

# **CITY OF PEORIA, ILLINOIS**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Year Ended December 31, 2013**

**Prepared by:**

James R. Scroggins  
Finance Director/Comptroller

Shaun Schoonover  
Finance Manager

Patricia A. Mason  
Accounting Coordinator

Angela M. Washington  
Accountant

Sherry L. Thomas  
Accountant



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**Office of the City Manager**



July 31, 2014

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
419 Fulton Street  
Peoria, IL 61602-1276

State law requires that all general-purpose, local governments, publish within eight months (per extension) of the close of each fiscal year, a complete set of financial statements presented in conformance with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Peoria, Illinois for the year ended December 31, 2013.

The report consists of management's representations concerning the finances of the City of Peoria, Illinois. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Peoria has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Peoria's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Peoria'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 respects.

McGladrey & Pullen LLP, a firm of licensed certified public accountants, has audited the City of Peoria, Illinois's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Peoria for the fiscal year ended December 31, 2013, 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 unqualified opinion that the City of Peoria's financial statements for the fiscal year ended December 31, 2013, are fairly presented in

The Honorable James E. Ardis III, Mayor  
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conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Peoria was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of Peoria's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements 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 the letter. The MD&A for the City of Peoria, Illinois can be found immediately following the report of the independent auditors on page 3.

## **PROFILE OF THE CITY OF PEORIA**

The City of Peoria was chartered on April 12, 1845 and is a home rule unit of government under the 1970 Illinois Constitution. The City is located on the Illinois River, midway between Chicago and St. Louis and is the largest urban area within the Peoria-Pekin Metropolitan Statistical Area. According to the 2010 Census, the City has a population of 115,007, ranking as the seventh largest city in the State of Illinois. This 2010 City population constituted a 1.83% increase compared with the 112,936 City population recorded in the 2000 census.

The City is governed by a City Council elected on a non-partisan basis composed of ten Council members and a Mayor. Five of the Council members are elected from districts, while the other five and the Mayor are elected at large. Council members serve four-year terms with elections staggered every two years. The City Clerk and City Treasurer are also elected at large. A professional City Manager, hired by and accountable to the City Council, supervises day-to-day operations of the City.

The City provides public safety, (police, fire and emergency medical) highway and street maintenance, public improvements, planning and zoning, and general administrative services. The City has no proprietary fund. The Peoria Civic Center Authority and the Springdale Cemetery Management Authority are discretely presented component units. The Civic Center operates as a convention, sports, and entertainment facility. The Springdale Cemetery Management Authority operates and maintains the Springdale Cemetery. Additional information on these legally separate entities can be found in Notes 1, 2, 4, 7 & 15 in the notes to financial statements.

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Members of the City Council  
The Citizens of the City of Peoria  
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The annual budget serves as the foundation to the City of Peoria's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager in August each year. These are used as the starting point for developing a proposed budget. The Illinois Compiled Statutes require that a public hearing be held prior to adoption and that it be adopted by the last Tuesday in December. The Peoria County Clerk requires that the annual budget and tax levy be filed by the last Tuesday in December. The appropriated budget is prepared by fund and department. The Budget Officer is authorized to make transfers within a department. Transfers between departments or funds, however, require the special approval of the City Council.

Budget-to-actual comparisons are provided in this report for each governmental fund for which an annual appropriated budget has been adopted. For the General Fund, this comparison is presented on page 98 as part of the basic financial statements for the governmental funds. For governmental funds other than the General Fund, with appropriated annual budgets, this comparison is presented in the special revenue funds and debt service funds sections of the report, which start on page 99.

## **LOCAL ECONOMY**

Built on a base of heavy manufacturing and best known as the "home" of Caterpillar Inc., Peoria's primary economic activity has long been associated with the manufacturing of earthmoving equipment, such as Caterpillar and Komatsu-America International Co. Other prominent manufacturing firms in other industrial classifications include Keystone Steel & Wire Company and O'Brien Steel. However, manufacturing has given way to the services and trade sectors, such as health services, insurance, retail and telemarketing, which provide more than two out of every three jobs.

The City continues to be the regional shopping venue of choice. The Shoppes at Grand Prairie is a 500,000 square-foot retail center anchored by Bergner's, Dick's Sporting Goods and Gordman's. The Shoppes at Grand Prairie includes numerous restaurants and specialty shops, as well as out-lots for further development. The 18 screen theatre at the Shoppes recently added a state of the art I-Max giant screen. As a result, the City of Peoria's current economic environment has been favorable. With continued construction of private businesses in the growth cells, on the Riverfront, and in other parts of the City, local indicators point to continued stability.

## **LONG-TERM FINANCIAL PLANNING**

During 2002, several studies were conducted to develop a downtown museum. This endeavor also produced a state grant in the amount of \$1.2 million. In the fall of 2003, the City entered into a redevelopment agreement with the Lakeview Museum of Arts and Sciences to construct a museum on part of a downtown block previously known as the Sears block. In December 2004, the City entered into a new redevelopment agreement with the Lakeview Museum of Arts and Sciences and Caterpillar Inc, for the construction

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of a museum block. The agreement outlines the development of a 5.3-acre parcel of real estate located in the heart of downtown. In the fall of 2012, the Peoria Riverfront Museum, a \$60 million project and the Caterpillar Visitor Center, a \$35 million private development opened to the general public.

During 2003, the City Council authorized the creation of the Medical & Technology District along the West Main Street corridor. This collaborative effort between Caterpillar, the University of Illinois College of Medicine, Bradley University, the National Center for Agriculture Utilization and Research, Methodist Medical Center, and OSF Saint Francis Medical Center, the City of Peoria and Peoria NEXT seeks to capture and cultivate the medical and technology research companies born from other areas' institutional partners. Peoria NEXT, acting through the Heartland Foundation, purchased one city block along West Main Street that now houses a \$13 million, 50,000 square-foot research incubator providing necessary lab space for such companies. This research incubator was completed in 2007.

In October 2004, the City Council authorized the renovation and the expansion of the exhibit hall and arena of The Peoria Civic Center, at a capital cost not-to-exceed \$55 million. This major renovation and expansion, completed in 2008, includes improvement of locker rooms for the arena; improvement of truck loading and servicing for the exhibition hall and the arena; relocation of staff offices; increase in restrooms and concession space; relocation of Club Lounge for arena spectators; a ballroom and expansion of the exhibit hall.

In October 2008, the City Council authorized the creation of the Hospitality Improvement Zone Tax Increment Financing District and the overlapping Business Development District in order to promote the public interest, encourage private investment, and enhance the tax base of the City's business districts. On December 15, 2008, the City entered into a hotel redevelopment agreement with EM Properties, Ltd to rehabilitate and expand the Hotel Pere Marquette. In March 2012, the City Council issued \$31.7 million City bonds toward \$92.8 million total proposed improvements in the Hospitality Improvement Zone (HIZ) TIF District. The proposed multi-year project will include construction of a new Marriott Courtyard Hotel, significant improvements to the adjoining Pere Marquette Hotel, demolition of the Pere Marquette parking deck and construction of a new parking deck, plus construction of an elevated walkway linking all three buildings to the Peoria Civic Center. The Marriott Pere Marquette opened in June of 2013 and the new Marriott Courtyard and remaining improvements currently under construction are scheduled for completion by 2014.

In May 2010, the City Council approved a \$2.0 million contribution, from the Southtown Tax Increment Financing District Fund, for construction of the Cancer Research Center at the University of Illinois College of Medicine near downtown Peoria. This two story state of the art facility, opened in 2010, features 20,000 square feet of laboratory and office space. With extensive space for basic and clinical research, plus increased

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opportunities for collaboration across medical disciplines, the Cancer Research Center will permit the University of Illinois College of Medicine to consolidate its strengths in cancer research, education and treatment and enhance Peoria's reputation as both a regional and national center for medical services and research.

In March 2011, the City Council authorized the East Village Growth Cell Tax Increment Financing Redevelopment Plan and Project for economic revitalization of the area north and east of downtown Peoria generally bounded by Interstate 74, Wayne Street and Adams Street. The project area includes the Glen Oak School Impact Zone, a portion of the Northside Historic District residential area and a prime commercial corridor along Knoxville Avenue. Redevelopment goals include assistance to East Bluff and North Side property owners in renovating existing homes and commercial structures, significant infrastructure improvements, new commercial utilization of currently vacant lots and buildings along Knoxville Avenue, creation of opportunities for additional retail and restaurant facilities, creation of additional high density housing opportunities near the OSF St. Francis Medical Center and cooperation with OSF St. Francis Medical Center regarding compatibility of OSF facilities expansion with the surrounding neighborhood.

#### **RELEVANT FINANCIAL POLICIES**

The City entered into banking and investment services contractual agreements with two new banks, providing highly competitive variable interest rates, effective January 1, 2012. The City has retained a separate investment services contract to obtain optimum certificates of deposit interest rates since January 1, 2006. The City's 0.46% average yield on 2013 investments exceeded the 0.11% federal funds rate benchmark and 0.09% 6-month T-bill benchmark. The City's investment objectives are to minimize credit and market risk and maintain a competitive yield on its portfolio, while complying with the City's investment policy. The Municipal Treasurers' Association of the United States and Canada has certified the City's investment policy.

The City is self-insured for first party property, third party liability and workers compensation claims. The City, however, did purchase an excess policy for General and Automobile Liability and Public Official Liability effective Spring 2006 and most recently renewed this policy with supplemental coverage in May 2011. In addition, the City is self-insured regarding the provision of health and dental benefits for employees and retirees. The City maintains stop loss insurance for specific and aggregate healthcare claims. In January 2012, the City converted from the City's self-insured plan to an insured medicare advantage plan for most retirees age 65 and over.

The City of Peoria sponsors a single-employer defined benefit pension plan for both police and fire personnel. Each year, an independent actuary engaged by the City and the Pension Plans calculates the amount of the annual contribution that the City of Peoria must make to each pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the City fully

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
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funds each year's annual required contribution to the pension plans as determined by the actuary. As a result of the City's conservative funding policy, Peoria has funded 61.4% and 56.9%, respectively, of the present value of the projected benefits earned by employees of the Police and Firefighters Pension Funds. The remaining unfunded amount is being systematically funded over 47 years, which started July 1, 1993 as part of the annual required contribution calculated by the actuary.

The City of Peoria also provides pension benefits to its non-public-safety employees. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Board. The City of Peoria has no obligation in connection with the employee pension benefits offered through this plan beyond the City's contractual payment of 13.77% of payroll for 2013 and 15.64% for 2014.

The City offered an early retirement incentive option to eligible Illinois Municipal Retirement Fund employees with a November 1, 2011 – November 1, 2012 selection period. A total of 82 employees elected to participate in the early retirement incentive. The total City cost of this early retirement incentive option has been calculated to be a little over \$9 million.

The City of Peoria also provides post-retirement health and dental benefits for certain retirees and their dependents. These benefits are financed on a pay-as-you-go basis. Commencing with the fiscal reporting year ending December 31, 2007, GASB 45 required the City to report an annual liability in the financial statements in connection with an employer's obligation to provide these other post-employment benefits.

Additional data for the City of Peoria's pension arrangements and post-employment benefits can be found in Note 11 and Note 16 in the notes to the financial statements.

## **MAJOR INITIATIVES**

Beginning January 1, 2012, the City increased the garbage fee from \$6 per month to \$13 per month to cover the cost of collection and established a Refuse Collection Special Revenue Fund to account for the revenues and expenditures associated with the collection of garbage. The garbage fee will increase to \$14 per month on January 1, 2014. Previously the City had subsidized cost of collection through the General Fund. As a result of no longer subsidizing garbage collection, the City reallocated the \$2.6 million to a new program for arterial road reconstruction.

In 2012, the City established an internal service fund to account for the City's self insured health care plan. Previous to 2012, the City accounted for the health care plan in the General Fund. The City's Labor-Management Health Care Committee significantly revised the health care plan, through plan design changes to increase deductibles, out-of-pocket maximums, co-pays, coinsurance and the adoption of a Medicare Advantage plan for post-65 retirees. These changes to the plan saved approximately \$2.7 million.

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
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## AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Peoria, Illinois for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending December 31, 2012. This was the thirteenth consecutive year that the City has received this prestigious award. In order to be awarded the Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

For the twenty-first consecutive year, the City received the GFOA's Distinguished Budget Presentation Award for its 2013 annual budget document adopted October 30, 2012. In order to qualify for the distinguished Budget Presentation Award, the City of Peoria's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and a communication device. The 2014/2015 biennial budget that was approved on November 26, 2013 was submitted to GFOA in May 2014. It is anticipated that the City will receive the award for the 2014/2015 biennial budget.

The preparation of this report, on a timely basis, would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department who assisted and contributed in the preparation of the report. Credit must also be given to the Mayor and City Council for their dedication in maintaining the highest standards of professionalism in the management of the City of Peoria's finances.

Respectfully submitted,



F. Patrick Urich  
City Manager



James R. Scroggins  
Finance Director/Comptroller



Government Finance Officers Association

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Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Peoria  
Illinois**

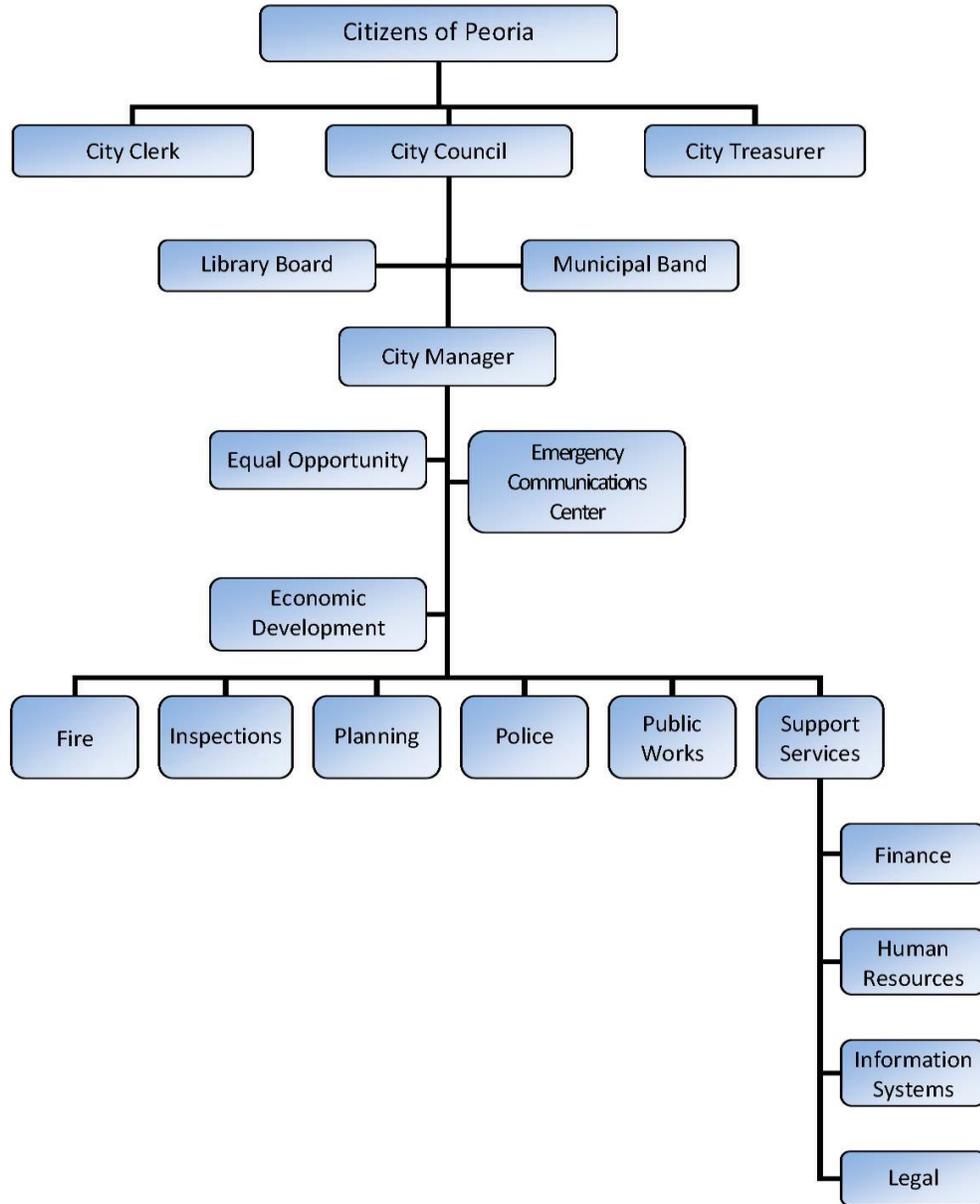
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO



# City of Peoria 2013



**City of Peoria, Illinois**

**Elected Officials**

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As of April 30, 2013

**Mayor**

James E. Ardis III

**City Council Members**

Beth A. Akeson  
Barbara Van Auken  
Clyde E. Gulley, Jr.  
Dan L. Irving  
Timothy D. Riggerbach  
Gary V. Sandberg  
Ryan M. Spain  
William R. Spears  
W. Eric Turner  
Charles E. Weaver

**City Clerk**

Mary L. Haynes

**City Treasurer**

Patrick A. Nichting

As of April 23, 2014

**Mayor**

James E. Ardis III

**City Council Members**

Beth A. Akeson  
Chuck Grayeb  
Denise Moore  
Casey L. Johnson  
Timothy D. Riggerbach  
Elizabeth Jensen  
Ryan M. Spain  
Jim Montelongo  
W. Eric Turner  
Charles E. Weaver

**City Clerk**

Beth A. Ball

**City Treasurer**

Patrick A. Nichting



## Independent Auditor's Report

To the Honorable Mayor and  
City Council  
City of Peoria, Illinois  
Peoria, Illinois

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Peoria, Illinois, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Peoria Foreign Fire Insurance Board, which represents 0.08 percent, 0.30 percent and 0.09 percent, respectively, of the assets, net position and revenues of the total primary government – governmental activities and 0.10 percent, 0.11 percent and 0.18 percent of the assets, fund balance/net position and revenues, respectively, of the aggregate remaining funds. We did not audit the Police Pension Fund of Peoria and the Firemen's Pension Fund of Peoria, which represent 80.90 percent, 85.29 percent and 53.36 percent, respectively, of the assets, fund balance/net position and revenue/additions of the aggregate remaining funds. We did not audit the discretely presented component units of the City of Peoria, Illinois, the financial statements of the Springdale Historic Preservation Foundation, a component unit of Springdale Cemetery Management Authority and the Springdale Cemetery Management Authority and the Peoria Civic Center Authority which represents 100 percent of the assets, net position and revenues, respectively, of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Peoria Foreign Fire Insurance Board, the Police Pension Fund of Peoria, the Firemen's Pension Fund of Peoria, the Springdale Historic Preservation Foundation, a component unit of Springdale Cemetery Management Authority, Springdale Cemetery Management Authority and the Peoria Civic Center Authority of Peoria, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Peoria Civic Center Authority were not audited in accordance with *Government Auditing Standards*.

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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

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

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Peoria, Illinois, as of December 31, 2013, and the respective changes in financial position 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 4 through 15, the budgetary comparison information on pages 76 through 78, the Illinois Municipal Retirement Plan on page 79, the Pension Plans Schedule of Funding Progress on pages 80 and 81 and the Other Postemployment Benefits Plan Schedule of Funding Progress on page 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Peoria, Illinois' basic financial statements. The combining and individual nonmajor governmental fund financial statements, combining balance sheet schedule – all TIF project accounts, combining schedule of revenues, expenditures and changes in fund balance – all TIF project accounts, individual fund financial statements with comparative figures for 2012 and combining fiduciary funds financial statements listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, based on our audit, the procedures performed as described above, and the reports of other auditors, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole. We and the other auditors also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Peoria, Illinois' basic financial statements for the year ended December 31, 2012, which are not presented with the accompanying financial statements. In our report dated July 31, 2014, we expressed unqualified opinions on the respective financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2012, taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Peoria, Illinois' basic financial statements. The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2014, on our consideration of the City of Peoria, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Peoria, Illinois' internal control over financial reporting and compliance.

*McGladrey LLP*

Davenport, Iowa  
July 31, 2014

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## Management's Discussion and Analysis

As management of the City of Peoria, we offer readers of the City of Peoria's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal which can be found on pages iv thru x of this report. All monetary amounts in this analysis, unless otherwise indicated, are expressed in millions of dollars.

### Financial Highlights: Primary Government

- Assets of the City of Peoria exceeded liabilities by \$124.8 million at December 31, 2013.
- The City's total net position decreased \$2.1 million during 2013. A significant portion of the decrease was due to flooding that occurred in the spring. Approximately \$1 million was used to reconstruct the Allen/Alta intersection and an additional \$800 thousand in drainage repairs were performed. Over \$1 million of these expenditures are expected to be recouped in 2014.
- As of December 31, 2013, the City of Peoria's governmental funds reported combined fund balances of \$116.0 million, a decrease of \$22.9 million in comparison with the prior year. Approximately 6.8% of this \$116.0 million amount, \$7.9 million, is available for spending at the City's discretion (*unassigned fund balance*).
- The \$17.2 million unassigned general fund balance as of December 31, 2013 was equivalent to 20.6% of total general fund expenditures.
- The City's total outstanding debt decreased \$1.9 million during 2013. The City issued the \$9.6 million Series 2013(A) General Obligation Refunding Bonds to advance refund a portion of the City's outstanding General Obligation Bonds, the \$4.9 million Series 2013(C) Taxable General Obligation Refunding Bonds to advance refund a portion of the City's outstanding General Obligation Refunding Bonds, and the \$2.5 million Series 2013(D) Taxable Motor Fuel Tax Revenue Refunding Bonds to currently refund a portion of the City's outstanding General Obligation Bonds.

### Overview of the Financial Statements

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

- 1) government-wide financial statements
- 2) fund financial statements
- 3) notes to the financial statements
- 4) required supplemental information.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Peoria's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 16 - 19 of this report.

The *Statement of Net Position* presents information on all of the City's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between these 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 of Peoria is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event 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 future fiscal periods' cash flows (e.g. uncollected taxes, unused accrued vacation leave).

Under GASB 34 reporting requirements, government-wide financial statements distinguish functions of a governmental entity principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The primary governmental activities of the City include general government, public safety, public works and community development. The City of Peoria has no business-type activities.

The government-wide financial statements include not only the City of Peoria (classified as the *primary government*), but also the legally separate Peoria Civic Center Authority and Springdale Cemetery Management Authority for which the City of Peoria is financially accountable. Financial information for these *discretely presented component units* is reported in separate government-wide statement columns from financial data presented for the primary government. Audited, separately issued financial statements are available for all types of component units.

*Blended component units*, although legally separate entities, are considered part of the City's operations and consequently combined with data of the primary government for government-wide statements presentation. The Designated Zone Organization (DZO) and Foreign Fire Insurance Board are classified as blended component units in the government-wide statements.

The Police & Fire Pension Trust Funds, classified as fiduciary funds, are presented in separate statements. All fiduciary funds are excluded from government-wide statements.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Peoria, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City of Peoria's primary government funds can be categorized as governmental 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 government-wide financial statements, governmental fund financial statements focus on the *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 financing 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 comparison between *governmental funds & governmental activities*.

The City of Peoria has presented thirty-five (35) individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund, Peoria Public Library Fund, Capital Improvements Fund, Police/Fire Pension Levy Fund, Illinois Municipal Retirement Fund and 2010(D) General Obligation Bond Debt Service Fund, all of which are considered to be major funds. The remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each non-major governmental fund is provided in the form of *combining statements* elsewhere in this report. Basic governmental fund financial statements can be found on pages 20 - 28 of this report.

**Proprietary funds.** *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among an entity's various functions. The City maintains one proprietary fund. The Internal Service Fund statements can be found on pages 29 – 31 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of Peoria's own programs. The accounting used for fiduciary funds is similar to accounting for proprietary funds. The Police Pension Trust Fund and Firemen's Pension Trust Fund, all classified as fiduciary funds, are reported separately from the City's government-wide statements in pages 32 – 33 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34 – 74 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the City of Peoria's budgetary comparison schedules for major funds and progress in funding its obligation to provide pension benefits to its employees. Required supplemental information regarding budgetary comparisons, pension funding and OPEB funding can be found in pages 75 - 82 of this report.

Combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the Required Supplemental Information section. Combining and individual funds statements plus statistical data are located on pages 83 – 179 of this report.

## **Infrastructure Assets**

Per GASB Statement 34 requirements, the City: a) initially reported depreciation expense, accumulated depreciation and infrastructure additions/deletions for the fiscal year ending December 31, 2002 b) included retroactive infrastructure reporting for fiscal years 1980-2001 in annual financial statements commencing with the fiscal year ending December 31, 2006.

Historically, a government's largest group of assets (infrastructure – roads, bridges, traffic signals, street lights, sewers, sidewalks, etc.) has not been reported or depreciated in governmental financial statements. The current GASB 34 standard requires that these assets be valued and reported within the governmental column of the government-wide statements.

Additionally, the government must elect to either (a) depreciate these assets over their useful lives or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity.

If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. This information about the condition and maintenance of condition of the government infrastructure assets could assist financial statement users in evaluating a local government and its performance over time.

The City currently depreciates capital assets.

## **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 primary government's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$124.8 million at December 31, 2013. *Restricted net position* represent resources that are subject to external usage restrictions. The City's (\$111.5) million deficit balance for *unrestricted net position* represents additional future resources required to fulfill municipal government's obligations to citizens and creditors.

A significant portion of the City's total assets (58.4%) are comprised of capital assets (e.g., land, buildings, equipment and infrastructure). The City of Peoria 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 in the Net Position section below, it should be noted that resources to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A summary of the City’s Net Position at December 31, 2013 is presented on the next page.

**City of Peoria’s Net Position**  
(\$ Millions)

|                                  | Governmental<br>Activities<br>2013 | Governmental<br>Activities<br>2012 |
|----------------------------------|------------------------------------|------------------------------------|
| Current & Other Assets           | \$203.0                            | \$218.6                            |
| Capital Assets                   | \$284.6                            | \$266.0                            |
| Total Assets                     | \$487.6                            | \$484.6                            |
| Deferred Outflows of Resources   | \$0.1                              | \$0.2                              |
| Long-Term Liabilities            | \$308.4                            | \$303.4                            |
| Other Liabilities                | \$21.2                             | \$20.7                             |
| Total Liabilities                | \$329.6                            | \$324.1                            |
| Deferred Inflows of Resources    | \$33.3                             | \$33.8                             |
| Net Position:                    | \$124.8                            | \$126.9                            |
| Net Investment in Capital Assets | \$210.3                            | \$191.6                            |
| Restricted                       | \$26.0                             | \$31.9                             |
| Unrestricted                     | (\$111.5)                          | (\$96.6)                           |
| Total Net Position               | \$124.8                            | \$126.9                            |

**Normal Impact Factors: Net Position**

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

**Net Results of Activities** – which will impact (increase/decrease) assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position.

**Borrowing for Capital** – which will increase assets and long-term debt.

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

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

**Principal Payment of Capital Related Debt** – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

**Reduction of Capital Assets through Depreciation** – which will reduce capital assets and net investment in capital assets.

**Governmental Activities.** Significant administrative decisions and major economic fluctuations impacted the City of Peoria's 2013 governmental activities. Highlights included:

- \$3.8 million net decrease in total local tax revenues, including property tax, hotel/restaurant/amusement taxes, home rule sales tax, utility taxes, local motor fuel tax, gambling boat proceeds, licenses/permits and franchise fees.
- \$1.4 million increase in total combined state-shared tax revenues; included state sales tax, state use tax, state income tax, corporate personal property replacement tax, motor fuel tax allotment, auto lease/rental tax and library per capita allotment; \$46.0 million total state-shared revenues constituted 27% of total 2013 revenues for governmental activities.
- \$2.3 million increase in total intergovernmental reimbursements. 2013 reimbursements were for major road construction and additional police officers. The road construction projects included Washington Street improvements from Hamilton Street to Macarthur Highway and the Warehouse Complete Streets project.
- \$82.5 million combined total Police, Fire and Public Safety (Emergency Communications and Inspections) expenses represented 44.4% of total 2013 governmental activities expenses.
- The City paid \$59.9 million in gross wages to City employees in 2013 constituting a \$1.9 million increase versus 2012 gross wages. The increase was a result of 2013 payroll step and COLA increases and an additional eight full-time employees.

**City of Peoria's Changes In Net Position**  
**(\$ Millions)**

|   | Governmental<br>Activities<br>2013 | Governmental<br>Activities<br>2012 |
|---|------------------------------------|------------------------------------|
|   |                                    |                                    |
| Revenues:                               |                                    |                                    |
| Program Revenues:                       |                                    |                                    |
| Charge For Services                     | \$19.6                             | \$20.5                             |
| Operating Grants & Contributions        | \$9.7                              | \$11.7                             |
| Capital Grants & Contributions          | \$21.9                             | \$5.9                              |
| General Revenues:                       |                                    |                                    |
| Property Taxes                          | \$35.0                             | \$35.0                             |
| Hotel, Restaurant & Amusement Taxes     | \$8.8                              | \$8.7                              |
| Other Taxes & Fees                      | \$82.3                             | \$82.4                             |
| Unrestricted Grants & Contributions     | \$0.1                              | \$0.0                              |
| Other Revenues                          | \$6.5                              | \$9.4                              |
| Total Revenues                          | \$183.9                            | \$173.6                            |
| Expenses:                               |                                    |                                    |
| Elected Officials                       | \$2.3                              | \$1.9                              |
| City Administration                     | \$6.8                              | \$6.8                              |
| Police                                  | \$43.2                             | \$38.5                             |
| Fire                                    | \$33.4                             | \$32.1                             |
| Public Works                            | \$36.1                             | \$31.0                             |
| Community Development                   | \$13.4                             | \$12.4                             |
| Library                                 | \$10.0                             | \$11.4                             |
| Public Safety (excluding Police & Fire) | \$5.9                              | \$5.8                              |
| General Government                      | \$24.5                             | \$30.9                             |
| Other Expenses                          | \$10.4                             | \$10.1                             |
| Total Expenses                          | \$186.0                            | \$180.9                            |
| Increase (Decrease) in Net Position     | (\$2.1)                            | (\$7.3)                            |
| Beginning Net Position 1/1              | \$126.9                            | \$134.2                            |
| Ending Net Position 12/31               | \$124.8                            | \$126.9                            |

## **Normal Impacts: Changes in Net Position**

Listed below are various influences on change in revenue or expense.

### **Revenues:**

**Economic Condition** – which can reflect a declining, stable or growing economic environment and have a substantial impact on property, sales, gas or other tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

**Increase/Decrease in Rates Approved By City Council** – while certain tax rates are set by statute, the City Council has significant authority to impose and periodically increase/decrease rates (parking, permitting, licensing, etc.)

**Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring)** – certain recurring revenues (state revenue sharing, block grant, etc.) may experience changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

**Market Impacts on Investment Income** – market conditions may cause the investment income to fluctuate depending on average maturity.

### **Expenses:**

**Introduction of New Program** – within the functional expense categories (Police, Fire, Public Works, etc.) individual programs may be added or deleted to meet changing community needs.

**Increase in Authorized Personnel** – changes in service demand may cause the Council to increase/decrease authorized staffing.

**Salary Increases (cost of living, merit and market adjustment)** – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

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

## **Financial Analysis of the Government's Funds**

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

**Governmental Funds.** The focus of the City of Peoria's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Peoria's governmental funds reported combined ending fund balances of \$116.0 million. Approximately \$7.9 million constitutes unassigned fund balance available for discretionary spending. The remainder of fund balance is nonspendable (e.g. inventories, advances and endowments), restricted (e.g. per statutes, bond ordinances, grants and intergovernmental agreements), committed or assigned (e.g. per City's intent to for specific purpose) and consequently unavailable for discretionary spending.

The General Fund is the chief operating fund of the City of Peoria. At the end of the current fiscal year, the unassigned General Fund balance was \$17.2 million while total fund balance reached \$42.6 million. As a measure of the general fund liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures (e.g. 12/31/13 total fund balance in the General Fund represented 51.0% of 2013 general fund expenditures).

The City's total General Fund balance increased \$1.5 million overall during 2013.

- Significant General Fund balance increases in 2013 included:
  - a) \$7.1 million decrease in general government expenses due to the \$7.0 million loan for the hotel project in the prior year.
  - b) \$1.3 million increase in State of Illinois income tax allocation revenue.
- Significant General Fund balance decreases in 2013 included:
  - c) \$0.7 million decrease in governmental grants and reimbursements revenues.
  - d) \$0.7 million decrease in State of Illinois sales tax revenue.
  - e) \$1.0 million increase in net total healthcare benefits costs.
  - f) \$1.0 million decrease in service charges/fines/fees revenues.
  - g) \$1.9 million decrease in property tax revenue.
  - h) \$3.5 million increase in police, fire, and public work expenses.

The City's combined Capital Improvements (Capital/Local Motor Fuel Tax/Riverfront) Fund balance decreased \$2.8 million in 2013. This fund balance decrease was primarily due to:

- \$2.9 million increase in major road construction expenditures for road projects.

The City's 2013 employer portion of total pension benefits costs for permanent City employees increased \$11.4 million due to the combined effects of:

- \$1.4 million increase in firemen's pension fund contributions.
- \$0.9 million increase in police pension fund contributions.
- \$9.1 million increase in Illinois Municipal Retirement Fund (IMRF) pension contributions. Nearly all of the increase was the payoff of the IMRF Early Retirement Incentive with an inter-fund loan from the City's Other Post Employee Benefits Subfund of the General Fund.

For payment of future debt service, the City currently maintains \$51.6 million restricted fund balances in all bond debt service funds, \$1.2 million restricted fund balances for debt service in tax increment financing projects funds and \$6.0 million and \$6.1 million assigned fund balance for debt service in the General Fund and Capital Improvement Fund, respectively.

The City continues to abate property tax levies relating to general obligation bonds debt service, with the exception of the 2008(A) Library G.O. Bond, due to the City's traditional reliance upon alternative funding sources. Primary debt service funding sources for general obligation bonds include utility taxes, sewer fees, property tax increment, plus hotel, restaurant and amusement (H.R.A.) taxes.

## **General Fund Budgetary Highlights**

The City Council's 2003-2004 Budget Restructure Plan featured movement from program-based budgeting to activity-based budgeting. Department budgets have been formatted to measure performance outcome for each activity.

General Fund budgetary highlights included:

- \$0.6 million increase in total final budget estimated revenues compared with the prior year.
- \$2.5 million increase in total final budget appropriations in comparison with the prior year.
- A \$9.0 million inter-fund loan from the Other Post Employee Benefits Subfund of the General Fund was used to pay off the IMRF Early Retirement Incentive balance.
- \$8.2 million in utility taxes (electric and telephone) are now posted to the Capital Fund as opposed to the General Fund.

## **Capital Asset and Debt Administration**

**Capital assets.** As of December 31, 2013, the City maintained \$284.6 million in capital assets (net of depreciation) representing a 7.0% increase in net capital assets over the prior year for governmental activities. The City's capital assets include land, land improvements, buildings, equipment, vehicles, library media and infrastructure (e.g. roads, sewers, sidewalks, street lights and traffic signals).

Major capital asset events during the current fiscal year included:

- \$10.7 million increase in road construction additions, including the Orange Prairie Road extension from Alta Road to American Prairie Road, Washington Street improvements from Hamilton Street to Macarthur Highway, University Street improvements from Marlene Street to War Memorial Drive, plus Pennsylvania Avenue improvements. These improvements are included in the roads category of capital assets plus construction in progress.
- \$5.0 million increase in sewer improvements and rehabilitation.
- \$3.0 million increase in sidewalk improvements and additions.

**City of Peoria's Capital Assets  
Net of Depreciation  
(\$ Millions)**

|                          | Governmental<br>Activities<br>2013 | Governmental<br>Activities<br>2012 |
|--------------------------|------------------------------------|------------------------------------|
|                          |                                    |                                    |
| Land & Land Improvements | \$16.1                             | \$16.3                             |
| Buildings                | 60.0                               | 61.7                               |
| Vehicles & Equipment     | 5.7                                | 5.8                                |
| Library Media            | 3.4                                | 3.5                                |
| Infrastructure           | 166.3                              | 154.9                              |
| Construction in Progress | 33.1                               | 23.8                               |
| Total                    | \$284.6                            | \$266.0                            |

Additional information regarding the City's capital assets is located in note 6 on pages 59 – 61 of this report.

**Long-term debt.** The City of Peoria owed total bonded debt of \$245.3 million at December 31, 2013; \$238.1 million of the preceding total comprised debt backed by the full faith and credit of the government plus \$5.1 million comprised revenue bonds secured by specific revenues. The remaining \$2.1 million comprised special service area debt for which the government is liable in the event of default by the property owners subject to the assessment.

Standard & Poor's Rating Service has currently assigned an "AA-" rating for the City's general obligation bonds. Moody's Investor Service has currently assigned an "Aa3" rating for the City's general obligation bonds.

The City issued Series 2013(A) General Obligation Refunding Bonds in the amount of \$9.6 million to advance refund a portion of the General Obligation Bonds, Series 2005A. Although these refunding bond proceeds have been deposited with an escrow agent, proceeds for this "economic" bond refunding must be recorded in the City's accounting system and financial statements pending actual debt service payments to call previously issued bonds.

The City issued Series 2013(C) Taxable General Obligation Refunding Bonds, in the amount of \$4.9 million, to advance refund a portion of the General Obligation Refunding Bonds, Series 2004C and to pay the costs of issuing the bonds.

The City issued Series 2013(D) Taxable Motor Fuel Tax Revenue Refunding Bonds, in the amount of \$2.5 million, to currently refund a portion of the General Obligation Bonds, Series 2003A and to pay the costs of issuing the bonds.

The City exercises home rule authority and has no external statutory limitation on the amount of general obligation debt. The City's self-imposed debt limit is equivalent to 10% of equalized assessed valuation. This self-imposed debt limit does not apply to debt with pledged revenues other than property tax as a repayment source.

**City of Peoria's Bonded Debt  
(Bond Principal Portion Only)  
Governmental Activities  
(\$ Millions)**

|                            | 2013    | 2012    |
|----------------------------|---------|---------|
| General Obligation Bonds   | \$238.1 | \$239.2 |
| Special Service Area Bonds | 2.1     | 2.5     |
| Revenue Bonds              | 5.1     | 5.5     |
| Total                      | \$245.3 | \$247.2 |

Additional information on the City of Peoria's long-term debt can be found in note 5 on pages 51 - 58 of this report.

**Economic Conditions and Next Year's Budgets**

The City administration continues to grapple with balancing services with limited resources. City officials continue to utilize a five-year operating budget forecasting model and corresponding capital budget program.

Staffing levels at the City of Peoria reached a low of 756 full time equivalents in 2012 (includes Workforce Development and Library). This staffing level is down from 888 full time equivalents in 2009. To address specific issues, 8 new full-time positions were added in 2013. However, the Workforce Development department has been removed from the City of Peoria and is now part of Illinois Central College. Total full-time equivalents at the end of 2013 are 748.

In March 2012, the City Council issued \$31.7 million City bonds toward \$92.8 million total improvements in the Hospitality Improvement Zone (HIZ) TIF District. This multi-year project, scheduled for completion in 2014, includes construction of a new Marriott Courtyard Hotel, significant improvements to the adjoining Pere Marquette Hotel, demolition of the Pere Marquette Hotel parking deck and construction of a new parking deck, plus construction of an elevated walkway linking all three buildings to the Peoria Civic Center. The improvements at the Pere Marquette and the new parking deck were completed in 2013. The remainder of the project is scheduled to be complete in July 2014.

The City Council and the Labor/Management Healthcare Committee budgeted \$0.7 million less for 2014 healthcare benefits versus 2013 healthcare benefits. Sweeping 2012 healthcare plan design changes featured elimination of an HMO plan and movement of retirees over age 65 from the City's self-insured health plan to an insured Humana Medicare advantage health plan. Additional changes were added in 2014, which encouraged participants to switch to the High Deductible plans.

In 2013, the City Council declined the option to purchase the water utility. The City's next water utility purchase option will be in 2018 with subsequent options every 5 years thereafter. Negotiations are underway to require some form of American Water Company payment to the City during the 5 year time period.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers and investors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact: Finance Department, City of Peoria, 419 Fulton Street, Peoria, Illinois 61602.

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City of Peoria, Illinois

Statement of Net Position  
December 31, 2013

|  | Total Primary<br>Government -<br>Governmental<br>Activities | Component Units                     |   |
|--|---|-------------------------------------|---|
|  |   | Peoria<br>Civic Center<br>Authority | Springdale<br>Cemetery<br>Management<br>Authority |
| <b>Assets</b>  |   |                                     |   |
| Current assets:  |   |                                     |   |
| Cash and cash equivalents  | \$ 27,962,946   | \$ 4,376,306                        | \$ 227,970  |
| Restricted cash and cash equivalents                             | -   | -                                   | 111,507   |
| Restricted cash and investments with trustee                     | 1,866,843   | -                                   | -   |
| Investments  | 11,684,379  | 98,749                              | 311,257   |
| Restricted investments   | -   | -                                   | 164,993   |
| Taxes receivable:  |   |                                     |   |
| Property taxes   | 33,323,100  | -                                   | -   |
| Corporate personal property replacement taxes                    | 1,234,068   | -                                   | -   |
| State sales and income taxes                                     | 8,798,490   | -                                   | -   |
| Home rule sales taxes  | 6,164,241   | -                                   | -   |
| Hotel, restaurant and amusement taxes                            | 840,522   | -                                   | -   |
| Utility taxes  | 1,706,365   | -                                   | -   |
| Local motor fuel taxes   | 94,171  | -                                   | -   |
| Governmental grants and reimbursements receivable                | 15,588,763  | -                                   | -   |
| Riverboat gaming revenue receivable                              | 515,812   | -                                   | -   |
| Loans receivable, net  | 358,063   | -                                   | -   |
| Other receivables, net   | 2,691,227   | 1,085,009                           | 380,939   |
| Receivable, garbage fee  | 1,672,555   | -                                   | -   |
| Accrued interest receivable, net                                 | 1,089,315   | 26                                  | -   |
| Special assessments receivable                                   | 260,717   | -                                   | -   |
| Inventory, prepaid items and other                               | 857,533   | 208,410                             | 44,224  |
| <b>Total current assets</b>                                      | <b>116,709,110</b>  | <b>5,768,500</b>                    | <b>1,240,890</b>                                  |
| Noncurrent assets:   |   |                                     |   |
| Cash, cash equivalents and investments held for capital projects | 11,024,540  | -                                   | -   |
| Restricted cash and cash equivalents                             | -   | 1,157,557                           | -   |
| Investments  | -   | -                                   | 50,547  |
| Restricted cash and investments with trustee                     | 49,879,079  | -                                   | -   |
| Loans receivable, net  | 7,145,899   | -                                   | -   |
| Other receivable   | -   | 599,398                             | 40,335  |
| Special assessments receivable                                   | 4,570,429   | -                                   | -   |
| Net pension assets   | 13,794,490  | -                                   | -   |
| Capital assets:  |   |                                     |   |
| Not depreciated:   |   |                                     |   |
| Land   | 13,164,358  | 10,247,918                          | 73,079  |
| Construction-in-progress   | 33,107,616  | -                                   | -   |
| Depreciated:   |   |                                     |   |
| Infrastructure   | 343,879,135   | -                                   | -   |
| Buildings and land improvements                                  | 113,448,010   | 152,236,065                         | 1,716,108   |
| Major equipment and vehicles                                     | 28,167,701  | 12,260,531                          | 373,595   |
| Media assets   | 17,231,141  | -                                   | -   |
| Software   | -   | -                                   | 135,390   |
| Accumulated depreciation   | (264,367,684)   | (97,136,771)                        | (901,043)   |
| <b>Total capital assets</b>                                      | <b>284,630,277</b>  | <b>77,607,743</b>                   | <b>1,397,129</b>                                  |
| <b>Total noncurrent assets</b>                                   | <b>371,044,714</b>  | <b>79,364,698</b>                   | <b>1,488,011</b>                                  |
| <b>Total assets</b>  | <b>487,753,824</b>  | <b>85,133,198</b>                   | <b>2,728,901</b>                                  |
| <b>Deferred outflows of resources</b>                            |   |                                     |   |
| Deferred charge on refunding                                     | 59,506  | -                                   | -   |

See Notes to Basic Financial Statements.

|  | Total Primary<br>Government -<br>Governmental<br>Activities | Component Units                     |   |
|--|---|-------------------------------------|---|
|  |   | Peoria<br>Civic Center<br>Authority | Springdale<br>Cemetery<br>Management<br>Authority |
| <b>Liabilities</b>   |   |                                     |   |
| Current liabilities:   |   |                                     |   |
| Accounts and claims payable  | \$ 9,074,234  | \$ 171,792                          | \$ 58,845   |
| Accrued payroll  | 2,113,758   | -                                   | -   |
| Accrued interest   | 298,437   | -                                   | -   |
| Other payables   | 20,821  | 255,712                             | 10,550  |
| Advance ticket sales   | -   | 928,288                             | -   |
| Estimated payable for claims and losses incurred<br>but not reported   | 2,413,942   | -                                   | -   |
| Unearned revenue, other  | 1,720,344   | 725,802                             | 359,679   |
| Tax rebates payable  | 14  | -                                   | -   |
| Accrued compensated absences   | 4,576,528   | -                                   | -   |
| Bonds and loans payable, current portion                               | 977,137   | 336,654                             | -   |
| Other long-term obligations, current portion                           | 48,220  | -                                   | -   |
| <b>Total current liabilities</b>                                       | <b>21,243,435</b>   | <b>2,418,248</b>                    | <b>429,074</b>                                    |
| Long-term liabilities:   |   |                                     |   |
| Accrued compensation absences  | 4,923,429   | -                                   | -   |
| Bonds and loans payable, net bond premium                              | 250,052,559   | 1,604,617                           | -   |
| Other long-term obligations, noncurrent                                | 640,933   | -                                   | -   |
| Net other postemployment benefits obligation                           | 50,211,206  | -                                   | -   |
| IMRF pension obligation  | 1,717,323   | -                                   | -   |
| Workers compensation claims payable                                    | 577,184   | -                                   | -   |
| General liability claims payable                                       | 277,914   | -                                   | -   |
| Unearned revenue and deposits  | -   | 928,421                             | -   |
| Asset held for Tourism Reserve Fund, payable from<br>restricted assets | -   | 1,157,557                           | -   |
| <b>Total long-term liabilities</b>                                     | <b>308,400,548</b>  | <b>3,690,595</b>                    | <b>-</b>  |
| <b>Total liabilities</b>   | <b>329,643,983</b>  | <b>6,108,843</b>                    | <b>429,074</b>                                    |
| <b>Deferred inflows of resources</b>                                   |   |                                     |   |
| Property taxes   | 21,764,200  | -                                   | -   |
| Due to fiduciary fund - property taxes                                 | 11,558,900  | -                                   | -   |
| <b>Total deferred inflows of resources</b>                             | <b>33,323,100</b>   | <b>-</b>                            | <b>-</b>  |
| <b>Net position</b>  |   |                                     |   |
| Net investment in capital assets                                       | 210,260,982   | 75,666,472                          | 1,397,129   |
| Restricted for:  |   |                                     |   |
| Debt service   | 3,605,713   | -                                   | -   |
| TIF redevelopment  | 9,267,940   | -                                   | -   |
| Education  | 206,171   | -                                   | -   |
| Recreation   | 339,694   | -                                   | -   |
| Tourism  | 1,479,993   | -                                   | -   |
| Law enforcement  | 423,477   | -                                   | -   |
| Grants and loans   | 768,583   | -                                   | -   |
| Library operations   | 1,019,506   | -                                   | -   |
| Riverfront Development   | 15  | -                                   | -   |
| Capital improvements and equipment                                     | 8,948,246   | -                                   | -   |
| Cemetery, \$208,112 nonspendable                                       | -   | -                                   | 288,334   |
| Unrestricted (deficit)   | (111,474,073)   | 3,357,883                           | 614,364   |
| <b>Total net position</b>  | <b>\$ 124,846,247</b>                                       | <b>\$ 79,024,355</b>                | <b>\$ 2,299,827</b>                               |

**City of Peoria, Illinois**

**Statement of Activities  
Year Ended December 31, 2013**

| Functions/Programs:                                | Expenses                | Program Revenues     |                                    |                                  |
|--|-------------------------|----------------------|------------------------------------|----------------------------------|
|  |                         | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| <b>Primary Government</b>                          |                         |                      |                                    |                                  |
| Governmental activities:                           |                         |                      |                                    |                                  |
| Elective offices, boards, commissions and agencies | \$ (2,276,126)          | \$ -                 | \$ -                               | \$ -                             |
| City administration                                | (6,787,260)             | -                    | -                                  | -                                |
| Police   | (43,174,401)            | 540,538              | 3,003,709                          | -                                |
| Fire   | (33,400,729)            | 412,896              | 782,030                            | -                                |
| Public works                                       | (36,101,530)            | 12,317,497           | 30,155                             | 17,262,816                       |
| Community development                              | (13,378,793)            | -                    | 3,126,109                          | -                                |
| Public safety                                      | (5,910,780)             | 1,818,083            | -                                  | -                                |
| General government                                 | (24,494,522)            | 4,389,254            | 2,728,878                          | 4,520,380                        |
| Library  | (9,972,628)             | 135,705              | 16,225                             | 118,187                          |
| Interest on long-term debt                         | (10,415,956)            | -                    | -                                  | -                                |
| <b>Total primary government</b>                    | <b>\$ (185,912,725)</b> | <b>\$ 19,613,973</b> | <b>\$ 9,687,106</b>                | <b>\$ 21,901,383</b>             |
| <b>Component Units</b>                             |                         |                      |                                    |                                  |
| Peoria Civic Center Authority                      | \$ (25,067,644)         | \$ 18,863,961        | \$ -                               | \$ -                             |
| Springdale Cemetery Management Authority           | (799,812)               | 262,535              | 412,912                            | 85,752                           |
| <b>Total component units</b>                       | <b>\$ (25,867,456)</b>  | <b>\$ 19,126,496</b> | <b>\$ 412,912</b>                  | <b>\$ 85,752</b>                 |

**General Revenues**

|  |
|--|
| Property taxes   |
| Corporate personal property replacement taxes                |
| State sales taxes, unrestricted                              |
| State income tax allocation, unrestricted                    |
| Home rule sales taxes  |
| Hotel, restaurant and amusement taxes                        |
| Riverboat gaming revenue                                     |
| Utility taxes  |
| Grants and contributions not restricted to specific programs |
| Payment from City of Peoria                                  |
| Interest/investment income                                   |
| Franchise fees, based on gross receipts                      |
| Other  |
| <b>Total general revenues</b>                                |
| Change in net position                                       |
| Net position, beginning of year                              |
| Net position, end of year                                    |

See Notes to Basic Financial Statements.

