



ILLINOIS

FOR THE YEAR ENDED
DECEMBER 31,

2015

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

CITY OF PEORIA, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2015

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Office of the City Manager



October 11, 2016

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 nine 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, 2015.

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.

RSM US 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, 2015, 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, 2015, are fairly presented in

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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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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 112 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 113.

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.

While manufacturing continues to play an integral part in the City of Peoria's economy, the City continues to work with the other services and trade sectors to expand and diversify the workforce. As part of this continual effort the City Council authorized the creation of the Medical & Technology District along the West Main Street corridor. 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.

The City of Peoria is also home to the Cancer Research Center at the University of Illinois College of Medicine which is located near downtown Peoria. This two story state of the art facility features 20,000 square feet of laboratory and office space. With extensive space for basic and clinical research, plus increased 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.

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In 2013, the Jump Trading Simulation & Education Center (Jump) opened. The facility is a collaboration between OSF Healthcare and the University of Illinois College of Medicine at Peoria. The Jump is an incubator where collaboration and innovation lead the transformation of health care worldwide.

In addition to the growth in the health service industry, the City has focused on drawing visitors to the Peoria area. 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. At the completion of the expansion, it became apparent that there was a need for additional and improved hotel space in the downtown area. 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. In 2008, the City entered into a hotel redevelopment agreement within the Hospitality Improvement Zone (HIZ) TIF District with EM Properties, Ltd to rehabilitate and expand the Hotel Pere Marquette. The multi-year project concluded in 2014 included 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 City entered into a redevelopment agreement with the Lakeview Museum of Arts and Sciences and Caterpillar Inc, for the construction 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.

In February 2014, the City Council approved an annexation agreement and redevelopment agreement Twenty Four Corp, LLC for the construction of a sports complex, known as the Louisville Slugger Sports Complex. The complex will contain 10 little league/ softball fields, concession stands and an 85-foot tall, 124,800 sq. ft. dome. It is anticipated that the complex will be fully functional in 2016. In addition to the complex the agreement also includes the construction of a new hotel. The completion of this project will be yet another regional draw attracting visitors from far and wide.

The City continues to be the regional shopping venue of choice. According to the sales tax collections reported by the Illinois Department of Revenue for the tri-county region, the City of Peoria continues to generate over half of the regional sales taxes, while having 29% of the regional population.

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.

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LONG-TERM FINANCIAL PLANNING

Unassigned Fund Balance is the residual amount of Fund Balance in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures up to minimum established level upon approval of a budget amendment by the City Council. In the event of projected revenue short falls, it is the responsibility of the Finance Director to report to the City Council on a quarterly basis and shall be recorded in the minutes.

The General Fund Balance Policy establishes a minimum Unassigned Fund Balance equal to 25% of General Fund expenditures. In the event the balance drops below the established minimum level, the City's governing body will develop a plan to replenish the fund balance to the established minimum level within five years.

The City Council undertook two strategic planning sessions in 2015 that provided direction to the organization and guided governance of the City throughout this past year. The City Council identified a desired state for the City 15 years into the future. This vision is the City Council's preferred future, a declarative statement of what the current policy makers of the City seek to achieve. The statement is defined by value-based principles that seek to explain the vision. The City of Peoria's vision statement for 2030 is:

Peoria 2030 is a safe, beautiful, and growing city. Peoria 2030 has a vibrant downtown, and a choice of great neighborhoods with character. Peoria 2030 has a strong economy, and connectivity within the city and to the world. Peoria 2030 has a culture of educational excellence, responsibility and accountability.

The policy makers and management team then collaborated on a plan to realize the vision. A series of 5-year goals were developed with clear objectives and specific statements to provide meaning to the citizens for why each goal is important. The five goals established by the City Council are:

Financially Sound City Government, Effective City Organization

Customer focused, cost effective and efficient municipal services

Grow Peoria: Businesses, Jobs and Population

Businesses and residents finding Peoria as a desirable place to locate and expand and live

Attractive Neighborhoods with Character: Safe and Livable

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Safe, Beautiful Neighborhoods – a preferred place to live

Vibrant Downtown: Riverfront/ Central Business District/ Warehouse District
The destination for the region, the core of the City

On December 8, 2015, the City Council adopted the 2016-2017 Biennial Budget for the City of Peoria. This is the second biennial budget adopted by the City. While the adopted budget is for two years, the City Council is presented with a five year projection for information purposes. The 2016-2017 Biennial Budget incorporates the strategic plan determined by the City Council.

RELEVANT FINANCIAL POLICIES

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 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 56.29% and 56.28%, 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 15.79% of payroll for 2015 and 15.69% for 2016.

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

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The Citizens of the City of Peoria
October 11, 2016

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

The Federal Government has ordered the City of Peoria to develop a long-term plan to reduce the incidence of overflows from combined storm/sanitary sewers, which discharge untreated sewage into the Illinois River during heavy rains and snow melt events. The City is currently experiencing between 20-30 combined sewer overflow events per year. The City must bring that number down as close to zero as possible.

The City has proposed to the Federal Government a solution that would be 100% green, utilizing the latest technologies to infiltrate the stormwater before it gets into the sewer system. The City has the right types of soils needed to infiltrate 37 million gallons in a triggering storm event. It is achievable to use green stormwater infrastructure to capture this runoff. The costs of this unfunded mandate range from \$160 million to \$230 million. At this time, it is anticipated that most of the capital construction costs of the combined sewer program will be funded through sewer rates.

However, maintenance costs on green stormwater infrastructure are significant as well. Drainage issues occur all across the City, not just within the CSO area. For these reasons, the City is reviewing a stormwater utility. A stormwater utility removes all of the costs of wet weather management and bills property owners, even non-property tax paying owners, a fee based upon their impervious area. The One Water Committee has been formed with business leaders, environmentalists, and citizens interested in this issue. The committee has reviewed a wet weather program and made recommendations on a model program that would cost \$12.1 million annually without any CSO expenses in the program. City staff has reviewed the program and reduced it to \$8.3 million, coupled with \$5.0 million of CSO maintenance expenses.

This unfunded mandate will add hundreds of millions of dollars of expenses to the City over the next two decades. While establishing a utility will reduce some current operational funding in the General Fund and Sewer Fund, it will still be a significant expense. The Federal consent decree is not final, but this mandate is likely to occur in the first quarter of 2017.

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

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Members of the City Council
The Citizens of the City of Peoria
October 11, 2016

year ending December 31, 2014. This was the fifteenth 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-second consecutive year, the City received the GFOA's Distinguished Budget Presentation Award for its 2014/2015 biennial budget document adopted November 26, 2013. 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 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

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

Presented to

**City of Peoria
Illinois**

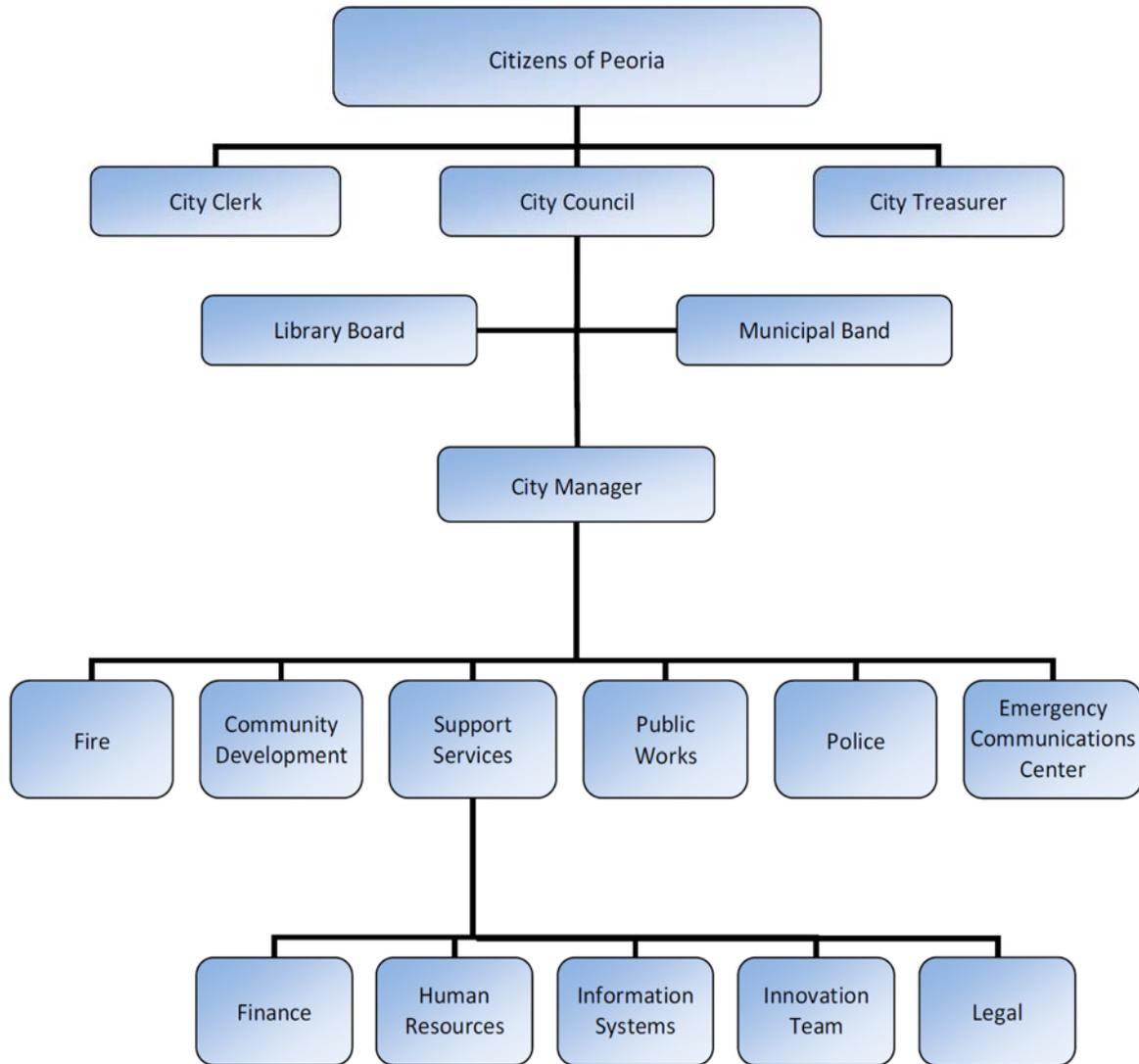
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



2015 CITY-WIDE ORGANIZATIONAL CHART



City of Peoria, Illinois

Elected Officials

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

As of November 24, 2015

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
Sid Ruckriegel

City Clerk

Beth A. Ball

City Treasurer

Patrick A. Nichting

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RSM US LLP

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, 2015, 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 0.05 percent, 0.18 percent and 0.10 percent, respectively, of the assets, net position and revenues of the governmental activities and 0.05 percent, 0.07 percent and 0.09 percent of the assets, fund balance/net position and revenues, respectively, of the aggregate remaining funds information. We did not audit the Police Pension Fund of Peoria and the Firemen's Pension Fund of Peoria, which represent 63.33 percent, 82.85 percent and 8.78 percent, respectively, of the assets, fund balance/net position and revenue/additions of the aggregate remaining funds information. We did not audit the discretely presented component units of the City of Peoria, Illinois, the financial statements of 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 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, 2015, 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.

Emphasis of Matter

As explained in Note 10 to the basic financial statements, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which restated beginning net position, net pension liability and deferred outflows of resources of the governmental activities.

As explained in Note 18 to the basic financial statements, the net positions of the Police and Firemen's Pension Funds included in the aggregate remaining fund information were restated due to additional information obtained after the implementation of GASB Statement No. 67 related to the recognition of contributions receivable limited to those due pursuant to legal requirements.

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 94 through 96, the Illinois Municipal Retirement Fund and Police and Firemen's Pension Plans Schedules of Changes in the Net Pension Liability and Related Ratios and Schedules of Employer Contributions on pages 97 through 107 and the Other Postemployment Benefits Plan Schedule of Funding Progress on page 108 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 schedules 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 reports of other auditors, and the procedures performed as described above, 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, 2014, which are not presented with the accompanying financial statements. In our report dated June 26, 2015, we expressed unmodified 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, 2015, 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.

RSM US LLP

Davenport, Iowa
October 11, 2016

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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, 2015. 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 xi of this report. All monetary amounts in this analysis, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights: Primary Government

- Beginning net position of \$128.3 million was restated to be a deficit of \$88.0 million due to the implementation of GASB Statement Nos. 68 and 71. The details of the restatement are shown in Note 10 of the basic financial statements.
- Net position (deficit), assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources, of the City of Peoria was (\$122.9) million at December 31, 2015.
- The City's total net position decreased \$34.9 million during 2015. Among the contributing factors to the decrease in net position was the increase in the general liability reserve of approximately \$10 million relating to a lawsuit regarding wrongful incarceration, an increase of \$9 million relating to the recording of pension expense as a result of the implementation of GASB Statement Nos. 68 and 71, a decrease in property tax revenue of \$2.7 million as the Southtown TIF District property tax ended in 2014.
- As of December 31, 2015, the City of Peoria's governmental funds reported combined fund balances of \$55.1 million, a decrease of \$9.1 million in comparison with the prior year. Approximately 3% of this \$55.1 million amount, \$1.5 million, is available for spending at the City's discretion (*unassigned fund balance*).
- The \$15.9 million unassigned general fund balance as of December 31, 2015 was equivalent to 18% of total general fund expenditures.
- The City's total outstanding debt decreased \$5.3 million during 2015. The City issued \$12.9 million in General Obligation Refunding Bonds, Series 2015A, to currently refund the City's outstanding general obligation refunding bonds, 2005B. The City issued \$12.1 million in General Obligation Refunding Bonds, Series 2015B, to currently advance refund a portion of the City's outstanding general obligation bonds, series 2007A. The City also issued \$7.6 million in General Obligation Bonds, Series 2015C, which will be used to pay the cost of constructing infrastructure improvements, including land acquisition, for an athletic campus and sports complex in the City. The City also issued \$2.0 million in General Obligation Bonds, Series 2015D, to currently pay the cost of constructing infrastructure improvements, including land acquisition, for a Holiday Inn hotel in the City.

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 (42) 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 and Fire Pension Levy Fund, Illinois Municipal Retirement Fund, General Obligation Bonds Debt Service Master Fund, and the TIF Project 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 – 93 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 94 - 108 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 109 – 194 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 net position was a deficit of (\$123.0) million at December 31, 2015. *Restricted net position* represent resources that are subject to external usage restrictions. The City's (\$381.3) 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 (72.5%) 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, 2015 is presented below:

City of Peoria's Net Position		
(\$ Millions)		
	Governmental Activities 2015 (as restated)	Governmental Activities 2014 (not restated)
Current & Other Assets	\$ 119.2	\$ 192.4
Capital Assets	313.9	307.5
Total Assets	433.1	499.9
Deferred Outflows of Resources	31.0	-
Long-Term Liabilities	528.8	268.2
Other Liabilities	20.7	71.5
Total Liabilities	549.5	339.7
Deferred Inflows of Resources	37.5	31.9
Net Position:	\$ (122.9)	\$ 128.3
Net Investment in Capital Assets	236.3	231.9
Restricted	22.1	22.3
Unrestricted	(381.3)	(125.9)
Total Net Position	\$ (122.9)	\$ 128.3

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 2015 governmental activities. Highlights included:

- \$2.6 million net decrease in total property taxes. The Southtown Tax Increment Financing District expired in 2014. As a result, property tax increment declined by \$2.7 million from 2014 to 2015.
- \$1.7 million decrease in total intergovernmental reimbursements. 2014 reimbursements were for major road construction and additional police officers. The road construction projects included Washington Street improvements from Hamilton Street to Macarthur Highway, the Warehouse Complete Streets project and the Orange Prairie Road extension. The grants and reimbursements continue to decrease as the major road projects near completion.
- \$103.6 million combined total Police, Fire and Public Safety (Emergency Communications and Inspections) expenses represented 51% of total 2015 governmental activities expenses. These expenses grew by \$21.5 million, mainly due to the GASB 68 implementation (\$8.7 million); an increase in the General Liability Reserve (\$9 million) relating to a lawsuit for wrongful incarceration; and retro pay relating to the settlement of the police contract (\$1.6 million).
- The City paid \$64.9 million in gross wages to City employees in 2015 constituting a \$3.8 million increase versus 2014 gross wages. The increase was a result of 2015 payroll step and COLA increases and retro pay for police as the contract was finalized.

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

	Governmental Activities 2015 (as restated)	Governmental Activities 2014 (not restated)
Revenues:		
Program Revenues:		
Charges for Services	\$ 21.2	\$ 21.7
Operating Grants & Contributions	4.0	7.2
Capital Grants & Contributions	12.2	10.3
General Revenues:		
Property Taxes	31.5	34.1
Hotel, Restaurant, & Amusement Taxes	9.3	9.0
Other Taxes & Fees	83.7	81.4
Unrestricted Grants & Contributions	1.0	0.2
Other Revenues	4.9	8.7
Total Revenues	167.8	172.6
Expenses:		
Elected Officials	2.3	2.1
City Administration	7.5	6.1
Police	56.8	42.6
Fire	40.5	35.4
Public Works	39.3	38.2
Community Development	9.5	8.5
Library	9.6	8.8
Public Safety (excluding Police & Fire)	6.3	4.2
General Government	22.6	13.1
Other Expenses	8.3	10.1
Total Expenses	202.7	169.1
Increase (Decrease) in Net Position	(34.9)	3.5
Beginning Net Position, 1/1	(88.0)	124.8
Ending Net Position, 12/31	\$ (122.9)	\$ 128.3

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 \$55.1 million. Approximately \$1.5 million constitutes unassigned fund balance available for discretionary spending. The remainder of fund balance is non-spendable (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 \$15.9 million while total fund balance reached \$47.9 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. 12/31/15 total fund balance in the General Fund represented 54.8% of 2015 general fund expenditures).

The City's total General Fund balance increased \$1.2 million overall during 2015.

- Significant General Fund balance increases in 2015 included:
 - a) \$0.7 million increase in State of Illinois sales tax and local use tax revenue. Local Use tax revenues increased \$0.3 million. Increase in Local Use Tax attributable to more taxable internet transactions.
 - b) \$0.8 million increase in interest revenue. This amount includes a \$715,000 interest payment on the loan to the Pere Marquette.
 - c) \$1.7 million increase in transfers in. For 2015 the City budgeted additional transfers in from the Capital Budget. The City reduced Capital spending to provide revenues for operations.
 - d) \$1.5 million increase in State of Illinois income tax allocation revenue. State of Illinois income taxes are distributed on a per capita basis. A combination of increased income tax revenues, a decrease in State population while maintaining a stable population within the City of Peoria has contributed to the growth over 2014.
- Significant General Fund balance decreases in 2015 included:
 - a) \$1 million increase in net total healthcare benefits costs. Health insurance claims in 2015 exceeded expectations; therefore, the City's share which is reflected as an expenditure in the General Fund increased.
 - b) \$1.7 million decrease in property tax revenue. The General Fund decrease in property taxes is primarily attributable to the increase in property taxes for the City's three pension plans. The City Council did not raise the overall tax levy rate to allow for the increase in the pension funds annual required contribution; therefore, property tax revenues were allocated to the IMRF and Fire and Police Pension Funds from the General Fund when taxes were levied.
 - c) \$3.5 million increase in police, fire, and public work expenditures. The increase was a result of 2015 payroll step and COLA increases and retro pay for police in the amount of \$1.6 million as the contract was finalized.

The City's combined Capital Improvements (Capital/Local Motor Fuel Tax/Riverfront) Fund balance decreased \$4.1 million in 2015. This fund balance decrease was primarily due to:

- \$2.1 million decrease in grants and other governmental reimbursements as road construction projects including Washington Street improvements from Hamilton Street to Macarthur Highway, the Warehouse Complete Streets project and the Orange Prairie Road were near completion. The grants and reimbursements continue to decrease as the major road projects near completion.
- \$1.4 million increase in transfers out. Transfers to the General Fund were increased in 2015 to provide additional funds for operations.

The City's 2015 employer portion of total pension benefits costs for permanent City employees increased \$1.4 million due to the combined effects of:

- \$0.6 million increase in firemen's pension fund contributions. Annually the State of Illinois Department of Insurance provides an actuarial calculation of the annual required contribution needed in order for the fund to be 90% funded by 2041. The City levies the appropriate amount as determined by the Department of Insurance.
- \$0.6 million increase in police pension fund contributions. Annually the State of Illinois Department of Insurance provides an actuarial calculation of the annual required contribution needed in order for the fund to be 90% funded by 2041. The City levies the appropriate amount as determined by the Department of Insurance.
- \$0.2 million increase in Illinois Municipal Retirement Fund (IMRF) pension contributions. Increase is a result of increase in salaries and an increase in the contribution rate determined annually by the Illinois Municipal Retirement Fund.

For payment of future debt service, the City currently maintains \$5.7 million restricted fund balances in all bond debt service funds, \$1.1 million restricted fund balances in tax increment financing projects funds, \$0.3 million restricted fund balances in the capital improvements fund, and \$6.0 million assigned fund balance in the General Fund.

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:

- \$0.8 million decrease in total final budget estimated revenues compared with the prior year. Property taxes levied in the General Fund were reduced by \$1 million as the City Council maintained the overall City property tax rate levied; therefore, the property tax levied was reduced in the General Fund and shifted to the City's three pension fund levies. The local economy continues to recover at a slower rate than the national average; therefore, elastic revenues such as sales taxes and income taxes, which comprise approximately 62% of budgeted revenues were adjusted to reflect minimal growth.
- \$2.7 million increase in total final budget appropriations in comparison with the prior year. Increase is attributable to the increase in wages as the City continues to hold contractual and supplies expenditures flat
- \$1.9 million increase in transfers from Capital Fund. Transfers from the Capital Fund were increased in 2015 to provide additional funds for operations.

Capital Asset and Debt Administration

Capital assets. As of December 31, 2015, the City maintained \$313.9 million in capital assets (net of depreciation) representing a 2.1% 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:

- \$16.7 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, and the Warehouse Complete Streets Project. These improvements are included in the roads category of capital assets as these projects were completed during 2015.
- \$2.9 million increase in sewer improvements and rehabilitation.
- \$1.1 million increase in sidewalk improvements and additions.

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

	Governmental Activities 2015	Governmental Activities 2014
Land & Improvements	\$ 20.3	\$ 18.5
Buildings	53.7	57.4
Vehicles & Equipment	5.8	5.9
Library Media	3.8	3.8
Infrastructure	224.2	212.9
Construction in Progress	6.0	9.0
Total	<u>\$ 313.9</u>	<u>\$ 307.5</u>

Additional information regarding the City's capital assets is located in note 6 on pages 66 and 67 of this report.

Long-term debt. The City of Peoria owed total bonded debt of \$189.9 million at December 31, 2015; \$184.5 million of the preceding total comprised debt backed by the full faith and credit of the government plus \$4.4 million comprised revenue bonds secured by specific revenues. The remaining \$1.1 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 \$12.9 million in General Obligation Refunding Bonds, Series 2015A, to currently refund the City's outstanding general obligation refunding bonds, 2005B.

The City issued \$12.1 million in General Obligation Refunding Bonds, Series 2015B, to currently advance refund a portion of the City's outstanding general obligation bonds, series 2007A.

The City also issued \$7.6 million in General Obligation Bonds, Series 2015C, which will be used to pay the cost of constructing infrastructure improvements, including land acquisition, for an athletic campus and sports complex in the City.

The City also issued \$2.0 million in General Obligation Bonds, Series 2015D, to currently pay the cost of constructing infrastructure improvements, including land acquisition, for a Holiday Inn hotel in the City.

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 Only)
(\$ Millions)**

	Governmental Activities 2015	Governmental Activities 2014
General Obligation Bonds	\$ 184.5	\$ 188.7
Special Service Area Bonds	1.1	1.6
Revenue Bonds	4.4	4.8
Total	<u>\$ 189.9</u>	<u>\$ 195.1</u>

Additional information on the City of Peoria's long-term debt can be found in note 5 on pages 56 - 65 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.

In preparation of the City's 2016/2017 Biennial Budget, the City used an online educational tool to obtain public input on our budget issues, called the Peoria Budget Challenge (www.peoriabudgetchallenge.org). This tool put citizens into the role of City Council members. Revenue and expense options were explored, and respondents could choose from many options to raise revenues or cut expenses. From April 9 to May 10, the City received 1,425 responses to the tool. Only 40% of the respondents were able to balance the budget. Support existed from respondents to cut expenses, invest in infrastructure and raise revenues

The 2016/2017 Biennial Budget includes a strong response to the citizens' concerns regarding infrastructure. The Council approved increases in the property tax levy of \$3.2 million dollars, an increase in increase in the local motor fuel tax of \$0.03, equating to \$1.2 million and an increase to the City's Local Hotel Tax of 2.00%, equating to \$800,000 for a total of \$5.2 million of additional revenues to be dedicated to infrastructure improvements.

Also included in the 2016/2017 Biennial Budget was an increase in the Local Home Rule Sales Tax of 0.25% which is anticipated to add another \$1.9 million in revenues in the General Fund. The additional Home Rule Sales Tax will provide funds for operations as the City's economy slowly recovers from the Great Recession of 2008.

The Federal Government has ordered the City of Peoria to develop a long-term plan to reduce the incidence of overflows from combined storm/sanitary sewers, which discharge untreated sewage into the Illinois River during heavy rains and snow melt events. The City is currently experiencing between 20-30 combined sewer overflow events per year. The City must bring that number down as close to zero as possible. This unfunded mandate will add hundreds of millions of dollars of expenses to the City over the next two decades. The Federal consent decree is not final, but this mandate is likely to occur in the first quarter of 2016.

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, 2015**

	Total Primary Government - Governmental Activities	Component Units	
		Peoria Civic Center Authority	Springdale Cemetery Management Authority
Assets			
Current assets:			
Cash and cash equivalents	\$ 18,851,645	\$ 3,673,973	\$ 224,280
Restricted cash and investments with trustee	783,239	-	-
Restricted cash and investments	-	-	121,510
Investments	13,398,081	-	590,484
Taxes receivable, net:			
Property taxes	36,062,500	-	-
Corporate personal property replacement taxes	1,011,761	-	-
State sales and income taxes	9,465,754	-	-
Home rule sales taxes	6,162,299	-	-
Hotel, restaurant and amusement taxes	1,044,061	-	-
Utility taxes	2,055,710	-	-
Local motor fuel taxes	77,337	-	-
Governmental grants and reimbursements receivable	896,604	-	433,271
Riverboat gaming revenue receivable	1,303,576	-	-
Loans receivable, net	364,948	-	-
Contributions receivable	-	-	5,800
Other receivables, net	6,847,587	1,072,497	9,763
Receivable, garbage fee	1,884,295	-	-
Accrued interest receivable, net	372,061	-	-
Special assessments receivable	161,987	-	-
Inventory, prepaid items and other	532,207	348,523	36,653
Total current assets	101,275,652	5,094,993	1,421,761
Noncurrent assets:			
Cash, cash equivalents and investments held for capital projects	7,193,094	-	-
Loans receivable, net	7,204,702	-	-
Contributions receivable	-	-	15,400
Other receivable	-	320,828	8,258
Special assessments receivable	3,500,380	-	-
Capital assets:			
Not depreciated:			
Land	18,223,073	10,247,918	73,079
Construction-in-progress	6,035,736	38,311	-
Depreciated:			
Infrastructure	427,888,727	-	-
Buildings and land improvements	114,758,809	157,076,875	1,717,835
Major equipment and vehicles	29,876,875	12,858,905	384,238
Media assets	17,597,709	-	168,486
Accumulated depreciation	(300,461,027)	(108,966,712)	(1,069,691)
Total capital assets	313,919,902	71,255,297	1,273,947
Total noncurrent assets	331,818,078	71,576,125	1,297,605
Total assets	433,093,730	76,671,118	2,719,366
Deferred outflows of resources,			
Pension related amounts	31,050,253	-	-

	Total Primary Government - Governmental Activities	Component Units	
		Peoria Civic Center Authority	Springdale Cemetery Management Authority
Liabilities			
Current liabilities:			
Accounts and claims payable	\$ 9,092,939	\$ 120,486	\$ 9,414
Accrued payroll	3,894,554	-	-
Accrued interest	236,477	-	-
Other payables	-	214,530	6,102
Advance ticket sales	-	1,476,157	-
Estimated payable for claims and losses incurred but not reported	574,392	-	-
Unearned revenue, other	1,072,627	709,004	410,869
Accrued compensated absences	4,817,207	-	-
Bonds and loans payable, current portion	1,024,245	350,077	-
Other long-term obligations, current portion	61,040	-	-
Total current liabilities	20,773,481	2,870,254	426,385
Long-term liabilities:			
Accrued compensated absences	5,058,217	-	-
Bonds and loans payable, net bond premium	195,853,369	934,243	-
Other long-term obligations, noncurrent	612,986	-	-
Net other postemployment benefits obligation	66,146,292	-	-
Net pension liability	247,841,073	-	-
Workers compensation claims payable	2,300,984	-	-
General liability claims payable	11,037,984	-	-
Unearned revenue and deposits	-	877,441	-
Total long-term liabilities	528,850,905	1,811,684	-
Total liabilities	549,624,386	4,681,938	426,385
Deferred inflows of resources			
Property taxes	36,062,500	-	-
Deferred charge on refunding	678,696	-	-
Pension related amounts	704,746	-	-
Total deferred inflows of resources	37,445,942	-	-
Net position			
Net investment in capital assets	236,299,594	69,970,977	1,273,947
Restricted for:			
Debt service	6,962,248	-	-
TIF redevelopment	5,689,317	-	-
Education	219,269	-	-
Recreation	352,501	-	-
Tourism	1,937,924	-	-
Law enforcement	360,051	-	-
Grants and loans	995,622	-	-
Library operations	1,019,503	-	-
Riverfront Development	40	-	-
Capital improvements and equipment	3,971,017	-	-
Library endowment, nonspendable	521,848	-	-
Cemetery, \$208,112 nonspendable	-	-	395,757
Unrestricted (deficit)	(381,255,279)	2,018,203	623,277
Total net position	\$ (122,926,345)	\$ 71,989,180	\$ 2,292,981

See notes to basic financial statements.

