814)
Total OPEB Liability - Beginning	62,392,133	67,502,947
Total OPEB Liability - Ending	\$ 84,752,013	\$ 62,392,133
Covered Payroll	\$ 8,753,437	\$ 8,498,483
Total OPEB Liability as a Percentage of Covered Payroll	968.21%	734.16%

Notes to Schedule:[^] Change in Assumptions:

The inflation, mortality, mortality improvement, retirement, termination, and disability rates were updated based on a comprehensive study of Police and Firefighters' Pension Funds in the State of Illinois performed by an independent actuary. The IMRF decrements used were also updated.

The assumed rate on High Quality 20-year Tax-Exempt G.O. Bonds was changed from 4.10% to 2.74% for the current year.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

*The City implemented GASB Statement No. 75 in the fiscal year 2018. The table will build prospectively from 2018.

Required Supplementary Information
Schedule of Changes in Employer's Net Pension Liability and Related Ratios
Last Ten Fiscal Years*

Illinois Municipal Retirement Plan	2019	2018
Total Pension Liability:		
Service Cost	\$ 549,908	\$ 614,356
Interest	3,332,806	3,421,673
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	(685,088)	(945,100)
Changes of Assumptions	1,246,081	(1,459,080)
Benefit Payments, Including Refunds of Employee Contributions	(3,020,272)	(2,548,747)
Net Change in Total Pension Liability	\$ 1,423,435	\$ (916,898)
Total Pension Liability - Beginning	45,672,601	46,589,499
Total Pension Liability - Ending	<u>\$ 47,096,036</u>	<u>\$ 45,672,601</u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 597,313	\$ 558,319
Contributions - Employees	261,030	251,994
Net Investment Income	(2,919,404)	7,768,020
Benefit Payments, Including Refunds of Employee Contributions	(3,020,272)	(2,548,747)
Other (Net Transfer)	(265,879)	(1,111,275)
Net Change in Plan Fiduciary Net Position	\$ (5,347,212)	\$ 4,918,311
Plan Net Position - Beginning	48,052,718	43,134,407
Plan Net Position - Ending	<u>\$ 42,705,506</u>	<u>\$ 48,052,718</u>
Employer's Net Pension Liability (Asset)	\$ 4,390,530	\$ (2,380,117)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.68%	105.21%
Covered Payroll	\$ 5,776,713	\$ 5,598,468
Employer's Net Pension Liability as a Percentage of Covered Payroll	76.00%	-42.51%

Notes to Schedule:

*The pension implemented GASB Statement No. 68 in the fiscal year 2015. The table will build prospectively from 2015.

	2017	2016	2015
\$	581,073	\$ 594,762	\$ 645,888
	3,279,553	3,184,497	2,979,625
	-	-	-
	541,732	(61,525)	(43,249)
	(53,140)	51,189	1,411,896
	(2,509,887)	(2,362,668)	(2,111,268)
\$	1,839,331	\$ 1,406,255	\$ 2,882,892
	44,750,168	43,343,913	40,461,021
\$	46,589,499	\$ 44,750,168	\$ 43,343,913
\$	615,419	\$ 594,489	\$ 662,498
	264,075	250,680	269,796
	2,863,518	210,391	2,502,224
	(2,509,887)	(2,362,668)	(2,111,268)
	221,090	150,400	(95,901)
\$	1,454,215	\$ (1,156,708)	\$ 1,227,349
	41,680,192	42,836,900	41,609,551
\$	43,134,407	\$ 41,680,192	\$ 42,836,900
\$	3,455,092	\$ 3,069,976	\$ 507,013
	92.58%	93.14%	98.83%
\$	5,703,603	\$ 5,497,382	\$ 5,402,436
	60.58%	55.84%	9.38%

City of East Moline, Illinois

Required Supplementary Information
 Schedule of Changes in Employer's Net Pension Liability and Related Ratios
 Last Ten Fiscal Years*

Police Pension Plan	2019 ^	2018	2017
Total Pension Liability:			
Service Cost	\$ 624,956	\$ 646,068	\$ 612,469
Interest	2,818,063	2,579,863	2,517,077
Changes in Benefit Terms	128,465	-	-
Differences Between Expected and Actual Experience	463,860	2,336,241	(344,171)
Changes of Assumptions	8,828,091	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,161,222)	(1,974,912)	(1,816,592)
Net Change in Total Pension Liability	\$ 10,702,213	\$ 3,587,260	\$ 968,783
Total Pension Liability - Beginning	41,338,660	37,751,400	36,782,617
Total Pension Liability - Ending	<u>\$ 52,040,873</u>	<u>\$ 41,338,660</u>	<u>\$ 37,751,400</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,298,858	\$ 1,141,908	\$ 957,699
Contributions - Employees	269,386	262,327	263,513
Net Investment Income	3,172,556	(950,446)	2,061,279
Benefit Payments, Including Refunds of Employee Contributions	(2,161,222)	(1,974,912)	(1,816,592)
Administrative expense	(32,210)	(38,260)	(19,138)
Net Change in Plan Fiduciary Net Position	\$ 2,547,368	\$ (1,559,383)	\$ 1,446,761
Plan Net Position - Beginning	19,630,359	21,189,742	19,742,981
Plan Net Position - Ending	<u>\$ 22,177,727</u>	<u>\$ 19,630,359</u>	<u>\$ 21,189,742</u>
Employer's Net Pension Liability	<u>\$ 29,863,146</u>	<u>\$ 21,708,301</u>	<u>\$ 16,561,658</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.62%	47.49%	56.13%
Covered Payroll	\$ 2,725,961	\$ 2,599,524	\$ 2,625,112
Employer's Net Pension Liability as a Percentage of Covered Payroll	1095.51%	835.09%	630.89%

Notes to Schedule:

^ Change in Assumptions:

The mortality, mortality improvement, retirement termination, and disability rates were updated based on a study of Police and Firefighters Pension Funds in the State of Illinois, performed by an independent actuary.

The High-Quality 20 Year Tax-Exempt General Obligation ("G.O") Bond Rate assumption was changed from 4.09% to 2.74% for the current year.

The Discount Rate used in the determination of Total Pension Liability was changed from 7.00% to 5.63%.

The mortality assumption has been updated to include mortality improvements as stated in the MP-2019 table, applied on a fully-generational basis.

The projected individual and pay increase assumption has been updated, as well as the projected total payroll increases, consumer price index and inflation rates.

*The pension implemented GASB Statement No. 67 in the fiscal year 2014. Information prior to fiscal year 2014 is not available.

2016	2015	2014
\$ 595,076	\$ 576,200	\$ 498,852
2,035,322	1,753,170	2,016,885
-	-	-
6,008,678	3,439,869	(5,010,958)
-	-	328,595
(1,707,221)	(1,763,945)	(1,477,589)
\$ 6,931,855	\$ 4,005,294	\$ (3,644,215)
29,850,762	25,845,468	29,489,683
\$ 36,782,617	\$ 29,850,762	\$ 25,845,468
\$ 704,267	\$ 897,039	\$ 782,786
253,761	249,771	261,574
1,531,865	(292,993)	654,662
(1,707,221)	(1,763,945)	(1,477,589)
(23,582)	(31,274)	(26,237)
\$ 759,090	\$ (941,402)	\$ 195,196
18,983,891	19,925,293	19,730,097
\$ 19,742,981	\$ 18,983,891	\$ 19,925,293
\$ 17,039,636	\$ 10,866,871	\$ 5,920,175
53.67%	63.60%	77.09%
\$ 2,526,144	\$ 2,388,592	\$ 2,594,594
674.53%	454.95%	228.17%

(Continued)

City of East Moline, Illinois

Required Supplementary Information
 Schedule of Changes in Employer's Net Pension Liability and Related Ratios
 Last Ten Fiscal Years*

Firefighters' Pension Plan	2019 ^	2018	2017
Total Pension Liability:			
Service Cost	\$ 640,880	\$ 639,209	\$ 627,015
Interest	2,425,359	2,341,701	2,212,133
Changes in Benefit Terms	67,702	-	-
Differences Between Expected and Actual Experience	1,700,987	223,720	755,057
Changes of Assumptions	10,896,805	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,055,620)	(1,797,331)	(1,698,288)
Net Change in Total Pension Liability	\$ 13,676,113	\$ 1,407,299	\$ 1,895,917
Total Pension Liability - Beginning	35,675,800	34,268,501	32,372,584
Total Pension Liability - Ending	<u>\$ 49,351,913</u>	<u>\$ 35,675,800</u>	<u>\$ 34,268,501</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 946,204	\$ 906,371	\$ 872,185
Contributions - Employees	243,828	250,402	247,170
Net Investment Income	3,540,120	(1,443,360)	2,553,303
Benefit Payments, Including Refunds of Employee Contributions	(2,055,620)	(1,797,331)	(1,698,288)
Administrative expense	(21,786)	(19,885)	(28,018)
Net Change in Plan Fiduciary Net Position	\$ 2,652,746	\$ (2,103,803)	\$ 1,946,352
Plan Net Position - Beginning	22,322,658	24,426,461	22,480,109
Plan Net Position - Ending	<u>\$ 24,975,404</u>	<u>\$ 22,322,658</u>	<u>\$ 24,426,461</u>
Employer's Net Pension Liability	<u>\$ 24,376,509</u>	<u>\$ 13,353,142</u>	<u>\$ 9,842,040</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			
Covered Payroll	\$ 2,562,473	\$ 2,624,845	\$ 2,528,019
Employer's Net Pension Liability as a Percentage of Covered Payroll	951.29%	508.72%	389.32%

Notes to Schedule:

^ Change in Assumptions:

The mortality, mortality improvement, retirement termination, and disability rates were updated based on a study of Police and Firefighters Pension Funds in the State of Illinois, performed by an independent actuary.

The High-Quality 20 Year Tax-Exempt General Obligation ("G.O") Bond Rate assumption was changed from 4.09% to 2.74% for the current year.

The Discount Rate used in the determination of Total Pension Liability was changed from 7.00% to 5.67%.

The mortality assumption has been updated to include mortality improvements as stated in the MP-2019 table, applied on a fully-generational basis.

The projected individual and pay increase assumption has been updated, as well as the projected total payroll increases, consumer price index and inflation rates.

*The pension implemented GASB Statement No. 67 in the fiscal year 2014. Information prior to fiscal year 2014 is not available.

2016	2015	2014
\$ 638,535	\$ 574,331	\$ 594,392
2,028,483	1,844,837	1,659,616
-	-	-
1,635,732	1,810,297	(2,652,969)
-	-	1,730,104
(1,663,308)	(1,558,304)	(1,503,645)
\$ 2,639,442	\$ 2,671,161	\$ (172,502)
29,733,142	27,061,981	27,234,483
\$ 32,372,584	\$ 29,733,142	\$ 27,061,981
\$ 487,530	\$ 634,464	\$ 679,363
241,344	237,806	242,314
1,785,271	(655,704)	705,900
(1,663,308)	(1,558,304)	(1,503,645)
(22,274)	(21,011)	(28,054)
\$ 828,563	\$ (1,362,749)	\$ 95,878
21,651,546	23,014,295	22,918,417
\$ 22,480,109	\$ 21,651,546	\$ 23,014,295
\$ 9,892,475	\$ 8,081,596	\$ 4,047,686
69.44%	72.82%	85.04%
\$ 2,543,225	\$ 2,482,214	\$ 2,445,148
388.97%	325.58%	165.54%

Required Supplementary Information
Schedule of Investment Returns
Last Ten Fiscal Years*

Police Pension Plan	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	17.40%	-3.42%	11.13%	9.19%	-1.21%	4.06%
Firefighters' Pension Plan	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	16.96%	-5.93%	12.13%	9.45%	-2.13%	3.86%

Notes to Schedule:

*The plans implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

Other Supplementary Information

Nonmajor Governmental Funds

Special Revenue Funds

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

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.

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.

Hotel Motel Tax Fund – Accounts for revenues and expenditures related to tourism.

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

Capital Projects Fund

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

Debt Service Fund

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, 2019

	Special Revenue Funds			
	Totals	Garbage	Motor Fuel Tax Fund	Municipal Swimming Pool
Assets				
Cash	\$ 1,699,897	\$ 574,795	\$ 62,648	\$ 130,121
Investments	1,250,808	-	923,586	-
Receivables	1,397,171	244,098	214,243	-
Advances to other funds	499,804	345	3,685	1,239
Total Assets	\$ 4,847,680	\$ 819,238	\$ 1,204,162	\$ 131,360
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ 274,869	\$ 80,996	\$ 184,218	\$ 3,719
Fund cash deficit	1,786,851	-	-	-
Accrued liabilities	6,444	-	-	1,677
Advances from other funds	924,854	-	-	-
Total Liabilities	\$ 2,993,018	\$ 80,996	\$ 184,218	\$ 5,396
Deferred Inflows of Resources				
Unavailable revenue - property taxes	\$ 903,032	\$ 116,559	\$ -	\$ -
Unavailable revenue - other taxes	42,086	-	-	-
Total Deferred Inflows of Resources	\$ 945,118	\$ 116,559	\$ -	\$ -
Fund Balances:				
Restricted	\$ 2,279,530	\$ -	\$ 1,019,944	\$ -
Assigned	985,971	621,683	-	125,964
Unassigned	(2,355,957)	-	-	-
Total Fund Balances	\$ 909,544	\$ 621,683	\$ 1,019,944	\$ 125,964
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,847,680	\$ 819,238	\$ 1,204,162	\$ 131,360

Special Revenue Funds					
Economic Development	Non-Home Rule Sales Tax	Special Service Area - Downtown	Tax Increment Financing		
			Hotel Motel Tax	Downtown	
\$ 15,611	\$ 74,103	\$ 155,006	\$ 114,921	\$ 358,988	
-	327,222	-	-	-	
-	129,014	62,806	9,139	100,096	
181,052	-	-	-	-	
<u>\$ 196,663</u>	<u>\$ 530,339</u>	<u>\$ 217,812</u>	<u>\$ 124,060</u>	<u>\$ 459,084</u>	
\$ -	\$ -	\$ -	\$ 5,877	\$ 59	
-	-	-	-	-	
-	3,785	-	-	328	
32,217	3,685	-	-	-	
<u>\$ 32,217</u>	<u>\$ 7,470</u>	<u>\$ -</u>	<u>\$ 5,877</u>	<u>\$ 387</u>	
\$ -	\$ -	\$ 60,003	\$ -	\$ 95,381	
-	42,086	-	-	-	
<u>\$ -</u>	<u>\$ 42,086</u>	<u>\$ 60,003</u>	<u>\$ -</u>	<u>\$ 95,381</u>	
\$ -	\$ 480,783	\$ 157,809	\$ 118,183	\$ 363,316	
164,446	-	-	-	-	
-	-	-	-	-	
<u>\$ 164,446</u>	<u>\$ 480,783</u>	<u>\$ 157,809</u>	<u>\$ 118,183</u>	<u>\$ 363,316</u>	
\$ 196,663	\$ 530,339	\$ 217,812	\$ 124,060	\$ 459,084	