| Net (Expense) Revenue and Changes in Net Position |                 |                     |  |
|---|-----------------|---------------------|--|
| Total Primary                                     | Component Units |                     |  |
| Government  | Peoria          | Springdale Cemetery |  |
| Governmental                                      | Civic Center    | Management          |  |
| Activities  | Authority       | Authority           |  |
| \$ (2,276,126)                                    | \$ -            | \$ -                |  |
| (6,787,260)                                       | -               | -                   |  |
| (39,630,154)                                      | -               | -                   |  |
| (32,205,803)                                      | -               | -                   |  |
| (6,491,062)                                       | -               | -                   |  |
| (10,252,684)                                      | -               | -                   |  |
| (4,092,697)                                       | -               | -                   |  |
| (12,856,010)                                      | -               | -                   |  |
| (9,702,511)                                       | -               | -                   |  |
| (10,415,956)                                      | -               | -                   |  |
| (134,710,263)                                     | -               | -                   |  |
| -   | (6,203,683)     | -                   |  |
| -   | -               | (38,613)            |  |
| -   | (6,203,683)     | (38,613)            |  |
| 35,044,553  | -               | -                   |  |
| 7,366,584   | -               | -                   |  |
| 23,764,815  | -               | -                   |  |
| 11,090,291  | -               | -                   |  |
| 22,336,809  | -               | -                   |  |
| 8,819,495   | -               | -                   |  |
| 3,353,151   | -               | -                   |  |
| 12,050,962  | -               | -                   |  |
| 95,427  | -               | -                   |  |
| -   | 1,799,430       | -                   |  |
| 1,217,095   | 6,077           | 10,012              |  |
| 2,354,192   | -               | -                   |  |
| 5,196,316   | -               | 4,237               |  |
| 132,689,690                                       | 1,805,507       | 14,249              |  |
| (2,020,573)                                       | (4,398,176)     | (24,364)            |  |
| 126,866,820                                       | 83,422,531      | 2,324,191           |  |
| \$ 124,846,247                                    | \$ 79,024,355   | \$ 2,299,827        |  |

**City of Peoria, Illinois**

**Balance Sheet  
Governmental Funds  
December 31, 2013**

| <b>Assets</b>                                     | <b>General Fund</b>  | <b>Peoria Public<br/>Library Fund</b> |
|---|----------------------|---------------------------------------|
| Cash and cash equivalents                         | \$ 12,216,813        | \$ 3,085,964                          |
| Cash and investments with trustee                 | -                    | -                                     |
| Investments                                       | 4,979,113            | 514                                   |
| Taxes receivable:                                 |                      |                                       |
| Property taxes                                    | 2,769,700            | 6,344,500                             |
| Corporate personal property replacement taxes     | 1,234,068            | -                                     |
| State sales and income taxes                      | 8,771,027            | -                                     |
| Home rule sales taxes                             | 6,164,241            | -                                     |
| Hotel, restaurant and amusement taxes             | 840,522              | -                                     |
| Utility taxes                                     | -                    | -                                     |
| Local motor fuel taxes                            | -                    | -                                     |
| Governmental grants and reimbursements receivable | 496,403              | -                                     |
| Riverboat gaming revenue receivable               | -                    | -                                     |
| Loans receivable, net                             | 7,000,000            | -                                     |
| Other receivables, net                            | 1,520,552            | -                                     |
| Receivable, garbage fee                           | -                    | -                                     |
| Accrued interest receivable, net                  | 28,304               | -                                     |
| Special assessments receivable                    | -                    | -                                     |
| Due from other funds                              | 3,469,920            | -                                     |
| Inventory and prepaid items                       | 857,533              | -                                     |
| Advances to other funds                           | 9,097,028            | -                                     |
| <b>Total assets</b>                               | <b>\$ 59,445,224</b> | <b>\$ 9,430,978</b>                   |

(Continued)

| Police and Fire<br>Pension Levy Fund | Illinois Municipal<br>Retirement Fund | Capital<br>Improvements Fund | 2010D General<br>Obligation Bond<br>Debt Service Fund | Other<br>Governmental Funds | Total<br>Governmental Funds |
|--------------------------------------|---------------------------------------|------------------------------|---|-----------------------------|-----------------------------|
| \$ -                                 | \$ 709,737                            | \$ 806,487                   | \$ 953  | \$ 20,331,356               | \$ 37,151,310               |
| -                                    | -                                     | -                            | 25,142,548  | 26,603,374                  | 51,745,922                  |
| -                                    | 769                                   | 1,456,726                    | -   | 3,246,981                   | 9,684,103                   |
| 11,558,900                           | 4,438,700                             | 221,900                      | -   | 7,989,400                   | 33,323,100                  |
| -                                    | -                                     | -                            | -   | -                           | 1,234,068                   |
| -                                    | -                                     | -                            | -   | 27,463                      | 8,798,490                   |
| -                                    | -                                     | -                            | -   | -                           | 6,164,241                   |
| -                                    | -                                     | -                            | -   | -                           | 840,522                     |
| -                                    | -                                     | 1,706,365                    | -   | -                           | 1,706,365                   |
| -                                    | -                                     | 94,171                       | -   | -                           | 94,171                      |
| -                                    | -                                     | 14,327,880                   | -   | 764,480                     | 15,588,763                  |
| -                                    | -                                     | 515,812                      | -   | -                           | 515,812                     |
| -                                    | -                                     | 413,130                      | -   | 90,832                      | 7,503,962                   |
| -                                    | 3,479                                 | 621,321                      | -   | 458,466                     | 2,603,818                   |
| -                                    | -                                     | -                            | -   | 1,672,555                   | 1,672,555                   |
| -                                    | -                                     | 17,438                       | 537,067   | 506,149                     | 1,088,958                   |
| -                                    | -                                     | 4,831,146                    | -   | -                           | 4,831,146                   |
| -                                    | -                                     | 1,017,109                    | -   | 2,909,183                   | 7,396,212                   |
| -                                    | -                                     | -                            | -   | -                           | 857,533                     |
| -                                    | -                                     | -                            | -   | -                           | 9,097,028                   |
| <u>\$ 11,558,900</u>                 | <u>\$ 5,152,685</u>                   | <u>\$ 26,029,485</u>         | <u>\$ 25,680,568</u>                                  | <u>\$ 64,600,239</u>        | <u>\$ 201,898,079</u>       |

City of Peoria, Illinois

**Balance Sheet (Continued)**  
**Governmental Funds**  
**December 31, 2013**

| Liabilities, Deferred Inflows of Resources and Fund Balance              | Peoria Public        |                     |
|--|----------------------|---------------------|
|  | General Fund         | Library Fund        |
| Liabilities:   |                      |                     |
| Accounts payable   | \$ 1,803,374         | \$ 146,072          |
| Accrued payroll  | 2,009,308            | 95,736              |
| Claims and losses due and payable  | 386,951              | -                   |
| Due to other funds   | 1,363,389            | 8,333               |
| Unearned revenue, other  | 1,124,607            | 17,034              |
| Bonds payable  | -                    | -                   |
| Tax rebates payable  | 14                   | -                   |
| Other payables   | 3,313                | -                   |
| Advances from other funds  | -                    | -                   |
| <b>Total liabilities</b>   | <b>6,690,956</b>     | <b>267,175</b>      |
| Deferred inflows of resources:   |                      |                     |
| Unavailable revenue - property taxes                                     | 2,769,700            | 6,344,500           |
| Unavailable revenue - special assessments                                | -                    | -                   |
| Unavailable revenue - intergovernmental and loans                        | 7,400,461            | -                   |
| <b>Total deferred inflows of resources</b>                               | <b>10,170,161</b>    | <b>6,344,500</b>    |
| Fund balance:  |                      |                     |
| Nonspendable:  |                      |                     |
| Inventories  | 857,533              | -                   |
| Advances   | 9,097,028            | -                   |
| Library endowments   | -                    | 516,905             |
| Restricted:  |                      |                     |
| Debt service   | -                    | -                   |
| TIF redevelopment  | -                    | -                   |
| Education  | 206,171              | -                   |
| Recreation   | 339,694              | -                   |
| Tourism  | -                    | -                   |
| Law enforcement  | 283,169              | -                   |
| Grants and loans   | -                    | -                   |
| Library operations   | -                    | 1,019,506           |
| Landfill operations  | -                    | -                   |
| Riverfront Development   | -                    | -                   |
| Capital improvements and equipment                                       | -                    | 1,282,892           |
| Assigned:  |                      |                     |
| Debt service   | 5,980,914            | -                   |
| Other postemployment benefits  | 7,869,937            | -                   |
| Capital projects   | -                    | -                   |
| Purchases on order   | 737,322              | -                   |
| Unassigned   | 17,212,339           | -                   |
| <b>Total fund balance</b>  | <b>42,584,107</b>    | <b>2,819,303</b>    |
| <b>Total liabilities, deferred inflows of resources and fund balance</b> | <b>\$ 59,445,224</b> | <b>\$ 9,430,978</b> |

See Notes to Basic Financial Statements.

|                   |                    |                   |               | 2010D General     |                    |                    |             |
|-------------------|--------------------|-------------------|---------------|-------------------|--------------------|--------------------|-------------|
| Police and Fire   | Illinois Municipal | Capital           |               | Obligation Bond   | Other              | Total              |             |
| Pension Levy Fund | Retirement Fund    | Improvements Fund |               | Debt Service Fund | Governmental Funds | Governmental Funds |             |
| \$                | -                  | \$ 419,524        | \$ 1,823,196  | \$ -              | \$ 4,234,715       | \$                 | 8,426,881   |
|                   | -                  | -                 | 745           | -                 | 7,969              |                    | 2,113,758   |
|                   | -                  | -                 | -             | -                 | -                  |                    | 386,951     |
|                   | -                  | -                 | 292,896       | 1,406,325         | 5,014,139          |                    | 8,085,082   |
|                   | -                  | -                 | 24,116        | -                 | 453,604            |                    | 1,619,361   |
|                   | -                  | -                 | 6,000         | -                 | -                  |                    | 6,000       |
|                   | -                  | -                 | -             | -                 | -                  |                    | 14          |
|                   | -                  | 17,508            | -             | -                 | -                  |                    | 20,821      |
|                   | -                  | 9,097,028         | -             | -                 | -                  |                    | 9,097,028   |
|                   | -                  | 9,534,060         | 2,146,953     | 1,406,325         | 9,710,427          |                    | 29,755,896  |
|                   | 11,558,900         | 4,438,700         | 221,900       | -                 | 7,989,400          |                    | 33,323,100  |
|                   | -                  | -                 | 4,618,100     | -                 | -                  |                    | 4,618,100   |
|                   | -                  | -                 | 10,484,562    | -                 | 268,186            |                    | 18,153,209  |
|                   | 11,558,900         | 4,438,700         | 15,324,562    | -                 | 8,257,586          |                    | 56,094,409  |
|                   | -                  | -                 | -             | -                 | -                  |                    | 857,533     |
|                   | -                  | -                 | -             | -                 | -                  |                    | 9,097,028   |
|                   | -                  | -                 | -             | -                 | -                  |                    | 516,905     |
|                   | -                  | -                 | -             | 24,274,243        | 28,519,907         |                    | 52,794,150  |
|                   | -                  | -                 | -             | -                 | 9,267,940          |                    | 9,267,940   |
|                   | -                  | -                 | -             | -                 | -                  |                    | 206,171     |
|                   | -                  | -                 | -             | -                 | -                  |                    | 339,694     |
|                   | -                  | -                 | -             | -                 | 1,479,993          |                    | 1,479,993   |
|                   | -                  | -                 | 132,772       | -                 | 7,536              |                    | 423,477     |
|                   | -                  | -                 | 768,583       | -                 | -                  |                    | 768,583     |
|                   | -                  | -                 | -             | -                 | -                  |                    | 1,019,506   |
|                   | -                  | -                 | -             | -                 | 122,234            |                    | 122,234     |
|                   | -                  | -                 | -             | -                 | 15                 |                    | 15          |
|                   | -                  | -                 | -             | -                 | 7,716,663          |                    | 8,999,555   |
|                   | -                  | -                 | 6,093,142     | -                 | -                  |                    | 12,074,056  |
|                   | -                  | -                 | -             | -                 | -                  |                    | 7,869,937   |
|                   | -                  | -                 | 1,563,473     | -                 | -                  |                    | 1,563,473   |
|                   | -                  | -                 | -             | -                 | -                  |                    | 737,322     |
|                   | -                  | (8,820,075)       | -             | -                 | (482,062)          |                    | 7,910,202   |
|                   | -                  | (8,820,075)       | 8,557,970     | 24,274,243        | 46,632,226         |                    | 116,047,774 |
| \$                | 11,558,900         | \$ 5,152,685      | \$ 26,029,485 | \$ 25,680,568     | \$ 64,600,239      | \$                 | 201,898,079 |

## City of Peoria, Illinois

### Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities December 31, 2013

---

|   |           |                    |
|---|-----------|--------------------|
| Total governmental fund balances  | \$        | 116,047,774        |
| Amounts reported for governmental activities in the statement of net assets are different because:  |           |                    |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.                           |           | 284,630,277        |
| Receivables are reported as a deferred inflow of resources in the funds if they are not available for use in the current period.                    |           | 18,153,209         |
| Special assessments receivable are reported as a deferred inflow of resources in the funds if they are not available for use in the current period. |           | 4,618,100          |
| Net pension asset is not recorded in the funds.   |           | 13,794,490         |
| Deferred amounts on refunding are not recorded in the funds - deferred outflow of resources.  |           | 59,506             |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:                                  |           |                    |
| Bond premiums are reported as other financing sources in the funds.   |           | (4,292,967)        |
| Interest payable on debt is not reported in the funds if payments are due subsequent to reporting date.   |           | (298,437)          |
| Other postemployment benefits obligation  |           | (50,211,206)       |
| IMRF pension obligation   |           | (1,717,323)        |
| Workers compensation claims payable   |           | (1,779,937)        |
| General liability claims payable  |           | (927,152)          |
| Accrued compensated absences  |           | (9,499,957)        |
| Bonds and loans payable   |           | (246,730,729)      |
| Landfill closure and postclosure care costs   |           | (689,153)          |
| Internal Service Fund, net position   |           | 3,689,752          |
| <b>Net position of governmental activities</b>  | <b>\$</b> | <b>124,846,247</b> |

See Notes to Basic Financial Statements.

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City of Peoria, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended December 31, 2013

|  | General Fund         | Peoria Public<br>Library Fund |
|--|----------------------|-------------------------------|
| Revenues:  |                      |                               |
| Property taxes   | \$ 3,811,650         | \$ 6,481,904                  |
| Corporate personal property replacement taxes            | 3,619,035            | 470,300                       |
| State sales taxes  | 23,595,268           | -                             |
| State income tax allocation                              | 12,014,569           | -                             |
| Home rule sales taxes                                    | 22,336,809           | -                             |
| Hotel, restaurant and amusement taxes                    | 8,215,396            | -                             |
| Local motor fuel taxes                                   | -                    | -                             |
| Riverboat gaming revenue                                 | -                    | -                             |
| Utility taxes  | 3,812,297            | -                             |
| Governmental grants and reimbursements                   | 1,633,679            | 134,412                       |
| Licenses and permits                                     | 1,941,178            | -                             |
| Service charges/fines/fees                               | 8,151,190            | 135,705                       |
| Loan repayment   | 30,055               | -                             |
| Rental   | 99,893               | -                             |
| Interest   | 62,438               | 4,362                         |
| Other  | 2,593,570            | 66,453                        |
| <b>Total revenues</b>                                    | <b>91,917,027</b>    | <b>7,293,136</b>              |
| Expenditures:  |                      |                               |
| Current:   |                      |                               |
| Elective offices, boards, commissions and agencies       | 1,886,180            | -                             |
| City administration                                      | 4,639,954            | -                             |
| Police   | 28,807,320           | -                             |
| Fire   | 21,554,259           | -                             |
| Public works   | 13,756,210           | -                             |
| Community development                                    | 5,525,896            | -                             |
| Public safety  | 3,756,991            | -                             |
| General government                                       | 2,784,557            | -                             |
| Library  | 794,127              | 5,462,593                     |
| Capital outlay   | -                    | 823,922                       |
| Debt service:  |                      |                               |
| Principal  | -                    | -                             |
| Interest   | -                    | -                             |
| <b>Total expenditures</b>                                | <b>83,505,494</b>    | <b>6,286,515</b>              |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>8,411,533</b>     | <b>1,006,621</b>              |
| Other financing sources (uses):                          |                      |                               |
| Issuance of bonds  | -                    | -                             |
| Bond premium   | -                    | -                             |
| Payment to refund debt                                   | -                    | -                             |
| Proceeds from sale of capital assets                     | -                    | -                             |
| Transfers in   | 387,374              | -                             |
| Transfers out  | (7,315,405)          | (617,633)                     |
| <b>Total other financing sources (uses)</b>              | <b>(6,928,031)</b>   | <b>(617,633)</b>              |
| <b>Net change in fund balances</b>                       | <b>1,483,502</b>     | <b>388,988</b>                |
| Fund balances, beginning of year                         | 41,100,605           | 2,430,315                     |
| Fund balances, end of year                               | <b>\$ 42,584,107</b> | <b>\$ 2,819,303</b>           |

See Notes to Basic Financial Statements.

| Police and Fire Pension Levy Fund | Illinois Municipal Retirement Fund | Capital Improvements Fund | 2010D General Obligation Bond Debt Service Fund | Other Governmental Funds | Total Governmental Funds |
|-----------------------------------|------------------------------------|---------------------------|---|--------------------------|--------------------------|
| \$ 11,592,191                     | \$ 4,143,972                       | \$ 197,743                | \$ -  | \$ 8,817,091             | \$ 35,044,551            |
| 2,249,513                         | 1,027,736                          | -                         | -   | -                        | 7,366,584                |
| -                                 | -                                  | -                         | -   | 169,547                  | 23,764,815               |
| -                                 | -                                  | -                         | -   | -                        | 12,014,569               |
| -                                 | -                                  | -                         | -   | -                        | 22,336,809               |
| -                                 | -                                  | -                         | -   | 604,099                  | 8,819,495                |
| -                                 | -                                  | 756,903                   | -   | -                        | 756,903                  |
| -                                 | -                                  | 3,229,684                 | -   | -                        | 3,229,684                |
| -                                 | -                                  | 8,238,665                 | -   | -                        | 12,050,962               |
| -                                 | -                                  | 8,750,100                 | -   | 6,505,718                | 17,023,909               |
| -                                 | -                                  | 1,269                     | -   | -                        | 1,942,447                |
| -                                 | -                                  | 194,815                   | -   | 9,741,984                | 18,223,694               |
| -                                 | -                                  | 118,097                   | -   | 7,071                    | 155,223                  |
| -                                 | -                                  | 44,564                    | -   | -                        | 144,457                  |
| 860                               | 1,919                              | 63,614                    | 386,573   | 650,482                  | 1,170,248                |
| -                                 | -                                  | 329,930                   | -   | 2,232,193                | 5,222,146                |
| 13,842,564                        | 5,173,627                          | 21,925,384                | 386,573   | 28,728,185               | 169,266,496              |
| -                                 | 409,298                            | -                         | -   | -                        | 2,295,478                |
| -                                 | 1,750,179                          | 322,424                   | -   | 3,788                    | 6,716,345                |
| 6,501,200                         | 1,423,444                          | 958,625                   | -   | 500,169                  | 38,190,758               |
| 7,341,364                         | 400,632                            | 213,068                   | -   | 243,923                  | 29,753,246               |
| -                                 | 3,901,524                          | 139,203                   | -   | 6,679,962                | 24,476,899               |
| -                                 | 1,258,390                          | 214,218                   | -   | 5,442,974                | 12,441,478               |
| -                                 | 2,858,200                          | 203,395                   | -   | 309,564                  | 7,128,150                |
| -                                 | 8,398                              | 1,161,747                 | -   | 14,965,919               | 18,920,621               |
| -                                 | 1,800,789                          | -                         | -   | 62,087                   | 8,119,596                |
| -                                 | -                                  | 17,612,843                | -   | 12,785,867               | 31,222,632               |
| -                                 | -                                  | 54,712                    | -   | 12,124,201               | 12,178,913               |
| -                                 | 30,055                             | 20,727                    | 1,056,513                                       | 9,890,978                | 10,998,273               |
| 13,842,564                        | 13,840,909                         | 20,900,962                | 1,056,513                                       | 63,009,432               | 202,442,389              |
| -                                 | (8,667,282)                        | 1,024,422                 | (669,940)                                       | (34,281,247)             | (33,175,893)             |
| -                                 | -                                  | -                         | -   | 16,920,000               | 16,920,000               |
| -                                 | -                                  | -                         | -   | 347,535                  | 347,535                  |
| -                                 | -                                  | -                         | -   | (7,046,086)              | (7,046,086)              |
| -                                 | -                                  | 5,475                     | -   | -                        | 5,475                    |
| -                                 | 617,633                            | 2,395,672                 | 1,109,581                                       | 20,772,017               | 25,282,277               |
| -                                 | -                                  | (6,191,972)               | (2,040,719)                                     | (9,116,548)              | (25,282,277)             |
| -                                 | 617,633                            | (3,790,825)               | (931,138)                                       | 21,876,918               | 10,226,924               |
| -                                 | (8,049,649)                        | (2,766,403)               | (1,601,078)                                     | (12,404,329)             | (22,948,969)             |
| -                                 | (770,426)                          | 11,324,373                | 25,875,321                                      | 59,036,555               | 138,996,743              |
| \$ -                              | \$ (8,820,075)                     | \$ 8,557,970              | \$ 24,274,243                                   | \$ 46,632,226            | \$ 116,047,774           |

**City of Peoria, Illinois**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
Year Ended December 31, 2013**

---

|   |                  |                 |
|---|------------------|-----------------|
| Net change in fund balances, governmental funds   |                  | \$ (22,948,969) |
| Amounts reported for governmental activities in the statement of activities are different because:  |                  |                 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:  |                  |                 |
| Capital outlay  | \$ 31,624,518    |                 |
| Depreciation expense  | (15,951,960)     |                 |
| Donated infrastructure assets   | <u>3,068,571</u> | 18,741,129      |
| The net effect of various miscellaneous transactions involving capital assets is to decrease net position:  |                  |                 |
| Proceeds from sale of capital assets  | (5,475)          |                 |
| Net loss on sale of capital assets  | <u>(56,924)</u>  | (62,399)        |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, grants and intergovernmental   |                  | 9,733,640       |
| Loans made are considered expenditures in the governmental funds. Portions of receivables are not considered current financial resources and, therefore, portions of payments are recognized as revenues for the governmental funds. The net effect of these transactions is as follows:  |                  |                 |
| Loans receivable repaid   | (125,835)        |                 |
| Increase in interest income for accrued interest  | 10,883           |                 |
| Net change in long-term special assessment receivable   | (824,808)        |                 |
| Bad debt expense  | <u>(16,272)</u>  | (956,032)       |
| Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of 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: |                  |                 |
| Debt issued or incurred:  |                  |                 |
| Issuance of general obligation bonds  | (16,920,000)     |                 |
| Premium on issued bonds   | (347,535)        |                 |
| Principal repayments:   |                  |                 |
| General obligation and revenue bonds  | 12,064,000       |                 |
| Payment to refund bonds, including deferred charge on refunding of \$251,086  | 7,046,086        |                 |
| Other debt  | 114,913          |                 |
| Change in accrued interest payable  | 28,402           |                 |
| Amortization of bond premium  | 680,539          |                 |
| Amortization of deferred amount on refunding  | <u>(377,710)</u> | 2,288,695       |

(Continued)

City of Peoria, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities (Continued)  
Year Ended December 31, 2013**

---

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:

Change in:

|  |                |             |
|--|----------------|-------------|
| Compensated absences                                 | (271,700)      |             |
| Landfill closure and postclosure care costs          | (168,283)      |             |
| Other postemployment benefits obligation             | (7,367,772)    |             |
| IMRF pension obligation                              | (194,453)      |             |
| Workers compensation payable                         | (132,072)      |             |
| General liability payable                            | 324,230        |             |
| Voluntary separation initiative termination benefits | <u>310,000</u> | (7,500,050) |

Decrease in net pension assets are not reported in governmental funds (1,338,338)

Internal Service Fund, change in net position

21,751

**Change in net position of governmental activities**

\$ (2,020,573)

See Notes to Basic Financial Statements.

City of Peoria, Illinois

Statement of Net Position  
Governmental Activities - Internal Service Fund  
December 31, 2013

---

**Assets**

|                             |    |                  |
|-----------------------------|----|------------------|
| Cash                        | \$ | 1,836,176        |
| Investments                 |    | 2,000,276        |
| Other receivables           |    | 87,409           |
| Accrued interest receivable |    | 357              |
| Due from other funds        |    | 689,011          |
| <b>Total assets</b>         |    | <u>4,613,229</u> |

**Liabilities**

|   |  |                |
|---|--|----------------|
| Accounts and claims payable                                       |  | 647,353        |
| Estimated payable for claims and losses incurred but not reported |  | 175,000        |
| Due to other funds  |  | 141            |
| Unearned revenue  |  | 100,983        |
| <b>Total liabilities</b>  |  | <u>923,477</u> |

|                                   |           |                         |
|-----------------------------------|-----------|-------------------------|
| <b>Net position, unrestricted</b> | <b>\$</b> | <b><u>3,689,752</u></b> |
|-----------------------------------|-----------|-------------------------|

See Notes to Basic Financial Statements.

City of Peoria, Illinois

Statement of Revenues, Expenses and Changes in Fund Net Position  
Governmental Activities - Internal Service Fund  
Year Ended December 31, 2013

---

|  |                     |
|--|---------------------|
| Operating revenues:                            |                     |
| Charges for services                           | \$ 13,686,431       |
| Miscellaneous                                  | 11,123              |
| <b>Total operating revenues</b>                | <u>13,697,554</u>   |
| Operating expenses, other services and charges | <u>13,682,789</u>   |
| <b>Operating income</b>                        | 14,765              |
| Nonoperating income, investment earnings       | <u>6,986</u>        |
| <b>Changes in net position</b>                 | 21,751              |
| Total net position, beginning                  | <u>3,668,001</u>    |
| Total net position, ending                     | <u>\$ 3,689,752</u> |

See Notes to Basic Financial Statements.

City of Peoria, Illinois

Statement of Cash Flows  
Governmental Activities - Internal Service Fund  
Year Ended December 31, 2013

---

|   |                     |
|---|---------------------|
| Cash flows from operating activities:   |                     |
| Cash received from employees and employer   | \$ 13,640,804       |
| Cash received from other operating revenue  | 11,123              |
| Cash payments for claims  | (13,521,428)        |
| <b>Net cash provided by operating activities</b>  | <u>130,499</u>      |
| Cash flows from noncapital financing activities, payments to other funds                | <u>(213,744)</u>    |
| Cash flows from investing activities:   |                     |
| Purchase of investments   | (2,000,276)         |
| Investment income   | 6,629               |
| <b>Net cash (used in) investing activities</b>  | <u>(1,993,647)</u>  |
| <b>Net decrease in cash and cash equivalents</b>  | (2,076,892)         |
| Cash and cash equivalents:  |                     |
| Beginning   | <u>3,913,068</u>    |
| Ending  | <u>\$ 1,836,176</u> |
| Reconciliation of operating income to net cash provided by operating activities:        |                     |
| Operating income  | \$ 14,765           |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                     |
| Decrease in other receivables   | 31,998              |
| Increase in accounts payable  | 236,361             |
| (Decrease) in claims payable  | (75,000)            |
| (Decrease) in unearned revenue  | (77,625)            |
| <b>Net cash provided by operating activities</b>  | <u>\$ 130,499</u>   |

See Notes to Basic Financial Statements.

**City of Peoria, Illinois**

**Statement of Fiduciary Net Position  
Pension Trust Funds  
December 31, 2013**

---

**Assets**

|   |                    |
|---|--------------------|
| Cash and cash equivalents                   | \$ 4,750,680       |
| Receivables:                                |                    |
| Employer contributions                      | 13,782,055         |
| Plan members' contributions                 | 44,661             |
| Accrued interest and dividends              | 663,662            |
| Prepays                                     | 6,109              |
|   | <u>14,496,487</u>  |
| Investments, at fair value:                 |                    |
| Money market mutual funds                   | 4,892,021          |
| U.S. government obligations                 | 39,458,228         |
| State and local obligations                 | 2,235,527          |
| Illinois Public Treasurer's Investment Pool | 846,032            |
| Mutual funds                                | 122,665,700        |
| Corporate bonds                             | 48,239,324         |
| Stocks                                      | 55,522,818         |
|   | <u>273,859,650</u> |
| <b>Total assets</b>                         | <u>293,106,817</u> |

**Liabilities**

|   |                       |
|---|-----------------------|
| Accounts payable and accrued payroll taxes            | <u>1,284,361</u>      |
| <b>Net position held in trust for pension benefit</b> | <u>\$ 291,822,456</u> |

See Notes to Basic Financial Statements.

City of Peoria, Illinois

Statement of Changes in Fiduciary Net Position  
Pension Trust Funds  
Year Ended December 31, 2013

---

**Additions**

Contributions:

|                                |                   |
|--------------------------------|-------------------|
| Plan members' contributions    | \$ 3,290,143      |
| Employer contributions         | 13,827,299        |
| Transfer of creditable service | 47,297            |
| Other income                   | 28,128            |
| <b>Total contributions</b>     | <u>17,192,867</u> |

Investment income:

|   |                   |
|---|-------------------|
| Net appreciation in fair value of investments | 26,031,527        |
| Dividends                                     | 3,828,430         |
| Interest                                      | 2,756,157         |
| <b>Total investment income</b>                | <u>32,616,114</u> |
| Less investment expenses                      | <u>1,268,158</u>  |
| <b>Net investment income</b>                  | <u>31,347,956</u> |

|                        |                   |
|------------------------|-------------------|
| <b>Total additions</b> | <u>48,540,823</u> |
|------------------------|-------------------|

**Deductions**

|                         |                   |
|-------------------------|-------------------|
| Benefits paid           | 23,750,143        |
| Administrative expenses | 377,357           |
| Refunds                 | 24,067            |
| <b>Total deductions</b> | <u>24,151,567</u> |

|                     |            |
|---------------------|------------|
| <b>Net increase</b> | 24,389,256 |
|---------------------|------------|

**Net position held in trust for pension benefits**

|                   |                       |
|-------------------|-----------------------|
| Beginning of year | <u>267,433,200</u>    |
| End of year       | <u>\$ 291,822,456</u> |

See Notes to Basic Financial Statements.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies**

##### **Financial reporting entity:**

The City of Peoria, Illinois (City) is a municipality located in Central Illinois. Revenues are substantially generated as a result of taxes assessed and allocated to the City (examples would be property, sales, income, purchase, utility, motor fuel, hotel, restaurant, and amusement taxes), charges for services performed and governmental grants. Revenues are therefore dependent on the economy within the territorial boundaries of the City and nearby surrounding area and the appropriations of entitlements at the State and Federal Government level. Taxable industry within the area is primarily manufacturing and retail. The surrounding area has a substantial agricultural base. Additionally, there are large nonprofit employers such as hospitals and other local governments within the City.

These financial statements have been prepared in conformity with the accounting principles generally accepted in the United States of America (GAAP) that apply to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

For financial reporting purposes, in accordance with Section 2100 of the *Codification of Governmental Accounting and Financial Reporting Standards* (Section 2100), the City of Peoria, Illinois, is a primary government in that it is a City with a separately elected governing body - one that is elected by the citizens in a general, popular election and is fiscally independent of other units of government.

The City has developed criteria based on Section 2100 to determine whether other entities are component units of the City. Component units are legally separate organizations for which the elected officials of the City of Peoria are financially accountable. The City of Peoria would be considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will (significantly influence the programs, projects, activities, or level of services performed or provided by the organization) on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City of Peoria (i.e., entitled to or can access the organization's resources, is legally obligated or has otherwise assumed the obligation to finance deficits of, or provide financial support to the organization, or is obligated in some manner for the debt of the organization).

Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit is reported in a separate column/row in the government-wide statements to emphasize that it is legally separate from the government.

Entities which meet criteria as a component unit of the City are as follows:

*Police and Firemen's Pension Funds of Peoria:* The Police and Firemen's Pension Funds of Peoria were established to provide retirement, death and disability payments to the police and firemen of the City or their beneficiaries. Each is a single-employer defined benefit pension plan. Contribution levels are mandated by Illinois State Statutes and may be amended only by the Illinois legislature.

Sources of revenue to the funds are primarily through investment earnings, employee contributions and employer contributions, which are generated via specific property taxes levied by City Council to meet the employer contribution requirements.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

The year-end for both the Police and Firemen's Pension Funds is December 31 and both funds have been reflected as fiduciary funds in the financial statements.

Complete financial statements for each of these individual component units may be obtained at the following addresses:

Police Pension Board  
Treasurer for the Pension Board  
City of Peoria  
419 Fulton Street  
Peoria, Illinois 61602

Firemen's Pension Board  
Treasurer for the Pension Board  
City of Peoria  
419 Fulton Street  
Peoria, Illinois 61602

Blended component units:

*City of Peoria Designated Zone Organization:* The City of Peoria Designated Zone Organization (DZO) is a not-for-profit organization located in Central Illinois, established to receive contributions to supplement the City's funding of rehabilitation efforts within the Peoria Enterprise Zone, which is located within the City of Peoria. Revenues are substantially generated as a result of contributions received from the private sector and funding received from the City of Peoria. The DZO is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The City significantly subsidizes the projects of the DZO and has agreed to indemnify and hold harmless the DZO from any and all claims arising out of the performance of projects under agreement. The DZO provides services almost entirely to the City and, therefore, has been presented as a blended component unit of the City.

The DZO has a fiscal year end of December 31 and has been reported as a capital projects fund and is included in the governmental funds of the City.

Complete financial statements for the DZO may be obtained from the following address:

City of Peoria Designated Zone Organization Finance Department  
City of Peoria  
419 Fulton  
Peoria, Illinois 61602

*Peoria Foreign Fire Insurance Board:* The Peoria Foreign Fire Insurance Board is statutorily established for the purpose of expending funds received for the maintenance and benefit of the Peoria Fire Department.

Foreign Fire Insurance Company fees are assessed on insurance companies who are not incorporated under the laws of Illinois and sell fire insurance within the City of Peoria.

The use of the Foreign Fire Insurance Company fees is restricted to expenditures for the maintenance, use and benefit of the Peoria Fire Department.

Due to the financial benefit of the City as the sole purpose of the organization and as the Board was created by City ordinance, the Peoria Foreign Fire Insurance Board is reported as a blended component unit of the City.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)

The Peoria Foreign Fire Insurance Board has a year-end of December 31 and has been reported as a Special Revenue Fund and is included in the governmental funds of the City. Complete financial statements of the Peoria Foreign Fire Insurance Board can be obtained from the following address:

Peoria Foreign Fire Insurance Board City of Peoria  
419 Fulton  
Peoria, Illinois 61602

Discretely presented component units:

Peoria Civic Center Authority of Peoria, Illinois: The Peoria Civic Center Authority of Peoria, Illinois (Civic Center) is a special governmental unit which operates as a convention, sports, and entertainment facility located in Peoria, Illinois. Revenues are substantially generated as a result of event ticket sales, conventions, and hotel, restaurant and amusement taxes distributed to the Civic Center from the City.

The intergovernmental agreement between the City and the Civic Center titled "1996 Intergovernmental Agreement Between the City of Peoria and the Peoria Civic Center Authority," establishes a consistent mechanism for a flow of funds from the City to the Civic Center in order to provide funding for operations and capital improvements. This is accomplished by allocating hotel, restaurant and amusement (HRA) taxes levied by the City to the Civic Center in a stipulated formula. Under this agreement the City has the responsibility to fund deficits of the Civic Center. The City also appoints a voting majority of the Civic Center's governing body. Therefore, the Civic Center is reported as a component unit of the City.

The Civic Center has a fiscal year end of August 31.

Complete financial statements for the Civic Center may be obtained from the following address:

Peoria Civic Center Authority  
201 S.W. Jefferson Street  
Peoria, Illinois 61602

Springdale Cemetery Management Authority: The Springdale Cemetery Management Authority (Springdale) was established September 16, 2002 by the Springdale Cemetery Intergovernmental Agreement between the City, the County of Peoria, Illinois (County), and the Pleasure Driveway and Park District (Park District) of Peoria, Illinois. Under the agreement, the County and Park District are responsible for fixed amounts of losses by Springdale, and the City is responsible for deficits exceeding these amounts, thereby making Springdale fiscally dependent on the City. Additionally, the City has an equity interest in the joint agreement as ownership of the Cemetery land was conveyed to the City as part of the terms to effectuate the intergovernmental agreement. In addition to ownership of the Cemetery land, the City can impose its will on Springdale. However, per the terms of the agreement, operating surpluses shall be retained for the betterment of Springdale Cemetery. Based on these criteria, Springdale is reported as a component unit of the City.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

Springdale has a fiscal year end of December 31, is considered a special-purpose government engaged only in business type activities, and also includes its component unit, Springdale Historic Preservation Foundation (Foundation).

Complete financial statements of Springdale may be obtained from the following address:

Springdale Cemetery Management Authority  
3014 N. Prospect  
Peoria, Illinois 61603

Other appointments: The Mayor and City Council make appointments of the governing boards of a number of special districts. Even though the City may appoint a majority of the members of the respective districts, the members do not serve at the discretion of the City Council; that is, they can be removed only for cause. There are no indications that the City Council can impose its will over these districts and, therefore, there is no financial accountability. These units are not considered component units of the City of Peoria, Illinois.

Government-wide and fund financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its components units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The City, primary government, does not have any business-type activities. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

#### **Measurement focus, basis of accounting and basis of presentation:**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary 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.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within approximately 90 days of the end of the current fiscal period, except for property taxes, which must be collected within 60 days to be considered available. Other taxes, riverboat gaming revenue, certain charges for services, licenses 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City. 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, claims and judgments, pension, OPEB and landfill are recorded only when payment is due.

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

Governmental Funds are those through which governmental functions of the City are financed. The acquisition, use and balances of the City's expendable resources and the related liabilities are accounted for through governmental funds. The City has elected to report the Peoria Public Library Fund as a major fund for public interest purposes. The City reports the following major governmental funds:

General Fund: This fund is used to account for normal recurring activities of the City not included in any other specific fund. General Fund activities consist of such things as police, fire, public works and general government. These activities are funded primarily by sales taxes, general property taxes, state income tax allocations, corporate personal property replacement taxes, home rule sales taxes, utility taxes, hotel, restaurant, and amusement taxes, licenses, fees, user charges, and fines.

Peoria Public Library Fund: This special revenue fund is used to account for the activities of the Peoria Public Library. Funding is received from property tax, personal property replacement tax, fines and forfeitures and grant revenue.

Police and Fire Pension Levy Fund: This special revenue fund is used to recognize the taxes levied for the employer contribution to the Police Pension Fund and Firemen's Pension Fund.

Illinois Municipal Retirement Fund: This special revenue fund is used to account for the employer and employee contributions made to the Illinois Municipal Retirement Fund.

Capital Improvements Fund: This capital projects fund is used to account for revenue sources dedicated for acquisition and improvement of land, buildings, equipment and infrastructure and the related expenditures.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

2010D General Obligation Bond Debt Service Fund: This debt service fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2010D General Obligation Bonds.

Additional governmental fund types which are combined as nonmajor funds are as follows:

Special Revenue Funds: These funds are used to account for City activities which are primarily financed by special restricted or committed revenue sources such as governmental grants or general property taxes levied for specific purposes.

Debt Service Funds: These funds are used to account for principal and interest payments with respect to the general long-term debt of the City.

Capital Projects Funds: These funds are used to account for general construction or renovation projects being carried out by the City. Such projects are financed by proceeds from general obligation bonds, tax increment financing district property taxes, sales taxes, utility taxes, governmental grants and user charges.

**Proprietary Fund**: Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The only proprietary fund of the City is classified as an internal service fund.

Internal Service Fund: The Healthcare Fund was established to account for the activities of the City's self insured health plan provided for its employees and retirees. Prior to 2012, the City's health insurance costs were included in the General Fund.

**Fiduciary Fund Types**: Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City has the following fiduciary fund type:

Pension Trust Funds: The pension trust funds account for the assets of the City's Police and Firemen's pension plans. These funds are accounted for in essentially the same manner as proprietary funds, using the same measurement focus and basis of accounting.

#### **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 based on quoted market prices, except money market investments and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less, which are reported at amortized cost. Certificates of deposit are stated at cost, which approximates fair value.

The City invests in an external investment pool not SEC-registered, the Illinois Funds Money Market Fund. The Illinois Funds Money Market Fund is regulated by the State Treasurer's Office. The fair value of the position in the external investment pool is recorded at amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

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**Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

Receivables: All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

Inventories and prepaids: Inventories are valued at cost using the first-in, first-out method and are accounted for using the consumption method whereby acquisitions are initially recorded in inventory accounts and charged to expenditures when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital assets: Capital assets, which include property, plant, equipment, media, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the City's government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$25,000. There is no capitalization threshold for media (library) assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized for governmental funds.

City bond expenditures for capital improvements to the Peoria Civic Center become property of the Peoria Civic Center Authority and consequently are not recorded as capital assets by the City.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

|                         | <u>Years</u> |
|-------------------------|--------------|
| Land improvements       | 15           |
| Buildings               | 15 - 40      |
| Machinery and equipment | 3 - 10       |
| Vehicles                | 5 - 7        |
| Media                   | 10           |
| Infrastructure assets   | 15 - 40      |

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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 only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

Deferred inflows of resources: In addition to liabilities, the statement of net position and balance sheet 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 or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from four sources: property taxes, special assessments, intergovernmental revenue and loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the City's government-wide statements, only the property tax revenues and property taxes due to fiduciary fund remain as deferred inflows of resources under the full accrual basis of accounting and will become an inflow in the year for which they are levied.

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

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

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

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Noncurrent portions of long-term interfund loan receivables are reported as advances within the funds and are offset equally by a fund balance nonspendable account which indicates that they do not constitute expendable or available financial resources, and, therefore, are not available for appropriation.

Long-term liabilities: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position including discretely presented component units. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Issuance costs are reported as expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums 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 expenditures. Debt principal payments are reported as expenditures.

Compensated absences - primary government: It is the City's policy to permit employees to accumulate earned but unused vacation and vested sick pay benefits. Sick pay benefits vest based on longevity of the employee. All vacation and sick pay benefits are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

Pension Trust Funds: The City includes two pension trust funds, which are fiduciary fund types. Pension trust funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Pension Trust Funds accounts for the assets of the City's Pension Plans. These plans are included in the reporting entity due to the City's significant administrative involvement.

Budgetary data - primary government: The City administration, between May and August of each year, begins preparation of the following year's budget. After internal review and analysis, a proposed budget is presented to the City Council. The City Council must conduct public hearings and adopt the budget and tax levy ordinance by December 31 of that year. The City's budget is prepared on the basis consistent with accounting principles generally accepted in the United States of America for the budgeted funds.

The legal level of control is the fund level. Transfers of budgeted line items within funds can be approved by the Comptroller. Budget increases by means of an emergency or supplemental appropriation require proceedings and approval of the City Council, in the same manner as the original budget. The original budget and the amended budget are both reflected in the fund schedules of revenue, expenditures and changes in fund balance – budget to actual in the required supplementary information and supplementary information.

All unencumbered appropriations lapse at year-end.

Encumbrances - primary government: An encumbrance system is maintained in the governmental funds to account for commitments resulting from approved purchase orders and contracts. Encumbrances at year-end do not constitute expenditures or liabilities. Encumbrances at year-end for unfulfilled obligations of the current year's budget were not reappropriated in the succeeding year.

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

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

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

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

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. It is the City's policy that the authority to assign fund balance has been delegated by the City Council to the City Manager.

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

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 1. Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation and Summary of Significant Accounting Policies (Continued)**

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

Net position: Represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Unspent debt proceeds for the 2008A Library General Obligation Bond Project Fund was \$51,309. 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.

Net position restricted by enabling legislation includes \$423,477 for law enforcement and \$9,267,940 for TIF redevelopment.

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

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

#### **Note 2. Deposits and Investments**

Deposits and Investments - Primary Government, Excluding Pension Trust Funds: According to the City's investment policy, the City is authorized to invest in obligations of the U.S. Treasury or agencies of the U.S. Government, excluding collateralized mortgage obligations, real estate mortgage investment conduits, and other principal only and interest only obligations that are secured with mortgages issued by any federal agency, instrumentality, or private firm.

In addition, the City is authorized to invest in non-negotiable certificates of deposit and other collateralized evidence of deposits with qualified public depositories, the State of Illinois Treasurer's Investment Pool, prime bankers' acceptances purchased on the secondary market with ratings of A1/PI, and repurchase agreements for securities listed above, provided the transaction is structured so that the City obtains control over the underlying securities and a Master Repurchase Agreement has been signed with the banker or dealer.

The City is also authorized to invest in bonds of the State of Illinois and any local government in the State of Illinois, which bonds have at the time of investment, one of the three highest credit ratings of a nationally recognized rating agency. Any investments must be authorized within the State of Illinois Public Funds Investment Act.

The investment policy excludes those investments held by trustees which are set aside to decrease City debt in conjunction with advance refunding agreements which will be invested in accordance with appropriate bond documents.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

#### Note 2. Deposits and Investments (Continued)

Collateralization is required on all deposits, certificates of deposit, investments and repurchase agreements. So as to anticipate market changes and provide an adequate level of security for all funds, the collateralization level is 105 percent of market value of principal and accrued interest. Collateral is limited to U.S. Treasuries or, as an alternative, insurance/surety bonds may be used as collateral to ensure certificates of deposit payments of principal and interest at the date of maturity. Insurance/surety bonds may also be used to ensure replacement on checking and money market accounts in case of a financial institution's default.

As of December 31, 2013, the City had the following cash and investments:

|   |                       |
|---|-----------------------|
| Cash and cash equivalents - statement of net position                       | \$ 38,987,486         |
| Restricted cash and investments held by trustee - statement of net position | 51,745,922            |
| Investments - statement of net position                                     | 11,684,379            |
| Cash and cash equivalents - fiduciary funds                                 | 4,750,680             |
| Investments - fiduciary funds   | 273,859,650           |
| <b>Total</b>  | <b>\$ 381,028,117</b> |
|   |                       |
| Deposits  | \$ 28,797,748         |
| Certificates of deposit   | 11,613,955            |
| Repurchase agreements   | 14,940,418            |
| Illinois funds  | 14,336                |
| Money market mutual funds   | 56,088                |
| Cash held by trustee  | 301                   |
| Investments held by trustee   | 51,745,621            |
| Investments held by fiduciary funds   | 273,859,650           |
| <b>Total</b>  | <b>\$ 381,028,117</b> |

**Interest rate risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investments to maturities of three years from the date of purchase. Reserve or capital improvement project monies are limited to maturities of five years. As of December 31, 2013, the City had the following investment maturities:

|   | Fair Value           | Investment Maturities (In Years) |                      |
|---|----------------------|----------------------------------|----------------------|
|   |                      | Less than 1                      | 1 - 5                |
| Illinois Funds  | \$ 14,336            | \$ 14,336                        | \$ -                 |
| Money Market Mutual Fund - Federated Cash Trust               | 56,088               | 56,088                           | -                    |
| Investments held by trustee:                                  |                      |                                  |                      |
| First American Treasury Obligation Fund - Class D Mutual Fund | 488,430              | 488,430                          | -                    |
| U.S. Treasury State & Local Govt Series Time Deposit          | 119,889              | 119,889                          | -                    |
| U.S. Treasury Notes   | 1,180,365            | 162,363                          | 1,018,002            |
| State of Illinois Municipal Bonds                             | 48,578,524           | 925,000                          | 47,653,524           |
| Investors Cash Trust Mutual Fund                              | 1,378,413            | 1,378,413                        | -                    |
|   | <b>\$ 51,816,045</b> | <b>\$ 3,144,519</b>              | <b>\$ 48,671,526</b> |

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 2. Deposits and Investments (Continued)

**Custodial credit risk:** For deposits, custodial credit risk is the potential for a financial institution or counterparty to fail such that the City would not be able to recover the value of deposits or collateral securities that are in the possession of an outside party. As of December 31, 2013, \$3,868,713 of the City's bank balances, including certificates of deposit and money market accounts of \$50,785,707 were exposed to custodial credit risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires collateralization on all deposits, certificates of deposits, investments and repurchase agreements with a collateralization level of 105 percent of market value of principal and accrued interest. The collateral must be held by an independent party with whom the City has a custodial agreement. As of December 31, 2013, none of the City's investments were exposed to custodial credit risk.

The Illinois Funds are State-approved, professionally managed investment funds which enable municipalities in Illinois to pool available funds for investment in various state-approved investments. The fair value of the City's position in the pool is recorded at amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940. This pool is administered by the Illinois State Treasurer.

**Concentration of credit risk:** Concentration risk is the risk associated with having more than 5 percent of investments in any issuer, other than the U.S. Government. With the exception of U.S. Treasury securities and authorized pools, the City's policy requires that not more than 25 percent of the City's total investment portfolio be invested in a single security type or with a single financial institution. More than 5 percent of the City's investments are in State of Illinois Municipal Bonds, which are 94 percent of the City's total investments but are held by a trustee in relation to a debt refunding.

**Credit risk:** Credit risk is the risk that an issuer or other counterparty to a debt investment will not fulfill its obligations. The City's investment policy requires that securities may only be purchased from brokers/dealers that were selected based on credit-worthiness and who qualify under Securities and Exchange Commission Rule 15C3-1.

City assets subject to credit risk are shown with a credit rating below:

| Deposit or Investment Type                                    | Standard & Poor's | Moody's   | Balance    |
|---|-------------------|-----------|------------|
| Illinois Funds  | AAAm              | Not Rated | \$ 14,336  |
| Money Market Mutual Fund Federated Cash Trust                 | Not Rated         | Not Rated | 56,088     |
| Investments held by trustees:                                 |                   |           |            |
| First American Treasury Obligation Fund - Class D Mutual Fund | AAAm              | Aaa-mf    | 488,430    |
| State of Illinois Municipal Bonds                             | A                 | A2        | 48,578,524 |
| Investors Cash Trust Mutual Fund                              | AAAm              | Aaa-mf    | 1,378,413  |

**Deposits and Investments – Pension Trust Funds:** The Pension Trust Funds may invest funds as authorized by Illinois Compiled Statutes, generally in obligations of the United States, the State of Illinois and its local districts, certain insurance contracts, insured deposits of federal and state savings and loans, banks, and credit unions, and certain common and preferred stocks.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 2. Deposits and Investments (Continued)

##### Police Pension Fund (Fund)

The Fund's deposit policy provides that all deposits be guaranteed by the U.S. Government, insured by the Federal Deposit Insurance Corporation (FDIC) or fully collateralized with securities held by the Fund or its agent in the Fund's name or by its counterparty's trust department or agent in the Fund's name.

The Fund's cash and cash equivalents as of December 31, 2013 consisted of deposits with a financial institution. Deposits with a financial institution are covered by FDIC insurance up to \$250,000. As of December 31, 2013, the uninsured cash balance was approximately \$872,000 of the Fund's bank balances with financial institutions of \$1,122,009.

As of December 31, 2013, the Fund had the following investments:

| Type of Investment               | Fair Value/<br>Carrying<br>Amount | Average<br>Credit Quality/<br>Ratings (1) | Weighted<br>Average Years<br>to Maturity (2) |
|----------------------------------|-----------------------------------|---|--|
| U.S. Government notes and bonds: |                                   |   |  |
| Explicitly guaranteed            | \$ 14,273,413                     | N/A                                       | 3.17   |
| U.S. Government agencies         | 7,515,846                         | Aaa                                       | 15.46  |
| Money market funds               | 2,620,155                         | Aaa-mf                                    | 0.12   |
| Corporate bonds                  | 26,308,654                        | Aaa to Baa3                               | 4.60   |
| Mutual funds - equities          | 85,660,999                        | N/A                                       | N/A  |
| Stocks                           | 16,732,731                        | N/A                                       | N/A  |
| <b>Total investments</b>         | <u>\$ 153,111,798</u>             |   |  |

- (1) Credit risk is the risk that an issuer or other counterparty to a debt investment will not fulfill its obligations. Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable. Obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk.
- (2) Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is estimated using the weighted average years to maturity method.