City of Peoria, Illinois

**Statement of Activities
Year Ended December 31, 2015**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs:				
Primary Government				
Governmental activities:				
Elective offices, boards, commissions and agencies	\$ (2,335,352)	\$ -	\$ 293,078	\$ -
City administration	(7,481,096)	-	-	-
Police	(56,819,398)	429,384	364,881	-
Fire	(40,529,566)	437,800	355,209	-
Public works	(39,156,002)	13,082,006	613,862	7,020,733
Community development	(9,544,855)	129,169	2,375,179	-
Public safety	(6,257,645)	2,230,107	4,352	-
General government	(22,612,339)	4,705,147	-	4,982,329
Library	(9,642,742)	124,750	17,520	143,521
Interest on long-term debt	(8,277,949)	-	-	-
Total primary government	\$ (202,656,944)	\$ 21,138,363	\$ 4,024,081	\$ 12,146,583
Component Units				
Peoria Civic Center Authority	\$ (23,388,975)	\$ 16,753,761	\$ -	\$ 1,514,260
Springdale Cemetery Management Authority	(858,440)	249,668	462,131	112,147
Total component units	\$ (24,247,415)	\$ 17,003,429	\$ 462,131	\$ 1,626,407

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
Gaming revenue
Utility taxes
Grants and contributions not restricted to specific programs
Payment from City of Peoria
Interest/investment income (expense)
Franchise fees, based on gross receipts
Other
Total general revenues
Change in net position
Net position, beginning of year, as restated
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
\$ (2,042,274)	\$ -	\$ -
(7,481,096)	-	-
(56,025,133)	-	-
(39,736,557)	-	-
(18,439,401)	-	-
(7,040,507)	-	-
(4,023,186)	-	-
(12,924,863)	-	-
(9,356,951)	-	-
(8,277,949)	-	-
(165,347,917)	-	-
-	(5,120,954)	-
-	-	(34,494)
-	(5,120,954)	(34,494)
31,563,865	-	-
6,849,754	-	-
24,634,202	-	-
12,435,605	-	-
22,203,898	-	-
9,230,491	-	-
3,157,614	-	-
11,188,083	-	-
993,780	-	-
-	1,117,122	-
561,728	(172)	10,278
3,267,973	-	-
4,384,498	-	13,016
130,471,491	1,116,950	23,294
(34,876,426)	(4,004,004)	(11,200)
(88,049,919)	75,993,184	2,304,181
\$ (122,926,345)	\$ 71,989,180	\$ 2,292,981

City of Peoria, Illinois

**Balance Sheet
Governmental Funds
December 31, 2015**

	General Fund	Peoria Public Library Fund	Capital Improvements Fund
Assets			
Cash and cash equivalents	\$ 5,708,658	\$ 3,389,987	\$ 2,536,425
Cash and investments with trustee	-	-	-
Investments	7,389,861	514	928,491
Taxes receivable:			
Property taxes	1,209,100	6,494,800	1,235,200
Corporate personal property replacement taxes	1,011,761	-	-
State sales and income taxes	9,435,669	-	-
Home rule sales taxes	6,162,299	-	-
Hotel, restaurant and amusement taxes	918,774	-	-
Utility taxes	436,554	-	1,619,156
Local motor fuel taxes	-	-	77,337
Governmental grants and reimbursements receivable	66,679	-	74,486
Riverboat gaming revenue receivable	-	-	1,303,576
Loans receivable, net	6,937,643	-	210,627
Other receivables, net	1,829,409	-	2,163,093
Receivable, garbage fee	-	-	-
Accrued interest receivable, net	361,879	-	2,598
Special assessments receivable	-	-	3,662,367
Due from other funds	26,978,745	-	1,995,130
Inventory and prepaid items	532,207	-	-
Advances to other funds	7,488,391	-	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 76,467,629	\$ 9,885,301	\$ 15,808,486

(Continued)

Police and Fire Pension Levy Fund	Illinois Municipal Retirement Fund	General Obligation Bonds Debt Service Master Fund	TIF Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 776,728	\$ 155,713	\$ 6,996,841	\$ 6,135,664	\$ 25,700,016
-	-	-	-	783,239	783,239
-	769	-	3,340	3,313,736	11,636,711
13,526,000	3,164,700	2,004,000	4,352,200	4,076,500	36,062,500
-	-	-	-	-	1,011,761
-	-	-	30,085	-	9,465,754
-	-	-	-	-	6,162,299
-	-	-	-	125,287	1,044,061
-	-	-	-	-	2,055,710
-	-	-	-	-	77,337
-	-	-	-	755,439	896,604
-	-	-	-	-	1,303,576
-	-	-	-	421,380	7,569,650
-	-	-	54	2,767,715	6,760,271
-	-	-	-	1,884,295	1,884,295
-	-	-	-	5,095	369,572
-	-	-	-	-	3,662,367
-	-	-	33,896	503,432	29,511,203
-	-	-	-	-	532,207
-	-	-	-	-	7,488,391
<u>\$ 13,526,000</u>	<u>\$ 3,942,197</u>	<u>\$ 2,159,713</u>	<u>\$ 11,416,416</u>	<u>\$ 20,771,782</u>	<u>\$ 153,977,524</u>

City of Peoria, Illinois

Balance Sheet (Continued)
 Governmental Funds
 December 31, 2015

	General Fund	Peoria Public Library Fund	Capital Improvements Fund
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts payable	\$ 2,995,576	\$ 193,897	\$ 1,806,489
Accrued payroll	3,767,813	102,422	632
Claims and losses due and payable	474,392	-	-
Due to other funds	11,984,677	-	10,951,144
Unearned revenue, other	717,702	5,846	91,930
Bonds payable	-	-	6,000
Advances from other funds	-	-	-
Other payables	-	-	-
Total liabilities	19,940,160	302,165	12,856,195
Deferred inflows of resources:			
Unavailable revenue - property taxes	1,209,100	6,494,800	1,235,200
Unavailable revenue - special assessments	-	-	3,500,380
Unavailable revenue - intergovernmental and loans	7,295,813	-	395,877
Unavailable revenue - other	105,131	-	-
Total deferred inflows of resources	8,610,044	6,494,800	5,131,457
Fund balance:			
Nonspendable:			
Inventory and prepaid items	532,207	-	-
Advances	7,488,391	-	-
Library endowments	-	521,848	-
Restricted:			
Debt service	-	-	340,386
TIF redevelopment	-	-	-
Education	219,269	-	-
Recreation	352,501	-	-
Tourism	-	-	-
Law enforcement	287,490	-	68,985
Grants and loans	-	-	994,450
Library operations	-	1,019,503	-
Landfill operations	-	-	-
Riverfront development	-	-	-
Capital improvements and equipment	-	1,546,985	-
Assigned:			
Debt service	6,023,098	-	-
Other postemployment benefits	17,133,977	-	-
Unassigned	15,880,492	-	(3,582,987)
Total fund balance	47,917,425	3,088,336	(2,179,166)
Total liabilities, deferred inflows of resources and fund balance	\$ 76,467,629	\$ 9,885,301	\$ 15,808,486

See notes to basic financial statements.

Police and Fire Pension Levy Fund	Illinois Municipal Retirement Fund	General Obligation Bonds Debt Service Master Fund	TIF Project Fund	Nomajor Governmental Funds	Total Governmental Funds
\$ -	\$ 500,415	\$ -	\$ 343,333	\$ 1,965,831	\$ 7,805,541
-	-	-	-	23,687	3,894,554
-	-	-	-	-	474,392
-	-	-	-	7,198,070	30,133,891
-	-	-	-	206,922	1,022,400
-	-	-	-	-	6,000
-	7,488,391	-	-	-	7,488,391
-	13,005	-	-	-	13,005
-	8,001,811	-	343,333	9,394,510	50,838,174
13,526,000	3,164,700	2,004,000	4,352,200	4,076,500	36,062,500
-	-	-	-	-	3,500,380
-	-	-	-	669,714	8,361,404
-	-	-	-	-	105,131
13,526,000	3,164,700	2,004,000	4,352,200	4,746,214	48,029,415
-	-	-	-	-	532,207
-	-	-	-	-	7,488,391
-	-	-	-	-	521,848
-	-	155,713	1,108,989	5,593,637	7,198,725
-	-	-	5,689,317	-	5,689,317
-	-	-	-	-	219,269
-	-	-	-	-	352,501
-	-	-	-	1,937,924	1,937,924
-	-	-	-	3,576	360,051
-	-	-	-	1,172	995,622
-	-	-	-	-	1,019,503
-	-	-	-	134,083	134,083
-	-	-	-	40	40
-	-	-	-	2,424,032	3,971,017
-	-	-	-	-	6,023,098
-	-	-	-	-	17,133,977
-	(7,224,314)	-	(77,423)	(3,463,406)	1,532,362
-	(7,224,314)	155,713	6,720,883	6,631,058	55,109,935
\$ 13,526,000	\$ 3,942,197	\$ 2,159,713	\$ 11,416,416	\$ 20,771,782	\$ 153,977,524

City of Peoria, Illinois

**Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities
December 31, 2015**

Total governmental fund balances	\$ 55,109,935
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	313,919,902
Receivables are reported as a deferred inflow of resources in the funds if they are not available for use in the current period.	
Unavailable revenue - intergovernmental and loans	8,361,404
Unavailable revenue - other	105,131
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.	3,500,380
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bond premiums	(5,811,369)
Interest payable on debt is not reported in the funds if payments are due subsequent to reporting date.	(236,477)
Other postemployment benefits obligation	(66,146,292)
Net pension liability	(247,841,073)
Workers compensation claims payable	(2,300,984)
General liability claims payable	(11,037,984)
Accrued compensated absences	(9,875,424)
Bonds and loans payable	(191,060,245)
Landfill closure and postclosure care costs	(674,026)
Deferred amounts on refunding - deferred inflow of resources.	(678,696)
Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported in the governmental funds, as follows:	
Deferred outflows of resources, pension related	31,050,253
Deferred inflows of resources, pension related	(704,746)
The Internal Service Fund is used by management to charge the costs of self-funding the City's health insurance benefit plans. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	
Internal Service Fund, net position	<u>1,393,966</u>
Net position of governmental activities	<u><u>\$ (122,926,345)</u></u>

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, 2015**

	General Fund	Peoria Public Library Fund	Capital Improvements Fund
Revenues:			
Property taxes	\$ 1,658,390	\$ 6,320,916	\$ 50,109
Corporate personal property replacement taxes	2,849,454	465,948	-
State sales taxes	24,512,792	-	-
State income tax allocation	12,435,605	-	-
Home rule sales taxes	21,943,713	-	-
Hotel, restaurant and amusement taxes	8,134,128	-	-
Local motor fuel taxes	-	-	831,480
Gaming revenue	-	-	3,157,614
Utility taxes	3,598,409	-	7,589,674
Governmental grants and reimbursements	442,680	161,041	7,961,550
Licenses and permits	2,684,807	-	-
Service charges/fines/fees	7,351,219	124,750	429,586
Special Assessments	-	-	-
Loan repayment	304,348	-	102,218
Rental	163,399	-	47,986
Interest	870,368	5,997	76,445
Other	2,425,994	21,614	244,099
Total revenues	89,375,306	7,100,266	20,490,761
Expenditures:			
Current:			
Elective offices, boards, commissions and agencies	1,541,076	-	9,152
City administration	5,527,560	-	377,487
Police	29,196,764	-	568,697
Fire	23,196,994	-	319,434
Public works	15,248,949	-	437,775
Community development	5,115,673	-	192,012
Public safety	4,092,427	-	325,988
General government	2,808,276	-	258,421
Library	774,189	5,548,642	-
Capital outlay	-	822,142	10,526,057
Debt service:			
Principal	-	-	60,896
Interest	-	-	14,543
Total expenditures	87,501,908	6,370,784	13,090,462
Excess (deficiency) of revenues over expenditures	1,873,398	729,482	7,400,299
Other financing sources (uses):			
Issuance of bonds	-	-	-
Bond premium	-	-	-
Payment to escrow	-	-	-
Proceeds from sale of capital assets	-	-	7,800
Transfers in	6,065,190	-	1,219,345
Transfers out	(6,697,438)	(779,554)	(12,724,243)
Total other financing sources (uses)	(632,248)	(779,554)	(11,497,098)
Net change in fund balances	1,241,150	(50,072)	(4,096,799)
Fund balances, beginning of year	46,676,275	3,138,408	1,917,633
Fund balances, end of year	\$ 47,917,425	\$ 3,088,336	\$ (2,179,166)

See notes to basic financial statements.

Police and Fire Pension Levy Fund	Illinois Municipal Retirement Fund	General Obligation Bonds Debt Service Master Fund	TIF Project Fund	Other Governmental Funds	Total Governmental Funds
\$ 12,540,114	\$ 4,632,165	\$ -	\$ 3,808,247	\$ 2,553,924	\$ 31,563,865
2,471,171	1,063,181	-	-	-	6,849,754
-	-	-	121,410	-	24,634,202
-	-	-	-	-	12,435,605
-	-	-	-	260,185	22,203,898
-	-	-	166,686	929,677	9,230,491
-	-	-	-	-	831,480
-	-	-	-	-	3,157,614
-	-	-	-	-	11,188,083
-	-	-	-	6,649,898	15,215,169
-	-	-	-	-	2,684,807
-	-	-	33,744	10,939,804	18,879,103
-	-	-	-	-	-
-	-	-	-	2,115	408,681
-	-	-	-	-	211,385
602	2,055	1,478	54,823	75,431	1,087,199
-	-	-	-	2,569,283	5,260,990
15,011,887	5,697,401	1,478	4,184,910	23,980,317	165,842,326
-	202,674	-	-	-	1,752,902
-	840,208	-	-	292,235	7,037,490
7,858,832	674,163	-	-	107,858	38,406,314
7,153,055	324,772	-	-	242,347	31,236,602
-	1,394,314	-	30,702	7,049,212	24,160,952
-	311,555	-	1,031,006	2,755,681	9,405,927
-	835,238	-	45,152	452,539	5,751,344
-	23,131	372,340	-	11,552,619	15,014,787
-	768,218	-	-	-	7,091,049
-	-	-	272,606	11,859,632	23,480,437
-	-	9,978,926	-	3,384,000	13,423,822
-	240,015	2,886,808	-	4,794,149	7,935,515
15,011,887	5,614,288	13,238,074	1,379,466	42,490,272	184,697,141
-	83,113	(13,236,596)	2,805,444	(18,509,955)	(18,854,815)
-	-	24,995,000	-	9,600,000	34,595,000
-	-	2,544,747	-	(10,740)	2,534,007
-	-	(27,337,141)	-	-	(27,337,141)
-	-	-	-	-	7,800
-	779,554	13,040,734	-	6,228,671	27,333,494
-	-	-	(2,511,284)	(4,620,975)	(27,333,494)
-	779,554	13,243,340	(2,511,284)	11,196,956	9,799,666
-	862,667	6,744	294,160	(7,312,999)	(9,055,149)
-	(8,086,981)	148,969	6,426,723	13,944,057	64,165,084
\$ -	\$ (7,224,314)	\$ 155,713	\$ 6,720,883	\$ 6,631,058	\$ 55,109,935

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, 2015**

Net change in fund balances, governmental funds \$ (9,055,149)

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	\$ 23,480,437	
Depreciation expense	(20,358,373)	
Donated infrastructure assets	<u>3,365,835</u>	6,487,899

The net effect of various miscellaneous transactions involving capital assets is to decrease net position:

Proceeds from sale of capital assets	(7,800)	
Net loss on sale of capital assets	<u>(41,514)</u>	(49,314)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Grants and intergovernmental		(2,248,039)
Other		105,131

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:

Net change in loans receivable repaid	(1,662,331)	
Net change in long-term special assessment receivable	(478,345)	
Bad debt expense	<u>(1,891)</u>	(2,142,567)

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	(34,595,000)	
Premium on issued bonds	(2,534,007)	
Payment to refund debt	26,445,000	
Principal repayments:		
General obligation and revenue bonds	13,294,000	
Other debt	129,822	
Change in accrued interest payable	31,026	
Amortization of bond premium	1,076,274	
Amortization of deferred amount on refunding	<u>(557,593)</u>	3,289,522

(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, 2015**

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	(290,723)	
Landfill closure and postclosure care costs	(96,751)	
Other postemployment benefits obligation	(8,335,058)	
Pension expense	(10,248,160)	
Workers compensation payable	(684,976)	
General liability payable	<u>(10,470,923)</u>	(30,126,591)

Internal Service Fund, change in net position (1,137,318)

Change in net position of governmental activities \$ (34,876,426)

See notes to basic financial statements.

City of Peoria, Illinois

Statement of Net Position
Governmental Activities - Internal Service Fund
December 31, 2015

Assets

Cash	\$	344,723
Investments		1,761,370
Other receivables, net		87,316
Accrued interest receivable		2,489
Due from other funds		622,688
Total assets		<u>2,818,586</u>

Liabilities

Accounts and claims payable		1,274,393
Estimated payable for claims and losses incurred but not reported		100,000
Unearned revenue		50,227
Total liabilities		<u>1,424,620</u>

Net position, unrestricted	\$	<u>1,393,966</u>
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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, 2015

Operating revenues:	
Charges for services	\$ 12,909,022
Miscellaneous	140,487
Total operating revenues	<u>13,049,509</u>
Operating expenses, other services and charges	<u>14,200,341</u>
Operating loss	(1,150,832)
Nonoperating income, investment earnings	<u>13,514</u>
Changes in net position	(1,137,318)
Total net position, beginning	<u>2,531,284</u>
Total net position, ending	<u><u>\$ 1,393,966</u></u>

See notes to basic financial statements.

City of Peoria, Illinois

Statement of Cash Flows
Governmental Activities - Internal Service Fund
Year Ended December 31, 2015

Cash flows from operating activities:	
Cash received from employees and employer	\$ 12,834,688
Cash received from other operating revenue	140,487
Cash payments for claims	<u>(14,485,109)</u>
Net cash (used in) operating activities	<u>(1,509,934)</u>
Cash flows from noncapital financing activities, payments to other funds	<u>(223,854)</u>
Cash flows from investing activities:	
Sale of investments	248,094
Investment income	<u>11,422</u>
Net cash provided by investing activities	<u>259,516</u>
Net (decrease) in cash and cash equivalents	(1,474,272)
Cash and cash equivalents:	
Beginning	<u>1,818,995</u>
Ending	<u><u>\$ 344,723</u></u>
Reconciliation of operating income to net cash (used in) operating activities:	
Operating loss	\$ (1,150,832)
Bad debt expense	37,606
Adjustments to reconcile operating income to net cash (used in) operating activities:	
(Increase) in other receivables	(49,106)
(Decrease) in accounts payable	(322,374)
(Decrease) in unearned revenue	<u>(25,228)</u>
Net cash (used in) operating activities	<u><u>\$ (1,509,934)</u></u>

See notes to basic financial statements.

City of Peoria, Illinois

Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2015

Assets

Cash and cash equivalents	\$ 6,600,575
Receivables:	
Plan members' contributions	99,890
Accrued interest and dividends	585,416
Prepays	8,327
	<u>693,633</u>
Investments, at fair value:	
Money market mutual funds	3,988,249
U.S. government obligations	28,853,440
U.S. government agencies	12,566,015
State and local obligations	2,037,862
Mutual funds	122,496,335
Corporate bonds	47,719,578
Stocks	49,312,482
	<u>266,973,961</u>
Total assets	274,268,169

Liabilities

Accounts payable and accrued payroll taxes	<u>1,337,027</u>
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Net position held in trust for pension benefit	<u><u>\$ 272,931,142</u></u>
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See notes to basic financial statements.

City of Peoria, Illinois

Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended December 31, 2015

Additions	
Contributions:	
Plan members' contributions	\$ 3,511,777
Employer contributions	15,011,887
Other income	24,234
Total contributions	<u>18,547,898</u>
Investment loss:	
Net depreciation in fair value of investments	(6,898,278)
Dividends	3,728,003
Interest	2,595,281
Total investment loss	<u>(574,994)</u>
Less investment expenses	<u>(650,494)</u>
Net investment loss	<u>(1,225,488)</u>
Total additions	<u>17,322,410</u>
Deductions	
Benefits paid	25,871,445
Administrative expenses	367,598
Total deductions	<u>26,239,043</u>
Net (decrease) in net position held in trust for pension benefits	(8,916,633)
Beginning of year, as restated	<u>281,847,775</u>
End of year	<u>\$ 272,931,142</u>

See notes to basic financial statements.

City of Peoria, Illinois

Notes to Basic Financial Statements

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 the component unit criteria of the City are as follows:

Blended component units:

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

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 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

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 Street
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

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 Street
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

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 and budgeted for. 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

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: 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.

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.

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.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

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

TIF Project Fund: This capital projects fund was established to finance certain redevelopment project costs.

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.

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.

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

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. Garbage fee receivable is shown net of an allowance of \$209,366.

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. In the City's government-wide statements, deferred outflows of resources consist of unrecognized items not yet charged to pension expense related to the net pension liability and contributions paid by the employer after the measurement date of the net pension liability but before the end of the employer's reporting period.

City of Peoria, Illinois

Notes to Basic Financial Statements

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 and other. 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, the property tax revenues are shown as a deferred inflow. The City's government-wide statements also show a deferred charge on refunding of the difference between the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Also, the unamortized portion of the difference between the expected and actual experience change in assumptions and economic demographics are recorded in the government-wide statements as a deferred inflow of resources.

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 in the General Fund 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.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

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.

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

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.

The City had encumbrances in the General Fund, Capital Improvements Fund and nonmajor governmental funds of \$528,104, \$3,310,841 and \$4,135,293, respectively.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

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 through the budget process.

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

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

Net position: Represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation of \$313,919,902, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets of \$77,814,074 as of December 31, 2015. Net investment in capital assets excludes unspent debt proceeds. Unspent debt proceeds for the 2014A General Obligation Bond Project Fund were \$193,766. 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 \$360,051 for law enforcement and \$5,689,317 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.

City of Peoria, Illinois

Notes to Basic Financial Statements

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.

As of December 31, 2015, the City had the following cash and investments:

Cash and cash equivalents - statement of net position	\$ 26,044,739
Restricted cash and investments held by trustee - statement of net position	783,239
Investments - statement of net position	13,398,081
Cash and cash equivalents - fiduciary funds	6,600,575
Investments - fiduciary funds	266,973,961
	<u>\$ 313,800,595</u>
Deposits	\$ 16,765,704
Certificates of deposit	12,756,000
Repurchase agreements	16,176,695
Illinois funds	609,242
Money market mutual funds	4,507,242
U.S. Government obligations	28,853,440
U.S. Government agencies	12,566,015
State and local obligations	2,037,862
Mutual funds	122,496,335
Corporate bonds	47,719,578
Stocks	49,312,482
	<u>\$ 313,800,595</u>

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

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, 2015, the City had the following investment maturities:

	Fair Value	Investment Maturities (In Years)	
		Less than 1	1 - 3
Illinois Funds	\$ 609,242	\$ 609,242	\$ -
Money Market Mutual Fund - Federated Cash Trust	32,839	32,839	-
Investments held by trustee:			
First American Treasury Obligation Fund - Class D Mutual Fund	486,154	486,154	-
	<u>\$ 1,128,235</u>	<u>\$ 1,128,235</u>	<u>\$ -</u>

Custodial credit risk: 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.

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, 2015, \$609,242 of the City's bank balances, including certificates of deposit and money market accounts of \$40,476,636 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. As of December 31, 2015, the City's investments were exposed to custodial credit risk due to the securities being uninsured and not registered in the name of the City but held by the trust department. As of December 31, 2015, the City was out of compliance with their policy as they have deposits and investments 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.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

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. There were no investments in any organization that represents 5 percent or more of the City's investments.

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 investment subject to credit risk are shown with a credit rating below:

Investment Type	Standard & Poor's	Moody's	Balance
Illinois Funds	AAAm	Not Rated	\$ 609,242
Money Market Mutual Fund Federated Cash Trust	Not Rated	Not Rated	32,839
Investments held by trustees:			
First American Treasury Obligation Fund - Class D Mutual Fund	AAAm	Aaa-mf	486,154

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.

Police Pension Fund (Fund): The deposits and investments of the Plan are held separately from those of the City. The investment policy is adopted by the Plan's Board of Trustees and can be amended by a majority vote of the Board of Trustees.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

The Plan's investment policy authorizes the pension fund to invest in securities permitted in the Illinois Compiled Statutes (40 ILCS 511-113 .2). The statutes authorize the Pension Fund to invest in 1) interest bearing obligations of the United States of America; 2) interest bearing obligations to the extent they are fully guaranteed or insured by the United States of America; 3) interest bearing bonds, notes, debentures or other similar obligations of agencies of the United States of America; 4) interest bearing savings accounts or certificates of deposit issued by federally chartered banks or savings and loan associations, state of Illinois chartered banks or savings and loan associations, or credit unions to the extent the investments are insured by agencies or instrumentalities of the federal government; 5) interest bearing bonds of the state of Illinois; 6) pooled interest bearing accounts managed by the Illinois Public Treasurer's Pool; 7) interest bearing bonds or tax anticipation warrants of any county, township or municipal corporation of the state of Illinois; 8) direct obligations of the state of Israel subject to certain limitations as defined in the statute; 9) money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953 and are diversified, open-ended management investment companies provided the money market portfolio is limited to bonds, notes, certificates of indebtedness, treasury bills or other securities guaranteed by the full faith and credit of the United States of America; bonds, notes, debentures or other similar obligations of the United States of America or its agencies; or certain short-term obligations of corporations; 10) corporate bonds managed through an investment advisor that must be rated as investment grade by one of the 2 largest rating services at the time of purchase and if subsequently downgraded below investment grade, must be liquidated from the portfolio within 90 days after being downgraded by the manager; 11) general accounts of life insurance companies authorized to transact business in Illinois; 12) separate accounts managed by life insurance companies authorized to transact business in Illinois that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments or real estate or loans upon real estate secured by a first or second mortgage; 13) mutual funds managed by an investment company as defined and registered under the Federal Investment Company Act of 1940 and Illinois Securities Law of 1953; that have been in operation for at least five years; that have total net assets of \$250 million or more; and that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments; 14) common and preferred stocks authorized for investments of trust funds under the laws of the state of Illinois that meet certain requirements detailed in the statutes. During the year the following changes to the investment policy were approved by the Board of Trustees: target, minimum, and maximum allocations for broad asset classes in the Fund's portfolio were adopted, additional guidelines and restrictions applying to Core Private Real Estate managers, and the removal of the guidelines and restrictions over global equity managers.

The Plan's investment policy establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed income	35.00%
U.S. equity	30.00
International equity	20.00
Real estate	10.00
Global tactical	5.00

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

The book value of total equities may not exceed 55 percent for mutual funds, separate account of an insurance company, or separate accounts of a money manager. This is in addition to the 10 percent equity investment allowed in Section 1-113.2 and 1-113.3 of 40 ILCS 5 through equity mutual funds and equity separate accounts. In addition, the Plan must comply with State statutes which dictate that individual holdings must meet certain criteria, and no individual investment held (with the exception of the United States Government and agencies securities) may exceed 5 percent of the invested assets in total.

Long-term expected rate of return: Determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2015, are summarized in the following table:

Asset Class	Rate of Return
Fixed income	1.50%
U.S. equity	6.00
International equity	6.30
Real estate	5.90
Global tactical	4.10

The Plan's investment policy requires that an independent investment consultant evaluate the Plan's investments on a monthly basis and provide written reports to the trustees. The policy also requires the various investment managers provide written reports to the plan sponsor and consultant on a quarterly basis detailing performance for the most recent period as well as the current outlook of the equity and fixed income markets.

Concentrations: 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. There were no investments in any one organization that represent 5 percent or more of the Plan's investments.

Rate of return: For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.02 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

Deposit with Financial Institutions: Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Plan's deposits may not be returned to it. The Plan's investment policy does not address custodial credit risk for deposits with financial institutions. The Plan's past practice is for 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 Plan's cash and cash equivalents at December 31, 2015, consisted of deposits with financial institutions. Flow-through FDIC insurance is available for the Plan's deposits with financial institutions.

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Plan will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Plan has a third party custodian acting as the Plan's agent to safe-keep the assets of the Plan.

Interest Rate Risk: Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The Plan limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The Plan's investment policy does not limit the maximum maturity length of investments.

As of December 31, 2015, the Fund had the following investments:

Type of Investment	Fair Value/ Carrying Amount	Average Credit Quality/ Ratings (1)	Weighted Average Years to Maturity (2)
U.S. Government notes and bonds, explicitly guaranteed	\$ 18,620,644	N/A	4.93
U.S. Government agencies	4,408,733	Aaa	11.57
Money market funds	2,361,536	N/A	N/A
State and local obligations	407,383	A2	8.49
Corporate bonds	27,809,119	Aaa to Ba1	5.21
Mutual funds - equities	81,740,122	N/A	N/A
Stocks	15,416,641	N/A	N/A
Total investments	<u>\$ 150,764,178</u>		

(1) Ratings are provided where applicable to indicate associated credit risk. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk. The U.S. government agencies investments that were not rated by Moody's included Federal Home Loan Mortgage Corporation Gold Participant Certificate Securities, Federal Home Loan Mortgage Corporation Multiclass Certificates, Federal National Mortgage Association Pass-Through Certificates, Small Business Administration bonds, and Vendee Mortgage Trust Securities.

(2) Interest rate risk is estimated using the weighted average years to maturity method.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy does not specifically address credit risk for investments, except for the corporate bonds and compliance with State statutes. Corporate bonds must be rated as investment grade by one of the two largest rating agencies at the time of purchase. Subsequently, if a domestic corporate bond security is downgraded below investment grade by one of the two largest rating agencies, the security must be liquidated from the portfolio within 90 days after the downgrade.

Firemen's Pension Fund (Fund): The deposits and investments of the Plan are held separately from those of the City. The investment policy is adopted by the Plan's Board of Trustees and can be amended by a majority vote of the Board of Trustees.

The Plan's investment policy authorizes the pension fund to invest in securities permitted in the Illinois Compiled Statutes (40 ILCS 5/1-113.2). The statutes authorize the Pension Fund to invest in 1) interest bearing obligations of the United States of America; 2) interest bearing obligations to the extent they are fully guaranteed or insured by the United States of America; 3) interest bearing bonds, notes, debentures or other similar obligations of agencies of the United States of America; 4) interest bearing savings accounts or certificates of deposit issued by federally chartered banks or savings and loan associations, state of Illinois chartered banks or savings and loan associations, or credit unions to the extent the investments are insured by agencies or instrumentalities of the federal government; 5) interest bearing bonds of the state of Illinois; 6) pooled interest bearing accounts managed by the Illinois Public Treasurer's Pool; 7) interest bearing bonds or tax anticipation warrants of any county, township or municipal corporation of the state of Illinois; 8) direct obligations of the state of Israel subject to certain limitations as defined in the statute; 9) money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953 and are diversified, open-ended management investment companies provided the money market portfolio is limited to bonds, notes, certificates of indebtedness, treasury bills or other securities guaranteed by the full faith and credit of the United States of America; bonds, notes, debentures or other similar obligations of the United States of America or its agencies; or certain short-term obligations of corporations; 10) corporate bonds managed through an investment advisor that must be rated as investment grade by one of the 2 largest rating services at the time of purchase and if subsequently downgraded below investment grade, must be liquidated from the portfolio within 90 days after being downgraded by the manager; 11) general accounts of life insurance companies authorized to transact business in Illinois; 12) separate accounts managed by life insurance companies authorized to transact business in Illinois that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments or real estate or loans upon real estate secured by a first or second mortgage; 13) mutual funds managed by an investment company as defined and registered under the Federal Investment Company Act of 1940 and Illinois Securities Law of 1953; that have been in operation for at least five years; that have total net assets of \$250 million or more; and that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments; 14) common and preferred stocks authorized for investments of trust funds under the laws of the state of Illinois that meet certain requirements detailed in the statutes. During the year there were no changes to the investment policy.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

The Plan's investment policy establishes the following target allocation across asset classes:

Asset Class	Minimum	Maximum
Equities (separate account)	20.00%	55.00% *
Equity mutual funds	-	10.00 *
Fixed income	30.00	78.00
Cash	2.00	20.00

*Or legal limit as required by Illinois State Statute. Total maximum equity effective July 1, 2011 is 60% (65% July 1, 2012)

The book value of total equities may not exceed 55 percent for mutual funds, separate account of an insurance company, or separate accounts of a money manager. This is in addition to the 10 percent equity investment allowed in Section 1-113.2 and 1-113.3 of 40 ILCS 5 through equity mutual funds and equity separate accounts. In addition, the Plan must comply with State statutes which dictate that individual holdings must meet certain criteria, and no individual investment held (with the exception of the United States Government and agencies securities) may exceed 5 percent of the invested assets in total.