City of East Moline, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2019

	Special Revenue Funds		
	Tax Increment Financing		
	Great River Industrial Park	Gateway Industrial Park	Kennedy Drive
Assets			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables	153,859	2,027	195,068
Advances to other funds	-	-	313,483
Total Assets	\$ 153,859	\$ 2,027	\$ 508,551
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Fund cash deficit	664,867	-	745,662
Accrued liabilities	-	-	-
Advances from other funds	374,284	60,000	400,000
Total Liabilities	\$ 1,039,151	\$ 60,000	\$ 1,145,662
Deferred Inflows of Resources			
Unavailable revenue - property taxes	\$ 153,840	\$ 2,027	\$ 195,037
Unavailable revenue - other taxes	-	-	-
Total Deferred Inflows of Resources	\$ 153,840	\$ 2,027	\$ 195,037
Fund Balances:			
Restricted	\$ -	\$ -	\$ -
Assigned	-	-	-
Unassigned	(1,039,132)	(60,000)	(832,148)
Total Fund Balances	\$ (1,039,132)	\$ (60,000)	\$ (832,148)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 153,859	\$ 2,027	\$ 508,551

Lucky Strike	EM Glass	Capital Projects	Debt Service
\$ 139,826	\$ -	\$ 73,878	\$ -
-	-	-	-
88,566	5,303	-	192,952
-	-	-	-
<u>\$ 228,392</u>	<u>\$ 5,303</u>	<u>\$ 73,878</u>	<u>\$ 192,952</u>

\$ -	\$ -	\$ -	\$ -
-	51,782	-	324,540
327	327	-	-
14	-	-	54,654
<u>\$ 341</u>	<u>\$ 52,109</u>	<u>\$ -</u>	<u>\$ 379,194</u>

\$ 88,556	\$ 5,303	\$ -	\$ 186,326
-	-	-	-
<u>\$ 88,556</u>	<u>\$ 5,303</u>	<u>\$ -</u>	<u>\$ 186,326</u>

\$ 139,495	\$ -	\$ -	\$ -
-	-	73,878	-
-	(52,109)	-	(372,568)
<u>\$ 139,495</u>	<u>\$ (52,109)</u>	<u>\$ 73,878</u>	<u>\$ (372,568)</u>

<u>\$ 228,392</u>	<u>\$ 5,303</u>	<u>\$ 73,878</u>	<u>\$ 192,952</u>
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City of East Moline, Illinois

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended December 31, 2019

	Special Revenue Funds			
	Totals	Garbage	Motor Fuel Tax Fund	Municipal Swimming Pool
Revenues				
Taxes:				
Property	\$ 1,072,011	\$ 244,159	\$ -	\$ -
Sales	487,319	-	-	-
Hotel Motel Tax	161,784	-	-	-
Intergovernmental	819,565	-	819,565	-
Charges for services and rents	1,111,650	854,413	-	255,891
Investment income	37,317	2,112	27,100	447
Grant	23,757	15,977	-	-
Miscellaneous	463	-	-	-
Total Revenues	\$ 3,713,866	\$ 1,116,661	\$ 846,665	\$ 256,338
Expenditures				
Current:				
General government	\$ 956	\$ -	\$ -	\$ -
Public works	2,312,715	1,056,886	768,279	-
Recreation and culture	331,427	-	-	331,383
Economic development	197,837	-	-	-
Capital expenditures	167,027	-	152,275	-
Debt Service:				
Principal	360,000	-	-	-
Interest	53,435	-	-	-
Total Expenditures	\$ 3,423,397	\$ 1,056,886	\$ 920,554	\$ 331,383
Excess (deficiency) of revenues over (under) expenditures	\$ 290,469	\$ 59,775	\$ (73,889)	\$ (75,045)
Other Financing Sources (Uses)				
Transfers in	\$ 675,981	\$ 62,640	\$ -	\$ 95,000
Transfers out	(234,986)	(76,675)	-	(3,102)
Total Other Financing Sources (Uses)	\$ 440,995	\$ (14,035)	\$ -	\$ 91,898
Net change in fund balances	\$ 731,464	\$ 45,740	\$ (73,889)	\$ 16,853
Fund Balances, beginning of year	178,080	575,943	1,093,833	109,111
Fund Balances, end of year	\$ 909,544	\$ 621,683	\$ 1,019,944	\$ 125,964

Special Revenue Funds					
Economic Development	Non-Home Rule Sales Tax	Special Service Area - Downtown	Hotel Motel Tax	Tax Increment Financing Downtown	
\$ -	\$ -	\$ 60,053	\$ -	\$ -	\$ 75,496
-	487,319	-	-	-	-
-	-	-	161,784	-	-
-	-	-	-	-	-
1,346	-	-	-	-	-
91	4,866	533	-	-	1,283
-	7,780	-	-	-	-
-	-	463	-	-	-
<u>\$ 1,437</u>	<u>\$ 499,965</u>	<u>\$ 61,049</u>	<u>\$ 161,784</u>	<u>\$ -</u>	<u>\$ 76,779</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	487,550	-	-	-	-
-	-	-	-	-	-
15,654	-	28,412	43,601	-	11,125
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 15,654</u>	<u>\$ 487,550</u>	<u>\$ 28,412</u>	<u>\$ 43,601</u>	<u>\$ -</u>	<u>\$ 11,125</u>
\$ (14,217)	\$ 12,415	\$ 32,637	\$ 118,183	\$ -	\$ 65,654
\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	(403)
\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ (403)
\$ (14,217)	\$ 262,415	\$ 32,637	\$ 118,183	\$ -	\$ 65,251
178,663	218,368	125,172	-	-	298,065
<u>\$ 164,446</u>	<u>\$ 480,783</u>	<u>\$ 157,809</u>	<u>\$ 118,183</u>	<u>\$ -</u>	<u>\$ 363,316</u>

City of East Moline, Illinois

Combining Statement of Revenues, Expenses, and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended December 31, 2019

	Special Revenue Funds		
	Tax Increment Financing		
	Great River Industrial Park	Gateway Industrial Park	Kennedy Drive
Revenues			
Taxes:			
Property	\$ 157,431	\$ 1,806	\$ 256,999
Sales	-	-	-
Hotel Motel Tax	-	-	-
Intergovernmental	-	-	-
Charges for services and rents	-	-	-
Investment income	-	-	-
Grant	-	-	-
Miscellaneous	-	-	-
Total Revenues	\$ 157,431	\$ 1,806	\$ 256,999
Expenditures			
Current:			
General government	\$ -	\$ -	\$ -
Public works	-	-	-
Recreation and culture	-	-	-
Economic development	11,432	-	250
Capital expenditures	-	-	-
Debt Service:			
Principal	-	-	270,000
Interest	-	-	41,205
Total Expenditures	\$ 11,432	\$ -	\$ 311,455
Excess (deficiency) of revenues over (under) expenditures	\$ 145,999	\$ 1,806	\$ (54,456)
Other Financing Sources (Uses)			
Transfers in	\$ -	\$ 166,524	\$ -
Transfers out	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ 166,524	\$ -
Net change in fund balances	\$ 145,999	\$ 168,330	\$ (54,456)
Fund Balances, beginning of year	(1,185,131)	(228,330)	(777,692)
Fund Balances, end of year	\$ (1,039,132)	\$ (60,000)	\$ (832,148)

Lucky Strike	EM Glass	Capital Projects	Debt Service
\$ 86,425	\$ 2,674	\$ -	\$ 186,968
-	-	-	-
-	-	-	-
-	-	-	-
617	-	268	-
-	-	-	-
-	-	-	-
<u>\$ 87,042</u>	<u>\$ 2,674</u>	<u>\$ 268</u>	<u>\$ 186,968</u>
\$ -	\$ -	\$ -	\$ 956
-	-	-	-
-	-	44	-
70,667	16,696	-	-
-	-	14,752	-
-	-	-	90,000
-	-	-	12,230
<u>\$ 70,667</u>	<u>\$ 16,696</u>	<u>\$ 14,796</u>	<u>\$ 103,186</u>
\$ 16,375	\$ (14,022)	\$ (14,528)	\$ 83,782
\$ -	\$ -	\$ 20,000	\$ 81,817
(403)	(403)	-	(154,000)
<u>\$ (403)</u>	<u>\$ (403)</u>	<u>\$ 20,000</u>	<u>\$ (72,183)</u>
\$ 15,972	\$ (14,425)	\$ 5,472	\$ 11,599
123,523	(37,684)	68,406	(384,167)
<u>\$ 139,495</u>	<u>\$ (52,109)</u>	<u>\$ 73,878</u>	<u>\$ (372,568)</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Garbage Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Taxes:				
Property	\$ 244,455	\$ 244,455	\$ 244,159	\$ (296)
Charges for services	740,760	769,360	854,413	85,053
Grant	28,400	28,400	15,977	(12,423)
Investment income	1,600	1,600	2,112	512
Total Revenues	\$ 1,015,215	\$ 1,043,815	\$ 1,116,661	\$ 72,846
Expenditures				
Current:				
Public works	\$ 1,015,095	\$ 1,015,095	\$ 1,056,886	\$ (41,791)
Excess (deficiency) of revenues over (under) expenditures	\$ 120	\$ 28,720	\$ 59,775	\$ 31,055
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ 62,640	\$ 62,640
Transfers out	(76,675)	(76,675)	(76,675)	-
Total Other Financing Sources (Uses)	\$ (76,675)	\$ (76,675)	\$ (14,035)	\$ 62,640
Net change in fund balance	\$ (76,555)	\$ (47,955)	\$ 45,740	\$ 93,695
Fund Balance, beginning of year			575,943	
Fund Balance, end of year			<u>\$ 621,683</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Motor Fuel Tax Fund
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Intergovernmental	\$ 2,627,690	\$ 2,627,690	\$ 819,565	\$ (1,808,125)
Investment income	13,000	13,000	27,100	14,100
Total Revenues	<u>\$ 2,640,690</u>	<u>\$ 2,640,690</u>	<u>\$ 846,665</u>	<u>\$ (1,794,025)</u>
Expenditures				
Current:				
Public works	\$ 920,000	\$ 620,000	\$ 768,279	\$ (148,279)
Capital expenditures	2,087,690	120,000	152,275	(32,275)
Total Expenditures	<u>\$ 3,007,690</u>	<u>\$ 740,000</u>	<u>\$ 920,554</u>	<u>\$ (180,554)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (367,000)</u>	<u>\$ 1,900,690</u>	<u>\$ (73,889)</u>	<u>\$ (1,974,579)</u>
Fund Balance, beginning of year			1,093,833	
Fund Balance, end of year			<u>\$ 1,019,944</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Municipal Swimming Pool Fund
 Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Charges for services and rents	\$ 200,800	\$ 255,891	\$ 55,091
Investment income	450	447	(3)
Total Revenues	\$ 201,250	\$ 256,338	\$ 55,088
Expenditures			
Current:			
Recreation/culture	\$ 298,700	\$ 331,383	\$ (32,683)
Excess (deficiency) of revenues over (under) expenditures	\$ (97,450)	\$ (75,045)	\$ 22,405
Other Financing Sources (Uses)			
Transfers in	\$ 95,000	\$ 95,000	\$ -
Transfers out	-	(3,102)	(3,102)
Total Other Financing Sources (Uses)	\$ 95,000	\$ 91,898	\$ (3,102)
Net change in fund balance	\$ (2,450)	\$ 16,853	\$ 19,303
Fund Balance, beginning of year		109,111	
Fund Balance, end of year		<u>\$ 125,964</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Economic Development
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services and rents	\$ 1,000	\$ 1,000	\$ 1,346	\$ 346
Investment income	-	-	91	91
Total Revenues	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,437</u>	<u>\$ 437</u>
Expenditures				
Current:				
Economic development	\$ -	\$ 16,000	\$ 15,654	\$ 346
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,000</u>	<u>\$ (15,000)</u>	<u>\$ (14,217)</u>	<u>\$ 783</u>
Fund Balance, beginning of year			178,663	
Fund Balance, end of year			<u>\$ 164,446</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Non-Home Rule Sales Tax Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Sales tax	\$ 420,000	\$ 420,000	\$ 487,319	\$ 67,319
Investment income	6,000	6,000	4,866	(1,134)
Grant	-	-	7,780	7,780
Total Revenues	\$ 426,000	\$ 426,000	\$ 499,965	\$ 73,965
Expenditures				
Current:				
Public works	\$ 533,765	\$ 427,265	\$ 487,550	\$ (60,285)
Excess (deficiency) of revenues over (under) expenditures	\$ (107,765)	\$ (1,265)	\$ 12,415	\$ 13,680
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ 250,000	\$ 250,000
Net change in fund balance	\$ (107,765)	\$ (1,265)	\$ 262,415	\$ 263,680
Fund Balance, beginning of year			218,368	
Fund Balance, end of year			<u>\$ 480,783</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Special Service Area - Downtown Fund
Year Ended December 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Property taxes	\$ 60,000	\$ 60,053	\$ 53
Investment income	75	533	458
Miscellaneous	-	463	463
Total Revenues	<u>\$ 60,075</u>	<u>\$ 61,049</u>	<u>\$ 974</u>
Expenditures			
Current:			
Economic development	\$ 59,800	\$ 28,412	\$ 31,388
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 275</u>	<u>\$ 32,637</u>	<u>\$ 32,362</u>
Fund Balance, beginning of year		125,172	
Fund Balance, end of year		<u>\$ 157,809</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Hotel Motel Tax Fund
 Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Hotel Motel Tax	\$ 262,500	\$ 144,000	\$ 161,784	\$ 17,784
Expenditures				
Current:				
Economic development	\$ -	\$ 38,830	\$ 43,601	\$ (4,771)
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 262,500</u>	<u>\$ 105,170</u>	\$ 118,183	<u>\$ 13,013</u>
Fund Balance, beginning of year			-	
Fund Balance, end of year			<u>\$ 118,183</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Tax Increment Financing Fund - Downtown
 Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 57,000	\$ 57,000	\$ 75,496	\$ 18,496
Investment income	750	750	1,283	533
Total Revenues	\$ 57,750	\$ 57,750	\$ 76,779	\$ 19,029
Expenditures				
Current:				
Economic development	\$ -	\$ 12,455	\$ 11,125	\$ 1,330
Excess (deficiency) of revenues over (under) expenditures	\$ 57,750	\$ 45,295	\$ 65,654	\$ 20,359
Other Financing Sources (Uses)				
Transfers out	\$ -	\$ -	\$ (403)	\$ (403)
Net change in fund balance	\$ 57,750	\$ 45,295	\$ 65,251	\$ 19,956
Fund Balance, beginning of year			298,065	
Fund Balance, end of year			<u>\$ 363,316</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Tax Increment Financing Fund - Great River Industrial Park
 Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Property taxes	\$ 147,000	\$ 157,431	\$ 10,431
Expenditures			
Current:			
Economic development	\$ 43,000	\$ 11,432	\$ 31,568
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 104,000</u>	<u>\$ 145,999</u>	<u>\$ 41,999</u>
Fund Balance, beginning of year		(1,185,131)	
Fund Balance, end of year		<u>\$ (1,039,132)</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Tax Increment Financing Fund - Gateway Industrial Park
 Year Ended December 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Property taxes	\$ 1,300	\$ 1,806	\$ 506
Expenditures			
Current:			
Economic development	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ 1,300	\$ 1,806	\$ 506
Other Financing Sources (Uses)			
Transfers in	\$ -	\$ 166,524	\$ 166,524
Net change in fund balance	\$ 1,300	\$ 168,330	\$ 167,030
Fund Balance, beginning of year		(228,330)	
Fund Balance, end of year		<u>\$ (60,000)</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Tax Increment Financing Fund - Kennedy Drive
Year Ended December 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Property taxes	\$ 240,000	\$ 256,999	\$ 16,999
Expenditures			
Current:			
Economic development	\$ 250	\$ 250	\$ -
Debt Service:			
Principal	270,000	270,000	-
Interest	41,205	41,205	-
Total Expenditures	\$ 311,455	\$ 311,455	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ (71,455)	\$ (54,456)	\$ 16,999
Fund Balance, beginning of year		(777,692)	
Fund Balance, end of year		<u>\$ (832,148)</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Tax Increment Financing Fund - Lucky Strike
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 80,800	\$ 80,800	\$ 86,425	\$ 5,625
Investment income	450	450	617	167
Total Revenues	\$ 81,250	\$ 81,250	\$ 87,042	\$ 5,792
Expenditures				
Current:				
Economic development	\$ 60,600	\$ 68,055	\$ 70,667	\$ (2,612)
Excess (deficiency) of revenues over (under) expenditures	\$ 20,650	\$ 13,195	\$ 16,375	\$ 3,180
Other Financing Sources (Uses)				
Transfers out	\$ -	\$ -	\$ (403)	\$ (403)
Net change in fund balance	\$ 20,650	\$ 13,195	\$ 15,972	\$ 2,777
Fund Balance, beginning of year			123,523	
Fund Balance, end of year			<u>\$ 139,495</u>	