Investing is performed in accordance with investment policies adopted by the Board of Trustees complying with Illinois Compiled Statutes. Funds may only be invested in permitted investments as authorized in Chapter 40, Article 5/1, paragraph 113.1 through 113.10 of the Illinois Compiled Statutes.

The Fund's policy provides that investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer or an individual class of securities. Investment guidelines have been established for each investment manager to evaluate performance of the Fund's investments compared to industry benchmarks.

As of December 31, 2013, investments are held by the counterparty's trust department in the Fund's name. The Fund's investment policy provides that the investments are evaluated by an independent investment consultant on a monthly basis.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 2. Deposits and Investments (Continued)**

**Firemen's Pension Fund (Fund)**

The Fund's deposit policy provides that all deposits be guaranteed by the U.S. Government, insured by the Federal Deposits Insurance Corporation (FDIC) or fully collateralized with securities held by the Fund or its agent in the Fund's name or by its counterparty's trust department or agent in the Fund's name.

The Fund's cash and cash equivalents as of December 31, 2013 consisted of deposits with a financial institution. Deposits with financial institutions are covered by FDIC insurance up to \$250,000. At December 31, 2013, all of the bank balances with the financial institution of \$3,721,373 are covered by FDIC insurance.

As of December 31, 2013, the Fund had the following investments:

| Type of Investment               | Fair Value/<br>Carrying Amount | Average<br>Credit Quality/<br>Ratings (1) | Weighted<br>Average Years<br>to Maturity (2) |
|----------------------------------|--------------------------------|---|--|
| U.S. Government notes and bonds: |                                |   |  |
| Explicitly Guaranteed            | \$ 7,802,145                   | N/A                                       | 6.24   |
| Implicitly Guaranteed            | 206,658                        | Aaa                                       | 0.62   |
| U.S. Government agencies         | 9,660,166                      | Aaa                                       | 6.95   |
| Money market funds               | 2,271,866                      | Aaa-mf                                    | 0.07   |
| State and Local obligations      | 2,235,527                      | Aaa to Aa2                                | 5.22   |
| Illinois Funds                   | 846,032                        | Aaam                                      | 0.11   |
| Corporate bonds                  | 21,930,670                     | Aaa to Baa3                               | 4.66   |
| Mutual funds - equities          | 37,004,701                     | N/A                                       | N/A  |
| Common and preferred stocks      | 38,790,087                     | N/A                                       | N/A  |
| <b>Total investments</b>         | <b>\$ 120,747,852</b>          |   |  |

(1) Credit risk is the risk that an issuer or other counterparty to a debt investment will not fulfill its obligations. Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable. Obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk.

(2) Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is estimated using the weighted average years to maturity method.

Investing is performed in accordance with investment policies adopted by the Board of Trustees complying with Illinois Compiled Statutes. Funds may only be invested in permitted investments as authorized in Chapter 40, Article 5/1, paragraph 113.1 through 113.10 of the Illinois Compiled Statutes.

The Fund's policy provides that investments are diversified to minimize the risk of loss resulting from an over-concentration of assets in a specific maturity period, a single issuer or an individual class of securities. Investment guidelines have been established for each investment manager to evaluate performance of the Fund's investments compared to industry benchmarks.

As of December 31, 2013, investments are held by the counterparty's trust department in the Fund's name. The Fund's investment policy provides that the investments are evaluated by an independent investment consultant on a monthly basis.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 2. Deposits and Investments (Continued)

##### Deposits and Investments - Discretely Presented Component Units

Peoria Civic Center Authority of Peoria, Illinois: In accordance with Illinois Compiled Statutes, the Civic Center is authorized to invest in direct or fully guaranteed obligations of the United States Government or in certificates of deposit of banks or savings and loan associations eligible as depositories of funds of the Civic Center and fully secured by such obligations.

Custodial credit risk – deposits: The Civic Center does not have a deposit policy for custodial credit risk. As of August 31, 2013, \$5,305,509 of the Civic Center's bank balance of \$5,654,308 was exposed to custodial credit risk.

Interest rate risk: The Civic Center does not have a formal investment policy that limits investment maturities as a mean of managing its exposure to fair value losses arising from increasing interest rates. The Civic Center does not have any investments subject to interest rate risk.

Reconciliation to statement of net position:

|   | Carrying<br>Amount  |
|---|---------------------|
| Cash on hand                              | \$ 42,360           |
| Demand deposits and money market accounts | 5,491,503           |
| Certificates of deposit                   | 98,749              |
|   | <u>\$ 5,632,612</u> |
| Cash and cash equivalents                 | \$ 4,376,306        |
| Restricted assets - cash                  | 1,157,557           |
| Investments                               | 98,749              |
|   | <u>\$ 5,632,612</u> |

##### Springdale Cemetery Management Authority

The Illinois Compiled Statutes 30 ILCS 235/Public Funds Investment Act allows for the investment in municipal bonds, U.S. Government or Illinois obligations, insured deposits or other investments of state or national banks, Federal National Mortgage Association obligations, Illinois Funds, and agreements collateralized by securities or mortgages in an amount at least equal to the fair value of the funds deposited.

Custodial credit risk: The Authority does not have a custodial credit risk policy. As of December 31, 2013, the carrying amount of the Authority's deposits (including checking, savings and certificates of deposit) was \$321,130 and the bank balance was \$322,943. The Authority also had cash on hand of \$9,756. None of the bank balance of \$322,943 was exposed to custodial credit risk.

The Foundation, a component unit of the Authority, has deposits with a carrying amount of \$173,584 which is not exposed to custodial credit risk.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 2. Deposits and Investments (Continued)**

Interest rate risk: The Authority does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk: The Authority does not have an investment policy that limits investment ratings as a means of managing its exposure to losses arising from credit risk.

Custodial credit risk: The Authority's entire investment in mutual funds is held by a third-party agent in the Authority's agent's name.

Concentration risk: The Authority does not have a concentration risk policy.

#### **Note 3. Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. The City's property tax is levied each year at the time the budget for the ensuing year is passed and is extended against the assessed valuation of the City on January 1. Taxes are due and payable in two installments in June and September.

Property taxes are accrued as a receivable in the period in which the City has an enforceable lien on the property. However, recognition of the revenue in the governmental funds is deferred until the period for which the property taxes are levied and/or are available. Property tax revenue recorded in the governmental funds by the City for the year ended December 31, 2013 represents installments of the 2012 property taxes which were received during 2013.

The amount of the property tax receivable unavailable at year-end represents the tax levied for 2013, for which an enforceable lien exists as of January 1, but is levied for the 2014 budget and will be collected from taxpayers in June and September 2014 with the exception of police and fire pension levies, which are levied and recognized as revenue by the Pension Trust Funds and at the government-wide level.

The police and fire pension levies are recognized as revenue in the governmental activities in the statement of activities based on the inclusion of the current levy year in the actuary calculation of required contributions to the pension plans.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 4. Restricted Cash and Cash and Investments Held by Trustee

Cash and investments held by trustee: In accordance with the appropriate bond ordinances, as of December 31, 2013, the City has paid to its respective paying agents the following:

An amount to fund capitalized interest, less interest paid to date, on the 2005 General Obligation Bonds, Series A. \$1,378,413 of cash and investments in the 2005A General Obligation Bond Fund, a Debt Service Fund, is held by the paying agent, as trustee, for this purpose.

Ten percent of the aggregate original principal amount of the WeaverRidge Special Service Area Bonds along with amount necessary to make interest payments on February 1 and August 1. \$488,430 of cash and investments in the WeaverRidge Debt Service Fund, a Debt Service Fund, is held by the paying agent, as trustee, for future debt service and/or for making any required payments to be rebated to the Federal Government in accordance with provisions of the bond document.

The refunding bond escrow agent held \$25,142,548 of cash and investments in the 2010D General Obligation Bond Debt Service Fund.

The refunding bond escrow agent held \$5,592,128 of cash and investments in the 2011B General Obligation Bond Debt Service Fund.

The refunding bond escrow agent held \$9,732,773 of cash and investments in the 2012B General Obligation Bond Debt Service Fund.

The refunding bond escrow agent held \$9,411,630 of cash and investments in the 2013A General Obligation Bond Debt Service Fund.

As of August 31, 2013, the Civic Center carried \$1,157,557 in cash restricted for use by the Tourism Reserve Fund established by the 1996 Intergovernmental Agreement between the City of Peoria and the Peoria Civic Center Authority.

An amount equal to the balance of restricted cash has been reflected as an asset held for the Tourism Reserve Fund payable from restricted assets.

On July 1, 2013, the Civic Center entered into the 2013 Intergovernmental Agreement with the City. Under this new agreement the Tourism Reserve Fund is to be held by the City, therefore, the Civic Center will no longer receive and hold these payments for the Tourism Reserve Fund. Additionally, during November 2013, subsequent to the Civic Center's year-end, the entire restricted cash balance was paid to the City of Peoria, which resulted in the restricted cash and related payable being removed from the Civic Center's statement of net position.

The Tourism Reserve Fund is operated by a committee made up of representatives from the Peoria Civic Center Authority, the Peoria City Council, and the Peoria Area Convention and Visitors Bureau. Use of funds is subject to approval by this committee and can only be used for the stipulated purpose as noted by the committee after such respective approval. This fund is continually funded.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

#### Note 5. Long-Term Debt – Primary Government

General obligation bonds currently outstanding for governmental activities are as follows:

| Issue   | Amount Issued         | Outstanding<br>December 31,<br>2013 |
|---|-----------------------|-------------------------------------|
| 1998C Taxable Riverfront Village general obligation bonds issued to finance improvements to an existing parking lot, construction of an elevated plaza in the Riverfront Area, and to pay the cost of issuing the bonds; interest at 5.70% to 6.05%   | \$ 1,225,000          | \$ 415,000                          |
| 2005A general obligation bonds issued to pay the costs of capital improvements to the Peoria Civic Center and to pay the costs of issuing the bonds; interest at 4.00% to 5.00%   | 62,605,000            | 60,970,000                          |
| 2005B general obligation bonds issued to refund and advance refund portions of previously issued bonds and to pay the costs of issuing the bonds; interest at 3.00% to 5.00%  | 36,880,000            | 16,230,000                          |
| 2007A general obligation bonds issued to finance infrastructure improvements relating to sidewalks and street lighting, and for the continuation of the sewer rehabilitation program; interest at 4.00% to 4.50%  | 18,800,000            | 14,640,000                          |
| 2008A general obligation bonds issued to finance improvements to the existing Lincoln, McClure and Main Street branch libraries and to erect a building to be used as a north side branch library; interest at 3.00% to 5.00%   | 28,000,000            | 24,865,000                          |
| 2009A general obligation bonds issued to refund a portion of previously issued bonds; interest at 2.00% to 5.00%  | 17,645,000            | 8,270,000                           |
| 2010A general obligation bonds issued to advance refund a portion of previously issued bonds; interest at 2.00% to 4.00%  | 2,420,000             | 1,990,000                           |
| 2010B taxable general obligation refunding bonds issued to refinance previously issued bonds; interest at 1.52% to 3.43%  | 1,495,000             | 390,000                             |
| 2010C taxable general obligation bonds (Build America & Recovery Zone Bonds) issued for capital improvements; interest at 2.00% to 6.40%  | 15,490,000            | 14,555,000                          |
| 2010D general obligation bonds issued to refund a portion of previously issued bonds; interest at 2.00% to 5.00%  | 24,310,000            | 24,310,000                          |
| 2011A general obligation bonds issued to currently refund a portion of previously issued bonds; interest at 2.00% to 3.00%  | 4,060,000             | 3,540,000                           |
| 2011B general obligation bonds issued to advance refund a portion of previously issued bonds; interest at 3.00% to 4.00%  | 5,290,000             | 5,290,000                           |
| 2012A taxable general obligation bonds issued to finance the Pere Marquette Hotel redevelopment project; interest at 2.25% to 4.75%   | 31,655,000            | 31,655,000                          |
| 2012B general obligation refunding bonds issued to advance refund a portion of previously issued bonds; interest at 1.50% to 3.00%  | 9,995,000             | 9,935,000                           |
| 2012C taxable variable rate general obligation capital improvement bonds issued for capital improvement projects; interest rate is equal to the weekly rate determined by the remarketing agency having due regard for the prevailing financial market conditions, but not to exceed the maximum rate of 5% or 0.36% as of December 31, 2013. | 4,500,000             | 4,500,000                           |
| 2013A general obligation bonds issued to advance refund a portion of previously issued bonds; interest at 2.00% to 4.00%  | 9,555,000             | 9,355,000                           |
| 2013C taxable general obligation bonds issued to advance refund a portion of previously issued bonds; interest at 0.75% to 1.65%  | 4,860,000             | 4,735,000                           |
| 2013D taxable motor fuel tax revenue bonds issued to currently refund a portion of previously issued bonds; interest at 1.22% to 3.50%  | 2,505,000             | 2,445,000                           |
|   | <b>\$ 281,290,000</b> | <b>\$ 238,090,000</b>               |

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 5. Long-Term Debt – Primary Government (Continued)**

In 2013, the City issued \$9,555,000 General Obligation Refunding Bonds, Series 2013A, with interest rates ranging from 2 percent to 4 percent, to advance refund a portion of the City's outstanding General Obligation Bonds, Series 2005A. Although these refunding bond proceeds have been deposited with an escrow agent, the City has determined that this transaction did not result in a defeasance of debt. Therefore, the proceeds for this "economic" bond refunding must be recorded in the City's governmental funds financial statements as cash held by trustee and restricted fund balance and government-wide financial statements as cash held by trustee and debt pending actual debt service payments to call the previously issued bonds.

In 2013, the City issued \$4,860,000 Taxable General Obligation Refunding Bonds, Series 2013C, with interest rates ranging from 0.75 percent to 1.65 percent, to advance refund a portion of the City's outstanding General Obligation Refunding Bonds, Series 2004C, due January 1, 2015-2018 and to pay the costs of issuing the bonds. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2004C Series bonds. As a result, the 2004C Series bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net position. The City will subsequently save \$241,963 in debt service interest payments from 2014-2018 and realize a \$235,629 economic gain (difference between the present values of the old and new debt service payments) from this refunding.

In 2013, the City issued \$2,505,000 Taxable Motor Fuel Tax Revenue Refunding Bonds, Series 2013D, with interest rates ranging from 1.22 percent to 3.50 percent, to currently refund a portion of the City's outstanding General Obligation Bonds, Series 2003A, due January 1, 2015-2023, to fund a debt service reserve fund, and to pay the costs of issuing the bonds. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2003A Series bonds. As a result, the 2003A Series bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net position. The City will subsequently save \$123,677 in debt service interest payments from 2014-2023 and realize a \$91,964 economic gain from this refunding.

PMP promissory note: On November 21, 1995, the City signed a loan agreement with a corporation for advances of up to \$2,500,000 with an interest rate of 7.00 percent due in annual payments beginning December 1, 1998 through December 1, 2015. As of December 31, 2013, the City had been advanced \$2,484,812. The purpose of this loan was to purchase the acquisition site and pay certain relocation costs to the current owners of the acquisition site pursuant to the Peoria, Illinois, Northside Riverfront Redevelopment Area Tax Redevelopment Plan.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 5. Long-Term Debt – Primary Government (Continued)

Of the \$2,500,000 available, no more than \$1,800,000 could be used to fund the cost of the Acquisition Site (the "Acquisition Loan"); and no more than \$700,000 could be used to fund the Relocation Costs (the "Relocation Loan"); and no more than \$400,000 of the Relocation Loan could be used for relocation to the current owners of Parcel 1 as defined in the Redevelopment Agreement; and no more than \$300,000 of the Relocation Loan could be used for relocation to the current owners of Parcel 2 as defined in the Redevelopment Agreement. The City is required, for a period of 23 years commencing with the date of the adoption of the Northside Riverfront Redevelopment Area, to promptly deposit the incremental real estate taxes when received as follows: 50 percent into the "Principal and Interest Account - Acquisition Loan" and 50 percent into the "Principal and Interest Account - Relocation Loan" accounts. The monies in these accounts shall be used solely for the payment of principal and interest on these two loans as they become due. Payments on the Acquisition Loan began on December 1, 1998, and continue thereafter December 1 of each year until and including December 1, 2015, from the funds available in the Principal and Interest Account - Acquisition Loan based on an amortization schedule which sets forth annual principal and interest payments necessary to pay the loan in full plus accrued interest by December 1, 2015. The City shall have no obligation for the payment of any remaining principal and interest on the Acquisition Loan after May 1, 2018. Payments on the Relocation Loan began on December 1, 1998, and are due thereafter on December 1 of each year until and including December 1, 2015, from the funds available in the Principal and Interest Account - Relocation Loan based on a level payment schedule sufficient to fully amortize both principal and accrued interest on the loan over a 20-year period. The City shall have no obligation for the payment of any remaining principal and interest on the Relocation Loan after December 1, 2018.

WeaverRidge Special Service Area Bonds: The City, in 2006, issued \$4,575,000 of Special Tax Bonds with an interest rate of 5.00 percent to advance refund the City's Special Tax Bonds, Series 1996 in their entirety; fund a Debt Service Reserve Fund; and pay costs associated with the issuance of the bonds. These bonds are limited obligations of the City and carry a pledge of the special tax to be imposed and collected on all the real property within the Special Service Area subject to the special tax and the proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of special tax. Annual principal and interest payments on the bonds are expected to require 100 percent of net revenues. Total principal and interest remaining on the bonds is \$2,292,250, payable through 2017. For the current year, principal and interest paid and total special taxes revenues were \$565,250 and \$604,865, respectively.

Wal-Mart promissory note: In accordance with the Wal-Mart Super Center Development Agreement, the City agreed to reimburse a total of \$687,788 of costs paid by Wal-Mart Stores, Inc. in December 2002 for construction of improvements to portions of Allen Road adjoining the new Wal-Mart site. The City makes annual payments on January 30 of principal and interest at a rate of 5.5 percent.

This note is a limited obligation of the City and carries a pledge of the City's entire portion of all property taxes on all property within the project site.

Special assessment bonds: In 2006, the City issued \$5,200,000 of Radnor Road/Alta Road/Wilhelm Road and Bridge Improvements Special Assessment Bonds with interest rates of 5.00 to 5.65 percent to finance the costs of improvements for street, curb and gutter, street lighting, traffic signalization, related parkways and boulevards, and sidewalks; landscaping; storm water retention system, including retention basins; and bridge improvements; and all related costs to such improvements and generally located on said roads within the City; capitalized interest for two years; deposits to reserves; and the costs of issuance. The bonds are payable solely from proceeds received from the special assessment payments from the properties benefited.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 5. Long-Term Debt – Primary Government (Continued)**

In 2007, the City issued \$1,105,000 of Special Assessment Bonds (known as 2007A Special Assessment) with an interest rate of 5.85 percent in order to finance the North Allen Road Intersection project. The bonds are payable solely from proceeds received from the special assessment payments from the properties benefited.

Postclosure costs – landfill: State and federal laws and regulations require the City/County to perform certain postclosure maintenance and monitoring functions at City/County Landfill #1 for 30 years after the facility stops accepting waste and is certified for closure by the Illinois Environmental Protection Agency. The City of Peoria and County of Peoria have an agreement to split these postclosure costs equally. The City will report these expenditures to the extent that they will be liquidated with expendable available resources. Additions net of expenditures in the amount of \$168,283 were recognized in 2013. The balance due reported represents the estimate of what it would cost to perform all postclosure care as of December 31, 2013 over 30 years for Landfill #1, which discontinued accepting waste in 1998. Actual cost may be higher or lower due to inflation, changes in technology or changes in regulations.

Landfill #2 was opened during 1998, but the City has no responsibility for closure or postclosure care of this landfill.

Other special assessment debt: Additionally, the City has Special Assessment Improvement Bonds which are reflected as current obligations of the Capital Projects Funds. These bonds represent bearer bonds which have matured but have not been presented for payment. The additional debt outstanding as of December 31, 2013 is as follows:

| Warrant Number | Balance         |
|----------------|-----------------|
| 552            | \$ 500          |
| 587            | 500             |
| 1360           | 5,000           |
|                | <u>\$ 6,000</u> |

A summary of the changes in long-term debt is as follows:

|  | Balance               |                      |                      | Balance               |                     |                       |
|--|-----------------------|----------------------|----------------------|-----------------------|---------------------|-----------------------|
|  | December 31,<br>2012  | Additions            | Deletions            | December 31,<br>2013  | Current<br>Portion  | Long-Term<br>Portion  |
| General obligation bonds                             | \$ 239,220,000        | \$ 16,920,000        | \$ 18,050,000        | \$ 238,090,000        | \$ -                | \$ 238,090,000        |
| Special assessment bonds                             | 5,506,500             | -                    | 359,000              | 5,147,500             | 369,000             | 4,778,500             |
| Special service area bonds                           | 2,530,000             | -                    | 450,000              | 2,080,000             | 480,000             | 1,600,000             |
| Loans payable  | 1,528,142             | -                    | 114,913              | 1,413,229             | 122,137             | 1,291,092             |
| <b>Subtotal</b>                                      | <b>248,784,642</b>    | <b>16,920,000</b>    | <b>18,973,913</b>    | <b>246,730,729</b>    | <b>971,137</b>      | <b>245,759,592</b>    |
| Special assessment bond - matured                    | 6,000                 | -                    | -                    | 6,000                 | 6,000               | -                     |
| Bond premium   | 4,625,971             | 347,535              | 680,539              | 4,292,967             | -                   | 4,292,967             |
| <b>Total bonds and loans payable, net</b>            | <b>253,416,613</b>    | <b>17,267,535</b>    | <b>19,654,452</b>    | <b>251,029,696</b>    | <b>977,137</b>      | <b>250,052,559</b>    |
| Landfill closure and postclosure care costs          | 520,870               | 600,636              | 432,353              | 689,153               | 48,220              | 640,933               |
| Voluntary Separation Initiative Termination Benefits | 310,000               | -                    | 310,000              | -                     | -                   | -                     |
| Compensated absences                                 | 9,228,257             | 5,314,855            | 5,043,155            | 9,499,957             | 4,576,528           | 4,923,429             |
| <b>Total long-term liabilities</b>                   | <b>\$ 263,475,740</b> | <b>\$ 23,183,026</b> | <b>\$ 25,439,960</b> | <b>\$ 261,218,806</b> | <b>\$ 5,601,885</b> | <b>\$ 255,616,921</b> |

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 5. Long-Term Debt – Primary Government (Continued)**

Compensated absences are generally liquidated by the General Fund and Workforce Development Fund. The City is a home-rule municipality and accordingly is not subject to any constitutional debt limit.

Repayment: Repayment of debt has typically been funded through debt service funds from general revenue sources other than property tax revenues.

|                                 | 1998C Taxable Riverfront Village |                  | 2005A                    |                      |
|---------------------------------|----------------------------------|------------------|--------------------------|----------------------|
|                                 | General Obligation Bonds         |                  | General Obligation Bonds |                      |
|                                 | Principal                        | Interest         | Principal                | Interest             |
| <u>Year ending December 31:</u> |                                  |                  |                          |                      |
| 2014                            | \$ -                             | \$ 27,376        | \$ -                     | \$ 1,438,244         |
| 2015                            | 85,000                           | 22,536           | 1,330,000                | 2,849,888            |
| 2016                            | 100,000                          | 16,941           | 2,015,000                | 2,782,988            |
| 2017                            | 110,000                          | 10,588           | 2,560,000                | 2,688,288            |
| 2018                            | 120,000                          | 3,630            | 2,920,000                | 2,571,837            |
| 2019 - 2023                     | -                                | -                | 21,015,000               | 9,741,979            |
| 2024 - 2028                     | -                                | -                | 31,130,000               | 4,966,125            |
| 2029 - 2033                     | -                                | -                | -                        | -                    |
|                                 | <u>\$ 415,000</u>                | <u>\$ 81,071</u> | <u>\$ 60,970,000</u>     | <u>\$ 27,039,349</u> |

|                                 | 2005B                    |                     | 2007A                    |                     |
|---------------------------------|--------------------------|---------------------|--------------------------|---------------------|
|                                 | General Obligation Bonds |                     | General Obligation Bonds |                     |
|                                 | Principal                | Interest            | Principal                | Interest            |
| <u>Year ending December 31:</u> |                          |                     |                          |                     |
| 2014                            | \$ -                     | \$ 402,722          | \$ -                     | \$ 313,147          |
| 2015                            | 2,675,000                | 738,570             | 855,000                  | 609,193             |
| 2016                            | 2,425,000                | 611,070             | 895,000                  | 574,194             |
| 2017                            | 2,575,000                | 486,070             | 935,000                  | 537,009             |
| 2018                            | 2,705,000                | 354,070             | 975,000                  | 497,616             |
| 2019 - 2023                     | 5,850,000                | 343,864             | 5,565,000                | 1,557,524           |
| 2024 - 2028                     | -                        | -                   | 5,415,000                | 768,276             |
| 2029 - 2033                     | -                        | -                   | -                        | -                   |
|                                 | <u>\$ 16,230,000</u>     | <u>\$ 2,936,366</u> | <u>\$ 14,640,000</u>     | <u>\$ 4,856,959</u> |

|                                 | 2008A                    |                     | 2009A                    |                     |
|---------------------------------|--------------------------|---------------------|--------------------------|---------------------|
|                                 | General Obligation Bonds |                     | General Obligation Bonds |                     |
|                                 | Principal                | Interest            | Principal                | Interest            |
| <u>Year ending December 31:</u> |                          |                     |                          |                     |
| 2014                            | \$ -                     | \$ 604,375          | \$ -                     | \$ 146,525          |
| 2015                            | 1,060,000                | 1,143,350           | 2,005,000                | 262,975             |
| 2016                            | 1,150,000                | 1,095,550           | 2,075,000                | 201,802             |
| 2017                            | 1,240,000                | 1,037,375           | 980,000                  | 154,725             |
| 2018                            | 1,335,000                | 968,250             | 905,000                  | 122,963             |
| 2019 - 2023                     | 8,300,000                | 3,611,375           | 2,305,000                | 197,313             |
| 2024 - 2028                     | 11,780,000               | 1,309,625           | -                        | -                   |
| 2029 - 2033                     | -                        | -                   | -                        | -                   |
|                                 | <u>\$ 24,865,000</u>     | <u>\$ 9,769,900</u> | <u>\$ 8,270,000</u>      | <u>\$ 1,086,303</u> |

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Debt – Primary Government (Continued)

|                                 | 2010A                    |                   | 2010B Taxable            |                  |
|---------------------------------|--------------------------|-------------------|--------------------------|------------------|
|                                 | General Obligation Bonds |                   | General Obligation Bonds |                  |
|                                 | Principal                | Interest          | Principal                | Interest         |
| <u>Year ending December 31:</u> |                          |                   |                          |                  |
| 2014                            | \$ -                     | \$ 34,450         | \$ -                     | \$ 6,689         |
| 2015                            | 190,000                  | 66,525            | 390,000                  | 6,689            |
| 2016                            | 200,000                  | 61,150            | -                        | -                |
| 2017                            | 205,000                  | 55,075            | -                        | -                |
| 2018                            | 210,000                  | 48,588            | -                        | -                |
| 2019 - 2023                     | 1,185,000                | 119,862           | -                        | -                |
| 2024 - 2028                     | -                        | -                 | -                        | -                |
| 2029 - 2033                     | -                        | -                 | -                        | -                |
|                                 | <u>\$ 1,990,000</u>      | <u>\$ 385,650</u> | <u>\$ 390,000</u>        | <u>\$ 13,378</u> |

|                                 | 2010C Taxable            |                     | 2010D                    |                     |
|---------------------------------|--------------------------|---------------------|--------------------------|---------------------|
|                                 | General Obligation Bonds |                     | General Obligation Bonds |                     |
|                                 | Principal                | Interest            | Principal                | Interest            |
| <u>Year ending December 31:</u> |                          |                     |                          |                     |
| 2014                            | \$ -                     | \$ 270,932          | \$ -                     | \$ 528,256          |
| 2015                            | 400,000                  | 537,705             | -                        | 1,056,512           |
| 2016                            | 410,000                  | 528,748             | 70,000                   | 1,055,812           |
| 2017                            | 410,000                  | 518,887             | 2,620,000                | 1,002,712           |
| 2018                            | 425,000                  | 507,746             | 3,000,000                | 875,312             |
| 2019 - 2023                     | 2,275,000                | 2,328,400           | 5,570,000                | 3,852,802           |
| 2024 - 2028                     | 4,400,000                | 1,274,309           | 13,050,000               | 710,470             |
| 2029 - 2033                     | 6,235,000                | 297,460             | -                        | -                   |
|                                 | <u>\$ 14,555,000</u>     | <u>\$ 6,264,187</u> | <u>\$ 24,310,000</u>     | <u>\$ 9,081,876</u> |

|                                 | 2011A                    |                   | 2011B                    |                     |
|---------------------------------|--------------------------|-------------------|--------------------------|---------------------|
|                                 | General Obligation Bonds |                   | General Obligation Bonds |                     |
|                                 | Principal                | Interest          | Principal                | Interest            |
| <u>Year ending December 31:</u> |                          |                   |                          |                     |
| 2014                            | \$ -                     | \$ 49,563         | \$ -                     | \$ 102,450          |
| 2015                            | 275,000                  | 96,375            | -                        | 204,900             |
| 2016                            | 280,000                  | 90,125            | -                        | 204,900             |
| 2017                            | 290,000                  | 83,000            | -                        | 204,900             |
| 2018                            | 295,000                  | 75,688            | -                        | 204,900             |
| 2019 - 2023                     | 1,655,000                | 239,775           | 4,620,000                | 727,200             |
| 2024 - 2028                     | 745,000                  | 22,575            | 670,000                  | 30,150              |
| 2029 - 2033                     | -                        | -                 | -                        | -                   |
|                                 | <u>\$ 3,540,000</u>      | <u>\$ 657,101</u> | <u>\$ 5,290,000</u>      | <u>\$ 1,679,400</u> |

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Debt – Primary Government (Continued)

| Year ending December 31: | 2012A Taxable<br>General Obligation Bonds |                      | 2012B<br>General Obligation Bonds |                     |
|--------------------------|---|----------------------|-----------------------------------|---------------------|
|                          | Principal                                 | Interest             | Principal                         | Interest            |
|                          | 2014                                      | \$ -                 | \$ 649,775                        | \$ -                |
| 2015                     | 125,000                                   | 1,298,144            | 60,000                            | 291,000             |
| 2016                     | 650,000                                   | 1,289,425            | 60,000                            | 290,100             |
| 2017                     | 750,000                                   | 1,272,738            | 60,000                            | 289,200             |
| 2018                     | 850,000                                   | 1,251,675            | 65,000                            | 288,263             |
| 2019 - 2023              | 5,755,000                                 | 5,768,213            | 330,000                           | 1,424,662           |
| 2024 - 2028              | 9,150,000                                 | 4,380,463            | 9,360,000                         | 1,181,700           |
| 2029 - 2033              | 14,375,000                                | 1,571,292            | -                                 | -                   |
|                          | <u>\$ 31,655,000</u>                      | <u>\$ 17,481,725</u> | <u>\$ 9,935,000</u>               | <u>\$ 3,910,650</u> |

| Year ending December 31: | 2012C Taxable Variable Rate<br>GO Capital Improvement Bonds |                   | 2013A<br>General Obligation Bonds |                     |
|--------------------------|---|-------------------|-----------------------------------|---------------------|
|                          | Principal   | Interest          | Principal                         | Interest            |
|                          | 2014  | \$ -              | \$ -                              | \$ -                |
| 2015                     | 290,000   | 22,500            | -                                 | 289,900             |
| 2016                     | 295,000   | 21,050            | -                                 | 289,900             |
| 2017                     | 305,000   | 19,575            | -                                 | 289,900             |
| 2018                     | 315,000   | 18,050            | -                                 | 289,900             |
| 2019 - 2023              | 1,725,000   | 65,625            | 950,000                           | 1,131,100           |
| 2024 - 2028              | 1,570,000   | 19,925            | 8,405,000                         | 1,069,650           |
| 2029 - 2033              | -   | -                 | -                                 | -                   |
|                          | <u>\$ 4,500,000</u>   | <u>\$ 166,725</u> | <u>\$ 9,355,000</u>               | <u>\$ 3,505,300</u> |

| Year ending December 31: | 2013C Taxable<br>General Obligation Bonds |                   | 2013D Taxable<br>General Obligation Bonds |                   |
|--------------------------|---|-------------------|---|-------------------|
|                          | Principal                                 | Interest          | Principal                                 | Interest          |
|                          | 2014                                      | \$ -              | \$ 28,844                                 | \$ -              |
| 2015                     | 1,165,000                                 | 52,737            | 250,000                                   | 61,567            |
| 2016                     | 1,175,000                                 | 41,441            | 255,000                                   | 57,411            |
| 2017                     | 1,195,000                                 | 27,448            | 260,000                                   | 52,593            |
| 2018                     | 1,200,000                                 | 9,900             | 265,000                                   | 46,878            |
| 2019 - 2023              | -   | -                 | 1,415,000                                 | 112,303           |
| 2024 - 2028              | -   | -                 | -   | -                 |
| 2029 - 2033              | -   | -                 | -   | -                 |
|                          | <u>\$ 4,735,000</u>                       | <u>\$ 160,370</u> | <u>\$ 2,445,000</u>                       | <u>\$ 362,486</u> |

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Debt – Primary Government (Continued)

|                                 | 2006                    |                     | 2007A                    |                  |
|---------------------------------|-------------------------|---------------------|--------------------------|------------------|
|                                 | Special Assessment Bond |                     | Special Assessment Bonds |                  |
|                                 | Principal               | Interest            | Principal                | Interest         |
| <u>Year ending December 31:</u> |                         |                     |                          |                  |
| 2014                            | \$ 260,000              | \$ 255,120          | \$ 109,000               | \$ 25,301        |
| 2015                            | 275,000                 | 242,120             | 109,000                  | 18,925           |
| 2016                            | 290,000                 | 228,370             | 109,000                  | 12,548           |
| 2017                            | 305,000                 | 213,870             | 105,500                  | 6,172            |
| 2018                            | 320,000                 | 197,705             | -                        | -                |
| 2019 - 2023                     | 1,870,000               | 714,475             | -                        | -                |
| 2024 - 2028                     | 1,395,000               | 160,460             | -                        | -                |
| 2029 - 2033                     | -                       | -                   | -                        | -                |
|                                 | <u>\$ 4,715,000</u>     | <u>\$ 2,012,120</u> | <u>\$ 432,500</u>        | <u>\$ 62,946</u> |

|             | PMP Promissory Note             |                   | WeaverRidge Special Service Area Bonds |                   |
|-------------|---------------------------------|-------------------|--|-------------------|
|             | Principal                       | Interest          | Principal                              | Interest          |
|             | <u>Year ending December 31:</u> |                   |  |                   |
| 2014        | \$ 64,416                       | \$ 52,334         | \$ 480,000                             | \$ 92,000         |
| 2015        | 104,451                         | 47,825            | 520,000                                | 67,000            |
| 2016        | -                               | 43,000            | 555,000                                | 40,125            |
| 2017        | -                               | 43,000            | 525,000                                | 13,125            |
| 2018        | 922,214                         | 43,000            | -                                      | -                 |
| 2019 - 2023 | -                               | -                 | -                                      | -                 |
| 2024 - 2028 | -                               | -                 | -                                      | -                 |
| 2029 - 2033 | -                               | -                 | -                                      | -                 |
|             | <u>\$ 1,091,081</u>             | <u>\$ 229,159</u> | <u>\$ 2,080,000</u>                    | <u>\$ 212,250</u> |

|             | Wal-Mart Promissory Note        |                  | Total Long-Term Bonds and Notes Payable |                      |
|-------------|---------------------------------|------------------|---|----------------------|
|             | Principal                       | Interest         | Principal                               | Interest             |
|             | <u>Year ending December 31:</u> |                  |   |                      |
| 2014        | \$ 57,721                       | \$ 17,718        | \$ 971,137                              | \$ 5,368,230         |
| 2015        | 60,896                          | 14,543           | 12,224,347                              | 10,001,479           |
| 2016        | 64,245                          | 11,194           | 13,073,245                              | 9,547,844            |
| 2017        | 67,779                          | 7,661            | 15,498,279                              | 9,013,911            |
| 2018        | 71,507                          | 3,933            | 16,898,721                              | 8,379,904            |
| 2019 - 2023 | -                               | -                | 70,385,000                              | 31,936,472           |
| 2024 - 2028 | -                               | -                | 97,070,000                              | 15,893,728           |
| 2029 - 2033 | -                               | -                | 20,610,000                              | 1,868,752            |
|             | <u>\$ 322,148</u>               | <u>\$ 55,049</u> | <u>\$ 246,730,729</u>                   | <u>\$ 92,010,320</u> |

Debt covenants: The various bond indentures contain limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, and minimum amounts to be maintained in various funds.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 6. Capital Assets**

A summary of the changes in capital assets follows:

|                          | Cost                  |                      |                       |                       |
|--------------------------|-----------------------|----------------------|-----------------------|-----------------------|
|                          | Balance               |                      |                       | Balance               |
|                          | December 31,<br>2012  | Additions            | Deletions             | December 31,<br>2013  |
| Not depreciated:         |                       |                      |                       |                       |
| Land                     | \$ 12,967,264         | \$ 209,594           | \$ (12,500)           | \$ 13,164,358         |
| Construction-in-progress | 23,781,576            | 16,576,350           | (7,250,310)           | 33,107,616            |
| Depreciated:             |                       |                      |                       |                       |
| Land improvements        | 7,228,942             | -                    | -                     | 7,228,942             |
| Buildings                | 106,213,294           | 754,256              | (748,482)             | 106,219,068           |
| Machinery and equipment  | 7,826,327             | 477,294              | (176,691)             | 8,126,930             |
| Vehicles                 | 19,435,749            | 1,091,652            | (486,630)             | 20,040,771            |
| Media                    | 16,581,267            | 823,922              | (174,048)             | 17,231,141            |
| Infrastructure           | 321,868,804           | 22,010,331           | -                     | 343,879,135           |
| <b>Total</b>             | <b>\$ 515,903,223</b> | <b>\$ 41,943,399</b> | <b>\$ (8,848,661)</b> | <b>\$ 548,997,961</b> |

|                          | Accumulated Depreciation |                      |                       |                       | Net Capital<br>Assets as of<br>December 31,<br>2013 |
|--------------------------|--------------------------|----------------------|-----------------------|-----------------------|---|
|                          | Balance                  |                      |                       | Balance               |   |
|                          | December 31,<br>2012     | Additions            | Deletions             | December 31,<br>2013  |   |
| Not depreciated:         |                          |                      |                       |                       |   |
| Land                     | \$ -                     | \$ -                 | \$ -                  | \$ -                  | \$ 13,164,358                                       |
| Construction-in-progress | -                        | -                    | -                     | -                     | 33,107,616  |
| Depreciated:             |                          |                      |                       |                       |   |
| Land improvements        | 3,892,872                | 404,407              | -                     | 4,297,279             | 2,931,663   |
| Buildings                | 44,548,098               | 2,393,115            | (698,583)             | 46,242,630            | 59,976,438  |
| Machinery and equipment  | 6,754,909                | 318,243              | (176,691)             | 6,896,461             | 1,230,469   |
| Vehicles                 | 14,679,298               | 1,359,073            | (486,630)             | 15,551,741            | 4,489,030   |
| Media                    | 13,098,010               | 910,806              | (174,048)             | 13,834,768            | 3,396,373   |
| Infrastructure assets    | 166,978,489              | 10,566,316           | -                     | 177,544,805           | 166,334,330   |
| <b>Total</b>             | <b>\$ 249,951,676</b>    | <b>\$ 15,951,960</b> | <b>\$ (1,535,952)</b> | <b>\$ 264,367,684</b> | <b>\$ 284,630,277</b>                               |

Construction-in-progress consists of various projects in the classification of infrastructure assets.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 6. Capital Assets (Continued)**

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

|                                   |  |                      |
|-----------------------------------|--|----------------------|
| Governmental activities:          |  |                      |
| Police                            |  | \$ 425,546           |
| Fire                              |  | 1,035,753            |
| Public works                      |  | 11,375,173           |
| Community development             |  | 71,666               |
| Public safety                     |  | 32,857               |
| General government                |  | 2,033,615            |
| Library                           |  | 964,467              |
| City Administration               |  | 12,883               |
| <b>Total depreciation expense</b> |  | <u>\$ 15,951,960</u> |

A summary of land, building and equipment for the Peoria Civic Center Authority and Springdale Cemetery Management Authority follows:

|   | Peoria Civic Center Authority |                       |                     |                      |
|---|-------------------------------|-----------------------|---------------------|----------------------|
|   | Balance                       |                       |                     | Balance              |
|   | August 31, 2012               | Additions             | Deletions           | August 31, 2013      |
| Historical cost:                        |                               |                       |                     |                      |
| Not depreciated:                        |                               |                       |                     |                      |
| Land                                    | \$ 10,247,918                 | \$ -                  | \$ -                | \$ 10,247,918        |
| Construction-in-process                 | -                             | 744,420               | (744,420)           | -                    |
| Depreciated:                            |                               |                       |                     |                      |
| Land improvements                       | 7,660,248                     | 74,352                | -                   | 7,734,600            |
| Building and improvements               | 144,174,051                   | 327,414               | -                   | 144,501,465          |
| Furniture, fixtures and equipment       | 11,917,877                    | 342,654               | -                   | 12,260,531           |
| <b>Total cost</b>                       | <u>174,000,094</u>            | <u>1,488,840</u>      | <u>(744,420)</u>    | <u>174,744,514</u>   |
| Accumulated depreciation:               |                               |                       |                     |                      |
| Land improvements                       | 5,864,958                     | 370,535               | -                   | 6,235,493            |
| Building and improvements               | 75,376,641                    | 4,956,941             | -                   | 80,333,582           |
| Furniture, fixtures and equipment       | 9,977,472                     | 590,224               | -                   | 10,567,696           |
| <b>Total accumulated depreciation</b>   | <u>91,219,071</u>             | <u>5,917,700</u>      | <u>-</u>            | <u>97,136,771</u>    |
| <b>Net land, building and equipment</b> | <u>\$ 82,781,023</u>          | <u>\$ (4,428,860)</u> | <u>\$ (744,420)</u> | <u>\$ 77,607,743</u> |

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 6. Capital Assets (Continued)**

| Springdale Cemetery Management Authority |                                       |                  |                            |                                       |   |
|--|---------------------------------------|------------------|----------------------------|---------------------------------------|---|
|  | Balance as of<br>December 31,<br>2012 | Additions        | Deletions                  | Transfers                             | Balance as of<br>December 31,<br>2013               |
| <b>Cost:</b>                             |                                       |                  |                            |                                       |   |
| Assets depreciated:                      |                                       |                  |                            |                                       |   |
| Maintenance building                     | \$ 406,586                            | \$ -             | \$ -                       | \$ -                                  | \$ 406,586  |
| Building improvements                    | 361,899                               | 42,735           | -                          | -                                     | 404,634   |
| Land improvements                        | 896,888                               | 8,000            | -                          | -                                     | 904,888   |
| Furniture and equipment                  | 379,353                               | 26,997           | (32,755)                   | -                                     | 373,595   |
| Computer software                        | 127,371                               | 8,019            | -                          | -                                     | 135,390   |
| Assets not depreciated:                  |                                       |                  |                            |                                       |   |
| Land                                     | 73,079                                | -                | -                          | -                                     | 73,079  |
| <b>Total</b>                             | <b>\$ 2,245,176</b>                   | <b>\$ 85,751</b> | <b>\$ (32,755)</b>         | <b>\$ -</b>                           | <b>\$ 2,298,172</b>                                 |
| <br>                                     |                                       |                  |                            |                                       |   |
|  | Balance as of<br>December 31,<br>2012 | Additions        | Deletions<br>and Transfers | Balance as of<br>December 31,<br>2013 | Net Capital<br>Assets as of<br>December 31,<br>2012 |
| Accumulated depreciation:                |                                       |                  |                            |                                       |   |
| Maintenance building                     | \$ 88,099                             | \$ 10,820        | \$ -                       | \$ 98,919                             | \$ 307,667  |
| Building improvements                    | 77,615                                | 10,588           | -                          | 88,203                                | 316,431   |
| Land improvements                        | 239,262                               | 39,657           | -                          | 278,919                               | 625,969   |
| Furniture and equipment                  | 317,194                               | 25,875           | (31,133)                   | 311,936                               | 61,659  |
| Computer software                        | 117,691                               | 5,375            | -                          | 123,066                               | 12,324  |
| Land                                     | -                                     | -                | -                          | -                                     | 73,079  |
| <b>Total</b>                             | <b>\$ 839,861</b>                     | <b>\$ 92,315</b> | <b>\$ (31,133)</b>         | <b>\$ 901,043</b>                     | <b>\$ 1,397,129</b>                                 |

**Note 7. Receivables**

Loans receivable and accrued interest receivable as of December 31, 2013 are net of allowance for uncollectible accounts in the amounts of \$348,039 and \$53,941, respectively.

On April 12, 2012, the City entered into a loan agreement with a Hotel developer for \$7,000,000. The proceeds of the loan were to be used for renovation of Pere Marquette Hotel in downtown Peoria. Terms of the loan required 23 equal annual payments of principal in the amount of \$304,348, plus accrued interest at a rate of 7 percent thereon, commencing on April 12, 2015. The loan matures on April 12, 2037. As of December 31, 2013, The City's loan receivable balance was \$7,000,000.

Other current receivables as of December 31, 2013 consist of the following:

|  |                     |
|--|---------------------|
| Charges for services and reimbursements        | \$ 1,394,208        |
| Franchise fees                                 | 309,655             |
| Other fines and fees                           | 1,036,679           |
| Other  | 84,996              |
| <b>Total other current receivables (gross)</b> | <b>2,825,538</b>    |
| Less allowance for uncollectible accounts      | (134,311)           |
| <b>Total other current receivables (net)</b>   | <b>\$ 2,691,227</b> |

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 8. Other Required Individual Fund Disclosures**

The individual fund interfund receivable and payable balances as of December 31, 2013 are as follows:

|   | Due From<br>Other Funds | Due to<br>Other Funds |
|---|-------------------------|-----------------------|
| Major funds:                                    |                         |                       |
| General Fund                                    | \$ 3,469,920            | \$ 1,363,389          |
| Peoria Public Library Fund                      | -                       | 8,333                 |
| Capital Improvements Fund                       | 1,017,109               | 292,896               |
| 2010D General Obligation Bond Debt Service Fund | -                       | 1,406,325             |
| Nonmajor governmental funds                     | 2,909,183               | 5,014,139             |
| Internal service fund                           | 689,011                 | 141                   |
|   | <u>\$ 8,085,223</u>     | <u>\$ 8,085,223</u>   |

Advances to and from other funds as of December 31, 2013, were as follows:

|                                    | Advances to<br>Other Funds | Advances from<br>Other Funds |
|------------------------------------|----------------------------|------------------------------|
| Major funds:                       |                            |                              |
| General Fund                       | \$ 9,097,028               | \$ -                         |
| Illinois Municipal Retirement Fund | -                          | 9,097,028                    |

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. The advanced funds are to pay the remaining 2002-2003 early retirement incentive balance due to the Illinois Municipal Retirement Fund. The interfund receivables and payables are schedule to be collected in the subsequent year whereas the interfund advances are not.

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

|   | Transfers In         | Transfers Out        |
|---|----------------------|----------------------|
| Major funds:                                    |                      |                      |
| General Fund                                    | \$ 387,374           | \$ 7,315,405         |
| Peoria Public Library Fund                      | -                    | 617,633              |
| Illinois Municipal Retirement Fund              | 617,633              | -                    |
| Capital Improvements Fund                       | 2,395,672            | 6,191,972            |
| 2010D General Obligation Bond Debt Service Fund | 1,109,581            | 2,040,719            |
| Nonmajor governmental funds                     | 20,772,017           | 9,116,548            |
|   | <u>\$ 25,282,277</u> | <u>\$ 25,282,277</u> |

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 8. Other Required Individual Fund Disclosures (Continued)**

Transfers are used to (1) move revenues from the fund collecting them to the fund that statute or budget reflects to expend them, (2) move receipts restricted to debt service from the funds collecting them to the Debt Service Fund as debt service payments become due, (3) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations, (4) debt service transfers from refunding bond escrow agent to bond trustee paying agent for “economic” refunding bonds and (5) transfers of net debt service interest savings on “economic” refunding bonds.

Generally accepted accounting principles require disclosure of certain information concerning individual funds including deficit fund balances or deficit net position of individual funds.

As of December 31, 2013, the Refuse Collection Fund and Illinois Municipal Retirement Fund had deficit fund balances of \$482,062 and \$8,820,075, respectively. The Illinois Municipal Retirement Fund deficit will be eliminated through future property taxes and is the result of the upfront payment of an early retirement incentive. The Refuse Collection Fund deficit will be eliminated through future collections of the refuse collection fee. The fee increased \$1 per month per residential property with approximately 39,000 residential properties.

#### **Note 9. Self-Insurance – Primary Government**

The City is exposed to various risks of loss related to torts, theft of and damages to assets, natural disasters, workmen's compensation and medical and dental claims of its employees and their dependents. The City currently reports all of its risk management activities in its General Fund and Internal Service Fund.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claims liabilities that are due and payable are recorded in the General Fund with the remaining claims liabilities reported in the governmental activities of the statement of net position. The City is not covered by excess liability insurance for workers' compensation claims. The City has coverage for medical and hospital when individual claims exceed \$75,000 individually and 90 percent of initial monthly aggregate deductible multiplied by 12 for claims paid over an annual liability period.

In addition, the City obtained a one-year contract renewal to manage the City's risk for major general liability coverage with an insurance carrier.

The City's major liability insurance coverage includes:

- \$1,000,000/\$3,000,000 limits for general liability
- \$1,000,000/\$3,000,000 limits for employment practices, employment benefits, law enforcement, and public officials liability
- \$1,000,000 for auto
- \$10,000,000 primary umbrella liability
- \$1,000,000 self-insured retention limit applies to each preceding coverage before each major liability coverage is effective.

Annual appropriation is made for the estimated expenditures of each program and claims are expended as incurred.

City of Peoria, Illinois

Notes to Basic Financial Statements

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**Note 9. Self-Insurance – Primary Government (Continued)**

Governmental Accounting Standards Board Statement No. 10 requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. As of December 31, 2013, the estimate of health and dental claims incurred but not reported provided by the claims administrator amounted to \$175,000. The unpaid reported claims of \$633,021 for health and dental claims are due and are included in accounts and claims payable on the financial statements in the Internal Service Fund.