Long-term expected rate of return: Determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2015, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	27.00%
U.S. Mid Cap Equity	3.00
U.S. Small Cap Equity	3.00
REITS	3.00
Non U.S. Developed Equity	16.00
Emerging Markets	8.00
Fixed Income	38.00
Cash	2.00

The Fund's investment policy requires that investment managers provide monthly reports of all transactions and valuations to the Treasurer. The performance of these managers is reviewed and monitored by an independent, third-party consultant.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

Concentrations: 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. There were no significant investments (other than U.S. government and agencies' securities and mutual funds) in any one organization that represent 5 percent or more of the Plan's investments.

Rate of Return: For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (1.14 percent). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions: Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Plan's deposits may not be returned to it. The Fund's deposit policy related to this risk provides that all deposits, certificates of deposit investments, and repurchase agreements be guaranteed at 110 percent of market value of principal and accrued interest by the U.S. government obligations (excluding Collateralized Mortgage Obligations (CMOs), Real Estate Mortgage Investment Conduits (REMICs), and other Principal Only (POs) or Interest Only (IOs) obligations secured with mortgages), insured by the Federal Deposit Insurance Corporation (FDIC), or fully collateralized with securities held by an independent, third-party with whom the Plan has a current custodial agreement. 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 be used to ensure replacement on checking and money market accounts in case of a financial institution's default.

The Fund's cash and cash equivalents at December 31, 2015, consisted of deposits with financial institutions. Deposits with financial institutions are covered by FDIC insurance up to \$250,000. At December 31, 2015, all deposits with financial institutions were insured by the FDIC.

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Plan will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Plan has a third party custodian acting as the Plan's agent to safe-keep the assets of the Plan.

Interest Rate Risk: Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The Plan limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The Plan's investment policy does not limit the maximum maturity length of investments.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 2. Deposits and Investments (Continued)

As of December 31, 2015, the Fund had the following investments:

Type of Investment	Fair Value/ Carrying Amount	Average Credit Quality/ Ratings (1)	Weighted Average Years to Maturity (2)
U.S. Government notes and bonds, explicitly guaranteed	\$ 10,232,796	N/A	5.90
U.S. Government agencies	8,157,282	Aaa	9.13
Money market mutual funds	1,626,713	Aaa-mf	0.08
State and Local obligations	1,630,479	Aaa to Aa2	3.37
Corporate bonds	19,910,459	Aaa to Baa3	4.26
Mutual funds - equities	40,756,213	N/A	N/A
Common and preferred stocks	33,895,841	N/A	N/A
Total investments	116,209,783		
Illinois Funds, included in cash and cash equivalents	530,669	Aaam	0.07
	\$ 116,740,452		

(1) Ratings are provided where applicable to indicate associated credit risk. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk. The U.S. government agencies investments that were not rated by Moody's included Federal Home Loan Mortgage Corporation Gold Participation Certificate Securities, Federal Home Loan Mortgage Corporation Multiclass Certificates, Federal National Mortgage Association Pass-Through Certificates, and Government National Mortgage Association Fixed Income Securities.

(2) Interest rate risk is presented using the weighted average years to maturity method.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy does not specifically address credit risk for investments, except for the corporate bonds and compliance with State statutes. Corporate bonds must be rated as investment grade by one of the two largest rating agencies at the time of purchase. Subsequently, if a domestic corporate bond security is downgraded below investment grade by one of the two largest rating agencies, the security must be liquidated from the portfolio within 90 days after the downgrade.

City of Peoria, Illinois

Notes to Basic Financial Statements

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, 2015, \$3,482,647 of the Civic Center's bank balance of \$3,589,697 was exposed to custodial credit risk.

Reconciliation to statement of net position:

	Carrying Amount
Cash on hand	\$ 84,276
Demand deposits and money market accounts	3,589,697
	<u>\$ 3,673,973</u>
Cash and cash equivalents	<u>\$ 3,673,973</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, 2015, the carrying amount of the Authority's deposits (including checking, savings and certificates of deposit) was \$295,020 and the bank balance was \$301,734. The Authority also had cash on hand of \$2,260. None of the bank balance of \$301,734 was exposed to custodial credit risk.

The Foundation, a component unit of the Authority, has deposits with a carrying amount of \$189,628 which is not exposed to custodial credit risk.

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. The Authority's investments in mutual funds are not exposed to interest rate risk.

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. The mutual funds are not exposed to 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. The Authority's investments in mutual funds are not exposed to concentration risk.

City of Peoria, Illinois

Notes to Basic Financial Statements

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 recognized 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 budgeted for and/or are available. Property tax revenue recorded in the governmental funds by the City for the year ended December 31, 2015 represents installments of the 2014 property taxes which were received during 2015.

The amount of the property tax receivable unavailable at year-end represents the tax levied for 2015, for which an enforceable lien exists as of January 1, but is levied for the 2016 budget and will be collected from taxpayers in June and September 2016.

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

In accordance with the appropriate bond ordinances, as of December 31, 2015, the City has paid to its respective paying agents the following amounts included as restricted cash and investments held by trustee:

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. \$486,154 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 \$297,085 of cash and investments in the 2012C General Obligation Bond Debt Service Fund.

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 December 31, 2015
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	\$ 230,000
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	22,655,000
2009A general obligation bonds issued to refund a portion of previously issued bonds; interest at 2.00% to 5.00%	17,645,000	4,190,000
2010A general obligation bonds issued to advance refund a portion of previously issued bonds; interest at 2.00% to 4.00%	2,420,000	1,600,000
2010C taxable general obligation bonds (Build America & Recovery Zone Bonds) issued for capital improvements; interest at 2.00% to 6.40%	15,490,000	13,745,000
2010D general obligation bonds issued to refund a portion of previously issued bonds; interest at 2.00% to 5.00%	24,310,000	24,240,000
2011A general obligation bonds issued to currently refund a portion of previously issued bonds; interest at 2.00% to 3.00%	4,060,000	2,985,000
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	30,880,000
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	9,815,000
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 0.62% as of December 31, 2015	4,500,000	3,915,000
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	2,395,000
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	1,940,000
Subtotal forward	161,510,000	133,235,000

City of Peoria, Illinois

Notes to Basic Financial Statements

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

Subtotal forwarded	161,510,000	133,235,000
2014A general obligation bonds issued to pay the cost of construction infrastructure improvements; interest at 3% to 4%	9,660,000	9,290,000
2014 B general obligation refunding bonds issued to currently refund a portion of the City's outstanding General Obligation Bonds, Series 2005A, due January 1, 2016 and 2009-2021 and to pay the costs of issuing the 2014B Bonds; interest at 2.5% to 4%	11,320,000	9,860,000
2015A general obligation refunding bonds issued to currently refund the City's outstanding general obligation refunding bonds, 2005B, due January 1, 2016 through 2021 and to pay the costs of issuing the 2015A Bonds; interest at 2% to 5%	12,935,000	10,415,000
2015B general obligation refunding bonds issued to currently advance refund a portion of the City's outstanding general obligation bonds, series 2007A due January 1 2017-2027 and to pay the cost of issuing the 2015B Bonds; interest at 3% to 5%	12,060,000	12,060,000
2015C taxable general obligation bonds issued currently to pay the cost of constructing infrastructure improvements, including land acquisition, for an athletic campus and sports complex in the City, to fund capitalized interest and to pay the costs of issuing the 2015C bonds; interest at 4% to 5%	7,600,000	7,600,000
2015D taxable general obligation bonds issued to currently pay the cost of constructing infrastructure improvements, including land acquisition, for a Holiday Inn hotel in the City, to fund capitalized interest and to pay the costs of issuing the 2015D bonds; interest rate at 3% to 5%.	2,000,000	2,000,000
	<u>\$ 217,085,000</u>	<u>\$ 184,460,000</u>

In 2015, the City issued \$12,935,000 General Obligation Refunding Bonds, Series 2015A, with interest rates ranging from 2 percent to 5 percent, and \$12,060,000 General Obligation Refunding Bonds, Series 2015B with interest rates ranging from 3 percent to 5 percent. The proceeds of the 2015A Bonds were used to currently refund the City's outstanding General Obligation Refunding Bonds, Series 2005B, due January 1, 2016 through 2021, and to pay the costs of issuing the Bonds. The transaction resulted in a reduction of payments of \$1,045,138 and an economic gain of \$1,000,128. The proceeds of the 2015B Bonds will be used to advance refund a portion of the City's outstanding General Obligation Bonds, Series 2007A, due January 1 2017-2027, and to pay the cost of issuing the Bonds. Those proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007A Bonds. This transaction resulted in a reduction of payments of \$1,135,522 and an economic gain of \$966,342.

In 2015, the City issued \$7,600,000 Taxable General Obligation Bonds, Series 2015C, with interest rates ranging from 4 percent to 5 percent, and \$2,000,000 Taxable General Obligation Bonds, Series 2015D, with an interest rate ranging from 3 percent to 5 percent. The proceeds of the 2015C Bonds will be used to pay the cost of constructing infrastructure improvements, including land acquisition, for an athletic campus and sports complex in the City, to fund capitalized interest and to pay the costs of issuing the 2015C bonds. The proceeds of the 2015D Bonds will be used to pay the cost of constructing infrastructure improvements, including land acquisition, for a Holiday Inn hotel in the City, to fund capitalized interest and to pay the costs of issuing the 2015D Bonds.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

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, 2015, 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.

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 twenty-three 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 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 revenue. Total principal and interest remaining on the bonds is \$1,133,250, payable through 2017. For the current year, principal and interest paid and total special taxes revenues were \$587,000 and \$544,400, 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.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

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.

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 thirty 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. Expenditures net of additions in the amount of \$96,751 were recognized in 2015. The balance due reported represents the estimate of what it would cost to perform all postclosure care as of December 31, 2015 over thirty 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, 2015 is as follows:

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

City of Peoria, Illinois

Notes to Basic Financial Statements

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

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

	Balance December 31, 2014	Additions	Deletions	Balance December 31, 2015	Current Portion	Long-Term Portion
General obligation bonds	\$ 188,700,000	\$ 34,595,000	\$ (38,835,000)	\$ 184,460,000	\$ -	\$ 184,460,000
Special assessment bonds	4,778,500	-	(384,000)	4,394,500	399,000	3,995,500
Special service area bonds	1,600,000	-	(520,000)	1,080,000	555,000	525,000
Loans payable	1,255,567	-	(129,822)	1,125,745	64,245	1,061,500
Subtotal	196,334,067	34,595,000	(39,868,822)	191,060,245	1,018,245	190,042,000
Special assessment bond - matured	6,000	-	-	6,000	6,000	-
Bond premium	4,353,636	2,534,007	(1,076,274)	5,811,369	-	5,811,369
Total bonds and loans payable, net	200,693,703	37,129,007	(40,945,096)	196,877,614	1,024,245	195,853,369
Landfill closure and postclosure care costs	577,275	420,652	(323,901)	674,026	61,040	612,986
Compensated absences	9,584,701	5,771,917	(5,481,194)	9,875,424	4,817,207	5,058,217
Total long-term liabilities	\$ 210,855,679	\$ 43,321,576	\$ (46,750,191)	\$ 207,427,064	\$ 5,902,492	\$ 201,524,572

Compensated absences are generally liquidated by the General 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.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

	1998C Taxable Riverfront Village			
	General Obligation Bonds			
	Principal		Interest	
Year ending December 31:				
2016	\$ -	\$ 16,941		
2017	110,000	10,588		
2018	120,000	3,630		
2019				
2020	-	-		
2021 - 2025	-	-		
2026 - 2030	-	-		
2031 - 2035	-	-		
	<u>\$ 230,000</u>	<u>\$ 31,159</u>		

	2008A		2009A	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
Year ending December 31:				
2016	\$ -	\$ 1,095,550	\$ -	\$ 201,802
2017	1,240,000	1,037,375	980,000	154,725
2018	1,335,000	968,250	905,000	122,963
2019	1,430,000	968,250	650,000	94,938
2020	1,540,000	894,000	685,000	65,625
2021 - 2025	9,565,000	3,149,375	970,000	36,750
2026 - 2030	7,545,000	583,125	-	-
2031 - 2035	-	-	-	-
	<u>\$ 22,655,000</u>	<u>\$ 8,695,925</u>	<u>\$ 4,190,000</u>	<u>\$ 676,803</u>

	2010A		2010C Taxable	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
Year ending December 31:				
2016	\$ -	\$ 61,150	\$ -	\$ 827,883
2017	205,000	55,075	410,000	812,713
2018	210,000	48,588	425,000	795,573
2019	220,000	41,326	430,000	776,118
2020	225,000	33,538	445,000	754,999
2021 - 2025	740,000	45,000	2,405,000	3,402,630
2026 - 2030	-	-	7,470,000	2,124,748
2031 - 2035	-	-	2,160,000	69,120
	<u>\$ 1,600,000</u>	<u>\$ 284,677</u>	<u>\$ 13,745,000</u>	<u>\$ 9,563,784</u>

City of Peoria, Illinois

Notes to Basic Financial Statements

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

	2010D					
	General Obligation Bonds					
	Principal	Interest				
Year ending December 31:						
2016	\$ -	\$ 1,055,812				
2017	2,620,000	1,002,712				
2018	3,000,000	875,312				
2019	100,000	799,062				
2020	100,000	796,500				
2021 - 2025	16,060,000	2,873,306				
2026 - 2030	2,360,000	94,400				
2031 - 2035	-	-				
	<u>\$ 24,240,000</u>	<u>\$ 7,497,104</u>				

	2011A		2011B					
	General Obligation Bonds		General Obligation Bonds					
	Principal	Interest	Principal	Interest				
Year ending December 31:								
2016	\$ -	\$ 90,125	\$ -	\$ 204,900				
2017	290,000	83,000	-	204,900				
2018	295,000	75,688	-	204,900				
2019	305,000	67,425	-	204,900				
2020	1,715,000	58,125	-	204,900				
2021 - 2025	380,000	136,800	5,290,000	347,550				
2026 - 2030	-	-	-	-				
2031 - 2035	-	-	-	-				
	<u>\$ 2,985,000</u>	<u>\$ 511,163</u>	<u>\$ 5,290,000</u>	<u>\$ 1,372,050</u>				

	2012A Taxable		2012B					
	General Obligation Bonds		General Obligation Bonds					
	Principal	Interest	Principal	Interest				
Year ending December 31:								
2016	\$ -	\$ 1,289,425	\$ -	\$ 290,100				
2017	750,000	1,272,738	60,000	289,200				
2018	850,000	1,251,675	65,000	288,263				
2019	955,000	1,225,663	65,000	287,288				
2020	1,050,000	1,194,275	65,000	286,313				
2021 - 2025	6,950,000	5,321,900	340,000	1,281,158				
2026 - 2030	10,950,000	3,520,163	9,220,000	624,300				
2031 - 2035	9,375,000	457,969	-	-				
	<u>\$ 30,880,000</u>	<u>\$ 15,533,808</u>	<u>\$ 9,815,000</u>	<u>\$ 3,346,622</u>				

City of Peoria, Illinois

Notes to Basic Financial Statements

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

	2012C Taxable Variable Rate GO Capital Improvement Bonds		2013A General Obligation Bonds	
	Principal	Interest	Principal	Interest
	Year ending December 31:			
2016	\$ -	\$ 21,050	\$ -	\$ 289,900
2017	305,000	19,575	-	289,900
2018	315,000	18,050	-	289,900
2019	325,000	16,475	-	289,900
2020	335,000	14,850	-	289,900
2021 - 2025	1,825,000	48,125	1,400,000	1,347,125
2026 - 2030	810,000	6,100	7,955,000	273,825
2031 - 2035	-	-	-	-
	<u>\$ 3,915,000</u>	<u>\$ 144,225</u>	<u>\$ 9,355,000</u>	<u>\$ 3,070,450</u>

	2013C Taxable General Obligation Bonds		2013D Taxable General Obligation Bonds	
	Principal	Interest	Principal	Interest
	Year ending December 31:			
2016	\$ -	\$ 41,441	\$ -	\$ 57,411
2017	1,195,000	27,448	260,000	52,593
2018	1,200,000	9,900	265,000	46,878
2019	-	-	270,000	40,174
2020	-	-	275,000	32,691
2021 - 2025	-	-	870,000	44,599
2026 - 2030	-	-	-	-
2031 - 2035	-	-	-	-
	<u>\$ 2,395,000</u>	<u>\$ 78,789</u>	<u>\$ 1,940,000</u>	<u>\$ 274,346</u>

	2014A General Obligation Bond Project		2014B General Obligation Bonds	
	Principal	Interest	Principal	Interest
	Year ending December 31:			
2016	\$ -	\$ 352,550	\$ -	\$ 403,900
2017	380,000	341,300	-	385,650
2018	390,000	329,750	-	385,650
2019	405,000	317,825	3,035,000	329,325
2020	415,000	305,525	3,635,000	200,300
2021 - 2025	2,290,000	1,308,450	3,190,000	63,800
2026 - 2030	2,770,000	814,000	-	-
2031 - 2035	2,640,000	216,600	-	-
	<u>\$ 9,290,000</u>	<u>\$ 3,986,000</u>	<u>\$ 9,860,000</u>	<u>\$ 1,768,625</u>

City of Peoria, Illinois

Notes to Basic Financial Statements

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

	2015A		2015B	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
Year ending December 31:				
2016	\$ -	\$ 497,350	\$ -	\$ 540,850
2017	2,430,000	435,700	845,000	523,950
2018	2,530,000	336,000	880,000	485,050
2019	2,280,000	215,750	930,000	439,800
2020	2,375,000	99,375	1,000,000	391,550
2021-2025	800,000	20,000	5,720,000	1,146,750
2026-2030	-	-	2,685,000	81,225
2031-2035	-	-	-	-
	<u>\$ 10,415,000</u>	<u>\$ 1,604,175</u>	<u>\$ 12,060,000</u>	<u>\$ 3,609,175</u>

	2015C Taxable		2015D Taxable	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
Year ending December 31:				
2016	\$ -	\$ 238,405	\$ -	\$ 61,376
2017	-	341,935	-	88,030
2018	-	341,935	-	88,030
2019	-	341,935	-	88,030
2020	290,000	336,135	80,000	86,710
2021-2025	1,645,000	1,492,175	430,000	391,985
2026-2030	2,005,000	1,124,338	525,000	300,410
2031-2035	2,480,000	615,875	655,000	162,375
2036-2040	1,180,000	59,750	310,000	15,750
	<u>\$ 7,600,000</u>	<u>\$ 4,892,483</u>	<u>\$ 2,000,000</u>	<u>\$ 1,282,696</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
Year ending December 31:				
2016	\$ 290,000	\$ 228,370	\$ 109,000	\$ 12,548
2017	305,000	213,870	105,500	6,172
2018	320,000	197,705	-	-
2019	335,000	180,745	-	-
2020	355,000	162,990	-	-
2021 - 2025	2,085,000	503,515	-	-
2026 - 2030	490,000	27,685	-	-
2031 - 2035	-	-	-	-
	<u>\$ 4,180,000</u>	<u>\$ 1,514,880</u>	<u>\$ 214,500</u>	<u>\$ 18,720</u>

	PMP Promissory Note		WeaverRidge Special Service Area Bonds	
	Principal	Interest	Principal	Interest
	Year ending December 31:			
2016	\$ -	\$ 30,000	\$ 555,000	\$ 40,125
2017	-	30,000	525,000	13,125
2018	922,213	30,000	-	-
2019	-	-	-	-
2020	-	-	-	-
2021 - 2025	-	-	-	-
2026 - 2030	-	-	-	-
2031 - 2035	-	-	-	-
	<u>\$ 922,213</u>	<u>\$ 90,000</u>	<u>\$ 1,080,000</u>	<u>\$ 53,250</u>

	Wal-Mart Promissory Note		Total Long-Term Bonds and Notes Payable	
	Principal	Interest	Principal	Interest
	Year ending December 31:			
2016	\$ 64,245	\$ 11,194	\$ 1,018,245	\$ 7,960,158
2017	67,779	7,661	13,083,279	7,699,935
2018	71,508	3,933	14,098,721	7,197,623
2019	-	-	11,735,000	6,724,929
2020	-	-	14,585,000	6,208,301
2021 - 2025	-	-	62,955,000	22,960,993
2026 - 2030	-	-	54,785,000	9,574,319
2031 - 2035	-	-	17,310,000	1,521,939
2036 - 2040	-	-	1,490,000	75,500
	<u>\$ 203,532</u>	<u>\$ 22,788</u>	<u>\$ 191,060,245</u>	<u>\$ 69,923,697</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				Net Capital Assets as of December 31, 2015
	Balance December 31, 2014	Additions	Deletions	Balance December 31, 2015	
	Not depreciated:				
Land	\$ 15,983,525	\$ 2,239,548	\$ -	\$ 18,223,073	
Construction-in-progress	8,973,345	2,698	(2,940,307)	6,035,736	
Depreciated:					
Land improvements	7,228,942	-	-	7,228,942	
Buildings	107,280,686	249,181	-	107,529,867	
Machinery and equipment	8,319,445	83,244	-	8,402,689	
Vehicles	21,512,448	1,611,908	(1,650,170)	21,474,186	
Media	17,407,535	822,142	(631,968)	17,597,709	
Infrastructure	403,110,869	24,777,858	-	427,888,727	
	<u>\$ 589,816,795</u>	<u>\$ 29,786,579</u>	<u>\$ (5,222,445)</u>	<u>\$ 614,380,929</u>	

	Accumulated Depreciation			Balance December 31, 2015	Net Capital Assets as of December 31, 2015
	Balance December 31, 2014	Additions	Deletions		
	Not depreciated:				
Land	\$ -	\$ -	\$ -	\$ -	\$ 18,223,073
Construction-in-progress	-	-	-	-	6,035,736
Depreciated:					
Land improvements	4,701,686	404,540	-	5,106,226	2,122,716
Buildings	49,926,542	3,886,373	-	53,812,915	53,716,952
Machinery and equipment	7,273,682	333,793	-	7,607,475	795,214
Vehicles	16,629,633	1,451,389	(1,600,857)	16,480,165	4,994,021
Media	13,618,692	806,607	(631,967)	13,793,332	3,804,377
Infrastructure assets	190,185,243	13,475,671	-	203,660,914	224,227,813
	<u>\$ 282,335,478</u>	<u>\$ 20,358,373</u>	<u>\$ (2,232,824)</u>	<u>\$ 300,461,027</u>	<u>\$ 313,919,902</u>

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

Governmental activities:	
Police	\$ 474,951
Fire	1,075,876
Public works	14,240,478
Public safety	101,603
General government	2,312,640
Library	2,152,825
Total depreciation expense	<u>\$ 20,358,373</u>

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 6. Capital Assets (Continued)

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

	Peoria Civic Center Authority			
	Balance	Additions	Deletions	Balance
	August 31, 2014			August 31, 2015
Historical cost:				
Not depreciated:				
Land	\$ 10,247,918	\$ -	\$ -	\$ 10,247,918
Construction-in-process	1,225,764	3,164,818	(4,352,271)	38,311
Depreciated:				
Land improvements	7,758,393	3,075	-	7,761,468
Building and improvements	145,371,187	3,944,220	-	149,315,407
Furniture, fixtures and equipment	12,453,929	404,976	-	12,858,905
Total cost	177,057,191	7,517,089	(4,352,271)	180,222,009
Accumulated depreciation:				
Land improvements	6,482,405	247,220	-	6,729,625
Building and improvements	85,348,505	5,277,871	-	90,626,376
Furniture, fixtures and equipment	11,081,729	528,982	-	11,610,711
Total accumulated depreciation	102,912,639	6,054,073	-	108,966,712
Net land, building and equipment	\$ 74,144,552	\$ 1,463,016	\$ (4,352,271)	\$ 71,255,297

	Springdale Cemetery Management Authority			
	Balance as of	Additions	Deletions	Balance as of
	December 31, 2014			December 31, 2015
Cost:				
Assets depreciated:				
Maintenance building	\$ 406,586	\$ -	\$ -	\$ 406,586
Building improvements	404,634	-	-	404,634
Land improvements	904,888	1,727	-	906,615
Furniture and equipment	384,238	-	-	384,238
Computer software	168,486	-	-	168,486
Assets not depreciated, land	73,079	-	-	73,079
Total cost	\$ 2,341,911	\$ 1,727	\$ -	\$ 2,343,638

	Balance as of	Additions	Deletions	Balance as of	Net Capital
	December 31, 2014			December 31, 2015	Assets as of December 31, 2015
	Accumulated depreciation:				
Maintenance building	\$ 109,734	\$ 10,820	\$ -	\$ 120,554	\$ 286,032
Building improvements	100,744	12,547	-	113,291	291,343
Land improvements	318,820	38,812	-	357,632	548,983
Furniture and equipment	334,411	16,531	-	350,942	33,296
Computer software	110,449	16,823	-	127,272	41,214
Land	-	-	-	-	73,079
Total accumulated depreciation	\$ 974,158	\$ 95,533	\$ -	\$ 1,069,691	\$ 1,273,947

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 7. Receivables

Loans receivable and accrued interest receivable as of December 31, 2015 are net of allowance for uncollectible accounts in the amounts of \$126,599 and \$0, 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, 2015, The City's loan receivable balance was \$6,695,652.

On July 19, 2014, the City entered into a loan agreement with a Construction Company (J.P. Companies) for \$300,000. The proceeds of the loan were to be used for Sullivan/Hunt redevelopment. Terms of the loan required repayment of 85 percent of the amount of the Tax Rebate Obligation from a previous development agreement, commencing on July 19, 2014. The loan matures in 2021. As of December 31, 2015, the City's loan receivable balance was \$228,149.

Other current receivables as of December 31, 2015 consist of the following:

Charges for services and reimbursements	\$ 5,999,843
Franchise fees	309,308
Other fines and fees	1,385,170
Other	156
Total other current receivables (gross)	<u>7,694,477</u>
Less allowance for uncollectible accounts	846,890
Total other current receivables (net)	<u><u>\$ 6,847,587</u></u>

Note 8. Other Required Individual Fund Disclosures

The individual fund interfund receivable and payable balances as of December 31, 2015 are as follows:

	Due From Other Funds	Due to Other Funds
Major funds:		
General Fund	\$ 26,978,745	\$ 11,984,677
Capital Improvements Fund	1,995,130	10,951,144
TIF Project Fund	33,896	-
Nonmajor governmental funds	503,432	7,198,070
Internal service fund	622,688	-
	<u><u>\$ 30,133,891</u></u>	<u><u>\$ 30,133,891</u></u>

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 8. Other Required Individual Fund Disclosures (Continued)

Advances to and from other funds as of December 31, 2015, were as follows:

	Advances to Other Funds	Advances from Other Funds
Major funds:		
General Fund	\$ 7,488,391	\$ -
Illinois Municipal Retirement Fund	-	7,488,391
	<u>\$ 7,488,391</u>	<u>\$ 7,488,391</u>

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 2011-2012 early retirement incentive balance due to the Illinois Municipal Retirement Fund. The interfund receivables and payables are scheduled 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	\$ 6,065,190	\$ 6,697,438
Peoria Public Library Fund	-	779,554
Capital Improvements Fund	1,219,345	12,724,243
Illinois Municipal Retirement Fund	779,554	-
General Obligation Debt Service Master Fund	13,040,734	-
TIF Project Fund	-	2,511,284
Nonmajor governmental funds	6,228,671	4,620,975
	<u>\$ 27,333,494</u>	<u>\$ 27,333,494</u>

Transfers are used to (1) move revenues from the fund collecting them to the fund that statute or budget expects 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, and (3) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 8. Other Required Individual Fund Disclosures (Continued)

As of December 31, 2015, the following funds had deficit balances:

Fund	Deficit
Major Funds:	
Capital Improvements Fund	\$ 2,179,166
Illinois Municipal Retirement Fund	7,224,314
Nonmajor Funds:	
Home Investment Partnership Program Fund	200
Refuse Collection Fund	2,492,948
Sewer Fund	837,132
2012A General Obligation Bond Debt Service Fund	125,498
2012C General Obligation Bond Debt Service Fund	7,628

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 damage to assets, natural disasters, worker'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 the covered individual claims exceed \$200,000 and a maximum aggregate benefit of \$1,000,000.

During 2015, the City obtained a one year contract renewal for major general liability coverage with an insurance carrier.

The City's major liability insurance coverages include:

- \$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 limit for auto liability
- \$10,000,000 primary umbrella liability
- Self-insured retention limits apply to all coverages

City of Peoria, Illinois

Notes to Basic Financial Statements

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

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

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, 2015, the estimate of health and dental claims incurred but not reported amounted to \$100,000. The unpaid reported claims of \$914,326 for health and dental claims are due and are included in accounts 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 2015 and 2014 were:

Balance, December 31, 2013	\$ 808,021
Current year claims and changes in estimates	9,151,375
Claims paid	<u>(8,443,619)</u>
Balance, December 31, 2014	1,515,777
Current year claims and changes in estimates	8,527,076
Claims paid	<u>(9,028,527)</u>
Balance, December 31, 2015	<u>\$ 1,014,326</u>

Changes in the worker's compensation liability which include unpaid reported claims and amounts incurred but not reported in fiscal years 2015 and 2014 were:

Balance, December 31, 2013	\$ 2,133,884
Current year claims and changes in estimates	1,903,290
Claims paid	<u>(1,935,034)</u>
Balance, December 31, 2014	2,102,140
Current year claims and changes in estimates	3,211,189
Claims paid	<u>(2,564,170)</u>
Balance, December 31, 2015	<u>\$ 2,749,159</u>

Changes in the general liability which include unpaid reported claims and amounts incurred but not reported in fiscal years 2015 and 2014 were:

Balance, December 31, 2013	\$ 960,156
Current year claims and changes in estimates	(282,574)
Claims paid	<u>(102,576)</u>
Balance, December 31, 2014	575,006
Current year claims and changes in estimates	10,682,097
Claims paid	<u>(192,902)</u>
Balance, December 31, 2015	<u>\$ 11,064,201</u>

Of the \$2,749,159 of worker's compensation liability, \$448,175 is reported in the General Fund as due and \$2,300,984 is reported in governmental activities as noncurrent. Of the \$11,064,201 of general liability, \$26,217 is reported in the General Fund as due and \$11,037,984 is reported in governmental activities as noncurrent.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans

Restatement

As a result of the adoption of GASB Statement No. 68 and No. 71, the beginning net position of the governmental activities was restated.