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Tax Increment Financing Fund - EM Glass
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 4,500	\$ 4,500	\$ 2,674	\$ (1,826)
Expenditures				
Current:				
Economic development	\$ 25,000	\$ 32,455	\$ 16,696	\$ 15,759
Excess (deficiency) of revenues over (under) expenditures	\$ (20,500)	\$ (27,955)	\$ (14,022)	\$ 13,933
Other Financing Sources (Uses)				
Transfers out	\$ -	\$ -	\$ (403)	\$ (403)
Net change in fund balance	\$ (20,500)	\$ (27,955)	\$ (14,425)	\$ 13,530
Fund Balance, beginning of year			(37,684)	
Fund Balance, end of year			<u>\$ (52,109)</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Capital Projects Fund
 Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Investment income	\$ 175	\$ 268	\$ 93
Expenditures			
Current:			
Recreation and culture	\$ -	\$ 44	\$ (44)
Capital expenditures	20,000	14,752	5,248
Total expenditures	\$ 20,000	\$ 14,796	\$ 5,204
Excess (deficiency) of revenues over (under) expenditures	\$ (19,825)	\$ (14,528)	\$ 5,297
Other Financing Sources (Uses)			
Transfers in	\$ 20,000	\$ 20,000	\$ -
Net change in fund balance	\$ 175	\$ 5,472	\$ 5,297
Fund Balance, beginning of year		68,406	
Fund Balance, end of year		<u>\$ 73,878</u>	

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Debt Service Fund
 Year Ended December 31, 2019

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 187,400	\$ 187,400	\$ 186,968	\$ (432)
Expenditures				
Current:				
General government	\$ 1,170	\$ 1,170	\$ 956	\$ 214
Debt Service:				
Principal	90,000	90,000	90,000	-
Interest	12,230	12,230	12,230	-
Total Expenditures	\$ 103,400	\$ 103,400	\$ 103,186	\$ 214
Excess (deficiency) of revenues over (under) expenditures	\$ 84,000	\$ 84,000	\$ 83,782	\$ (218)
Other Financing Sources (Uses)				
Transfers in	\$ 70,000	\$ 76,675	\$ 81,817	\$ 5,142
Transfers out	(154,000)	(154,000)	(154,000)	-
Total Other Financing Sources (Uses)	\$ (84,000)	\$ (77,325)	\$ (72,183)	\$ 5,142
Net change in fund balance	\$ -	\$ 6,675	\$ 11,599	\$ 4,924
Fund Balance, beginning of year			(384,167)	
Fund Balance, end of year			<u><u>\$ (372,568)</u></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 homeowners.

Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2019

	Economic Development Loan	Housing Rehabilitation	Total Nonmajor Enterprise Funds
Assets			
Current Assets:			
Cash	\$ 1,873	\$ 172,780	\$ 174,653
Investments	256,966	76,826	333,792
Receivables, net allowance for uncollectible amounts	68	58,887	58,955
Total Current Assets	<u>\$ 258,907</u>	<u>\$ 308,493</u>	<u>\$ 567,400</u>
Noncurrent Assets:			
Advances to other funds	\$ 360,000	\$ -	\$ 360,000
Total Noncurrent Assets	<u>\$ 360,000</u>	<u>\$ -</u>	<u>\$ 360,000</u>
Total Assets	<u>\$ 618,907</u>	<u>\$ 308,493</u>	<u>\$ 927,400</u>
Liabilities			
Accounts Payable	\$ -	\$ -	\$ -
Net Position			
Restricted	<u>\$ 618,907</u>	<u>\$ 308,493</u>	<u>\$ 927,400</u>

**Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
Year Ended December 31, 2019**

	Economic Development Loan	Housing Rehabilitation	Total Nonmajor Enterprise Funds
Operating Revenue:			
Interest income	\$ 7	\$ 671	\$ 678
Operating Expenses:			
Administration and claims	\$ 19	\$ 13,826	\$ 13,845
Operating Income (Loss)	\$ (12)	\$ (13,155)	\$ (13,167)
Nonoperating Revenues:			
Investment income	\$ 5,660	\$ 2,358	\$ 8,018
Total Nonoperating Revenues	\$ 5,660	\$ 2,358	\$ 8,018
Change in net position	\$ 5,648	\$ (10,797)	\$ (5,149)
Total Net Position, beginning of year	613,259	319,290	932,549
Total Net Position, end of year	\$ 618,907	\$ 308,493	\$ 927,400

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended December 31, 2019

	Economic Development Loan	Housing Rehabilitation	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 7	\$ 24,271	\$ 24,278
Payments to suppliers	(19)	(13,826)	(13,845)
Net Cash Provided by (Used in) Operating Activities	\$ (12)	\$ 10,445	\$ 10,433
Cash Flows from Investing Activities			
Interest received	\$ 5,660	\$ 2,358	\$ 8,018
Purchase of investments	(5,660)	(1,692)	(7,352)
Net Cash Provided by Investing Activities	\$ -	\$ 666	\$ 666
Increase (decrease) in cash and cash equivalents	\$ (12)	\$ 11,111	\$ 11,099
Cash and cash equivalents - beginning of year	1,885	161,669	163,554
Cash and cash equivalents - end of year	<u>\$ 1,873</u>	<u>\$ 172,780</u>	<u>\$ 174,653</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (12)	\$ (13,155)	\$ (13,167)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Decrease in receivables, net	-	23,600	23,600
Net Cash Provided by (Used in) Operating Activities	\$ (12)	\$ 10,445	\$ 10,433

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.

Combining Statement of Net Position - Governmental Activities
Internal Service Funds
December 31, 2019

	Employee Insurance	Insurance Reserve Fund	Motor Pool Fund	Total Internal Service Funds
Assets				
Current Assets:				
Cash	\$ 1,083,220	\$ -	\$ 158,815	\$ 1,242,035
Investments	1,266,066	-	665,811	1,931,877
Prepaid expense	-	393,522	-	393,522
Accounts receivable	12,554	47,534	-	60,088
Total Current Assets	\$ 2,361,840	\$ 441,056	\$ 824,626	\$ 3,627,522
Noncurrent Assets:				
Advances to other funds	\$ 2,000	\$ -	\$ -	\$ 2,000
Capital assets:				
Vehicles and equipment	-	-	826,492	826,492
Less accumulated depreciation	-	-	(810,918)	(810,918)
Total Noncurrent Assets	\$ 2,000	\$ -	\$ 15,574	\$ 17,574
Total Assets	\$ 2,363,840	\$ 441,056	\$ 840,200	\$ 3,645,096
Liabilities				
Current Liabilities:				
Accounts payable	\$ 159,909	\$ 1,399	\$ 24,369	\$ 185,677
Fund cash deficit	-	404,172	-	404,172
Accrued salaries	-	1,129	5,083	6,212
Compensated absences	-	-	1,846	1,846
Other accrued liabilities	1,295	127,050	-	128,345
Total Liabilities	\$ 161,204	\$ 533,750	\$ 31,298	\$ 726,252
Net Position:				
Net investment in capital assets	\$ -	\$ -	\$ 15,574	\$ 15,574
Unrestricted	2,202,636	(92,694)	793,328	2,903,270
Total Net Position	\$ 2,202,636	\$ (92,694)	\$ 808,902	\$ 2,918,844

Combining Statement of Revenues, Expenses, and
Changes in Net Positions - Governmental Activities
Internal Service Funds
Year Ended December 31, 2019

	Employee Insurance	Insurance Reserve Fund	Motor Pool Fund	Total Internal Service Funds
Operating Revenues				
Charges for services	\$ 4,006,702	\$ -	\$ 652,410	\$ 4,659,112
Other revenues	38	53,457	-	53,495
Total Operating Revenues	\$ 4,006,740	\$ 53,457	\$ 652,410	\$ 4,712,607
Operating Expenses				
Administration and claims	\$ 3,836,050	\$ 543,396	\$ -	\$ 4,379,446
Travel and motor vehicles	-	-	640,824	640,824
Depreciation	-	-	767	767
Total Operating Expenses	\$ 3,836,050	\$ 543,396	\$ 641,591	\$ 5,021,037
Operating income (loss)	\$ 170,690	\$ (489,939)	\$ 10,819	\$ (308,430)
Nonoperating Revenues				
Investment income	\$ 43,798	\$ 217	\$ 15,785	\$ 59,800
Income (loss) before transfers	\$ 214,488	\$ (489,722)	\$ 26,604	\$ (248,630)
Transfers in	\$ -	\$ 407,614	\$ -	\$ 407,614
Change in Net Position	\$ 214,488	\$ (82,108)	\$ 26,604	\$ 158,984
Total Net Position - beginning of year	1,988,148	(10,586)	782,298	2,759,860
Total Net Position - end of year	\$ 2,202,636	\$ (92,694)	\$ 808,902	\$ 2,918,844

Combining Statement of Cash Flows - Governmental Activities
Internal Service Funds
Year Ended December 31, 2019

	Employee Insurance	Insurance Reserve Fund	Motor Pool Fund	Total Internal Service Funds
Cash Flows from Operating Activities				
Receipts from interfund service provided	\$ 4,004,525	\$ -	\$ 652,410	\$ 4,656,935
Other receipts	38	37,234	-	37,272
Payments to suppliers	(3,956,826)	(1,105,819)	(398,398)	(5,461,043)
Payments to employees	-	(79,438)	(209,987)	(289,425)
Payments for interfund services used	-	(14,376)	(43,128)	(57,504)
Net Cash Provided by (Used in)				
Operating Activities	\$ 47,737	\$ (1,162,399)	\$ 897	\$ (1,113,765)
Cash Flows from Noncapital Financing Activities				
Transfers from other funds	\$ -	\$ 407,614	\$ -	\$ 407,614
Fund cash deficit	-	404,172	-	404,172
Net Cash Provided by Noncapital				
Financing Activities	\$ -	\$ 811,786	\$ -	\$ 811,786
Cash Flows from Investing Activities				
Interest received	\$ 43,798	\$ 217	\$ 15,785	\$ 59,800
Purchase of investments	(28,752)	-	(15,120)	(43,872)
Net Cash Provided by				
Investing Activities	\$ 15,046	\$ 217	\$ 665	\$ 15,928
Increase (decrease) in cash and				
cash equivalents	\$ 62,783	\$ (350,396)	\$ 1,562	\$ (286,051)
Cash and cash equivalents - beginning of year	1,020,437	350,396	157,253	1,528,086
Cash and cash equivalents - end of year	<u>\$ 1,083,220</u>	<u>\$ -</u>	<u>\$ 158,815</u>	<u>\$ 1,242,035</u>

(Continued)

Combining Statement of Cash Flows - Governmental Activities
Internal Service Funds
Year Ended December 31, 2019

	Employee Insurance	Insurance Reserve Fund	Motor Pool Fund	Total Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 170,690	\$ (489,939)	\$ 10,819	\$ (308,430)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	-	-	767	767
(Increase) decrease in:				
Accounts receivable	(2,177)	(16,223)	-	(18,400)
Prepaid expense	-	(393,522)	-	(393,522)
Increase (decrease) in:				
Accounts payable	(122,071)	(28,869)	(12,763)	(163,703)
Accrued liabilities	1,295	(233,846)	2,074	(230,477)
Net Cash Provided by (Used in) Operating Activities	\$ 47,737	\$ (1,162,399)	\$ 897	\$ (1,113,765)

CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES

Schedule of Capital Assets*
Capital Assets Used in Governmental Activities
December 31, 2019

Capital assets used in governmental activities:

Land	\$ 1,973,288
Improvements other than buildings	2,532,434
Buildings	5,200,519
Vehicles and equipment	8,323,349
Infrastructure	30,287,847
Construction in progress	8,165,617
Total capital assets used in governmental activities	<u><u>\$ 56,483,054</u></u>
Investments in capital assets	<u><u>\$ 56,483,054</u></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 position.