Changes in the health insurance claims liability which include unpaid reported claims and amounts incurred but not reported in fiscal years 2013 and 2012 were:

|  |                   |
|--|-------------------|
| Balance, December 31, 2011                   | \$ 964,468        |
| Current year claims and changes in estimates | 8,138,032         |
| Claims paid                                  | (8,441,625)       |
| Balance, December 31, 2012                   | 660,875           |
| Current year claims and changes in estimates | 9,704,145         |
| Claims paid                                  | (9,556,999)       |
| <b>Balance, December 31, 2013</b>            | <b>\$ 808,021</b> |

Changes in the worker's compensation liability which include unpaid reported claims and amounts incurred but not reported in fiscal years 2013 and 2012 were:

|  |                     |
|--|---------------------|
| Balance, December 31, 2011                   | \$ 2,632,018        |
| Current year claims and changes in estimates | 1,624,304           |
| Claims paid                                  | (2,314,313)         |
| Balance, December 31, 2012                   | 1,942,009           |
| Current year claims and changes in estimates | 2,132,610           |
| Claims paid                                  | (1,940,735)         |
| <b>Balance, December 31, 2013</b>            | <b>\$ 2,133,884</b> |

Changes in the general liability which include unpaid reported claims and amounts incurred but not reported in fiscal years 2013 and 2012 were:

|  |                   |
|--|-------------------|
| Balance, December 31, 2011                   | \$ 1,908,285      |
| Current year claims and changes in estimates | 174,707           |
| Claims paid                                  | (765,592)         |
| Balance, December 31, 2012                   | 1,317,400         |
| Current year claims and changes in estimates | 243,933           |
| Claims paid                                  | (601,177)         |
| <b>Balance, December 31, 2013</b>            | <b>\$ 960,156</b> |

Of the \$2,133,884 of worker's compensation liability, \$353,947 is reported in the General Fund as due and payable and \$1,779,937 is reported only in governmental activities of the government-wide financial statements. Of the \$960,156 of general liability, \$33,004 is reported in the General Fund as due and payable and \$927,152 is reported only in governmental activities of the government-wide financial statements.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

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**Note 10. Pension Plans**

Pension plan descriptions: The City of Peoria contributes to one agent multiple-employer defined benefit pension plan, Illinois Municipal Retirement (IMRF), and to two single-employer defined benefit pension plans, the Police Pension Fund of Peoria and the Firemen's Pension Fund of Peoria. Each of the plans provide retirement, disability and death benefits to its respective plan members and beneficiaries.

The Illinois Pension Code establishes the benefit provisions of IMRF that can only be amended by the Illinois General Assembly. Additionally, the employer contributions levels of the Police Pension Fund and the Firemen's Pension Fund are mandated by Illinois State Statute (Chapter 40, Article 3 and Chapter 108-112, Article 4, respectively) and may also be amended only by the Illinois legislature.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Each plan issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports may be obtained by writing the plan or online.

|   |   |   |
|---|---|---|
| Illinois Municipal Retirement<br><a href="http://www.imrf.org">www.imrf.org</a> | Police Pension Board<br>City of Peoria<br>419 Fulton Street<br>Peoria, Illinois 61602 | Fire Pension Board<br>City of Peoria<br>419 Fulton Street<br>Peoria, Illinois 61602 |
|---|---|---|

Funding policy and annual pension cost – pension plans: The member rate for IMRF and the employee and employer levels are statutorily dictated and can only be amended with legislative action. The IMRF employee contribution requirements are established and may be amended by the IMRF Board of Trustees. Benefits and refunds of the Police and Firemen's Pension Funds are recognized when due and payable in accordance with the Plans.

The City's annual pension cost for the current year and related information for each plan is as follows:

|                     | Illinois Municipal<br>Retirement<br>Fund | Police<br>Pension Fund<br>of Peoria | Firemen's Pension<br>Fund of Peoria |
|---------------------|--|-------------------------------------|-------------------------------------|
| Contribution rates: |  |                                     |                                     |
| City                | (1)                                      | (2)                                 | (2)                                 |
| Plan members        | 4.50%                                    | 9.91%                               | 9.455%                              |

(1) The contribution rate for calendar year 2013 used by the employer was 13.77 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2013 was 14.59 percent.

(2) Proceeds from a tax levy equal to the sum of: (a) annual normal cost plus (b) amortization of unfunded liability as a level percent of pay between now and July 1, 2040 plus (c) interest on (a) and (b) to date of payment.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 10. Pension Plans (Continued)**

|   | Illinois Municipal<br>Retirement<br>Fund | Police Pension<br>Fund of Peoria | Firemen's Pension<br>Fund of Peoria |
|---|--|----------------------------------|-------------------------------------|
| Annual pension cost:                                  |  |                                  |                                     |
| Annual required contributions                         | \$ 2,838,946                             | \$ 7,744,750                     | \$ 7,510,977                        |
| Interest on net pension obligation                    | 114,215                                  | (1,107,423)                      | (26,437)                            |
| Adjustment to ARC                                     | (81,642)                                 | 985,145                          | 20,474                              |
| <b>Total annual pension cost</b>                      | <b>2,871,519</b>                         | <b>7,622,472</b>                 | <b>7,505,014</b>                    |
| Contributions made                                    | 2,677,066                                | 6,471,829                        | 7,317,319                           |
| <b>Decrease in net pension<br/>(asset) obligation</b> | <b>194,453</b>                           | <b>1,150,643</b>                 | <b>187,695</b>                      |
| Net pension (asset) obligation:                       |  |                                  |                                     |
| Beginning of year                                     | 1,522,870                                | (14,765,645)                     | (367,183)                           |
| End of year   | <b>\$ 1,717,323</b>                      | <b>\$ (13,615,002)</b>           | <b>\$ (179,488)</b>                 |
| Actuarial valuation date                              | December 31, 2013                        | January 1, 2013                  | January 1, 2013                     |
| Actuarial cost method                                 | Entry age                                | Entry age                        | Projected unit credit               |
| Amortization method                                   | Level percent open                       | Level percent open               | Level percent open                  |
| Remaining amortization period                         | 30 years                                 | 20.5 years                       | 28 years                            |
| Asset valuation method                                | 5-year smoothed<br>market                | 5-year smoothed<br>market        | 5-year smoothed<br>market           |
| Actuarial assumptions:                                |  |                                  |                                     |
| Investment rate of return*                            | 7.50%                                    | 7.40%                            | 6.75%                               |
| Projected salary increases*                           | 4.00% (3)                                | 4.00%                            | 4.50%                               |
| *Includes inflation at                                | 4.00%                                    | 3.00%                            | 3.00%                               |
| Post-retirement benefit increases                     | 3.00%                                    | N/A                              | N/A                                 |

(3) Additional salary increases ranging from 0.4 to 10.0 percent per year depending on age and service, attributable to seniority/merit.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 10. Pension Plans (Continued)**

Trend information – pension plans:

| Fund                               | Year | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation (Asset) |
|------------------------------------|------|---------------------------|-------------------------------|--------------------------------|
| Illinois Municipal Retirement Fund | 2013 | \$ 2,871,519              | 93.23%                        | \$ 1,717,323                   |
|                                    | 2012 | 2,924,890                 | 89.62                         | 1,522,870                      |
|                                    | 2011 | 3,212,011                 | 82.93                         | 1,219,236                      |
| Police Pension Fund of Peoria      | 2013 | 7,622,472                 | 84.90                         | (13,615,002)                   |
|                                    | 2012 | 5,781,515                 | 87.55                         | (14,765,645)                   |
|                                    | 2011 | 4,594,081                 | 113.18                        | (15,485,433)                   |
| Firemen's Pension Fund of Peoria   | 2013 | 7,505,014                 | 97.50                         | (179,488)                      |
|                                    | 2012 | 6,802,675                 | 95.02                         | (367,183)                      |
|                                    | 2011 | 6,804,788                 | 99.13                         | (706,153)                      |

Funded Status and Funding Progress:

| Fund                               | Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) | Funded Ratio | Covered Payroll | UAAL as a Percentage of Covered Payroll |
|------------------------------------|--------------------------|---------------------------|-----------------------------------|---------------------|--------------|-----------------|---|
| Illinois Municipal Retirement Fund | 12/31/2013               | \$ 31,045,564             | \$ 57,641,616                     | \$ 26,596,052       | 53.86%       | \$ 19,446,220   | 136.77%                                 |
| Police Pension Fund of Peoria      | 1/1/2013                 | 146,265,946               | 238,239,554                       | 91,973,608          | 61.39%       | 18,628,745      | 493.72%                                 |
| Firemen's Pension Fund of Peoria   | 1/1/2013                 | 122,327,381               | 215,131,613                       | 92,804,232          | 56.86%       | 15,155,298      | 612.36%                                 |

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

The Illinois Municipal Retirement Fund, a special revenue fund, will be used to liquidate the IMRF net pension obligation

**Note 11. Commitments – Primary Government**

Peoria Civic Center Authority: The intergovernmental agreement between the City and the Peoria Civic Center Authority (the Civic Center) titled "1996 Intergovernmental Agreement Between the City of Peoria and the Peoria Civic Center Authority" was entered into on January 1, 1996 and replaced the previous 1990 Civic Center Agreement in its entirety. The agreement establishes a consistent mechanism for a flow of funds from the City to the Civic Center in order to provide funding for operations and capital improvements. This is accomplished by allocating Hotel, Restaurant and Amusement (HRA) taxes, levied by the City, to the Civic Center in a stipulated formula after meeting the debt service on bonds issued for the purpose of capital improvements to the Peoria Civic Center. During the year ended December 31, 2013, the City recognized \$2,080,908 as subsidies to the Civic Center.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 11. Commitments – Primary Government (Continued)

Peoria Area Convention and Visitors Bureau, Inc.: Under City Council agreement, an allotted portion of hotel taxes is distributed directly to the Peoria Area Convention and Visitors Bureau, Inc. (Convention Bureau) from the City. During the year ended December 31, 2013, the City recognized \$711,635 as subsidies to the Convention Bureau. These amounts have been reflected as expenditures within the General Fund.

Arts Partners: Per City Council agreement, effective August 2002, 2.5 percent of restaurant taxes are being distributed to the non-profit organization, Arts Partners. During the year ended December 31, 2013, the City recognized \$112,663 as subsidies to the organization.

Tourism Reserve Fund: This fund was established on January 1, 1996 by the "1996 Intergovernmental Agreement between the City of Peoria and the Peoria Civic Center Authority." The agreement not only establishes a consistent mechanism for a flow of funds from the City to the Authority in order to provide funding for operations and capital improvements by allocating hotel, restaurant, and amusement taxes, levied by the City, to the Authority in a stipulated formula, but also established an allocation of hotel taxes, increases in hotel, restaurant, and amusement taxes, and a stipulated amount from the Authority to fund the Tourism Reserve Fund. It is operated by a committee made up of representatives from the Peoria Civic Center Authority, the Peoria City Council, and the Peoria Area Convention and Visitors Bureau. During the year ended December 31, 2013, the City recognized \$1,513,010 as subsidies to this fund.

General Fund: The City entered into an agreement with Illinois Central College (ICC) for the usage of 355 parking spaces. ICC paid an advance for these spaces for a 20-year period. The remaining advance as of December 31, 2013 was \$1,065,622 and the City recognized \$203,568 as revenue in the current year.

Encumbrances: The City had encumbrances in the General Fund, Capital Improvements Fund and nonmajor governmental funds of \$871,512, \$8,386,244 and \$3,437,755, respectively.

Various contract commitments: The City has commitments on various contracts for the purposes noted as follows to be expended after year-end:

| Purpose      | Amount               |
|--------------|----------------------|
| Public works | <u>\$ 18,236,411</u> |

#### Note 12. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2013, there were three series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$7,410,000.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 13. Contingencies

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, based on information provided by the City's counsel, resolution of these matters will not have a material adverse effect on the financial condition of the City.

#### Note 14. Other Component Unit Disclosures

##### Peoria Civic Center Authority of Peoria, Illinois:

All disclosures for the Civic Center are as of and for the year ended August 31, 2013.

SMG as Agent for the Civic Center: The Civic Center executed a contract with SMG to manage the operations of the Civic Center. In accordance with that agreement, SMG is paid a base rate, a nonfinancial performance fee based on risk management, maintenance of facility, client satisfaction and diversity of programming and a performance fee based on financial performance if certain benchmarks are met in the contract expires on August 31, 2014.

Land, buildings and equipment: Land, buildings and equipment are recorded at cost. Depreciation is provided over the estimated useful lives, which range from 3 to 30 years, on the straight-line basis.

Compensated absences: Employees are annually granted vacation and sick leave in varying amounts depending upon the length of employment. All employees are 100 percent vested for vacation leave. Certain employees under union contract are paid for unused sick time which exceeds a certain threshold; however, unused sick time is not compensable at termination. Vested accumulated unpaid compensated absences are accrued.

Long-term debt: Long-term debt consists of a secured note payable to a bank in the original amount of \$1,600,000, requiring monthly installments of \$22,427, including interest at 4.75 percent per year, with final payment due in September 2017 and a secured note payable to a bank in the original amount of \$1,100,000, requiring monthly installments of \$9,167 plus interest at LIBOR plus 1.75 percent per year, which at August 31, 2013 was 1.94 percent with final payment due March 1, 2022.

Future maturities of long-term debt are as follows:

| <u>Year ending August 31:</u> | <u>Total</u>        | <u>Principal</u>    | <u>Interest</u>   |
|-------------------------------|---------------------|---------------------|-------------------|
| 2014                          | \$ 395,984          | \$ 336,654          | \$ 59,330         |
| 2015                          | 394,305             | 347,658             | 46,647            |
| 2016                          | 392,174             | 359,195             | 32,979            |
| 2017                          | 390,043             | 371,293             | 18,750            |
| 2018                          | 141,218             | 132,342             | 8,876             |
| 2019 - 2022                   | 408,123             | 394,129             | 13,994            |
|                               | <u>\$ 2,121,847</u> | <u>\$ 1,941,271</u> | <u>\$ 180,576</u> |

Employee Benefit Plan: The Civic Center's trade employees are primarily covered by a union-sponsored pension plan. The Civic Center contributed and charged to expense amounts determined in accordance with the provisions of negotiated labor contracts which are generally based on the number of man-hours worked. Pension expense was approximately \$46,000 for fiscal year 2013.

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

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**Note 14. Other Component Unit Disclosures (Continued)**

A 401(k) savings plan is also provided for all full-time employees age 21 or older with one year of service not covered by the union-sponsored plan. Effective January 1, 2010, 40 percent of the first 5 percent of employees' contributions is contributed by the employer. Employer contributions are 100 percent vested after three years of continuous service. The expense for the plan to the Civic Center was approximately \$21,000 in fiscal year 2013.

Risk management: The Civic Center is exposed to various risks of loss related to torts, theft of, damages to, and destruction of assets; injuries to employees; and natural disasters. The Civic Center purchases commercial insurance for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**Springdale Cemetery Management Authority:**

Capital assets: Capital assets include buildings, equipment and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the Authority as assets with an initial unit cost of \$1,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings and equipment of the Authority are depreciated using the straight-line method over the following useful lives:

|                            | <u>Years</u> |
|----------------------------|--------------|
| <b>Assets:</b>             |              |
| Buildings and improvements | 39           |
| Land improvements          | 20           |
| Furniture and equipment    | 3-7          |

Unearned revenue: Unearned revenue as of December 31, 2013 consists of pre-need service revenue that has not yet been earned as the service has not yet been performed.

Restricted net position: This includes resources that the Authority is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources when they are needed. Restricted net position as of December 31, 2013 amounted to \$288,334 and is comprised of amounts endowed to the Cemetery, earnings on which are designated to be used for purposes specified by the donor, such as purchase and placement of flowers on individual graves.

In-kind contributions and donated services: In-kind contributions are recorded as revenue and expense (or capitalized, if applicable) in the statement of activities. The Authority receives donated services from volunteer workers who assist the staff in mowing and related services. No monetary value for these services is reflected in the financial statements as they do not require specialized skill.

Risk management: The Authority purchases commercial insurance for worker's compensation, general liability and property loss. Settled claims have not exceeded this commercial coverage during the past three years.

The Springdale Historic Preservation Foundation. Component Unit: The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### Note 15. Other Postemployment Benefits

Plan description: The City sponsors a single-employer health care plan that provides self-insured medical, prescription drugs and dental benefits to all active and pre-65 retired employees and their eligible dependents. For post-65 retired employees, the City offers a fully-insured Medicare Supplement Plan. Policemen and firefighters must be a minimum of age 50 with 20 or more years of service to be eligible for retiree benefits. All other employees must be a minimum of age 60 with 5 or more years of service to be eligible for retiree benefits. Eligible retirees and their dependents receive health care coverage through a PPO plan. The plan is a pay-as-you-go contributory health insurance program with post-65 and pre-65 retiree's contributions making up 80 and 85 percent, respectively, of the funding (less age/service discounts). The City's contributions are established by the Joint Labor/Management Healthcare Committee, which was established in 1994 by various unions representing City employees and representative nonunion City employees. The Committee is made up of 16 voting members appointed by these parties. The provisions of this plan may only be modified upon the unanimous agreement of all of the voting members of the Committee and approval by the City Council.

Contributions are required for both retiree and dependent coverage. The retiree contributions are based on an expected average gross premium that is dependent on a retiree's age and family coverage. In addition, monthly contributions can be offset by the following:

- All retirees receive a 20 percent discount from the expected cost of coverage through a Council discount.
- Retirees may receive a \$15 per month offset to the retiree contribution if they retired with 20 years of service.
- Employees who have retired due to a disability may receive a monthly offset to the retiree contributions ranging from \$25-\$65. The value of the offset is determined by the employee's age at disability retirement.

Funding policy: The City establishes and amends contribution requirements.

The current funding policy of the City is to pay health claims as they occur, pay as you go. Under GASB Statement No. 45, the City recognizes the cost of postemployment health care benefits in the year in which the employee services are provided and reports the accumulated liability from prior years. The City has assigned funds to pay for future OPEB obligations. These assigned funds are held in the General Fund and do not qualify as OPEB plan assets under GASB for current GASB reporting.

The required contribution is based on projected pay-as-you-go financing. For fiscal year 2013, the City contributed \$1,991,155 which was net of retirees premiums received of \$1,520,304. The General Fund has assigned fund balance of \$7,869,937 for other postemployment benefits.

Resources of the General Fund, the Peoria Public Library Fund and Peoria Township will be used to liquidate the combined net other postemployment benefits obligation for the City of Peoria, Peoria Public Library and Peoria Township

**City of Peoria, Illinois**

**Notes to Basic Financial Statements**

**Note 15. Other Postemployment Benefits (Continued)**

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

|  |                             |
|--|-----------------------------|
| Annual required contribution               | \$ 9,067,077                |
| Interest on net OPEB obligation            | 1,927,955                   |
| Adjustment to annual required contribution | (1,636,105)                 |
| Annual OPEB cost                           | <u>9,358,927</u>            |
| Contributions and payments made            | <u>1,991,155</u>            |
| Increase in net OPEB obligation            | 7,367,772                   |
| <br>                                       |                             |
| Net OPEB obligation - Beginning of year    | <u>42,843,434</u>           |
| Net OPEB obligation - End of year          | <u><u>\$ 50,211,206</u></u> |

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the two preceding years are as follows:

| Fiscal Year Ended | Annual OPEB Cost | Percentage of<br>Annual OPEB<br>Cost Contributed | Net OPEB<br>Obligation |
|-------------------|------------------|--|------------------------|
| December 31, 2013 | \$ 9,358,927     | 21.28%   | \$ 50,211,206          |
| December 31, 2012 | 9,532,783        | 21.80  | 42,843,434             |
| December 31, 2011 | 9,089,366        | 24.58  | 35,388,438             |

Funded status and funding progress: As of December 31, 2013, the most recent valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$88 million and the actuarial value of assets is none resulting in an unfunded actuarial accrued liability (UAAL) of \$88 million. The covered payroll (annual payroll of active employees covered by the plan) was \$60.6 million, and the ratio of the UAAL to the covered payroll was 145.27 percent.

**Notes to Basic Financial Statements**

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**Note 15. Other Postemployment Benefits (Continued)**

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

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

In the December 31, 2013 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) which is based on the expected long-term investment return of the employer's own investments used to pay plan benefits, discount rate of 4.5 percent, salary scale of 3.5 percent and an annual health care cost trend rate (which is considered the general inflation rate assumption for the plan) of 10 percent reduced by decrements of 0.5 percent annually to an ultimate rate of 5 percent. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The amortization of UAAL is done over a period of 30 years.

**Note 16. Governmental Accounting Standards Board (GASB) Pending Pronouncements**

As of December 31, 2013, the GASB had issued the following statements not yet implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 67, *Financial Reporting for Pension Plans*, issued June 2012, will be effective for the City beginning with its year ending December 31, 2014. This Statement replaces the requirements of GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. This Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. This Statement enhances note disclosures and required supplementary information for both defined benefit and defined contribution pension plans. This Statement also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year required supplementary information schedules.

## City of Peoria, Illinois

### Notes to Basic Financial Statements

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#### **Note 16. Governmental Accounting Standards Board (GASB) Pending Pronouncements (Continued)**

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, issued June 2012, will be effective for the City beginning with its year ending December 31, 2015. This Statement replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information.
- GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, issued January 2013, will be effective for the City beginning with its year ending December 31, 2014. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement provides guidance for: determining whether a specific government combination is a government merger, a government acquisition, or a transfer of operations; using carrying values (generally, the amounts recognized in the pre-combination financial statements of the combining governments or operations) to measure the assets, deferred outflows of resources, liabilities, and deferred inflows of resources combined in a government merger or transfer of operations; measuring acquired assets, deferred outflows of resources, liabilities, and deferred inflows of resources based upon their acquisition values in a government acquisition; and reporting the disposal of government operations that have been transferred or sold.
- GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, issued November 2013, will be effective for the City beginning with its year ending December 31, 2015. This Statement eliminates a potential source of understatement of restated beginning net position and expense in a government's first year of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. To correct this potential understatement, Statement 71 requires a state or local government, when transitioning to the new pension standards, to recognize a beginning deferred outflow of resources for its pension contributions made during the time between the measurement date of the beginning net pension liability and the beginning of the initial fiscal year of implementation. This amount will be recognized regardless of whether it is practical to determine the beginning amounts of all other deferred outflows of resources and deferred inflows of resources related to pensions.

The City's management has not yet determined the effect of these Statements will have on the City's financial statements.

#### **Note 17. Subsequent Event**

On March 11, 2014, the City issued \$9,660,000 General Obligation Bonds, Series 2014A with interest rates of 3.00 percent to 4.00 percent due on January 1, 2015 through 2030 to pay the cost of constructing infrastructure improvements and to pay the costs of issuing the bonds.

City of Peoria, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -  
General Fund, Peoria Public Library Fund, Police and Fire Pension Levy Fund and  
Illinois Municipal Retirement Fund  
Required Supplementary Information  
Year Ended December 31, 2013**

|  | General Fund        |                     |                      |                       |
|--|---------------------|---------------------|----------------------|-----------------------|
|  | Original            | Final               |                      | Variance              |
|  | Budget              | Budget              | Actual               | With Final<br>Budget  |
| <b>Revenues:</b>   |                     |                     |                      |                       |
| Property taxes   | \$ 3,674,532        | \$ 3,674,532        | \$ 3,811,650         | \$ 137,118            |
| Corporate personal property replacement taxes            | 2,522,504           | 2,522,504           | 3,619,035            | 1,096,531             |
| State sales taxes  | 24,528,300          | 24,528,300          | 23,595,268           | (933,032)             |
| State income tax allocation                              | 10,100,000          | 10,100,000          | 12,014,569           | 1,914,569             |
| Home rule sales taxes                                    | 23,812,300          | 23,812,300          | 22,336,809           | (1,475,491)           |
| Hotel, restaurant and amusement taxes                    | 8,612,972           | 8,612,972           | 8,215,396            | (397,576)             |
| Utility taxes  | 3,817,700           | 3,817,700           | 3,812,297            | (5,403)               |
| Governmental grants and reimbursements                   | 1,880,426           | 2,054,989           | 1,633,679            | (421,310)             |
| Licenses and permits                                     | 2,409,100           | 2,409,100           | 1,941,178            | (467,922)             |
| Service charges/fines/fees                               | 9,810,984           | 9,905,984           | 8,151,190            | (1,754,794)           |
| Loan repayment   | -                   | 17,167              | 30,055               | 12,888                |
| Rental   | 98,000              | 98,000              | 99,893               | 1,893                 |
| Interest   | 97,167              | 80,000              | 62,438               | (17,562)              |
| Other  | 6,207,649           | 10,175,272          | 2,593,570            | (7,581,702)           |
| <b>Total revenues</b>                                    | <b>97,571,634</b>   | <b>101,808,820</b>  | <b>91,917,027</b>    | <b>(9,891,793)</b>    |
| <b>Expenditures:</b>                                     |                     |                     |                      |                       |
| <b>Current:</b>  |                     |                     |                      |                       |
| Elective offices, boards, commissions and agencies       | 1,736,829           | 2,067,217           | 1,886,180            | 181,037               |
| City administration                                      | 5,370,802           | 5,209,281           | 4,639,954            | 569,327               |
| Benefits   | 16,472,910          | -                   | -                    | -                     |
| Police   | 24,296,523          | 28,439,080          | 28,807,320           | (368,240)             |
| Fire   | 18,419,380          | 21,990,982          | 21,554,259           | 436,723               |
| Public works   | 12,848,418          | 14,575,717          | 13,756,210           | 819,507               |
| Community development                                    | 5,095,053           | 5,348,816           | 5,525,896            | (177,080)             |
| Public safety  | 3,553,264           | 3,928,225           | 3,756,991            | 171,234               |
| General government                                       | 81,221              | 2,689,417           | 2,784,557            | (95,140)              |
| Library  | -                   | 769,037             | 794,127              | (25,090)              |
| Capital outlay   | -                   | -                   | -                    | -                     |
| <b>Debt service:</b>                                     |                     |                     |                      |                       |
| Principal  | -                   | -                   | -                    | -                     |
| Interest   | -                   | -                   | -                    | -                     |
| <b>Total expenditures</b>                                | <b>87,874,400</b>   | <b>85,017,772</b>   | <b>83,505,494</b>    | <b>1,512,278</b>      |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>9,697,234</b>    | <b>16,791,048</b>   | <b>8,411,533</b>     | <b>(8,379,515)</b>    |
| <b>Other financing sources (uses):</b>                   |                     |                     |                      |                       |
| Transfers in   | 237,600             | 272,600             | 387,374              | 114,774               |
| Transfers out  | (5,703,577)         | (7,623,577)         | (7,315,405)          | 308,172               |
| <b>Total other financing sources (uses)</b>              | <b>(5,465,977)</b>  | <b>(7,350,977)</b>  | <b>(6,928,031)</b>   | <b>422,946</b>        |
| <b>Net change in fund balances</b>                       | <b>\$ 4,231,257</b> | <b>\$ 9,440,071</b> | <b>1,483,502</b>     | <b>\$ (7,956,569)</b> |
| Fund balances (deficits), beginning of year              |                     |                     | 41,100,605           |                       |
| Fund balances (deficits), end of year                    |                     |                     | <u>\$ 42,584,107</u> |                       |

See Note to Required Supplementary Information.

| Peoria Public Library Fund |                  |                     |                            | Police and Fire Pension Levy Fund |                   |                   |                            |
|----------------------------|------------------|---------------------|----------------------------|-----------------------------------|-------------------|-------------------|----------------------------|
| Original Budget            | Final Budget     | Actual              | Variance With Final Budget | Original Budget                   | Final Budget      | Actual            | Variance With Final Budget |
| \$ 6,518,100               | \$ 6,518,100     | \$ 6,481,904        | \$ (36,196)                | \$ 11,662,132                     | \$ 11,662,132     | \$ 11,592,191     | \$ (69,941)                |
| 470,300                    | 470,300          | 470,300             | -                          | 2,249,513                         | 2,249,513         | 2,249,513         | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| 117,939                    | 117,939          | 134,412             | 16,473                     | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| 115,552                    | 115,552          | 135,705             | 20,153                     | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| 2,263                      | 2,263            | 4,362               | 2,099                      | -                                 | -                 | 860               | 860                        |
| 10,815                     | 10,815           | 66,453              | 55,638                     | -                                 | -                 | -                 | -                          |
| <u>7,234,969</u>           | <u>7,234,969</u> | <u>7,293,136</u>    | <u>58,167</u>              | <u>13,911,645</u>                 | <u>13,911,645</u> | <u>13,842,564</u> | <u>(69,081)</u>            |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | 6,533,591                         | 6,533,591         | 6,501,200         | 32,391                     |
| -                          | -                | -                   | -                          | 7,378,054                         | 7,378,054         | 7,341,364         | 36,690                     |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| 5,576,216                  | 5,576,216        | 5,462,593           | 113,623                    | -                                 | -                 | -                 | -                          |
| 917,253                    | 917,253          | 823,922             | 93,331                     | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| <u>6,493,469</u>           | <u>6,493,469</u> | <u>6,286,515</u>    | <u>206,954</u>             | <u>13,911,645</u>                 | <u>13,911,645</u> | <u>13,842,564</u> | <u>69,081</u>              |
| 741,500                    | 741,500          | 1,006,621           | 265,121                    | -                                 | -                 | -                 | -                          |
| -                          | -                | -                   | -                          | -                                 | -                 | -                 | -                          |
| (741,500)                  | (741,500)        | (617,633)           | (123,867)                  | -                                 | -                 | -                 | -                          |
| <u>(741,500)</u>           | <u>(741,500)</u> | <u>(617,633)</u>    | <u>(123,867)</u>           | <u>-</u>                          | <u>-</u>          | <u>-</u>          | <u>-</u>                   |
| <u>\$ -</u>                | <u>\$ -</u>      | <u>388,988</u>      | <u>\$ 141,254</u>          | <u>\$ -</u>                       | <u>\$ -</u>       | <u>-</u>          | <u>\$ -</u>                |
|                            |                  | <u>2,430,315</u>    |                            |                                   |                   | <u>-</u>          |                            |
|                            |                  | <u>\$ 2,819,303</u> |                            |                                   |                   | <u>\$ -</u>       |                            |

City of Peoria, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -  
General Fund, Peoria Public Library Fund, Police and Fire Pension Levy Fund and  
Illinois Municipal Retirement Fund  
Required Supplementary Information (Continued)  
Year Ended December 31, 2013**

|  | Illinois Municipal Retirement Fund |                     |                       |                                  |
|--|------------------------------------|---------------------|-----------------------|----------------------------------|
|  | Original<br>Budget                 | Final<br>Budget     | Actual                | Variance<br>With Final<br>Budget |
| Revenues:  |                                    |                     |                       |                                  |
| Property taxes   | \$ 4,168,990                       | \$ 4,168,990        | \$ 4,143,972          | \$ (25,018)                      |
| Corporate personal property replacement taxes            | 1,027,736                          | 1,027,736           | 1,027,736             | -                                |
| State sales taxes  | -                                  | -                   | -                     | -                                |
| State income tax allocation                              | -                                  | -                   | -                     | -                                |
| Home rule sales taxes                                    | -                                  | -                   | -                     | -                                |
| Hotel, restaurant and amusement taxes                    | -                                  | -                   | -                     | -                                |
| Utility taxes  | -                                  | -                   | -                     | -                                |
| Governmental grants and reimbursements                   | -                                  | -                   | -                     | -                                |
| Licenses and permits                                     | -                                  | -                   | -                     | -                                |
| Service charges/fines/fees                               | -                                  | -                   | -                     | -                                |
| Loan repayment   | -                                  | -                   | -                     | -                                |
| Rental   | -                                  | -                   | -                     | -                                |
| Interest   | -                                  | -                   | 1,919                 | 1,919                            |
| Other  | -                                  | -                   | -                     | -                                |
| <b>Total revenues</b>                                    | <b>5,196,726</b>                   | <b>5,196,726</b>    | <b>5,173,627</b>      | <b>(23,099)</b>                  |
| Expenditures:  |                                    |                     |                       |                                  |
| Current:   |                                    |                     |                       |                                  |
| Elective offices, boards, commissions and agencies       | -                                  | 199,205             | 409,298               | (210,093)                        |
| City administration                                      | -                                  | 680,511             | 1,750,179             | (1,069,668)                      |
| Benefits   | -                                  | -                   | -                     | -                                |
| Police   | -                                  | 670,641             | 1,423,444             | (752,803)                        |
| Fire   | -                                  | 295,006             | 400,632               | (105,626)                        |
| Public works   | -                                  | 1,198,376           | 3,901,524             | (2,703,148)                      |
| Community development                                    | -                                  | 393,703             | 1,258,390             | (864,687)                        |
| Public safety  | -                                  | 796,801             | 2,858,200             | (2,061,399)                      |
| General government                                       | 4,968,697                          | -                   | 8,398                 | (8,398)                          |
| Library  | -                                  | 734,454             | 1,800,789             | (1,066,335)                      |
| Capital outlay   | -                                  | -                   | -                     | -                                |
| Debt service:  |                                    |                     |                       |                                  |
| Principal  | 1,369,952                          | 1,369,952           | -                     | 1,369,952                        |
| Interest   | 17,168                             | 17,168              | 30,055                | (12,887)                         |
| <b>Total expenditures</b>                                | <b>6,355,817</b>                   | <b>6,355,817</b>    | <b>13,840,909</b>     | <b>(7,485,092)</b>               |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(1,159,091)</b>                 | <b>(1,159,091)</b>  | <b>(8,667,282)</b>    | <b>(7,508,191)</b>               |
| Other financing sources (uses):                          |                                    |                     |                       |                                  |
| Transfers in   | 741,500                            | 741,500             | 617,633               | (123,867)                        |
| Transfers out  | -                                  | -                   | -                     | -                                |
| <b>Total other financing sources (uses)</b>              | <b>741,500</b>                     | <b>741,500</b>      | <b>617,633</b>        | <b>(123,867)</b>                 |
| <b>Net change in fund balances</b>                       | <b>\$ (417,591)</b>                | <b>\$ (417,591)</b> | <b>(8,049,649)</b>    | <b>\$ (7,632,058)</b>            |
| Fund balances (deficits), beginning of year              |                                    |                     | (770,426)             |                                  |
| Fund balances (deficits), end of year                    |                                    |                     | <u>\$ (8,820,075)</u> |                                  |

See Note to Required Supplementary Information.

**City of Peoria, Illinois**

**Note to Required Supplementary Information**

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**Note 1. Budgetary Basis of Accounting**

Basis of Accounting: The City of Peoria, Illinois budget is prepared on the modified accrual basis for all budgeted funds, including the major funds, General, Peoria Public Library, Police and Fire Pension Levy and Illinois Municipal Retirement, as presented in the Required Supplemental Information.

Excess of actual expenditures over final budget in individual funds are as follows:

|  | Final Budget | Actual        | Overage      |
|--|--------------|---------------|--------------|
| Illinois Municipal Retirement Fund               | \$ 6,355,817 | \$ 13,840,909 | \$ 7,485,092 |
| Nonmajor:  |              |               |              |
| Motor Fuel Tax Fund                              | 3,907,062    | 4,843,481     | 936,419      |
| Refuse Collection Fund                           | 6,568,836    | 6,622,173     | 53,337       |
| 2005A General Obligation Bond Debt Service Fund  | 4,041,288    | 4,042,787     | 1,499        |
| WeaverRidge Debt Service Fund                    | 580,650      | 580,975       | 325          |
| 2007-A Special Assessment Bond Debt Service Fund | 140,678      | 141,178       | 500          |
| 2012C General Obligation Bond Debt Service Fund  | -            | 24,372        | 24,372       |
| 2013A General Obligation Bond Debt Service Fund  | -            | 604,617       | 604,617      |
| 2013D General Obligation Bond Debt Service Fund  | -            | 167,418       | 167,418      |

The 2013A General Obligation Bonds and 2013D General Obligation Bonds were issued after the City Council had adopted the fiscal year 2013 original budget.

Budgets for various funds are not adopted or budgets are approved on a project/grant length which differs from the City's year-end. These funds are as follows:

| Fund                                     | Budget Deviation   |
|--|--|
| Special Revenue Funds:                   |  |
| Community Development Block Grant Fund   | Budget is for the length of the project not the calendar year. |
| Home Investment Partnership Program Fund | Budget is for the length of the project not the calendar year. |
| Multi-County MEG Grant Fund              | Budget is for the length of the grant not the calendar year.   |
| Workforce Development Fund               | Budget is for the length of the grant not the calendar year.   |
| Peoria Foreign Fire Insurance Board      | Formal budget is not adopted by this blended component unit.   |
| Capital projects funds                   | Budgets adopted on a project-length budget.                    |

City of Peoria, Illinois

Required Supplementary Information  
 Illinois Municipal Retirement Plan

SCHEDULE OF FUNDING PROGRESS

| Fiscal Year Ended | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded (Over-funded) AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c)  | UAAL as a Percentage of Covered Payroll [(b-a)/c] |
|-------------------|--------------------------|-------------------------------|---------------------------------------|---|--------------------|----------------------|---|
| <b>2013</b>       | <b>12/31/2013</b>        | <b>\$ 31,045,564</b>          | <b>\$ 57,641,616</b>                  | <b>\$ 26,596,052</b>                    | <b>53.86%</b>      | <b>\$ 19,446,220</b> | <b>136.77%</b>                                    |
| 2012              | 12/31/2012               | 14,137,832                    | 54,298,700                            | 40,160,868                              | 26.04              | 21,042,950           | 190.85  |
| 2011              | 12/31/2011               | 55,649,362                    | 81,376,581                            | 25,727,219                              | 68.38              | 23,529,529           | 109.34  |

SCHEDULE OF EMPLOYER CONTRIBUTIONS

| Actuarial Valuation Date | Annual Required Contributions (ARC) (a) | Total Contributions (b) | Percentage of ARC Contributed (b/a) |
|--------------------------|---|-------------------------|-------------------------------------|
| <b>12/31/2013</b>        | <b>\$ 2,838,946</b>                     | <b>\$ 2,677,066</b>     | <b>94.30%</b>                       |
| 12/31/2012               | 2,898,811                               | 2,621,256               | 90.43                               |
| 12/31/2011               | 3,197,663                               | 2,663,618               | 83.30                               |

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest actuarial valuation follows:

The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50 percent investment rate of return (net of administrative expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from .4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit and (d) postretirement benefit increases of 3 percent per year. The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30-year basis.

On a market basis, the actuarial value of assets as of December 31, 2013 is \$48,161,895. On a market basis, the funded ratio would be 83.55 percent.

**City of Peoria, Illinois**

**Required Supplementary Information  
Police Pension Plan**

**SCHEDULE OF FUNDING PROGRESS**

| Fiscal Year Ended | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded (Over-funded) AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c)  | UAAL as a Percentage of Covered Payroll [(b-a)/c] |
|-------------------|--------------------------|-------------------------------|---------------------------------------|---|--------------------|----------------------|---|
| <b>2013</b>       | <b>01/01/2013</b>        | <b>\$ 146,265,946</b>         | <b>\$ 238,239,554</b>                 | <b>\$ 91,973,608</b>                    | <b>61.39%</b>      | <b>\$ 18,628,745</b> | <b>493.72%</b>                                    |
| 2012              | 01/01/2012               | 144,252,231                   | 221,036,377                           | 76,784,146                              | 65.26              | 17,254,113           | 445.02  |
| 2011              | 01/01/2011               | 143,289,115                   | 204,062,861                           | 60,773,746                              | 70.22              | 16,736,677           | 363.12  |

The information presented in the required supplementary schedules was determined as part of the actuarial valuation as of January 1, 2013. Additional information follows:

1. The cost method used to determine the ARC is the entry age normal cost funding method.
2. The assets are shown at fair value.
3. Economic assumptions are as follows: inflation rate of 3 percent, investment return rate of 7.4 percent and salary increase of 4 percent.
4. The amortization method is an open period, level percentage of payroll. The remaining amortization period as of the January 1, 2013 actuarial valuation date was 20.5 years.

**City of Peoria, Illinois**

**Required Supplementary Information  
Firemen's Pension Plan**

**SCHEDULE OF FUNDING PROGRESS**

| Fiscal Year Ended | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded (Over-funded) AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c)  | UAAL as a Percentage of Covered Payroll [(b-a)/c] |
|-------------------|--------------------------|-------------------------------|---------------------------------------|---|--------------------|----------------------|---|
| <b>2013</b>       | <b>01/01/2013</b>        | <b>\$ 122,327,381</b>         | <b>\$ 215,131,613</b>                 | <b>\$ 92,804,232</b>                    | <b>56.86%</b>      | <b>\$ 15,155,298</b> | <b>612.36%</b>                                    |
| 2012              | 01/01/2012               | 116,534,266                   | 198,200,029                           | 81,665,763                              | 58.80              | 14,659,650           | 557.08  |
| 2011              | 01/01/2011               | 116,776,441                   | 189,042,373                           | 72,265,932                              | 61.77              | 14,071,164           | 513.57  |

The information presented in the required supplementary schedules was determined as part of the actuarial valuation as of January 1, 2013. Additional information follows:

1. The cost method used to determine the ARC is the projected unit credit cost funding method.
2. The assets are shown at fair value.
3. Economic assumptions are as follows: inflation rate of 3.0 percent, investment return rate of 6.75 percent and salary increase of 4.5 percent.
4. The amortization method is an open period, level percentage of payroll. The remaining amortization period as of the January 1, 2013 actuarial valuation date was 28 years.

**City of Peoria, Illinois**

**Required Supplementary Information  
Other Postemployment Benefit Plan**

**SCHEDULE OF FUNDING PROGRESS**

| Fiscal Year Ended | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded (Over-funded) AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c)  | UAAL as a Percentage of Covered Payroll [(b-a)/c] |
|-------------------|--------------------------|-------------------------------|---------------------------------------|---|--------------------|----------------------|---|
| <b>2013</b>       | <b>01/01/2013</b>        | \$ -                          | \$ <b>88,000,000</b>                  | \$ <b>88,000,000</b>                    | - %                | \$ <b>60,575,779</b> | <b>145.27%</b>                                    |
| 2012              | 01/01/2011               | -                             | 104,700,000                           | 104,700,000                             | -                  | 57,720,940           | 181.39  |
| 2011              | 01/01/2011               | -                             | 99,500,000                            | 99,500,000                              | -                  | 60,246,702           | 165.15  |

The information presented in the required supplementary schedule was determined as part of the actuarial valuation as of December 31, 2013. Additional information follows:

1. The cost method used to determine the ARC is the Projected Unit Credit Actuarial Cost method.
2. There are no plan assets.
3. Economic assumptions are as follows: health care cost trend rates of 5.0-10.0 percent, discount rate of 4.5 percent, salary scale of 3.5 percent and investment rate of return of 4.5 percent.
4. The amortization method is open period, level percentage.

City of Peoria, Illinois

**Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2013**

| Assets   | Special Revenue Funds |                                 |                                 |                  |
|--|-----------------------|---------------------------------|---------------------------------|------------------|
|  | Motor Fuel            | Community                       | State and Local Auto            | Multi-County MEG |
|  | Tax Fund              | Development Block<br>Grant Fund | Theft Enforcement<br>Grant Fund |                  |
| Cash and cash equivalents  | \$ 3,407,862          | \$ 89,303                       | \$ 22,516                       | \$ -             |
| Cash and investments with trustee  | -                     | -                               | -                               | -                |
| Investments  | 3,241,150             | -                               | 901                             | -                |
| Property taxes receivable  | -                     | -                               | -                               | -                |
| State sales taxes receivable   | -                     | -                               | -                               | -                |
| Governmental grants and reimbursements<br>receivable                                       | 287,788               | 116,505                         | -                               | 14,236           |
| Loans receivable, net  | 69,377                | 5,098                           | -                               | -                |
| Other receivables, net   | 3,000                 | 43,225                          | 81,935                          | -                |
| Receivable, garbage fee  | -                     | -                               | -                               | -                |
| Accrued interest receivable  | 2,230                 | -                               | -                               | -                |
| Due from other funds   | -                     | -                               | 499                             | -                |
| <b>Total assets</b>  | <b>\$ 7,011,407</b>   | <b>\$ 254,131</b>               | <b>\$ 105,851</b>               | <b>\$ 14,236</b> |
| <b>Liabilities, Deferred Inflows of Resources<br/>and Fund Balance</b>                     |                       |                                 |                                 |                  |
| <b>Liabilities</b>   |                       |                                 |                                 |                  |
| Accounts payable   | \$ 101,127            | \$ 86,753                       | \$ 31,424                       | \$ 14,236        |
| Accrued payroll  | 366                   | 6,321                           | 1,210                           | -                |
| Due to other funds   | -                     | 13,811                          | 65,681                          | -                |
| Interfund loan payable   | -                     | -                               | -                               | -                |
| Unearned revenue, other  | 69,377                | 142,148                         | -                               | -                |
| Other payables   | -                     | -                               | -                               | -                |
| <b>Total liabilities</b>   | <b>170,870</b>        | <b>249,033</b>                  | <b>98,315</b>                   | <b>14,236</b>    |
| <b>Deferred Inflows of Resources</b>   |                       |                                 |                                 |                  |
| Unavailable revenue - property taxes   | -                     | -                               | -                               | -                |
| Unavailable revenue - intergovernmental and loans  | -                     | 5,098                           | -                               | -                |
| <b>Total deferred inflows<br/>of resources</b>   | <b>-</b>              | <b>5,098</b>                    | <b>-</b>                        | <b>-</b>         |
| <b>Fund Balance (Deficit)</b>  |                       |                                 |                                 |                  |
| Restricted:  |                       |                                 |                                 |                  |
| Debt service   | -                     | -                               | -                               | -                |
| TIF redevelopment  | -                     | -                               | -                               | -                |
| Tourism  | -                     | -                               | -                               | -                |
| Law enforcement  | -                     | -                               | 7,536                           | -                |
| Landfill operations  | -                     | -                               | -                               | -                |
| Riverfront development   | -                     | -                               | -                               | -                |
| Capital improvements and equipment   | 6,840,537             | -                               | -                               | -                |
| Unassigned   | -                     | -                               | -                               | -                |
| <b>Total fund balance (deficit)</b>  | <b>6,840,537</b>      | <b>-</b>                        | <b>7,536</b>                    | <b>-</b>         |
| <b>Total liabilities, deferred<br/>inflows of resources<br/>and fund balance (deficit)</b> | <b>\$ 7,011,407</b>   | <b>\$ 254,131</b>               | <b>\$ 105,851</b>               | <b>\$ 14,236</b> |

(Continued)

| Special Revenue Funds                    |                   |                        |                     |                                     |                            |                      |  |           |
|--|-------------------|------------------------|---------------------|-------------------------------------|----------------------------|----------------------|--|-----------|
| Home Investment Partnership Program Fund | Solid Waste Fund  | Refuse Collection Fund | Sewer Fund          | Peoria Foreign Fire Insurance Board | Workforce Development Fund | Tourism Reserve Fund |  |           |
| \$ 242,079                               | \$ 236,091        | \$ 351,772             | \$ 660,004          | \$ 373,836                          | \$ -                       | \$ 1,391,859         |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | 637               | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| 44,526                                   | -                 | -                      | 291,000             | -                                   | 10,425                     | -                    |  |           |
| 16,357                                   | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | 250                    | 175,665             | -                                   | -                          | -                    |  |           |
| -  | -                 | 1,672,555              | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | 199,415             | -                                   | -                          | -                    |  | 88,134    |
| <b>\$ 302,962</b>                        | <b>\$ 236,728</b> | <b>\$ 2,024,577</b>    | <b>\$ 1,326,084</b> | <b>\$ 373,836</b>                   | <b>\$ 10,425</b>           | <b>\$ 1,479,993</b>  |  |           |
| \$ 44,526                                | \$ 112,091        | \$ 94,356              | \$ 807,653          | \$ -                                | \$ 10,425                  | \$ -                 |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | 2,403             | 2,412,283              | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| 242,079                                  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| <b>286,605</b>                           | <b>114,494</b>    | <b>2,506,639</b>       | <b>807,653</b>      | <b>-</b>                            | <b>10,425</b>              | <b>-</b>             |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| 16,357                                   | -                 | -                      | 246,731             | -                                   | -                          | -                    |  |           |
| <b>16,357</b>                            | <b>-</b>          | <b>-</b>               | <b>246,731</b>      | <b>-</b>                            | <b>-</b>                   | <b>-</b>             |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  | 1,479,993 |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | 122,234           | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | -                   | -                                   | -                          | -                    |  |           |
| -  | -                 | -                      | 271,700             | 373,836                             | -                          | -                    |  |           |
| -  | -                 | (482,062)              | -                   | -                                   | -                          | -                    |  |           |
| -  | 122,234           | (482,062)              | 271,700             | 373,836                             | -                          | -                    |  | 1,479,993 |
| <b>\$ 302,962</b>                        | <b>\$ 236,728</b> | <b>\$ 2,024,577</b>    | <b>\$ 1,326,084</b> | <b>\$ 373,836</b>                   | <b>\$ 10,425</b>           | <b>\$ 1,479,993</b>  |  |           |

City of Peoria, Illinois

**Nonmajor Governmental Funds (Continued)**  
**Combining Balance Sheet**  
**December 31, 2013**

| Assets   | Debt Service Funds   |                     |                    |                     |
|--|----------------------|---------------------|--------------------|---------------------|
|  | 2005A General        |                     | General Obligation | 2006 Special        |
|  | Obligation Bond Debt | WeaverRidge Debt    | Bonds Debt Service | Assessment Bond     |
|  | Service Fund         | Service Fund        | Master Fund        | Debt Service Fund   |
| Cash and cash equivalents  | \$ -                 | \$ -                | \$ 665,823         | \$ 1,015,423        |
| Cash and investments with trustee  | 1,378,413            | 488,430             | -                  | -                   |
| Investments  | -                    | -                   | -                  | -                   |
| Property taxes receivable  | -                    | 128,000             | -                  | -                   |
| State sales taxes receivable   | -                    | -                   | -                  | -                   |
| Governmental grants and reimbursements receivable                                  | -                    | -                   | -                  | -                   |
| Loans receivable, net  | -                    | -                   | -                  | -                   |
| Other receivables, net   | -                    | -                   | 107,775            | -                   |
| Receivable, garbage fee  | -                    | -                   | -                  | -                   |
| Accrued interest receivable  | -                    | -                   | -                  | -                   |
| Due from other funds   | 2,071,813            | 537,073             | -                  | -                   |
| <b>Total assets</b>  | <b>\$ 3,450,226</b>  | <b>\$ 1,153,503</b> | <b>\$ 773,598</b>  | <b>\$ 1,015,423</b> |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>                 |                      |                     |                    |                     |
| <b>Liabilities</b>   |                      |                     |                    |                     |
| Accounts payable   | \$ 2,580,644         | \$ -                | \$ -               | \$ -                |
| Accrued payroll  | -                    | -                   | -                  | -                   |
| Due to other funds   | 869,582              | -                   | 757,849            | -                   |
| Interfund loan payable   | -                    | -                   | -                  | -                   |
| Unearned revenue, other  | -                    | -                   | -                  | -                   |
| Other payables   | -                    | -                   | -                  | -                   |
| <b>Total liabilities</b>   | <b>3,450,226</b>     | <b>-</b>            | <b>757,849</b>     | <b>-</b>            |
| <b>Deferred Inflows of Resources</b>   |                      |                     |                    |                     |
| Unavailable revenue - property taxes   | -                    | 128,000             | -                  | -                   |
| Unavailable revenue - intergovernmental and loans                                  | -                    | -                   | -                  | -                   |
| <b>Total deferred inflows of resources</b>   | <b>-</b>             | <b>128,000</b>      | <b>-</b>           | <b>-</b>            |
| <b>Fund Balance (Deficit)</b>  |                      |                     |                    |                     |
| Restricted:  |                      |                     |                    |                     |
| Debt service   | -                    | 1,025,503           | 15,749             | 1,015,423           |
| TIF redevelopment  | -                    | -                   | -                  | -                   |
| Tourism  | -                    | -                   | -                  | -                   |
| Law enforcement  | -                    | -                   | -                  | -                   |
| Landfill operations  | -                    | -                   | -                  | -                   |
| Riverfront development   | -                    | -                   | -                  | -                   |
| Capital improvements and equipment   | -                    | -                   | -                  | -                   |
| Unassigned   | -                    | -                   | -                  | -                   |
| <b>Total fund balance (deficit)</b>  | <b>-</b>             | <b>1,025,503</b>    | <b>15,749</b>      | <b>1,015,423</b>    |
| <b>Total liabilities, deferred inflows of resources and fund balance (deficit)</b> | <b>\$ 3,450,226</b>  | <b>\$ 1,153,503</b> | <b>\$ 773,598</b>  | <b>\$ 1,015,423</b> |