The effect on fiscal year 2014 is as follows:

	Governmental Activities
Net position, December 31, 2014, as previously reported	\$ 128,262,360
Net pension liability - IMRF	(9,086,816)
Pension related deferred outflows - IMRF	3,057,540
Net pension liability - Police	(130,627,685)
Pension related deferred outflows - Police	7,819,927
Net pension liability - Fire	(94,668,779)
Pension related deferred outflows - Fire	7,193,534
Net position (deficit), December 31, 2014, as restated	<u>\$ (88,049,919)</u>

Plan Descriptions

Illinois Municipal Retirement Fund (IMRF): The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Police Pension Plan Fund of Peoria: The Police Pension Fund of Peoria was established by municipal ordinance on June 1, 1877, to provide retirement, death, and disability benefits to the City's policemen or their beneficiaries. Although this is a single-employer pension plan, the defined benefits, as well as the employee and minimum employer contributions levels, are mandated by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended only by the Illinois legislature.

The Board of Trustees is the administrator of the Plan that was established by the City in accordance with the City Charter and Illinois Compiled Statutes. The Board of Trustees includes two City appointees, one elected retiree and two elected active police officers.

Firemen's Pension Fund of Peoria: The Firemen's Pension Fund of Peoria was established by municipal ordinance on June 24, 1895, to provide retirement, death, and disability benefits to the City's firemen or their beneficiaries. Although this is a single-employer pension plan, the defined benefits, as well as the employee and minimum employer contributions levels, are mandated by Illinois Compiled Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

The Board of Trustees is the administrator of the Fund that was established by the City in accordance with the Illinois Compiled Statutes. The Board of Trustees includes two City appointees, one elected retiree and two elected active firefighters.

Benefits Provided

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

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

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

- 3 percent of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Police Pension Fund: The Police Pension Plan provides retirement benefits as well as death and disability benefits. Policemen hired prior to January 1, 2011, are entitled to a specific set of retirement benefits. Employees under this tier attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held by the officer on the last day of service or for one year prior to the last day, whichever is greater. The monthly pension shall be increased by one-twelfth of 2.5 percent of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75 percent of such monthly salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The Police Pension Plan also provides for annual pension increases for beneficiaries as described in the Illinois Compiled Statutes, which is generally 3 percent of the original pension granted or 3 percent of the pension amount, depending on the individual's date of retirement.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Survivor benefits vary based on the timing of the participant's death. For duty related deaths, the benefit allowed for survivors is 100 percent of the salary earned at the time of death. For retirement and disability deaths, the benefit allowed to survivors is 100 percent of the benefit being received at the time of death. For survivors of participants who die in service, but not in the line of duty, the benefit is based on the years of service the participant had.

Under Illinois Public Act 096-1495, retirement benefits were revised for new officers hired on or after January 1, 2011. The normal retirement age for this tier of officers is 55, with an early retirement age of 50. Officers who enter into early retirement receive a 6 percent reduction for each year they retire prior to age 55. The salary used for retirement will be computed using an average salary representing the highest earning 8 consecutive years during the last 10 years of service. The salary amount is also limited to a ceiling of \$106,800 with annual increases based on the consumer price index-u. Annual cost of living adjustments will be equal to the lesser of 3 percent or one-half of the annual unadjusted percentage increase of the consumer price index-u. Survivor benefits will be limited to two-thirds of the deceased pensioner's benefits at his or her date of death.

Firemen's Pension Fund: The Firemen's Pension Plan provides retirement benefits as well as death and disability benefits. Firefighters hired prior to January 1, 2011, are entitled to a specific set of retirement benefits. Employees under this tier attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one-twelfth of 2.5 percent of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75 percent of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement or upon reaching at least the age of 55, by 3 percent of the original pension and 3 percent compounded annually thereafter.

Survivor benefits vary based on the timing of the participant's death. For duty-related deaths, the benefit allowed for survivors is 100 percent of the salary earned at the time of death. For retirement, disability, and non-duty-related deaths, the benefit allowed for survivors is the greater of 54 percent of the participant's salary at the time of death or 100 percent of the benefit allowed if the participant had retired.

Under Illinois Public Act 096-1495, retirement benefits were revised for new firefighters hired on or after January 1, 2011. The normal retirement age for this tier of firefighters is 55, with an early retirement age of 50. Firefighters who enter into early retirement receive a 6 percent reduction for each year they retire prior to age 55. The salary used for retirement will be computed using an average salary representing the highest earning 8 consecutive years during the last 10 years of service. The salary amount is also limited to a ceiling of \$106,800 with annual increases based on the consumer price index-u. Annual cost of living adjustments will be equal to the lesser of 3 percent or one-half of the annual unadjusted percentage increase of the consumer price index-u. Survivor benefits will be limited to two-thirds of the deceased pensioner's benefits at his or her date of death.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Employees Covered by Benefit Terms: As of December 31, 2014 and January 1, 2014 for the IMRF and Police and Firemen’s Pension Plans, respectively, the following employees were covered by the benefit terms:

	IMRF		Police Pension Fund of Peoria	Firemen's Pension Fund of Peoria
	Regular	Elected County Officials		
Retirees and beneficiaries currently receiving benefits	623	1	244	210
Inactive plan members entitled to but not yet receiving benefits	237	-	19	3
Active plan members	325	-	207	201
Total	1,185	1	470	414

Contributions

IMRF: As set by statute, the City’s Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. ECO employees participating in IMRF are required to contribute 7.5 percent of their covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City’s annual contribution rates for calendar year 2014 was 23.31 percent and 0.00 percent for RP and ECO, respectively. For the fiscal year ended December 31, 2015, the City contributed \$3,243,283 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Police Pension Fund: Covered employees are required to contribute 9.91 percent of their salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The City of Peoria is required to contribute the remaining amounts necessary to finance the Plan at an actuarially determined rate. Effective January 1, 2011, Illinois Public Act 096-1495 changed the funding requirements to amortize the unfunded actuarial liability over a 30-year closed period with a target funding of 90 percent by 2040. For the year ended December 31, 2015, the City’s contribution was 42.8 percent of covered payroll. For the fiscal year ended December 31, 2015, the City contributed \$7,858,832 to the plan. The City’s contributions are funded by property taxes levied for such purposes and an allocated share of replacement taxes collected by the City.

The current legislation also requires actuarial gains and losses experienced from investment returns to be recognized using a five-year smoothing method. The actuarially determined contribution presented in the Schedule of Employer Contributions is derived from the actuarial valuation by the Plan’s actuary. The actual employer contribution is based on the actuarially determined employer contribution calculated by the Illinois Department of Insurance’s actuary based on the funding requirements of Illinois Public Act 096-1495, as described above, and approved by the City of Peoria for funding purposes.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Firemen's Pension Fund: Covered employees are required to contribute 9.455 percent of their salary to the Firemen's Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The City of Peoria is required to contribute the remaining amounts necessary to finance the Plan at an actuarially determined rate. Effective January 1, 2011, Illinois Public Act 096-1495 changed the funding requirements to amortize the unfunded actuarial liability over a 30- year closed period with a target funding of 90 percent by 2040. For the year ended December 31, 2015, the City's contribution was 42.2 percent of covered payroll. For the fiscal year ended December 31, 2015, the City contributed \$7,153,055 to the plan. The City's contributions are funded by property taxes levied for such purposes and an allocated share of replacement taxes collected by the City.

The current legislation also requires actuarial gains and losses experienced from investment returns to be recognized using a five-year smoothing method. The actuarially determined contribution presented in the Schedule of Employer Contributions is derived from the actuarial valuation by the Plan's actuary. The actual employer contribution is based on the actuarially determined employer contribution calculated by the Illinois Department of Insurance's actuary based on the funding requirements of Illinois Public Act 096-1495, as described above, and approved by the City of Peoria for funding purposes.

Net Pension Liability: The City's net pension liability for the IMRF was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

For the Police and Firemen's Pension Funds, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2014, updated to December 31, 2014.

Actuarial Assumptions:

IMRF: The following are the methods and assumptions used to determine total pension liability at December 31, 2014:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 3.5 percent.
- Salary Increases were expected to be 3.75 percent to 14.50 percent, including inflation.
- The Investment Rate of Return was assumed to be 7.48 percent for RP and 7.50 percent for ECO.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	38.00%	7.60%
International equity	17.00	7.80
Fixed income	27.00	3.00
Real estate	8.00	6.15
Alternative investments	9.00	5.25-8.50
Cash equivalents	1.00	2.25
Total	100.00%	

Police Pension Fund: The total pension liability was determined by an actuarial valuation as of January 1, 2014, updated to December 31, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	4.00% - 9.00%
Investment Rate of Return	6.75%

Mortality rates: The RP-2000 Combined Healthy Annuitant Mortality Table with Blue Collar Adjustment for Males and Females, projected to 2014 using Scale AA, was used for active employees and pensioners. The RP-2000 Disabled Retiree Annuitant Mortality Table, projected to 2014 using Scale AA, was used for disabled police officers.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Long-term expected rate of return: Determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2014, are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Fixed income	35.00%	1.50%
U.S. equity	30.00	6.00
International equity	20.00	6.30
Real estate	10.00	5.90
Global tactical	5.00	4.10
Total	100.00%	

Firemen's Pension Fund: The total pension liability was determined by an actuarial valuation as of January 1, 2014, updated to December 31, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	4.00% - 9.00%
Investment Rate of Return	6.75%

Mortality rates: The RP-2000 Combined Healthy Annuitant Mortality Table with Blue Collar Adjustment for Males and Females, projected to 2014, was used for active employees and pensioners. The RP-2000 Disabled Retiree Annuitant Mortality Table, projected to 2014, was used for disabled firefighters.

Long-term expected rate of return: Determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2014, are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	33.00%	8.00%
International equity	24.00	8.10
Fixed income	38.00	2.60
REITS	3.00	7.00
Cash	2.00	1.00
	100.00%	

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Discount Rate

IMRF: Discount rates of 7.48 percent and 7.50 percent for RP and ECO, respectively were used to measure the total pension liability. The projection of cash flow used to determine these discount rates assumed that the plan members' contributions will be made at the current contribution rates, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The discount rates reflect:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).
3. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50 percent, the municipal bond rate is 3.56 percent, and the resulting single discount rate is 7.48 percent for RP and 7.50 percent for ECO.

Police and Firemen's Pension Funds: The discount rate used to measure the total pension liability for the Police and Firemen's Pension Funds was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plans' fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on the pension plans' investments were applied to all periods of projected benefit payments to determine the total pension liability.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Changes in Net Pension Liability:

IMRF:

	Regular		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Balances at December 31, 2014	\$ 189,113,675	\$ 178,273,421	\$ 10,840,254
Changes for the year:			
Service cost	2,208,213	-	2,208,213
Interest on the total pension liability	13,828,139	-	13,828,139
Differences between expected and actual experience of the total pension liability	(1,063,779)	-	(1,063,779)
Changes of assumptions	7,163,884	-	7,163,884
Contributions - employer	-	2,936,574	(2,936,574)
Contributions - employees	-	921,332	(921,332)
Net investment income	-	10,635,946	(10,635,946)
Benefit payments, including refunds of employee contributions	(11,685,199)	(11,685,199)	-
Other (net transfer)	-	(212,976)	212,976
Net changes	10,451,258	2,595,677	7,855,581
Balances at December 31, 2015	\$ 199,564,933	\$ 180,869,098	\$ 18,695,835

	Elected County Officials		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Balances at December 31, 2014	\$ -	\$ -	\$ -
Changes for the year:			
Differences between expected and actual experience of the total pension liability	199,376	-	199,376
Changes of assumptions	6,104	-	6,104
Other (net transfer)	-	197,902	(197,902)
Net changes	205,480	197,902	7,578
Balances at December 31, 2015	\$ 205,480	\$ 197,902	\$ 7,578

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Police Pension Fund:

	Police Pension Fund		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Balances at December 31, 2013	\$ 277,854,243	\$ 159,432,708	\$ 118,421,535
Changes for the year:			
Service cost	5,251,316	-	5,251,316
Interest	18,171,878	-	18,171,878
Contributions - employer	-	7,819,927	(7,819,927)
Contributions - member	-	1,877,977	(1,877,977)
Contributions - buy back	24,328	24,328	-
Net investment income	-	6,523,587	(6,523,587)
Benefit payments, including refunds of member contributions	(13,496,601)	(13,496,601)	-
Administrative expenses	-	(185,810)	185,810
Other changes	-	4,376	(4,376)
Net changes	9,950,921	2,567,784	7,383,137
Balances at December 31, 2014	\$ 287,805,164	\$ 162,000,492	\$ 125,804,672

Firemen's Pension Fund:

	Firemen's Pension Fund		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Balances at December 31, 2013	\$ 227,261,116	\$ 131,204,498	\$ 96,056,618
Changes for the year:			
Service cost	5,269,553	-	5,269,553
Interest	15,307,714	-	15,307,714
Contributions - employer	-	6,601,502	(6,601,502)
Contributions - member	-	1,580,125	(1,580,125)
Net investment income	-	5,224,390	(5,224,390)
Benefit payments, including refunds of member contributions	(11,499,439)	(11,499,439)	-
Administrative expenses	-	(105,120)	105,120
Net changes	9,077,828	1,801,458	7,276,370
Balances at December 31, 2014	\$ 236,338,944	\$ 133,005,956	\$ 103,332,988

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability, calculated using a discount rates of 7.48 percent and 7.50 percent for IMRF's RP and ECO plans, respectively, and 6.75 percent for both the Police and Firemen's Pension Funds, as well as what the plan's net pension liability would be if it were calculated using discount rates that are 1 percent lower or 1 percent higher:

	1% Decrease		Current Discount		1% Increase	
	Rate	NPL	Rate	NPL	Rate	(NPA) NPL
IMRF - Regular	6.48%	\$ 42,276,509	7.48%	\$ 18,695,835	8.48%	\$ (829,869)
IMRF - Elected County Officials	6.50%	\$ 31,323	7.50%	\$ 7,578	8.50%	\$ (12,256)
Police Pension Fund	5.75%	\$ 163,222,044	6.75%	\$ 125,804,672	7.75%	\$ 94,774,889
Firemen's Pension Fund	5.75%	\$ 132,540,525	6.75%	\$ 103,332,988	7.75%	\$ 78,885,460

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

IMRF: For the year ended December 31, 2015, the City recognized pension expense of \$5,080,351. At December 31, 2015, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Regular		Elected County Officials	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods:				
Differences between expected and actual experience	\$ -	\$ 704,746	\$ -	\$ -
Changes of assumptions	4,746,022	-	-	-
Net difference between projected and actual earnings on pension plan investments	1,946,440	-	5,937	-
Total deferred amounts to be recognized in pension expense in future periods	6,692,462	704,746	5,937	-
Pension contributions made subsequent to the measurement date	3,243,283	-	-	-
Total deferred amounts related to pensions	\$ 9,935,745	\$ 704,746	\$ 5,937	\$ -

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Deferred pension outflows totaling \$3,243,283 resulting from the City's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. The deferred outflows totaling \$1,952,377 resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. The deferred inflows of \$704,746 resulting from differences between expected and actual experience and the deferred outflows of \$4,746,022 resulting from changes of assumptions will be recognized in pension expense using the average expected remaining service lives of all IMRF members. The average is determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the plan are estimated at 2.96 years at December 31, 2014 and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan. Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

	Regular		Elected County Officials	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Year ending December 31:				
2015	\$ 2,904,472	\$ 359,033	\$ 1,484	\$ -
2016	2,814,770	345,713	1,484	-
2017	486,610	-	1,484	-
2018	486,610	-	1,485	-
Total	<u>\$ 6,692,462</u>	<u>\$ 704,746</u>	<u>\$ 5,937</u>	<u>\$ -</u>

Police Pension Fund: For the year ended December 31, 2015 the City recognized pension expense of \$11,919,492. On December 31, 2015 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Police Pension Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods:		
Net difference between projected and actual earnings on pension plan investments	\$ 3,283,572	\$ -
Total deferred amounts to be recognized in pension expense in future periods	3,283,572	-
Pension contributions made subsequent to the measurement date	7,858,832	-
Total deferred amounts related to pensions	<u>\$ 11,142,404</u>	<u>\$ -</u>

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Deferred pension outflows totaling \$7,858,832 resulting from the City's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. The deferred outflows totaling \$3,283,572 resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. Deferred outflows of resources will be recognized in pension expense as follows:

	Police Pension Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Year ending December 31:		
2016	\$ 820,893	\$ -
2017	820,893	-
2018	820,893	-
2019	820,893	-
Total	<u>\$ 3,283,572</u>	<u>\$ -</u>

Firemen's Pension Fund: For the year ended December 31, 2015 the City recognized pension expense of \$11,064,760. On December 31, 2015 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Firemen's Pension Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods:		
Net difference between projected and actual earnings on pension plan investments	\$ 2,813,112	\$ -
Total deferred amounts to be recognized in pension expense in future periods	2,813,112	-
Pension contributions made subsequent to the measurement date	7,153,055	-
Total deferred amounts related to pensions	<u>\$ 9,966,167</u>	<u>\$ -</u>

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 10. Pension Plans (Continued)

Deferred pension outflows totaling \$7,153,055 resulting from the City's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. The deferred outflows totaling \$2,813,112 resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. Deferred outflows of resources will be recognized in pension expense as follows:

	Firemen's Pension Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Year ending December 31:		
2016	\$ 703,278	\$ -
2017	703,278	-
2018	703,278	-
2019	703,278	-
Total	<u>\$ 2,813,112</u>	<u>\$ -</u>

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, 2015, the City recognized \$1,096,564 as subsidies to the Civic Center.

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, 2015, the City recognized \$642,500 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, 2015, the City recognized \$100,000 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, 2015, the City recognized \$1,026,103 as subsidies to this fund.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 11. Commitments – Primary Government (Continued)

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, 2015 was \$678,122 and the City recognized \$193,750 as revenue in the current year.

Various contract commitments: The City has commitments of \$4,571,560 on various contracts for public works purposes to be expended after year-end.

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, 2015, there were two series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of approximately \$3,385,000.

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, 2015.

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.

Long-term debt: Long-term debt consists of 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, 2015 was 1.94 percent, with final payment due March 1, 2022, and a capital lease for a scoreboard and a portion of a suite remodel, requiring monthly principal payments of \$20,006 plus interest at LIBOR plus 1.75 percent per year, which at August 31, 2015 was 1.94 percent, with final payment due December 2017. The scoreboard acquired under this lease was capitalized at an original cost of \$1,279,948 and has accumulated depreciation of \$914,248 at August 31, 2015. The suite remodel was part of a larger project whose total capitalized cost was \$1,151,721 and has accumulated depreciation of \$575,861 at August 31, 2015.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 14. Other Component Unit Disclosures (Continued)

Future maturities of long-term debt are as follows:

Year ending August 31:	Principal	Interest	Total
2016	\$ 350,077	\$ 37,022	\$ 387,099
2017	350,077	26,069	376,146
2018	190,028	16,850	206,878
2019	110,004	12,546	122,550
2020	110,004	8,531	118,535
2021 - 2022	174,130	5,297	179,427
	<u>\$ 1,284,320</u>	<u>\$ 106,315</u>	<u>\$ 1,390,635</u>

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:

Assets:	Years
Buildings and improvements	39
Land improvements	20
Furniture and equipment	3-7

Unearned revenue: Unearned revenue as of December 31, 2015 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, 2015 amounted to \$395,757 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.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 14. Other Component Unit Disclosures (Continued)

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.

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. The Plan does not issue separate financial statements.

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 under age 65 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 Statement No. 43 for current GASB reporting.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 15. Other Postemployment Benefits (Continued)

The required contribution is based on projected pay-as-you-go financing. For fiscal year 2015, the City contributed \$1,181,329 which was net of retirees premiums received of \$2,684,316. The General Fund has assigned fund balance of \$17,133,977 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.

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	\$ 9,130,736
Interest on net OPEB obligation	2,547,602
Adjustment to annual required contribution	<u>(2,161,951)</u>
Annual OPEB cost	9,516,387
Contributions and payments made	<u>(1,181,329)</u>
Increase in net OPEB obligation	8,335,058
Net OPEB obligation - Beginning of year	<u>57,811,234</u>
Net OPEB obligation - End of year	<u><u>\$ 66,146,292</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2015	\$ 9,516,387	12.41%	\$ 66,146,292
December 31, 2014	10,038,860	24.29	57,811,234
December 31, 2013	9,358,927	21.28	50,211,206

Funded status and funding progress: As of December 31, 2015, the most recent valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$82.8 million and the actuarial value of assets is none resulting in an unfunded actuarial accrued liability (UAAL) of \$82.8 million. The covered payroll (annual payroll of active employees covered by the plan) was \$64.9 million, and the ratio of the UAAL to the covered payroll was 127.7 percent.

City of Peoria, Illinois

Notes to Basic Financial Statements

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, 2015 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, general inflation rate of zero, and an annual health care cost trend rate of 10.0 percent reduced by decrements of 0.5 percent annually to an ultimate rate of 5.0 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, 2015, 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. 72, *Fair Value Measurement and Application*, issued February 2015, will be effective for the City with its year ending December 31, 2016. This Statement defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. This Statement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments, which generally are measured at fair value, are defined as a security or other asset that governments hold primarily for the purpose of income or profit and the present service capacity of which are based solely on their ability to generate cash or to be sold to generate cash. The related disclosures have been expanded to categorize fair values according to their relative reliability and to describe positions held in many alternative investments.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued in June 2015, will be effective for the City beginning with its fiscal year ending December 31, 2018. The Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB they provide and outlines the reporting requirements by governments for defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust and OPEB not provided through a trust. The Statement also requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances, called special funding situations, the Statement requires these governments to recognize in their financial statements a share of the other government's net OPEB liability.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, issued July 2015, will be effective for the City beginning with its fiscal year ending December 31, 2016. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55. The first category of authoritative GAAP consists of GASB Statements. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by the GASB. The Statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures*, issued August 2015, will be effective for the City beginning with its fiscal year ending December 31, 2016. This statement requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. The disclosures about the government's own tax abatement agreements includes the purpose of the tax abatement program, the tax being abated, the amount of tax being abated, the provisions of recapturing abated taxes, the types of commitments made by tax abatement recipients, and other commitments made by government in tax abatement agreements. The disclosures about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues includes the name of the government entering into the abatement agreement, the tax being abated, and the amount of the reporting government's tax being abated.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, issued December 2015, will be effective for the City beginning with its fiscal year ending December 31, 2016. Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants by establishing criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The Statement also establishes additional note disclosure requirements for qualifying external investment pools and for governments that participate in those pools.

City of Peoria, Illinois

Notes to Basic Financial Statements

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

GASB Statement No. 80, *Blending Requirements for Certain Component Units*, issued February 2016, will be effective for the City beginning with its fiscal year ending December 31, 2017. Statement No. 80 clarifies the display requirements in GASB Statement No. 14, *The Financial Reporting Entity*, by requiring component units incorporated as not-for-profit corporations to be blended into the primary state or local government's financial statements in a manner similar to a department or activity of the primary government. The guidance addresses diversity in practice regarding the presentation of not-for-profit corporations in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

GASB Statement No. 82, *Pension Issues*, issued April 2016, will be effective for the City beginning with its fiscal year ending December 31, 2017. Statement No. 82 is designed to improve consistency in the application of the pension standards by clarifying or amending related areas of existing guidance with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The City's management has determined the implementation of GASB Statement No. 75 will have a significant impact on the City's financial statements but has not yet determined the effect of Statement Nos. 72, 76, 77, 79, 80 and 82.

Note 17. Subsequent Event

In March 2016, the City issued \$9,710,000 Variable Rate General Obligation Demand Bonds, Series 2016A that will bear interest initially in the Weekly Rate Mode and, thereafter in the Adjustable Rate Mode, until paid, at the rates therein provided payable on each Interest Payment Date, due January 1, 2018 through 2031 and with annual debt service from \$460,000 to \$920,000 to redeem the City's outstanding Taxable Variable Rate General Obligation Capital Improvement Bonds, Series 2012C and to construct public capital infrastructure improvements, including but not limited to street and road improvements, curb, gutter and sidewalk improvements, and water and sewer system improvements and to pay the costs of issuing the Bonds.

In March 2016, the City issued \$19,070,000 General Obligation Refunding Bonds, Series 2016B with interest rates of 2.00 percent to 5.00 percent due January 1, 2017 and 2019 through 2028 and with annual debt service from \$155,000 to \$2,365,000 to advance refund a portion of the City's outstanding General Obligation Library Bonds, Series 2008A, due January 1, 2019 through 2028 and to pay the costs of issuing the Bonds.

City of Peoria, Illinois

Notes to Basic Financial Statements

Note 18. Restatement

The net positions of the Police and Firemen's Pension Funds as of December 31, 2014 were restated due to additional information obtained after the implementation of GASB Statement No. 67 related to the recognition of contributions receivable limited to those due pursuant to legal requirements. As a result, the employer contributions from replacement taxes were determined to no longer meet the criteria for recognition as a receivable from the employer.

	<u>Aggregate Remaining Fund Information</u>
Net position, December 31, 2014, as previously reported	\$ 311,006,277
Decrease in employer contribution receivable - Police	(6,639,711)
Decrease in employer contribution receivable - Fire	(6,043,450)
Net position (deficit), December 31, 2014, as restated	<u>\$ 298,323,116</u>

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City of Peoria, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
General Fund and Peoria Public Library Fund
Required Supplementary Information
Year Ended December 31, 2015**

	General Fund			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 2,315,177	\$ 2,315,177	\$ 1,658,390	\$ (656,787)
Corporate personal property replacement taxes	3,071,399	3,071,399	2,849,454	(221,945)
State sales taxes	23,979,200	23,979,200	24,512,792	533,592
State income tax allocation	11,220,000	11,220,000	12,435,605	1,215,605
Home rule sales taxes	22,201,400	22,201,400	21,943,713	(257,687)
Hotel, restaurant and amusement taxes	7,500,000	7,500,000	8,134,128	634,128
Utility taxes	3,894,500	3,894,500	3,598,409	(296,091)
Governmental grants and reimbursements	600,676	673,211	442,680	(230,531)
Licenses and permits	2,493,600	2,493,600	2,684,807	191,207
Service charges/fines/fees	10,245,100	10,245,100	7,351,219	(2,893,881)
Loan repayment	-	-	304,348	304,348
Rental	100,000	100,000	163,399	63,399
Interest	91,000	91,000	870,368	779,368
Other	5,199,200	2,299,200	2,425,994	126,794
Total revenues	92,911,252	90,083,787	89,375,306	(708,481)
Expenditures:				
Current:				
Elective offices, boards, commissions and agencies	1,827,921	2,026,806	1,541,076	485,730
City administration	19,185,579	6,845,626	5,527,560	1,318,066
Police	25,818,109	30,038,652	29,196,764	841,888
Fire	20,048,402	24,448,966	23,196,994	1,251,972
Public works	13,871,713	17,099,130	15,248,949	1,850,181
Community development	4,175,954	4,968,478	5,115,673	(147,195)
Public safety	3,677,068	4,507,188	4,092,427	414,761
General government	84,875	2,404,182	2,808,276	(404,094)
Library	-	762,747	774,189	(11,442)
Capital outlay	-	-	-	-
Total expenditures	88,689,621	93,101,775	87,501,908	5,599,867
Excess (deficiency) of revenues over expenditures	4,221,631	(3,017,988)	1,873,398	(6,308,348)
Other financing sources (uses):				
Transfers in	5,883,457	6,044,158	6,065,190	21,032
Transfers out	(6,537,275)	(6,787,275)	(6,697,438)	89,837
Total other financing sources (uses)	(653,818)	(743,117)	(632,248)	110,869
Net change in fund balances	\$ 3,567,813	\$ (3,761,105)	1,241,150	\$ (6,197,479)
Fund balances, beginning of year			<u>46,676,275</u>	
Fund balances, end of year			<u>\$ 47,917,425</u>	

See note to required supplementary information.

Peoria Public Library Fund

	Original Budget	Final Budget	Actual	Variance With Final Budget
\$	6,457,505	\$ 6,457,505	\$ 6,320,916	\$ (136,589)
	465,948	465,948	465,948	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	118,187	118,187	161,041	42,854
	-	-	-	-
	106,404	106,404	124,750	18,346
	-	-	-	-
	-	-	-	-
	2,623	2,623	5,997	3,374
	28,680	28,680	21,614	(7,066)
	<u>7,179,347</u>	<u>7,179,347</u>	<u>7,100,266</u>	<u>(79,081)</u>
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	5,438,785	5,438,785	5,548,642	(109,857)
	961,008	961,008	822,142	138,866
	<u>6,399,793</u>	<u>6,399,793</u>	<u>6,370,784</u>	<u>29,009</u>
	<u>779,554</u>	<u>779,554</u>	<u>729,482</u>	<u>(108,090)</u>
	-	-	-	-
	(779,554)	(779,554)	(779,554)	-
	<u>(779,554)</u>	<u>(779,554)</u>	<u>(779,554)</u>	<u>-</u>
\$	<u>-</u>	\$ <u>-</u>	(50,072)	\$ <u>(108,090)</u>
			<u>3,138,408</u>	
			<u>\$ 3,088,336</u>	

City of Peoria, Illinois

Note to Required Supplementary Information

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 and the Peoria Public Library, as presented in the Required Supplemental Information.

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

	Final Budget	Actual	Overage
Nonmajor:			
Motor Fuel Tax Fund	\$ 6,595,831	\$ 9,088,438	\$ 2,492,607
State and Local Auto Theft Enforcement Grant Fund	-	50,915	50,915
Solid Waste Fund	280,742	348,977	68,235
Tourism Reserve Fund	1,000,000	1,088,315	88,315
General Obligation Bond Debt Service Master Fund	10,244,324	13,238,074	2,993,750
2007-A Special Assessment Bond Debt Service Fund	127,925	128,425	500
2012A General Obligation Bond Debt Service Fund	1,946,738	1,946,988	250
2012C General Obligation Bond Debt Service Fund	336,050	353,862	17,812

The 2015A, 2015B, 2015C, and 2015D General Obligation Bonds were issued after the City Council had adopted the fiscal year 2015 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.
Peoria Foreign Fire Insurance Board	Formal budget is not adopted by this blended component unit.
Westlake Special Service Area Fund	Formal budget not adopted to non-measurable revenue and expenditures, as fund created in 2014. Will be budgeted in future years with historical data.
Youthbuild Grant Fund	Budget is for the length of the grant not the calendar year.
Capital projects funds	Budgets adopted on a project-length budget.