City of East Moline, Illinois

Schedule by Function and Activity*
 Capital Assets Used in Governmental Activities
 December 31, 2019

	Land	Improvements Other Than Buildings	Buildings
Capital assets purchased prior to May 1, 1995, except for infrastructure	\$ 1,737,595	\$ 246,673	\$ 1,249,737
Function and Activity			
General Government			
Administration, restated	\$ 57,028	\$ -	\$ 275,622
Public works	-	-	29,141
Total General Government	\$ 57,028	\$ -	\$ 304,763
Public Safety			
Police	\$ -	\$ 29,553	\$ 257,842
Fire	-	-	446,520
Total Public Safety	\$ -	\$ 29,553	\$ 704,362
Public Works			
Public services, restated	\$ 14,962	\$ -	\$ 1,970,135
Sidewalk	-	-	-
Street system	95,000	30,416	-
Total Public Works	\$ 109,962	\$ 30,416	\$ 1,970,135
Recreation and Culture			
Parks and recreation	\$ -	\$ 1,742,397	\$ 125,647
Library	-	-	-
Total Recreation and Culture	\$ -	\$ 1,742,397	\$ 125,647
Economic Development	\$ 68,703	\$ 483,395	\$ 845,875
Capital assets allocated to functions	\$ 235,693	\$ 2,285,761	\$ 3,950,782

Total capital assets used in governmental activities

* 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 position.

Vehicles and Equipment	Infrastructure	Construction in Progress	Total
\$ 362,659	\$ -	\$ -	\$ 3,596,664
\$ 376,202	\$ -	\$ -	\$ 708,852
-	105,659	-	134,800
\$ 376,202	\$ 105,659	\$ -	\$ 843,652
\$ 2,774,628	\$ -	\$ -	\$ 3,062,023
2,818,598	69,627	-	3,334,745
\$ 5,593,226	\$ 69,627	\$ -	\$ 6,396,768
\$ 1,500,661	\$ -	\$ -	\$ 3,485,758
-	12,528	-	12,528
3,561	29,483,632	-	29,612,609
\$ 1,504,222	\$ 29,496,160	\$ -	\$ 33,110,895
\$ 446,936	\$ 616,401	\$ 210,554	\$ 3,141,935
-	-	-	-
\$ 446,936	\$ 616,401	\$ 210,554	\$ 3,141,935
\$ 40,104	\$ -	\$ 7,955,063	\$ 9,393,140
\$ 7,960,690	\$ 30,287,847	\$ 8,165,617	\$ 52,886,390
			<u>\$ 56,483,054</u>

City of East Moline, Illinois

Schedule of Changes by Function and Activity*
 Capital Assets Used in Governmental Activities
 December 31, 2019

<u>Function and Activity</u>	<u>Land</u>	<u>Improvements Other Than Buildings</u>	<u>Buildings</u>
Balance, January 1, 2019, restated	\$ 1,936,798	\$ 2,502,154	\$ 5,155,614
Additions			
General Government	\$ 36,490	\$ -	\$ 44,905
Public Safety			
Police	-	-	-
Fire	-	-	-
Public Works			
Street system	-	-	-
Public services	-	-	-
Economic Development	-	-	-
Recreation and Culture			
Library	-	-	-
Parks and recreation	-	30,280	-
Total Additions	\$ 36,490	\$ 30,280	\$ 44,905
Dispositions			
General Government	\$ -	\$ -	\$ -
Public Safety			
Police	-	-	-
Economic Development	-	-	-
Public Works			
Public services	-	-	-
Street system	-	-	-
Recreation and Culture			
Parks and recreation	-	-	-
Total Dispositions	\$ -	\$ -	\$ -
Balance, December 31, 2019	\$ 1,973,288	\$ 2,532,434	\$ 5,200,519

* 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 position.

Vehicles and Equipment	Infrastructure	Construction in Progress	Total
\$ 7,720,649	\$ 29,106,736	\$ 10,927,600	\$ 57,349,551
\$ 18,048	\$ 12,500	\$ -	\$ 111,943
515,462	-	-	515,462
127,224	-	-	127,224
-	1,168,611	489,006	1,657,617
23,307	-	-	23,307
-	-	154,606	154,606
-	-	-	-
5,972	-	7,953	44,205
\$ 690,013	\$ 1,181,111	\$ 651,565	\$ 2,634,364
\$ -	\$ -	\$ -	\$ -
70,950	-	-	70,950
-	-	2,244,937	2,244,937
-	-	-	-
-	-	1,168,611	1,168,611
16,363	-	-	16,363
\$ 87,313	\$ -	\$ 3,413,548	\$ 3,500,861
\$ 8,323,349	\$ 30,287,847	\$ 8,165,617	\$ 56,483,054

**CITY OF EAST MOLINE, ILLINOIS
STATISTICAL SECTION (UNAUDITED)
CONTENTS**

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<p>These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.</p>	
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<p>These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax).</p>	
Debt Capacity	162
<p>These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	171
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	
Operating Information	174
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	

Financial Trends
City of East Moline, Illinois

CITY OF EAST MOLINE, ILLINOIS
NET POSITION BY COMPONENT
LAST TEN FISCAL PERIODS
DECEMBER 31, 2019
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	12/31/2019	**12/31/2018	12/31/2017	12/31/2016
Governmental activities				
Net investment in capital assets	\$ 19,888,840	\$ 22,343,078	\$ 21,728,997	\$ 20,814,937
Restricted	2,679,871	2,582,964	3,141,352	1,175,299
Unrestricted	(84,951,481)	(75,450,758)	(34,585,628)	(20,908,656)
Total governmental activities net position	\$ (62,382,770)	\$ (50,524,716)	\$ (9,715,279)	\$ 1,081,580
Business-type activities				
Net investment in capital assets	\$ 39,031,435	\$ 33,639,330	\$ 31,439,538	\$ 29,544,675
Restricted	927,400	932,549	948,749	959,366
Unrestricted	(13,400,791)	(10,983,582)	3,862,845	4,848,491
Total business-type activities net position	\$ 26,558,044	\$ 23,588,297	\$ 36,251,132	\$ 35,352,532
Primary government				
Net investment in capital assets	\$ 58,920,275	\$ 55,982,408	\$ 53,168,535	\$ 50,359,612
Restricted	3,607,271	3,515,513	4,090,101	2,134,665
Unrestricted	(98,352,272)	(86,434,340)	(30,722,783)	(16,060,165)
Total primary government net position	\$ (35,824,726)	\$ (26,936,419)	\$ 26,535,853	\$ 36,434,112

Source: City records

*Beginning in the 2015 audit, unrestricted net position includes the net pension liability due to GASB 68.

**Beginning in the 2018 audit, unrestricted net position includes the total OPEB liability due to GASB 75.

*12/31/2015	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ 20,501,709	\$ 19,966,908	\$ 19,431,883	\$ 19,055,456	\$ 16,611,439	\$ 12,961,303
1,623,335	1,869,309	2,607,925	2,909,625	4,550,569	405,134
(9,548,943)	3,259,181	4,846,565	5,687,095	4,672,118	4,988,131
\$ 12,576,101	\$ 25,095,398	\$ 26,886,373	\$ 27,652,176	\$ 25,834,126	\$ 18,354,568
\$ 27,829,300	\$ 26,729,014	\$ 24,818,039	\$ 22,455,852	\$ 21,364,312	\$ 17,103,618
1,147,993	898,817	1,021,689	1,146,806	1,162,505	1,627,169
4,956,649	4,194,937	5,179,616	7,826,996	6,270,321	7,565,743
\$ 33,933,942	\$ 31,822,768	\$ 31,019,344	\$ 31,429,654	\$ 28,797,138	\$ 26,296,530
\$ 48,331,009	\$ 46,695,922	\$ 44,249,922	\$ 41,511,308	\$ 37,975,751	\$ 30,064,921
2,771,328	2,768,126	3,629,614	4,056,431	5,713,074	2,032,303
(4,592,294)	7,454,118	10,026,181	13,514,091	10,942,439	12,553,874
\$ 46,510,043	\$ 56,918,166	\$ 57,905,717	\$ 59,081,830	\$ 54,631,264	\$ 44,651,098

CITY OF EAST MOLINE, ILLINOIS
CHANGES IN NET POSITION
LAST TEN FISCAL PERIODS
DECEMBER 31, 2019
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Primary Government Expenses				
Governmental activities:				
General government	\$ 866,198	\$ 686,037	\$ 806,655	\$ 909,755
Public safety	20,693,229	9,516,861	20,009,384	21,432,153
Public works	5,032,022	4,046,902	4,905,780	4,171,860
Recreation and culture	1,326,862	943,627	1,228,443	1,013,102
Economic development	490,588	924,818	1,025,532	326,676
Interest on long-term debt	474,942	396,208	201,980	149,763
Total governmental activities expenses	\$ 28,883,841	\$ 16,514,453	\$ 28,177,774	\$ 28,003,309
Business-type activities:				
Water treatment	\$ 5,482,017	\$ 4,369,786	\$ 5,255,558	\$ 4,849,171
Wastewater treatment	6,462,324	4,550,075	5,973,296	5,715,340
Drainage	639,613	934,653	761,413	735,345
Development loans	13,845	23,844	14,800	192,000
Total business-type activities expenses	\$ 12,597,799	\$ 9,878,358	\$ 12,005,067	\$ 11,491,856
Total primary government expenses	\$ 41,481,640	\$ 26,392,811	\$ 40,182,841	\$ 39,495,165
Primary Government Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 348,368	\$ 393,296	\$ 287,693	\$ 341,285
Public safety	696,685	744,986	756,164	608,111
Public works	1,849,845	1,469,273	1,083,135	1,323,688
Recreation and culture	698,079	659,094	637,283	570,268
Economic development	34,520	2,092	12,346	6,477
Operating grants and contributions	41,539	79,810	543,341	29,830
Capital grants and contributions	344,684	457,544	-	88,951
Total governmental activities program revenue	\$ 4,013,720	\$ 3,806,095	\$ 3,319,962	\$ 2,968,610
Business-type activities:				
Charges for services:				
Water treatment	\$ 5,466,187	\$ 5,481,146	\$ 5,259,625	\$ 5,437,421
Wastewater Treatment	6,646,962	6,509,594	6,419,919	6,045,503
Drainage	860,499	907,045	813,092	859,983
Development loans	678	916	1,007	1,747
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	\$ 12,974,326	\$ 12,898,701	\$ 12,493,643	\$ 12,344,654
Total primary government program revenues	\$ 16,988,046	\$ 16,704,796	\$ 15,813,605	\$ 15,313,264

12/31/2015	12/31/2014	*12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ 886,462	\$ 875,915	\$ 330,772	\$ 704,666	\$ 1,005,490	\$ 961,755
13,411,208	12,102,123	8,079,083	10,345,647	10,283,348	10,567,621
3,818,995	4,127,004	2,755,853	3,752,338	3,316,560	3,637,249
1,040,607	992,293	743,078	1,613,717	1,559,238	1,731,393
1,401,683	374,145	525,324	479,794	737,784	868,242
183,287	214,882	162,611	263,041	336,647	392,628
<u>\$ 20,742,242</u>	<u>\$ 18,686,362</u>	<u>\$ 12,596,721</u>	<u>\$ 17,159,203</u>	<u>\$ 17,239,067</u>	<u>\$ 18,158,888</u>
\$ 4,577,455	\$ 4,519,641	\$ 3,321,362	\$ 4,806,188	\$ 4,889,671	\$ 4,823,255
5,961,598	5,556,400	3,984,347	5,073,341	5,204,720	4,766,973
710,247	716,419	459,268	706,973	694,496	900,444
3,100	134,423	134	20,200	4,306	5,124
<u>\$ 11,252,400</u>	<u>\$ 10,926,883</u>	<u>\$ 7,765,111</u>	<u>\$ 10,606,702</u>	<u>\$ 10,793,193</u>	<u>\$ 10,495,796</u>
<u>\$ 31,994,642</u>	<u>\$ 29,613,245</u>	<u>\$ 20,361,832</u>	<u>\$ 27,765,905</u>	<u>\$ 28,032,260</u>	<u>\$ 28,654,684</u>
\$ 272,521	\$ 273,511	\$ 255,755	\$ 270,404	\$ 301,063	\$ 540,348
715,029	783,439	449,035	757,901	969,120	1,361,422
1,264,247	1,442,051	947,154	1,368,281	5,047,051	1,315,632
552,641	534,728	394,042	680,590	600,108	597,147
14,307	938	938	34,319	43,088	-
56,254	58,338	131,994	157,258	218,705	130,773
627,466	163,077	133,209	1,689,279	3,951,882	549,711
<u>\$ 3,502,465</u>	<u>\$ 3,256,082</u>	<u>\$ 2,312,127</u>	<u>\$ 4,958,032</u>	<u>\$ 11,131,017</u>	<u>\$ 4,495,033</u>
\$ 5,023,839	\$ 4,937,661	\$ 3,238,233	\$ 4,875,257	\$ 4,615,887	\$ 4,640,258
5,762,049	5,617,043	3,691,785	5,558,488	5,618,251	5,582,391
870,150	897,123	599,505	898,294	885,943	750,581
1,839	11,066	915	4,369	2,580	3,138
250,000	-	-	-	-	33,679
-	-	48,330	1,504,657	2,189,511	681,871
<u>\$ 11,907,877</u>	<u>\$ 11,462,893</u>	<u>\$ 7,578,768</u>	<u>\$ 12,841,065</u>	<u>\$ 13,312,172</u>	<u>\$ 11,691,918</u>
<u>\$ 15,410,342</u>	<u>\$ 14,718,975</u>	<u>\$ 9,890,895</u>	<u>\$ 17,799,097</u>	<u>\$ 24,443,189</u>	<u>\$ 16,186,951</u>