(Continued)

| Debt Service Funds                                     |   |   |   |   |   |       |
|--|---|---|---|---|---|-------|
| 2007-A Special<br>Assessment Bond<br>Debt Service Fund | 2008A Library<br>General Obligation Bond<br>Debt Service Fund | 2011B<br>General Obligation Bond<br>Debt Service Fund | 2012A<br>General Obligation Bond<br>Debt Service Fund | 2012B<br>General Obligation Bond<br>Debt Service Fund | 2012C<br>General Obligation Bond<br>Debt Service Fund |       |
| \$ 20,845  | \$ 337,995  | \$ 4,803  | \$ 313,140  | \$ 11,647   | \$ -  |       |
| -  | -   | 5,592,128   | -   | 9,732,773   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | 2,251,400   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | 96,703  | -   | 206,682   | -   |       |
| -  | -   | -   | -   | -   | -   | 6,838 |
| <u>\$ 20,845</u>                                       | <u>\$ 2,589,395</u>   | <u>\$ 5,693,634</u>                                   | <u>\$ 313,140</u>                                     | <u>\$ 9,951,102</u>                                   | <u>\$ 8,214</u>                                       |       |
| \$ -   | \$ -  | \$ -  | \$ -  | \$ -  | \$ -  |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | 207,488   | 210,588   | 233,750   | 6,838   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | 207,488   | 210,588   | 233,750   | 6,838   |       |
| -  | 2,251,400   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | 2,251,400   | -   | -   | -   | -   |       |
| 20,845   | 337,995   | 5,486,146   | 102,552   | 9,717,352   | 1,376   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| -  | -   | -   | -   | -   | -   |       |
| <u>20,845</u>  | <u>337,995</u>  | <u>5,486,146</u>                                      | <u>102,552</u>  | <u>9,717,352</u>                                      | <u>1,376</u>  |       |
| <u>\$ 20,845</u>                                       | <u>\$ 2,589,395</u>   | <u>\$ 5,693,634</u>                                   | <u>\$ 313,140</u>                                     | <u>\$ 9,951,102</u>                                   | <u>\$ 8,214</u>                                       |       |

City of Peoria, Illinois

**Nonmajor Governmental Funds (Continued)**  
**Combining Balance Sheet**  
**December 31, 2013**

| Assets   | Debt Service Fund                            |  | Capital Projects Funds |  |
|--|--|--|------------------------|--|
|  | 2013A  | 2013D  |                        | City of                                |
|  | General Obligation Bond<br>Debt Service Fund | General Obligation Bond<br>Debt Service Fund | TIF<br>Project Fund    | Peoria Designated<br>Zone Organization |
| Cash and cash equivalents  | \$ 2,641                                     | \$ 163,470                                   | \$ 10,787,572          | \$ -                                   |
| Cash and investments with trustee  | 9,411,630                                    | -  | -                      | -                                      |
| Investments  | -  | -  | 3,338                  | 15                                     |
| Property taxes receivable  | -  | -  | 5,610,000              | -                                      |
| State sales taxes receivable   | -  | -  | 27,463                 | -                                      |
| Governmental grants and reimbursements<br>receivable                                       | -  | -  | -                      | -                                      |
| Loans receivable, net  | -  | -  | -                      | -                                      |
| Other receivables, net   | -  | -  | 45,240                 | -                                      |
| Receivable, garbage fee  | -  | -  | -                      | -                                      |
| Accrued interest receivable  | 200,534                                      | -  | -                      | -                                      |
| Due from other funds   | -  | -  | -                      | 5,411                                  |
| <b>Total assets</b>  | <b>\$ 9,614,805</b>                          | <b>\$ 163,470</b>                            | <b>\$ 16,473,613</b>   | <b>\$ 5,426</b>                        |
| <b>Liabilities, Deferred Inflows of Resources<br/>and Fund Balance</b>                     |  |  |                        |  |
| <b>Liabilities</b>   |  |  |                        |  |
| Accounts payable   | \$ -   | \$ -   | \$ 348,455             | \$ -                                   |
| Accrued payroll  | -  | -  | 72                     | -                                      |
| Due to other funds   | 224,250                                      | -  | 4,205                  | 5,411                                  |
| Interfund loan payable   | -  | -  | -                      | -                                      |
| Unearned revenue, other  | -  | -  | -                      | -                                      |
| Other payables   | -  | -  | -                      | -                                      |
| <b>Total liabilities</b>   | <b>224,250</b>                               | <b>-</b>                                     | <b>352,732</b>         | <b>5,411</b>                           |
| <b>Deferred Inflows of Resources</b>   |  |  |                        |  |
| Unavailable revenue - property taxes   | -  | -  | 5,610,000              | -                                      |
| Unavailable revenue - intergovernmental and loans  | -  | -  | -                      | -                                      |
| <b>Total deferred inflows<br/>of resources</b>   | <b>-</b>                                     | <b>-</b>                                     | <b>5,610,000</b>       | <b>-</b>                               |
| <b>Fund Balance (Deficit)</b>  |  |  |                        |  |
| Restricted:  |  |  |                        |  |
| Debt service   | 9,390,555                                    | 163,470                                      | 1,242,941              | -                                      |
| TIF redevelopment  | -  | -  | 9,267,940              | -                                      |
| Tourism  | -  | -  | -                      | -                                      |
| Law enforcement  | -  | -  | -                      | -                                      |
| Landfill operations  | -  | -  | -                      | -                                      |
| Riverfront development   | -  | -  | -                      | 15                                     |
| Capital improvements and equipment   | -  | -  | -                      | -                                      |
| Unassigned   | -  | -  | -                      | -                                      |
| <b>Total fund balance (deficit)</b>  | <b>9,390,555</b>                             | <b>163,470</b>                               | <b>10,510,881</b>      | <b>15</b>                              |
| <b>Total liabilities, deferred<br/>inflows of resources<br/>and fund balance (deficit)</b> | <b>\$ 9,614,805</b>                          | <b>\$ 163,470</b>                            | <b>\$ 16,473,613</b>   | <b>\$ 5,426</b>                        |

| Capital Projects Funds                                   |   |   |   |           |                                      |
|--|---|---|---|-----------|--------------------------------------|
| 2008A Library<br>General Obligation<br>Bond Project Fund | 2010C Taxable<br>General Obligation<br>Bonds Project Fund | 2012A<br>General Obligation<br>Bonds Project Fund | 2012C<br>General Obligation<br>Bonds Project Fund |           | Total Nonmajor<br>Governmental Funds |
| \$ 53,711  | \$ 78,752   | \$ 99,558   | \$ 654  | \$        | 20,331,356                           |
| -  | -   | -   | -   |           | 26,603,374                           |
| 940  | -   | -   | -   |           | 3,246,981                            |
| -  | -   | -   | -   |           | 7,989,400                            |
| -  | -   | -   | -   |           | 27,463                               |
| -  | -   | -   | -   |           | 764,480                              |
| -  | -   | -   | -   |           | 90,832                               |
| -  | -   | -   | -   |           | 458,466                              |
| -  | -   | -   | -   |           | 1,672,555                            |
| -  | -   | -   | -   |           | 506,149                              |
| -  | -   | -   | -   |           | 2,909,183                            |
| <u>\$ 54,651</u>   | <u>\$ 78,752</u>  | <u>\$ 99,558</u>                                  | <u>\$ 654</u>                                     | <u>\$</u> | <u>64,600,239</u>                    |
| \$ -   | \$ -  | \$ 3,025  | \$ -  | \$        | 4,234,715                            |
| -  | -   | -   | -   |           | 7,969                                |
| -  | -   | -   | -   |           | 5,014,139                            |
| -  | -   | -   | -   |           | -                                    |
| -  | -   | -   | -   |           | 453,604                              |
| -  | -   | -   | -   |           | -                                    |
| -  | -   | 3,025   | -   |           | 9,710,427                            |
| -  | -   | -   | -   |           | 7,989,400                            |
| -  | -   | -   | -   |           | 268,186                              |
| -  | -   | -   | -   |           | 8,257,586                            |
| -  | -   | -   | -   |           | 28,519,907                           |
| -  | -   | -   | -   |           | 9,267,940                            |
| -  | -   | -   | -   |           | 1,479,993                            |
| -  | -   | -   | -   |           | 7,536                                |
| -  | -   | -   | -   |           | 122,234                              |
| -  | -   | -   | -   |           | 15                                   |
| 54,651   | 78,752  | 96,533  | 654   |           | 7,716,663                            |
| -  | -   | -   | -   |           | (482,062)                            |
| <u>54,651</u>  | <u>78,752</u>   | <u>96,533</u>                                     | <u>654</u>  |           | <u>46,632,226</u>                    |
| <u>\$ 54,651</u>   | <u>\$ 78,752</u>  | <u>\$ 99,558</u>                                  | <u>\$ 654</u>                                     | <u>\$</u> | <u>64,600,239</u>                    |

City of Peoria, Illinois

**Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
Year Ended December 31, 2013**

|  | Special Revenue Funds  |                   |                      |                  |
|--|------------------------|-------------------|----------------------|------------------|
|  | Motor Fuel<br>Tax Fund | Community         | State and Local Auto |                  |
|  |                        | Development Block | Theft Enforcement    | Multi-County MEG |
|  |                        | Grant Fund        | Grant Fund           | Grant Fund       |
| Revenues:  |                        |                   |                      |                  |
| Property taxes   | \$ -                   | \$ -              | \$ -                 | \$ -             |
| Corporate personal property replacement taxes                | -                      | -                 | -                    | -                |
| State sales taxes  | -                      | -                 | -                    | -                |
| Hotel, restaurant and amusement taxes                        | -                      | -                 | -                    | -                |
| Governmental grants and reimbursements                       | 2,849,312              | 1,344,504         | -                    | 67,620           |
| Service charges/fines/fees                                   | -                      | 43,325            | -                    | -                |
| Loan repayment   | -                      | 2,949             | -                    | -                |
| Interest   | 49,758                 | -                 | -                    | -                |
| Other  | 558,948                | 8,074             | 401,825              | -                |
| <b>Total revenues</b>  | <b>3,458,018</b>       | <b>1,398,852</b>  | <b>401,825</b>       | <b>67,620</b>    |
| Expenditures:  |                        |                   |                      |                  |
| Current:   |                        |                   |                      |                  |
| Elective offices, boards, commissions<br>and agencies        | -                      | -                 | -                    | -                |
| City administration  | -                      | -                 | -                    | -                |
| Police   | -                      | -                 | 399,532              | 67,620           |
| Fire   | -                      | -                 | -                    | -                |
| Public works   | 777                    | -                 | -                    | -                |
| Community development  | -                      | 1,009,288         | -                    | -                |
| Public safety  | -                      | 309,564           | -                    | -                |
| General government   | 3,100                  | -                 | -                    | -                |
| Library  | -                      | -                 | -                    | -                |
| Capital outlay   | 4,839,604              | -                 | -                    | -                |
| Debt service:  |                        |                   |                      |                  |
| Principal  | -                      | -                 | -                    | -                |
| Interest   | -                      | -                 | -                    | -                |
| <b>Total expenditures</b>                                    | <b>4,843,481</b>       | <b>1,318,852</b>  | <b>399,532</b>       | <b>67,620</b>    |
| <b>Excess (deficiency) of<br/>revenues over expenditures</b> | <b>(1,385,463)</b>     | <b>80,000</b>     | <b>2,293</b>         | <b>-</b>         |
| Other financing sources (uses):                              |                        |                   |                      |                  |
| Issuance of bonds  | -                      | -                 | -                    | -                |
| Bond premium   | -                      | -                 | -                    | -                |
| Payment to refund debt                                       | -                      | -                 | -                    | -                |
| Transfers in   | -                      | -                 | -                    | -                |
| Transfers out  | -                      | (80,000)          | -                    | -                |
| <b>Total other financing<br/>sources (uses)</b>              | <b>-</b>               | <b>(80,000)</b>   | <b>-</b>             | <b>-</b>         |
| <b>Net change in fund balances</b>                           | <b>(1,385,463)</b>     | <b>-</b>          | <b>2,293</b>         | <b>-</b>         |
| Fund balances, beginning of year                             | 8,226,000              | -                 | 5,243                | -                |
| Fund balances (deficits), end of year                        | \$ 6,840,537           | \$ -              | \$ 7,536             | \$ -             |

(Continued)

| Special Revenue Funds                    |                  |                        |             |                                     |                            |                      |
|--|------------------|------------------------|-------------|-------------------------------------|----------------------------|----------------------|
| Home Investment Partnership Program Fund | Solid Waste Fund | Refuse Collection Fund | Sewer Fund  | Peoria Foreign Fire Insurance Board | Workforce Development Fund | Tourism Reserve Fund |
| \$ -                                     | \$ -             | \$ -                   | \$ -        | \$ -                                | \$ -                       | \$ -                 |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | 436,137              |
| 300,961                                  | -                | 65,089                 | 243,684     | 153,904                             | 1,480,644                  | -                    |
| -  | 315,428          | 5,745,572              | 3,598,976   | -                                   | -                          | -                    |
| 4,122                                    | -                | -                      | -           | -                                   | -                          | -                    |
| -  | 542              | 605                    | 5,673       | 1,081                               | -                          | -                    |
| 17,038                                   | -                | 707                    | -           | 4,728                               | -                          | 1,076,873            |
| 322,121                                  | 315,970          | 5,811,973              | 3,848,333   | 159,713                             | 1,480,644                  | 1,513,010            |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | 3                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | 33,017               |
| -  | -                | -                      | -           | 243,923                             | -                          | -                    |
| -  | -                | 6,622,170              | 53,985      | -                                   | -                          | -                    |
| 322,121                                  | -                | -                      | -           | -                                   | 1,979,069                  | -                    |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | 459,408          | -                      | 1,434,797   | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | 2,136,803   | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| 322,121                                  | 459,408          | 6,622,173              | 3,625,585   | 243,923                             | 1,979,069                  | 33,017               |
| -  | (143,438)        | (810,200)              | 222,748     | (84,210)                            | (498,425)                  | 1,479,993            |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | -           | -                                   | -                          | -                    |
| -  | -                | -                      | (2,387,318) | -                                   | -                          | -                    |
| -  | -                | -                      | (2,387,318) | -                                   | -                          | -                    |
| -  | (143,438)        | (810,200)              | (2,164,570) | (84,210)                            | (498,425)                  | 1,479,993            |
| -  | 265,672          | 328,138                | 2,436,270   | 458,046                             | 498,425                    | -                    |
| \$ -                                     | \$ 122,234       | \$ (482,062)           | \$ 271,700  | \$ 373,836                          | \$ -                       | \$ 1,479,993         |

City of Peoria, Illinois

**Nonmajor Governmental Funds (Continued)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Year Ended December 31, 2013**

|  | Debt Service Funds   |                  |                     |                   |
|--|----------------------|------------------|---------------------|-------------------|
|  | 2005A General        | WeaverRidge Debt | General Obligation  | 2006 Special      |
|  | Obligation Bond Debt | Service Fund     | Bonds Debt Service  | Assessment Bond   |
|  | Service Fund         | Service Fund     | Master Fund         | Debt Service Fund |
| Revenues:  |                      |                  |                     |                   |
| Property taxes   | \$ -                 | \$ 121,975       | \$ -                | \$ 231,992        |
| Corporate personal property replacement taxes            | -                    | -                | -                   | -                 |
| State sales taxes  | -                    | -                | -                   | -                 |
| Hotel, restaurant and amusement taxes                    | -                    | -                | -                   | -                 |
| Governmental grants and reimbursements                   | -                    | -                | -                   | -                 |
| Service charges/fines/fees                               | -                    | -                | -                   | -                 |
| Loan repayment   | -                    | -                | -                   | -                 |
| Interest   | 115                  | -                | 2,462               | 86,646            |
| Other  | -                    | -                | -                   | -                 |
| <b>Total revenues</b>                                    | <b>115</b>           | <b>121,975</b>   | <b>2,462</b>        | <b>318,638</b>    |
| Expenditures:  |                      |                  |                     |                   |
| Current:   |                      |                  |                     |                   |
| Elective offices, boards, commissions and agencies       | -                    | -                | -                   | -                 |
| City administration                                      | -                    | -                | -                   | -                 |
| Police   | -                    | -                | -                   | -                 |
| Fire   | -                    | -                | -                   | -                 |
| Public works   | -                    | -                | -                   | -                 |
| Community development                                    | -                    | -                | -                   | -                 |
| Public safety  | -                    | -                | -                   | -                 |
| General government                                       | 1,500                | 15,725           | 92,436              | -                 |
| Library  | -                    | -                | -                   | -                 |
| Capital outlay   | -                    | -                | -                   | -                 |
| Debt service:  |                      |                  |                     |                   |
| Principal  | 1,120,000            | 450,000          | 8,895,201           | 250,000           |
| Interest   | 2,921,287            | 115,250          | 3,223,948           | 267,620           |
| <b>Total expenditures</b>                                | <b>4,042,787</b>     | <b>580,975</b>   | <b>12,211,585</b>   | <b>517,620</b>    |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(4,042,672)</b>   | <b>(459,000)</b> | <b>(12,209,123)</b> | <b>(198,982)</b>  |
| Other financing sources (uses):                          |                      |                  |                     |                   |
| Issuance of bonds  | -                    | -                | 4,860,000           | -                 |
| Bond premium   | -                    | -                | -                   | -                 |
| Payment to refund debt                                   | -                    | -                | (4,766,786)         | -                 |
| Transfers in   | 5,192,945            | 482,890          | 12,119,150          | -                 |
| Transfers out  | (1,161,813)          | -                | -                   | -                 |
| <b>Total other financing sources (uses)</b>              | <b>4,031,132</b>     | <b>482,890</b>   | <b>12,212,364</b>   | <b>-</b>          |
| <b>Net change in fund balances</b>                       | <b>(11,540)</b>      | <b>23,890</b>    | <b>3,241</b>        | <b>(198,982)</b>  |
| Fund balances, beginning of year                         | 11,540               | 1,001,613        | 12,508              | 1,214,405         |
| Fund balances (deficits), end of year                    | \$ -                 | \$ 1,025,503     | \$ 15,749           | \$ 1,015,423      |

(Continued)

| Debt Service Funds                                      |   |   |   |   |   |       |
|---|---|---|---|---|---|-------|
| 2007-A Special<br>Assessment Bonds<br>Debt Service Fund | 2008A Library General<br>Obligation Bond<br>Debt Service Fund | 2011B General<br>Obligation Bond<br>Debt Service Fund | 2012A General<br>Obligation Bond<br>Debt Service Fund | 2012B General<br>Obligation Bond<br>Debt Service Fund | 2012C General<br>Obligation Bond<br>Debt Service Fund |       |
| \$ 140,678  | \$ 2,215,568  | \$ -  | \$ -  | \$ -  | \$ -  | \$ -  |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | 48,051  | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| 153   | 6,573   | 71,969  | 5,959   | 151,215   | -   | -     |
| -   | -   | -   | 164,000   | -   | -   | -     |
| 140,831   | 2,222,141   | 71,969  | 218,010   | 151,215   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| 500   | -   | -   | -   | -   | -   | 6,838 |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| 109,000   | 980,000   | -   | -   | 60,000  | -   | -     |
| 31,678  | 1,247,950   | 204,900   | 1,299,550   | 292,350   | 17,534  | -     |
| 141,178   | 2,227,950   | 204,900   | 1,299,550   | 352,350   | 24,372  | -     |
| (347)   | (5,809)   | (132,931)   | (1,081,540)   | (201,135)   | (24,372)  | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | -   | -   | -   | -   | -     |
| -   | -   | 224,938   | 120,223   | 439,925   | 25,748  | -     |
| -   | -   | (350,013)   | -   | (555,075)   | -   | -     |
| -   | -   | (125,075)   | 120,223   | (115,150)   | 25,748  | -     |
| (347)   | (5,809)   | (258,006)   | (961,317)   | (316,285)   | 1,376   | -     |
| 21,192  | 343,804   | 5,744,152   | 1,063,869   | 10,033,637  | -   | -     |
| \$ 20,845   | \$ 337,995  | \$ 5,486,146  | \$ 102,552  | \$ 9,717,352  | \$ 1,376  | -     |

City of Peoria, Illinois

Nonmajor Governmental Funds (Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

Year Ended December 31, 2013

|  | Debt Service Fund |                         | Capital Projects Funds |                   |
|--|-------------------|-------------------------|------------------------|-------------------|
|  | 2013A General     | 2013D                   |                        | City of Peoria    |
|  | Obligation Bond   | General Obligation Bond | TIF                    | Designated        |
|  | Debt Service Fund | Debt Service Fund       | Project Fund           | Zone Organization |
| <b>Revenues:</b>   |                   |                         |                        |                   |
| Property taxes   | \$ -              | \$ -                    | \$ 6,106,878           | \$ -              |
| Corporate personal property replacement taxes            | -                 | -                       | -                      | -                 |
| State sales taxes  | -                 | -                       | 169,547                | -                 |
| Hotel, restaurant and amusement taxes                    | -                 | -                       | 119,911                | -                 |
| Governmental grants and reimbursements                   | -                 | -                       | -                      | -                 |
| Service charges/fines/fees                               | -                 | -                       | 38,683                 | -                 |
| Loan repayment   | -                 | -                       | -                      | -                 |
| Interest   | 116,630           | 784                     | 84,844                 | 5                 |
| Other  | -                 | -                       | -                      | -                 |
| <b>Total revenues</b>                                    | <b>116,630</b>    | <b>784</b>              | <b>6,519,863</b>       | <b>5</b>          |
| <b>Expenditures:</b>                                     |                   |                         |                        |                   |
| <b>Current:</b>  |                   |                         |                        |                   |
| Elective offices, boards, commissions and agencies       | -                 | -                       | -                      | -                 |
| City administration                                      | -                 | -                       | 3,785                  | -                 |
| Police   | -                 | -                       | -                      | -                 |
| Fire   | -                 | -                       | -                      | -                 |
| Public works   | -                 | -                       | 3,030                  | -                 |
| Community development                                    | -                 | -                       | 2,125,505              | 6,991             |
| Public safety  | -                 | -                       | -                      | -                 |
| General government                                       | 180,110           | 63,014                  | 832,475                | -                 |
| Library  | -                 | -                       | -                      | -                 |
| Capital outlay   | -                 | -                       | 1,175,317              | -                 |
| <b>Debt service:</b>                                     |                   |                         |                        |                   |
| Principal  | 200,000           | 60,000                  | -                      | -                 |
| Interest   | 224,507           | 44,404                  | -                      | -                 |
| <b>Total expenditures</b>                                | <b>604,617</b>    | <b>167,418</b>          | <b>4,140,112</b>       | <b>6,991</b>      |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(487,987)</b>  | <b>(166,634)</b>        | <b>2,379,751</b>       | <b>(6,986)</b>    |
| <b>Other financing sources (uses):</b>                   |                   |                         |                        |                   |
| Issuance of bonds  | 9,555,000         | 2,505,000               | -                      | -                 |
| Bond premium   | 347,535           | -                       | -                      | -                 |
| Payment to refund debt                                   | -                 | (2,279,300)             | -                      | -                 |
| Transfers in   | 571,200           | 104,404                 | -                      | 1,490,594         |
| Transfers out  | (595,193)         | -                       | (2,503,543)            | (1,483,593)       |
| <b>Total other financing sources (uses)</b>              | <b>9,878,542</b>  | <b>330,104</b>          | <b>(2,503,543)</b>     | <b>7,001</b>      |
| <b>Net change in fund balances</b>                       | <b>9,390,555</b>  | <b>163,470</b>          | <b>(123,792)</b>       | <b>15</b>         |
| Fund balances, beginning of year                         | -                 | -                       | 10,634,673             | -                 |
| Fund balances (deficits), end of year                    | \$ 9,390,555      | \$ 163,470              | \$ 10,510,881          | \$ 15             |

| Capital Projects Funds                                   |   |   |   |      | Total<br>Nonmajor<br>Governmental Funds |
|--|---|---|---|------|---|
| 2008A Library<br>General Obligation<br>Bond Project Fund | 2010C Taxable<br>General Obligation<br>Bonds Project Fund | 2012A<br>General Obligation<br>Bonds Project Fund | 2012C<br>General Obligation<br>Bonds Project Fund |      |   |
| \$ -   | \$ -  | \$ -  | \$ -  | \$ - | 8,817,091                               |
| -  | -   | -   | -   | -    | -                                       |
| -  | -   | -   | -   | -    | 169,547                                 |
| -  | -   | -   | -   | -    | 604,099                                 |
| -  | -   | -   | -   | -    | 6,505,718                               |
| -  | -   | -   | -   | -    | 9,741,984                               |
| -  | -   | -   | -   | -    | 7,071                                   |
| 583  | 5,633   | 34,479  | 24,773  | -    | 650,482                                 |
| -  | -   | -   | -   | -    | 2,232,193                               |
| 583  | 5,633   | 34,479  | 24,773  | -    | 28,728,185                              |
| -  | -   | -   | -   | -    | -                                       |
| -  | -   | -   | -   | -    | 3,788                                   |
| -  | -   | -   | -   | -    | 500,169                                 |
| -  | -   | -   | -   | -    | 243,923                                 |
| -  | -   | -   | -   | -    | 6,679,962                               |
| -  | -   | -   | -   | -    | 5,442,974                               |
| -  | -   | -   | -   | -    | 309,564                                 |
| -  | 1,050   | 11,843,050  | 31,916  | -    | 14,965,919                              |
| 62,087   | -   | -   | -   | -    | 62,087                                  |
| -  | 1,209,160   | -   | 3,424,983   | -    | 12,785,867                              |
| -  | -   | -   | -   | -    | 12,124,201                              |
| -  | -   | -   | -   | -    | 9,890,978                               |
| 62,087   | 1,210,210   | 11,843,050  | 3,456,899   | -    | 63,009,432                              |
| (61,504)   | (1,204,577)   | (11,808,571)                                      | (3,432,126)                                       | -    | (34,281,247)                            |
| -  | -   | -   | -   | -    | 16,920,000                              |
| -  | -   | -   | -   | -    | 347,535                                 |
| -  | -   | -   | -   | -    | (7,046,086)                             |
| -  | -   | -   | -   | -    | 20,772,017                              |
| -  | -   | -   | -   | -    | (9,116,548)                             |
| -  | -   | -   | -   | -    | 21,876,918                              |
| (61,504)   | (1,204,577)   | (11,808,571)                                      | (3,432,126)                                       | -    | (12,404,329)                            |
| 116,155  | 1,283,329   | 11,905,104  | 3,432,780   | -    | 59,036,555                              |
| \$ 54,651  | \$ 78,752   | \$ 96,533   | \$ 654  | \$ - | \$ 46,632,226                           |

City of Peoria, Illinois

Combining Balance Sheet Schedule -  
All TIF Project Accounts  
December 31, 2013

| Assets   | Southtown TIF<br>Project | Downtown TIF<br>Project | Northside TIF<br>Project | Midtown Plaza<br>TIF Project |
|--|--------------------------|-------------------------|--------------------------|------------------------------|
| Cash and cash equivalents  | \$ 3,603,922             | \$ 5,010,448            | \$ 546,438               | \$ 2,555                     |
| Investments  | 521                      | 762                     | 673                      | 20                           |
| Property taxes receivable  | 2,665,500                | 1,527,200               | 134,400                  | 108,500                      |
| State sales taxes receivable   | -                        | -                       | -                        | -                            |
| Other receivables, net   | 42,177                   | -                       | -                        | -                            |
| <b>Total assets</b>  | <b>\$ 6,312,120</b>      | <b>\$ 6,538,410</b>     | <b>\$ 681,511</b>        | <b>\$ 111,075</b>            |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>       |                          |                         |                          |                              |
| <b>Liabilities</b>   |                          |                         |                          |                              |
| Accounts payable   | \$ 149,977               | \$ 1,200                | \$ -                     | \$ -                         |
| Accrued payroll  | 72                       | -                       | -                        | -                            |
| Due to other funds   | 421                      | 421                     | 421                      | 421                          |
| <b>Total liabilities</b>   | <b>150,470</b>           | <b>1,621</b>            | <b>421</b>               | <b>421</b>                   |
| <b>Deferred Inflows of Resources</b>                                     |                          |                         |                          |                              |
| Unavailable revenue - property taxes                                     | 2,665,500                | 1,527,200               | 134,400                  | 108,500                      |
| <b>Fund Balance</b>  |                          |                         |                          |                              |
| Restricted:  |                          |                         |                          |                              |
| Debt service   | 189,000                  | 762,158                 | 226,361                  | 2,154                        |
| TIF redevelopment  | 3,307,150                | 4,247,431               | 320,329                  | -                            |
| <b>Total fund balance</b>  | <b>3,496,150</b>         | <b>5,009,589</b>        | <b>546,690</b>           | <b>2,154</b>                 |
| <b>Total liabilities, deferred inflows of resources and fund balance</b> | <b>\$ 6,312,120</b>      | <b>\$ 6,538,410</b>     | <b>\$ 681,511</b>        | <b>\$ 111,075</b>            |

| Northside<br>Business Park<br>TIF Project | Downtown Stadium<br>TIF Project | Eagle View<br>TIF Project | Warehouse District<br>TIF Project | Hospitality<br>Improvement Zone<br>TIF Project | East Village<br>Growth Cell<br>TIF Project |
|---|---------------------------------|---------------------------|-----------------------------------|--|--|
| \$ 240,809                                | \$ 62,939                       | \$ 60,505                 | \$ 468,536                        | \$ 665,261                                     | \$ 126,159                                 |
| 613                                       | 749                             | -                         | -                                 | -  | -  |
| 183,700                                   | 298,300                         | 39,000                    | 278,600                           | 213,800  | 131,600                                    |
| -   | -                               | -                         | -                                 | 27,463   | -  |
| -   | -                               | -                         | -                                 | 3,063  | -  |
| <u>\$ 425,122</u>                         | <u>\$ 361,988</u>               | <u>\$ 99,505</u>          | <u>\$ 747,136</u>                 | <u>\$ 909,587</u>                              | <u>\$ 257,759</u>                          |
| \$ -                                      | \$ -                            | \$ -                      | \$ 160,921                        | \$ 36,357                                      | \$ -                                       |
| -   | -                               | -                         | -                                 | -  | -  |
| 421                                       | 420                             | 420                       | 420                               | 420  | 420  |
| 421                                       | 420                             | 420                       | 161,341                           | 36,777   | 420  |
| 183,700                                   | 298,300                         | 39,000                    | 278,600                           | 213,800  | 131,600                                    |
| -   | 63,268                          | -                         | -                                 | -  | -  |
| 241,001                                   | -                               | 60,085                    | 307,195                           | 659,010  | 125,739                                    |
| 241,001                                   | 63,268                          | 60,085                    | 307,195                           | 659,010  | 125,739                                    |
| <u>\$ 425,122</u>                         | <u>\$ 361,988</u>               | <u>\$ 99,505</u>          | <u>\$ 747,136</u>                 | <u>\$ 909,587</u>                              | <u>\$ 257,759</u>                          |

City of Peoria, Illinois

Combining Balance Sheet Schedule -  
All TIF Project Accounts (Continued)  
December 31, 2013

| Assets   | Downtown<br>Conservation<br>TIF Project | South<br>Village<br>TIF Project | Total                |
|--|---|---------------------------------|----------------------|
| Cash and cash equivalents  | \$ -                                    | \$ -                            | \$ 10,787,572        |
| Investments  | -                                       | -                               | 3,338                |
| Property taxes receivable  | 12,500                                  | 16,900                          | 5,610,000            |
| State sales taxes receivable   | -                                       | -                               | 27,463               |
| Other receivables, net   | -                                       | -                               | 45,240               |
| <b>Total assets</b>  | <b>\$ 12,500</b>                        | <b>\$ 16,900</b>                | <b>\$ 16,473,613</b> |
| <b>Liabilities, Deferred Inflows of Resources<br/>and Fund Balance</b>           |   |                                 |                      |
| <b>Liabilities</b>   |   |                                 |                      |
| Accounts payable   | \$ -                                    | \$ -                            | \$ 348,455           |
| Accrued payroll  | -                                       | -                               | 72                   |
| Due to other funds   | -                                       | -                               | 4,205                |
| <b>Total liabilities</b>   | <b>-</b>                                | <b>-</b>                        | <b>352,732</b>       |
| <b>Deferred Inflows of Resources</b>   |   |                                 |                      |
| Unavailable revenue - property taxes   | 12,500                                  | 16,900                          | 5,610,000            |
| <b>Fund Balance</b>  |   |                                 |                      |
| Restricted:  |   |                                 |                      |
| Debt service   | -                                       | -                               | 1,242,941            |
| TIF redevelopment  | -                                       | -                               | 9,267,940            |
| <b>Total fund balance</b>  | <b>-</b>                                | <b>-</b>                        | <b>10,510,881</b>    |
| <b>Total liabilities, deferred<br/>inflows of resources<br/>and fund balance</b> | <b>\$ 12,500</b>                        | <b>\$ 16,900</b>                | <b>\$ 16,473,613</b> |

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City of Peoria, Illinois

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
All TIF Project Accounts  
Year Ended December 31, 2013**

|  | Southtown TIF<br>Project | Downtown TIF<br>Project | Northside TIF<br>Project | Midtown Plaza<br>TIF Project |
|--|--------------------------|-------------------------|--------------------------|------------------------------|
| <b>Revenues:</b>   |                          |                         |                          |                              |
| Property taxes   | \$ 2,742,837             | \$ 2,295,403            | \$ 145,829               | \$ 110,953                   |
| State sales taxes  | 60,803                   | -                       | -                        | -                            |
| Hotel, restaurant and amusement taxes                        | -                        | -                       | -                        | -                            |
| Service charges/fines/fees                                   | 38,683                   | -                       | -                        | -                            |
| Interest   | 35,801                   | 33,868                  | 5,180                    | 303                          |
| <b>Total revenues</b>  | <b>2,878,124</b>         | <b>2,329,271</b>        | <b>151,009</b>           | <b>111,256</b>               |
| <b>Expenditures:</b>   |                          |                         |                          |                              |
| <b>Current:</b>  |                          |                         |                          |                              |
| City administration  | 421                      | 421                     | 421                      | 421                          |
| Public works   | 3,030                    | -                       | -                        | -                            |
| Community development  | 2,054,790                | -                       | -                        | -                            |
| General government   | 23,408                   | 409,766                 | 91,971                   | -                            |
| Capital outlay   | 106,589                  | 54,323                  | -                        | -                            |
| <b>Total expenditures</b>                                    | <b>2,188,238</b>         | <b>464,510</b>          | <b>92,392</b>            | <b>421</b>                   |
| <b>Excess (deficiency) of<br/>revenues over expenditures</b> | <b>689,886</b>           | <b>1,864,761</b>        | <b>58,617</b>            | <b>110,835</b>               |
| <b>Other financing sources (uses):</b>                       |                          |                         |                          |                              |
| Transfers in   | -                        | -                       | -                        | -                            |
| Transfers out  | (1,949,500)              | (763,908)               | (207,125)                | (110,000)                    |
| <b>Total other financing<br/>sources (uses)</b>              | <b>(1,949,500)</b>       | <b>(763,908)</b>        | <b>(207,125)</b>         | <b>(110,000)</b>             |
| <b>Net change in fund balances</b>                           | <b>(1,259,614)</b>       | <b>1,100,853</b>        | <b>(148,508)</b>         | <b>835</b>                   |
| Fund balances, beginning of year                             | 4,755,764                | 3,908,736               | 695,198                  | 1,319                        |
| Fund balances, end of year                                   | \$ 3,496,150             | \$ 5,009,589            | \$ 546,690               | \$ 2,154                     |

(Continued)

| Northside<br>Business Park<br>TIF Project | Downtown Stadium<br>TIF Project | Eagle View<br>TIF Project | Warehouse District<br>TIF Project | Hospitality<br>Improvement Zone<br>TIF Project | East Village<br>Growth Cell<br>TIF Project |
|---|---------------------------------|---------------------------|-----------------------------------|--|--|
| \$ 162,068                                | \$ 298,779                      | \$ 33,600                 | \$ 226,882                        | \$ 24,102                                      | \$ 66,425                                  |
| -   | -                               | -                         | -                                 | 108,744  | -  |
| -   | -                               | -                         | -                                 | 119,911  | -  |
| -   | -                               | -                         | -                                 | -  | -  |
| 1,195                                     | 921                             | 482                       | 1,679                             | 4,786  | 629  |
| 163,263                                   | 299,700                         | 34,082                    | 228,561                           | 257,543  | 67,054                                     |
| 421                                       | 420                             | 420                       | 420                               | -  | 420  |
| -   | -                               | -                         | -                                 | -  | -  |
| -   | -                               | -                         | -                                 | 70,715   | -  |
| 19,586                                    | 201,592                         | 6,764                     | 79,388                            | -  | -  |
| -   | -                               | 68,236                    | 946,169                           | -  | -  |
| 20,007                                    | 202,012                         | 75,420                    | 1,025,977                         | 70,715   | 420  |
| 143,256                                   | 97,688                          | (41,338)                  | (797,416)                         | 186,828  | 66,634                                     |
| -   | -                               | -                         | 796,000                           | -  | -  |
| -   | (148,787)                       | -                         | -                                 | (120,223)                                      | -  |
| -   | (148,787)                       | -                         | 796,000                           | (120,223)                                      | -  |
| 143,256                                   | (51,099)                        | (41,338)                  | (1,416)                           | 66,605   | 66,634                                     |
| 97,745                                    | 114,367                         | 101,423                   | 308,611                           | 592,405  | 59,105                                     |
| \$ 241,001                                | \$ 63,268                       | \$ 60,085                 | \$ 307,195                        | \$ 659,010                                     | \$ 125,739                                 |

City of Peoria, Illinois

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
All TIF Project Accounts (Continued)  
Year Ended December 31, 2013**

|  | Intrafund<br>Elimination | Total              |
|--|--------------------------|--------------------|
| Revenues:  |                          |                    |
| Property taxes   | \$ -                     | \$ 6,106,878       |
| State sales taxes  | -                        | 169,547            |
| Hotel, restaurant and amusement taxes                        | -                        | 119,911            |
| Service charges/fines/fees                                   | -                        | 38,683             |
| Interest   | -                        | 84,844             |
| <b>Total revenues</b>  | <b>-</b>                 | <b>6,519,863</b>   |
| Expenditures:  |                          |                    |
| Current:   |                          |                    |
| City administration  | -                        | 3,785              |
| Public works   | -                        | 3,030              |
| Community development  | -                        | 2,125,505          |
| General government   | -                        | 832,475            |
| Capital outlay   | -                        | 1,175,317          |
| <b>Total expenditures</b>                                    | <b>-</b>                 | <b>4,140,112</b>   |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>-</b>                 | <b>2,379,751</b>   |
| Other financing sources (uses):                              |                          |                    |
| Transfers in   | (796,000)                | -                  |
| Transfers out  | 796,000                  | (2,503,543)        |
| <b>Total other financing sources (uses)</b>                  | <b>-</b>                 | <b>(2,503,543)</b> |
| <b>Net change in fund balances</b>                           | <b>-</b>                 | <b>(123,792)</b>   |
| Fund balances, beginning of year                             | -                        | 10,634,673         |
| Fund balances, end of year                                   | \$ -                     | \$ 10,510,881      |

## **General Fund**

A fund used to account for all transactions of a governmental unit which are not accounted for in another fund.

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City of Peoria, Illinois

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

|   | 2013                |                     |                      | 2012 Actual          |
|---|---------------------|---------------------|----------------------|----------------------|
|   | Original Budget     | Final Budget        | Actual               |                      |
| Revenues:   |                     |                     |                      |                      |
| Property taxes  | \$ 3,674,532        | \$ 3,674,532        | \$ 3,811,650         | \$ 5,712,125         |
| Corporate personal property replacement taxes         | 2,522,504           | 2,522,504           | 3,619,035            | 3,086,302            |
| State sales taxes                                     | 24,528,300          | 24,528,300          | 23,595,268           | 24,339,855           |
| State income tax allocation                           | 10,100,000          | 10,100,000          | 12,014,569           | 10,701,076           |
| Home rule sales taxes                                 | 23,812,300          | 23,812,300          | 22,336,809           | 22,898,395           |
| Hotel, restaurant and amusement taxes                 | 8,612,972           | 8,612,972           | 8,215,396            | 8,591,718            |
| Utility taxes   | 3,817,700           | 3,817,700           | 3,812,297            | 12,269,259           |
| Governmental grants and reimbursements                | 1,880,426           | 2,054,989           | 1,633,679            | 2,299,206            |
| Licenses and permits                                  | 2,409,100           | 2,409,100           | 1,941,178            | 2,406,554            |
| Service charges/fees/fees                             | 9,810,984           | 9,905,984           | 8,151,190            | 9,166,421            |
| Loan repayment  | -                   | 17,167              | 30,055               | 44,176               |
| Rental  | 98,000              | 98,000              | 99,893               | 119,795              |
| Interest  | 97,167              | 80,000              | 62,438               | 63,560               |
| Other   | 6,207,649           | 10,175,272          | 2,593,570            | 2,222,041            |
| <b>Total revenues</b>                                 | <b>97,571,634</b>   | <b>101,808,820</b>  | <b>91,917,027</b>    | <b>103,920,483</b>   |
| Expenditures:   |                     |                     |                      |                      |
| Current:  |                     |                     |                      |                      |
| Elective offices, boards, commissions<br>and agencies | 1,736,829           | 2,067,217           | 1,886,180            | 1,854,416            |
| City administration                                   | 5,370,802           | 5,209,281           | 4,639,954            | 5,812,366            |
| Benefits  | 16,472,910          | -                   | -                    | -                    |
| Police  | 24,296,523          | 28,439,080          | 28,807,320           | 27,122,085           |
| Fire  | 18,419,380          | 21,990,982          | 21,554,259           | 20,765,910           |
| Public works  | 12,848,418          | 14,575,717          | 13,756,210           | 12,693,141           |
| Community development                                 | 5,095,053           | 5,348,816           | 5,525,896            | 5,321,586            |
| Public safety   | 3,553,264           | 3,928,225           | 3,756,991            | 4,712,515            |
| General government                                    | 81,221              | 2,689,417           | 2,784,557            | 9,903,002            |
| Library   | -                   | 769,037             | 794,127              | 619,565              |
| <b>Total expenditures</b>                             | <b>87,874,400</b>   | <b>85,017,772</b>   | <b>83,505,494</b>    | <b>88,804,586</b>    |
| <b>Excess of revenues<br/>over expenditures</b>       | <b>9,697,234</b>    | <b>16,791,048</b>   | <b>8,411,533</b>     | <b>15,115,897</b>    |
| Other financing sources (uses):                       |                     |                     |                      |                      |
| Transfers in  | 237,600             | 272,600             | 387,374              | 212,600              |
| Transfers out   | (5,703,577)         | (7,623,577)         | (7,315,405)          | (16,654,103)         |
| <b>Total other financing (uses)</b>                   | <b>(5,465,977)</b>  | <b>(7,350,977)</b>  | <b>(6,928,031)</b>   | <b>(16,441,503)</b>  |
| <b>Net change in fund balances</b>                    | <b>\$ 4,231,257</b> | <b>\$ 9,440,071</b> | <b>1,483,502</b>     | <b>(1,325,606)</b>   |
| Fund balances, beginning of year                      |                     |                     | 41,100,605           | 42,426,211           |
| Fund balances, end of year                            |                     |                     | <b>\$ 42,584,107</b> | <b>\$ 41,100,605</b> |

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## Special Revenue Funds

Funds used to account for revenues from specific taxes or other ear-marked revenue sources which, by federal or state statute, local ordinance or administrative prerogative, are restricted to finance particular functions or activities of the City.

Following are the individual Special Revenue Funds:

**Peoria Public Library Fund:** This fund is used to account for the activities of the Peoria Public Library.

**Motor Fuel Tax Fund:** This fund collects the City's share of motor fuel taxes and supports eligible capital projects.

**Community Development Block Grant Fund:** This fund is used to obtain, collect and disburse federal grant funds. All disbursement must be for grant eligible activities, programs and projects.

**State and Local Auto Theft Enforcement Grant Fund:** This fund is used to obtain, collect and disburse grant funds. All disbursements must be for grant eligible activities, programs and projects.

**Multi-County MEG Grant Fund:** This fund reflects financial activity in accordance with the terms of the grant.

**Home Investment Partnership Program Fund:** This fund reflects financial activity of the Home Investment Partnership Program in accordance with the grant terms.

**Illinois Municipal Retirement Fund:** This fund is used to account for the employer and employee contributions made to the Illinois Municipal Retirement Fund.

**Solid Waste Fund:** This fund is used to account for user fees which relate to the operation of the City-County landfill.

**Refuse Collection Fund:** This fund was established to account for the activities relating to the collection of residential waste. The City increased the fee to \$13 per month in 2012 in order to completely cover the cost of refuse collection, and it will then be increased to \$14 per month in 2014.

**Sewer Fund:** This fund is used to account for sewer user fees. The collection of these user fees is administered by the Greater Peoria Sanitary District (GPSD). These fees are dedicated for cleaning, televising and rehabilitating sewers.

**Workforce Development Fund:** This fund is used to collect and disburse federal Workforce Development Grant funds. All expenditures of this fund must be for grant eligible activities, programs and projects.

**Police and Fire Pension Levy Fund:** This fund is used to recognize the taxes levied for the employer contribution to the Police Pension Fund and Firemen's Pension Fund.

**Peoria Foreign Fire Insurance Board:** This fund is used to collect Foreign Fire Insurance Company fees and expend them for the maintenance, use and benefit of the Peoria Fire Department.

**Tourism Reserve Fund:** This fund is used to account for the portion of hotel, restaurant, and amusement taxes allocated for tourism in accordance with the intergovernmental agreement between the City of Peoria, the Peoria Arts Convention and Visitors Bureau, and the Peoria Civic Center.