City of Peoria, Illinois

**Required Supplementary Information
 Schedule of Changes in the Net Pension Liability and Related Ratios
 Illinois Municipal Retirement Fund**

Fiscal year ending December 31,	2014
Total Pension Liability	
Service cost	\$ 2,208,213
Interest on the total pension liability	13,828,139
Difference between expected and actual experience of the total pension liability	(864,403)
Changes of assumptions	7,169,988
Benefit payments, including refunds of employee contributions	<u>(11,685,199)</u>
Net change in total pension liability	10,656,738
Total pension liability, beginning	<u>189,113,675</u>
Total pension liability, ending (A)	<u><u>\$ 199,770,413</u></u>
Plan Fiduciary Net Position	
Contributions-employer	\$ 2,936,574
Contributions-employees	921,332
Net investment income	10,635,946
Benefit payments, including refunds of employee contributions	(11,685,199)
Other	<u>(15,074)</u>
Net change in plan fiduciary net position	2,793,579
Plan fiduciary net position, beginning	<u>178,273,421</u>
Plan fiduciary net position, ending (B)	<u><u>\$ 181,067,000</u></u>
Net pension liability - ending (A) - (B)	<u><u>\$ 18,703,413</u></u>
Plan fiduciary net position as a percentage of the total pension liability	90.64%
Covered valuation payroll	\$ 19,510,671
Net pension liability as a percentage of covered valuation payroll	95.86%

Note: GASB Statement No. 68 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

City of Peoria, Illinois

**Required Supplementary Information
Schedule of Employer Contributions
Illinois Municipal Retirement Fund**

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$ 3,051,469	\$ 3,052,087	\$ (618)	\$ 19,510,671	15.64%
2013	2,838,946	2,677,066	161,880	19,466,220	13.75
2012	2,898,811	2,621,256	277,555	21,042,950	12.46
2011	3,197,663	2,663,618	534,045	23,529,529	11.32
2010	3,230,635	2,559,792	670,843	24,327,068	10.52
2009	3,448,360	3,448,360	-	26,875,744	12.83
2008	3,595,249	3,595,249	-	25,662,020	14.01
2007	3,792,635	3,792,635	-	25,351,842	14.96
2006	3,646,549	3,646,549	-	23,694,274	15.39
2005	3,355,093	3,355,093	-	22,412,111	14.97

City of Peoria, Illinois

**Notes to Required Supplementary Information – Illinois Municipal Retirement System
Year Ended December 31, 2014**

Summary of Actuarial Methods and Assumptions used in the Calculation of the 2014 Contribution Rate*

Valuation Date:

Notes: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions used to Determine 2014 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	29-year closed period
Asset Valuation Method:	5-year smoothed market, 20% corridor
Wage Growth:	4%
Price Inflation:	3%, approximate; no explicit price inflation assumption is used in valuation
Salary Increases:	4.40% to 16%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality:	RP-2000 combined healthy mortality table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disables lives, the mortality rates are the rates applicable to nondisabled lives set forward 10 years.

Other information:

Notes: There were no benefit changes during the year.

* Based on valuation assumptions used in the December 31, 2012, actuarial valuation; note two year lag between valuation and rate setting.

City of Peoria, Illinois

**Required Supplementary Information
Police Pension Fund of Peoria
Schedule of Changes in the Fund's Net Pension Liability and Related Ratios**

Fiscal year ending December 31,	2014
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Total pension liability:	
Service cost	\$ 5,251,316
Interest	18,171,878
Contributions - buy back	24,328
Benefit payments, including refunds of plan member contributions	<u>(13,496,601)</u>
Net change in total pension liability	9,950,921
Total pension liability, beginning	<u>277,854,243</u>
Total pension liability, ending	<u><u>\$ 287,805,164</u></u>
Plan fiduciary net position:	
Employer contributions	\$ 7,819,927
Member contributions	1,877,977
Contributions - buy back	24,328
Net investment income	6,523,587
Benefit payments, including refunds of plan member contributions	(13,496,601)
Administrative expenses	(185,810)
Other changes	<u>4,376</u>
Net change in plan fiduciary net position	2,567,784
Plan fiduciary net position, beginning, as restated	<u>159,432,708</u>
Plan fiduciary net position, ending	<u><u>\$ 162,000,492</u></u>
Fund's net pension liability	<u><u>\$ 125,804,672</u></u>
Plan fiduciary net position as a percentage of total pension liability	56.29%
Covered-employee payroll	\$ 17,693,091
Fund's net pension liability as a percentage of covered-employee payroll	711.04%

Note to Schedule:

Changes of assumptions:

For the 2015 Reporting Period Ending, amounts reported as changes of assumptions were the result of updating the mortality table to better reflect anticipated mortality experience in the future.

City of Peoria, Illinois

**Required Supplementary Information
Police Pension Fund of Peoria
Schedule of Fund Contributions**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2014	\$ 8,000,452	\$ 7,819,927	\$ 180,525	\$ 17,693,091	44.20%
2013	7,744,750	6,471,829	1,272,921	18,628,745	34.74
2012	5,936,531	5,061,727	874,804	17,254,113	29.34
2011	4,773,412	5,199,707	(426,295)	16,736,677	31.07
2010	4,204,204	4,609,645	(405,441)	16,494,393	27.95
2009	2,660,990	3,898,651	(1,237,661)	16,723,267	23.31
2008	2,529,390	3,428,237	(898,847)	16,061,815	21.34
2007	2,285,435	3,230,855	(945,420)	15,241,498	21.20
2006	N/A	N/A	N/A	N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A

The actuarially determined contribution and recognized employer contribution are presented in accordance with GASB Statement No. 25 for fiscal years 2013 and prior.

The actuarially determined contribution and recognized employer contribution are presented in accordance with GASB Statement No. 67 for fiscal year 2014.

N/A - information not available

City of Peoria, Illinois

**Required Supplementary Information
Police Pension Fund of Peoria
Schedule of Fund Contributions (Continued)**

Valuation date: Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding method	Projected Unit Credit
Amortization method	Normal Cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040.
Actuarial asset method	Invested gains and losses are recognized over a 5-year period
Interest rate	6.75%
Interest rate, prior fiscal year	6.75%
Healthy Mortality Rates - Male	RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment
Healthy Mortality Rates - Female	RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment
Disability Mortality Rates - Male	RP-2000 Disabled Retiree Mortality.
Disability Mortality Rates - Female	RP-2000 Disabled Retiree Mortality.
Decrements other than mortality:	Experience tables
Rate of service-related deaths	5.00%
Rate of service-related disabilities	70.00%
Salary increases	Service-related table with rates grading from 11% to 4% at 30 years of service
Payroll growth	4.50%
Tier 2 Cost-of Living Adjustment	1.25%
Marital status	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses
Other information	The actuarial assumptions used for determining the above amounts are based on experience for all Article 3 funds for the State of Illinois in aggregate. The Department of Insurance has approved the above actuarial assumptions. Contact the Department of Insurance for complete experience tables.

City of Peoria, Illinois

**Required Supplementary Information
Police Pension Fund of Peoria
Schedule of Investment Returns**

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2014	4.14%

City of Peoria, Illinois

**Required Supplementary Information
Firemen's Pension Fund of Peoria
Schedule of Changes in the Fund's Net Pension Liability and Related Ratios**

Fiscal year ending December 31,	2014
<hr/>	
Total pension liability:	
Service cost	\$ 5,269,553
Interest	15,307,714
Benefit payments, including refunds of plan member contributions	<u>(11,499,439)</u>
Net change in total pension liability	9,077,828
Total pension liability, beginning	<u>227,261,116</u>
Total pension liability, ending	<u><u>\$ 236,338,944</u></u>
Plan fiduciary net position:	
Employer contributions	\$ 6,601,502
Member contributions	1,580,125
Net investment income	5,224,390
Benefit payments, including refunds of plan member contributions	(11,499,439)
Administrative expenses	<u>(105,120)</u>
Net change in plan fiduciary net position	1,801,458
Plan fiduciary net position, beginning, as restated	<u>131,204,498</u>
Plan fiduciary net position, ending	<u><u>\$ 133,005,956</u></u>
Fund's net pension liability	<u><u>\$ 103,332,988</u></u>
Plan fiduciary net position as a percentage of total pension liability	56.28%
Covered-employee payroll	\$ 15,950,315
Fund's net pension liability as a percentage of covered-employee payroll	647.84%

City of Peoria, Illinois

**Required Supplementary Information
Firemen's Pension Fund of Peoria
Schedule of Fund Contributions**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2014	\$ 8,825,900	\$ 7,193,534	\$ 1,632,366	\$ 15,950,315	45.10%
2013	7,510,977	7,317,319	193,658	15,155,298	48.28
2012	6,815,026	6,463,705	351,321	14,659,650	44.09
2011	6,814,550	6,745,308	69,242	14,071,164	47.94
2010	5,681,839	5,641,164	40,675	13,575,743	41.55
2009	5,067,851	5,040,842	27,009	14,202,691	35.49
2008	4,852,115	4,844,783	7,332	13,204,082	36.69
2007	4,307,276	4,296,580	10,696	12,643,538	33.98
2006	N/A	N/A	N/A	N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A

The actuarially determined contribution and recognized employer contribution are presented in accordance with GASB Statement No. 25 for fiscal years 2013 and prior.

The actuarially determined contribution and recognized employer contribution are presented in accordance with GASB Statement No. 67 for fiscal year 2014.

N/A - information not available

City of Peoria, Illinois

**Required Supplementary Information
Firemen's Pension Fund of Peoria
Schedule of Fund Contributions (Continued)**

Valuation date: Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding method	Projected Unit Credit
Amortization method	Normal Cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040
Actuarial asset method	Invested gains and losses are recognized over a 5-year period
Interest rate	6.75%
Interest rate, prior fiscal year	6.75%
Healthy Mortality Rates - Male	RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment
Healthy Mortality Rates - Female	RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment
Disability Mortality Rates - Male	RP-2000 Disabled Retiree Mortality.
Disability Mortality Rates - Female	RP-2000 Disabled Retiree Mortality.
Decrements other than mortality:	Experience tables
Rate of service-related deaths	5.00%
Rate of service-related disabilities	90.00%
Salary increases	Service-related table with rates grading from 12% to 4% at 30 years of service
Payroll growth	4.50%
Tier 2 Cost-of Living Adjustment	1.25%
Marital status	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses
Other information	The actuarial assumptions used for determining the above amounts are based on experience for all Article 3 funds for the State of Illinois in aggregate. The Department of Insurance has approved the above actuarial assumptions. Contact the Department of Insurance for complete experience tables.

City of Peoria, Illinois

**Required Supplementary Information
Firemen's Pension Fund of Peoria
Schedule of Investment Returns**

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2014	4.41%

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]
2015	1/1/2015	\$ -	\$ 82,810,757	\$ 82,810,757	- %	\$ 64,859,194	127.68%
2014	1/1/2013	-	92,000,000	92,000,000	-	62,695,931	146.74
2013	1/1/2013	-	88,000,000	88,000,000	-	60,575,779	145.27

The information presented in the required supplementary schedule was determined as part of the actuarial valuation as of December 31, 2015. 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.

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City of Peoria, Illinois

**Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2015**

	Special Revenue Funds			
	Motor Fuel Tax Fund	Community Development Block Grant Fund	State and Local Auto Theft Enforcement Grant Fund	Multi-County MEG Grant Fund
Assets				
Cash and cash equivalents	\$ 21,133	\$ 2,294	\$ 3,576	\$ -
Cash and investments with trustee	-	-	-	-
Investments	3,313,098	-	-	-
Hotel, restaurant, & amusement taxes receivable	-	-	-	-
Property taxes receivable	-	-	-	-
Governmental grants and reimbursements receivable	259,558	329,604	-	14,236
Loans receivable, net	-	420,197	-	-
Other receivables, net	348,322	-	-	-
Receivable, garbage fee	-	-	-	-
Accrued interest receivable	5,095	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ 3,947,206	\$ 752,095	\$ 3,576	\$ 14,236
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ 627,732	\$ 187,074	\$ -	\$ 14,236
Accrued payroll	581	10,307	-	-
Due to other funds	1,375,000	71,970	-	-
Unearned revenue, other	-	-	-	-
Total liabilities	2,003,313	269,351	-	14,236
Deferred inflows of resources:				
Unavailable revenue - property taxes	-	-	-	-
Unavailable revenue - intergovernmental and loans	-	482,744	-	-
Unavailable revenue - other	-	-	-	-
Total deferred inflows of resources	-	482,744	-	-
Fund balance (deficit):				
Restricted:				
Debt service	-	-	-	-
Tourism	-	-	-	-
Law enforcement	-	-	3,576	-
Grants and loans	-	-	-	-
Landfill operations	-	-	-	-
Riverfront development	-	-	-	-
Capital improvements and equipment	1,943,893	-	-	-
Unassigned	-	-	-	-
Total fund balance (deficit)	1,943,893	-	3,576	-
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 3,947,206	\$ 752,095	\$ 3,576	\$ 14,236

(Continued)

Special Revenue Funds

Home Investment Partnership Program Fund	Solid Waste Fund	Refuse Collection Fund	Sewer Fund	Peoria Foreign Fire Insurance Board	Westlake Special Service Area Fund	Youthbuild Grant Fund
\$ 138,062	\$ 216,047	\$ 511,915	\$ 5,195	\$ 218,426	\$ 140,608	\$ 25
-	-	-	-	-	-	-
-	638	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	40,000	-
144,825	-	-	-	-	-	7,216
1,183	-	-	-	-	-	-
100	-	121,905	209,187	-	10	-
-	-	1,884,295	-	-	-	-
-	-	-	-	-	-	-
606	-	-	-	-	-	-
\$ 284,776	\$ 216,685	\$ 2,518,115	\$ 214,382	\$ 218,426	\$ 180,618	\$ 7,241
\$ 96,508	\$ 82,602	\$ 58,781	\$ 377,992	\$ -	\$ -	\$ 4,408
1,498	-	-	750	-	-	2,550
-	-	4,952,282	672,772	-	-	-
-	-	-	-	-	-	-
98,006	82,602	5,011,063	1,051,514	-	-	6,958
-	-	-	-	-	40,000	-
186,970	-	-	-	-	-	-
-	-	-	-	-	-	-
186,970	-	-	-	-	40,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	134,083	-	-	-	-	283
-	-	-	-	-	-	-
-	-	-	-	218,426	140,618	-
(200)	-	(2,492,948)	(837,132)	-	-	-
(200)	134,083	(2,492,948)	(837,132)	218,426	140,618	283
\$ 284,776	\$ 216,685	\$ 2,518,115	\$ 214,382	\$ 218,426	\$ 180,618	\$ 7,241

City of Peoria, Illinois

Nonmajor Governmental Funds (Continued)
Combining Balance Sheet
December 31, 2015

	Special Revenue Funds			
	FICA Medicare Fund	Tourism Reserve Fund	Innovation Grant Fund	Holiday Inn Special Service Area Fund
Assets				
Cash and cash equivalents	\$ -	\$ 1,888,931	\$ 276,094	\$ -
Cash and investments with trustee	-	-	-	-
Investments	-	-	-	-
Hotel, restaurant, & amusement taxes receivable	-	125,287	-	-
Property taxes receivable	1,562,000	-	-	17,400
Governmental grants and reimbursements receivable	-	-	-	-
Loans receivable, net	-	-	-	-
Other receivables, net	-	-	-	-
Receivable, garbage fee	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ 1,562,000	\$ 2,014,218	\$ 276,094	\$ 17,400
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ 76,294	\$ 60,282	\$ -
Accrued payroll	-	-	8,001	-
Due to other funds	-	-	-	-
Unearned revenue, other	-	-	206,922	-
Total liabilities	-	76,294	275,205	-
Deferred inflows of resources:				
Unavailable revenue - property taxes	1,562,000	-	-	17,400
Unavailable revenue - intergovernmental and loans	-	-	-	-
Unavailable revenue - other	-	-	-	-
Total deferred inflows of resources	1,562,000	-	-	17,400
Fund balance (deficit):				
Restricted:				
Debt service	-	-	-	-
Tourism	-	1,937,924	-	-
Law enforcement	-	-	-	-
Grants and loans	-	-	889	-
Landfill operations	-	-	-	-
Riverfront development	-	-	-	-
Capital improvements and equipment	-	-	-	-
Unassigned	-	-	-	-
Total fund balance (deficit)	-	1,937,924	889	-
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 1,562,000	\$ 2,014,218	\$ 276,094	\$ 17,400

(Continued)

Special Revenue Fund Knoxville Junction Special Service Area Fund	Debt Service Funds					
	2005A General Obligation Bond Debt Service Fund	WeaverRidge Debt Service Fund	2006 Special Assessment Bond Debt Service Fund	2007-A Special Assessment Bond Debt Service Fund	2008A Library General Obligation Bond Debt Service Fund	2010D General Obligation Bond Debt Service Fund
\$ -	\$ -	\$ -	\$ 1,675,397	\$ 18,624	\$ 290,830	\$ 1,038
-	-	486,154	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
115,000	-	-	-	-	2,342,100	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,088,191	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	502,339	-	-	-	-
<u>\$ 115,000</u>	<u>\$ -</u>	<u>\$ 988,493</u>	<u>\$ 3,763,588</u>	<u>\$ 18,624</u>	<u>\$ 2,632,930</u>	<u>\$ 1,038</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
115,000	-	-	-	-	2,342,100	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>115,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,342,100</u>	<u>-</u>
-	-	988,493	3,763,588	18,624	290,830	1,038
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	988,493	3,763,588	18,624	290,830	1,038
<u>\$ 115,000</u>	<u>\$ -</u>	<u>\$ 988,493</u>	<u>\$ 3,763,588</u>	<u>\$ 18,624</u>	<u>\$ 2,632,930</u>	<u>\$ 1,038</u>

City of Peoria, Illinois

Nonmajor Governmental Funds (Continued)
Combining Balance Sheet
December 31, 2015

	Debt Service Fund			
	2011B	2012A	2012B	2012C
	General Obligation Bond	General Obligation Bond	General Obligation Bond	General Obligation Bond
	Debt Service Fund	Debt Service Fund	Debt Service Fund	Debt Service Fund
Assets				
Cash and cash equivalents	\$ 4,880	\$ 68	\$ 12,276	\$ 84
Cash and investments with trustee	-	-	-	297,085
Investments	-	-	-	-
Hotel, restaurant, & amusement taxes receivable	-	-	-	-
Property taxes receivable	-	-	-	-
Governmental grants and reimbursements receivable	-	-	-	-
Loans receivable, net	-	-	-	-
Other receivables, net	-	-	-	-
Receivable, garbage fee	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ 4,880	\$ 68	\$ 12,276	\$ 297,169
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 304,797
Accrued payroll	-	-	-	-
Due to other funds	-	125,566	-	-
Unearned revenue, other	-	-	-	-
Total liabilities	-	125,566	-	304,797
Deferred inflows of resources:				
Unavailable revenue - property taxes	-	-	-	-
Unavailable revenue - intergovernmental and loans	-	-	-	-
Unavailable revenue - other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balance (deficit):				
Restricted:				
Debt service	4,880	-	12,276	-
TIF redevelopment	-	-	-	-
Tourism	-	-	-	-
Law enforcement	-	-	-	-
Landfill operations	-	-	-	-
Riverfront development	-	-	-	-
Capital improvements and equipment	-	-	-	-
Unassigned	-	(125,498)	-	(7,628)
Total fund balance (deficit)	4,880	(125,498)	12,276	(7,628)
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 4,880	\$ 68	\$ 12,276	\$ 297,169

(Continued)

Debt Service Fund				Capital Projects Fund		
2013A	2013D	2015C	2015D	City of Peoria Designated Zone Organization	2012A General Obligation Bonds Project Fund	2014A General Obligation Bond Project Fund
General Obligation Bond Debt Service Fund						
\$ 2,690	\$ 165,805	\$ 274,689	\$ 70,724	\$ 33	\$ -	\$ 193,766
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	487	-	-
<u>\$ 2,690</u>	<u>\$ 165,805</u>	<u>\$ 274,689</u>	<u>\$ 70,724</u>	<u>\$ 520</u>	<u>\$ -</u>	<u>\$ 193,766</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,125
-	-	-	-	-	-	-
-	-	-	-	480	-	-
-	-	-	-	-	-	-
-	-	-	-	480	-	75,125
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,690	165,805	274,689	70,724	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	40	-	-
-	-	-	-	-	-	118,641
-	-	-	-	-	-	-
<u>2,690</u>	<u>165,805</u>	<u>274,689</u>	<u>70,724</u>	<u>40</u>	<u>-</u>	<u>118,641</u>
<u>\$ 2,690</u>	<u>\$ 165,805</u>	<u>\$ 274,689</u>	<u>\$ 70,724</u>	<u>\$ 520</u>	<u>\$ -</u>	<u>\$ 193,766</u>

City of Peoria, Illinois

Nonmajor Governmental Funds (Continued)
Combining Balance Sheet
December 31, 2015

	Capital Projects Fund		Total Nonmajor Governmental Funds
	2015C	2015D	
	General Obligation Bond Project Fund	General Obligation Bond Project Fund	
Assets			
Cash and cash equivalents	\$ 883	\$ 1,571	\$ 6,135,664
Cash and investments with trustee	-	-	783,239
Investments	-	-	3,313,736
Hotel, restaurant, & amusement taxes receivable	-	-	125,287
Property taxes receivable	-	-	4,076,500
Governmental grants and reimbursements receivable	-	-	755,439
Loans receivable, net	-	-	421,380
Other receivables, net	-	-	2,767,715
Receivable, garbage fee	-	-	1,884,295
Accrued interest receivable	-	-	5,095
Due from other funds	-	-	503,432
Total assets	\$ 883	\$ 1,571	\$ 20,771,782
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 1,965,831
Accrued payroll	-	-	23,687
Due to other funds	-	-	7,198,070
Unearned revenue, other	-	-	206,922
Total liabilities	-	-	9,394,510
Deferred inflows of resources:			
Unavailable revenue - property taxes	-	-	4,076,500
Unavailable revenue - intergovernmental and loans	-	-	669,714
Unavailable revenue - other	-	-	-
Total deferred inflows of resources	-	-	4,746,214
Fund balance (deficit):			
Restricted:			
Debt service	-	-	5,593,637
Tourism	-	-	1,937,924
Law enforcement	-	-	3,576
Grants and loans	-	-	1,172
Landfill operations	-	-	134,083
Riverfront development	-	-	40
Capital improvements and equipment	883	1,571	2,424,032
Unassigned	-	-	(3,463,406)
Total fund balance (deficit)	883	1,571	6,631,058
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 883	\$ 1,571	\$ 20,771,782

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City of Peoria, Illinois

**Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Year Ended December 31, 2015**

	Special Revenue Funds			
	Motor Fuel Tax Fund	Community Development Block Grant Fund	State and Local Auto Theft Enforcement Grant Fund	Multi-County MEG Grant Fund
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Home rule sales taxes	-	-	-	-
Hotel, restaurant and amusement taxes	-	-	-	-
Governmental grants and reimbursements	3,683,255	1,393,675	47,142	56,943
Service charges/finest/fees	14,410	129,169	-	-
Loan repayment	-	1,115	-	-
Interest	42,500	-	-	-
Other	376,920	25	-	-
Total revenues	4,117,085	1,523,984	47,142	56,943
Expenditures:				
Current:				
City administration	-	-	-	-
Police	-	-	50,915	56,943
Fire	-	-	-	-
Public works	38,727	-	-	-
Community development	-	790,084	-	-
Public safety	-	452,539	-	-
General government	-	-	-	-
Capital outlay	9,049,711	163,487	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	9,088,438	1,406,110	50,915	56,943
Excess (deficiency) of revenues over expenditures	(4,971,353)	117,874	(3,773)	-
Other financing sources (uses):				
Issuance of bonds	-	-	-	-
Bond premium	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(117,874)	-	-
Total other financing sources (uses)	-	(117,874)	-	-
Net change in fund balances	(4,971,353)	-	(3,773)	-
Fund balances (deficits), beginning of year	6,915,246	-	7,349	-
Fund balances (deficits), end of year	\$ 1,943,893	\$ -	\$ 3,576	\$ -

(Continued)

Special Revenue Funds

Home Investment Partnership Program Fund	Solid Waste Fund	Refuse Collection Fund	Sewer Fund	Peoria Foreign Fire Insurance Board	Westlake Special Service Area Fund	Youthbuild Grant Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,004	\$ -
-	-	-	-	-	260,185	-
-	-	-	-	-	-	-
652,639	-	139,457	-	169,313	-	214,396
-	481,095	5,920,253	4,394,877	-	-	-
1,000	-	-	-	-	-	-
-	630	808	2,699	735	-	-
7,750	-	-	-	-	-	-
<u>661,389</u>	<u>481,725</u>	<u>6,060,518</u>	<u>4,397,576</u>	<u>170,048</u>	<u>340,189</u>	<u>214,396</u>
-	-	46	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	242,347	-	-
-	-	6,840,143	170,342	-	-	-
<u>661,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,113</u>
-	-	-	-	-	-	-
-	348,977	-	942,528	-	315,516	-
-	-	-	2,408,530	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>661,589</u>	<u>348,977</u>	<u>6,840,189</u>	<u>3,521,400</u>	<u>242,347</u>	<u>315,516</u>	<u>214,113</u>
(200)	132,748	(779,671)	876,176	(72,299)	24,673	283
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(137,957)	-	(2,961,258)	-	-	-
-	(137,957)	-	(2,961,258)	-	-	-
(200)	(5,209)	(779,671)	(2,085,082)	(72,299)	24,673	283
-	139,292	(1,713,277)	1,247,950	290,725	115,945	-
<u>\$ (200)</u>	<u>\$ 134,083</u>	<u>\$ (2,492,948)</u>	<u>\$ (837,132)</u>	<u>\$ 218,426</u>	<u>\$ 140,618</u>	<u>\$ 283</u>

City of Peoria, Illinois

Nonmajor Governmental Funds (Continued)
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Year Ended December 31, 2015

	Special Revenue Funds		Debt Service Funds	
	Tourism Reserve Fund	Innovation Grant Fund	2005A General Obligation Bond Debt Service Fund	WeaverRidge Debt Service Fund
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ 80,000
Home rule sales taxes	-	-	-	-
Hotel, restaurant and amusement taxes	929,677	-	-	-
Governmental grants and reimbursements	-	293,078	-	-
Service charges/finest/fees	-	-	-	-
Loan repayment	-	-	-	-
Interest	28	-	12	-
Other	96,398	-	-	-
Total revenues	1,026,103	293,078	12	80,000
Expenditures:				
Current:				
City administration	-	292,189	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Community development	1,088,315	-	-	-
Public safety	-	-	-	-
General government	-	-	-	15,062
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	520,000
Interest	-	-	-	67,000
Total expenditures	1,088,315	292,189	-	602,062
Excess (deficiency) of revenues over expenditures	(62,212)	889	12	(522,062)
Other financing sources (uses):				
Issuance of bonds	-	-	-	-
Bond premium	-	-	-	-
Transfers in	-	-	-	464,400
Transfers out	-	-	(12)	-
Total other financing sources (uses)	-	-	(12)	464,400
Net change in fund balances	(62,212)	889	-	(57,662)
Fund balances (deficits), beginning of year	2,000,136	-	-	1,046,155
Fund balances (deficits), end of year	\$ 1,937,924	\$ 889	\$ -	\$ 988,493

(Continued)

Debt Service Funds

2006 Special Assessment Bond Debt Service Fund	2007-A Special Assessment Bonds Debt Service Fund	2008A Library General Obligation Bond Debt Service Fund	2010D General Obligation Bond Debt Service Fund	2011B General Obligation Bond Debt Service Fund	2012A General Obligation Bond Debt Service Fund	2012B General Obligation Bond Debt Service Fund
\$ -	\$ 126,425	\$ 2,267,495	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,721	137	6,865	38	41	458	92
2,088,190	-	-	-	-	-	-
2,097,911	126,562	2,274,360	38	41	458	92
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	500	-	-	-	250	-
-	-	-	-	-	-	-
275,000	109,000	1,150,000	70,000	-	650,000	60,000
242,120	18,925	1,166,350	1,056,513	204,900	1,296,738	290,550
517,120	128,425	2,316,350	1,126,513	204,900	1,946,988	350,550
1,580,791	(1,863)	(41,990)	(1,126,475)	(204,859)	(1,946,530)	(350,458)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,126,513	204,900	1,750,266	351,000
-	-	-	-	-	-	-
-	-	-	1,126,513	204,900	1,750,266	351,000
1,580,791	(1,863)	(41,990)	38	41	(196,264)	542
2,182,797	20,487	332,820	1,000	4,839	70,766	11,734
\$ 3,763,588	\$ 18,624	\$ 290,830	\$ 1,038	\$ 4,880	\$ (125,498)	\$ 12,276

City of Peoria, Illinois

Nonmajor Governmental Funds (Continued)
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Year Ended December 31, 2015

	Debt Service Funds			
	2012C General Obligation Bond Debt Service Fund	2013A General Obligation Bond Debt Service Fund	2013D General Obligation Bond Debt Service Fund	2015C General Obligation Bond Debt Service Fund
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Home rule sales taxes	-	-	-	-
Hotel, restaurant and amusement taxes	-	-	-	-
Governmental grants and reimbursements	-	-	-	-
Service charges/finest/fees	-	-	-	-
Loan repayment	-	-	-	-
Interest	93	25	1,205	197
Other	-	-	-	-
Total revenues	93	25	1,205	197
Expenditures:				
Current:				
City administration	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
General government	42,174	-	-	6
Capital outlay	-	-	-	-
Debt service:				
Principal	295,000	-	255,000	-
Interest	16,688	289,900	59,667	67,437
Total expenditures	353,862	289,900	314,667	67,443
Excess (deficiency) of revenues over expenditures	(353,769)	(289,875)	(313,462)	(67,246)
Other financing sources (uses):				
Issuance of bonds	-	-	-	341,935
Bond premium	-	-	-	-
Transfers in	321,688	289,900	314,667	-
Transfers out	-	-	-	-
Total other financing sources (uses)	321,688	289,900	314,667	341,935
Net change in fund balances	(32,081)	25	1,205	274,689
Fund balances (deficits), beginning of year	24,453	2,665	164,600	-
Fund balances (deficits), end of year	\$ (7,628)	\$ 2,690	\$ 165,805	\$ 274,689

(Continued)

Debt Service Fund		Capital Projects Funds					Total Nonmajor Governmental Funds
2015D	City of Peoria	2012A	2014A	2015C	2015D		
General Obligation Bond Debt Service Fund	Designated Zone Organization	General Obligation Bonds Project Fund	General Obligation Bond Project Fund	General Obligation Bond Project Fund	General Obligation Bond Project Fund		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,553,924	
-	-	-	-	-	-	260,185	
-	-	-	-	-	-	929,677	
-	-	-	-	-	-	6,649,898	
-	-	-	-	-	-	10,939,804	
-	-	-	-	-	-	2,115	
61	33	107	7,545	898	503	75,431	
-	-	-	-	-	-	2,569,283	
61	33	107	7,545	898	503	23,980,317	
-	-	-	-	-	-	292,235	
-	-	-	-	-	-	107,858	
-	-	-	-	-	-	242,347	
-	-	-	-	-	-	7,049,212	
-	1,580	-	-	-	-	2,755,681	
-	-	-	-	-	-	452,539	
6	-	-	729,358	7,267,524	1,890,718	11,552,619	
-	-	-	237,904	-	-	11,859,632	
-	-	-	-	-	-	3,384,000	
17,361	-	-	-	-	-	4,794,149	
17,367	1,580	-	967,262	7,267,524	1,890,718	42,490,272	
(17,306)	(1,547)	107	(959,717)	(7,266,626)	(1,890,215)	(18,509,955)	
88,030	-	-	-	7,258,065	1,911,970	9,600,000	
-	-	-	-	9,444	(20,184)	(10,740)	
-	1,405,337	-	-	-	-	6,228,671	
-	(1,403,767)	(107)	-	-	-	(4,620,975)	
88,030	1,570	(107)	-	7,267,509	1,891,786	11,196,956	
70,724	23	-	(959,717)	883	1,571	(7,312,999)	
-	17	-	1,078,358	-	-	13,944,057	
\$ 70,724	\$ 40	\$ -	\$ 118,641	\$ 883	\$ 1,571	\$ 6,631,058	