**CITY OF EAST MOLINE, ILLINOIS
 CHANGES IN NET POSITION
 LAST TEN FISCAL PERIODS
 DECEMBER 31, 2019
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)**

	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Primary government net expense				
Governmental activities	\$ (24,870,121)	\$ (12,708,358)	\$ (24,857,812)	\$ (25,034,699)
Business-type activities	376,527	3,020,343	488,576	852,798
Total primary government net expense	\$ (24,493,594)	\$ (9,688,015)	\$ (24,369,236)	\$ (24,181,901)
General revenues and other changes in net position				
Governmental activities:				
Taxes				
Property taxes	\$ 6,562,821	\$ 6,404,231	\$ 6,399,440	\$ 6,093,364
Replacement taxes	-	-	-	-
Utilities taxes	1,206,647	1,310,802	1,254,601	1,312,788
Sales taxes	-	-	-	-
State income taxes	-	-	-	-
Admission taxes	32,998	3,287	2,633	1,837
Non-home rule sales tax	488,975	490,736	406,111	448,807
Other taxes	161,784	-	-	-
Intergovernmental	6,943,744	6,194,936	6,241,587	6,189,243
Investment earnings	125,394	122,547	152,314	36,998
Gain on sale of capital assets	18,492	3,224	-	14,597
Transfers	(2,528,788)	(32,512)	(395,733)	(557,456)
Total governmental activities	\$ 13,012,067	\$ 14,497,251	\$ 14,060,953	\$ 13,540,178
Business-type activities:				
Investment earnings	\$ 46,632	\$ 41,778	\$ 14,291	\$ 8,336
Gain on sale of capital assets	17,800	-	-	-
Transfers	2,528,788	32,512	395,733	557,456
Total business-type activities	\$ 2,593,220	\$ 74,290	\$ 410,024	\$ 565,792
Total primary government	\$ 15,605,287	\$ 14,571,541	\$ 14,470,977	\$ 14,105,970
Changes in net position				
Governmental activities	\$ (11,858,054)	\$ 1,788,893	\$ (10,796,859)	\$ (11,494,521)
Business-type activities	2,969,747	3,094,633	898,600	1,418,590
Total primary government	\$ (8,888,307)	\$ 4,883,526	\$ (9,898,259)	\$ (10,075,931)

Source: City records

* 12/31/13 reporting represents 8 months of activity

12/31/2015	12/31/2014	*12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ (17,239,777)	\$ (15,430,280)	\$ (10,284,594)	\$ (12,201,171)	\$ (6,108,050)	\$ (13,663,855)
655,477	536,010	(186,343)	2,234,363	2,518,979	1,196,122
\$ (16,584,300)	\$ (14,894,270)	\$ (10,470,937)	\$ (9,966,808)	\$ (3,589,071)	\$ (12,467,733)
\$ 6,082,899	\$ 5,981,170	\$ 6,120,224	\$ 6,703,171	\$ 6,238,391	\$ 6,001,373
-	-	-	-	1,319,131	1,465,931
1,427,702	1,678,085	979,663	1,583,274	1,379,783	1,453,284
-	-	-	-	2,600,484	2,563,488
-	-	-	-	2,250,965	1,658,481
3,720	3,326	2,241	1,357	2,281	2,127
464,744	482,759	318,881	464,784	-	-
-	-	-	-	-	-
6,096,949	5,728,763	3,474,643	5,603,973	-	-
19,374	12,167	14,806	15,921	36,407	80,845
6,920	12,779	10,434	38,598	-	17,540
(306,765)	(259,744)	(37,241)	(391,857)	27,702	220
\$ 13,795,543	\$ 13,639,305	\$ 10,883,651	\$ 14,019,221	\$ 13,855,144	\$ 13,243,289
\$ 6,773	\$ 7,670	\$ 3,462	\$ 5,255	\$ 8,666	\$ 34,211
-	-	2,126	1,041	665	-
306,765	259,744	37,241	391,857	(27,702)	(220)
\$ 313,538	\$ 267,414	\$ 42,829	\$ 398,153	\$ (18,371)	\$ 33,991
\$ 14,109,081	\$ 13,906,719	\$ 10,926,480	\$ 14,417,374	\$ 13,836,773	\$ 13,277,280
\$ (3,444,234)	\$ (1,790,975)	\$ 599,057	\$ 1,818,050	\$ 7,747,094	\$ (420,566)
969,015	803,424	(143,514)	2,632,516	2,500,608	1,230,113
\$ (2,475,219)	\$ (987,551)	\$ 455,543	\$ 4,450,566	\$ 10,247,702	\$ 809,547

CITY OF EAST MOLINE, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL PERIODS
DECEMBER 31, 2019
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	12/31/2019	12/31/2018	12/31/2017	12/31/2016
General fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable	998,700	808,444	814,778	863,630
Restricted	400,341	724,003	641,374	866,831
Committed	-	-	-	-
Assigned	1,613,285	2,346,213	2,478,395	2,767,311
Unassigned	1,345,021	2,378,310	2,572,052	3,241,344
Total general fund	\$ 4,357,347	\$ 6,256,970	\$ 6,506,599	\$ 7,739,116
All other governmental funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	-
Nonspendable	-	-	-	505,895
Restricted	2,279,530	1,858,961	2,499,978	2,874,820
Committed	-	-	-	-
Assigned	985,971	932,123	967,908	798,564
Unassigned	(6,735,030)	(7,001,257)	(6,658,975)	(5,977,630)
Total all other governmental funds	\$ (3,469,529)	\$ (4,210,173)	\$ (3,191,089)	\$ (1,798,351)

GASB Statement No. 54, *Fund Balance Reporting & Governmental Fund Type Definitions*, implemented in fiscal year 2012.

Source: City records

12/31/2015	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 692,771
-	-	-	-	-	3,434,733
877,412	891,126	881,412	692,771	692,771	-
908,877	844,350	1,064,635	714,072	618,512	-
-	-	-	-	-	-
3,128,021	3,137,343	2,944,091	3,570,434	3,414,016	-
3,227,237	2,876,320	2,328,356	1,020,935	134,839	-
<u>\$ 8,141,547</u>	<u>\$ 7,749,139</u>	<u>\$ 7,218,494</u>	<u>\$ 5,998,212</u>	<u>\$ 4,860,138</u>	<u>\$ 4,127,504</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 843,719
-	-	-	-	-	124,196
-	-	-	-	-	(473,742)
-	-	-	-	-	-
505,895	505,895	505,895	740,759	813,677	-
2,542,459	3,666,636	3,930,304	4,048,026	5,013,092	-
-	-	-	-	-	-
676,354	598,921	467,591	1,225,564	1,352,459	-
(5,682,508)	(5,352,679)	(4,969,832)	(5,321,212)	(5,090,563)	-
<u>\$ (1,957,800)</u>	<u>\$ (581,227)</u>	<u>\$ (66,042)</u>	<u>\$ 693,137</u>	<u>\$ 2,088,665</u>	<u>\$ 494,173</u>

CITY OF EAST MOLINE, ILLINOIS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL PERIODS
DECEMBER 31, 2019
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>
Revenues				
Taxes	\$ 8,452,780	\$ 8,208,488	\$ 8,093,892	\$ 7,868,064
Licenses, permits, and fees	405,095	416,248	448,816	252,745
Intergovernmental	8,126,837	7,075,511	6,960,681	6,960,627
Charges for services and rents	1,687,488	1,591,147	1,472,646	1,517,749
Special assessments	-	-	-	-
Investment income	125,394	122,547	92,174	36,998
Fines	172,157	189,763	148,189	195,717
Grants	41,539	79,810	81,416	125,735
Miscellaneous	164,318	168,549	625,554	125,589
Total revenues	\$ 19,175,608	\$ 17,852,063	\$ 17,923,368	\$ 17,083,224
Expenditures				
Current:				
General government	\$ 622,443	\$ 606,719	\$ 508,268	\$ 503,795
Public safety	12,207,561	10,886,157	11,114,849	9,947,620
Public works	3,899,893	3,401,342	2,706,207	3,275,175
Recreation and culture	951,753	1,009,633	784,059	789,549
Economic development	474,378	915,226	1,015,941	312,709
Capital Expenditures	1,121,069	5,221,076	8,641,220	933,847
Debt Service:				
Principal	747,140	707,667	693,908	752,515
Interest	477,755	388,597	192,297	146,821
Bond Issuance costs	-	-	-	-
Total expenditures	\$ 20,501,992	\$ 23,136,417	\$ 25,656,749	\$ 16,662,031
Excess of revenues over (under) expenditures	\$ (1,326,384)	\$ (5,284,354)	\$ (7,733,381)	\$ 421,193
Other financing sources (uses)				
Issuance of long-term debt	\$ 468,360	\$ 4,321,928	\$ 5,923,567	\$ -
Bond discount	-	-	-	-
Bond premium	-	-	-	-
Issuance of loan payable	-	-	-	-
Payment to bond escrow agent	-	-	-	-
Sale of property	18,950	23,801	5,206	14,597
Transfers in	718,990	305,868	263,220	422,129
Transfers out	(1,410,455)	(635,956)	(1,083,867)	(1,100,901)
Total other financing sources (uses)	\$ (204,155)	\$ 4,015,641	\$ 5,108,126	\$ (664,175)
Net change in fund balances	\$ (1,530,539)	\$ (1,268,713)	\$ (2,625,255)	\$ (242,982)
Debt service as a percentage of noncapital expenditures	6.32%	6.12%	4.97%	5.72%

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

Source: City records

*12/31/13 reporting represents 8 months of activity.

12/31/2015	12/31/2014	*12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ 7,975,383	\$ 8,150,925	\$ 7,419,609	\$ 8,745,507	\$ 13,356,551	\$ 13,144,684
344,567	375,847	287,889	432,455	440,898	772,657
6,790,177	6,649,790	4,220,197	6,527,287	4,562,000	701,894
1,441,583	1,392,363	959,226	1,360,814	1,319,235	1,165,324
-	286	1,974	2,388	3,427	5,684
19,374	12,167	14,806	15,921	36,407	80,845
198,779	234,331	148,453	276,738	436,303	1,091,438
676,766	221,415	265,203	1,898,249	742,726	680,484
104,208	110,097	68,722	181,956	184,067	77,552
<u>\$ 17,550,837</u>	<u>\$ 17,147,221</u>	<u>\$ 13,386,079</u>	<u>\$ 19,441,315</u>	<u>\$ 21,081,614</u>	<u>\$ 17,720,562</u>
\$ 462,231	\$ 467,770	\$ 297,863	\$ 461,242	\$ 514,734	\$ 501,022
9,824,067	9,551,693	6,320,737	9,546,615	9,205,983	9,162,524
2,957,041	3,284,184	2,235,478	3,041,223	2,631,800	2,661,563
807,894	766,305	585,791	1,413,315	1,355,835	1,500,071
1,387,716	360,178	516,013	465,827	723,817	851,991
1,241,577	644,550	1,245,784	2,850,296	970,125	1,095,980
1,052,984	1,276,297	481,329	1,166,380	1,068,210	951,000
178,658	209,645	139,586	256,899	328,056	390,963
-	-	-	-	45,003	81,727
<u>\$ 17,912,168</u>	<u>\$ 16,560,622</u>	<u>\$ 11,822,581</u>	<u>\$ 19,201,797</u>	<u>\$ 16,843,563</u>	<u>\$ 17,196,841</u>
\$ (361,331)	\$ 586,599	\$ 1,563,498	\$ 239,518	\$ 4,238,051	\$ 523,721
\$ -	\$ -	\$ -	\$ -	\$ 2,469,000	\$ 5,345,000
-	-	-	-	(9,405)	(29,380)
-	-	-	-	1,363	-
-	-	186,732	-	183,713	-
-	-	-	-	(2,415,955)	(5,252,151)
6,920	13,217	26,843	296,098	34,717	17,540
347,600	482,217	540,931	321,706	1,156,421	2,701,242
(977,354)	(1,066,573)	(958,974)	(1,114,775)	(1,957,979)	(2,423,741)
<u>\$ (622,834)</u>	<u>\$ (571,139)</u>	<u>\$ (204,468)</u>	<u>\$ (496,971)</u>	<u>\$ (538,125)</u>	<u>\$ 358,510</u>
\$ (984,165)	\$ 15,460	\$ 1,359,030	\$ (257,453)	\$ 3,699,926	\$ 882,231
7.39%	9.34%	5.87%	8.70%	8.80%	8.20%

CITY OF EAST MOLINE, ILLINOIS
PENSION FUNDS - CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

POLICE PENSION FUND	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Additions				
Employer contributions	\$ 1,298,858	\$ 1,141,908	\$ 957,699	\$ 704,267
Member contributions	269,386	262,327	263,513	253,760
Investment income (net of expenses)	3,172,556	(935,213)	2,072,605	1,527,456
Total Addition To Plan Net Position	\$ 4,740,800	\$ 469,022	\$ 3,293,817	\$ 2,485,483
Deductions				
Benefit Payments	\$ 2,161,222	\$ 1,974,912	\$ 1,816,592	\$ 1,703,435
Administrative expenses	32,210	53,493	30,461	22,962
Total Deductions From Plan Net Position	\$ 2,193,432	\$ 2,028,405	\$ 1,847,053	\$ 1,726,397
Change in Net Position	\$ 2,547,368	\$ (1,559,383)	\$ 1,446,764	\$ 759,086

FIREFIGHTERS' PENSION FUND	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Additions				
Employer contributions	\$ 946,204	\$ 906,371	\$ 872,185	\$ 487,531
Member contributions	243,828	250,402	247,170	241,344
Investment income (net of expenses)	3,540,120	(1,429,695)	2,562,212	1,785,271
Total Addition To Plan Net Position	\$ 4,730,152	\$ (272,922)	\$ 3,681,567	\$ 2,514,146
Deductions				
Benefit Payments	\$ 2,055,620	\$ 1,800,022	\$ 1,698,288	\$ 1,663,308
Administrative expenses	21,786	30,857	36,929	22,273
Total Deductions From Plan Net Position	\$ 2,077,406	\$ 1,830,879	\$ 1,735,217	\$ 1,685,581
Change in Net Position	\$ 2,652,746	\$ (2,103,801)	\$ 1,946,350	\$ 828,565

Source: City records

*12/31/13 reporting represents 8 months activity.