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City of Peoria, Illinois

**Peoria Public Library Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|  | 2013             |                  |                     | 2012 Actual         |
|--|------------------|------------------|---------------------|---------------------|
|  | Original Budget  | Final Budget     | Actual              |                     |
| Revenues:  |                  |                  |                     |                     |
| Property taxes   | \$ 6,518,100     | \$ 6,518,100     | \$ 6,481,904        | \$ 6,578,063        |
| Corporate personal property replacement taxes            | 470,300          | 470,300          | 470,300             | 479,919             |
| Governmental grants and reimbursements                   | 117,939          | 117,939          | 134,412             | 138,831             |
| Service charges/fines/fees                               | 115,552          | 115,552          | 135,705             | 128,276             |
| Interest   | 2,263            | 2,263            | 4,362               | 4,902               |
| Other  | 10,815           | 10,815           | 66,453              | 123,190             |
| <b>Total revenues</b>                                    | <b>7,234,969</b> | <b>7,234,969</b> | <b>7,293,136</b>    | <b>7,453,181</b>    |
| Expenditures:  |                  |                  |                     |                     |
| Current, library:  |                  |                  |                     |                     |
| Personal services  | 3,468,128        | 3,468,128        | 3,319,669           | 3,510,027           |
| Contractual services                                     | 1,898,653        | 1,898,653        | 1,879,664           | 1,792,792           |
| Supplies and materials                                   | 209,435          | 209,435          | 263,261             | 620,791             |
| Capital outlay   | 917,253          | 917,253          | 823,922             | 807,355             |
| <b>Total expenditures</b>                                | <b>6,493,469</b> | <b>6,493,469</b> | <b>6,286,516</b>    | <b>6,730,965</b>    |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>741,500</b>   | <b>741,500</b>   | <b>1,006,620</b>    | <b>722,216</b>      |
| Other financing (uses), transfers out                    | (741,500)        | (741,500)        | (617,633)           | (617,633)           |
| <b>Net change in fund balances</b>                       | <b>\$ -</b>      | <b>\$ -</b>      | <b>388,987</b>      | <b>104,583</b>      |
| Fund balances, beginning of year                         |                  |                  | 2,430,315           | 2,325,732           |
| Fund balances, end of year                               |                  |                  | <b>\$ 2,819,302</b> | <b>\$ 2,430,315</b> |

City of Peoria, Illinois

Motor Fuel Tax Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

|  | 2013              |                     |                     | 2012 Actual         |
|--|-------------------|---------------------|---------------------|---------------------|
|  | Original Budget   | Final Budget        | Actual              |                     |
| Revenues:  |                   |                     |                     |                     |
| Governmental grants and reimbursements                   | \$ 3,000,000      | \$ 3,000,000        | \$ 2,849,312        | \$ 3,068,805        |
| Interest   | 50,000            | 50,000              | 49,758              | 45,007              |
| Other, miscellaneous                                     | 526,203           | 526,203             | 558,948             | 526,504             |
| <b>Total revenues</b>                                    | <b>3,576,203</b>  | <b>3,576,203</b>    | <b>3,458,018</b>    | <b>3,640,316</b>    |
| Expenditures:  |                   |                     |                     |                     |
| Current:   |                   |                     |                     |                     |
| Public works, road construction and general maintenance  | -                 | -                   | 777                 | 2,529               |
| General government                                       | -                 | -                   | 3,100               | 35,762              |
| Capital outlay   | 3,205,000         | 3,907,062           | 4,839,604           | 2,465,604           |
| <b>Total expenditures</b>                                | <b>3,205,000</b>  | <b>3,907,062</b>    | <b>4,843,481</b>    | <b>2,503,895</b>    |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>\$ 371,203</b> | <b>\$ (330,859)</b> | <b>(1,385,463)</b>  | <b>1,136,421</b>    |
| Fund balances, beginning of year                         |                   |                     | 8,226,000           | 7,089,579           |
| Fund balances, end of year                               |                   |                     | <b>\$ 6,840,537</b> | <b>\$ 8,226,000</b> |

City of Peoria, Illinois

**Community Development Block Grant Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | <u>2013</u>      | <u>2012</u>      |
|---|------------------|------------------|
| Revenues:                                   |                  |                  |
| Governmental grants and reimbursements      | \$ 1,344,504     | \$ 1,748,516     |
| Service charges/fines/fees                  | 43,325           | -                |
| Loan repayment                              | 2,949            | 3,291            |
| Interest                                    | -                | 44               |
| Other                                       | 8,074            | 8,653            |
| <b>Total revenues</b>                       | <b>1,398,852</b> | <b>1,760,504</b> |
| Expenditures:                               |                  |                  |
| Current:                                    |                  |                  |
| Community development:                      |                  |                  |
| Administration                              | -                | 272,434          |
| Project costs                               | 269,949          | 174,447          |
| Rehabilitation                              | 311,803          | 635,039          |
| Payments to subrecipients                   | 427,536          | 323,046          |
| Public safety                               | 309,564          | 257,546          |
| Capital outlay                              | -                | 17,992           |
| <b>Total expenditures</b>                   | <b>1,318,852</b> | <b>1,680,504</b> |
| <b>Excess of revenues over expenditures</b> | <b>80,000</b>    | <b>80,000</b>    |
| Other financing (uses), transfers out       | <b>(80,000)</b>  | <b>(80,000)</b>  |
| <b>Net change in fund balances</b>          | <b>-</b>         | <b>-</b>         |
| Fund balances, beginning of year            | -                | -                |
| Fund balances, end of year                  | <b>\$ -</b>      | <b>\$ -</b>      |

City of Peoria, Illinois

State and Local Auto Theft Enforcement Grant Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012

|  | 2013            |                |                 | 2012 Actual     |
|--|-----------------|----------------|-----------------|-----------------|
|  | Original Budget | Final Budget   | Actual          |                 |
| Revenues:  |                 |                |                 |                 |
| Interest   | \$ -            | \$ -           | \$ -            | \$ 1            |
| Other  | -               | 412,759        | 401,825         | 404,424         |
| <b>Total revenues</b>                                    | -               | <b>412,759</b> | <b>401,825</b>  | 404,425         |
| Expenditures:  |                 |                |                 |                 |
| Current:   |                 |                |                 |                 |
| Police:  |                 |                |                 |                 |
| Personnel  | -               | 333,728        | 326,228         | 319,550         |
| Equipment  | -               | -              | -               | 47,588          |
| Contractual  | -               | 51,908         | 49,283          | 32,515          |
| Travel   | -               | 22,363         | 22,205          | 4,382           |
| Commodities  | -               | 1,100          | 1,316           | 1,705           |
| Other  | -               | 1,100          | 500             | 485             |
| General government                                       | -               | -              | -               | 492             |
| Capital outlay   | -               | 2,560          | -               | -               |
| <b>Total expenditures</b>                                | -               | <b>412,759</b> | <b>399,532</b>  | 406,717         |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>\$ -</b>     | <b>\$ -</b>    | <b>2,293</b>    | (2,292)         |
| Fund balances, beginning of year                         |                 |                | 5,243           | 7,535           |
| Fund balances, end of year                               |                 |                | <b>\$ 7,536</b> | <b>\$ 5,243</b> |

City of Peoria, Illinois

Multi-County MEG Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

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|  | <u>2013</u>   | <u>2012</u>   |
|--|---------------|---------------|
| Revenues, governmental grants and reimbursements         | \$ 67,620     | \$ 72,451     |
| Expenditures, current, police, narcotics enforcement     | <u>67,620</u> | <u>72,451</u> |
| <b>Excess (deficiency) of revenues over expenditures</b> | -             | -             |
| Fund balances (deficit), beginning of year               | -             | -             |
| Fund balances, end of year                               | <u>\$ -</u>   | <u>\$ -</u>   |

City of Peoria, Illinois

Home Investment Partnership Program Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012

|  | 2013           | 2012           |
|--|----------------|----------------|
| Revenues:  |                |                |
| Governmental grants and reimbursements                   | \$ 300,961     | \$ 673,040     |
| Loan repayment   | 4,122          | 5,476          |
| Other, miscellaneous                                     | 17,038         | 21,577         |
| <b>Total revenues</b>                                    | <b>322,121</b> | <b>700,093</b> |
| Expenditures:  |                |                |
| Current:   |                |                |
| Community development:                                   |                |                |
| Administration   | -              | 39,530         |
| Public services  | 17,731         | 314,221        |
| Rehabilitation   | 122,382        | 114,050        |
| Payments to subrecipients                                | 182,008        | 232,292        |
| <b>Total expenditures</b>                                | <b>322,121</b> | <b>700,093</b> |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>-</b>       | <b>-</b>       |
| Fund balances, beginning of year                         | -              | -              |
| Fund balances, end of year                               | <b>\$ -</b>    | <b>\$ -</b>    |

City of Peoria, Illinois

**Illinois Municipal Retirement Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|  | 2013                |                     |                       | 2012 Actual         |
|--|---------------------|---------------------|-----------------------|---------------------|
|  | Original Budget     | Final Budget        | Actual                |                     |
| Revenues:  |                     |                     |                       |                     |
| Property taxes   | \$ 4,168,990        | \$ 4,168,990        | \$ 4,143,972          | \$ 4,457,319        |
| Corporate personal property replacement taxes                | 1,027,736           | 1,027,736           | 1,027,736             | 988,710             |
| Interest   | -                   | -                   | 1,919                 | 2,380               |
| <b>Total revenues</b>  | <b>5,196,726</b>    | <b>5,196,726</b>    | <b>5,173,627</b>      | <b>5,448,409</b>    |
| Expenditures:  |                     |                     |                       |                     |
| Current:   |                     |                     |                       |                     |
| Elective offices, boards, commissions<br>and agencies        | -                   | 199,205             | 409,298               | 192,601             |
| City administration  | -                   | 680,511             | 1,750,179             | 643,103             |
| Police   | -                   | 670,641             | 1,423,444             | 615,203             |
| Fire   | -                   | 295,006             | 400,632               | 279,951             |
| Public works   | -                   | 1,198,376           | 3,901,524             | 1,078,536           |
| Community development  | -                   | 393,703             | 1,258,390             | 447,734             |
| Public safety  | -                   | 796,801             | 2,858,200             | 749,508             |
| General government   | 4,968,697           | -                   | 8,398                 | 19,666              |
| Library  | -                   | 734,454             | 1,800,789             | 682,695             |
| Debt service:  |                     |                     |                       |                     |
| Principal  | 1,369,952           | 1,369,952           | -                     | -                   |
| Interest   | 17,168              | 17,168              | 30,055                | 44,326              |
| <b>Total expenditures</b>                                    | <b>6,355,817</b>    | <b>6,355,817</b>    | <b>13,840,909</b>     | <b>4,753,323</b>    |
| <b>Excess (deficiency) of<br/>revenues over expenditures</b> | <b>(1,159,091)</b>  | <b>(1,159,091)</b>  | <b>(8,667,282)</b>    | <b>695,086</b>      |
| Other financing sources, transfers in                        | 741,500             | 741,500             | 617,633               | 617,633             |
| <b>Net change in fund balances</b>                           | <b>\$ (417,591)</b> | <b>\$ (417,591)</b> | <b>(8,049,649)</b>    | <b>1,312,719</b>    |
| Fund balances (deficit), beginning of year                   |                     |                     | (770,426)             | (2,083,145)         |
| Fund balances (deficit), end of year                         |                     |                     | <b>\$ (8,820,075)</b> | <b>\$ (770,426)</b> |

City of Peoria, Illinois

Solid Waste Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

|   | 2013                |                     |                   | 2012 Actual       |
|---|---------------------|---------------------|-------------------|-------------------|
|   | Original Budget     | Final Budget        | Actual            |                   |
| Revenues:   |                     |                     |                   |                   |
| Service charges/finest/fees                                   | \$ 284,685          | \$ 284,685          | \$ 315,428        | \$ 304,043        |
| Interest  | -                   | -                   | 542               | 1,359             |
| <b>Total revenues</b>   | <b>284,685</b>      | <b>284,685</b>      | <b>315,970</b>    | <b>305,402</b>    |
| Expenditures, current, general government                     | 509,320             | 586,821             | 459,408           | 513,639           |
| <b>(Deficiency) of revenues<br/>        over expenditures</b> | <b>(224,635)</b>    | <b>(302,136)</b>    | <b>(143,438)</b>  | <b>(208,237)</b>  |
| Other financing (uses), transfers out                         | (132,600)           | (132,600)           | -                 | (132,600)         |
| <b>Net change in fund balances</b>                            | <b>\$ (357,235)</b> | <b>\$ (434,736)</b> | <b>(143,438)</b>  | <b>(340,837)</b>  |
| Fund balances, beginning of year                              |                     |                     | 265,672           | 606,509           |
| Fund balances, end of year                                    |                     |                     | <b>\$ 122,234</b> | <b>\$ 265,672</b> |

City of Peoria, Illinois

Refuse Collection Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

|  | 2013                |                     |                     | 2012 Actual       |
|--|---------------------|---------------------|---------------------|-------------------|
|  | Original Budget     | Final Budget        | Actual              |                   |
| Revenues:  |                     |                     |                     |                   |
| Governmental grants and reimbursements                   | \$ 106,100          | \$ 106,100          | \$ 65,089           | \$ 84,610         |
| Service charges/fines/fees                               | 6,271,932           | 6,271,932           | 5,745,572           | 5,361,987         |
| Interest   | -                   | -                   | 605                 | 569               |
| Other, miscellaneous                                     | -                   | -                   | 707                 | -                 |
| <b>Total revenues</b>                                    | <b>6,378,032</b>    | <b>6,378,032</b>    | <b>5,811,973</b>    | <b>5,447,166</b>  |
| Expenditures:  |                     |                     |                     |                   |
| Current:   |                     |                     |                     |                   |
| City administration                                      | -                   | -                   | 3                   | -                 |
| Public works   | 6,568,836           | 6,568,836           | 6,622,170           | 5,681,153         |
| <b>Total expenditures</b>                                | <b>6,568,836</b>    | <b>6,568,836</b>    | <b>6,622,173</b>    | <b>5,681,153</b>  |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(190,804)</b>    | <b>(190,804)</b>    | <b>(810,200)</b>    | <b>(233,987)</b>  |
| Other financing sources, transfers in                    | -                   | -                   | -                   | 562,125           |
| <b>Net change in fund balances</b>                       | <b>\$ (190,804)</b> | <b>\$ (190,804)</b> | <b>(810,200)</b>    | <b>328,138</b>    |
| Fund balances, beginning of year                         |                     |                     | 328,138             | -                 |
| Fund balances, end of year                               |                     |                     | <b>\$ (482,062)</b> | <b>\$ 328,138</b> |

City of Peoria, Illinois

Sewer Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

|  | 2013                  |                       |                    | 2012 Actual      |
|--|-----------------------|-----------------------|--------------------|------------------|
|  | Original Budget       | Final Budget          | Actual             |                  |
| Revenues:  |                       |                       |                    |                  |
| Governmental grants and reimbursements                   | \$ -                  | \$ 291,000            | \$ 243,684         | \$ -             |
| Service charges/fees/fees                                | 4,095,121             | 4,095,121             | 3,598,976          | 3,260,070        |
| Interest   | -                     | -                     | 5,673              | 2,286            |
| <b>Total revenues</b>                                    | <b>4,095,121</b>      | <b>4,386,121</b>      | <b>3,848,333</b>   | <b>3,262,356</b> |
| Expenditures:  |                       |                       |                    |                  |
| Current:   |                       |                       |                    |                  |
| Public works   | 53,471                | 53,471                | 53,985             | -                |
| General government                                       | -                     | -                     | 1,434,797          | 826,086          |
| Capital outlay   | 5,445,000             | 5,736,000             | 2,136,803          | -                |
| <b>Total expenditures</b>                                | <b>5,498,471</b>      | <b>5,789,471</b>      | <b>3,625,585</b>   | <b>826,086</b>   |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(1,403,350)</b>    | <b>(1,403,350)</b>    | <b>222,748</b>     | <b>2,436,270</b> |
| Other financing (uses), transfers out                    | (2,192,675)           | (2,192,675)           | (2,387,318)        | -                |
| <b>Net change in fund balances</b>                       | <b>\$ (3,596,025)</b> | <b>\$ (3,596,025)</b> | <b>(2,164,570)</b> | <b>2,436,270</b> |
| Fund balances, beginning of year                         |                       |                       | 2,436,270          | -                |
| Fund balances, end of year                               |                       |                       | \$ 271,700         | \$ 2,436,270     |

City of Peoria, Illinois

Workforce Development Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2013  
With Comparative Figures for the Year Ended December 31, 2012

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|  | <u>2013</u>      | <u>2012</u>       |
|--|------------------|-------------------|
| Revenues:                                    |                  |                   |
| Governmental grants and reimbursements       | \$ 1,480,644     | \$ 3,641,959      |
| Other  | -                | 78,450            |
| <b>Total revenues</b>                        | <u>1,480,644</u> | <u>3,720,409</u>  |
| Expenditures, current, community development | <u>1,979,069</u> | <u>3,739,752</u>  |
| <b>Net change in fund balances</b>           | <b>(498,425)</b> | <b>(19,343)</b>   |
| Fund balances, beginning of year             | 498,425          | 517,768           |
| Fund balances, end of year                   | <u>\$ -</u>      | <u>\$ 498,425</u> |

City of Peoria, Illinois

**Police and Fire Pension Levy Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013              |                   |                   | 2012 Actual       |
|---|-------------------|-------------------|-------------------|-------------------|
|   | Original Budget   | Final Budget      | Actual            |                   |
| Revenues:                                     |                   |                   |                   |                   |
| Property taxes                                | \$ 11,662,132     | \$ 11,662,132     | \$ 11,592,191     | \$ 9,655,755      |
| Corporate personal property replacement taxes | 2,249,513         | 2,249,513         | 2,249,513         | 1,883,710         |
| Interest                                      | -                 | -                 | 860               | 891               |
| <b>Total revenues</b>                         | <b>13,911,645</b> | <b>13,911,645</b> | <b>13,842,564</b> | <b>11,540,356</b> |
| Expenditures:                                 |                   |                   |                   |                   |
| Current:                                      |                   |                   |                   |                   |
| Police  | 6,533,591         | 6,533,591         | 6,501,200         | 5,068,235         |
| Fire  | 7,378,054         | 7,378,054         | 7,341,364         | 6,472,121         |
| <b>Total expenditures</b>                     | <b>13,911,645</b> | <b>13,911,645</b> | <b>13,842,564</b> | <b>11,540,356</b> |
| <b>Net change in fund balances</b>            | <b>\$ -</b>       | <b>\$ -</b>       | <b>-</b>          | <b>-</b>          |
| Fund balances, beginning of year              |                   |                   | -                 | -                 |
| Fund balances, end of year                    |                   |                   | \$ -              | \$ -              |

City of Peoria, Illinois

Peoria Foreign Fire Insurance Board  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2013  
With Comparative Figures for the Year Ended December 31, 2012

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|  | <u>2013</u>       | <u>2012</u>       |
|--|-------------------|-------------------|
| Revenues:  |                   |                   |
| Governmental grants and reimbursements                   | \$ 153,904        | \$ 156,863        |
| Interest   | 1,081             | 1,459             |
| Other  | 4,728             | 700               |
| <b>Total revenues</b>                                    | <u>159,713</u>    | <u>159,022</u>    |
| Expenditures, current, fire                              | <u>243,923</u>    | <u>74,285</u>     |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(84,210)</b>   | <b>84,737</b>     |
| Fund balances, beginning of year                         | <u>458,046</u>    | <u>373,309</u>    |
| Fund balances, end of year                               | <u>\$ 373,836</u> | <u>\$ 458,046</u> |

City of Peoria, Illinois

Tourism Reserve Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

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|   | <u>2013</u>         | <u>2012</u> |
|---|---------------------|-------------|
| Revenues:                                   |                     |             |
| Hotel, restaurant and amusement taxes       | \$ 436,137          | \$ -        |
| Other                                       | 1,076,873           | -           |
| <b>Total revenues</b>                       | <u>1,513,010</u>    | -           |
| Expenditures, current, police               | <u>33,017</u>       | -           |
| <b>Excess of revenues over expenditures</b> | 1,479,993           | -           |
| Fund balances, beginning of year            | -                   | -           |
| Fund balances, end of year                  | <u>\$ 1,479,993</u> | <u>\$ -</u> |

## Debt Service Funds

Funds used to account for principal and interest payments with respect to long-term debt of the City.

Following are the individual Debt Service Funds:

**2005A General Obligation Debt Service Bond Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2005A General Obligation Bonds.

**WeaverRidge Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's WeaverRidge Special Service Area Bonds.

**General Obligation Bonds Debt Service Master Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on various general obligation bonds.

**2006 Special Assessment Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2006 Special Assessment Bonds.

**2007-A Special Assessment Bonds Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2007A Special Assessment Bonds.

**2008A Library General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2008A Library General Obligation Bonds.

**2010D General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2010D General Obligation Bonds.

**2011B General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2011B General Obligation Bonds.

**2012A General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2012A General Obligation Bonds.

**2012B General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2012B General Obligation Bonds.

**2012C General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2012C General Obligation Bonds.

**2013A General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2013A General Obligation Bonds.

**2013D General Obligation Bond Debt Service Fund:** This fund is used to account for the accumulation of resources for the repayment of principal and interest on the City's 2013D General Obligation Bonds.

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City of Peoria, Illinois

**2005A General Obligation Debt Service Bond Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013                  |                       |                    | 2012 Actual        |
|---|-----------------------|-----------------------|--------------------|--------------------|
|   | Original Budget       | Final Budget          | Actual             |                    |
| Revenues, interest                                | \$ -                  | \$ -                  | \$ 115             | \$ 98              |
| Expenditures:                                     |                       |                       |                    |                    |
| General government                                | -                     | -                     | 1,500              | 1,500              |
| Peoria Civic Center bond issue:                   |                       |                       |                    |                    |
| Principal   | 1,120,000             | 1,120,000             | 1,120,000          | 215,000            |
| Interest  | 2,921,288             | 2,921,288             | 2,921,287          | 2,929,888          |
| <b>Total expenditures</b>                         | <b>4,041,288</b>      | <b>4,041,288</b>      | <b>4,042,787</b>   | <b>3,146,388</b>   |
| <b>(Deficiency) of revenues over expenditures</b> | <b>(4,041,288)</b>    | <b>(4,041,288)</b>    | <b>(4,042,672)</b> | <b>(3,146,290)</b> |
| Other financing sources (uses):                   |                       |                       |                    |                    |
| Transfers in                                      | 1,261,363             | 1,261,363             | 5,192,945          | 4,875,999          |
| Transfers out                                     | -                     | -                     | (1,161,813)        | (1,731,111)        |
| <b>Total other financing sources</b>              | <b>1,261,363</b>      | <b>1,261,363</b>      | <b>4,031,132</b>   | <b>3,144,888</b>   |
| <b>Net change in fund balances</b>                | <b>\$ (2,779,925)</b> | <b>\$ (2,779,925)</b> | <b>(11,540)</b>    | <b>(1,402)</b>     |
| Fund balances, beginning of year                  |                       |                       | 11,540             | 12,942             |
| Fund balances, end of year                        |                       |                       | \$ -               | \$ 11,540          |

City of Peoria, Illinois

**WeaverRidge Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013             |                  |                     | 2012 Actual         |
|---|------------------|------------------|---------------------|---------------------|
|   | Original Budget  | Final Budget     | Actual              |                     |
| Revenues:   |                  |                  |                     |                     |
| Property taxes  | \$ 112,000       | \$ 112,000       | \$ 121,975          | \$ 111,978          |
| Interest  | 10,000           | 10,000           | -                   | -                   |
| <b>Total revenues</b>                                 | <b>122,000</b>   | <b>122,000</b>   | <b>121,975</b>      | <b>111,978</b>      |
| Expenditures:   |                  |                  |                     |                     |
| General government                                    | 15,400           | 15,400           | 15,725              | 15,545              |
| WeaverRidge special service area<br>bonds issue:      |                  |                  |                     |                     |
| Principal   | 450,000          | 450,000          | 450,000             | 420,000             |
| Interest  | 115,250          | 115,250          | 115,250             | 137,000             |
| <b>Total expenditures</b>                             | <b>580,650</b>   | <b>580,650</b>   | <b>580,975</b>      | <b>572,545</b>      |
| <b>(Deficiency) of revenues<br/>over expenditures</b> | <b>(458,650)</b> | <b>(458,650)</b> | <b>(459,000)</b>    | <b>(460,567)</b>    |
| Other financing sources, transfers in                 | 508,000          | 508,000          | 482,890             | 496,266             |
| <b>Net change in fund balances</b>                    | <b>\$ 49,350</b> | <b>\$ 49,350</b> | <b>23,890</b>       | <b>35,699</b>       |
| Fund balances, beginning of year                      |                  |                  | 1,001,613           | 965,914             |
| Fund balances, end of year                            |                  |                  | <b>\$ 1,025,503</b> | <b>\$ 1,001,613</b> |

City of Peoria, Illinois

**General Obligation Bonds Debt Service Master Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013                |                     |                     | 2012 Actual         |
|---|---------------------|---------------------|---------------------|---------------------|
|   | Original Budget     | Final Budget        | Actual              |                     |
| Revenues:   |                     |                     |                     |                     |
| Interest  | \$ 2,200            | \$ 2,200            | \$ 2,462            | \$ 1,886            |
| Other   | 1,982,450           | 1,982,450           | -                   | -                   |
| <b>Total revenues</b>                                 | <b>1,984,650</b>    | <b>1,984,650</b>    | <b>2,462</b>        | <b>1,886</b>        |
| Expenditures:   |                     |                     |                     |                     |
| Current, general government                           | -                   | -                   | 92,436              | -                   |
| General obligation bond issues:                       |                     |                     |                     |                     |
| Principal   | 8,770,201           | 8,770,201           | 8,895,201           | 9,201,263           |
| Interest  | 3,511,387           | 3,511,387           | 3,223,948           | 3,714,037           |
| <b>Total expenditures</b>                             | <b>12,281,588</b>   | <b>12,281,588</b>   | <b>12,211,585</b>   | <b>12,915,300</b>   |
| <b>(Deficiency) of revenues<br/>over expenditures</b> | <b>(10,296,938)</b> | <b>(10,296,938)</b> | <b>(12,209,123)</b> | <b>(12,913,414)</b> |
| Other financing sources (uses):                       |                     |                     |                     |                     |
| Issuance of bonds                                     | -                   | -                   | 4,860,000           | -                   |
| Payment to refund debt                                | -                   | -                   | (4,766,786)         | -                   |
| Transfers in  | 11,988,587          | 11,988,587          | 12,119,150          | 12,915,300          |
| <b>Total other financing sources</b>                  | <b>11,988,587</b>   | <b>11,988,587</b>   | <b>12,212,364</b>   | <b>12,915,300</b>   |
| <b>Net change in fund balances</b>                    | <b>\$ 1,691,649</b> | <b>\$ 1,691,649</b> | <b>3,241</b>        | <b>1,886</b>        |
| Fund balances, beginning of year                      |                     |                     | 12,508              | 10,622              |
| Fund balances, end of year                            |                     |                     | \$ 15,749           | \$ 12,508           |

City of Peoria, Illinois

**2006 Special Assessment Bond Debt Service Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|  | 2013             |                  |                     | 2012 Actual         |
|--|------------------|------------------|---------------------|---------------------|
|  | Original Budget  | Final Budget     | Actual              |                     |
| Revenues:  |                  |                  |                     |                     |
| Property taxes   | \$ 129,405       | \$ 129,405       | \$ 231,992          | \$ -                |
| Interest   | -                | -                | 86,646              | 9,448               |
| Other  | 197,900          | 197,900          | -                   | -                   |
| <b>Total revenues</b>                                    | <b>327,305</b>   | <b>327,305</b>   | <b>318,638</b>      | <b>9,448</b>        |
| Expenditures:  |                  |                  |                     |                     |
| Special assessment bond issues:                          |                  |                  |                     |                     |
| Principal  | 250,000          | 250,000          | 250,000             | 235,000             |
| Interest   | 267,620          | 267,620          | 267,620             | 279,370             |
| <b>Total expenditures</b>                                | <b>517,620</b>   | <b>517,620</b>   | <b>517,620</b>      | <b>514,370</b>      |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(190,315)</b> | <b>(190,315)</b> | <b>(198,982)</b>    | <b>(504,922)</b>    |
| Other financing sources, transfers in                    | 190,315          | 190,315          | -                   | -                   |
| <b>Net change in fund balances</b>                       | <b>\$ -</b>      | <b>\$ -</b>      | <b>(198,982)</b>    | <b>(504,922)</b>    |
| Fund balances, beginning of year                         |                  |                  | 1,214,405           | 1,719,327           |
| Fund balances, end of year                               |                  |                  | <b>\$ 1,015,423</b> | <b>\$ 1,214,405</b> |

City of Peoria, Illinois

**2007-A Special Assessment Bond Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|  | 2013            |                |                  | 2012 Actual      |
|--|-----------------|----------------|------------------|------------------|
|  | Original Budget | Final Budget   | Actual           |                  |
| Revenues:  |                 |                |                  |                  |
| Property taxes   | \$ 140,766      | \$ 140,766     | \$ 140,678       | \$ 147,054       |
| Interest   | -               | -              | 153              | 158              |
| <b>Total revenues</b>                                    | <b>140,766</b>  | <b>140,766</b> | <b>140,831</b>   | <b>147,212</b>   |
| Expenditures:  |                 |                |                  |                  |
| Current, general government                              | -               | -              | 500              | 500              |
| Special assessment bond issues:                          |                 |                |                  |                  |
| Principal  | 109,000         | 109,000        | 109,000          | 109,000          |
| Interest   | 31,678          | 31,678         | 31,678           | 38,055           |
| <b>Total expenditures</b>                                | <b>140,678</b>  | <b>140,678</b> | <b>141,178</b>   | <b>147,555</b>   |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>88</b>       | <b>88</b>      | <b>(347)</b>     | <b>(343)</b>     |
| Other financing sources, transfers in                    | -               | -              | -                | -                |
| <b>Net change in fund balances</b>                       | <b>\$ 88</b>    | <b>\$ 88</b>   | <b>(347)</b>     | <b>(343)</b>     |
| Fund balances, beginning of year                         |                 |                | 21,192           | 21,535           |
| Fund balances, end of year                               |                 |                | <b>\$ 20,845</b> | <b>\$ 21,192</b> |

City of Peoria, Illinois

**2008A Library General Obligation Bond Debt Service Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013             |                  |                          | 2012 Actual              |
|---|------------------|------------------|--------------------------|--------------------------|
|   | Original Budget  | Final Budget     | Actual                   |                          |
| Revenues:                                       |                  |                  |                          |                          |
| Property taxes                                  | \$ 2,227,950     | \$ 2,227,950     | \$ 2,215,568             | \$ 2,098,404             |
| Interest  | -                | -                | 6,573                    | 6,708                    |
| <b>Total revenues</b>                           | <b>2,227,950</b> | <b>2,227,950</b> | <b>2,222,141</b>         | <b>2,105,112</b>         |
| Expenditures, general obligation bond<br>issue: |                  |                  |                          |                          |
| Principal                                       | 980,000          | 980,000          | 980,000                  | 840,000                  |
| Interest  | 1,247,950        | 1,247,950        | 1,247,950                | 1,281,550                |
| <b>Total expenditures</b>                       | <b>2,227,950</b> | <b>2,227,950</b> | <b>2,227,950</b>         | <b>2,121,550</b>         |
| <b>Net change in fund balances</b>              | <b>\$ -</b>      | <b>\$ -</b>      | <b>(5,809)</b>           | <b>(16,438)</b>          |
| Fund balances, beginning of year                |                  |                  | <u>343,804</u>           | <u>360,242</u>           |
| Fund balances, end of year                      |                  |                  | <u><b>\$ 337,995</b></u> | <u><b>\$ 343,804</b></u> |

City of Peoria, Illinois

**2010D General Obligation Bond Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|  | 2013               |                    |                      | 2012 Actual          |
|--|--------------------|--------------------|----------------------|----------------------|
|  | Original Budget    | Final Budget       | Actual               |                      |
| Revenues, interest   | \$ -               | \$ -               | \$ 386,573           | \$ 1,543,333         |
| Expenditures, general obligation bond<br>issue, interest     | 1,056,513          | 1,056,513          | 1,056,513            | 1,056,513            |
| <b>Excess (deficiency) of<br/>revenues over expenditures</b> | <b>(1,056,513)</b> | <b>(1,056,513)</b> | <b>(669,940)</b>     | 486,820              |
| Other financing sources (uses):                              |                    |                    |                      |                      |
| Transfers in   | 1,056,512          | 1,056,512          | 1,109,581            | 1,386,250            |
| Transfers out  | -                  | -                  | (2,040,719)          | (1,715,988)          |
| <b>Total other financing<br/>sources (uses)</b>              | <b>1,056,512</b>   | <b>1,056,512</b>   | <b>(931,138)</b>     | (329,738)            |
| <b>Net change in fund balances</b>                           | <b>\$ (1)</b>      | <b>\$ (1)</b>      | <b>(1,601,078)</b>   | 157,082              |
| Fund balances, beginning of year                             |                    |                    | 25,875,321           | 25,718,239           |
| Fund balances, end of year                                   |                    |                    | <b>\$ 24,274,243</b> | <b>\$ 25,875,321</b> |

City of Peoria, Illinois

**2011B General Obligation Bond Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|  | 2013             |                  |                     | 2012 Actual         |
|--|------------------|------------------|---------------------|---------------------|
|  | Original Budget  | Final Budget     | Actual              |                     |
| Revenues, interest                                       | \$ -             | \$ -             | \$ 71,969           | \$ 283,787          |
| Expenditures, general obligation bond<br>issue, interest | 204,900          | 204,900          | 204,900             | 209,453             |
| <b>(Deficiency) of revenues<br/>over expenditures</b>    | <b>(204,900)</b> | <b>(204,900)</b> | <b>(132,931)</b>    | 74,334              |
| Other financing sources (uses):                          |                  |                  |                     |                     |
| Transfers in   | 204,900          | 204,900          | 224,938             | 244,975             |
| Transfers out  | -                | -                | (350,013)           | (280,497)           |
| <b>Total other financing<br/>sources (uses)</b>          | <b>204,900</b>   | <b>204,900</b>   | <b>(125,075)</b>    | (35,522)            |
| <b>Net change in fund balances</b>                       | <b>\$ -</b>      | <b>\$ -</b>      | <b>(258,006)</b>    | 38,812              |
| Fund balances, beginning of year                         |                  |                  | 5,744,152           | 5,705,340           |
| Fund balances, end of year                               |                  |                  | <b>\$ 5,486,146</b> | <b>\$ 5,744,152</b> |

City of Peoria, Illinois

**2012A General Obligation Bond Debt Service Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013                  |                       |                    | 2012 Actual         |
|---|-----------------------|-----------------------|--------------------|---------------------|
|   | Original Budget       | Final Budget          | Actual             |                     |
| Revenues:   |                       |                       |                    |                     |
| Hotel, restaurant and amusement taxes                             | \$ -                  | \$ -                  | \$ 48,051          | \$ -                |
| Interest  | -                     | -                     | 5,959              | 9,701               |
| Other   | -                     | -                     | 164,000            | -                   |
| <b>Total revenues</b>   | <b>-</b>              | <b>-</b>              | <b>218,010</b>     | <b>9,701</b>        |
| Expenditures, current, general obligation<br>bond issue, interest | 1,299,550             | 1,299,550             | 1,299,550          | 934,954             |
| <b>(Deficiency) of revenues<br/>over expenditures</b>             | <b>(1,299,550)</b>    | <b>(1,299,550)</b>    | <b>(1,081,540)</b> | <b>(925,253)</b>    |
| Other financing sources,<br>transfers in                          | -                     | -                     | 120,223            | 1,989,122           |
| <b>Net change in fund balances</b>                                | <b>\$ (1,299,550)</b> | <b>\$ (1,299,550)</b> | <b>(961,317)</b>   | <b>1,063,869</b>    |
| Fund balances, beginning of year                                  |                       |                       | 1,063,869          | -                   |
| Fund balances, end of year  |                       |                       | <b>\$ 102,552</b>  | <b>\$ 1,063,869</b> |

City of Peoria, Illinois

**2012B General Obligation Bond Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013             |                  |                     | 2012 Actual          |
|---|------------------|------------------|---------------------|----------------------|
|   | Original Budget  | Final Budget     | Actual              |                      |
| Revenues, interest                                | \$ -             | \$ -             | \$ 151,215          | \$ 144,259           |
| Expenditures:                                     |                  |                  |                     |                      |
| Current, general government                       | -                | -                | -                   | 175,479              |
| General obligation bond issue:                    |                  |                  |                     |                      |
| Principal   | 60,000           | 60,000           | 60,000              | -                    |
| Interest  | 292,350          | 292,350          | 292,350             | 99,886               |
| <b>Total expenditures</b>                         | <b>352,350</b>   | <b>352,350</b>   | <b>352,350</b>      | <b>275,365</b>       |
| <b>(Deficiency) of revenues over expenditures</b> | <b>(352,350)</b> | <b>(352,350)</b> | <b>(201,135)</b>    | <b>(131,106)</b>     |
| Other financing sources (uses):                   |                  |                  |                     |                      |
| Issuance of bonds                                 | -                | -                | -                   | 9,995,000            |
| Bond premium                                      | -                | -                | -                   | 169,743              |
| Transfers in                                      | 352,350          | 352,350          | 439,925             | 99,886               |
| Transfers out                                     | -                | -                | (555,075)           | (99,886)             |
| <b>Total other financing sources (uses)</b>       | <b>352,350</b>   | <b>352,350</b>   | <b>(115,150)</b>    | <b>10,164,743</b>    |
| <b>Net change in fund balances</b>                | <b>\$ -</b>      | <b>\$ -</b>      | <b>(316,285)</b>    | <b>10,033,637</b>    |
| Fund balances, beginning of year                  |                  |                  | 10,033,637          | -                    |
| Fund balances, end of year                        |                  |                  | <u>\$ 9,717,352</u> | <u>\$ 10,033,637</u> |

City of Peoria, Illinois

**2012C General Obligation Bond Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013            |              |                 | 2012 Actual |
|---|-----------------|--------------|-----------------|-------------|
|   | Original Budget | Final Budget | Actual          |             |
| Expenditures:                                     |                 |              |                 |             |
| Current, general government                       | \$ -            | \$ -         | \$ 6,838        | \$ -        |
| General obligation bond issue, interest           | -               | -            | 17,534          | 8,999       |
| <b>Total expenditures</b>                         | -               | -            | <b>24,372</b>   | 8,999       |
| <br>  |                 |              |                 |             |
| <b>(Deficiency) of revenues over expenditures</b> | -               | -            | <b>(24,372)</b> | (8,999)     |
| <br>  |                 |              |                 |             |
| Other financing sources, transfers in             | -               | -            | 25,748          | 8,999       |
| <br>  |                 |              |                 |             |
| <b>Net change in fund balances</b>                | <b>\$ -</b>     | <b>\$ -</b>  | <b>1,376</b>    | -           |
| <br>  |                 |              |                 |             |
| Fund balances, beginning of year                  |                 |              | -               | -           |
| Fund balances, end of year                        |                 |              | <b>\$ 1,376</b> | <b>\$ -</b> |

City of Peoria, Illinois

**2013A General Obligation Bond Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013            |              |                  | 2012 Actual |
|---|-----------------|--------------|------------------|-------------|
|   | Original Budget | Final Budget | Actual           |             |
| Revenues, interest                                | \$ -            | \$ -         | \$ 116,630       | \$ -        |
| Expenditures:                                     |                 |              |                  |             |
| Current, general government                       | -               | -            | 180,110          | -           |
| General obligation bond issue:                    |                 |              |                  |             |
| Principal   | -               | -            | 200,000          | -           |
| Interest  | -               | -            | 224,507          | -           |
| <b>Total expenditures</b>                         | <b>-</b>        | <b>-</b>     | <b>604,617</b>   | <b>-</b>    |
| <b>(Deficiency) of revenues over expenditures</b> | <b>-</b>        | <b>-</b>     | <b>(487,987)</b> | <b>-</b>    |
| Other financing sources:                          |                 |              |                  |             |
| Issuance of bonds                                 | -               | -            | 9,555,000        | -           |
| Bond premium                                      | -               | -            | 347,535          | -           |
| Transfers in                                      | -               | -            | 571,200          | -           |
| Transfers out                                     | -               | -            | (595,193)        | -           |
| <b>Total other financing sources (uses)</b>       | <b>-</b>        | <b>-</b>     | <b>9,878,542</b> | <b>-</b>    |
| <b>Net change in fund balances</b>                | <b>\$ -</b>     | <b>\$ -</b>  | <b>9,390,555</b> | <b>-</b>    |
| Fund balances, beginning of year                  |                 |              | -                | -           |
| Fund balances, end of year                        |                 |              | \$ 9,390,555     | \$ -        |

City of Peoria, Illinois

**2013D General Obligation Bond Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|   | 2013            |              |                  | 2012 Actual |
|---|-----------------|--------------|------------------|-------------|
|   | Original Budget | Final Budget | Actual           |             |
| Revenues, interest                                | \$ -            | \$ -         | \$ 784           | \$ -        |
| Expenditures:                                     |                 |              |                  |             |
| Current, general government                       | -               | -            | 63,014           | -           |
| General obligation bond issue:                    |                 |              |                  |             |
| Principal   | -               | -            | 60,000           | -           |
| Interest  | -               | -            | 44,404           | -           |
| <b>Total expenditures</b>                         | <b>-</b>        | <b>-</b>     | <b>167,418</b>   | <b>-</b>    |
| <b>(Deficiency) of revenues over expenditures</b> | <b>-</b>        | <b>-</b>     | <b>(166,634)</b> | <b>-</b>    |
| Other financing sources:                          |                 |              |                  |             |
| Issuance of bonds                                 | -               | -            | 2,505,000        | -           |
| Payment to refund debt                            | -               | -            | (2,279,300)      | -           |
| Transfers in                                      | -               | -            | 104,404          | -           |
| <b>Total other financing sources (uses)</b>       | <b>-</b>        | <b>-</b>     | <b>330,104</b>   | <b>-</b>    |
| <b>Net change in fund balances</b>                | <b>\$ -</b>     | <b>\$ -</b>  | <b>163,470</b>   | <b>-</b>    |
| Fund balances, beginning of year                  |                 |              | -                | -           |
| Fund balances, end of year                        |                 |              | \$ 163,470       | \$ -        |

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## Capital Projects Funds

Funds used to account for general construction or renovation projects being carried out by the City.

Following are the individual Capital Projects Funds:

**Capital Improvements Fund:** This fund is used to account for revenue sources dedicated for acquisition and improvement of land, buildings, equipment and infrastructure.

### TIF Project Fund:

**Southtown TIF Project Fund:** This fund is used to account for tax increment financing revenues and state sales/use taxes revenues restricted for improvements within the Southtown Tax Increment Financing District.

**Downtown TIF Project Fund:** This fund is used to account for tax increment financing revenues and state sales/use taxes restricted for improvements within the Downtown Tax Increment Financing District.

**Northside TIF Project Fund:** This fund is used to account for tax increment financing revenues restricted for improvements within the Northside Tax Increment Financing District.

**Midtown Plaza TIF Project Fund:** This fund is used to account for tax increment financing revenues restricted for improvements within the Midtown Tax Increment Financing District.

**Northside Business Park TIF Project Fund:** This fund is used to account for tax increment financing revenues restricted for improvements within the Northside Business Park Tax Increment Financing District.

**Downtown Stadium TIF Project Fund:** This fund is used to account for tax increment financing revenues restricted for improvements within the Downtown Stadium Tax Increment Financing District.

**Eagle View TIF Project Fund:** This fund is used to account for tax increment financing revenues restricted for improvements within the Eagle View Tax Increment Financing District.

**Warehouse District TIF Project Fund:** This fund is used to account for tax increment financing revenues restricted for improvements within the Warehouse District Tax Increment Financing District.

**Hospitality Improvement Zone TIF Project Fund:** This fund is used to account for tax increment financing revenues and state sales/use taxes restricted for improvements within the Hospitality Improvement Zone Tax Increment Financing District.

**East Village Growth Cell TIF Project Fund:** This fund is used to account for tax increment financing revenues restricted for improvements with the East Village Growth Cell Tax Increment Financing District.

**City of Peoria Designated Zone Organization:** This fund is used to receive contributions and promote rehabilitation efforts within the Peoria Enterprise Zone.

**2008A Library General Obligation Bond Project Fund:** This fund is used for revenue and expenditures relating to the construction of a new north side library as well as the reconfiguration of existing libraries.

**2010C Taxable General Obligation Bonds (Build America Bonds and Recovery Zone Bonds) Project Fund:** This fund is used for capital improvements including sewer rehabilitation, roads, construction and sidewalk improvements.

**2012A Taxable General Obligation Bonds (Pere Marquette) Project Fund:** This fund is used for revenue and expenditures relating to the Pere Marquette Hotel redevelopment project.

**2012C Taxable Variable Rate General Obligation Bonds Project Fund:** This fund is used for revenue and expenditures relating to City capital infrastructure improvement projects.

City of Peoria, Illinois

**Capital Improvements Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

|  | 2013                | 2012                 |
|--|---------------------|----------------------|
| Revenues:  |                     |                      |
| Property taxes   | \$ 197,743          | \$ 198,856           |
| Local motor fuel taxes                                   | 756,903             | 764,821              |
| Riverboat gaming revenue                                 | 3,229,684           | 3,510,234            |
| Utility taxes  | 8,238,665           | -                    |
| Governmental grants and reimbursements                   | 8,750,100           | 2,837,372            |
| Licenses and permits                                     | 1,269               | 1,886                |
| Service charges/fines/fees                               | 194,815             | 80,804               |
| Special assessments                                      | -                   | 359,132              |
| Loan repayment   | 118,097             | 179,316              |
| Rental   | 44,564              | 43,438               |
| Interest   | 63,614              | 201,128              |
| Other, miscellaneous                                     | 329,930             | 3,177,515            |
| <b>Total revenues</b>                                    | <b>21,925,384</b>   | <b>11,354,502</b>    |
| Expenditures:  |                     |                      |
| Current:   |                     |                      |
| City administration                                      | 322,424             | 403,083              |
| Police   | 958,625             | 1,704,903            |
| Fire   | 213,068             | 74,172               |
| Public works   | 139,203             | 87,252               |
| Community development                                    | 214,218             | 593,668              |
| Public safety  | 203,395             | 33,655               |
| General government                                       | 1,161,747           | 1,228,244            |
| Capital outlay   | 17,612,843          | 11,965,832           |
| Debt service:  |                     |                      |
| Principal  | 54,712              | 51,860               |
| Interest   | 20,727              | 23,580               |
| <b>Total expenditures</b>                                | <b>20,900,962</b>   | <b>16,166,249</b>    |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>1,024,422</b>    | <b>(4,811,747)</b>   |
| Other financing sources (uses):                          |                     |                      |
| Proceeds from sale of capital assets                     | 5,475               | 437,048              |
| Transfers in   | 2,395,672           | 7,626,317            |
| Transfers out  | (6,191,972)         | (8,453,453)          |
| <b>Total other financing (uses)</b>                      | <b>(3,790,825)</b>  | <b>(390,088)</b>     |
| <b>Net change in fund balances</b>                       | <b>(2,766,403)</b>  | <b>(5,201,835)</b>   |
| Fund balances, beginning of year                         | 11,324,373          | 16,526,208           |
| Fund balances, end of year                               | <b>\$ 8,557,970</b> | <b>\$ 11,324,373</b> |

City of Peoria, Illinois

TIF Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended December 31, 2013

With Comparative Figures for the Year Ended December 31, 2012

|   | <u>2013</u>          | <u>2012</u>          |
|---|----------------------|----------------------|
| Revenues:                                   |                      |                      |
| Property taxes                              | \$ 6,106,878         | \$ 5,993,856         |
| State sales taxes                           | 169,547              | 297,485              |
| Hotel, restaurant and amusement taxes       | 119,911              | 104,139              |
| Service charges/fines/fees                  | 38,683               | 37,718               |
| Interest                                    | 84,844               | 75,657               |
| <b>Total revenues</b>                       | <b>6,519,863</b>     | <b>6,508,855</b>     |
| Expenditures:                               |                      |                      |
| Current:                                    |                      |                      |
| City administration                         | 3,785                | 3,786                |
| Public works                                | 3,030                | 615                  |
| Community development                       | 2,125,505            | 225,752              |
| General government                          | 832,475              | 1,223,086            |
| Capital outlay                              | 1,175,317            | 358,537              |
| <b>Total expenditures</b>                   | <b>4,140,112</b>     | <b>1,811,776</b>     |
| <b>Excess of revenues over expenditures</b> | <b>2,379,751</b>     | <b>4,697,079</b>     |
| Other financing (uses), transfers out       | <b>(2,503,543)</b>   | <b>(2,386,388)</b>   |
| <b>Net change in fund balances</b>          | <b>(123,792)</b>     | <b>2,310,691</b>     |
| Fund balances, beginning of year            | 10,634,673           | 8,323,982            |
| Fund balances, end of year                  | <b>\$ 10,510,881</b> | <b>\$ 10,634,673</b> |

City of Peoria, Illinois

**Southtown TIF Project Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | <u>2013</u>         | <u>2012</u>         |
|---|---------------------|---------------------|
| Revenues:                                   |                     |                     |
| Property taxes                              | \$ 2,742,837        | \$ 2,786,450        |
| State sales taxes                           | 60,803              | 215,993             |
| Service charges/fines/fees                  | 38,683              | 37,718              |
| Interest                                    | 35,801              | 30,757              |
| <b>Total revenues</b>                       | <b>2,878,124</b>    | <b>3,070,918</b>    |
| Expenditures:                               |                     |                     |
| Current:                                    |                     |                     |
| City administration                         | 421                 | 842                 |
| Public works                                | 3,030               | 615                 |
| Community development                       | 2,054,790           | 106,380             |
| General government                          | 23,408              | 58,665              |
| Capital outlay                              | 106,589             | -                   |
| <b>Total expenditures</b>                   | <b>2,188,238</b>    | <b>166,502</b>      |
| <b>Excess of revenues over expenditures</b> | <b>689,886</b>      | <b>2,904,416</b>    |
| Other financing (uses), transfers out       | <b>(1,949,500)</b>  | <b>(1,145,000)</b>  |
| <b>Net change in fund balances</b>          | <b>(1,259,614)</b>  | <b>1,759,416</b>    |
| Fund balances, beginning of year            | 4,755,764           | 2,996,348           |
| Fund balances, end of year                  | <b>\$ 3,496,150</b> | <b>\$ 4,755,764</b> |

City of Peoria, Illinois

**Downtown TIF Project Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | <u>2013</u>         | <u>2012</u>         |
|---|---------------------|---------------------|
| Revenues:                                   |                     |                     |
| Property taxes                              | \$ 2,295,403        | \$ 2,185,660        |
| Interest                                    | 33,868              | 27,494              |
| <b>Total revenues</b>                       | <u>2,329,271</u>    | <u>2,213,154</u>    |
| Expenditures:                               |                     |                     |
| Current:                                    |                     |                     |
| City administration                         | 421                 | 421                 |
| General government                          | 409,766             | 414,459             |
| Capital outlay                              | 54,323              | 202,759             |
| <b>Total expenditures</b>                   | <u>464,510</u>      | <u>617,639</u>      |
| <b>Excess of revenues over expenditures</b> | <b>1,864,761</b>    | <b>1,595,515</b>    |
| Other financing (uses), transfers out       | <u>(763,908)</u>    | <u>(764,783)</u>    |
| <b>Net change in fund balances</b>          | <b>1,100,853</b>    | <b>830,732</b>      |
| Fund balances, beginning of year            | <u>3,908,736</u>    | <u>3,078,004</u>    |
| Fund balances, end of year                  | <u>\$ 5,009,589</u> | <u>\$ 3,908,736</u> |

City of Peoria, Illinois

Northside TIF Project Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2013  
With Comparative Figures for the Year Ended December 31, 2012

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|   | <u>2013</u>       | <u>2012</u>       |
|---|-------------------|-------------------|
| Revenues:                                   |                   |                   |
| Property taxes                              | \$ 145,829        | \$ 138,822        |
| Interest                                    | 5,180             | 6,205             |
| <b>Total revenues</b>                       | <u>151,009</u>    | <u>145,027</u>    |
| Expenditures, current:                      |                   |                   |
| City administration                         | 421               | 421               |
| General government                          | 91,971            | 41,850            |
| <b>Total expenditures</b>                   | <u>92,392</u>     | <u>42,271</u>     |
| <b>Excess of revenues over expenditures</b> | 58,617            | 102,756           |
| Other financing (uses), transfers out       | <u>(207,125)</u>  | <u>(218,392)</u>  |
| <b>Net change in fund balances</b>          | <b>(148,508)</b>  | <b>(115,636)</b>  |
| Fund balances, beginning of year            | 695,198           | 810,834           |
| Fund balances, end of year                  | <u>\$ 546,690</u> | <u>\$ 695,198</u> |

City of Peoria, Illinois

Midtown Plaza TIF Project Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012

|   | <u>2013</u>      | <u>2012</u>     |
|---|------------------|-----------------|
| Revenues:                                   |                  |                 |
| Property taxes                              | \$ 110,953       | \$ 113,093      |
| Interest                                    | 303              | 320             |
| <b>Total revenues</b>                       | <u>111,256</u>   | <u>113,413</u>  |
| Expenditures, current, City administration  | <u>421</u>       | 421             |
| <b>Excess of revenues over expenditures</b> | <b>110,835</b>   | 112,992         |
| Other financing (uses), transfers out       | <u>(110,000)</u> | (111,800)       |
| <b>Net change in fund balances</b>          | <b>835</b>       | 1,192           |
| Fund balances, beginning of year            | <u>1,319</u>     | 127             |
| Fund balances, end of year                  | <u>\$ 2,154</u>  | <u>\$ 1,319</u> |

City of Peoria, Illinois

Northside Business Park TIF Project Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2013  
With Comparative Figures for the Year Ended December 31, 2012

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|                                    | <u>2013</u>       | <u>2012</u>      |
|------------------------------------|-------------------|------------------|
| Revenues:                          |                   |                  |
| Property taxes                     | \$ 162,068        | \$ 130,260       |
| Interest                           | 1,195             | 2,716            |
| <b>Total revenues</b>              | <u>163,263</u>    | <u>132,976</u>   |
| Expenditures, current:             |                   |                  |
| City administration                | 421               | 421              |
| General government                 | 19,586            | 529,120          |
| <b>Total expenditures</b>          | <u>20,007</u>     | <u>529,541</u>   |
| <b>Net change in fund balances</b> | 143,256           | (396,565)        |
| Fund balances, beginning of year   | 97,745            | 494,310          |
| Fund balances, end of year         | <u>\$ 241,001</u> | <u>\$ 97,745</u> |

City of Peoria, Illinois

**Downtown Stadium TIF Project Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | <u>2013</u>      | <u>2012</u>       |
|---|------------------|-------------------|
| Revenues:                                   |                  |                   |
| Property taxes                              | \$ 298,779       | \$ 301,627        |
| Interest                                    | 921              | 889               |
| <b>Total revenues</b>                       | <u>299,700</u>   | <u>302,516</u>    |
| Expenditures, current:                      |                  |                   |
| City administration                         | 420              | 420               |
| General government                          | 201,592          | 158,992           |
| <b>Total expenditures</b>                   | <u>202,012</u>   | <u>159,412</u>    |
| <b>Excess of revenues over expenditures</b> | <b>97,688</b>    | 143,104           |
| Other financing (uses), transfers out       | <u>(148,787)</u> | (146,413)         |
| <b>Net change in fund balances</b>          | <b>(51,099)</b>  | (3,309)           |
| Fund balances, beginning of year            | <u>114,367</u>   | 117,676           |
| Fund balances, end of year                  | <u>\$ 63,268</u> | <u>\$ 114,367</u> |

City of Peoria, Illinois

**Eagle View TIF Project Account**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Year Ended December 31, 2013**  
**With Comparative Figures for the Year Ended December 31, 2012**

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|                                    | <u>2013</u>      | <u>2012</u>       |
|------------------------------------|------------------|-------------------|
| Revenues:                          |                  |                   |
| Property taxes                     | \$ 33,600        | \$ 35,978         |
| Interest                           | 482              | 580               |
| <b>Total revenues</b>              | <u>34,082</u>    | <u>36,558</u>     |
| Expenditures:                      |                  |                   |
| Current:                           |                  |                   |
| City administration                | 420              | 420               |
| General government                 | 6,764            | -                 |
| Capital outlay                     | 68,236           | -                 |
| <b>Total expenditures</b>          | <u>75,420</u>    | <u>420</u>        |
| <b>Net change in fund balances</b> | <b>(41,338)</b>  | 36,138            |
| Fund balances, beginning of year   | <u>101,423</u>   | 65,285            |
| Fund balances, end of year         | <u>\$ 60,085</u> | <u>\$ 101,423</u> |