City of Peoria, Illinois

Combining Balance Sheet Schedule -
All TIF Project Accounts
December 31, 2015

	Southtown TIF Project	Downtown TIF Project	Northside TIF Project	Midtown Plaza TIF Project
Assets				
Cash and cash equivalents	\$ 693,312	\$ 2,073,176	\$ 401,409	\$ 3,462
Investments	521	763	673	20
Property taxes receivable	-	1,680,200	137,600	70,300
State sales taxes receivable	-	-	-	-
Other receivables, net	-	-	-	-
Due from other funds	33,896	-	-	-
Total assets	\$ 727,729	\$ 3,754,139	\$ 539,682	\$ 73,782
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ 22,481	\$ 276,526	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	22,481	276,526	-	-
Deferred inflows of resources:				
Unavailable revenue - property taxes	-	1,680,200	137,600	70,300
Fund balance:				
Restricted:				
Debt service	-	766,557	158,097	3,715
TIF redevelopment	705,248	1,030,856	243,985	-
Unassigned	-	-	-	(233)
Total fund balance	705,248	1,797,413	402,082	3,482
Total liabilities, deferred inflows of resources and fund balance	\$ 727,729	\$ 3,754,139	\$ 539,682	\$ 73,782

(Continued)

Northside Business Park TIF Project	Downtown Stadium TIF Project	Eagle View TIF Project	Warehouse District TIF Project	Hospitality Improvement Zone TIF Project	East Village Growth Cell TIF Project
\$ 516,048	\$ 62,243	\$ 111,166	\$ 639,811	\$ 11,659	\$ 409,837
614	749	-	-	-	-
174,900	305,900	113,000	409,200	1,125,700	192,100
-	-	-	-	30,085	-
-	-	-	-	54	-
-	-	-	-	-	-
<u>\$ 691,562</u>	<u>\$ 368,892</u>	<u>\$ 224,166</u>	<u>\$ 1,049,011</u>	<u>\$ 1,167,498</u>	<u>\$ 601,937</u>
\$ -	\$ -	\$ -	\$ 28,543	\$ -	\$ -
-	-	-	-	-	-
-	-	-	28,543	-	-
174,900	305,900	113,000	409,200	1,125,700	192,100
-	61,632	-	-	118,988	-
516,662	1,360	111,166	611,268	-	409,837
-	-	-	-	(77,190)	-
<u>516,662</u>	<u>62,992</u>	<u>111,166</u>	<u>611,268</u>	<u>41,798</u>	<u>409,837</u>
<u>\$ 691,562</u>	<u>\$ 368,892</u>	<u>\$ 224,166</u>	<u>\$ 1,049,011</u>	<u>\$ 1,167,498</u>	<u>\$ 601,937</u>

City of Peoria, Illinois

Combining Balance Sheet Schedule -
All TIF Project Accounts (Continued)
December 31, 2015

	Downtown Conservation TIF Project	South Village TIF Project	Total
Assets			
Cash and cash equivalents	\$ 77,287	\$ 1,997,431	\$ 6,996,841
Investments	-	-	3,340
Property taxes receivable	98,500	44,800	4,352,200
State sales taxes receivable	-	-	30,085
Other receivables, net	-	-	54
Due from other funds	-	-	33,896
Total assets	\$ 175,787	\$ 2,042,231	\$ 11,416,416
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities:			
Accounts payable	\$ -	\$ 15,783	\$ 343,333
Due to other funds	-	-	-
Total liabilities	-	15,783	343,333
Deferred inflows of resources:			
Unavailable revenue - property taxes	98,500	44,800	4,352,200
Fund balance:			
Restricted:			
Debt service	-	-	1,108,989
TIF redevelopment	77,287	1,981,648	5,689,317
Unassigned	-	-	(77,423)
Total fund balance	77,287	1,981,648	6,720,883
Total liabilities, deferred inflows of resources and fund balance	\$ 175,787	\$ 2,042,231	\$ 11,416,416

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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, 2015

	Southtown TIF Project	Downtown TIF Project	Northside TIF Project	Midtown Plaza TIF Project
Revenues:				
Property taxes	\$ 72,000	\$ 1,532,096	\$ 135,918	\$ 111,222
State sales taxes	-	-	-	-
Hotel, restaurant and amusement taxes	-	-	-	-
Service charges/fines/fees	33,744	-	-	-
Interest	21,244	16,443	3,757	292
Total revenues	126,988	1,548,539	139,675	111,514
Expenditures:				
Current:				
Public works	693	30,009	-	-
Community development	5,886	704,730	-	-
Public safety	-	-	-	-
Capital outlay	148,112	70,012	-	-
Total expenditures	154,691	804,751	-	-
Excess (deficiency) of revenues over expenditures	(27,703)	743,788	139,675	111,514
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(2,000,000)	(769,358)	(209,086)	(110,000)
Total other financing sources (uses)	(2,000,000)	(769,358)	(209,086)	(110,000)
Net change in fund balances	(2,027,703)	(25,570)	(69,411)	1,514
Fund balances, beginning of year	2,732,951	1,822,983	471,493	1,968
Fund balances, end of year	\$ 705,248	\$ 1,797,413	\$ 402,082	\$ 3,482

(Continued)

Northside Business Park TIF Project	Downtown Stadium TIF Project	Eagle View TIF Project	Warehouse District TIF Project	Hospitality Improvement Zone TIF Project	East Village Growth Cell TIF Project
\$ 183,319	\$ 301,950	\$ 38,632	\$ 287,022	\$ 912,017	\$ 149,561
-	-	-	-	121,410	-
-	-	-	-	166,686	-
-	-	-	-	-	-
3,196	913	654	3,999	1,476	2,417
186,515	302,863	39,286	291,021	1,201,589	151,978
-	-	-	-	-	-
33,335	149,465	-	99,455	38,135	-
-	-	-	-	-	-
11,966	-	-	39,183	-	-
45,301	149,465	-	138,638	38,135	-
141,214	153,398	39,286	152,383	1,163,454	151,978
-	-	-	-	-	-
-	(152,038)	-	-	(1,270,802)	-
-	(152,038)	-	-	(1,270,802)	-
141,214	1,360	39,286	152,383	(107,348)	151,978
375,448	61,632	71,880	458,885	149,146	257,859
\$ 516,662	\$ 62,992	\$ 111,166	\$ 611,268	\$ 41,798	\$ 409,837

City of Peoria, Illinois

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
All TIF Project Accounts (Continued)
Year Ended December 31, 2015**

	Downtown Conservation TIF Project	South Village TIF Project	Eliminations	Total
Revenues:				
Property taxes	\$ 64,798	\$ 19,712	\$ -	\$ 3,808,247
State sales taxes	-	-	-	121,410
Hotel, restaurant and amusement taxes	-	-	-	166,686
Service charges/fines/fees	-	-	-	33,744
Interest	330	102	-	54,823
Total revenues	65,128	19,814	-	4,184,910
Expenditures:				
Current:				
Public works	-	-	-	30,702
Community development	-	-	-	1,031,006
Public safety	-	45,152	-	45,152
Capital outlay	-	3,333	-	272,606
Total expenditures	-	48,485	-	1,379,466
Excess (deficiency) of revenues over expenditures	65,128	(28,671)	-	2,805,444
Other financing sources (uses):				
Transfers in	-	2,000,000	(2,000,000)	-
Transfers out	-	-	2,000,000	(2,511,284)
Total other financing sources (uses)	-	2,000,000	-	(2,511,284)
Net change in fund balances	65,128	1,971,329	-	294,160
Fund balances, beginning of year	12,159	10,319	-	6,426,723
Fund balances, end of year	\$ 77,287	\$ 1,981,648	\$ -	\$ 6,720,883

General Fund

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

City of Peoria, Illinois

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 2,315,177	\$ 2,315,177	\$ 1,658,390	\$ 3,368,729
Corporate personal property replacement taxes	3,071,399	3,071,399	2,849,454	3,405,760
State sales taxes	23,979,200	23,979,200	24,512,792	23,850,181
State income tax allocation	11,220,000	11,220,000	12,435,605	10,891,399
Home rule sales taxes	22,201,400	22,201,400	21,943,713	21,883,999
Hotel, restaurant and amusement taxes	7,500,000	7,500,000	8,134,128	7,640,952
Utility taxes	3,894,500	3,894,500	3,598,409	4,025,874
Governmental grants and reimbursements	600,676	673,211	442,680	767,643
Licenses and permits	2,493,600	2,493,600	2,684,807	2,138,318
Service charges/fines/fees	10,245,100	10,245,100	7,351,219	8,264,555
Loan repayment	-	-	304,348	507,406
Rental	100,000	100,000	163,399	153,216
Interest	91,000	91,000	870,368	53,269
Other	5,199,200	2,299,200	2,425,994	2,633,439
Total revenues	92,911,252	90,083,787	89,375,306	89,584,740
Expenditures:				
Current:				
Elective offices, boards, commissions and agencies	1,827,921	2,026,806	1,541,076	1,880,751
City administration	19,185,579	6,845,626	5,527,560	4,631,088
Police	25,818,109	30,038,652	29,196,764	27,688,377
Fire	20,048,402	24,448,966	23,196,994	21,358,923
Public works	13,871,713	17,099,130	15,248,949	14,446,791
Community development	4,175,954	4,968,478	5,115,673	4,735,392
Public safety	3,677,068	4,507,188	4,092,427	3,983,899
General government	84,875	2,404,182	2,808,276	2,911,920
Library	-	762,747	774,189	649,703
Total expenditures	88,689,621	93,101,775	87,501,908	82,286,844
Excess of revenues over expenditures	4,221,631	(3,017,988)	1,873,398	7,297,896
Other financing sources (uses):				
Transfers in	5,883,457	6,044,158	6,065,190	4,216,462
Transfers out	(6,537,275)	(6,787,275)	(6,697,438)	(7,422,190)
Total other financing (uses)	(653,818)	(743,117)	(632,248)	(3,205,728)
Net change in fund balances	\$ 3,567,813	\$ (3,761,105)	1,241,150	4,092,168
Fund balances, beginning of year			46,676,275	42,584,107
Fund balances, end of year			\$ 47,917,425	\$ 46,676,275

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.

FICA/Medicare Fund: This fund is used to account for the employer and employee payments to FICA and Medicare.

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.

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.

Westlake Special Service Area Fund: The fund is used to collect and disburse the special service taxes collected in the Westlake Shopping Center.

Youthbuild Grant Fund: This fund is used to collect and disburse federal Youthbuild Grant proceeds. All expenditures of this fund must be for grant eligible activities.

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.

Innovation Grant Fund: This fund is used to account for the activities related to the Bloomberg Philanthropies' Innovation Teams Program Grant. The Grant funds dedicated i-teams for up to three years to provide support to agency leaders and staff through a data-driven process to assess problems, generate responsive new interventions, develop partnerships, and deliver measurable results.

Holiday Inn Special Service Area: This fund is used to collect and disburse the special service taxes collected at the Holiday Inn located at 7601 N Orange Prairie Rd, Peoria, IL 61615.

Knoxville Junction Special Service Area: This fund is used to collect and disburse the special service taxes collected in the Knoxville Junction.

City of Peoria, Illinois

Peoria Public Library Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 6,457,505	\$ 6,457,505	\$ 6,320,916	\$ 6,327,938
Corporate personal property replacement taxes	465,948	465,948	465,948	461,335
Governmental grants and reimbursements	118,187	118,187	161,041	160,615
Service charges/fines/fees	106,404	106,404	124,750	138,197
Interest	2,623	2,623	5,997	4,749
Other	28,680	28,680	21,614	43,322
Total revenues	7,179,347	7,179,347	7,100,266	7,136,156
Expenditures:				
Current, library:				
Personal services	3,542,911	3,542,911	3,410,320	3,395,768
Contractual services	1,724,039	1,724,039	1,811,402	1,735,066
Supplies and materials	171,835	171,835	326,920	246,846
Capital outlay	961,008	961,008	822,142	821,738
Total expenditures	6,399,793	6,399,793	6,370,784	6,199,418
Excess of revenues over expenditures	779,554	779,554	729,482	936,738
Other financing (uses), transfers out	(779,554)	(779,554)	(779,554)	(617,633)
Net change in fund balances	\$ -	\$ -	(50,072)	319,105
Fund balances, beginning of year			3,138,408	2,819,303
Fund balances, end of year			\$ 3,088,336	\$ 3,138,408

City of Peoria, Illinois

Motor Fuel Tax Fund

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

Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Governmental grants and reimbursements	\$ 2,828,000	\$ 2,828,000	\$ 3,683,255	\$ 2,888,401
Service charges/fines/fees	-	-	14,410	12,608
Interest	50,000	50,000	42,500	47,158
Other, miscellaneous	526,203	526,203	376,920	1,294,796
Total revenues	3,404,203	3,404,203	4,117,085	4,242,963
Expenditures:				
Current:				
Public works, road construction and general maintenance	-	-	38,727	766
Capital outlay	4,515,000	6,595,831	9,049,711	4,167,488
Total expenditures	4,515,000	6,595,831	9,088,438	4,168,254
Excess (deficiency) of revenues over expenditures	\$ (1,110,797)	\$ (3,191,628)	(4,971,353)	74,709
Fund balances, beginning of year			6,915,246	6,840,537
Fund balances, end of year			\$ 1,943,893	\$ 6,915,246

City of Peoria, Illinois

**Community Development Block Grant Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015	2014
Revenues:		
Governmental grants and reimbursements	\$ 1,393,675	\$ 1,365,153
Service charges/finest/fees	129,169	263,397
Loan repayment	1,115	3,597
Other	25	55
Total revenues	1,523,984	1,632,202
Expenditures:		
Current:		
Community development:		
Project costs	223,557	231,673
Rehabilitation	220,244	175,718
Payments to subrecipients	346,283	343,798
Public safety	452,539	586,910
Capital outlay	163,487	181,211
Total expenditures	1,406,110	1,519,310
Excess of revenues over expenditures	117,874	112,892
Other financing (uses), transfers out	(117,874)	(112,892)
Net change in fund balances	-	-
Fund balances, beginning of year	-	-
Fund balances, end of year	\$ -	\$ -

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Governmental grants and reimbursements	\$ -	\$ -	\$ 47,142	\$ -
Other	-	-	-	439,110
Total revenue	-	-	47,142	439,110
Expenditures:				
Current:				
Police:				
Personnel	-	-	9,116	47,648
Equipment	-	-	-	46,820
Contractual	-	-	40,952	337,096
Travel	-	-	302	3,801
Commodities	-	-	501	3,486
Other	-	-	44	446
Total expenditures	-	-	50,915	439,297
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	(3,773)	(187)
Fund balances, beginning of year			7,349	7,536
Fund balances, end of year			\$ 3,576	\$ 7,349

City of Peoria, Illinois

Multi-County MEG Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues, governmental grants and reimbursements	\$ 56,943	\$ 56,943
Expenditures, current, police, narcotics enforcement	<u>56,943</u>	<u>56,943</u>
Excess of revenues over expenditures	-	-
Fund balances (deficit), beginning of year	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<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, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Governmental grants and reimbursements	\$ 652,639	\$ 529,896
Loan repayment	1,000	2,459
Other, miscellaneous	7,750	17,000
Total revenues	661,389	549,355
Expenditures:		
Current:		
Community development:		
Administration	38,000	38,000
Public services	270,077	240,997
Rehabilitation	-	19,175
Payments to subrecipients	353,512	251,183
Total expenditures	661,589	549,355
(Deficiency) of revenues over expenditures	(200)	-
Fund balances, beginning of year	-	-
Fund balances, end of year	\$ (200)	\$ -

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, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 4,732,287	\$ 4,732,287	\$ 4,632,165	\$ 4,427,479
Corporate personal property replacement taxes	1,063,181	1,063,181	1,063,181	1,042,334
Interest	-	-	2,055	1,528
Other	-	-	-	-
Total revenues	5,795,468	5,795,468	5,697,401	5,471,341
Expenditures:				
Current:				
Elective offices, boards, commissions and agencies	-	209,436	202,674	210,649
City administration	-	868,015	840,208	750,298
Police	-	691,053	674,163	698,116
Fire	-	330,966	324,772	309,941
Public works	-	1,440,669	1,394,314	1,259,908
Community development	-	321,893	311,555	256,909
Public safety	-	862,930	835,238	851,321
General government	5,518,670	1	23,131	1,307
Library	-	793,707	768,218	757,881
Debt service:				
Principal	816,337	816,337	-	-
Interest	240,015	240,015	240,015	259,549
Total expenditures	6,575,022	6,575,022	5,614,288	5,355,879
Excess (deficiency) of revenues over expenditures	(779,554)	(779,554)	83,113	115,462
Other financing sources, transfers in	779,554	779,554	779,554	617,632
Net change in fund balances	\$ -	\$ -	862,667	733,094
Fund balances (deficit), beginning of year			(8,086,981)	(8,820,075)
Fund balances (deficit), end of year			\$ (7,224,314)	\$ (8,086,981)

City of Peoria, Illinois

Solid Waste Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Service charges/finest/fees	\$ 500,000	\$ 500,000	\$ 481,095	\$ 639,185
Interest	-	-	630	735
Total revenues	500,000	500,000	481,725	639,920
Expenditures, current, general government	-	280,742	348,977	487,610
Excess (deficiency) of revenues over expenditures	500,000	219,258	132,748	152,310
Other financing (uses), transfers out	(137,957)	(137,957)	(137,957)	(135,252)
Net change in fund balances	\$ 362,043	\$ 81,301	(5,209)	17,058
Fund balances, beginning of year			139,292	122,234
Fund balances, end of year			\$ 134,083	\$ 139,292

City of Peoria, Illinois

Refuse Collection Fund

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

Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Governmental grants and reimbursements	\$ 112,600	\$ 112,600	\$ 139,457	\$ 135,661
Service charges/fines/fees	6,751,932	6,751,932	5,920,253	5,339,743
Interest	-	-	808	588
Other, miscellaneous	-	-	-	2,506
Total revenues	6,864,532	6,864,532	6,060,518	5,478,498
Expenditures:				
Current:				
City administration	-	-	46	-
Public works	6,850,000	6,850,000	6,840,143	6,709,713
Total expenditures	6,850,000	6,850,000	6,840,189	6,709,713
Excess (deficiency) of revenues over expenditures	\$ 14,532	\$ 14,532	(779,671)	(1,231,215)
Fund balances, beginning of year			(1,713,277)	(482,062)
Fund balances, end of year			\$ (2,492,948)	\$ (1,713,277)

City of Peoria, Illinois

Sewer Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Governmental grants and reimbursements	\$ -	\$ -	\$ -	\$ 246,731
Service charges/finest/fees	4,208,480	4,208,480	4,394,877	4,055,649
Interest	-	-	2,699	1,502
Total revenues	4,208,480	4,208,480	4,397,576	4,303,882
Expenditures:				
Current:				
Public works	217,212	217,212	170,342	9,869
General government	-	-	942,528	294,535
Capital outlay	3,700,000	5,089,246	2,408,530	465,091
Total expenditures	3,917,212	5,306,458	3,521,400	769,495
Excess (deficiency) of revenues over expenditures	291,268	(1,097,978)	876,176	3,534,387
Other financing (uses), transfers out	(2,416,473)	(2,533,801)	(2,961,258)	(2,558,137)
Net change in fund balances	\$ (2,125,205)	\$ (3,631,779)	(2,085,082)	976,250
Fund balances, beginning of year			1,247,950	271,700
Fund balances, end of year			\$ (837,132)	\$ 1,247,950

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, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 12,811,275	\$ 12,811,275	\$ 12,540,114	\$ 11,529,640
Corporate personal property replacement taxes	2,471,171	2,471,171	2,471,171	2,247,398
Interest	-	-	602	682
Total revenues	15,282,446	15,282,446	15,011,887	13,777,720
Expenditures:				
Current:				
Police	-	-	7,858,832	7,266,179
Fire	15,282,446	15,282,446	7,153,055	6,601,541
Total expenditures	15,282,446	15,282,446	15,011,887	13,867,720
Excess (deficiency) of revenues over expenditures	-	-	-	(90,000)
Other financing sources (uses), transfers in	-	-	-	90,000
Net change in fund balances	\$ -	\$ -	-	-
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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Governmental grants and reimbursements	\$ 169,313	\$ 158,315
Interest	735	969
Other	-	-
Total revenues	170,048	159,284
Expenditures, current, fire	242,347	242,395
Excess (deficiency) of revenues over expenditures	(72,299)	(83,111)
Fund balances, beginning of year	290,725	373,836
Fund balances, end of year	\$ 218,426	\$ 290,725

City of Peoria, Illinois

Westlake Special Service Area Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 80,004	\$ -
State sales taxes	-	77,547
Home rule sales taxes	260,185	-
Total revenue	340,189	77,547
Expenditures, general government	315,516	-
Excess of revenues over expenditures	24,673	77,547
Other financing sources, transfers in	-	38,398
Net change in fund balance	24,673	115,945
Fund balances, beginning of year	115,945	-
Fund balances, end of year	\$ 140,618	\$ 115,945

City of Peoria, Illinois

Youthbuild Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	<u>2015</u>	<u>2014</u>
Revenues, governmental grants and reimbursements	\$ 214,396	\$ 293,290
Expenditures, community development	<u>214,113</u>	<u>293,290</u>
Excess of revenues over expenditures	283	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 283</u></u>	<u><u>\$ -</u></u>

City of Peoria, Illinois

Tourism Reserve Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015		Actual	2014
	Original Budget	Final Budget		Actual
Revenues:				
Hotel, restaurant and amusement taxes	\$ 1,000,000	\$ 1,000,000	\$ 929,677	\$ 1,191,677
Interest	-	-	28	-
Other	-	-	96,398	20,685
Total revenues	1,000,000	1,000,000	1,026,103	1,212,362
Expenditures, community development	1,000,000	1,000,000	1,088,315	692,219
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	(62,212)	520,143
Fund balances, beginning of year			2,000,136	1,479,993
Fund balances, end of year			\$ 1,937,924	\$ 2,000,136

City of Peoria, Illinois

Innovation Grant Fund

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

Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014
	Original Budget	Final Budget	Actual	Actual
Revenues, governmental grants and reimbursements	\$ -	\$ 500,000	\$ 293,078	\$ -
Expenditures, city administration	-	500,000	292,189	-
Excess of revenues over expenditures	\$ -	\$ -	889	-
Fund balances, beginning of year			-	-
Fund balances, end of year			\$ 889	\$ -

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.

2015C Taxable General Obligation 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 2015C General Obligation Bonds

2015D General Obligation 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 2015D General Obligation Bonds

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 12	\$ 96
Expenditures:				
Peoria Civic Center bond issue:				
Principal	2,015,000	2,015,000	-	1,330,000
Interest	295,338	295,338	-	1,464,844
Total expenditures	2,310,338	2,310,338	-	2,794,844
Excess (deficiency) of revenues over expenditures	(2,310,338)	(2,310,338)	12	(2,794,748)
Other financing sources (uses):				
Transfers in	-	-	-	3,079,579
Transfers out	-	-	(12)	(284,831)
Total other financing sources	-	-	(12)	2,794,748
Net change in fund balances	\$ (2,310,338)	\$ (2,310,338)	-	-
Fund balances, beginning of year			-	-
Fund balances, end of year			\$ -	\$ -

City of Peoria, Illinois

WeaverRidge Debt Service Fund

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

Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 112,000	\$ 112,000	\$ 80,000	\$ 128,000
Interest	10,000	10,000	-	-
Total revenues	122,000	122,000	80,000	128,000
Expenditures:				
General government	15,400	15,400	15,062	15,837
WeaverRidge special service area bonds issue:				
Principal	520,000	520,000	520,000	480,000
Interest	67,000	67,000	67,000	92,000
Total expenditures	602,400	602,400	602,062	587,837
(Deficiency) of revenues over expenditures	(480,400)	(480,400)	(522,062)	(459,837)
Other financing sources, transfers in	475,000	475,000	464,400	480,489
Net change in fund balances	\$ (5,400)	\$ (5,400)	(57,662)	20,652
Fund balances, beginning of year			1,046,155	1,025,503
Fund balances, end of year			\$ 988,493	\$ 1,046,155

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, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ 2,200	\$ 2,200	\$ 1,478	\$ 1,151
Expenditures:				
Current, general government	-	-	372,340	208,078
General obligation bond issues:				
Principal	7,628,926	7,628,926	9,978,926	20,669,941
Interest	2,615,398	2,615,398	2,886,808	3,481,965
Total expenditures	10,244,324	10,244,324	13,238,074	24,359,984
(Deficiency) of revenues over expenditures	(10,242,124)	(10,242,124)	(13,236,596)	(24,358,833)
Other financing sources (uses):				
Issuance of bonds	-	-	24,995,000	11,745,000
Bond premium	-	-	2,544,747	1,096,844
Payment to refund debt	-	-	(27,337,141)	-
Transfers in	13,196,815	13,196,815	13,040,734	11,650,209
Total other financing sources	13,196,815	13,196,815	13,243,340	24,492,053
Net change in fund balances	\$ 2,954,691	\$ 2,954,691	6,744	133,220
Fund balances, beginning of year			148,969	15,749
Fund balances, end of year			\$ 155,713	\$ 148,969

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 129,280	\$ 129,280	\$ -	\$ 214,249
Interest	-	-	9,721	4,032
Other	203,900	203,900	2,088,190	559,053
Total revenues	333,180	333,180	2,097,911	777,334
Expenditures:				
Special assessment bond issues:				
Principal	275,000	275,000	275,000	260,000
Interest	242,120	242,120	242,120	255,120
Total expenditures	517,120	517,120	517,120	515,120
Excess (deficiency) of revenues over expenditures	(183,940)	(183,940)	1,580,791	262,214
Other financing sources, transfers in	183,940	183,940	-	905,160
Net change in fund balances	\$ -	\$ -	1,580,791	1,167,374
Fund balances, beginning of year			2,182,797	1,015,423
Fund balances, end of year			\$ 3,763,588	\$ 2,182,797

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 128,013	\$ 128,013	\$ 126,425	\$ 134,301
Interest	-	-	137	142
Total revenues	128,013	128,013	126,562	134,443
Expenditures:				
Current, general government	-	-	500	500
Special assessment bond issues:				
Principal	109,000	109,000	109,000	109,000
Interest	18,925	18,925	18,925	25,301
Total expenditures	127,925	127,925	128,425	134,801
Excess (deficiency) of revenues over expenditures	\$ 88	\$ 88	(1,863)	(358)
Fund balances, beginning of year			20,487	20,845
Fund balances, end of year			\$ 18,624	\$ 20,487

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, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Property taxes	\$ 2,316,350	\$ 2,316,350	\$ 2,267,495	\$ 2,245,574
Interest	-	-	6,865	6,429
Total revenues	2,316,350	2,316,350	2,274,360	2,252,003
Expenditures, general obligation bond issue:				
Principal	1,150,000	1,150,000	1,150,000	1,060,000
Interest	1,166,350	1,166,350	1,166,350	1,208,750
Total expenditures	2,316,350	2,316,350	2,316,350	2,268,750
Excess (deficiency) of revenues over expenditures	-	-	(41,990)	(16,747)
Other financing sources, transfers in	-	-	-	11,572
Net change in fund balances	\$ -	\$ -	(41,990)	(5,175)
Fund balances, beginning of year			332,820	337,995
Fund balances, end of year			\$ 290,830	\$ 332,820

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 38	\$ 285,975
Expenditures:				
General obligation bond issue:				
Principal	70,000	70,000	70,000	23,415,000
Interest	1,056,513	1,056,513	1,056,513	1,621,338
Total expenditures	1,126,513	1,126,513	1,126,513	25,036,338
Excess (deficiency) of revenues over expenditures	(1,126,513)	(1,126,513)	(1,126,475)	(24,750,363)
Other financing sources (uses):				
Transfers in	1,126,513	1,126,513	1,126,513	1,056,513
Transfers out	-	-	-	(579,393)
Total other financing sources (uses)	1,126,513	1,126,513	1,126,513	477,120
Net change in fund balances	\$ -	\$ -	38	(24,273,243)
Fund balances, beginning of year			1,000	24,274,243
Fund balances, end of year			\$ 1,038	\$ 1,000

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 41	\$ 55,276
Expenditures:				
Principal	-	-	-	5,295,000
Interest	204,900	204,900	204,900	325,688
Total expenditures	204,900	204,900	204,900	5,620,688
(Deficiency) of revenues over expenditures	(204,900)	(204,900)	(204,859)	(5,565,412)
Other financing sources (uses):				
Transfers in	204,900	204,900	204,900	204,900
Transfers out	-	-	-	(120,795)
Total other financing sources (uses)	204,900	204,900	204,900	84,105
Net change in fund balances	\$ -	\$ -	41	(5,481,307)
Fund balances, beginning of year			4,839	5,486,146
Fund balances, end of year			\$ 4,880	\$ 4,839

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 458	\$ 814
Other	-	-	-	123,000
Total revenues	-	-	458	123,814
Expenditures:				
Current, general government	-	-	250	-
General obligation bond issue:				
Principal	650,000	650,000	650,000	125,000
Interest	1,296,738	1,296,738	1,296,738	1,299,550
Total expenditures	1,946,738	1,946,738	1,946,988	1,424,550
(Deficiency) of revenues over expenditures	(1,946,738)	(1,946,738)	(1,946,530)	(1,300,736)
Other financing sources, transfers in	1,946,738	1,946,738	1,750,266	1,268,950
Net change in fund balances	\$ -	\$ -	(196,264)	(31,786)
Fund balances, beginning of year			70,766	102,552
Fund balances, end of year			\$ (125,498)	\$ 70,766

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 92	\$ 114,063
Expenditures:				
General obligation bond issue:				
Principal	60,000	60,000	60,000	9,410,000
Interest	290,550	290,550	290,550	525,200
Total expenditures	350,550	350,550	350,550	9,935,200
(Deficiency) of revenues over expenditures	(350,550)	(350,550)	(350,458)	(9,821,137)
Other financing sources (uses):				
Transfers in	350,550	350,550	351,000	351,450
Transfers out	-	-	-	(235,931)
Total other financing sources (uses)	350,550	350,550	351,000	115,519
Net change in fund balances	\$ -	\$ -	542	(9,705,618)
Fund balances, beginning of year			11,734	9,717,352
Fund balances, end of year			\$ 12,276	\$ 11,734

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 93	\$ 53
Expenditures:				
Current, general government	20,000	20,000	42,174	41,254
General obligation bond issue:				
Principal	295,000	295,000	295,000	290,000
Interest	21,050	21,050	16,688	17,170
Total expenditures	336,050	336,050	353,862	348,424
(Deficiency) of revenues over expenditures	(336,050)	(336,050)	(353,769)	(348,371)
Other financing sources, transfers in	-	-	321,688	371,448
Net change in fund balances	\$ (336,050)	\$ (336,050)	(32,081)	23,077
Fund balances, beginning of year			24,453	1,376
Fund balances, end of year			\$ (7,628)	\$ 24,453

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 25	\$ 110,610
Expenditures:				
General obligation bond issue:				
Principal	-	-	-	9,050,000
Interest	289,900	289,900	289,900	514,150
Total expenditures	289,900	289,900	289,900	9,564,150
(Deficiency) of revenues over expenditures	(289,900)	(289,900)	(289,875)	(9,453,540)
Other financing sources:				
Transfers in	289,900	289,900	-	289,900
Transfers out	-	-	-	(224,250)
Total other financing sources (uses)	289,900	289,900	-	65,650
Net change in fund balances	\$ -	\$ -	(289,875)	(9,387,890)
Fund balances, beginning of year			2,665	9,390,555
Fund balances, end of year			\$ (287,210)	\$ 2,665

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, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 1,205	\$ 1,130
Expenditures:				
General obligation bond issue:				
Principal	255,000	255,000	255,000	250,000
Interest	59,667	59,667	59,667	63,467
Total expenditures	314,667	314,667	314,667	313,467
(Deficiency) of revenues over expenditures	(314,667)	(314,667)	(313,462)	(312,337)
Other financing sources, transfers in	-	-	314,667	313,467
Net change in fund balances	\$ (314,667)	\$ (314,667)	1,205	1,130
Fund balances, beginning of year			164,600	163,470
Fund balances, end of year			\$ 165,805	\$ 164,600

City of Peoria, Illinois

**2015C General Obligation Bond Debt Service Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 197	\$ -
Expenditures:				
Current, general government	-	-	6	-
General obligation bond issue:				
Interest	-	-	67,437	-
Total expenditures	-	-	67,443	-
(Deficiency) of revenues over expenditures	-	-	(67,246)	-
Other financing sources, issuance of bonds	-	-	341,935	-
Net change in fund balances	\$ -	\$ -	274,689	-
Fund balances, beginning of year			-	-
Fund balances, end of year			\$ 274,689	\$ -

City of Peoria, Illinois

2015D General Obligation Bond Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015			2014 Actual
	Original Budget	Final Budget	Actual	
Revenues, interest	\$ -	\$ -	\$ 61	\$ -
Expenditures:				
Current, general government	-	-	6	-
General obligation bond issue:				
Interest	-	-	17,361	-
Total expenditures	-	-	17,367	-
(Deficiency) of revenues over expenditures	-	-	(17,306)	-
Other financing sources, issuance of bonds	-	-	88,030	-
Net change in fund balances	\$ -	\$ -	70,724	-
Fund balances, beginning of year			-	-
Fund balances, end of year			\$ 70,724	\$ -

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.