12/31/2015	12/31/2014	*12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ 897,039	\$ 782,786	\$ 629,991	\$ 836,859	\$ 878,524	\$ 709,342
249,771	261,574	161,549	298,877	254,502	250,706
(308,874)	652,647	1,435,913	1,464,910	(2,711)	1,601,330
\$ 837,936	\$ 1,697,007	\$ 2,227,453	\$ 2,600,646	\$ 1,130,315	\$ 2,561,378
\$ 1,714,966	\$ 1,477,589	\$ 963,038	\$ 1,401,753	\$ 1,356,001	\$ 1,326,066
64,372	24,221	4,746	29,156	9,036	5,522
\$ 1,779,338	\$ 1,501,810	\$ 967,784	\$ 1,430,909	\$ 1,365,037	\$ 1,331,588
\$ (941,402)	\$ 195,197	\$ 1,259,669	\$ 1,169,737	\$ (234,722)	\$ 1,229,790

12/31/2015	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ 634,464	\$ 679,363	\$ 567,522	\$ 960,775	\$ 535,376	\$ 434,973
237,806	242,314	148,555	214,051	207,088	208,797
(644,585)	717,379	1,761,668	1,906,230	(29,352)	1,831,268
\$ 227,685	\$ 1,639,056	\$ 2,477,745	\$ 3,081,056	\$ 713,112	\$ 2,475,038
\$ 1,558,304	\$ 1,503,645	\$ 978,147	\$ 1,477,768	\$ 1,365,315	\$ 1,323,098
32,130	39,533	28,060	28,529	24,955	22,409
\$ 1,590,434	\$ 1,543,178	\$ 1,006,207	\$ 1,506,297	\$ 1,390,270	\$ 1,345,507
\$ (1,362,749)	\$ 95,878	\$ 1,471,538	\$ 1,574,759	\$ (677,158)	\$ 1,129,531

CITY OF EAST MOLINE, ILLINOIS
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL PERIODS
DECEMBER 31, 2019
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Function / Program	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Governmental activities:				
Charges for services				
General government	\$ 348,368	\$ 393,296	\$ 287,693	\$ 341,285
Public safety	696,685	744,986	756,164	608,111
Public works	1,849,845	1,469,273	1,083,135	1,323,688
Recreation and culture	698,079	659,094	637,283	570,268
Economic development	34,520	2,092	12,346	6,477
Operating grants and contributions	41,539	79,810	543,341	29,830
Capital grants and contributions	344,684	457,544	-	88,951
Total governmental activities	\$ 4,013,720	\$ 3,806,095	\$ 3,319,962	\$ 2,968,610
Business-type activities:				
Charges for services				
Water treatment	\$ 5,466,187	\$ 5,481,146	\$ 5,259,625	\$ 5,437,421
Wastewater treatment	6,646,962	6,509,594	6,419,919	6,045,503
Drainage	860,499	907,045	813,092	859,983
Development loans	678	916	1,007	1,747
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities	\$ 12,974,326	\$ 12,898,701	\$ 12,493,643	\$ 12,344,654
Total government	\$ 16,988,046	\$ 16,704,796	\$ 15,813,605	\$ 15,313,264

Source: City records

* 12/31/13 reporting represents 8 months of activity

12/31/2015	12/31/2014	*12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ 272,521	\$ 273,511	\$ 255,755	\$ 270,404	\$ 301,063	\$ 540,348
715,029	783,439	449,035	757,901	969,120	1,361,422
1,264,247	1,442,051	947,154	1,368,281	5,047,051	1,315,632
552,641	534,728	394,042	680,590	600,108	597,147
14,307	938	938	34,319	43,088	-
56,254	58,338	131,994	157,258	218,705	130,773
627,466	163,077	133,209	1,689,279	3,951,882	549,711
<u>\$ 3,502,465</u>	<u>\$ 3,256,082</u>	<u>\$ 2,312,127</u>	<u>\$ 4,958,032</u>	<u>\$ 11,131,017</u>	<u>\$ 4,495,033</u>
\$ 5,023,839	\$ 4,937,661	\$ 3,238,233	\$ 4,875,257	\$ 4,615,887	\$ 4,640,258
5,762,049	5,617,043	3,691,785	5,558,488	5,618,251	5,582,391
870,150	897,123	599,505	898,294	885,943	750,581
1,839	11,066	915	4,369	2,580	3,138
250,000	-	-	-	-	33,679
-	-	48,330	1,504,657	2,189,511	681,871
<u>\$ 11,907,877</u>	<u>\$ 11,462,893</u>	<u>\$ 7,578,768</u>	<u>\$ 12,841,065</u>	<u>\$ 13,312,172</u>	<u>\$ 11,691,918</u>
<u>\$ 15,410,342</u>	<u>\$ 14,718,975</u>	<u>\$ 9,890,895</u>	<u>\$ 17,799,097</u>	<u>\$ 24,443,189</u>	<u>\$ 16,186,951</u>

CITY OF EAST MOLINE, ILLINOIS
TAXES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Period Ended	Property Tax	Replacement Tax	Sales Tax	Income Tax	Utility Tax	Other Taxes	Total
12/31/2019	\$ 6,562,821	\$ 1,603,265	\$ 3,306,503	\$ 2,285,567	\$ 1,207,858	\$ 415,164	\$ 15,381,178
12/31/2018	6,404,231	1,221,600	3,123,988	2,054,872	1,312,343	189,298	14,306,332
12/31/2017	6,399,440	1,440,338	2,745,088	2,118,448	1,284,618	167,977	14,155,909
12/31/2016	6,093,364	1,294,669	2,940,947	2,073,623	1,322,688	114,068	13,839,359
12/31/2015	6,082,899	1,262,315	2,928,668	2,266,601	1,423,426	72,043	14,035,952
12/31/2014	5,981,170	1,315,482	2,787,056	2,039,535	1,684,777	70,952	13,878,972
12/31/2013	6,120,224	726,784	1,840,320	1,346,281	979,787	36,250	11,049,646
4/30/2013	6,703,171	1,346,648	2,698,480	2,015,539	1,583,274	9,447	14,356,559
4/30/2012	6,238,391	1,319,131	2,616,861	1,798,955	1,380,932	2,281	13,356,551
4/30/2011	6,001,373	1,465,931	2,563,488	1,658,481	1,453,284	2,127	13,144,684
Change 2011 to 2019	9%	9%	29%	38%	-17%	19419%	17%

Source: City records

**Revenue Capacity
City of East Moline, Illinois**

**CITY OF EAST MOLINE, ILLINOIS
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railway Property
2019	\$ 181,699,949	\$ 57,447,991	\$ 37,326,930	\$ 1,356,418	\$ 2,358,853
2018	178,206,793	61,797,893	33,688,911	1,215,460	2,051,556
2017	175,639,883	62,512,971	33,093,499	1,151,689	1,916,405
2016	170,867,462	56,424,063	30,961,629	1,103,571	1,716,691
2015	163,890,516	55,898,322	32,092,812	1,359,994	1,512,642
2014	164,840,755	56,528,864	28,881,127	2,791,761	1,454,814
2013	165,633,048	56,826,576	28,749,165	941,578	1,420,276
2012	170,943,245	57,206,387	28,439,176	850,960	1,281,754
2011	174,538,404	59,337,143	28,987,619	806,216	1,191,930
2010	176,726,393	56,669,850	29,173,316	803,217	994,237

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.

Source: Rock Island County Assessor

Assessed Value	Percent Growth	Total Direct Tax Rate	Estimated Actual Value	Percentage of Actual Value
\$280,190,141	1.2%	2.3050	\$ 840,570,423	33.3%
276,960,613	1.0%	2.3168	830,881,839	33.3%
274,314,447	5.1%	2.2556	822,943,341	33.3%
261,073,416	2.5%	2.1936	783,220,248	33.3%
254,754,286	0.1%	2.1826	764,262,858	33.3%
254,497,321	0.4%	2.1550	763,491,963	33.3%
253,570,643	-2.0%	2.1260	760,711,929	33.3%
258,721,522	-2.3%	2.1150	776,164,566	33.3%
264,861,312	0.2%	2.1118	794,583,936	33.3%
264,367,013	0.1%	1.9290	793,101,039	33.3%

**CITY OF EAST MOLINE, ILLINOIS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)**

City Direct Rates

Tax Collection Year	Basic Tax Rate	TIF Bonds**	Enterprise Bonds**	MFT Bonds**	Total Direct	Rock Island County	RI County Forest Preserve
12/31/2019	2.3168	0.6335	4.5168	-	7.4671	1.3834	0.2506
12/31/2018	2.2556	0.8454	5.1253	-	8.2263	0.4397	0.2741
12/31/2017	2.1936	1.0353	5.6738	-	8.9027	0.5330	0.2759
12/31/2016	2.1826	1.2717	6.5042	-	9.9585	0.6717	0.1404
12/31/2015	2.1550	1.5348	7.2018	-	10.8916	0.7632	0.1418
12/31/2014	2.1260	1.8161	7.7446	-	11.6867	0.8527	0.1526
12/31/2013	2.1150	2.0763	8.2320	0.1065	12.5298	0.9252	0.1603
4/30/2013	2.1150	2.1355	8.1117	0.1044	12.4666	0.9900	0.1661
4/30/2012	2.1118	2.3302	8.3687	0.2013	13.0120	1.0236	0.1715
4/30/2011	1.9290	2.5438	9.6764	0.3001	14.4493	1.2193	0.1955

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

Source: Rock Island County and City Records

**The City does not levy for these bond issues

Overlapping Rates

School District Tax Rate

Illini Hospital	QC Mass Transit	QC Metro Airport	United Township High School	Silvis Elementary	East Moline Elementary	Hampton Elementary	Carbon Cliff	Black Hawk College
0.3529	0.2638	0.0001	16.1294	0.2451	4.9576	0.0246	-	0.8832
0.5274	0.3051	0.0001	1.5337	0.2650	5.6047	0.0004	0.0014	1.0102
0.6982	0.3443	0.8924	0.1928	0.2838	6.2080	0.0004	0.0026	1.2554
0.8970	0.3950	0.9872	0.4059	0.3136	7.0086	0.0003	0.0039	1.4355
1.0822	0.4383	1.0625	0.6200	0.3424	4.6561	0.0002	0.0053	0.7783
1.2616	0.4855	1.1345	0.2115	0.3655	2.0976	0.0002	0.0064	0.6533
1.4197	0.5193	1.1806	0.4128	0.3814	2.1066	0.0002	0.0074	0.8055
1.5385	0.5433	1.2116	0.2911	0.3846	1.7080	0.0003	0.0077	0.9724
1.6752	0.5623	1.2354	0.3733	0.4037	1.3397	0.0003	0.0090	0.6635
1.8052	0.4547	1.3669	0.2021	0.0725	2.0404	0.0003	0.0094	0.8114

CITY OF EAST MOLINE, ILLINOIS
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT PERIOD AND NINE YEARS
 (UNAUDITED)

Taxpayer	2019		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Deere & Company	\$ 16,105,797	1	5.75%
Fed Ex	5,300,016	2	1.89%
Genva Management Service	4,824,053	3	1.72%
The Bend Hotel	4,693,566	4	1.68%
Edward Rose Building Co.	3,527,138	5	1.26%
Ross Financial Services	3,191,257	6	1.14%
Kennedy Square Properties	2,662,366	7	0.95%
OFI Properties LLC	2,389,834	8	0.85%
Illinois Housing Dev Authority (Blackhawk Hills)	2,190,751	9	0.78%
Green Trust	1,581,031	10	0.56%
Total	\$ 46,465,809		16.58%
City's taxable EAV	\$ 280,190,141		

Notes: Valuation as of January 1, 2018, for taxes collected in 2019.

Source: County records

Taxpayer	2010		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Deere & Company	\$ 13,327,921	1	5.16%
Fed Ex	4,953,221	2	1.92%
Genva Management Service	4,508,400	3	1.75%
Edward Rose Building Co.	3,399,529	4	1.32%
IL Housing Authority (Blackhawk Hills)	2,111,488	5	0.82%
USGI Inc., Deerfield Woods	2,085,338	6	0.81%
J. I. Case Co.	2,052,069	7	0.80%
Quad City Downs	1,738,753	8	0.67%
McCormick Baron Ragon (Crowne Forest)	1,708,423	9	0.66%
Kennedy Square Properties	1,502,497	10	0.58%
	<u>\$ 37,387,639</u>		<u>14.49%</u>
City's taxable EAV	<u>\$ 258,053,169</u>		

**CITY OF EAST MOLINE, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Period Ended	Taxes Levied for the Tax 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
2019	\$ 6,437,900	\$ 6,387,822	99.22%	\$ -	\$ 6,387,822	99.22%
2018	6,193,386	6,139,868	99.14%	6,441	6,146,309	99.24%
2017	5,780,181	5,750,599	99.49%	12,124	5,762,723	99.70%
2016	5,516,103	5,520,443	100.08%	10,190	5,530,633	100.26%
2015	5,472,372	5,459,866	99.77%	5,728	5,465,594	99.88%
2014	5,419,795	5,380,777	99.28%	7,367	5,388,144	99.42%
2013	5,486,403	5,466,239	99.63%	7,200	5,473,439	99.76%
2012	5,610,964	5,586,559	99.57%	4,167	5,590,726	99.64%
2011	5,095,917	5,092,135	99.93%	3,782	5,095,917	100.00%
2010	4,864,351	4,853,394	99.77%	5,064	4,858,458	99.88%

Note:

There is no personal property tax (on cars or jewelry); only real property is taxed.
The above information presents the information for each period for which it is levied.
A tax levy provides taxes remitted in the following year.
Amount collected includes payments in lieu of taxes from certain non-profit agencies.