City of Peoria, Illinois

**Warehouse District TIF Project Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|  | <u>2013</u>       | <u>2012</u>       |
|--|-------------------|-------------------|
| Revenues:  |                   |                   |
| Property taxes   | \$ 226,882        | \$ 212,450        |
| Interest   | 1,679             | 2,614             |
| <b>Total revenues</b>                                    | <b>228,561</b>    | <b>215,064</b>    |
| Expenditures:  |                   |                   |
| Current:   |                   |                   |
| City administration                                      | 420               | 420               |
| General government                                       | 79,388            | 20,000            |
| Capital outlay   | 946,169           | 155,778           |
| <b>Total expenditures</b>                                | <b>1,025,977</b>  | <b>176,198</b>    |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(797,416)</b>  | <b>38,866</b>     |
| Other financing sources, transfers in                    | <b>796,000</b>    | -                 |
| <b>Net change in fund balances</b>                       | <b>(1,416)</b>    | <b>38,866</b>     |
| Fund balances, beginning of year                         | <b>308,611</b>    | 269,745           |
| Fund balances, end of year                               | <b>\$ 307,195</b> | <b>\$ 308,611</b> |

City of Peoria, Illinois

Hospitality Improvement Zone TIF Project Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012

|  | 2013              | 2012              |
|--|-------------------|-------------------|
| Revenues:  |                   |                   |
| Property taxes   | \$ 24,102         | \$ 30,609         |
| State sales taxes  | 108,744           | 81,492            |
| Hotel, restaurant and amusement taxes                    | 119,911           | 104,139           |
| Interest   | 4,786             | 3,884             |
| <b>Total revenues</b>                                    | <b>257,543</b>    | <b>220,124</b>    |
| Expenditures, current, community development             | <b>70,715</b>     | 119,372           |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>186,828</b>    | 100,752           |
| Other financing (uses), transfers out                    | <b>(120,223)</b>  | -                 |
| <b>Net change in fund balances</b>                       | <b>66,605</b>     | 100,752           |
| Fund balances, beginning of year                         | <b>592,405</b>    | 491,653           |
| Fund balances, end of year                               | <b>\$ 659,010</b> | <b>\$ 592,405</b> |

City of Peoria, Illinois

East Village Growth Cell TIF Project Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2013  
With Comparative Figures for the Year Ended December 31, 2012

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|  | <u>2013</u>       | <u>2012</u>      |
|--|-------------------|------------------|
| Revenues:                                  |                   |                  |
| Property taxes                             | \$ 66,425         | \$ 58,907        |
| Interest                                   | 629               | 198              |
| <b>Total revenues</b>                      | <u>67,054</u>     | <u>59,105</u>    |
| Expenditures, current, City administration | <u>420</u>        | -                |
| <b>Net change in fund balances</b>         | <b>66,634</b>     | 59,105           |
| Fund balances, beginning of year           | 59,105            | -                |
| Fund balances, end of year                 | <u>\$ 125,739</u> | <u>\$ 59,105</u> |

City of Peoria, Illinois

City of Peoria Designated Zone Organization  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012

|   | 2013           | 2012           |
|---|----------------|----------------|
| Revenues, interest                                | \$ 5           | \$ 117         |
| Expenditures, current, community development      | 6,991          | 5,426          |
| <b>(Deficiency) of revenues over expenditures</b> | <b>(6,986)</b> | <b>(5,309)</b> |
| Other financing sources (uses):                   |                |                |
| Transfers in                                      | 1,490,594      | 1,423,244      |
| Transfers out                                     | (1,483,593)    | (1,417,935)    |
| <b>Total other financing sources</b>              | <b>7,001</b>   | <b>5,309</b>   |
| <b>Net change in fund balances</b>                | <b>15</b>      | <b>-</b>       |
| Fund balances, beginning of year                  | -              | -              |
| Fund balances, end of year                        | <b>\$ 15</b>   | <b>\$ -</b>    |

City of Peoria, Illinois

2008A Library General Obligation Bond Project Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2013  
With Comparative Figures for the Year Ended December 31, 2012

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|                                   | <u>2013</u>      | <u>2012</u>       |
|-----------------------------------|------------------|-------------------|
| Revenue, interest                 | <u>\$ 583</u>    | <u>\$ 2,486</u>   |
| Expenditures:                     |                  |                   |
| Current, library                  | 62,087           | 455,007           |
| Capital outlay                    | -                | 186,631           |
| <b>Total expenditures</b>         | <u>62,087</u>    | <u>641,638</u>    |
| <b>Net change in fund balance</b> | <b>(61,504)</b>  | <b>(639,152)</b>  |
| Fund balance, beginning of year   | 116,155          | 755,307           |
| Fund balance, end of year         | <u>\$ 54,651</u> | <u>\$ 116,155</u> |

City of Peoria, Illinois

**2010C Taxable General Obligation Bonds Project Fund  
(Build America Bonds and Recovery Zone Bonds)  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Year Ended December 31, 2013  
With Comparative Figures for the Year Ended December 31, 2012**

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|                                   | <u>2013</u>             | <u>2012</u>                |
|-----------------------------------|-------------------------|----------------------------|
| Revenue, interest                 | <u>\$ 5,633</u>         | <u>\$ 35,357</u>           |
| Expenditures:                     |                         |                            |
| Current, general government       | 1,050                   | 2,050                      |
| Capital outlay                    | <u>1,209,160</u>        | <u>5,893,754</u>           |
| <b>Total expenditures</b>         | <u><b>1,210,210</b></u> | <u><b>5,895,804</b></u>    |
| <b>Net change in fund balance</b> | <b>(1,204,577)</b>      | <b>(5,860,447)</b>         |
| Fund balance, beginning of year   | <u>1,283,329</u>        | <u>7,143,776</u>           |
| Fund balance, end of year         | <u><b>\$ 78,752</b></u> | <u><b>\$ 1,283,329</b></u> |

City of Peoria, Illinois

**2012A Taxable General Obligation Bonds Project Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | <u>2013</u>                | <u>2012</u>                 |
|---|----------------------------|-----------------------------|
| Revenue, interest                                 | \$ 34,479                  | \$ 115,117                  |
| Expenditures, current, general government         | <u>11,843,050</u>          | <u>17,989,919</u>           |
| <b>(Deficiency) of revenues over expenditures</b> | <b><u>(11,808,571)</u></b> | <b><u>(17,874,802)</u></b>  |
| Other financing sources:                          |                            |                             |
| Issuance of bonds                                 | -                          | 29,665,878                  |
| Bond premium                                      | -                          | <u>114,028</u>              |
| <b>Total other financing sources</b>              | <b><u>-</u></b>            | <b><u>29,779,906</u></b>    |
| <b>Net change in fund balance</b>                 | <b>(11,808,571)</b>        | 11,905,104                  |
| Fund balance, beginning of year                   | <u>11,905,104</u>          | -                           |
| Fund balance, end of year                         | <b><u>\$ 96,533</u></b>    | <b><u>\$ 11,905,104</u></b> |

City of Peoria, Illinois

**2012C Taxable Variable Rate General Obligation Bonds Project Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Year Ended December 31, 2013  
 With Comparative Figures for the Year Ended December 31, 2012**

|   | <u>2013</u>             | <u>2012</u>                |
|---|-------------------------|----------------------------|
| Revenue, interest                                 | <u>\$ 24,773</u>        | <u>\$ 18,261</u>           |
| Expenditures:                                     |                         |                            |
| Current, general government                       | 31,916                  | 142,497                    |
| Capital outlay                                    | <u>3,424,983</u>        | <u>942,984</u>             |
| <b>Total expenditures</b>                         | <u><b>3,456,899</b></u> | <u>1,085,481</u>           |
| <b>(Deficiency) of revenues over expenditures</b> | <b>(3,432,126)</b>      | <b>(1,067,220)</b>         |
| Other financing sources, issuance of bonds        | <u>-</u>                | <u>4,500,000</u>           |
| <b>Net change in fund balance</b>                 | <b>(3,432,126)</b>      | <b>3,432,780</b>           |
| Fund balance, beginning of year                   | <u>3,432,780</u>        | <u>-</u>                   |
| Fund balance, end of year                         | <u><u>\$ 654</u></u>    | <u><u>\$ 3,432,780</u></u> |

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## **Pension Trust Funds**

Funds used to account for the assets of the City's Police and Firemen's pension plans.

Following are the individual Pension Trust Funds:

**Police Pension Fund of Peoria:** This fund is used to account for the assets of the City's Police Pension Plan.

**Firemen's Pension Fund of Peoria:** This fund is used to account for the assets of the City's Firemen's Pension Plan.

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City of Peoria, Illinois

Combining Statement of Fiduciary Net Position  
December 31, 2013

|   | Police Pension<br>Fund of Peoria | Firemen's Pension<br>Fund of Peoria | Total                 |
|---|----------------------------------|-------------------------------------|-----------------------|
| <b>Assets</b>   |                                  |                                     |                       |
| Cash and cash equivalents                             | \$ 1,106,186                     | \$ 3,644,494                        | \$ 4,750,680          |
| Receivables:  |                                  |                                     |                       |
| Employer contributions                                | 7,268,489                        | 6,513,566                           | 13,782,055            |
| Plan members' contributions                           | -                                | 44,661                              | 44,661                |
| Accrued interest and dividends                        | 304,635                          | 359,027                             | 663,662               |
|   | <u>7,573,124</u>                 | <u>6,917,254</u>                    | <u>14,490,378</u>     |
| Other assets, prepaids                                | -                                | 6,109                               | 6,109                 |
| Investments, at fair value:                           |                                  |                                     |                       |
| Money market mutual funds                             | 2,620,155                        | 2,271,866                           | 4,892,021             |
| U.S. government obligations                           | 21,789,259                       | 17,668,969                          | 39,458,228            |
| State and local obligations                           | -                                | 2,235,527                           | 2,235,527             |
| Illinois Public Treasurer's Investment Pool           | -                                | 846,032                             | 846,032               |
| Mutual funds  | 85,660,999                       | 37,004,701                          | 122,665,700           |
| Corporate bonds                                       | 26,308,654                       | 21,930,670                          | 48,239,324            |
| Stocks  | 16,732,731                       | 38,790,087                          | 55,522,818            |
|   | <u>153,111,798</u>               | <u>120,747,852</u>                  | <u>273,859,650</u>    |
| <b>Total assets</b>                                   | 161,791,108                      | 131,315,709                         | 293,106,817           |
| <b>Liabilities</b>                                    |                                  |                                     |                       |
| Accounts payable and accrued payroll taxes            | 1,173,150                        | 111,211                             | 1,284,361             |
| <b>Net position held in trust for pension benefit</b> | <u>\$ 160,617,958</u>            | <u>\$ 131,204,498</u>               | <u>\$ 291,822,456</u> |

City of Peoria, Illinois

Combining Statement of Changes in Fiduciary Net Position  
Year Ended December 31, 2013

|  | Police Pension<br>Fund of Peoria | Firemen's Pension<br>Fund of Peoria | Total             |
|--|----------------------------------|-------------------------------------|-------------------|
| <b>Additions</b>                                       |                                  |                                     |                   |
| Contributions:   |                                  |                                     |                   |
| Plan members' contributions                            | \$ 1,766,005                     | \$ 1,524,138                        | \$ 3,290,143      |
| Employer contributions                                 | 7,288,572                        | 6,538,727                           | 13,827,299        |
| Transfer of creditable service                         | 47,297                           | -                                   | 47,297            |
| Other income   | 4,807                            | 23,321                              | 28,128            |
| <b>Total contributions</b>                             | <b>9,106,681</b>                 | <b>8,086,186</b>                    | <b>17,192,867</b> |
| Investment income:                                     |                                  |                                     |                   |
| Net appreciation in fair value of investments          | 14,751,274                       | 11,280,253                          | 26,031,527        |
| Dividends  | 2,219,981                        | 1,608,449                           | 3,828,430         |
| Interest   | 1,147,925                        | 1,608,232                           | 2,756,157         |
| <b>Total investment income</b>                         | <b>18,119,180</b>                | <b>14,496,934</b>                   | <b>32,616,114</b> |
| Less investment expenses                               | 925,643                          | 342,515                             | 1,268,158         |
| <b>Net investment income</b>                           | <b>17,193,537</b>                | <b>14,154,419</b>                   | <b>31,347,956</b> |
| <b>Total additions</b>                                 | <b>26,300,218</b>                | <b>22,240,605</b>                   | <b>48,540,823</b> |
| <b>Deductions</b>                                      |                                  |                                     |                   |
| Benefits paid  | 12,649,643                       | 11,100,500                          | 23,750,143        |
| Administrative expenses                                | 250,323                          | 127,034                             | 377,357           |
| Refunds  | 24,067                           | -                                   | 24,067            |
| <b>Total deductions</b>                                | <b>12,924,033</b>                | <b>11,227,534</b>                   | <b>24,151,567</b> |
| <b>Net increase</b>                                    | <b>13,376,185</b>                | <b>11,013,071</b>                   | <b>24,389,256</b> |
| <b>Net position held in trust for pension benefits</b> |                                  |                                     |                   |
| Beginning of year                                      | 147,241,773                      | 120,191,427                         | 267,433,200       |
| End of year  | \$ 160,617,958                   | \$ 131,204,498                      | \$ 291,822,456    |

## City of Peoria

### Statistical Section (Unaudited)

#### Contents

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

| Contents   | Pages            |
|--|------------------|
| <b>Financial Trends: Tables I - IV</b>   | <b>149 - 158</b> |
| These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.  |                  |
| <b>Revenue Capacity: Tables V - IX</b>   | <b>159 - 164</b> |
| These schedules contain information to help the reader assess two primary revenue sources for the City: a) property taxes b) taxable sales.  |                  |
| <b>Debt Capacity: Tables X - XIII</b>  | <b>165 - 169</b> |
| These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.                     |                  |
| <b>Demographic and Economic Information: Tables XIV - XV</b>   | <b>170 - 171</b> |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.   |                  |
| <b>Operating Information: Tables XVI - XVIII</b>   | <b>172 - 175</b> |
| 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. |                  |
| <b>Glossary of Terms in Statistical Section</b>  | <b>176 - 179</b> |

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#### Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year(s).

#### GASB Statement 34 Implementation:

The City implemented GASB 34 government-wide financial reporting in fiscal year 2002.

#### GASB Statement 54 Implementation:

The City implemented new fund balance reporting classifications for governmental funds effective 2011.

## City of Peoria

### Net Position By Component Last Ten Fiscal Years (accrual basis of accounting) (Unaudited)

---

|  | Fiscal Year          |                       |                       |
|--|----------------------|-----------------------|-----------------------|
|  | 2004                 | 2005                  | 2006                  |
| Governmental activities/primary government:                          |                      |                       |                       |
| Net investment in capital assets                                     | \$ 87,732,295        | \$ 171,907,375        | \$ 171,655,101        |
| Restricted   | 44,694,262           | 95,081,143            | 68,518,109            |
| Unrestricted   | (72,389,704)         | (131,479,036)         | (124,525,566)         |
| <b>Total governmental activities/primary government net position</b> | <b>\$ 60,036,853</b> | <b>\$ 135,509,482</b> | <b>\$ 115,647,644</b> |

**Source:** City of Peoria comprehensive annual financial reports for fiscal years 2004 through 2013.

**GASB Statement 34 Implementation:** The City implemented GASB 34 government-wide financial reporting in fiscal year 2002.

**Trend:** In 2009, \$21,898,329 increase in capital-related debt contributed to \$17,187,281 decrease in net investment in capital assets.

**Trend:** In 2011, the \$18,990,226 increase in net position included:

- a) \$10,098,950 increase in restricted net position for capital projects.
- b) \$ 2,027,404 increase in unrestricted net position from new natural gas utility tax revenue.

#### **Restatement of 2011 Net Position:**

In 2012, the City adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which restated the beginning net position of the Governmental Activities for items previously reported as assets. Unrestricted net position decreased \$2,242,369.

#### **Restatement of 2010 Net Position:**

In 2011, the City recorded prior period adjustments producing a \$12,398,865 increase in December 31, 2010 net position. Unrestricted net position increased \$12,398,865 for recognition in the General Fund of net position previously recorded in the Other Post-Employment Benefits (OPEB) Fund, an Agency Fund.

#### **Business-Type Activities:**

The City has no business-type activities.

Table I

|                       |                       |                       |                       |                       |                       |                       | Fiscal Year |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------|
| 2007                  | 2008                  | 2009                  | 2010                  | 2011                  | 2012                  | 2013                  |             |
|                       |                       |                       | Restated              | Restated              |                       |                       |             |
| \$ 185,488,430        | \$ 194,265,042        | \$ 177,077,761        | \$ 184,710,991        | \$ 186,383,801        | \$ 191,648,334        | <b>\$ 210,260,982</b> |             |
| 61,923,893            | 75,633,071            | 63,707,057            | 36,374,406            | 23,938,124            | 31,880,396            | <b>26,059,338</b>     |             |
| (132,053,264)         | (151,816,167)         | (138,035,376)         | (103,672,054)         | (73,918,356)          | (96,661,910)          | <b>(111,474,073)</b>  |             |
| <b>\$ 115,359,059</b> | <b>\$ 118,081,946</b> | <b>\$ 102,749,442</b> | <b>\$ 117,413,343</b> | <b>\$ 136,403,569</b> | <b>\$ 126,866,820</b> | <b>\$ 124,846,247</b> |             |

**City of Peoria**

**Changes In Net Position**

**Last Ten Fiscal Years**

*(accrual basis of accounting)*

**(Unaudited)**

|  | Fiscal Year            |                         |                         |
|--|------------------------|-------------------------|-------------------------|
|  | 2004                   | 2005                    | 2006                    |
| <b>Expenses</b>  |                        |                         |                         |
| Governmental activities:   |                        |                         |                         |
| Elected Offices, Boards, Commissions, and Agencies                       | \$ 1,675,688           | \$ 1,705,216            | \$ 1,926,997            |
| City Administration  | 6,320,691              | 6,824,431               | 6,950,987               |
| Police   | 28,437,820             | 29,168,640              | 30,538,723              |
| Fire   | 21,532,910             | 22,305,856              | 24,408,676              |
| Public Works   | 23,682,707             | 25,328,323              | 27,838,925              |
| Community Development  | 12,941,972             | 28,639,520              | 49,626,179              |
| Public Safety  | 7,755,956              | 8,046,578               | 8,412,090               |
| General Government   | 7,054,084              | 9,382,074               | 16,019,134              |
| Library  | 5,572,748              | 6,218,324               | 6,833,270               |
| Interest on Long-Term Debt   | 5,953,781              | 7,546,228               | 7,809,463               |
| <b>Total governmental activities/primary government expenses</b>         | <b>\$ 120,928,357</b>  | <b>\$ 145,165,190</b>   | <b>\$ 180,364,444</b>   |
| <b>Program Revenues</b>  |                        |                         |                         |
| Governmental activities:   |                        |                         |                         |
| Charges for services:  |                        |                         |                         |
| Elected offices, boards, commissions, and agencies                       | \$ -                   | \$ -                    | \$ -                    |
| City administration  | -                      | -                       | -                       |
| Police   | 251,506                | 475,862                 | 1,020,290               |
| Fire   | 461,280                | 412,138                 | 275,658                 |
| Public works   | 5,482,563              | 5,822,715               | 5,635,552               |
| Community development  | -                      | -                       | -                       |
| Public safety  | 2,366,076              | 2,331,974               | 2,373,167               |
| General government   | 9,384,104              | 10,654,559              | 11,442,837              |
| Library  | 139,890                | 131,886                 | 132,559                 |
| Operating grants and contributions:                                      |                        |                         |                         |
| Elected offices, boards, commissions, and agencies                       | -                      | -                       | -                       |
| City administration  | -                      | -                       | -                       |
| Police   | 1,421,077              | 2,420,407               | 1,373,059               |
| Fire   | 116,473                | 111,953                 | 145,197                 |
| Public works   | -                      | -                       | -                       |
| Community development  | 6,617,051              | 7,583,527               | 9,505,077               |
| Public safety  | 48,056                 | 66,227                  | 39,930                  |
| General government   | 80,940                 | 520,184                 | -                       |
| Library  | 12,933                 | 28,707                  | 135,412                 |
| Capital grants and contributions   |                        |                         |                         |
| Elected offices, boards, commissions, and agencies                       | -                      | -                       | -                       |
| City administration  | -                      | -                       | -                       |
| Police   | -                      | -                       | -                       |
| Fire   | -                      | -                       | -                       |
| Public works   | -                      | -                       | 37,572                  |
| Community development  | -                      | -                       | 33,333                  |
| Public safety  | -                      | -                       | -                       |
| General government   | 1,572,574              | 1,559,111               | 1,955,973               |
| Library  | -                      | 149,577                 | 106,364                 |
| <b>Total governmental activities/primary government program revenues</b> | <b>27,954,523</b>      | <b>32,268,827</b>       | <b>34,211,980</b>       |
| <b>Net (expense) revenue:</b>  |                        |                         |                         |
| <b>Total governmental activities/primary government net expense</b>      | <b>\$ (92,973,834)</b> | <b>\$ (112,896,363)</b> | <b>\$ (146,152,464)</b> |

(Continued)

Table II

|                         |                         |                         |                         |                         |                         |                         | Fiscal Year |  |  |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------|--|--|
| 2007                    | 2008                    | 2009                    | 2010                    | 2011                    | 2012                    | 2013                    |             |  |  |
|                         |                         |                         | Restated                | Restated                |                         |                         |             |  |  |
| \$ 2,184,194            | \$ 2,118,174            | \$ 2,177,766            | \$ 1,807,517            | \$ 2,038,876            | \$ 1,882,152            | \$ 2,276,126            |             |  |  |
| 7,828,057               | 8,185,595               | 8,197,849               | 4,649,988               | 3,389,721               | 6,843,305               | 6,787,260               |             |  |  |
| 37,110,409              | 37,876,713              | 36,273,295              | 36,717,097              | 38,335,139              | 38,516,002              | 43,174,401              |             |  |  |
| 27,816,247              | 28,353,632              | 31,575,786              | 31,747,002              | 32,400,123              | 32,080,101              | 33,400,729              |             |  |  |
| 27,924,254              | 28,535,894              | 30,208,619              | 24,460,125              | 24,073,194              | 30,999,642              | 36,101,530              |             |  |  |
| 26,926,080              | 14,753,676              | 14,723,262              | 17,055,003              | 17,018,270              | 12,420,353              | 13,378,793              |             |  |  |
| 10,534,455              | 10,196,053              | 10,768,011              | 10,265,084              | 7,778,795               | 5,829,511               | 5,910,780               |             |  |  |
| 17,584,981              | 19,793,924              | 16,545,136              | 23,810,131              | 22,512,282              | 30,812,306              | 24,494,522              |             |  |  |
| 7,874,572               | 9,882,250               | 11,308,891              | 9,284,492               | 11,059,026              | 11,362,496              | 9,972,628               |             |  |  |
| 7,698,934               | 7,468,578               | 8,844,508               | 8,316,083               | 9,493,691               | 10,107,766              | 10,415,956              |             |  |  |
| <b>\$ 173,482,183</b>   | <b>\$ 167,164,489</b>   | <b>\$ 170,623,123</b>   | <b>\$ 168,112,522</b>   | <b>\$ 168,099,117</b>   | <b>\$ 180,853,634</b>   | <b>\$ 185,912,725</b>   |             |  |  |
| \$ -                    | \$ -                    | \$ -                    | \$ -                    | \$ -                    | \$ -                    | \$ -                    |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| 883,111                 | 839,168                 | 558,810                 | 597,217                 | 605,675                 | 698,323                 | 540,538                 |             |  |  |
| 520,862                 | 709,022                 | 564,471                 | 511,084                 | 501,192                 | 493,568                 | 412,896                 |             |  |  |
| 5,522,356               | 5,546,259               | 5,229,957               | 4,970,342               | 5,060,544               | 11,587,937              | 12,317,497              |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| 4,177,942               | 3,921,530               | 2,792,610               | 2,594,265               | 2,377,782               | 2,309,697               | 1,818,083               |             |  |  |
| 12,348,131              | 11,839,748              | 11,951,363              | 15,374,543              | 11,966,230              | 5,249,428               | 4,389,254               |             |  |  |
| 122,818                 | 128,679                 | 129,540                 | 98,307                  | 119,577                 | 128,276                 | 135,705                 |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| 1,095,196               | 805,850                 | 786,354                 | 1,155,061               | 1,980,971               | 3,347,777               | 3,003,709               |             |  |  |
| 191,955                 | 257,520                 | 186,799                 | 254,738                 | 524,903                 | 1,034,717               | 782,030                 |             |  |  |
| -                       | 4,999                   | -                       | -                       | -                       | -                       | 30,155                  |             |  |  |
| 7,844,074               | 6,436,062               | 8,810,036               | 10,822,497              | 8,649,820               | 6,063,515               | 3,126,109               |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| (12,121)                | -                       | -                       | -                       | 2,248,247               | 1,222,559               | 2,728,878               |             |  |  |
| 104,065                 | 65,283                  | 51,760                  | 82,199                  | 100,553                 | 42,223                  | 16,225                  |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| -                       | -                       | -                       | -                       | -                       | -                       | -                       |             |  |  |
| -                       | -                       | -                       | -                       | 98,882                  | -                       | -                       |             |  |  |
| -                       | -                       | 186,166                 | 517,220                 | 4,426,709               | 3,642,888               | 17,262,816              |             |  |  |
| 13,333                  | 13,333                  | 10,000                  | 5,000                   | 5,000                   | -                       | -                       |             |  |  |
| -                       | -                       | 124,693                 | 579,939                 | 324,942                 | 33,655                  | -                       |             |  |  |
| 9,391,351               | 7,385,886               | 1,121,888               | 8,712,785               | 16,677,425              | 2,110,191               | 4,520,380               |             |  |  |
| 151,184                 | 143,026                 | 160,220                 | 105,477                 | 139,147                 | 117,940                 | 118,187                 |             |  |  |
| <b>42,354,257</b>       | <b>38,096,365</b>       | <b>32,664,667</b>       | <b>46,380,674</b>       | <b>55,807,599</b>       | <b>38,082,694</b>       | <b>51,202,462</b>       |             |  |  |
| <b>\$ (131,127,926)</b> | <b>\$ (129,068,124)</b> | <b>\$ (137,958,456)</b> | <b>\$ (121,731,848)</b> | <b>\$ (112,291,518)</b> | <b>\$ (142,770,940)</b> | <b>\$ (134,710,263)</b> |             |  |  |

**City of Peoria**

**Changes In Net Position - continued**

**Last Ten Fiscal Years**

**(accrual basis of accounting)**

**(Unaudited)**

|  | Fiscal Year           |                       |                        |
|--|-----------------------|-----------------------|------------------------|
|  | 2004                  | 2005                  | 2006                   |
| <b>General Revenues and Other Changes in Net Position:</b>   |                       |                       |                        |
| Governmental activities/primary government:                  |                       |                       |                        |
| Taxes:   |                       |                       |                        |
| Property taxes   | \$ 23,639,496         | \$ 24,697,914         | \$ 26,334,488          |
| Corporate personal property replacement taxes                | 4,694,841             | 6,515,378             | 6,825,112              |
| State sales taxes, unrestricted                              | 21,437,038            | 21,968,951            | 23,274,038             |
| State income tax allocation, unrestricted                    | 7,228,580             | 8,888,641             | 9,679,194              |
| Home rule sales taxes  | 21,641,571            | 21,930,700            | 22,888,067             |
| Hotel, restaurant and amusement taxes                        | 6,890,626             | 7,067,524             | 7,449,766              |
| Local motor fuel taxes                                       | 938,794               | 936,573               | 894,898                |
| Gaming revenue   | 4,126,973             | 4,058,749             | 3,965,791              |
| Utility taxes  | 8,421,384             | 8,455,737             | 8,568,744              |
| Grants and contributions not restricted to specific programs | 3,285,935             | 6,279,957             | 4,810,762              |
| Interest/Investment Income                                   | 1,026,469             | 3,953,095             | 5,077,067              |
| Franchise Fees, based on gross receipts                      | 2,432,185             | 1,880,087             | 2,071,893              |
| Other  | 7,479,496             | 4,868,646             | 4,450,806              |
| <b>Total governmental activities/primary government</b>      | <b>\$ 113,243,388</b> | <b>\$ 121,501,952</b> | <b>\$ 126,290,626</b>  |
| <br>   |                       |                       |                        |
| <b>Change in net position:</b>                               |                       |                       |                        |
| <b>Total governmental activities/primary government</b>      | <b>\$ 20,269,554</b>  | <b>\$ 8,605,589</b>   | <b>\$ (19,861,838)</b> |

**Source:** City of Peoria comprehensive annual financial reports for fiscal years 2004 through 2013.

**GASB Statement 34 Implementation:** The City implemented GASB 34 government-wide financial reporting in fiscal year 2002.

**Trend:** In 2009, the \$15,332,504 decrease in net position included:

- a) \$4,447,880 decrease in state-shared revenues resulting from national economic recession.
- b) \$4,264,610 increase in total long-term debt.
- c) \$4,625,034 aggregate revenues decrease in home rule sales tax, license fees, intergovernmental reimbursements, interest earnings.

**Trend:** In 2011, the \$18,990,226 increase in net position included:

- a) \$12,093,500 increase in State of Illinois reimbursements for Orange Prairie Road Extension and Washington Street Improvements.
- b) \$ 2,027,404 new local natural gas utility tax revenues.

**Restatement of 2012 Beginning Net Position:**

In 2012, the City adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which restated the beginning net position of the Governmental Activities for items previously reported as assets, producing a \$2,242,369 decrease in 2012 beginning net position.

**Restatement of 2011 Beginning Net Position:**

In 2011, the City recorded prior period adjustments producing a \$12,398,865 increase in 2011 beginning net position.

**Business-Type Activities:**

The City has no business-type activities.

Table II

|                       |                       | Fiscal Year            |                       |                       |                       |                       |  |
|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|
| 2007                  | 2008                  | 2009                   | 2010                  | 2011                  | 2012                  | 2013                  |  |
|                       |                       |                        | Restated              | Restated              |                       |                       |  |
| \$ 27,481,171         | \$ 29,047,046         | \$ 32,964,520          | \$ 34,408,536         | \$ 35,411,598         | \$ 34,953,409         | \$ 35,044,553         |  |
| 8,306,487             | 7,690,109             | 6,777,042              | 7,116,213             | 6,663,610             | 6,438,641             | 7,366,584             |  |
| 23,514,047            | 23,807,678            | 21,951,915             | 22,983,019            | 23,425,790            | 24,637,340            | 23,764,815            |  |
| 10,545,996            | 11,456,986            | 9,848,758              | 9,473,829             | 9,252,638             | 10,196,314            | 11,090,291            |  |
| 23,199,949            | 23,100,548            | 21,074,331             | 21,750,896            | 22,662,416            | 22,898,395            | 22,336,809            |  |
| 8,120,176             | 8,253,017             | 7,640,779              | 7,913,576             | 8,514,746             | 8,695,857             | 8,819,495             |  |
| 893,078               | 855,599               | 764,720                | 843,494               | -                     | -                     | -                     |  |
| 4,005,969             | 3,594,362             | 3,528,968              | 3,536,729             | 3,492,315             | 3,510,234             | 3,353,151             |  |
| 8,795,630             | 8,629,442             | 8,406,435              | 9,535,439             | 12,026,499            | 12,269,259            | 12,050,962            |  |
| 3,508,181             | 3,350,085             | 3,163,376              | 3,141,811             | 2,968,278             | 12,311                | 95,427                |  |
| 4,363,118             | 2,384,392             | 1,053,232              | 1,125,035             | 2,156,553             | 2,627,602             | 1,217,095             |  |
| 2,189,184             | 2,306,679             | 2,249,178              | 2,178,794             | 2,290,351             | 2,474,896             | 2,354,192             |  |
| 5,916,355             | 7,315,068             | 3,202,698              | 3,480,454             | 2,416,950             | 6,762,301             | 5,196,316             |  |
| <b>\$ 130,839,341</b> | <b>\$ 131,791,011</b> | <b>\$ 122,625,952</b>  | <b>\$ 127,487,825</b> | <b>\$ 131,281,744</b> | <b>\$ 135,476,560</b> | <b>\$ 132,689,690</b> |  |
| <b>\$ (288,585)</b>   | <b>\$ 2,722,887</b>   | <b>\$ (15,332,504)</b> | <b>\$ 5,755,977</b>   | <b>\$ 18,990,226</b>  | <b>\$ (7,294,380)</b> | <b>\$ (2,020,573)</b> |  |

**City of Peoria**

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

|   | Fiscal Year          |                      |                      |
|---|----------------------|----------------------|----------------------|
|   | 2004                 | 2005                 | 2006                 |
| General Fund:                           |                      |                      |                      |
| Nonspendable                            | -                    | -                    | -                    |
| Restricted                              | -                    | -                    | -                    |
| Committed                               | -                    | -                    | -                    |
| Assigned                                | -                    | -                    | -                    |
| Unassigned                              | -                    | -                    | -                    |
| Reserved                                | \$ 1,408,505         | \$ 932,376           | \$ 1,848,711         |
| Unreserved - Designated                 | 16,815,391           | 17,823,988           | 18,691,956           |
| Unreserved - Undesignated               | 4,993,106            | 6,532,340            | 8,736,116            |
| <b>Total General Fund</b>               | <b>\$ 23,217,002</b> | <b>\$ 25,288,704</b> | <b>\$ 29,276,783</b> |
| All Other Governmental Funds:           |                      |                      |                      |
| Nonspendable                            | -                    | -                    | -                    |
| Restricted                              | -                    | -                    | -                    |
| Committed                               | -                    | -                    | -                    |
| Assigned                                | -                    | -                    | -                    |
| Unassigned                              | -                    | -                    | -                    |
| Reserved                                | \$ 16,647,432        | \$ 28,748,887        | \$ 28,807,497        |
| Unreserved - Designated, reported in:   |                      |                      |                      |
| Special Revenue Funds                   | -                    | -                    | 841,971              |
| Capital Project Funds                   | 19,270,713           | 58,116,993           | 25,180,643           |
| Unreserved - Undesignated, reported in: |                      |                      |                      |
| Special Revenue Funds                   | 950,644              | 1,446,695            | 1,078,166            |
| Debt Service Funds                      | 2,122,282            | -                    | -                    |
| Capital Project Funds                   | 8,324,913            | 6,626,544            | 6,090,571            |
| <b>Total All Other Government Funds</b> | <b>\$ 47,315,984</b> | <b>\$ 94,939,119</b> | <b>\$ 61,998,848</b> |

Source: City of Peoria comprehensive annual financial reports for fiscal years 2004 through 2013.

**GASB Statement 54 Implementation:**

The City implemented new fund balance reporting classifications for governmental funds effective 2011.

**Trend:** In 2008, \$15,952,763 total fund balance increase included:

- a) \$8,893,013 increase in total bond proceeds
- b) \$2,912,701 decrease in General Fund employee benefits costs
- c) \$1,565,874 increase in total real estate tax revenues

**Trend:** In 2009, \$19,491,640 total fund balance decrease included:

- a) \$10,902,137 decrease in total bond proceeds
- b) \$4,447,881 decrease in total state-shared revenues

**Trend:** In 2010, \$14,021,978 total fund balance increase included:

- a) \$6,282,185 increase in total governmental grants and reimbursements
- b) \$3,410,335 decrease in gross payroll wages
- c) \$3,382,390 increase in total local tax revenues

**Restatement of 2011 Beginning Fund Balances:**

In 2011, the City recorded prior period adjustments producing an \$8,369,653 net increase in 2011 beginning fund balances.

Table III

|                      |                      |                      |                      |                      |                      |                      | Fiscal Year |  |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------|--|
| 2007                 | 2008                 | 2009                 | 2010                 | 2011                 | 2012                 | 2013                 |             |  |
|                      |                      |                      |                      | Restated             |                      |                      |             |  |
| -                    | -                    | -                    | -                    | 672,059              | 928,685              | <b>9,954,561</b>     |             |  |
| -                    | -                    | -                    | -                    | 306,681              | 915,767              | <b>829,034</b>       |             |  |
| -                    | -                    | -                    | -                    | 16,233,211           | -                    | -                    |             |  |
| -                    | -                    | -                    | -                    | 7,815,947            | 18,939,465           | <b>14,588,173</b>    |             |  |
| -                    | -                    | -                    | -                    | 17,398,313           | 20,316,688           | <b>17,212,339</b>    |             |  |
| \$ 7,968,830         | \$ 8,704,989         | \$ 8,371,893         | \$ 8,103,056         | -                    | -                    | -                    |             |  |
| 12,570,433           | 12,828,231           | 12,847,709           | 12,859,791           | -                    | -                    | -                    |             |  |
| 9,665,019            | 11,078,502           | 4,595,390            | 4,371,850            | -                    | -                    | -                    |             |  |
| <b>\$ 30,204,282</b> | <b>\$ 32,611,722</b> | <b>\$ 25,814,992</b> | <b>\$ 25,334,697</b> | <b>\$ 42,426,211</b> | <b>\$ 41,100,605</b> | <b>\$ 42,584,107</b> |             |  |
| -                    | -                    | -                    | -                    | 439,196              | 498,803              | <b>516,905</b>       |             |  |
| -                    | -                    | -                    | -                    | 62,094,179           | 87,695,699           | <b>74,592,284</b>    |             |  |
| -                    | -                    | -                    | -                    | -                    | -                    | -                    |             |  |
| -                    | -                    | -                    | -                    | 15,650,492           | 10,572,062           | <b>7,656,615</b>     |             |  |
| -                    | -                    | -                    | -                    | (2,083,145)          | (770,426)            | <b>(9,302,137)</b>   |             |  |
| \$ 27,925,865        | \$ 26,265,107        | \$ 25,208,159        | \$ 47,103,244        | -                    | -                    | -                    |             |  |
| -                    | -                    | -                    | -                    | -                    | -                    | -                    |             |  |
| 1,502,394            | 1,665,130            | 2,002,018            | 1,961,529            | -                    | -                    | -                    |             |  |
| 17,213,173           | 32,740,696           | 26,235,774           | 19,684,749           | -                    | -                    | -                    |             |  |
| -                    | -                    | -                    | -                    | -                    | -                    | -                    |             |  |
| 1,648,746            | 1,731,009            | 1,818,615            | 1,382,947            | -                    | -                    | -                    |             |  |
| -                    | -                    | -                    | -                    | -                    | -                    | -                    |             |  |
| 11,514,801           | 10,948,360           | 5,390,826            | 5,025,196            | -                    | -                    | -                    |             |  |
| <b>\$ 59,804,979</b> | <b>\$ 73,350,302</b> | <b>\$ 60,655,392</b> | <b>\$ 75,157,665</b> | <b>\$ 76,100,721</b> | <b>\$ 97,996,138</b> | <b>\$ 73,463,667</b> |             |  |

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

|   | Fiscal Year           |                       |                        |
|---|-----------------------|-----------------------|------------------------|
|   | 2004                  | 2005                  | 2006                   |
| <b>Revenues:</b>  |                       |                       |                        |
| Taxes   | \$ 94,892,327         | \$ 100,461,418        | \$ 105,914,307         |
| Gaming revenue  | 4,126,973             | 4,058,749             | 3,965,791              |
| Governmental grants and reimbursements                  | 14,827,219            | 15,630,680            | 16,282,395             |
| Licenses and Permits                                    | 1,974,066             | 1,956,622             | 1,743,658              |
| Charges for services                                    | 18,543,539            | 19,752,599            | 21,208,296             |
| Special assessments                                     | 258,861               | 272,370               | 155,281                |
| Loan repayments   | 598,388               | 314,054               | 389,744                |
| Interest  | 999,596               | 3,914,551             | 5,066,507              |
| Other   | 3,941,145             | 5,103,540             | 4,937,680              |
| <b>Total Revenues</b>                                   | <b>\$ 140,162,114</b> | <b>\$ 151,464,583</b> | <b>\$ 159,663,659</b>  |
| <b>Expenditures:</b>                                    |                       |                       |                        |
| Elected offices, boards, commissions, agencies          | 1,657,983             | 1,687,969             | 1,914,702              |
| City administration                                     | 6,126,004             | 6,665,593             | 6,753,081              |
| Police  | 28,278,203            | 29,650,167            | 31,304,981             |
| Fire  | 20,667,895            | 21,500,657            | 23,295,673             |
| Public works  | 22,183,503            | 23,450,167            | 25,213,092             |
| Community development                                   | 12,924,713            | 28,545,414            | 49,489,472             |
| Public safety   | 7,647,920             | 7,909,693             | 8,289,939              |
| General government                                      | 5,672,053             | 8,430,306             | 8,985,341              |
| Library   | 4,986,497             | 5,627,239             | 6,218,368              |
| Capital outlay  | 13,873,682            | 14,782,867            | 14,461,134             |
| Debt service:   |                       |                       |                        |
| Principal   | 9,282,235             | 10,754,953            | 10,541,104             |
| Interest  | 6,005,161             | 7,109,707             | 8,057,602              |
| <b>Total Expenditures</b>                               | <b>\$ 139,305,849</b> | <b>\$ 166,114,732</b> | <b>\$ 194,524,489</b>  |
| <b>Excess of Revenues (under Expenditures)</b>          | <b>856,265</b>        | <b>(14,650,149)</b>   | <b>(34,860,830)</b>    |
| <b>Other Financing Sources (Uses):</b>                  |                       |                       |                        |
| Proceeds from issuance of bonds                         | 20,250,000            | 99,485,000            | 9,775,000              |
| Premium on issued bonds                                 | 515,396               | 3,521,723             | 121,590                |
| Payment to refunding bond escrow agent                  | (15,113,240)          | (38,698,399)          | (4,453,083)            |
| Proceeds from sale of property                          | 36,702                | 36,662                | 465,131                |
| New loan proceeds                                       | -                     | -                     | -                      |
| Proceeds from note payable                              | 265,826               | -                     | -                      |
| Transfers in  | 24,812,630            | 24,254,326            | 24,774,077             |
| Transfers out   | (24,812,630)          | (24,254,326)          | (24,774,077)           |
| <b>Total Other Financing Sources (Uses)</b>             | <b>5,954,684</b>      | <b>64,344,986</b>     | <b>5,908,638</b>       |
| <b>Net Change in Fund Balances</b>                      | <b>\$ 6,810,949</b>   | <b>\$ 49,694,837</b>  | <b>\$ (28,952,192)</b> |
| Debt service as a percentage of noncapital expenditures | 12.2%                 | 11.8%                 | 10.3%                  |

**Source:** City of Peoria comprehensive annual financial reports for fiscal years 2004 through 2013.

**Trend:** In 2010, \$14,021,978 total net fund balance increase included:

- \$6,282,185 increase in total governmental grants and reimbursements
- \$3,410,335 decrease in gross payroll wages
- \$3,382,390 increase in total local tax revenues

**Restatement of 2011 Beginning Fund Balances:**

In 2011, the City recorded prior period adjustments producing an \$8,369,653 net increase in 2011 beginning fund balances.

Table IV

|    |              | Fiscal Year    |                 |                |                |                |                 |      |
|----|--------------|----------------|-----------------|----------------|----------------|----------------|-----------------|------|
|    |              | 2007           | 2008            | 2009           | 2010           | 2011           | 2012            | 2013 |
|    |              | Restated       |                 |                |                |                |                 |      |
| \$ | 110,856,534  | \$ 112,840,425 | \$ 110,789,222  | \$ 114,596,444 | \$ 118,158,046 | \$ 121,358,799 | \$ 122,154,688  |      |
|    | 4,005,969    | 3,594,362      | 764,720         | 3,536,729      | 3,492,315      | 3,510,234      | 3,229,684       |      |
|    | 13,939,383   | 12,798,543     | 13,087,732      | 21,927,936     | 33,323,459     | 14,721,653     | 17,023,909      |      |
|    | 3,378,864    | 3,374,273      | 2,048,933       | 2,516,900      | 2,597,899      | 2,408,440      | 1,942,447       |      |
|    | 22,385,539   | 21,916,812     | 21,426,996      | 20,069,485     | 19,543,740     | 18,339,319     | 18,223,694      |      |
|    | 272,989      | 359,175        | 466,684         | 778,741        | 185,749        | 359,132        | (25,984)        |      |
|    | 381,881      | 327,345        | 154,784         | 150,998        | 154,868        | 232,259        | 155,223         |      |
|    | 4,350,633    | 2,364,386      | 1,039,034       | 1,119,080      | 2,302,857      | 2,569,959      | 1,170,248       |      |
|    | 4,458,484    | 5,764,935      | 3,164,042       | 3,255,681      | 5,658,012      | 6,726,287      | 5,392,587       |      |
| \$ | 164,030,276  | \$ 163,340,256 | \$ 152,942,147  | \$ 167,951,994 | \$ 185,416,945 | \$ 170,226,082 | \$ 169,266,496  |      |
|    | 2,065,825    | 1,962,117      | 2,064,338       | 1,987,560      | 1,937,261      | 2,047,017      | 2,295,478       |      |
|    | 7,473,952    | 7,682,868      | 7,758,944       | 7,657,199      | 3,360,440      | 6,862,338      | 6,716,345       |      |
|    | 34,817,519   | 35,794,392     | 35,105,004      | 34,014,508     | 35,801,837     | 34,989,102     | 38,190,758      |      |
|    | 25,210,684   | 26,125,716     | 27,796,965      | 27,463,584     | 29,734,147     | 27,666,439     | 29,753,246      |      |
|    | 26,712,420   | 26,812,501     | 28,156,412      | 23,090,210     | 23,439,561     | 19,543,226     | 24,476,899      |      |
|    | 23,387,350   | 13,672,424     | 13,818,411      | 15,680,834     | 16,723,085     | 12,438,977     | 12,441,478      |      |
|    | 9,062,108    | 9,285,483      | 9,932,649       | 9,570,742      | 7,761,710      | 5,753,224      | 7,128,150       |      |
|    | 9,470,644    | 8,549,659      | 10,286,382      | 13,624,131     | 10,475,320     | 32,077,467     | 18,920,621      |      |
|    | 6,549,961    | 7,011,868      | 7,249,289       | 6,916,950      | 8,814,034      | 7,680,877      | 8,119,596       |      |
|    | 23,355,246   | 22,400,879     | 17,812,988      | 38,538,261     | 23,671,645     | 22,638,689     | 31,222,632      |      |
|    | 11,068,939   | 8,618,657      | 8,676,500       | 8,724,038      | 10,072,238     | 11,072,123     | 12,178,913      |      |
|    | 7,550,153    | 8,356,302      | 9,334,280       | 8,787,893      | 10,088,401     | 10,757,611     | 10,998,273      |      |
| \$ | 186,724,801  | \$ 176,272,866 | \$ 177,992,162  | \$ 196,055,910 | \$ 181,879,679 | \$ 193,527,090 | \$ 202,442,389  |      |
|    | (22,694,525) | (12,932,610)   | (25,050,015)    | (28,103,916)   | 3,537,266      | (23,301,008)   | (33,175,893)    |      |
|    | 19,905,000   | 28,000,000     | 17,645,000      | 43,715,000     | 9,350,000      | 46,150,000     | 16,920,000      |      |
|    | 47,197       | 798,013        | 250,876         | 2,119,576      | 646,087        | 283,771        | 347,535         |      |
|    | -            | -              | (17,665,354)    | (3,836,533)    | (4,064,361)    | -              | (7,046,086)     |      |
|    | 1,475,958    | 87,360         | 8,275           | 127,851        | 195,925        | 437,048        | 5,475           |      |
|    | -            | -              | 5,319,578       | -              | -              | -              | -               |      |
|    | -            | -              | -               | -              | -              | -              | -               |      |
|    | 25,355,043   | 28,416,782     | 21,422,476      | 26,081,501     | 25,101,415     | 30,469,594     | 25,282,277      |      |
|    | (25,355,043) | (28,416,782)   | (21,422,476)    | (26,081,501)   | (25,101,415)   | (33,569,594)   | (25,282,277)    |      |
|    | 21,428,155   | 28,885,373     | 5,558,375       | 42,125,894     | 6,127,651      | 43,770,819     | 10,226,924      |      |
| \$ | (1,266,370)  | \$ 15,952,763  | \$ (19,491,640) | \$ 14,021,978  | \$ 9,664,917   | \$ 20,469,811  | \$ (22,948,969) |      |
|    | 11.4%        | 11.0%          | 11.2%           | 11.1%          | 12.7%          | 12.8%          | 13.6%           |      |

**Assessed Value and Estimated Actual Value of Taxable Property** <sup>(1) (2) (3)</sup>  
**Last Ten Fiscal Years**  
*(dollars in thousands except total direct tax rate)*  
**(Unaudited)**

| Fiscal Year | Property Tax Levy Year | Residential Property | Commercial Property | Industrial Property | Farm Property | Railway Property | Total Taxable Assessed Value | % Change in Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value |
|-------------|------------------------|----------------------|---------------------|---------------------|---------------|------------------|------------------------------|------------------------------------|-----------------------|--------------------------------|
| <b>2014</b> | <b>2013</b>            | <b>1,257,973</b>     | <b>635,194</b>      | <b>48,043</b>       | <b>853</b>    | <b>2,494</b>     | <b>1,944,557</b>             | <b>-1.21%</b>                      | <b>1.4117</b>         | <b>\$ 5,834,255</b>            |
| 2013        | 2012                   | 1,285,157            | 632,766             | 47,400              | 849           | 2,202            | 1,968,374                    | -1.23%                             | 1.4062                | \$ 5,905,712                   |
| 2012        | 2011                   | 1,299,455            | 642,415             | 48,130              | 1,028         | 1,953            | 1,992,981                    | -0.95%                             | 1.4096                | \$ 5,979,540                   |
| 2011        | 2010                   | 1,324,615            | 636,251             | 48,667              | 866           | 1,657            | 2,012,057                    | 1.43%                              | 1.3911                | \$ 6,036,774                   |
| 2010        | 2009                   | 1,306,278            | 627,211             | 47,966              | 840           | 1,360            | 1,983,655                    | 1.95%                              | 1.3865                | \$ 5,951,561                   |
| 2009        | 2008                   | 1,276,338            | 619,746             | 47,804              | 809           | 1,055            | 1,945,752                    | 5.34%                              | 1.3861                | \$ 5,837,839                   |
| 2008        | 2007                   | 1,215,582            | 583,533             | 46,167              | 860           | 886              | 1,847,028                    | 7.63%                              | 1.2707                | \$ 5,541,640                   |
| 2007        | 2006                   | 1,125,204            | 544,809             | 44,360              | 904           | 841              | 1,716,118                    | 6.14%                              | 1.2822                | \$ 5,148,870                   |
| 2006        | 2005                   | 1,057,513            | 514,791             | 42,847              | 765           | 886              | 1,616,802                    | 5.22%                              | 1.2896                | \$ 4,850,890                   |
| 2005        | 2004                   | 1,000,040            | 492,297             | 42,601              | 737           | 933              | 1,536,607                    | 3.62%                              | 1.2723                | \$ 4,610,283                   |

Source: Peoria County Clerk (Tax Computation Reports)

**Notes**

<sup>(1)</sup> Property is reassessed annually; assessed values are approximately one-third of fair market value, instead of actual market value. The City's direct property tax rates are calculated per \$100 of assessed valuation; see Table VI for additional tax rate information.

<sup>(2)</sup> Excludes increased assessed valuation of Redevelopment Areas: Central Business District, Downtown Stadium, Eagle View, Hospitality Improvement Zone, Midtown Plaza, Northside Business Park, Northside Riverfront, Southtown and the Warehouse District:  
2000 - \$36,526,430; 2001 - \$41,810,950; 2002 - \$55,839,360; 2003 - \$54,516,320; 2004 - \$56,357,000;  
2005 - \$57,355,710; 2006 - \$60,044,570; 2007 - \$65,372,705; 2008 - \$64,149,850; 2009 - \$68,998,930;  
2010 - \$68,499,960; 2011 - \$67,479,260; 2012 - \$67,193,840; 2013 - \$62,012,080

<sup>(3)</sup> Incremental and total taxable assessed values above are net of tax-exempt property.