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

South Village TIF Project Fund: This fund is used to account for tax increment financing revenues restricted for improvements within the South Village 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.

2014A General Obligation Bond Project Fund: This fund is used to monitor the bonds funds which are used for public benefit infrastructure expenditures.

2015C Taxable General Obligation Bond Project Fund: This fund is used to monitor the bond funds which are used for the construction of a sports complex located on Orange Prairie Road.

2015D General Obligation Bond Project Fund: This fund is used to monitor the bond funds which are used for the construction of the Holiday Inn located at 7601 N Orange Prairie Rd, Peoria. IL 61615.

City of Peoria, Illinois

Capital Improvements Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 50,109	\$ 218,535
Local motor fuel taxes	831,480	804,300
Riverboat gaming revenue	3,157,614	2,849,342
Utility taxes	7,589,674	8,009,342
Governmental grants and reimbursements	7,961,550	10,290,167
Licenses and permits	-	400
Service charges/fines/fees	429,586	393,298
Special assessments	-	107,033
Loan repayment	102,218	103,443
Rental	47,986	46,958
Interest	76,445	57,136
Other, miscellaneous	244,099	2,404,557
Total revenues	20,490,761	25,284,511
Expenditures:		
Current:		
Elective offices, boards, commissions and agencies	9,152	-
City administration	377,487	603,303
Police	568,697	1,194,149
Fire	319,434	441,666
Public works	437,775	1,297,251
Community development	192,012	217,758
Public safety	325,988	295,448
General government	258,421	999,547
Capital outlay	10,526,057	16,681,182
Debt service:		
Principal	60,896	57,721
Interest	14,543	17,718
Total expenditures	13,090,462	21,805,743
Excess of revenues over expenditures	7,400,299	3,478,768
Other financing sources (uses):		
Proceeds from sale of capital assets	7,800	3,371
Transfers in	1,219,345	1,237,523
Transfers out	(12,724,243)	(11,359,999)
Total other financing (uses)	(11,497,098)	(10,119,105)
Net change in fund balances	(4,096,799)	(6,640,337)
Fund balances, beginning of year	1,917,633	8,557,970
Fund balances, end of year	\$ (2,179,166)	\$ 1,917,633

City of Peoria, Illinois

TIF Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Year Ended December 31, 2015

With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 3,808,247	\$ 5,525,545
State sales taxes	121,410	110,003
Hotel, restaurant and amusement taxes	166,686	147,415
Service charges/finest/fees	33,744	36,214
Interest	54,823	75,636
Total revenues	4,184,910	5,894,813
Expenditures:		
Current:		
City administration	-	5,040
Public works	30,702	4,310
Community development	1,031,006	572,833
Public safety	45,152	-
General government	-	1,186,207
Capital outlay	272,606	5,823,128
Total expenditures	1,379,466	7,591,518
Excess (deficiency) of revenues over expenditures	2,805,444	(1,696,705)
Other financing sources (uses):		
Transfers in	-	-
Transfers out	(2,511,284)	(2,387,453)
Total other financing sources (uses)	(2,511,284)	(2,387,453)
Net change in fund balances	294,160	(4,084,158)
Fund balances, beginning of year	6,426,723	10,510,881
Fund balances, end of year	\$ 6,720,883	\$ 6,426,723

City of Peoria, Illinois

Southtown TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 72,000	\$ 2,740,654
Service charges/fines/fees	33,744	36,214
Interest	21,244	27,939
Total revenues	126,988	2,804,807
Expenditures:		
Current:		
City administration	-	420
Public works	693	4,310
Community development	5,886	546,513
General government	-	211,646
Capital outlay	148,112	2,616,117
Total expenditures	154,691	3,379,006
Excess (deficiency) of revenues over expenditures	(27,703)	(574,199)
Other financing (uses), transfers out	(2,000,000)	(189,000)
Net change in fund balances	(2,027,703)	(763,199)
Fund balances, beginning of year	2,732,951	3,496,150
Fund balances, end of year	\$ 705,248	\$ 2,732,951

City of Peoria, Illinois

Downtown TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 1,532,096	\$ 1,397,569
Interest	16,443	31,089
Total revenues	1,548,539	1,428,658
Expenditures:		
Current:		
Public works	30,009	-
Community development	704,730	-
City administration	-	420
General government	-	707,503
Capital outlay	70,012	3,145,633
Total expenditures	804,751	3,853,556
Excess (deficiency) of revenues over expenditures	743,788	(2,424,898)
Other financing (uses), transfers out	(769,358)	(761,708)
Net change in fund balances	(25,570)	(3,186,606)
Fund balances, beginning of year	1,822,983	5,009,589
Fund balances, end of year	\$ 1,797,413	\$ 1,822,983

City of Peoria, Illinois

Northside TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 135,918	\$ 133,786
Interest	3,757	4,192
Total revenues	139,675	137,978
Expenditures, current:		
City administration	-	420
General government	-	4,699
Total expenditures	-	5,119
Excess of revenues over expenditures	139,675	132,859
Other financing (uses), transfers out	(209,086)	(208,056)
Net change in fund balances	(69,411)	(75,197)
Fund balances, beginning of year	471,493	546,690
Fund balances, end of year	\$ 402,082	\$ 471,493

City of Peoria, Illinois

Midtown Plaza TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 111,222	\$ 109,920
Interest	292	314
Total revenues	111,514	110,234
Expenditures, current, City administration	-	420
Excess of revenues over expenditures	111,514	109,814
Other financing (uses), transfers out	(110,000)	(110,000)
Net change in fund balances	1,514	(186)
Fund balances, beginning of year	1,968	2,154
Fund balances, end of year	\$ 3,482	\$ 1,968

City of Peoria, Illinois

Northside Business Park TIF Project Account
Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 183,319	\$ 178,211
Interest	3,196	2,247
Total revenues	186,515	180,458
Expenditures, current:		
City administration	-	420
Community development	33,335	-
General government	-	32,936
Capital outlay	11,966	12,655
Total expenditures	45,301	46,011
Net change in fund balances	141,214	134,447
Fund balances, beginning of year	375,448	241,001
Fund balances, end of year	\$ 516,662	\$ 375,448

City of Peoria, Illinois

**Downtown Stadium TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015	2014
Revenues:		
Property taxes	\$ 301,950	\$ 298,346
Interest	913	987
Total revenues	302,863	299,333
Expenditures, current:		
City administration	-	420
Community development	149,465	-
General government	-	150,061
Total expenditures	149,465	150,481
Excess of revenues over expenditures	153,398	148,852
Other financing (uses), transfers out	(152,038)	(150,488)
Net change in fund balances	1,360	(1,636)
Fund balances, beginning of year	61,632	63,268
Fund balances, end of year	\$ 62,992	\$ 61,632

City of Peoria, Illinois

**Eagle View TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015	2014
Revenues:		
Property taxes	\$ 38,632	\$ 38,254
Interest	654	508
Total revenues	39,286	38,762
Expenditures:		
Current:		
City administration	-	420
Capital outlay	-	26,547
Total expenditures	-	26,967
Net change in fund balances	39,286	11,795
Fund balances, beginning of year	71,880	60,085
Fund balances, end of year	\$ 111,166	\$ 71,880

City of Peoria, Illinois

**Warehouse District TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015	2014
Revenues:		
Property taxes	\$ 287,022	\$ 250,626
Interest	3,999	3,022
Total revenues	291,021	253,648
Expenditures:		
Current:		
City administration	-	420
Community development	99,455	-
General government	-	79,362
Capital outlay	39,183	22,176
Total expenditures	138,638	101,958
Net change in fund balances	152,383	151,690
Fund balances, beginning of year	458,885	307,195
Fund balances, end of year	\$ 611,268	\$ 458,885

City of Peoria, Illinois

Hospitality Improvement Zone TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 912,017	\$ 223,776
State sales taxes	121,410	110,003
Hotel, restaurant and amusement taxes	166,686	147,415
Interest	1,476	3,883
Total revenues	1,201,589	485,077
Expenditures:		
City Administration	-	420
Community development	38,135	26,320
General government	-	-
Total expenditures	38,135	26,740
Excess of revenues over expenditures	1,163,454	458,337
Other financing (uses), transfers out	(1,270,802)	(968,201)
Net change in fund balances	(107,348)	(509,864)
Fund balances, beginning of year	149,146	659,010
Fund balances, end of year	\$ 41,798	\$ 149,146

City of Peoria, Illinois

East Village Growth Cell TIF Project Account
Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 149,561	\$ 131,169
Interest	2,417	1,371
Total revenues	151,978	132,540
Expenditures, current, City administration	-	420
Net change in fund balances	151,978	132,120
Fund balances, beginning of year	257,859	125,739
Fund balances, end of year	\$ 409,837	\$ 257,859

City of Peoria, Illinois

Downtown Conservation TIF Project Account
Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2015
With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 64,798	\$ 12,524
Interest	330	55
Total revenues	65,128	12,579
Expenditures, current, City administration	-	420
Net change in fund balances	65,128	12,159
Fund balances, beginning of year	12,159	-
Fund balances, end of year	\$ 77,287	\$ 12,159

City of Peoria, Illinois

South Village TIF Project Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues:		
Property taxes	\$ 19,712	\$ 10,710
Interest	102	29
Total revenues	19,814	10,739
Expenditures:		
City administration	-	420
Public safety	45,152	-
Capital outlay	3,333	-
Total expenditures	48,485	420
Excess (deficiency) of revenues over expenditures	(28,671)	10,319
Other financing (uses), transfers in	2,000,000	-
Net change in fund balances	1,971,329	10,319
Fund balances, beginning of year	10,319	-
Fund balances, end of year	\$ 1,981,648	\$ 10,319

City of Peoria, Illinois

City of Peoria Designated Zone Organization
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenues, interest	\$ 33	\$ 2
Expenditures, current, community development	1,580	6,946
(Deficiency) of revenues over expenditures	(1,547)	(6,944)
Other financing sources (uses):		
Transfers in	1,405,337	1,412,660
Transfers out	(1,403,767)	(1,405,714)
Total other financing sources	1,570	6,946
Net change in fund balances	23	2
Fund balances, beginning of year	17	15
Fund balances, end of year	\$ 40	\$ 17

City of Peoria, Illinois

**2014A General Obligation Bond Project Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014**

	2015	2014
Revenue, interest	<u>\$ 7,545</u>	<u>\$ 37,201</u>
Expenditures:		
Public works	-	114,038
General government	729,358	1,768,076
Capital outlay	237,904	6,885,750
Total expenditures	<u>967,262</u>	<u>8,767,864</u>
(Deficiency) of revenues over expenditures	<u>(959,717)</u>	<u>(8,730,663)</u>
Other financing sources (uses):		
Issuance of bonds	-	9,660,000
Proceeds from sale of property	-	149,021
Total other financing sources (uses)	<u>-</u>	<u>9,809,021</u>
Net change in fund balance	<u>(959,717)</u>	<u>1,078,358</u>
Fund balance, beginning of year	<u>1,078,358</u>	-
Fund balance, end of year	<u><u>\$ 118,641</u></u>	<u><u>\$ 1,078,358</u></u>

City of Peoria, Illinois

2015C General Obligation Bond Project Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenue, interest	\$ 898	\$ -
Expenditures, general government	7,267,524	-
(Deficiency) of revenues over expenditures	(7,266,626)	-
Other financing sources (uses):		
Issuance of bonds	7,258,065	-
Bond premium	9,444	-
Total other financing sources (uses)	7,267,509	-
Net change in fund balance	883	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ 883	\$ -

City of Peoria, Illinois

2015D General Obligation Bond Project Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended December 31, 2015
 With Comparative Figures for the Year Ended December 31, 2014

	2015	2014
Revenue, interest	\$ 503	\$ -
Expenditures:		
General government	1,890,718	-
Total expenditures	1,890,718	-
(Deficiency) of revenues over expenditures	(1,890,215)	-
Other financing sources (uses):		
Issuance of bonds	1,911,970	-
Bond premium	(20,184)	-
Total other financing sources (uses)	1,891,786	-
Net change in fund balance	1,571	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ 1,571	\$ -

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.

City of Peoria, Illinois

**Combining Statement of Fiduciary Net Position
December 31, 2015**

	Police Pension Fund of Peoria	Firemen's Pension Fund of Peoria	Total
Assets			
Cash and cash equivalents	\$ 1,209,777	\$ 5,390,798	\$ 6,600,575
Receivables:			
Plan members' contributions	55,755	44,135	99,890
Accrued interest and dividends	295,928	289,488	585,416
	<u>351,683</u>	<u>333,623</u>	<u>685,306</u>
Other assets, prepaids	1,890	6,437	8,327
Investments, at fair value:			
Money market mutual funds	2,361,536	1,626,713	3,988,249
U.S. government obligations	18,620,644	10,232,796	28,853,440
U.S. government agencies	4,408,733	8,157,282	12,566,015
State and local obligations	407,383	1,630,479	2,037,862
Mutual funds	81,740,122	40,756,213	122,496,335
Corporate bonds	27,809,119	19,910,459	47,719,578
Stocks	15,416,641	33,895,841	49,312,482
	<u>150,764,178</u>	<u>116,209,783</u>	<u>266,973,961</u>
Total assets	152,327,528	121,940,641	274,268,169
Liabilities			
Accounts payable and accrued payroll taxes	1,268,433	68,594	1,337,027
Net position held in trust for pension benefit	\$ 151,059,095	\$ 121,872,047	\$ 272,931,142

City of Peoria, Illinois

**Combining Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2015**

	Police Pension Fund of Peoria	Firemen's Pension Fund of Peoria	Total
Additions			
Contributions:			
Plan members' contributions	\$ 1,821,130	\$ 1,690,647	\$ 3,511,777
Employer contributions	7,858,832	7,153,055	15,011,887
Other income	16,676	7,558	24,234
Total contributions	9,696,638	8,851,260	18,547,898
Investment income:			
Net appreciation in fair value of investments	(2,427,450)	(4,470,828)	(6,898,278)
Dividends	1,702,580	2,025,423	3,728,003
Interest	1,289,501	1,305,780	2,595,281
Total investment income	564,631	(1,139,625)	(574,994)
Less investment expenses	(297,318)	(353,176)	(650,494)
Net investment income	267,313	(1,492,801)	(1,225,488)
Total additions	9,963,951	7,358,459	17,322,410
Deductions			
Benefits paid	14,025,942	11,845,503	25,871,445
Administrative expenses	239,695	127,903	367,598
Total deductions	14,265,637	11,973,406	26,239,043
Net (decrease)	(4,301,686)	(4,614,947)	(8,916,633)
Net position held in trust for pension benefits			
Beginning of year, as restated	155,360,781	126,486,994	281,847,775
End of year	\$ 151,059,095	\$ 121,872,047	\$ 272,931,142

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City of Peoria

Statistical Section (Unaudited)

Contents

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

Contents	Pages
Financial Trends: Tables I - IV These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	180 - 190
Revenue Capacity: Tables V - IX These schedules contain information to help the reader assess two primary revenue sources for the City: a) property taxes b) taxable sales.	191 - 196
Debt Capacity: Tables X - XIII 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.	197 - 201
Demographic and Economic Information: Tables XIV - XV These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	202 - 203
Operating Information: Tables XVI - XVIII 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.	204 - 207
Glossary of Terms in Statistical Section	208 - 211

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		
	2006	2007	2008
Governmental activities/primary government:			
Net investment in capital assets	\$ 171,655,101	\$ 185,488,430	\$ 194,265,042
Restricted	68,518,109	61,923,893	75,633,071
Unrestricted	(124,525,566)	(132,053,264)	(151,816,167)
Total governmental activities/primary government net position	\$ 115,647,644	\$ 115,359,059	\$ 118,081,946

Source: City of Peoria comprehensive annual financial reports for fiscal years 2006 through 2015.

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.

Restatement of 2014 Net Position:

In 2015, the City adopted GASB Statement Nos. 68 and 71, resulting in a \$216,312,279 decrease in December 31, 2014 net position. Unrestricted net position decreased \$216,312,279 to recognize net pension liabilities and pension related deferred outflows of resources.

Business-Type Activities:

The City has no business-type activities.

Table I

							Fiscal Year	
2009	2010	2011	2012	2013	2014	2015		
	Restated	Restated			Restated			
\$ 177,077,761	\$ 184,710,991	\$ 186,383,801	\$ 191,648,334	\$ 210,260,982	\$ 231,881,361	\$ 236,299,594		
63,707,057	36,374,406	23,938,124	31,880,396	26,059,338	22,307,050	22,029,340		
(138,035,376)	(103,672,054)	(73,918,356)	(96,661,910)	(111,474,073)	(342,238,330)	(381,255,279)		
<u>\$ 102,749,442</u>	<u>\$ 117,413,343</u>	<u>\$ 136,403,569</u>	<u>\$ 126,866,820</u>	<u>\$ 124,846,247</u>	<u>\$ (88,049,919)</u>	<u>\$ (122,926,345)</u>		

City of Peoria

Changes In Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	Fiscal Year		
	2006	2007	2008
Expenses			
Governmental activities:			
Elected Offices, Boards, Commissions, and Agencies	\$ 1,926,997	\$ 2,184,194	\$ 2,118,174
City Administration	6,950,987	7,828,057	8,185,595
Police	30,538,723	37,110,409	37,876,713
Fire	24,408,676	27,816,247	28,353,632
Public Works	27,838,925	27,924,254	28,535,894
Community Development	49,626,179	26,926,080	14,753,676
Public Safety	8,412,090	10,534,455	10,196,053
General Government	16,019,134	17,584,981	19,793,924
Library	6,833,270	7,874,572	9,882,250
Interest on Long-Term Debt	7,809,463	7,698,934	7,468,578
Total governmental activities/primary government expenses	\$ 180,364,444	\$ 173,482,183	\$ 167,164,489
Program Revenues			
Governmental activities:			
Charges for services:			
Elected offices, boards, commissions, and agencies	\$ -	\$ -	\$ -
City administration	-	-	-
Police	1,020,290	883,111	839,168
Fire	275,658	520,862	709,022
Public works	5,635,552	5,522,356	5,546,259
Community development	-	-	-
Public safety	2,373,167	4,177,942	3,921,530
General government	11,442,837	12,348,131	11,839,748
Library	132,559	122,818	128,679
Operating grants and contributions:			
Elected offices, boards, commissions, and agencies	-	-	-
City administration	-	-	-
Police	1,373,059	1,095,196	805,850
Fire	145,197	191,955	257,520
Public works	-	-	4,999
Community development	9,505,077	7,844,074	6,436,062
Public safety	39,930	-	-
General government	-	(12,121)	-
Library	135,412	104,065	65,283
Capital grants and contributions			
Elected offices, boards, commissions, and agencies	-	-	-
City administration	-	-	-
Police	-	-	-
Fire	-	-	-
Public works	37,572	-	-
Community development	33,333	13,333	13,333
Public safety	-	-	-
General government	1,955,973	9,391,351	7,385,886
Library	106,364	151,184	143,026
Total governmental activities/primary government program revenues	34,211,980	42,354,257	38,096,365
Net (expense) revenue:			
Total governmental activities/primary government net expense	\$ (146,152,464)	\$ (131,127,926)	\$ (129,068,124)

(Continued)

Table II

		Fiscal Year											
		2009	2010	2011	2012	2013	2014	2015					
			Restated	Restated									
\$	2,177,766	\$	1,807,517	\$	2,038,876	\$	1,882,152	\$	2,276,126	\$	2,128,498	\$	2,335,352
	8,197,849		4,649,988		3,389,721		6,843,305		6,787,260		6,132,866		7,481,096
	36,273,295		36,717,097		38,335,139		38,516,002		43,174,401		42,634,035		56,819,398
	31,575,786		31,747,002		32,400,123		32,080,101		33,400,729		35,378,534		40,529,566
	30,208,619		24,460,125		24,073,194		30,999,642		36,101,530		38,186,520		39,156,002
	14,723,262		17,055,003		17,018,270		12,420,353		13,378,793		8,507,556		9,544,855
	10,768,011		10,265,084		7,778,795		5,829,511		5,910,780		4,224,466		6,257,645
	16,545,136		23,810,131		22,512,282		30,812,306		24,494,522		13,045,363		22,612,339
	11,308,891		9,284,492		11,059,026		11,362,496		9,972,628		8,810,410		9,642,742
	8,844,508		8,316,083		9,493,691		10,107,766		10,415,956		10,136,289		8,277,949
\$	170,623,123	\$	168,112,522	\$	168,099,117	\$	180,853,634	\$	185,912,725	\$	169,184,537	\$	202,656,944
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	558,810		597,217		605,675		698,323		540,538		489,498		429,384
	564,471		511,084		501,192		493,568		412,896		436,789		437,800
	5,229,957		4,970,342		5,060,544		11,587,937		12,317,497		12,431,860		13,082,006
	-		-		-		-		-		-		129,169
	2,792,610		2,594,265		2,377,782		2,309,697		1,818,083		2,711,396		2,230,107
	11,951,363		15,374,543		11,966,230		5,249,428		4,389,254		5,515,593		4,705,147
	129,540		98,307		119,577		128,276		135,705		138,197		124,750
	-		-		-		-		-		-		293,078
	-		-		-		-		-		-		-
	786,354		1,155,061		1,980,971		3,347,777		3,003,709		691,508		364,881
	186,799		254,738		524,903		1,034,717		782,030		241,064		355,209
	-		-		-		-		30,155		400,461		613,862
	8,810,036		10,822,497		8,649,820		6,063,515		3,126,109		2,188,338		2,375,179
	-		-		-		-		-		-		4,352
	-		-		2,248,247		1,222,559		2,728,878		3,698,686		-
	51,760		82,199		100,553		42,223		16,225		26,981		17,520
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		98,882		-		-		-		-
	186,166		517,220		4,426,709		3,642,888		17,262,816		4,039,826		7,020,733
	10,000		5,000		5,000		-		-		-		-
	124,693		579,939		324,942		33,655		-		-		-
	1,121,888		8,712,785		16,677,425		2,110,191		4,520,380		6,068,356		4,982,329
	160,220		105,477		139,147		117,940		118,187		143,759		143,521
	32,664,667		46,380,674		55,807,599		38,082,694		51,202,462		39,222,313		37,309,027
\$	(137,958,456)	\$	(121,731,848)	\$	(112,291,518)	\$	(142,770,940)	\$	(134,710,263)	\$	(129,962,224)	\$	(165,347,917)

City of Peoria

Changes In Net Position - continued
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

	Fiscal Year		
	2006	2007	2008
General Revenues and Other Changes in Net Position:			
Governmental activities/primary government:			
Taxes:			
Property taxes	\$ 26,334,488	\$ 27,481,171	\$ 29,047,046
Corporate personal property replacement taxes	6,825,112	8,306,487	7,690,109
State sales taxes, unrestricted	23,274,038	23,514,047	23,807,678
State income tax allocation, unrestricted	9,679,194	10,545,996	11,456,986
Home rule sales taxes	22,888,067	23,199,949	23,100,548
Hotel, restaurant and amusement taxes	7,449,766	8,120,176	8,253,017
Local motor fuel taxes	894,898	893,078	855,599
Gaming revenue	3,965,791	4,005,969	3,594,362
Utility taxes	8,568,744	8,795,630	8,629,442
Grants and contributions not restricted to specific programs	4,810,762	3,508,181	3,350,085
Interest/Investment Income	5,077,067	4,363,118	2,384,392
Franchise Fees, based on gross receipts	2,071,893	2,189,184	2,306,679
Other	4,450,806	5,916,355	7,315,068
Total governmental activities/primary government	\$ 126,290,626	\$ 130,839,341	\$ 131,791,011
Change in net position:			
Total governmental activities/primary government	\$ (19,861,838)	\$ (288,585)	\$ 2,722,887

Source: City of Peoria comprehensive annual financial reports for fiscal years 2006 through 2015

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

Restatement of 2014 Beginning Net Position:

In 2015, the City adopted GASB Statement Nos. 68 and 71, resulting in a \$216,312,279 decrease in 2015 beginning net position.

Business-Type Activities:

The City has no business-type activities.

Table II

							Fiscal Year						
2009		2010		2011		2012		2013		2014		2015	
		Restated		Restated						Restated			
\$	32,964,520	\$	34,408,536	\$	35,411,598	\$	34,953,409	\$	35,044,553	\$	34,119,990	\$	31,563,865
	6,777,042		7,116,213		6,663,610		6,438,641		7,366,584		7,156,827		6,849,754
	21,951,915		22,983,019		23,425,790		24,637,340		23,764,815		23,960,185		24,634,202
	9,848,758		9,473,829		9,252,638		10,196,314		11,090,291		10,891,399		12,435,605
	21,074,331		21,750,896		22,662,416		22,898,395		22,336,809		21,961,547		22,203,898
	7,640,779		7,913,576		8,514,746		8,695,857		8,819,495		8,980,044		9,230,491
	764,720		843,494		-		-		-		-		-
	3,528,968		3,536,729		3,492,315		3,510,234		3,353,151		3,162,509		3,157,614
	8,406,435		9,535,439		12,026,499		12,269,259		12,050,962		12,035,216		11,188,083
	3,163,376		3,141,811		2,968,278		12,311		95,427		155,528		993,780
	1,053,232		1,125,035		2,156,553		2,627,602		1,217,095		-		561,728
	2,249,178		2,178,794		2,290,351		2,474,896		2,354,192		2,299,617		3,267,973
	3,202,698		3,480,454		2,416,950		6,762,301		5,196,316		8,655,476		4,384,498
\$	122,625,952	\$	127,487,825	\$	131,281,744	\$	135,476,560	\$	132,689,690	\$	133,378,337	\$	130,471,491
\$	(15,332,504)	\$	5,755,977	\$	18,990,226	\$	(7,294,380)	\$	(2,020,573)	\$	3,416,113	\$	(24,876,426)

City of Peoria

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

	Fiscal Year		
	2006	2007	2008
General Fund:			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Reserved	\$ 1,848,711	\$ 7,968,830	\$ 8,704,989
Unreserved - Designated	18,691,956	12,570,433	12,828,231
Unreserved - Undesignated	8,736,116	9,665,019	11,078,502
Total General Fund	\$ 29,276,783	\$ 30,204,282	\$ 32,611,722
All Other Governmental Funds:			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Reserved	\$ 28,807,497	\$ 27,925,865	\$ 26,265,107
Unreserved - Designated, reported in:			
Special Revenue Funds	841,971	1,502,394	1,665,130
Capital Project Funds	25,180,643	17,213,173	32,740,696
Unreserved - Undesignated, reported in:			
Special Revenue Funds	1,078,166	1,648,746	1,731,009
Debt Service Funds	-	-	-
Capital Project Funds	6,090,571	11,514,801	10,948,360
Total All Other Government Funds	\$ 61,998,848	\$ 59,804,979	\$ 73,350,302

Source: City of Peoria comprehensive annual financial reports for fiscal years 2006 through 2015.