Source: Tax settlement book in the County Treasurer's Office, total levy sheet in the County Treasurer's Office

CITY OF EAST MOLINE, ILLINOIS
WATER SOLD BY TYPE OF CUSTOMER
LAST TEN FISCAL YEARS
(in thousands of gallons)
(UNAUDITED)

Type of Customer	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Residential	272,641	269,421	276,072	281,544	303,681
Industrial	632,669	858,195	568,552	565,925	582,360
Commercial	124,043	122,955	116,588	119,363	103,803
Total	1,029,353	1,250,571	961,212	966,832	989,844
Total Direct Rate per 1,000 Gallons	\$ 9.79	\$ 9.79	\$ 9.29	\$ 9.26	\$ 8.09

Source: City Department of Finance Office

12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
314,653	230,311	341,588	335,229	333,387
650,303	473,554	694,425	694,947	776,994
80,037	106,966	133,688	120,575	126,308
1,044,993	810,831	1,169,701	1,150,751	1,236,689

\$ 7.74 \$ 7.51 \$ 7.15 \$ 6.75 \$ 6.36

CITY OF EAST MOLINE, ILLINOIS
SEWER SOLD BY TYPE OF CUSTOMER
LAST TEN FISCAL YEARS
(in thousands of gallons)
(UNAUDITED)

Type of Customer	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Residential	274,163	270,968	277,592	283,170	305,190
Industrial	785,984	730,459	699,897	644,137	682,131
Commercial	127,608	127,675	121,784	122,823	108,657
Total	1,187,755	1,129,102	1,099,273	1,050,130	1,095,978
Total Direct Rate per 1,000 Gallons	\$ 6.95	\$ 6.95	\$ 6.75	\$ 6.42	\$ 5.96

Source: City Department of Finance Office

12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
316,179	231,438	343,239	337,099	329,064
727,497	527,282	770,355	1,142,515	648,689
84,828	108,784	137,372	124,025	115,703
<u>1,128,504</u>	<u>867,504</u>	<u>1,250,966</u>	<u>1,603,639</u>	<u>1,093,456</u>

\$ 6.20 \$ 6.02 \$ 5.84 \$ 5.67 \$ 5.51

**CITY OF EAST MOLINE, ILLINOIS
 WATER AND SEWER RATES
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Water		Sewer	
	Monthly Base Cost	Rate Per 1,000 Gallons	Monthly Base Cost	Rate Per 1,000 Gallons
12/31/2019	\$ 17.46	\$ 9.79	\$ 13.13	\$ 6.95
12/31/2018	17.46	9.79	13.13	6.95
12/31/2017	16.72	9.29	12.83	6.75
12/31/2016	16.68	9.26	12.33	6.42
12/31/2015	14.92	8.09	11.65	5.96
12/31/2014	14.40	7.74	12.01	6.20
12/31/2013	14.06	7.51	11.73	6.02
4/30/2013	13.52	7.15	11.47	5.84
4/30/2012	12.92	6.75	11.21	5.67
4/30/2011	12.34	6.36	10.97	5.51

Source: City Department of Finance Office

**CITY OF EAST MOLINE, ILLINOIS
SALES TAX COLLECTED BY CATEGORY
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2019	2018	2017	2016	2015
General Merchandise	\$ 31,308	\$ 30,275	\$ 28,934	\$ 26,361	\$ 28,203
Food	284,549	285,115	270,235	263,477	281,216
Drinking and Eating	248,666	235,576	234,266	231,918	236,215
Apparel	435	1,076	-	-	-
Furniture, Household	16,967	11,521	5,620	6,571	7,413
Lumber, Building, and Hardware	49,503	51,805	44,114	44,110	41,819
Automotive and Gasoline	803,957	788,290	834,275	836,805	802,406
Drugs and other retail	356,846	360,647	477,598	371,670	350,246
Agriculture and Extractive	210,485	227,527	175,214	161,149	183,827
Manufacturers	12,575	16,802	(171,389)	27,234	38,052
Totals	\$ 2,015,291	\$ 2,008,634	\$ 1,898,867	\$ 1,969,295	\$ 1,969,397
City Direct Sales Tax Rate	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

2014	2013	2012	2011	2010
\$ 28,166	\$ 24,658	\$ 25,585	\$ 24,191	\$ 19,843
322,958	324,725	328,043	319,724	327,654
226,276	223,377	224,874	210,452	212,648
-	-	-	-	1,503
7,463	8,227	5,953	10,067	10,574
55,016	48,072	44,351	32,124	38,114
717,379	733,015	736,024	699,612	706,266
297,528	293,707	275,547	279,056	283,720
195,068	159,033	155,998	189,058	166,127
44,241	50,897	44,619	62,894	25,288
<u>\$ 1,894,095</u>	<u>\$ 1,865,711</u>	<u>\$ 1,840,994</u>	<u>\$ 1,827,178</u>	<u>\$ 1,791,737</u>
1.00%	1.00%	1.00%	1.00%	1.00%

**CITY OF EAST MOLINE, ILLINOIS
 DIRECT AND OVERLAPPING SALES TAX RATE
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Period Ended	City Rate	County Rate	State Rate	Total Sales Tax Rate
12/31/2019	1.50%	1.25%	5.00%	7.75%
12/31/2018	1.50%	1.25%	5.00%	7.75%
12/31/2017	1.50%	1.25%	5.00%	7.75%
12/31/2016	1.50%	0.25%	5.00%	6.75%
12/31/2015	1.50%	0.25%	5.00%	6.75%
12/31/2014	1.50%	0.25%	5.00%	6.75%
12/31/2013	1.50%	0.25%	5.00%	6.75%
4/30/2013	1.50%	0.25%	5.00%	6.75%
4/30/2012	1.50%	0.25%	5.00%	6.75%
4/30/2011	1.50%	0.25%	5.00%	6.75%

Source: City Department of Finance Office

**Debt Capacity
City of East Moline, Illinois**

**CITY OF EAST MOLINE, ILLINOIS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Governmental Activities

Fiscal Period Ended	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita	Alternate Revenue Bonds	Tax Incremental Bonds	Motor Fuel Tax Bonds	Capital Leases and Notes Payable
12/31/2019	\$ -	0.00%	\$ -	\$ 380,669	\$ 1,772,570	\$ -	\$ 10,434,870
12/31/2018	-	0.00%	-	469,978	2,320,602	-	10,073,650
12/31/2017	-	0.00%	-	557,173	2,833,147	-	5,856,389
12/31/2016	-	0.00%	-	644,020	3,292,039	-	58,730
12/31/2015	-	0.00%	-	728,953	3,872,739	-	135,245
12/31/2014	200,000	0.03%	9.35	811,804	4,557,129	-	209,229
12/31/2013	390,000	0.05%	18.26	894,581	5,204,560	269,955	281,525
4/30/2013	575,000	0.07%	26.92	893,953	5,456,389	269,909	131,123
4/30/2012	755,000	0.10%	35.28	984,000	6,135,000	530,000	165,503
4/30/2011	925,000	0.12%	43.23	1,032,000	6,655,000	785,000	-

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.

Source: City records, Bi-State Regional Commission

Business-Type Activities

Water Bonds	Sewer Bonds	Debt Certificates	Leases, Notes Payable and Other Liability	Primary Government	Percent of Personal Income ***	Per Capita
\$ 6,287,392	\$ 10,619,925	\$ 864,888	\$ 312,875	\$ 30,673,189	N/A	\$ 1,436.68
7,023,781	11,613,443	974,810	66,536	32,542,800	N/A	1,541.66
7,745,365	12,587,804	1,080,906	88,287	30,749,071	N/A	1,454.88
8,335,810	13,388,345	1,240,551	-	26,959,495	N/A	1,258.50
9,011,734	14,306,553	265,007	34,578	28,354,809	N/A	1,325.11
9,688,293	15,146,864	464,860	68,098	31,146,277	N/A	1,455.57
10,314,339	9,708,110	658,041	6,317,275	34,038,386	N/A	1,593.56
10,428,367	9,712,385	751,983	6,493,320	34,712,429	N/A	1,625.11
11,060,769	10,182,512	2,164,985	5,772,869	37,750,638	N/A	1,764.21
6,641,736	11,174,764	8,501,964	2,044,808	37,760,272	N/A	1,764.91

**CITY OF EAST MOLINE, ILLINOIS
SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT
(UNAUDITED)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Schools			
School District No. 29	\$ 530,000	0.13%	\$ 689
School District No. 34	2,830,000	24.27%	686,841
School District No. 37	20,860,000	66.59%	13,890,674
U.T.H.S. District No. 30	86,000,000	52.55%	45,193,000
Black Hawk College District No. 503	37,495,000	6.60%	2,474,670
Other than Schools			
Rock Island County (4)	39,035,000	9.93%	3,876,176
Rock Island Forest Preserve	7,070,000	9.93%	702,051
Genesis Medical Center (Illini Hospital)	1,775,000	55.70%	988,675
Metropolitan Mass Transit District	4,960,000	14.90%	739,040
Metropolitan Airport	16,145,000	13.14%	<u>2,121,453</u>
Subtotal, overlapping debt			\$ 70,673,269
City Direct Debt			<u>12,588,109</u>
Total direct and overlapping debt			<u><u>\$ 83,261,378</u></u>

Sources:

- (1) Rock Island County
- (2) Overlapping debt percentages are based on 2019 EAV
- (3) Includes bonds issued by the Public Building Commission and by the County for the Nursing Home.
- (4) As of December 31, 2019

**CITY OF EAST MOLINE, ILLINOIS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Equalized Assessed Valuation	\$280,190,141	\$ 276,960,613	\$ 274,314,447	\$ 261,073,416	\$ 254,754,286
State of Illinois Legal Debt Limit	8.625%	8.625%	8.625%	8.625%	8.625%
Debt Limit	24,166,400	23,887,853	23,659,621	22,517,582	21,972,557
Total Net Debt Applicable to Limit	11,612,633	11,114,996	7,025,582	1,299,281	434,830
Legal Debt Margin Available	12,553,767	12,772,857	16,634,039	21,218,301	21,537,727
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	48.05%	46.53%	29.69%	5.77%	1.98%

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

Source: City Department of Finance Office

12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
\$ 254,497,321	\$ 253,570,643	\$ 258,721,522	\$ 264,861,312	\$ 264,367,013
8.625%	8.625%	8.625%	8.625%	8.625%
21,950,394	21,870,468	22,314,731	22,844,288	22,801,655
942,187	1,430,160	1,590,202	2,919,985	9,405,246
21,008,207	20,440,308	20,724,529	19,924,303	13,396,409
4.29%	6.54%	7.13%	12.78%	41.25%

**CITY OF EAST MOLINE, ILLINOIS
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

	Tax Increment Financing Funds				Water, Sewer, and Drainage Revenues
	Property Tax Increment	Debt Service		Coverage	
		Principal	Interest		
12/31/2019	\$ 823,446	\$ 550,000	\$ 74,041	1.320	\$ 12,973,648
12/31/2018	791,297	515,000	92,047	1.304	12,897,785
12/31/2017	1,251,745	480,000	106,492	2.134	12,492,636
12/31/2016	1,204,885	590,000	125,012	1.685	12,342,907
12/31/2015	1,096,908	695,000	145,018	1.306	11,656,038
12/31/2014	1,057,149	660,000	162,716	1.285	11,451,827
12/31/2013	1,100,984	260,000	101,411	3.046	7,529,523
4/30/2013	1,051,184	610,000	188,648	1.316	11,332,039
4/30/2012	1,097,889	555,000	232,015	1.395	11,120,081
4/30/2011	1,065,331	480,000	274,508	1.412	10,973,230

Source: City Department of Finance Office

Enterprise Fund

Less:		Debt Service			
Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	
\$ 9,813,913	\$ 3,159,735	\$ 1,802,394	\$ 507,194		1.368
6,707,683	6,190,102	1,761,512	551,852		2.675
9,344,270	3,148,366	1,664,492	570,234		1.409
8,617,910	3,724,997	1,674,908	577,303		1.654
8,329,134	3,326,904	1,576,397	487,836		1.612
7,729,146	3,722,681	1,550,864	685,806		1.664
5,905,942	1,623,581	351,282	352,601		2.307
8,166,148	3,165,891	1,171,981	970,335		1.478
8,392,109	2,727,972	1,145,479	909,693		1.327
7,963,648	3,009,582	927,384	872,252		1.672

**CITY OF EAST MOLINE, ILLINOIS
REVENUE BONDS, GENERAL OBLIGATION, AND GENERAL
OBLIGATION ALTERNATE REVENUE BONDED DEBT
(UNAUDITED)**

Year End December 31	Sources of				
	General Fund	Water - Sewer - Storm			
	Municipal Garage	Plant	Municipal Garage	Water/ Sewer Refunded	Water Plant
2020	\$ 92,000	\$ 140,000	\$ 138,000	\$ 655,000	\$ 122,125
2021	94,000	140,000	141,000	675,000	122,342
2022	96,000	140,000	144,000	700,000	122,561
2023	100,000	560,000	150,000	-	122,783
2024	-	580,000	-	-	123,008
2025	-	605,000	-	-	123,235
2026	-	625,000	-	-	123,466
2027	-	655,000	-	-	123,699
2028	-	680,000	-	-	123,935
2029	-	715,000	-	-	124,173
2030	-	745,000	-	-	124,416
2031	-	775,000	-	-	19,801
2032	-	810,000	-	-	-
2033	-	-	-	-	-
Totals	<u>\$382,000</u>	<u>\$7,170,000</u>	<u>\$573,000</u>	<u>\$2,030,000</u>	<u>\$1,375,544</u>

Source: City Department of Finance Office

Payment

Water Revenues			Riverfront "The Quarter"	Kennedy Drive	Riverfront "The Quarter"
Water Plant Refunded	Sewer Plant	Storm Water			
\$ 360,000	\$ 314,455	\$ 113,803	\$ 215,000	\$ 290,000	\$ 90,000
375,000	318,398	118,179	230,000	320,000	90,000
390,000	322,390	123,119	-	345,000	95,000
-	326,433	127,083	-	-	100,000
-	330,526	131,143	-	-	-
-	334,670	135,398	-	-	-
-	338,867	116,163	-	-	-
-	343,116	-	-	-	-
-	347,418	-	-	-	-
-	351,775	-	-	-	-
-	356,186	-	-	-	-
-	360,652	-	-	-	-
-	365,175	-	-	-	-
-	-	-	-	-	-
<u>\$1,125,000</u>	<u>\$4,410,061</u>	<u>\$864,888</u>	<u>\$445,000</u>	<u>\$955,000</u>	<u>\$375,000</u>