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**City of Peoria**

**Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
(rate per \$100 of assessed valuation)  
(Unaudited)**

| Fiscal Year | Property Tax Levy Year | City Direct Tax Rate, By Fund |                                    |              |                                  |                        |                     | Total Direct Tax Rate |
|-------------|------------------------|-------------------------------|------------------------------------|--------------|----------------------------------|------------------------|---------------------|-----------------------|
|             |                        | General Fund                  | Illinois Municipal Retirement Fund | Library Fund | Library General Obligation Bonds | Firemen's Pension Fund | Police Pension Fund |                       |
| 2014        | 2013                   | \$0.1369                      | \$0.2301                           | \$0.3288     | \$0.1167                         | \$0.2832               | \$0.3160            | 1.4117                |
| 2013        | 2012                   | 0.1576                        | 0.2118                             | 0.3312       | 0.1132                           | 0.3142                 | 0.2783              | 1.4062                |
| 2012        | 2011                   | 0.2532                        | 0.2262                             | 0.3337       | 0.1065                           | 0.2748                 | 0.2152              | 1.4096                |
| 2011        | 2010                   | 0.2205                        | 0.2369                             | 0.3306       | 0.1003                           | 0.2839                 | 0.2189              | 1.3911                |
| 2010        | 2009                   | 0.3363                        | 0.2249                             | 0.3324       | 0.0566                           | 0.2401                 | 0.1963              | 1.3865                |
| 2009        | 2008                   | 0.3225                        | 0.2425                             | 0.3430       | 0.0962                           | 0.2184                 | 0.1636              | 1.3861                |
| 2008        | 2007                   | 0.3395                        | 0.2450                             | 0.3367       | 0.0000                           | 0.1924                 | 0.1571              | 1.2707                |
| 2007        | 2006                   | 0.3167                        | 0.2534                             | 0.3398       | 0.0000                           | 0.2104                 | 0.1620              | 1.2822                |
| 2006        | 2005                   | 0.3217                        | 0.2597                             | 0.3432       | 0.0000                           | 0.2157                 | 0.1493              | 1.2896                |
| 2005        | 2004                   | 0.3586                        | 0.2970                             | 0.3061       | 0.0000                           | 0.1719                 | 0.1387              | 1.2723                |

**Source:** Peoria County Clerk (Tax Computation Reports)

**Notes:**

The City Council levies direct property taxes in accordance with authority granted by Article VII of the Illinois Constitution and the Illinois Municipal Code.

Overlapping rates are taxes levied by 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.

Table VI

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**Overlapping Rates**

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| <b>School District No.150</b> | <b>Peoria County</b> | <b>Peoria Township</b> | <b>Park District</b> | <b>Airport Authority</b> | <b>ICC Junior College</b> | <b>Mass Transit District</b> | <b>Total Tax Rate</b> |
|-------------------------------|----------------------|------------------------|----------------------|--------------------------|---------------------------|------------------------------|-----------------------|
| 5.0646                        | 0.8053               | 0.1448                 | 0.7914               | 0.1899                   | 0.4723                    | 0.2155                       | 9.0955                |
| 4.9832                        | 0.8053               | 0.1420                 | 0.7662               | 0.1864                   | 0.4634                    | 0.2029                       | 8.9555                |
| 4.9315                        | 0.7998               | 0.1355                 | 0.7335               | 0.1858                   | 0.4624                    | 0.1905                       | 8.8487                |
| 4.9307                        | 0.8003               | 0.1329                 | 0.7183               | 0.1883                   | 0.4462                    | 0.1797                       | 8.7874                |
| 4.8811                        | 0.8050               | 0.1333                 | 0.7178               | 0.1873                   | 0.4702                    | 0.1737                       | 8.7548                |
| 4.5951                        | 0.8074               | 0.1312                 | 0.7025               | 0.1747                   | 0.4411                    | 0.1685                       | 8.4065                |
| 4.4605                        | 0.8158               | 0.1318                 | 0.6979               | 0.2324                   | 0.4490                    | 0.1688                       | 8.2270                |
| 4.4846                        | 0.8444               | 0.1366                 | 0.7134               | 0.2409                   | 0.4841                    | 0.1727                       | 8.3589                |
| 4.4915                        | 0.8489               | 0.1390                 | 0.7089               | 0.2039                   | 0.4801                    | 0.1746                       | 8.3365                |
| 4.3233                        | 0.8543               | 0.1373                 | 0.6874               | 0.2021                   | 0.4898                    | 0.1750                       | 8.1415                |

**Principal Property Taxpayers** <sup>(1) (2) (3)</sup>  
**Current Year and Nine Years Ago**  
**(Unaudited)**

| Taxpayer   | 2013<br>(Taxable Assessed Valuation \$1,944,557,238) |      |   | 2004<br>(Taxable Assessed Valuation \$1,536,607,174) |      |   |
|--|--|------|---|--|------|---|
|  | Taxable Assessed Value                               | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value                               | Rank | Percentage of Total City Taxable Assessed Value |
| Caterpillar Tractor, Inc.                          | \$ 24,705,350  | 1    | 1.27%   | \$ 17,032,910  | 1    | 1.11%   |
| MCRIL LLC (Shoppes at Grand Prairie)               | 16,174,940   | 2    | 0.83%   | 6,261,980  | 5    | 0.41%   |
| OSF Healthcare System                              | 9,710,032  | 3    | 0.50%   |  |      | 0.00%   |
| Northwoods Development Co.                         | 9,140,770  | 4    | 0.47%   | 7,309,370  | 3    | 0.48%   |
| Gateway Taylor Inc (Sheridan Village & Wardcliffe) | 8,047,110  | 5    | 0.41%   |  |      | 0.00%   |
| Willow Knolls Ltd.                                 | 7,573,650  | 6    | 0.39%   | 8,394,860  | 2    | 0.55%   |
| Wal-Mart Real Estate Business Trust                | 7,186,990  | 7    | 0.37%   |  |      | 0.00%   |
| PV Peoria LLC (Prairie Vista Apartments)           | 6,575,700  | 8    | 0.34%   |  |      | 0.00%   |
| 211 Fulton Street LLC                              | 4,583,710  | 9    | 0.24%   |  |      | 0.00%   |
| Knoxville Pointe (Apartments off Knoxville)        | 4,510,480  | 10   | 0.23%   |  |      | 0.00%   |
| Bradley Operating Ltd.                             |  |      |   | 6,449,360  | 4    | 0.42%   |
| PMP Fermentation Products                          |  |      |   | 6,084,900  | 6    | 0.40%   |
| Peoria Hotel Ltd. Partner (Pere Marquette)         |  |      |   | 4,786,660  | 7    | 0.31%   |
| Downtown Baseball Stadium                          |  |      |   | 4,694,320  | 8    | 0.31%   |
| Lexington House Corporation (Becker)               |  |      |   | 4,384,070  | 9    | 0.29%   |
| Edward Rose Building Co.                           |  |      |   | 4,114,460  | 10   | 0.27%   |
|  | <b>\$ 98,208,732</b>                                 |      | <b>5.05%</b>                                    | <b>\$ 69,512,890</b>                                 |      | <b>4.52%</b>                                    |

**Source:** City of Peoria Official Bond Statements & Peoria County Assessor - Supervisor of Assessments  
 (Top 10 Taxpayer Listing by Total Assessed Value)

**Notes:**

- (1) Peoria County reports of Non-Farm Property Exceeding \$999,999 in Assessed Valuation (After Board of Review Action).
- (2) Every effort has been made to seek out and report the largest taxpayers.  
 However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.
- (3) Wal-Mart Real Estate Business Trust was formerly listed as Wal-Mart Stores.

**Property Tax Levies And Collections  
Last Ten Fiscal Years  
(Unaudited)**

| Fiscal Year<br>Ended<br>December 31, | Property<br>Tax<br>Levy Year | Taxes Levied<br>for the<br>Fiscal Year | Collected Within the<br>Fiscal Year of the Levy |                       | Collections in<br>Subsequent<br>Years | Total Collections to Date |                       |
|--------------------------------------|------------------------------|--|---|-----------------------|---------------------------------------|---------------------------|-----------------------|
|                                      |                              |  | Amount  | Percentage<br>of Levy |                                       | Amount                    | Percentage<br>of Levy |
| <b>2013</b>                          | <b>2012</b>                  | <b>\$ 34,172,736</b>                   | <b>\$ 34,035,536</b>                            | <b>99.60%</b>         | <b>\$ -</b>                           | <b>\$ 34,035,536</b>      | <b>99.60%</b>         |
| 2012                                 | 2011                         | 34,446,246                             | 34,256,911                                      | 99.45%                | -                                     | \$ 34,256,911             | 99.45%                |
| 2011                                 | 2010                         | 34,359,956                             | 34,033,488                                      | 99.05%                | -                                     | \$ 34,033,488             | 99.05%                |
| 2010                                 | 2009                         | 33,764,221                             | 33,593,128                                      | 99.49%                | -                                     | \$ 33,593,128             | 99.49%                |
| 2009                                 | 2008                         | 32,560,276                             | 32,353,860                                      | 99.37%                | -                                     | \$ 32,353,860             | 99.37%                |
| 2008                                 | 2007                         | 29,028,516                             | 28,378,969                                      | 97.76%                | -                                     | \$ 28,378,969             | 97.76%                |
| 2007                                 | 2006                         | 27,214,920                             | 26,854,818                                      | 98.68%                | -                                     | \$ 26,854,818             | 98.68%                |
| 2006                                 | 2005                         | 25,781,794                             | 25,668,344                                      | 99.56%                | -                                     | \$ 25,668,344             | 99.56%                |
| 2005                                 | 2004                         | 24,276,954                             | 23,984,505                                      | 98.80%                | -                                     | \$ 23,984,505             | 98.80%                |
| 2004                                 | 2003                         | 23,227,384                             | 22,989,719                                      | 98.98%                | -                                     | \$ 22,989,719             | 98.98%                |

**Source:** Peoria County Treasurer

**Note:** City of Peoria tax levy amounts, collection amounts and collection percentages above are all-inclusive: City, Library, Tax Increment Financing Districts, Special Service Areas, Road & Bridge Transfers.

**Taxable Sales by Category**  
**Last Ten Calendar Years**  
*(dollars in thousands)*  
**(Unaudited)**

|                                 | Calendar Year       |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                 | 2004                | 2005                | 2006                | 2007                | 2008                | 2009                | 2010                | 2011                | 2012                | 2013                |
| General Merchandise             | \$ 387,322          | \$ 382,260          | \$ 404,909          | \$ 390,938          | \$ 391,718          | \$ 380,143          | \$ 378,851          | \$ 348,278          | \$ 383,073          | \$ 349,304          |
| Food                            | 210,394             | 212,221             | 218,964             | 221,889             | 214,735             | 222,521             | 229,184             | 269,468             | 279,978             | 281,002             |
| Drinking and Eating Places      | 198,481             | 202,459             | 211,092             | 226,625             | 226,676             | 218,259             | 225,876             | 234,314             | 239,747             | 240,392             |
| Apparel                         | 90,068              | 92,811              | 97,317              | 100,587             | 99,906              | 89,305              | 92,305              | 124,771             | 97,425              | 95,815              |
| Furniture, H.H., and Radio      | 162,219             | 172,214             | 180,579             | 177,355             | 167,054             | 147,190             | 144,841             | 143,882             | 142,295             | 135,458             |
| Lumber, Bldg, Hardware          | 132,902             | 142,554             | 146,777             | 139,757             | 130,046             | 117,211             | 115,644             | 113,695             | 116,716             | 118,969             |
| Automotive and Filling Stations | 358,403             | 364,665             | 399,927             | 404,877             | 411,187             | 368,643             | 402,814             | 399,213             | 486,041             | 430,288             |
| Drugs & Miscellaneous Retail    | 252,930             | 249,986             | 252,687             | 254,004             | 255,395             | 253,201             | 274,731             | 284,326             | 287,762             | 283,856             |
| Agriculture and All Others      | 185,198             | 202,831             | 213,281             | 228,694             | 251,212             | 193,786             | 205,011             | 192,551             | 190,707             | 180,397             |
| Manufacturers                   | 24,774              | 26,136              | 26,874              | 25,530              | 31,985              | 30,331              | 37,810              | 40,946              | 39,726              | 45,924              |
| <b>Total</b>                    | <b>\$ 2,002,691</b> | <b>\$ 2,048,137</b> | <b>\$ 2,152,407</b> | <b>\$ 2,170,256</b> | <b>\$ 2,179,916</b> | <b>\$ 2,020,591</b> | <b>\$ 2,107,068</b> | <b>\$ 2,151,445</b> | <b>\$ 2,263,469</b> | <b>\$ 2,161,406</b> |
| City direct sales tax rate      | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               |
| Number of Taxpayers             | 3,136               | 3,193               | 3,115               | 3,089               | 2,582               | 2,446               | 2,490               | 2,452               | 2,417               | 2,418               |

**Sources:** Illinois Department of Revenue (Standard Industrial Classification (SIC) Code Reporting) via website [<http://tax.illinois.gov/AboutIdor/TaxStats>]

**Notes:**

City direct sales tax rate 1999-2002 includes 1.00% Municipal Sales Tax Rate and 1.00% Home Rule Sales Tax Rate.

City direct sales tax rate 2003-2008 includes 1.00% Municipal Sales Tax Rate and 1.50% Home Rule Sales Tax Rate.

In 2008, the local effects of a national economic decline contributed to the 16% decrease in the Number of Taxpayers.

City direct sales tax rate 2009 includes 1.00% Municipal Sales Tax Rate and 1.50% Home Rule Sales Tax Rate.

Also, during 2009, the Hospitality Improvement Zone was created. Taxpayers located within this area pay an additional 1.00% Business Development Tax. The number of taxpayers within this area is a small percentage of the total.

**Ratios of Outstanding Debt by Type** <sup>(1) (2) (3) (4) (5) (6) (7)</sup>**Last Ten Fiscal Years***(dollars in thousands, except per capita)***(Unaudited)**

| Fiscal Year | Governmental Activities  |                                    |                            |                                 | Total Primary Government | Debt % of Taxable Property Value | Debt % of Personal Income | Debt Per Capita |
|-------------|--------------------------|------------------------------------|----------------------------|---------------------------------|--------------------------|----------------------------------|---------------------------|-----------------|
|             | General Obligation Bonds | Revenue & Special Assessment Bonds | Special Service Area Bonds | Long-Term Loans & Notes Payable | Total Outstanding Debt   |                                  |                           |                 |
| 2013        | \$ 242,365               | \$ 5,154                           | \$ 2,098                   | \$ 1,413                        | 251,030                  | 12.91%                           | 7.59%                     | 2,183           |
| 2012        | 239,220                  | 5,507                              | 2,530                      | 1,528                           | 248,785                  | 12.64%                           | 8.23%                     | 2,163           |
| 2011        | 203,270                  | 5,851                              | 2,950                      | 4,349                           | 216,420                  | 10.86%                           | 7.66%                     | 1,882           |
| 2010        | 207,450                  | 5,961                              | 3,335                      | 5,767                           | 222,513                  | 11.06%                           | 7.88%                     | 1,935           |
| 2009        | 174,115                  | 6,069                              | 3,685                      | 7,385                           | 191,254                  | 9.64%                            | 6.83%                     | 1,578           |
| 2008        | 181,175                  | 6,796                              | 4,015                      | 2,476                           | 194,462                  | 9.99%                            | 6.21%                     | 1,605           |
| 2007        | 160,325                  | 7,491                              | 4,315                      | 2,950                           | 175,081                  | 9.48%                            | 5.88%                     | 1,445           |
| 2006        | 151,325                  | 6,951                              | 4,575                      | 3,394                           | 166,245                  | 9.69%                            | 5.80%                     | 1,407           |
| 2005        | 160,710                  | 2,306                              | 4,490                      | 3,122                           | 170,628                  | 10.55%                           | 6.10%                     | 1,444           |
| 2004        | 107,835                  | 2,851                              | 4,655                      | 3,483                           | 118,824                  | 7.73%                            | 4.36%                     | 1,006           |

**Source:**

City of Peoria comprehensive annual financial reports for the fiscal years 2004 through 2013.

**Notes:**

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

(1) See Tables V, VI, VII, and VIII for property tax data.

(2) See Table XIV for personal income and population data.

(3) In 2006, the City issued \$5,200,000 Series 2006 Special Assessment Bonds for road improvements.

(4) In 2007, the City issued \$18,800,000 Series 2007(A) General Obligation Bonds for major infrastructure improvements.

(4) In 2007, the City issued \$1,105,000 Series 2007(A) Special Assessment Bonds for North Allen Road intersection improvements.

(5) In 2008, the City issued \$28,000,000 Series 2008(A) General Obligation Library Bonds for construction of a new Peoria Public Library north branch plus major renovations to three existing Library branches.

(6) In 2010, the City issued \$15,490,000 Series 2010(C) Taxable General Obligation Bonds (Build America Bonds and Recovery Zone Bonds) for major infrastructure improvements.

(7) From 2006-2011, the City issued \$55,250,000 aggregate total General Obligation Bonds to refund multiple previously issued bonds.

**Business-Type Activities:**

The City has no business-type activities.

**Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)  
(Unaudited)**

| Fiscal<br>Year | Population             | Assessed<br>Value<br>(Thousands) | General Bonded Debt Outstanding |  |                                  | Percentage<br>of Actual<br>Property<br>Value | Debt<br>Per<br>Capita | Debt<br>Limit | Total Net<br>Debt<br>Applicable<br>to Limit | Legal<br>Debt<br>Margin |
|----------------|------------------------|----------------------------------|---------------------------------|--|----------------------------------|--|-----------------------|---------------|---|-------------------------|
|                |                        |                                  | General<br>Obligation<br>Bonds  | Less Amount<br>Available<br>in Debt<br>Service | Net<br>General<br>Bonded<br>Debt |  |                       |               |   |                         |
| 2013           | 115,007                | 1,944,557                        | 242,365                         | \$ 50,732                                      | 191,633                          | 9.85%  | 1,666.27              | \$194,456     | \$24,865                                    | 169,591                 |
| 2012           | 115,007                | 1,968,374                        | 239,220                         | 55,050   | 184,170                          | 9.36%  | 1,601.38              | 196,837       | 25,845                                      | 170,992                 |
| 2011           | 115,007                | 1,992,981                        | 203,270                         | 43,772   | 159,498                          | 8.00%  | 1,386.85              | 199,298       | 26,685                                      | 172,613                 |
| 2010           | 115,007 <sup>(3)</sup> | 2,012,057                        | 207,450                         | 37,164   | 170,286                          | 8.46%  | 1,480.66              | 201,206       | 27,400                                      | 173,806                 |
| 2009           | 121,170                | 1,983,655                        | 174,115                         | 16,333   | 157,782                          | 7.95%  | 1,302.15              | 198,365       | 28,000                                      | 170,365                 |
| 2008           | 121,170                | 1,945,752                        | 181,175                         | 17,844   | 163,331                          | 8.39%  | 1,347.95              | 194,575       | 28,000                                      | 166,575                 |
| 2007           | 121,170 <sup>(2)</sup> | 1,847,028                        | 160,325                         | 15,944   | 144,381                          | 7.82%  | 1,191.56              | 184,703       | 0   | 184,703                 |
| 2006           | 118,135                | 1,716,118                        | 151,325                         | 17,796   | 133,529                          | 7.78%  | 1,130.31              | 171,612       | 0   | 171,612                 |
| 2005           | 118,135                | 1,616,802                        | 160,710                         | 21,836   | 138,874                          | 8.59%  | 1,175.55              | 161,680       | 0   | 161,680                 |
| 2004           | 118,135 <sup>(1)</sup> | 1,536,607                        | 107,835                         | 16,524   | 91,311                           | 5.94%  | 772.93                | 153,661       | 0   | 153,661                 |

**Notes:**

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

- <sup>(1)</sup> Includes 5,199 additional population identified during 2004 Special Census  
<sup>(2)</sup> Includes 3,035 additional population identified during 2007 Special Census  
<sup>(3)</sup> Includes 6,163 population decrease identified during 2010 United States Census

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

City Ordinance #10,383 dated January 30, 1979, which is part of the City Code, placed a limit on the general obligation bonding power of the City. This ordinance provides that the principal amount of outstanding GO Bonds at any one time shall not exceed 10% of the total equalized assessed valuation of all taxable property within the City at the time of issuance. City Ordinance #14,557 dated August 18, 1998, which is part of the City Code, amended Ordinance #10,383 by removing from the debt limitation calculation bonds issued for which payments are intended to be derived from a revenue source other than ad valorem property tax.

**Legal Debt Margin Calculation for Fiscal Year 2013:**

|   |                  |
|---|------------------|
| Assessed Value (from County Report)             | \$1,944,557      |
| Debt Limit (10% of assessed value)              | 194,456          |
| Debt Applicable to Limit:                       |                  |
| General Obligation Bonds                        | 238,090          |
| Less: Amount set aside for repayment of GO Debt | (50,732)         |
| Gross Total Debt Applicable to Limit            | 187,358          |
| Less: Debt With Alternative Repayment Sources   | (162,493)        |
| Net Total Debt Applicable to Limit              | 24,865           |
| Legal Debt Margin                               | <u>\$169,591</u> |

**Direct and Overlapping Governmental Activities Debt <sup>(1)</sup>**  
**As of December 31, 2013**  
**(Unaudited)**

| Governmental Unit                                 | Debt<br>Outstanding   | Estimated<br>Percentage<br>Applicable To City | City's Estimated<br>Share of<br>Overlapping<br>Debt |
|---|-----------------------|---|---|
| County of Peoria                                  | \$ 76,750,000         | 60.71%  | \$ 46,594,925                                       |
| Greater Peoria Airport Authority                  | 50,320,000            | 55.69%  | 28,023,208  |
| Pleasure Driveway and Park District               | 6,060,000             | 94.78%  | 5,743,668   |
| Weaverridge Special Service Area                  | 1,600,000             | 100.00%                                       | 1,600,000   |
| School District No. 62, Pleasant Valley           | 805,000               | 46.17%  | 371,669   |
| School District No. 150, City of Peoria           | 135,249,939           | 97.63%  | 132,044,515   |
| School District No. 310, Limestone                | 3,695,000             | 6.84%   | 252,738   |
| School District No. 321, Chillicothe IVC          | 10,853,731            | 1.58%   | 171,489   |
| School District No. 323, Dunlap                   | 68,145,000            | 87.25%  | 59,456,513  |
| School District No. 325, Peoria Heights           | 7,630,000             | 11.54%  | 880,502   |
| School District No. 514, Illinois Central College | 25,085,000            | 29.45%  | 7,387,533   |
| <b>Subtotal - Overlapping Debt</b>                | <b>386,193,670</b>    |   | <b>282,526,759</b>                                  |
| City of Peoria Direct Debt                        | 251,030,228           | 100.00%                                       | 251,030,228   |
| <b>Total Direct and Overlapping Debt</b>          | <b>\$ 637,223,898</b> |   | <b>\$ 533,556,987</b>                               |

**Sources:** City of Peoria Official Bond Statements for Series 2014A General Obligation Refunding Bonds.

**Notes:**

Overlapping governments coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Peoria. This process recognizes that, when considering a City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

- (1) The estimated percentage of overlapping debt applicable to the City is based on proportionate equalized assessed valuation of taxable property. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing by each unit's total taxable assessed value.

City of Peoria

**Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(dollars in thousands)  
(Unaudited)**

| Downtown Parking Revenue Bonds |                      |                            |                      |                  |                       |              |          |          |  |
|--------------------------------|----------------------|----------------------------|----------------------|------------------|-----------------------|--------------|----------|----------|--|
| Fiscal Year                    | Net Parking Revenues | Incremental Property Taxes | UDAG Loan Repayments | Interest Revenue | Net Available Revenue | Debt Service |          | Coverage |  |
|                                |                      |                            |                      |                  |                       | Principal    | Interest |          |  |
| 2013                           | \$ -                 | \$ -                       | \$ -                 | \$ -             | \$ -                  | \$ -         | \$ -     | N/A      |  |
| 2012                           | -                    | -                          | -                    | -                | -                     | -            | -        | N/A      |  |
| 2011                           | -                    | -                          | -                    | -                | -                     | -            | -        | N/A      |  |
| 2010                           | -                    | -                          | -                    | -                | -                     | -            | -        | N/A      |  |
| 2009                           | 306                  | 696                        | -                    | -                | 1,002                 | 600          | 19       | 1.62     |  |
| 2008                           | 431                  | 653                        | -                    | 5                | 1,089                 | 580          | 38       | 1.76     |  |
| 2007                           | 431                  | 589                        | -                    | 14               | 1,034                 | 565          | 53       | 1.67     |  |
| 2006                           | 476                  | 563                        | -                    | 13               | 1,052                 | 555          | 66       | 1.70     |  |
| 2005                           | 438                  | 531                        | -                    | 7                | 975                   | 545          | 78       | 1.57     |  |
| 2004                           | 411                  | 538                        | -                    | 6                | 955                   | 475          | 167      | 1.49     |  |

| Local Motor Fuel Tax Revenue Bonds |                              |                       |              |          |          |  |
|------------------------------------|------------------------------|-----------------------|--------------|----------|----------|--|
| Fiscal Year                        | Local Motor Fuel Tax Revenue | Net Available Revenue | Debt Service |          | Coverage |  |
|                                    |                              |                       | Principal    | Interest |          |  |
| 2013                               | \$ 757                       | 757                   | \$ 60        | \$ 44    | 7.25     |  |
| 2012                               | -                            | -                     | -            | -        | -        |  |
| 2011                               | -                            | -                     | -            | -        | -        |  |
| 2010                               | -                            | -                     | -            | -        | -        |  |
| 2009                               | -                            | -                     | -            | -        | -        |  |
| 2008                               | -                            | -                     | -            | -        | -        |  |
| 2007                               | -                            | -                     | -            | -        | -        |  |
| 2006                               | -                            | -                     | -            | -        | -        |  |
| 2005                               | -                            | -                     | -            | -        | -        |  |
| 2004                               | -                            | -                     | -            | -        | -        |  |

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

Net Parking Revenues do not include depreciation expense.

Final debt service payment 12/01/09 for 2004(A) Refunding Downtown Parking Revenue Bonds

**Table XIII**

| Special Assessment Bonds             |                         |                              |                     |                             |              |          |          |  |
|--------------------------------------|-------------------------|------------------------------|---------------------|-----------------------------|--------------|----------|----------|--|
| Special<br>Assessment<br>Collections | Capitalized<br>Interest | Pledged<br>Property<br>Taxes | Interest<br>Revenue | Net<br>Available<br>Revenue | Debt Service |          | Coverage |  |
|                                      |                         |                              |                     |                             | Principal    | Interest |          |  |
| \$ 372                               | \$ -                    | \$ 501                       | \$ 87               | 960                         | \$ 359       | \$ 299   | 1.46     |  |
| 314                                  | -                       | 404                          | 55                  | 773                         | 344          | 317      | 1.17     |  |
| 665                                  | -                       | 312                          | 46                  | 1,023                       | 111          | 324      | 2.36     |  |
| 160                                  | -                       | 300                          | 72                  | 532                         | 108          | 330      | 1.21     |  |
| 181                                  | 279                     | -                            | 4                   | 464                         | 121          | 337      | 1.01     |  |
| 115                                  | 279                     | -                            | 39                  | 434                         | 115          | 311      | 1.02     |  |
| -                                    | 55                      | -                            | -                   | 55                          | -            | 55       | 1.00     |  |
| -                                    | -                       | -                            | -                   | -                           | -            | -        | -        |  |
| -                                    | -                       | -                            | -                   | -                           | -            | -        | -        |  |
| -                                    | -                       | -                            | -                   | -                           | -            | -        | -        |  |

**Demographic and Economic Statistics  
Last Ten Fiscal Years  
(Unaudited)**

| Fiscal<br>Year<br>Ended<br>December 31 | Population <sup>(1)</sup> | Personal<br>Income<br>(Thousands) | Per Capita<br>Personal<br>Income <sup>(5)</sup> | Median<br>Age <sup>(4)</sup> | School<br>Enrollment <sup>(2)</sup> | Unemployment<br>Rate <sup>(3)</sup> |
|--|---------------------------|-----------------------------------|---|------------------------------|-------------------------------------|-------------------------------------|
| <b>2013</b>                            | <b>115,007</b>            | 3,306,681                         | <b>\$ 28,752</b>                                | <b>33.7</b>                  | <b>13,976</b>                       | <b>10.3%</b>                        |
| 2012                                   | 115,007                   | 3,022,614                         | 26,282  | 37.9                         | 14,042                              | 9.1%                                |
| 2011                                   | 115,007                   | 2,879,545                         | 25,038  | 38.8                         | 14,266                              | 9.9%                                |
| 2010                                   | 115,007                   | 2,823,997                         | 24,555  | 38.1                         | 13,021                              | 11.0%                               |
| 2009                                   | 121,170                   | 2,799,633                         | 23,105  | 37.7                         | 13,825                              | 11.3%                               |
| 2008                                   | 121,170                   | 3,132,366                         | 25,851  | 37.6                         | 13,642                              | 6.2%                                |
| 2007                                   | 121,170                   | 2,979,570                         | 24,590  | 36.0                         | 13,961                              | 5.0%                                |
| 2006                                   | 118,135                   | 2,865,128                         | 24,253  | 33.8                         | 14,469                              | 4.4%                                |
| 2005                                   | 118,135                   | 2,795,192                         | 23,661  | 33.8                         | 14,701                              | 5.2%                                |
| 2004                                   | 118,135                   | 2,727,028                         | 23,084  | 33.8                         | 15,001                              | 6.1%                                |

**Sources:**

<sup>(1)</sup> United States Census data for 2001 - 2003; Special Census Data for 2004; Special Census Data for 2007  
United States Census data for 2010

<sup>(2)</sup> Peoria School District # 150 Administration Offices

<sup>(3)</sup> Unemployment Data Per the IL Department of Employment Security [[www.ides.illinois.gov](http://www.ides.illinois.gov)]

<sup>(4)</sup> Median Age from the Economic Development Council for Central Illinois website [[www.centralillinois.org](http://www.centralillinois.org)]

<sup>(5)</sup> Per Capita Income from the Economic Development Council for Central Illinois website [[www.centralillinois.org](http://www.centralillinois.org)]

**Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)**

| Employee Ranges            | 2013   | 2004  |
|----------------------------|--|---|
|                            | Employer   | Employer  |
| More Than 15,000 Employees | Caterpillar Tractor Company  | Caterpillar Tractor Company   |
| More than 1,500 Employees  | Advanced Technology Services<br>Methodist Medical Center<br>OSF St. Francis Medical Center<br>Peoria School District No. 150<br>Wal-Mart Stores  | Methodist Medical Center<br>OSF St. Francis Medical Center  |
| 1,000 to 1,500 Employees   | Bradley University<br>County of Peoria<br>Proctor Hospital<br>US Postal Service<br>University of Illinois College of Medicine  | Bradley University<br>County of Peoria<br>Illinois Central College<br>Keystone Steel and Wire Company<br>Peoria School District No. 150<br>Proctor Hospital   |
| 500 to 1,000 Employees     | Affina, LLC (fka: Ruppman Marketing)<br>AmerenCILCO<br>Citizens Equity Federal Credit Union (CEFCU)<br>City of Peoria<br>Illinois Central College<br>Keystone Steel and Wire Company<br>Komatsu Mining Systems<br>Peoria Journal Star<br>Supply Chain (SC2)<br>Super Consolidated Industries | Affina, LLC (fka: Ruppman Marketing)<br>Advanced Technology Services<br>Citizens Equity Federal Credit Union (CEFCU)<br>City of Peoria<br>Peoria Journal Star<br>Supply Chain (SC2)<br>US Postal Service<br>Wal-Mart Stores |

**Sources:** City of Peoria Official Bond Statements (2005B GO Bonds) and [www.centralillinois.org](http://www.centralillinois.org).

**Full-Time Equivalent City Government Employees By Function/Program  
Last Ten Fiscal Years  
(Unaudited)**

| Function/Program                                   | Full-Time Equivalent Employees as of December 31 |            |            |            |            |            |            |            |            |            |
|--|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|  | 2004   | 2005       | 2006       | 2007       | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       |
| <b>Elected Offices, Commissions &amp; Agencies</b> |  |            |            |            |            |            |            |            |            |            |
| City Council                                       | 1  | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| City Clerk   | 4  | 4          | 4          | 4          | 4          | 4          | 4          | 4          | 4          | 4          |
| City Treasurer                                     | 6  | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          |
| Election Commission                                | 4  | 4          | 4          | 4          | 3          | 3          | 3          | 3          | 3          | 3          |
| <b>City Administration</b>                         |  |            |            |            |            |            |            |            |            |            |
| City Manager                                       | 8  | 8          | 7          | 9          | 8          | 7          | 11         | 9          | 6          | 4          |
| Finance  | 19   | 19         | 19         | 19         | 19         | 19         | 18         | 17         | 14         | 14         |
| Human Resources                                    | 6  | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          |
| Information Systems                                | 18   | 18         | 18         | 18         | 18         | 18         | 18         | 17         | 13         | 14         |
| Legal  | 8  | 8          | 9          | 8          | 8          | 8          | 8          | 8          | 7          | 7          |
| Police   | 282  | 282        | 287        | 287        | 290        | 290        | 256        | 247        | 243        | 248        |
| Fire   | 199  | 203        | 210        | 210        | 216        | 216        | 214        | 207        | 211        | 211        |
| Public Works                                       | 105  | 103        | 106        | 106        | 106        | 105        | 97         | 97         | 80         | 80         |
| <b>Community Development</b>                       |  |            |            |            |            |            |            |            |            |            |
| Economic Development                               | 5  | 6          | 6          | 5          | 5          | 5          | 0          | 3          | 1          | 3          |
| Planning and Growth Management                     | 23   | 23         | 20         | 19         | 19         | 19         | 18         | 18         | 12         | 14         |
| Workforce Development                              | 22   | 25         | 27         | 25         | 14         | 19         | 19         | 19         | 9          | 1          |
| <b>Public Safety</b>                               |  |            |            |            |            |            |            |            |            |            |
| Inspection Services                                | 50   | 50         | 50         | 50         | 50         | 50         | 43         | 11         | 20         | 20         |
| Emergency Services                                 | 41   | 41         | 41         | 41         | 41         | 40         | 38         | 36         | 36         | 36         |
| Library  | 72   | 71         | 74         | 72         | 74         | 72         | 67         | 74         | 86         | 83         |
| <b>Total</b>                                       | <b>873</b>                                       | <b>878</b> | <b>895</b> | <b>890</b> | <b>888</b> | <b>888</b> | <b>827</b> | <b>783</b> | <b>758</b> | <b>755</b> |

**Sources:** City's annual Budget Books, Organizational Summary by Department, Original Budget Data.  
City's actual employee counts for Library, Workforce Development, Election Commission.

**Notes:** Due to budgetary constraints, primarily resulting from a national economic recession, the City budgeted 56 less employees in 2010. In late 2009, the City laid off 14 employees and 31 City employees accepted a voluntary separation incentive package.

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**City of Peoria**

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

| Function/Program                           | Fiscal Year |         |         |         |         |
|--|-------------|---------|---------|---------|---------|
|  | 2004        | 2005    | 2006    | 2007    | 2008    |
| <b>Police:</b>                             |             |         |         |         |         |
| Total Number of Calls For Service          | 85,937      | 88,661  | 86,909  | 85,249  | 82,656  |
| Total Number of Arrests                    | 11,486      | 12,176  | 12,651  | 10,648  | 9,393   |
| --Adult arrest - Misdemeanor and Felony    | 10,674      | 11,346  | 11,964  | 10,070  | 8,686   |
| --Juvenile arrest - Misdemeanor and Felony | 812         | 830     | 687     | 578     | 707     |
| Property Crime                             | 7,028       | 7,538   | 6,597   | 5,263   | 4,907   |
| Traffic Violations                         | 29,151      | 29,595  | 31,832  | 31,828  | 30,195  |
| Total Parking Violations                   | 40,152      | 33,258  | 31,468  | 25,945  | 22,971  |
| --Peoria Police Department                 | 6,046       | 4,728   | 5,311   | 4,365   | 3,518   |
| --Peoria Parking Enforcement               | 34,106      | 28,530  | 26,157  | 21,580  | 19,453  |
| Number of Commissioned Police Officers     | 242         | 242     | 247     | 247     | 250     |
| <b>Fire:</b>                               |             |         |         |         |         |
| Total Number of Alarms                     | 12,350      | 12,985  | 13,713  | 14,396  | 14,726  |
| --Fire Calls                               | 625         | 692     | 640     | 570     | 528     |
| --Emergency Medical Services               | 7,950       | 8,738   | 8,877   | 9,346   | 9,737   |
| --Hazardous Materials Calls                | 136         | 447     | 342     | 423     | 358     |
| --Rescue or Other Calls                    | 3,639       | 3,108   | 3,898   | 4,057   | 4,103   |
| Total Number of Inspections                | 3,209       | 3,243   | 2,896   | 3,438   | 3,546   |
| --Fire and Life Safety                     | 1,862       | 2,470   | 2,500   | 2,702   | 2,804   |
| --Hazardous Materials                      | 1,347       | 773     | 396     | 736     | 742     |
| Number of Commissioned Firefighters        | 192         | 193     | 201     | 201     | 206     |
| <b>Public Works:</b>                       |             |         |         |         |         |
| # Parking Decks & Lots Maintained          | 11          | 11      | 11      | 11      | 13      |
| Street Resurfacing (# Linear Miles)        | 85          | 82      | 83      | 73      | 82      |
| Storm Sewer Maintenance (# Linear Feet)    | 600         | 800     | 650     | 450     | 450     |
| # Street Signs & Signals Maintenance Calls | 8,810       | 8,510   | 8,800   | 8,762   | 8,525   |
| <b>Inspections:</b>                        |             |         |         |         |         |
| # Construction Permits Issued (1)          | 442         | 431     | 364     | 365     | 282     |
| <b>Library:</b>                            |             |         |         |         |         |
| Number of Materials Loaned                 | 774,387     | 735,122 | 773,245 | 778,175 | 848,604 |
| Door Count                                 | 560,694     | 539,473 | 536,014 | 535,721 | 561,369 |
| Computer Usage                             | 76,812      | 85,199  | 98,817  | 95,803  | 97,153  |

**Source:** City Departments and Annual Budget Documents; City of Peoria's internet website ([www.ci.peoria.il.us](http://www.ci.peoria.il.us))

**Note:** Operating indicators selectively provided for the four largest City operating departments and the Peoria Public Library.

In April 2010, the South Side Library Branch was closed.

**Related Supplemental Data:**

| (1) New Residential & Commercial Constructio | Fiscal Year    |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|
|  | 2004           | 2005           | 2006           | 2007           | 2008           |
| Dollar Value of Construction                 | \$ 124,170,984 | \$ 165,067,612 | \$ 122,885,714 | \$ 191,743,336 | \$ 191,448,160 |

Table XVII

| Fiscal Year |         |           |           |                  |
|-------------|---------|-----------|-----------|------------------|
| 2009        | 2010    | 2011      | 2012      | 2013             |
| 81,144      | 78,815  | 78,619    | 76,337    | <b>71,040</b>    |
| 8,425       | 7,463   | 7,074     | 7,146     | <b>5,912</b>     |
| 7,765       | 6,739   | 6,505     | 6,708     | <b>5,577</b>     |
| 660         | 724     | 569       | 438       | <b>335</b>       |
| 5,518       | 5,286   | 5,573     | 5,137     | <b>4,544</b>     |
| 23,480      | 20,611  | 20,130    | 17,652    | <b>15,985</b>    |
| 18,460      | 16,616  | 16,206    | 15,812    | <b>9,709</b>     |
| 1,900       | 1,403   | 1,247     | 1,871     | <b>1,360</b>     |
| 16,560      | 15,213  | 14,959    | 13,941    | <b>8,349</b>     |
| 250         | 217     | 214       | 214       | <b>217</b>       |
| 16,159      | 16,752  | 17,733    | 18,118    | <b>18,344</b>    |
| 646         | 654     | 651       | 702       | <b>565</b>       |
| 11,317      | 12,222  | 14,013    | 14,369    | <b>14,625</b>    |
| 422         | 432     | 270       | 259       | <b>233</b>       |
| 3,774       | 3,444   | 2,799     | 2,788     | <b>2,921</b>     |
| 3,397       | 1,935   | 3,030     | 2,451     | <b>2,881</b>     |
| 2,577       | 1,125   | 2,207     | 1,456     | <b>2,148</b>     |
| 820         | 810     | 823       | 995       | <b>733</b>       |
| 205         | 199     | 201       | 205       | <b>207</b>       |
| 21          | 21      | 21        | 24        | <b>24</b>        |
| 33          | 0       | 0         | 1         | <b>100</b>       |
| 250         | 394     | 185       | 300       | <b>4,650</b>     |
| 8,605       | 8,700   | 8,700     | 13,719    | <b>1,295</b>     |
| 162         | 176     | 204       | 250       | <b>177</b>       |
| 891,905     | 819,192 | 1,070,264 | 1,332,637 | <b>1,326,874</b> |
| 589,979     | 405,712 | 473,462   | 729,668   | <b>796,253</b>   |
| 104,031     | 49,476  | 89,657    | 111,907   | <b>124,300</b>   |

| Fiscal Year   |               |                |               |                      |
|---------------|---------------|----------------|---------------|----------------------|
| 2009          | 2010          | 2011           | 2012          | 2013                 |
| \$ 56,070,700 | \$ 89,839,112 | \$ 151,096,126 | \$ 79,700,283 | \$ <b>62,323,198</b> |

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

| Function/Program                      | Fiscal Year |       |        |        |        |        |        |        |        |        |
|---------------------------------------|-------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|
|                                       | 2004        | 2005  | 2006   | 2007   | 2008   | 2009   | 2010   | 2011   | 2012   | 2013   |
| <b>Police:</b>                        |             |       |        |        |        |        |        |        |        |        |
| Stations                              | 1           | 1     | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Sub Stations                          | 1           | 1     | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Marked vehicles                       | 70          | 70    | 70     | 102    | 93     | 92     | 90     | 92     | 94     | 95     |
| Unmarked Vehicles                     | 40          | 41    | 42     | 84     | 86     | 88     | 88     | 86     | 84     | 88     |
| <b>Fire:</b>                          |             |       |        |        |        |        |        |        |        |        |
| Stations                              | 12          | 12    | 12     | 12     | 12     | 12     | 12     | 12     | 12     | 12     |
| Engine (Pumpers) Companies            | 17          | 17    | 17     | 17     | 17     | 17     | 17     | 17     | 17     | 17     |
| Truck Companies                       | 6           | 6     | 6      | 6      | 6      | 6      | 6      | 6      | 6      | 6      |
| Rescue Squads                         | 3           | 3     | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      |
| <b>Public Works:</b>                  |             |       |        |        |        |        |        |        |        |        |
| Heavy-Duty Trucks (GVW 27,000-42,000) | 27          | 29    | 31     | 43     | 43     | 44     | 46     | 45     | 45     | 45     |
| Trucks (GVW 10,100- 25,000)           | 20          | 20    | 20     | 33     | 33     | 30     | 27     | 27     | 26     | 26     |
| Streets (Center Lane Miles)           | 449         | 449   | 449    | 458    | 458    | 463    | 463    | 467    | 468    | 480    |
| Street Lights                         | 9,429       | 9,866 | 10,217 | 10,231 | 10,231 | 10,387 | 10,712 | 10,700 | 10,800 | 13,980 |
| Traffic Signals                       | 251         | 254   | 269    | 272    | 279    | 280    | 279    | 256    | 256    | 263    |
| <b>Library:</b>                       |             |       |        |        |        |        |        |        |        |        |
| Facilities (including Bookmobile)     | 7           | 7     | 7      | 7      | 7      | 7      | 6      | 6      | 6      | 6      |

Source: City Departments

**Notes:**

Capital assets statistical indicators are selectively provided for the three largest City operating departments and the Peoria Public Library.

The Fire Department assets include both frontline and reserve vehicles.

The Peoria Park District, a separate taxing entity, operates parks and swimming pools.

Water/Wastewater facilities are privately owned.

The Greater Peoria Sanitary District, a separate taxing entity, operates and maintains sanitary sewers.

**ABATEMENT**

A complete or partial cancellation of a levy imposed by a government. Abatements usually apply to tax levies, special assessments and service charges.

**ACCRUAL BASIS OF ACCOUNTING**

A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

**APPROPRIATION**

Authorization granted by the City Council to make expenditures and to incur obligations for specific purposes, usually limited in amount.

**ASSESSED VALUATION**

A valuation set upon real estate or other property by a government entity as a basis for levying taxes.

**ASSIGNED**

A group of accounts constituting a portion of fund balance resources intended for a specific purpose.

**BOND**

A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date(s)) along with a periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

**BUDGET**

A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which a government and its departments operate.

**CAPITAL ASSETS**

Fixed assets which have a value of \$25,000 or more, and have a useful economic lifetime of more than one year, or assets of any value, if the nature of the item under consideration is such that it must be controlled for custodial purposes as a fixed asset.

**CAPITAL OUTLAY**

All expenditures for minor and major capital items, which result in the acquisition of or addition of fixed assets.

**CHANGE IN NET POSITION**

Revenues minus expenses of the primary City government converted from modified accrual fund accounting to full accrual accounting for government-wide financial statements in compliance with Governmental Accounting Standards Board (GASB) Statement 34 financial reporting requirements. Changes in Net Position for the City's two discretely presented component units are not presented in this statistical section.

**CHARGES FOR SERVICES**

Revenue from all charges for current services exclusive of revenues of municipal utilities and other public enterprises.

**COMMITTED**

A group of accounts constituting a portion of fund balance resources constrained for a specific purpose by City Council action.

**DEBT SERVICE**

The annual payment of principal and interest on the City's bonded indebtedness. Bonded indebtedness may occur directly through a bond issue by the City Council.

**DEFICIT**

In governmental funds and fiduciary funds, it is the excess of expenditures over revenues.

**DIRECT DEBT**

The debt a government has incurred in its own name or assumed through the annexation of territory or consolidation with another government.

**EQUALIZATION FACTOR**

A factor applied by the State of Illinois to local assessments for the purpose of bringing consistency to assessment practices state-wide.

**EQUALIZED ASSESSED VALUATION (EAV)**

The assessed value multiplied by the state equalization factor to yield the value of property from which the property tax rate is calculated after deducting exemptions and the value of tax increment financing districts.

**EXTENSION**

The process by which the County Clerk determines the tax rate which would yield at least the dollar amount levied by City Council

**FEES**

A general term used for any charge associated with providing a service or permitting an activity.

**FINES**

Revenue which includes monies derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations, and for the neglect of official duty.

**FISCAL YEAR**

An accounting period of 12 months. The City of Peoria's fiscal year is January 1 to December 31.

**FRINGE BENEFITS**

Expenditures for the Illinois Municipal Retirement Fund, health insurance, longevity bonuses, unemployment and worker's compensation claims, and holiday pay. Holiday, vacation, and sick pay are not calculated separately on the City's records.

**FUND**

An independent fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities.

**FUND BALANCE**

The excess of the assets of a fund over its liabilities and reserves. A negative fund balance is sometimes called a deficit.

**GENERAL OBLIGATION BONDS**

Bonds for whose payment the full faith and credit of the issuing body are pledged, commonly considered to be payable from taxes and other general revenues.

**INTERGOVERNMENTAL REVENUES**

Revenues received from other governments in the form of grants, shared revenues, or payments in lieu of taxes. Examples for City of Peoria include governmental reimbursements for salaries, projects and programs, the state personal property replacement tax, the state income tax, sales taxes, and other state and federal grants.

**LEVY**

The total amount of taxes imposed by a governmental unit on the basis of property.

**LICENSES AND PERMITS**

Revenue from businesses and occupations which must be licensed before doing business within the governmental unit and revenue from all non-business licenses and permits levied according to benefits presumably conferred by the license or permit.

**LOCAL REVENUES**

All income from property taxes, interest, fines, licenses, permits, and sales tax.

**MARKET VALUE**

The highest price in terms of money which a property would bring in a sale between willing buyers and sellers.

**MODIFIED ACCRUAL BASIS**

The accrual basis of accounting adapted to the governmental fund-type measurement focus.

**NET POSITION**

Assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources of the primary City government converted from modified accrual fund accounting to full accrual accounting for government-wide financial statements in compliance with Governmental Accounting Standards Board (GASB) Statement 34 financial reporting requirements. Net Position for the City's two discretely presented component units are not presented in this statistical section.

**NONSPENDABLE**

Portions of fund balance: a) **not** in spendable form (e.g. inventories) b) contractually or legally required to remain intact.

**OFFICIAL STATEMENT**

A document published by a government planning to issue bonds that provides information on the proposed bond issue, the purpose of the issue, and the means of servicing the indebtedness, as well as other information about the issuer that may be helpful in evaluation credit worthiness.

**OVERLAPPING DEBT**

The proportionate share of the debts of local governmental units wholly or in part within the limits of the reporting government which must be borne by property within each governmental unit.

**POLLUTION PROPERTY**

Systems and devices designed to control air and water pollution as defined in statute, assessed separately by the State of Illinois.

**PROPERTY TAX RATE**

The amount of tax stated in terms of a unit of the tax base. (e.g., One cent per \$100 of taxable assessed valuation is written as \$0.0100)

**RAILROAD PROPERTY**

The State of Illinois assesses all "operating property" of rail companies, which includes all tracks, right-of-ways, structures on the right-of-ways, and rolling stock and car equipment.

**RESERVE**

An account which records a portion of a fund balance which must be segregated for some future use and which is not available for further expenditure.

**RESTRICTED (GOVERNMENTAL FUNDS)**

A group of accounts constituting a portion of fund balance resources, intended for a specific purpose, subject to legal restrictions by outside parties such as creditors, grantors, contributors or other governmental entities.

**REVENUE**

Income received by city government in support of services to the Community. City of Peoria's revenue sources are taxes, licenses and permits, intergovernmental, charges for services, fines, and other miscellaneous revenues.

**REVENUE BONDS**

Bonds whose principal and interest are payable and exclusively for earnings from a dedicated revenue stream other than the general tax levy.

**SPENDABLE**

Portions of fund balance other than nonspendable fund balance. Spendable fund balance includes restricted, committed, assigned and unassigned fund balance.

**SPECIAL ASSESSMENT (\$A)**

A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**TAX INCREMENT FINANCING DISTRICT (TIF)**

A district established by local government for the purpose of fostering economic development. The original value of the land remains taxable, but the taxes on the value of any improvements go directly to the repayment of bonds used to finance the district.

**TAX YEAR**

The year in which property taxes are levied. For example, property taxes are levied by the City Council for the 2013 fiscal year in December 2012. Therefore, the property tax year for these levies is 2012. These taxes would be collected in calendar year 2013 during the 2013 fiscal period.

**TAXABLE ASSESSED VALUATION**

The equalized valuation less exemptions and the value of tax increment financing districts; the value upon which property taxes are calculated.

**UNRESTRICTED (GOVERNMENTAL FUNDS)**

- 1) Portion of spendable fund balance in the General Fund **not** restricted, committed or assigned for a specific purpose.
- 2) Negative spendable fund balance in any fund other than the General Fund.