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					
2009	2010	2011	2012	2013	2014	2015	
		Restated					
-	-	672,059	928,685	9,954,561	8,860,417	8,020,598	
-	-	306,681	915,767	829,034	848,735	859,260	
-	-	16,233,211	-	-	-	-	
-	-	7,815,947	18,939,465	14,588,173	19,634,307	23,157,075	
-	-	17,398,313	20,316,688	17,212,339	17,332,816	15,880,492	
\$ 8,371,893	\$ 8,103,056	-	-	-	-	-	
12,847,709	12,859,791	-	-	-	-	-	
4,595,390	4,371,850	-	-	-	-	-	
\$ 25,814,992	\$ 25,334,697	\$ 42,426,211	\$ 41,100,605	\$ 42,584,107	\$ 46,676,275	\$ 47,917,425	
-	-	439,196	498,803	516,905	523,863	521,848	
-	-	62,094,179	87,695,699	74,592,284	25,730,915	21,018,792	
-	-	-	-	-	-	-	
-	-	15,650,492	10,572,062	7,656,615	968,520	-	
-	-	(2,083,145)	(770,426)	(9,302,137)	(9,734,488)	(14,348,130)	
\$ 25,208,159	\$ 47,103,244	-	-	-	-	-	
		-	-	-	-	-	
2,002,018	1,961,529	-	-	-	-	-	
26,235,774	19,684,749	-	-	-	-	-	
		-	-	-	-	-	
1,818,615	1,382,947	-	-	-	-	-	
-	-	-	-	-	-	-	
5,390,826	5,025,196	-	-	-	-	-	
\$ 60,655,392	\$ 75,157,665	\$ 76,100,721	\$ 97,996,138	\$ 73,463,667	\$ 17,488,810	\$ 7,192,510	

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

	Fiscal Year		
	2006	2007	2008
Revenues:			
Taxes	\$ 105,914,307	\$ 110,856,534	\$ 112,840,425
Gaming revenue	3,965,791	4,005,969	3,594,362
Governmental grants and reimbursements	16,282,395	13,939,383	12,798,543
Licenses and Permits	1,743,658	3,378,864	3,374,273
Charges for services	21,208,296	22,385,539	21,916,812
Special assessments	155,281	272,989	359,175
Loan repayments	389,744	381,881	327,345
Interest	5,066,507	4,350,633	2,364,386
Other	4,937,680	4,458,484	5,764,935
Total Revenues	\$ 159,663,659	\$ 164,030,276	\$ 163,340,256
Expenditures:			
Elected offices, boards, commissions, agencies	1,914,702	2,065,825	1,962,117
City administration	6,753,081	7,473,952	7,682,868
Police	31,304,981	34,817,519	35,794,392
Fire	23,295,673	25,210,684	26,125,716
Public works	25,213,092	26,712,420	26,812,501
Community development	49,489,472	23,387,350	13,672,424
Public safety	8,289,939	9,062,108	9,285,483
General government	8,985,341	9,470,644	8,549,659
Library	6,218,368	6,549,961	7,011,868
Capital outlay	14,461,134	23,355,246	22,400,879
Debt service:			
Principal	10,541,104	11,068,939	8,618,657
Interest	8,057,602	7,550,153	8,356,302
Total Expenditures	\$ 194,524,489	\$ 186,724,801	\$ 176,272,866
Excess of Revenues (under Expenditures)	(34,860,830)	(22,694,525)	(12,932,610)
Other Financing Sources (Uses):			
Proceeds from issuance of bonds	9,775,000	19,905,000	28,000,000
Premium on issued bonds	121,590	47,197	798,013
Payment to refunding bond escrow agent	(4,453,083)	-	-
Proceeds from sale of property	465,131	1,475,958	87,360
New loan proceeds	-	-	-
Proceeds from note payable	-	-	-
Transfers in	24,774,077	25,355,043	28,416,782
Transfers out	(24,774,077)	(25,355,043)	(28,416,782)
Total Other Financing Sources (Uses)	5,908,638	21,428,155	28,885,373
Net Change in Fund Balances	\$ (28,952,192)	\$ (1,266,370)	\$ 15,952,763
Debt service as a percentage of noncapital expenditures	10.3%	11.4%	11.0%

Source: City of Peoria comprehensive annual financial reports for fiscal years 2006 through 2015.

- Trend: In 2010, \$14,021,978 total net 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 IV

		Fiscal Year						
		2009	2010	2011	2012	2013	2014	2015
		Restated						
\$	110,789,222	\$ 114,596,444	\$ 118,158,046	\$ 121,358,799	\$ 122,154,688	\$ 119,909,506	\$ 118,937,378	
	764,720	3,536,729	3,492,315	3,510,234	3,229,684	2,849,342	3,157,614	
	13,087,732	21,927,936	33,323,459	14,721,653	17,023,909	16,892,815	15,215,169	
	2,048,933	2,516,900	2,597,899	2,408,440	1,942,447	2,138,718	2,684,807	
	21,426,996	20,069,485	19,543,740	18,339,319	18,223,694	19,142,846	18,879,103	
	466,684	778,741	185,749	359,132	(25,984)	107,033	-	
	154,784	150,998	154,868	232,259	155,223	616,905	1,123,346	
	1,039,034	1,119,080	2,302,857	2,569,959	1,170,248	861,617	372,534	
	3,164,042	3,255,681	5,658,012	6,726,287	5,392,587	7,737,697	5,472,375	
\$	152,942,147	\$ 167,951,994	\$ 185,416,945	\$ 170,226,082	\$ 169,266,496	\$ 170,256,479	\$ 165,842,326	
	2,064,338	1,987,560	1,937,261	2,047,017	2,295,478	2,091,400	1,752,902	
	7,758,944	7,657,199	3,360,440	6,862,338	6,716,345	5,989,729	7,037,490	
	35,105,004	34,014,508	35,801,837	34,989,102	38,190,758	37,343,061	38,406,314	
	27,796,965	27,463,584	29,734,147	27,666,439	29,753,246	28,954,466	31,236,602	
	28,156,412	23,090,210	23,439,561	19,543,226	24,476,899	23,842,646	24,160,952	
	13,818,411	15,680,834	16,723,085	12,438,977	12,441,478	8,075,891	9,405,927	
	9,932,649	9,570,742	7,761,710	5,753,224	7,128,150	5,717,578	5,751,344	
	10,286,382	13,624,131	10,475,320	32,077,467	18,920,621	7,951,195	15,014,787	
	7,249,289	6,916,950	8,814,034	7,680,877	8,119,596	6,785,264	7,091,049	
	17,812,988	38,538,261	23,671,645	22,638,689	31,222,632	35,068,703	23,480,437	
	8,676,500	8,724,038	10,072,238	11,072,123	12,178,913	71,801,662	13,423,822	
	9,334,280	8,787,893	10,088,401	10,757,611	10,998,273	11,171,810	7,935,515	
\$	177,992,162	\$ 196,055,910	\$ 181,879,679	\$ 193,527,090	\$ 202,442,389	\$ 244,793,405	\$ 184,697,141	
	(25,050,015)	(28,103,916)	3,537,266	(23,301,008)	(33,175,893)	(74,536,926)	(18,854,815)	
	17,645,000	43,715,000	9,350,000	46,150,000	16,920,000	21,405,000	34,595,000	
	250,876	2,119,576	646,087	283,771	347,535	1,245,865	2,534,007	
	(17,665,354)	(3,836,533)	(4,064,361)	-	(7,046,086)	-	(27,337,141)	
	8,275	127,851	195,925	437,048	5,475	3,371	7,800	
	5,319,578	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	21,422,476	26,081,501	25,101,415	30,469,594	25,282,277	27,596,312	27,333,494	
	(21,422,476)	(26,081,501)	(25,101,415)	(33,569,594)	(25,282,277)	(27,596,312)	(27,333,494)	
	5,558,375	42,125,894	6,127,651	43,770,819	10,226,924	22,654,236	9,799,666	
\$	(19,491,640)	\$ 14,021,978	\$ 9,664,917	\$ 20,469,811	\$ (22,948,969)	\$ (51,882,690)	\$ (9,055,149)	
	11.2%	11.1%	12.7%	12.8%	13.6%	38.9%	13.2%	

Assessed Value and Estimated Actual Value of Taxable Property ^{(1) (2) (3)}

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
2016	2015	1,294,075	679,177	52,889	857	3,078	2,030,076	3.13%	1.5619	\$ 6,090,838
2015	2014	1,276,405	660,877	50,985	890	2,687	1,991,844	-0.06%	1.3970	\$ 5,976,129
2014	2013	1,257,973	635,194	48,043	853	2,494	1,944,557	-1.21%	1.4062	\$ 5,834,255
2013	2012	1,285,157	632,766	47,400	849	2,202	1,968,374	-1.23%	1.4096	\$ 5,905,712
2012	2011	1,299,455	642,415	48,130	1,028	1,953	1,992,981	-0.95%	1.3911	\$ 5,979,540
2011	2010	1,324,615	636,251	48,667	866	1,657	2,012,057	1.43%	1.3865	\$ 6,036,774
2010	2009	1,306,278	627,211	47,966	840	1,360	1,983,655	1.95%	1.3861	\$ 5,951,561
2009	2008	1,276,338	619,746	47,804	809	1,055	1,945,752	5.34%	1.2707	\$ 5,837,839
2008	2007	1,215,582	583,533	46,167	860	886	1,847,028	7.63%	1.2822	\$ 5,541,640
2007	2006	1,125,204	544,809	44,360	904	841	1,716,118	6.14%	1.2896	\$ 5,148,870

Source: Peoria County Clerk (Tax Computation Reports)

Notes

⁽¹⁾ 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.

⁽²⁾ Excludes increased assessed valuation of Redevelopment Areas: Central Business District, Downtown Stadium, Downtown Conservation, Eagle View, East Village Growth Cell, Hospitality Improvement Zone, Midtown Plaza, Northside Business Park, Northside Riverfront, River Trail, Southtown (expired in 2013), South Village Growth Cell, 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; 2014 - \$41,256,550; 2015 - \$46,399,880

⁽³⁾ 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								
		General Fund	Bond & Interest	Illinois Municipal Retirement Fund	Library Fund	Library General Obligation Bonds	Street & Bridge	Social Security	Firemen Pension Fund	Police Pension Fund
2016	2015	0.0544	0.0998	0.1576	0.3234	0.1163	0.0591	0.0778	0.3245	0.3491
2015	2014	0.0757	0.0000	0.2376	0.3242	0.1163	0.0000	0.0000	0.3065	0.3367
2014	2013	0.1369	0.0000	0.2301	0.3288	0.1167	0.0000	0.0000	0.2832	0.3160
2013	2012	0.1576	0.0000	0.2118	0.3312	0.1132	0.0000	0.0000	0.3142	0.2783
2012	2011	0.2532	0.0000	0.2262	0.3337	0.1065	0.0000	0.0000	0.2748	0.2152
2011	2010	0.2205	0.0000	0.2369	0.3306	0.1003	0.0000	0.0000	0.2839	0.2189
2010	2009	0.3363	0.0000	0.2249	0.3324	0.0566	0.0000	0.0000	0.2401	0.1963
2009	2008	0.3225	0.0000	0.2425	0.3430	0.0962	0.0000	0.0000	0.2184	0.1636
2008	2007	0.3395	0.0000	0.2450	0.3367	0.0000	0.0000	0.0000	0.1924	0.1571
2007	2006	0.3167	0.0000	0.2534	0.3398	0.0000	0.0000	0.0000	0.2104	0.1620

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

Total Direct Tax Rate	Overlapping Rates							Total Tax Rate
	School District No.150	Peoria County	Peoria Township	Park District	Airport Authority	ICC Junior College	Mass Transit District	
1.5619	5.2841	0.8053	0.1474	0.8288	0.2112	0.4930	0.2274	9.5593
1.3970	5.1719	0.8053	0.1468	0.8066	0.1915	0.4654	0.2210	9.2053
1.4062	5.0646	0.8053	0.1448	0.7914	0.1899	0.4723	0.2155	9.0955
1.4096	4.9832	0.8053	0.1420	0.7662	0.1864	0.4634	0.2029	8.9555
1.3911	4.9315	0.7998	0.1355	0.7335	0.1858	0.4624	0.1905	8.8487
1.3865	4.9307	0.8003	0.1329	0.7183	0.1883	0.4462	0.1797	8.7874
1.3861	4.8811	0.8050	0.1333	0.7178	0.1873	0.4702	0.1737	8.7548
1.2707	4.5951	0.8074	0.1312	0.7025	0.1747	0.4411	0.1685	8.4065
1.2822	4.4605	0.8158	0.1318	0.6979	0.2324	0.4490	0.1688	8.2270
1.2896	4.4846	0.8444	0.1366	0.7134	0.2409	0.4841	0.1727	8.3589

**Principal Property Taxpayers ^{(1) (2) (3)}
Current Year and Nine Years Ago
(Unaudited)**

Taxpayer	2015 (Taxable Assessed Valuation \$2,030,076,387)			2006 (Taxable Assessed Valuation \$1,716,118,322)		
	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	\$ 24,403,720	1	1.20%	\$ 19,192,490	1	1.12%
Pere Marquette / Marriot	14,902,860	2	0.73%			
MCRIL LLC (Shoppes at Grand Prairie)	12,824,710	3	0.63%	12,533,050	2	0.73%
OSF Healthcare System	10,663,192	4	0.53%			
Northwoods Development Co	9,069,270	5	0.45%	8,051,730	4	0.47%
PV Peoria LLC (Prairie Vista Apartments)	7,734,000	6	0.38%			
Willow Knolls Ltd	7,717,520	7	0.38%	9,140,360	3	0.53%
Wal-Mart Real Estate Business Trust	7,100,100	8	0.35%	7,263,190	6	0.42%
Komatsu America Corp	5,755,310	9	0.28%			
Knoxville Pointe	5,479,650	10	0.27%			
Gateway Taylor, Inc				5,176,890	8	0.30%
Edward Rose Building Co				7,264,520	5	0.42%
PMP Fermentation Products				6,685,760	7	0.39%
Downtown Baseball Stadium				5,157,860	9	0.30%
Lexington House Corporation (Becker)				4,816,980	10	0.28%
	<u>\$ 105,650,332</u>		<u>5.20%</u>	<u>\$ 85,282,830</u>		<u>4.97%</u>

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 Ended December 31,	Property Tax Levy Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2014	\$ 32,171,549	\$ 31,482,659	97.86%	\$ -	\$ 31,482,659	97.86%
2014	2013	33,706,874	33,121,833	98.26%	-	\$ 33,121,833	98.26%
2013	2012	34,172,736	34,035,536	99.60%	-	\$ 34,035,536	99.60%
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%

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)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Merchandise	\$ 404,909	\$ 390,938	\$ 391,718	\$ 380,143	\$ 378,851	\$ 348,278	\$ 383,073	\$ 349,304	\$ 339,363	\$ 329,893
Food	218,964	221,889	214,735	222,521	229,184	269,468	279,978	281,002	288,103	300,296
Drinking and Eating Places	211,092	226,625	226,676	218,259	225,876	234,314	239,747	240,392	241,465	253,485
Apparel	97,317	100,587	99,906	89,305	92,305	124,771	97,425	95,815	91,117	90,673
Furniture, H.H., and Radio	180,579	177,355	167,054	147,190	144,841	143,882	142,295	135,458	128,024	135,063
Lumber, Bldg, Hardware	146,777	139,757	130,046	117,211	115,644	113,695	116,716	118,969	123,666	123,722
Automotive and Filling Stations	399,927	404,877	411,187	368,643	402,814	399,213	486,041	430,288	436,073	447,140
Drugs & Miscellaneous Retail	252,687	254,004	255,395	253,201	274,731	284,326	287,762	283,856	277,988	276,043
Agriculture and All Others	213,281	228,694	251,212	193,786	205,011	192,551	190,707	180,397	186,418	183,026
Manufacturers	26,874	25,530	31,985	30,331	37,810	40,946	39,726	45,924	48,118	56,141
Total	\$ 2,152,407	\$ 2,170,256	\$ 2,179,916	\$ 2,020,591	\$ 2,107,068	\$ 2,151,445	\$ 2,263,469	\$ 2,161,406	\$ 2,160,334	\$ 2,195,482
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	3,115	3,089	2,582	2,446	2,490	2,452	2,417	2,418	2,318	2,351

Sources: Illinois Department of Revenue (Standard Industrial Classification (SIC) Code Reporting) via website [www.revenue.state.il.us]

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 ^{(1) (2) (3) (4) (5) (6) (7)}
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			
2015	\$ 184,460	\$ 4,395	\$ 1,080	\$ 1,126	191,060	9.41%	5.93%	1,650
2014	188,700	4,779	1,600	1,291	196,370	9.86%	5.94%	1,707
2013	238,090	5,148	2,080	1,413	246,731	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

Source:

City of Peoria comprehensive annual financial reports for the fiscal years 2006 through 2015.

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 2010-2014, the City issued \$60,470,000 aggregate total General Obligation Bonds relating to the economic refunding of the 2005 A General Obligation Bonds. The 2005 A General Obligation Bonds in the amount of \$59,640,000 were called on January 1, 2015.

(8) In 2012, the City issued \$31,655,000 Series 2012 A Taxable General Obligation Bonds for the Hotel Pere Marquette and Marriott Courtyard project.

(9) In 2014, the City issued \$9,660,000 Series 2014 A General Obligation Bonds for major infrastructure improvements.

(10) In 2015, the City issued \$7,600,000 Series 2015 C Taxable General Obligation bonds for the Louisville Slugger Sports Complex

(10) In 2015, the City issued \$2,000,000 Series 2015 D Taxable General Obligation bonds for the Hotel project in conjunction with the Louisville Slugger Sports Complex.

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 Year	Population	Assessed Value (Thousands)	General Bonded Debt Outstanding			Percentage of Actual Property Value	Debt Per Capita	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin
			General Obligation Bonds	Less Amount Available in Debt Service	Net Bonded Debt					
2015	115,828 ⁽⁴⁾	2,030,076	184,460	\$ 8,437	176,023	8.67%	1,519.69	\$203,008	\$39,300	163,708
2014	115,007	1,991,844	188,700	12,697	176,003	8.84%	1,530.37	199,184	23,805	175,379
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 ⁽³⁾	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 ⁽²⁾	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

Notes:

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

⁽¹⁾ Includes 5,199 additional population identified during 2004 Special Census

⁽²⁾ Includes 3,035 additional population identified during 2007 Special Census

⁽³⁾ Includes 6,163 population decrease identified during 2010 United States Census

⁽⁴⁾ From the Economic Development Council for Central Illinois website [www.greaterpeoriaedc.org]

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 2015:

Assessed Value (from County Report)	\$2,030,076
Debt Limit (10% of assessed value)	203,008
Debt Applicable to Limit:	
General Obligation Bonds	184,460
Less: Amount set aside for repayment of GO Debt	(8,437)
Gross Total Debt Applicable to Limit	176,023
Less: Debt With Alternative Repayment Sources	(136,723)
Net Total Debt Applicable to Limit	39,300
Legal Debt Margin	<u>\$163,708</u>

Direct and Overlapping Governmental Activities Debt ⁽¹⁾
As of December 31, 2015
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable To City	City's Estimated Share of Overlapping Debt
County of Peoria	\$ 72,340,000	60.47%	\$ 43,743,998
Greater Peoria Airport Authority	46,215,000	55.20%	25,510,680
Pleasure Driveway and Park District	5,650,000	94.98%	5,366,370
Weaverridge Special Service Area	1,080,000	100.00%	1,080,000
School District No. 62, Pleasant Valley	530,000	45.53%	241,309
School District No. 150, City of Peoria	122,146,509	97.84%	119,508,144
School District No. 310, Limestone	5,025,000	6.57%	330,143
School District No. 321, Chillicothe IVC	8,503,731	1.58%	134,359
School District No. 323, Dunlap	60,915,000	87.47%	53,282,351
School District No. 325, Peoria Heights	6,670,000	10.88%	725,696
School District No. 514, Illinois Central College	33,440,000	29.23%	9,774,512
	<u>362,515,240</u>		<u>259,697,561</u>
Subtotal - Overlapping Debt	362,515,240		259,697,561
City of Peoria Direct Debt	<u>191,060,245</u>	100.00%	<u>191,060,245</u>
Total Direct and Overlapping Debt	<u>\$ 553,575,485</u>		<u>\$ 450,757,806</u>

Sources: City of Peoria Official Bond Statements for Series 2016B 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	
2015	-	-	-	-	-	-	-	N/A
2014	-	-	-	-	-	-	-	N/A
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

Local Motor Fuel Tax Revenue Bonds						
Fiscal Year	Local Motor Fuel Tax Revenue	Net Available Revenue	Debt Service		Coverage	
			Principal	Interest		
2015	\$ 829	829	\$ 255	\$ 60	2.63	
2014	804	804	250	63	2.57	
2013	757	757	60	44	7.25	
2012	-	-	-	-	-	
2011	-	-	-	-	-	
2010	-	-	-	-	-	
2009	-	-	-	-	-	
2008	-	-	-	-	-	
2007	-	-	-	-	-	
2006	-	-	-	-	-	

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 Assessment Collections	Capitalized Interest	Pledged Property Taxes	Interest Revenue	Net Available Revenue	Debt Service		Coverage	
					Principal	Interest		
\$ 256	-	\$ 2,088	\$ 10	2,354	\$ 384	\$ 261	3.65	
290	-	654	62	1,007	369	280	1.55	
339	-	501	120	960	359	299	1.46	
110	-	400	47	556	344	317	0.84	
618	-	312	96	1,026	111	324	2.36	
110	-	185	53	347	108	330	0.79	
125	279	-	60	464	121	337	1.01	
115	279	-	40	434	115	311	1.02	
-	55	-	-	55	-	55	1.00	
-	-	-	-	-	-	-	-	

**Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended December 31	Population ⁽¹⁾	Personal Income (Thousands)	Per Capita Personal Income ⁽⁵⁾	Median Age ⁽⁴⁾	School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾
2015	115,828	3,224,304	\$ 27,837	38.7	13,675	7.0%
2014	115,007	3,312,202	28,800	33.8	13,782	7.9%
2013	115,007	3,306,681	28,752	33.7	13,976	10.0%
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%

Sources:

⁽¹⁾ United States Census data for 2001 - 2003; Special Census Data for 2004; Special Census Data for 2007

United States Census data for 2010 - 2014; Economic Development Council for Central Illinois [www.greaterpeoriaedc.org] for 2015

⁽²⁾ Peoria School District # 150 Illinois Report Card

⁽³⁾ Unemployment Data Per the IL Department of Employment Security [www.ides.illinois.gov]

Economic Development Council for Central Illinois [www.greaterpeoriaedc.org] for 2015

⁽⁴⁾ Median Age from the Economic Development Council for Central Illinois website [www.greaterpeoriapdc.org]

⁽⁵⁾ Per Capita Income from the Economic Development Council for Central Illinois website [www.greaterpeoriaedc.org]

**Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employee Ranges	2015	2006
	Employer	Employer
More Than 15,000 Employees	Caterpillar Tractor Company	Caterpillar Tractor Company
More than 1,500 Employees	Advanced Technology Services Methodist Medical Center OSF St. Francis Medical Center Peoria School District No. 150 Wal-Mart Stores	Methodist Medical Center OSF St. Francis Medical Center Peoria School District No. 150
1,000 to 1,500 Employees	Bradley University County of Peoria Proctor Hospital US Postal Service University of Illinois College of Medicine	Keystone Steel and Wire Company
500 to 1,000 Employees	Affina, LLC (fka: Ruppman Marketing) AmerenCILCO Citizens Equity Federal Credit Union (CEFCU) City of Peoria Illinois Central College Keystone Steel and Wire Company Komatsu Mining Systems Peoria Journal Star Supply Chain (SC2) Super Consolidated Industries	Affina, LLC (fka: Ruppman Marketing) Advanced Technology Services Bradley University Citizens Equity Federal Credit Union (CEFCU) City of Peoria County of Peoria Illinois Central College Peoria Journal Star Proctor Hospital Supply Chain (SC2) US Postal Service Wal-Mart Stores

Sources: Economic Development Council of Central Illinois (greaterpeoriaedc.org)
and City of Peoria comprehensive annual financial reports for fiscal year 2006.

**Full-Time Equivalent City Government Employees By Function/Program
Last Ten Fiscal Years
(Unaudited)**

<u>Function/Program</u>	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Elected Offices, Commissions & Agencies										
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	3	3	3	3	3	3	3	0
City Administration										
City Manager	7	9	8	7	11	9	6	4	4	10
Finance	19	19	19	19	18	17	14	14	14	15
Human Resources	6	6	6	6	6	6	6	6	6	6
Information Systems	18	18	18	18	18	17	13	14	14	14
Legal	9	8	8	8	8	8	7	7	7	7
Police	287	287	290	290	256	247	243	248	254	254
Fire	210	210	216	216	214	207	211	211	211	212
Public Works	106	106	106	105	97	97	80	80	79	85
Community Development										
Economic Development	6	5	5	5	0	3	1	3	3	0
Planning and Growth Management	20	19	19	19	18	18	12	14	14	14
YouthBuild (Workforce Development)	27	25	14	19	19	19	9	1	1	1
Public Safety										
Inspection Services	50	50	50	50	43	11	20	20	20	23
Emergency Services	41	41	41	40	38	36	36	36	36	36
Library	74	72	74	72	67	74	86	83	84	73
Total	895	890	888	888	827	783	758	755	761	761

Sources: City's annual Budget Books, Organizational Summary by Department, Original Budget Data.
City's actual employee counts for Library and 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			
	2006	2007	2008	2009
Police:				
Total Number of Calls For Service	86,909	85,249	82,656	81,144
Total Number of Arrests	12,651	10,648	9,393	8,425
--Adult arrest - Misdemeanor and Felony	11,964	10,070	8,686	7,765
--Juvenile arrest - Misdemeanor and Felony	687	578	707	660
Property Crime	6,597	5,263	4,907	5,518
Traffic Violations	31,832	31,828	30,195	23,480
Total Parking Violations	31,468	25,945	22,971	18,460
--Peoria Police Department	5,311	4,365	3,518	1,900
--Peoria Parking Enforcement	26,157	21,580	19,453	16,560
Number of Commissioned Police Officers	247	247	250	250
Fire:				
Total Number of Alarms	13,713	14,396	14,726	16,159
--Fire Calls	640	570	528	646
--Emergency Medical Services	8,877	9,346	9,737	11,317
--Hazardous Materials Calls	342	423	358	422
--Rescue or Other Calls	3,898	4,057	4,103	3,774
Total Number of Inspections	2,896	3,438	3,546	3,397
--Fire and Life Safety	2,500	2,702	2,804	2,577
--Hazardous Materials	396	736	742	820
Number of Commissioned Firefighters	201	201	206	205
Public Works:				
# Parking Decks & Lots Maintained	11	11	13	21
Street Resurfacing (# Linear Miles)	83	73	82	33
Storm Sewer Maintenance (# Linear Feet)	650	450	450	250
# Street Signs & Signals Maintenance Calls	8,800	8,762	8,525	8,605
Inspections:				
	364	365	282	162
Library:				
Number of Materials Loaned	773,245	778,175	848,604	891,905
Door Count	536,014	535,721	561,369	589,979
Computer Usage	98,817	95,803	97,153	104,031

Source: City Departments and Annual Budget Documents; City of Peoria's internet website (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:

	2006	2007	2008	2009
	\$ 122,885,714	\$ 191,743,336	\$ 191,448,160	\$ 56,070,700

Table XVII

Fiscal Year					
2010	2011	2012	2013	2014	2015
78,815	78,619	76,337	71,040	69,125	68,789
7,463	7,074	7,146	5,912	6,101	5,814
6,739	6,505	6,708	5,577	5,634	5,321
724	569	438	335	467	493
5,286	5,573	5,137	4,544	4,968	4,545
20,611	20,130	17,652	15,985	13,417	12,857
16,616	16,206	15,812	9,709	6,699	11,497
1,403	1,247	1,871	1,360	1,290	1,104
15,213	14,959	13,941	8,349	5,409	10,393
217	214	214	217	224	224
16,752	17,733	18,118	18,344	18,648	19,094
654	651	702	565	539	516
12,222	14,013	14,369	14,625	14,679	15,420
432	270	259	233	264	222
3,444	2,799	2,788	2,921	3,166	2,936
1,935	3,030	2,451	2,881	2,920	2,633
1,125	2,207	1,456	2,148	2,361	2,034
810	823	995	733	559	599
199	201	205	207	201	196
21	21	24	24	24	25
0	0	1	1	15	31
394	185	300	4,650	7,200	5,037
8,700	8,700	13,719	1,295	1,590	1,625
176	204	250	177	177	147
819,192	1,070,264	1,332,637	1,326,874	1,242,037	1,099,275
405,712	473,462	729,668	796,253	759,889	714,726
49,476	89,657	111,907	124,300	113,285	105,342

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 89,839,112	\$ 151,096,126	\$ 79,700,283	\$ 62,323,198	\$ 67,581,585	\$ 90,372,712

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

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police:										
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	102	93	92	90	92	94	95	95	95
Unmarked Vehicles	42	84	86	88	88	86	84	88	88	88
Fire:										
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
Public Works:										
Heavy-Duty Trucks (GVW 27,000-42,000)	31	43	43	44	46	45	45	45	45	45
Trucks (GVW 10,100- 25,000)	20	33	33	30	27	27	26	26	26	26
Streets (Center Lane Miles)	449	458	458	463	463	467	468	480	470	474
Street Lights	10,217	10,231	10,231	10,387	10,712	10,700	10,800	9,580	9,215	9,215
Traffic Signals	269	272	279	280	279	256	256	263	267	271
Library:										
Facilities (including Bookmobile)	7	7	7	7	6	6	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 (SA)

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 2015 fiscal year in December 2014. Therefore, the property tax year for these levies is 2014. These taxes would be collected in calendar year 2015 during the 2015 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)

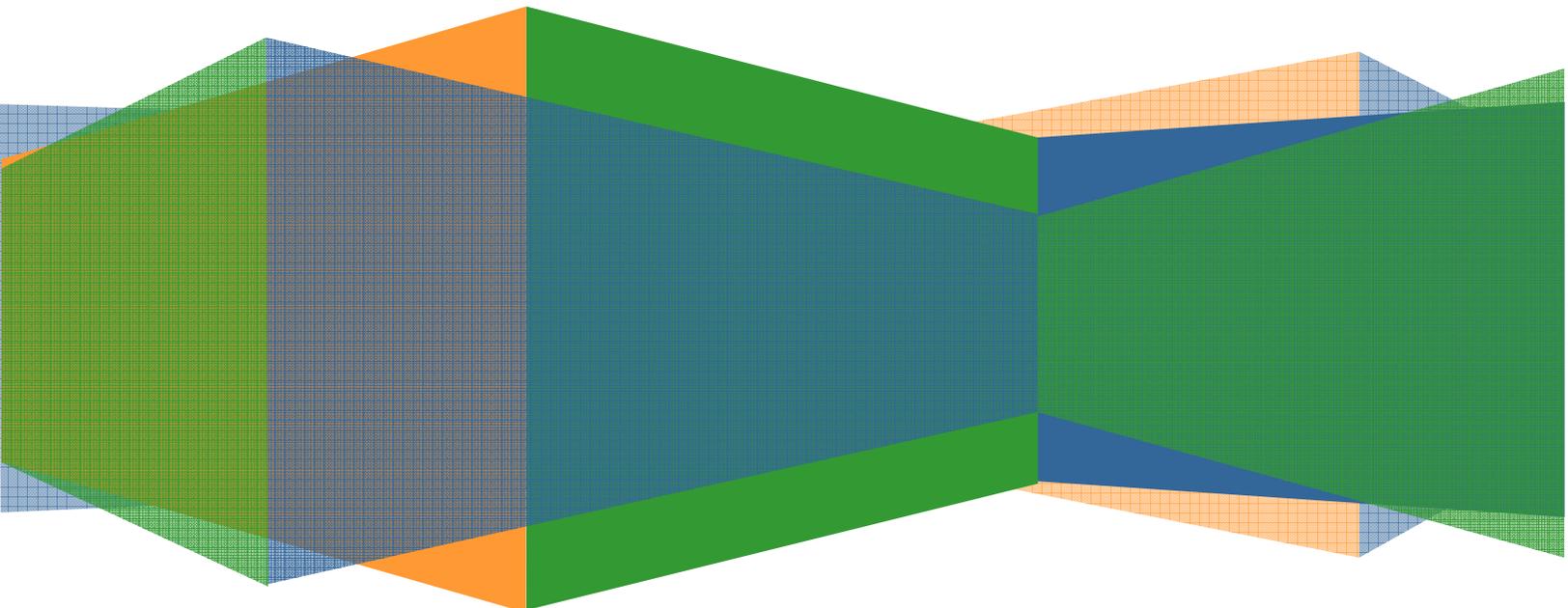
- 1) Portion of spendable fund balance in the General Fund **not** restricted, committed or assigned for a specific purpose.
- 2) Negative spendable fund balance in any fund other than the General Fund.

**170 YEARS
OF SERVICE TO
OUR COMMUNITY**

Incorporated – April 21, 1845



1953 | 1966 | 1989 | 2013



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