**Demographic and Economic Information
City of East Moline, Illinois**

**CITY OF EAST MOLINE, ILLINOIS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Year	Population	County Personal Income (in thousands)	County Per Capita Personal Income	County Unemployment Rate
2019	21,350	\$ 6,428,026	\$ 44,802	4.90%
2018	21,109	6,435,142	44,439	5.20%
2017	21,135	6,394,033	44,155	5.00%
2016	21,422	6,034,217	41,677	6.30%
2015	21,398	5,893,826	40,332	6.50%
2014	21,398	5,823,240	39,868	7.10%
2013	21,360	6,062,820	41,171	7.90%
2012	21,398	6,048,161	41,016	7.80%
2011	21,395	5,774,185	39,132	8.20%
2010	21,302	5,708,393	37,056	9.60%

N/A: Not available

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

CITY OF EAST MOLINE, ILLINOIS
 PRINCIPAL EMPLOYERS
 CURRENT PERIOD AND NINE YEARS AGO
 (UNAUDITED)

Employer	2019		
	Employees	Rank	Percent
John Deere Harvester	1,300	1	12.65%
Illini Hospital	700	2	6.81%
East Moline Elementary	400	3	3.89%
East Moline Correctional	270	4	2.63%
Jacobson Warehouse	200	5	1.95%
H.C. Duke & Son, Inc.	200	6	1.95%
United Township High School	175	7	1.70%
Aramark	150	8	1.46%
City of East Moline	150	9	1.46%
Standard Forwarding	125	10	1.22%
Total	3,670		35.72%
Total City-Wide Employment	10,278		

Source: 2019 Illinois Manufacturers Directory
 2019 Illinois Services Directory
 Telephone Calls
 Speer Financial
 Community Analyst
 Bi-State Regional Planning Commission Records

Employer	2010		
	Employees	Rank	
John Deere Harvester	1,750	1	18.91%
Illini Hospital	800	2	8.64%
East Moline Elementary	393	3	4.25%
Standard Forwarding	285	4	3.08%
East Moline Correctional	267	5	2.89%
United Township High School	260	6	2.81%
McLaughlin Body Co	250	7	2.70%
4C Solutions	250	8	2.70%
Jacobson Warehouse	200	9	2.16%
Aramark	175	10	1.89%
Total	<u>4,630</u>		<u>50.03%</u>
Total City-Wide Employment	<u>9,254</u>		

**Operating Information
City of East Moline, Illinois**

**CITY OF EAST MOLINE, ILLINOIS
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Function/Program	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
General Government					
Management Services	19	18	22	18	18
Finance	4	4	4	4	4
Development & Planning	0	0	0	0	0
Inspections	2.5	2.5	3	3	3
Other	4.5	5.5	5	5	5
Police					
Officers	37	37	37	37	37
Civilians	2	9	10	7	7
Fire					
Firefighters	36	36	35	34	34
Civilians	1	1	1	1	1
Public Works					
Garbage collection	0	0	0	3	3
Street and bridge	5	5	6	3	3
Motor pool	4	4	3	3	3
Parks and Recreation	3	3	3	3	3
Library	14	14	14	14	14
Water					
Water plant	9	9	10	9	9
Water distribution	5	7	6	5	5
Sewer					
Sewer plant	14	11	14	12	12
Sewer collection	3	3	2	4	4
Drainage	3	3	2	3	3
Total	166	172	177	168	168
Per audit	166	172	177	168	168

Source: City Department of Finance

12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
------------	------------	-----------	-----------	-----------

18	18	19	19	20
4	4	4	5	5
0	0	0	0	1
3	3	3	3	3
5	5	5	5	5
37	37	37	37	39
9	10	9	9	11
35	35	35	34	34
1	1	1	1	1
4	4	4	4	4
4	5	4	4	5
3	3	3	4	5
3	3	3	4	4
14	14	14	14	14
9	9	9	14	10
5	5	6	9	6
12	13	13	14	13
4	4	4	3	4
3	3	3	3	3
173	176	176	176	186
173	176	176	186	187

**CITY OF EAST MOLINE, ILLINOIS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

Function/Program	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Police				
Calls answered	25,210	23,521	23,049	24,613
Incident numbers	6,088	5,754	5,237	5,079
Cases Investigated	911	942	967	1,058
Arrests	672	760	674	758
Traffic stops	2,402	1,871	1,579	1,412
Traffic citations	1,314	1,290	1,152	977
Community Service Officer Calls	1,689	1,306	1,425	1,493
Fire				
Total incidents	2,967	3,082	2,895	2,789
Fire calls	67	80	87	58
Residential fires	27	24	21	17
Commercial fires	7	6	26	-
Other fires	33	51	87	44
Rescue/emergency medical	2,321	2,478	2,369	2,242
False alarms	116	110	117	112
Mutual aid calls	19	4	12	17
Haz-mat responses	20	13	11	37
Good Intent Call	200	372	291	166
Other hazardous responses	13	23	12	3
Other responses	211			165
Total Property Damage	\$ 1,632,079	\$ 869,412	\$ 400,000	\$ 583
Public Works				
Garbage users	6,337	6,416	6,331	6,305
Garbage collected (ton)	5,843	4,887	4,653	6,481
Yard waste (ton)	531	281	N/A	325
Bulky collection (ton)	275	273	304	885
Recycling drop offs (ton)	398	146	287	134
Park				
Shelter reservations	190	228	275	295
Library				
Books loaned	53,579	57,639	62,207	75,848
Other formats loaned	41,841	43,280	44,878	57,637
Questions answered	17,731	17,523	17,078	16,858
Card holders	10,553	7,691	11,136	10,107
Attendance	97,127	97,246	98,400	100,724
Website hits	51,098	76,100	77,010	32,586
Water				
Customers	6,811	6,822	6,810	6,765
Main breaks	-	-	18	31
Average daily consumption (1000 Gallons)	3,880	3,750	3,897	3,200
Peak daily consumption (1000 Gallons)	5,682	5,419	5,782	5,923
Waste Water				
Customers	6,777	6,791	6,784	6,740
Avg daily treatment - (1000 Gallons)	6,418	5,000	4,100	4,045

Source: Various City Departments and Republic Services

N/A: Not available

12/31/2015	12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
25,753	22,395	22,183		22,445	22,623
5,830	5,595	5,586		6,104	7,026
990	932	984		954	879
705	698	710		894	1,035
2,294	2,173	1,966		2,391	2,797
1,577	1,592	1,451		1,620	2,126
1,067	1,198	1,174		1,308	1,268
2,666	2,838	1,853		2,772	2,932
62	102	86		86	91
14	25	24		18	23
2	-	-		2	-
46	16	10		13	5
2,122	2,088	1,320		2,036	2,194
124	152	103		130	130
17	-	-		-	-
20	12	28		36	37
293	291	207		312	298
-	53	-		-	-
293	146	90		152	34
\$ 130,900	\$ 839,500	\$ 914,050		\$ 628,400	\$ 502,710
6,359	6,243	6,243	6,059	5,812	5,530
5,114	8,576	5,947	5,850	3,087	5,458
294	302	240	709	101	173
738	1,887	880	974	489	731
139	464	280	243	145	369
295	274	363	246	246	304
69,940	74,343	53,997	87,056	82,970	85,288
58,793	64,582	41,968	63,875	55,055	53,458
16,837	14,908	10,266	16,901	17,129	16,151
10,647	9,146	9,780	9,968	10,484	10,328
101,615	116,537	75,968	122,211	120,336	125,466
38,149	343,698	471,986	668,862	596,579	353,478
6,855	6,781	6,801	6,615	6,372	6,894
26	39	66	14	14	20
3,750	4,376	4,426	4,200	4,400	4,600
5,793	6,384	7,197	6,208	6,600	6,500
6,830	6,755	6,778	6,591	6,349	6,859
5,200	4,900	5,100	4,400	5,149	5,800

**CITY OF EAST MOLINE, ILLINOIS
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Function/Program	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Police					
Stations	1	1	1	1	1
Neighborhood stations	4	4	4	4	4
Fire					
Stations	3	3	3	3	3
Pumpers	5	3	3	3	3
Quints	1	1	1	1	1
Telesquirts	-	-	-	-	-
Other vehicles	4	4	5	5	5
Public Works					
Garbage trucks	1	1	1	4	4
Streets (miles)	87	87	87	87	87
Streets with curb & gutter	64	64	64	64	64
Street lights	2,000	2,000	2,000	2,000	2,000
Traffic signals	27	27	27	27	27
Alleys (miles)	14	14	14	14	14
Parks and Recreation					
Parks	19	19	19	18	18
Park acreage	239	239	239	238	238
Bicycle paths (miles)	3.8	3.8	3.8	3.8	3.8
Swimming pools	1	1	1	1	1
Baseball/softball fields	15	15	15	15	15
Soccer/football fields	10	10	10	10	10
Disc Golf Course	1	1	1	1	1
Cricket Field	1	1	1	1	1
Library					
Buildings	1	1	1	1	1
Books in collection	50,805	50,664	53,229	53,592	55,071
Other formats in collection	34,129	35,621	39,571	33,215	32,621
Water					
Treatment capacity (1000 gallons)	10,000	10,000	10,000	10,000	10,000
Water mains (miles)	110	110	110	110	110
Pump stations	2	2	2	2	2
Storage capacity (1,000 gal)	4,000	4,000	4,000	4,000	4,000
Waste Water					
Sanitary sewer (miles)	87	87	87	87	87
Treatment capacity (1000 gallons)	11,100	11,100	11,100	11,100	11,100
Lift Stations	6	6	6	6	6

Source: Respective City Departments

12/31/2014	12/31/2013	4/30/2013	4/30/2012	4/30/2011
1	1	1	1	1
4	4	4	4	4
3	3	3	3	3
3	3	3	4	4
1	1	1	1	
-	-	-	2	2
5	4	4	4	4
4	4	4	5	5
87	87	87	87	80
64	64	64	64	64
2,000	2,000	2,000	2,000	2,000
27	27	27	27	27
14	14	14	14	12
18	18	18	18	18
238	238	238	238	238
3.8	3.8	3.8	3.8	3.0
1	1	1	1	1
15	15	15	15	15
10	10	10	10	10
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
55,405	62,510	58,352	57,921	57,200
28,223	20,512	-	-	-
10,000	10,000	10,000	10,000	10,000
110	110	110	110	92
2	2	2	2	3
4,000	4,000	4,000	4,000	4,350
87	87	87	87	85
11,100	11,100	11,100	11,100	11,100
6	6	6	6	6

**CITY OF EAST MOLINE, ILLINOIS
 UNITED TOWNSHIP HIGH SCHOOL OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year End	Expenses*	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Student Attendance Percentage
2019	\$27,249,035	1,699	\$ 12,562	9.68%	100	16.99	92.40%
2018	21,144,636	1,700	11,453	11.95%	96	17.71	83.72%
2017	19,843,382	1,688	10,230	-5.72%	97	17.40	91.90%
2016	19,549,428	1,709	10,851	-0.81%	98	17.44	86.07%
2015	19,210,765	1,756	10,940	1.53%	99	17.74	88.36%
2014	18,813,486	1,746	10,775	1.12%	98	17.82	89.92%
2013	18,243,412	1,712	10,656	-5.29%	97	17.65	90.66%
2012	19,249,859	1,711	11,251	-2.13%	102	16.77	97.52%
2011	19,129,859	1,664	11,496	5.89%	106	15.70	96.29%
2010	18,598,584	1,713	10,857	2.83%	109	15.72	93.07%

*Net of TRS On-Behalf payments

N/A: Not available

Source: United Township High School

**CITY OF EAST MOLINE, ILLINOIS
 EAST MOLINE ELEMENTARY SCHOOL DISTRICT OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year End	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Student Attendance Percentage
2019	\$ 35,192,470	2731	\$ 11,442	-2.46%	181	15.1	93.90%
2018	42,487,012	2738	11,731	10.63%	181	15.1	94.20%
2017	39,704,664	2754	10,604	-3.44%	184	18.0	93.00%
2016	32,697,448	2804	10,982	-0.85%	179	18.0	95.00%
2015	30,976,834	2784	11,076	2.34%	183	18.0	94.00%
2014	28,916,156	2775	10,823	2.46%	185	17.0	96.70%
2013	28,276,154	2709	10,563	5.56%	183	16.4	96.70%
2012	28,067,827	2560	10,007	-3.29%	177	16.6	95.20%
2011	27,114,452	2597	10,347	-0.75%	171	17.4	94.80%
2010	25,972,311	2529	10,425	10.11%	178	16.5	94.60%

Source: East Moline Elementary School District

**CITY OF EAST MOLINE, ILLINOIS
 SILVIS ELEMENTARY SCHOOL DISTRICT OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year End	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Student Attendance Percentage
2019	\$ 7,163,607	647	\$ 9,731	7.98%	41	15.8	94.00%
2018	6,528,113	639	9,012	6.21%	41	15.6	94.00%
2017	5,608,534	661	8,485	-0.73%	40	16.5	94.00%
2016	5,487,815	642	8,547	1.50%	41	15.7	94.00%
2015	7,438,254	657	8,421	6.03%	41	16.0	94.00%
2014	7,027,488	645	7,942	0.81%	43	15.0	94.90%
2013	12,321,722	617	7,878	-0.77%	42	14.7	94.90%
2012	13,891,747	606	7,939	1.94%	42	14.4	95.20%
2011	6,239,591	635	7,788	-11.28%	42	15.1	94.80%
2010	5,828,580	651	8,778	9.47%	41	15.9	95.20%

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
 (UNAUDITED)**

Fiscal Year	Building	Curb Cuts	Electrical	Mechanical	Plumbing	Signs
12/31/2019	386	29	87	207	186	5
12/31/2018	423	17	123	191	186	10
12/31/2017	451	26	110	199	220	8
12/31/2016	540	32	124	205	197	4
12/31/2015	450	21	105	183	201	2
12/31/2014	385	26	108	173	186	10
12/31/2013	417	31	82	110	119	6
4/30/2013	424	25	121	129	191	8
4/30/2012	468	27	131	123	223	13
4/30/2011	566	44	112	136	219	8

Source: Inspections Department, City of East Moline, Illinois

Demolition	Enterprise Zone	Total Permits	Total Value	Permit Revenue	Contractor Registration
13	20	933	\$ 8,694,118	\$ 111,289	364
5	24	979	12,655,440	122,292	446
10	22	1046	42,080,535	127,023	427
6	25	1133	12,202,740	124,710	294
11	14	987	5,082,947	88,707	320
12	40	940	10,470,011	80,705	372
6	29	800	19,845,656	93,458	352
8	38	944	5,312,404	92,016	345
10	0	995	27,318,041	87,290	458
9	0	1,094	21,917,557	157,441	398