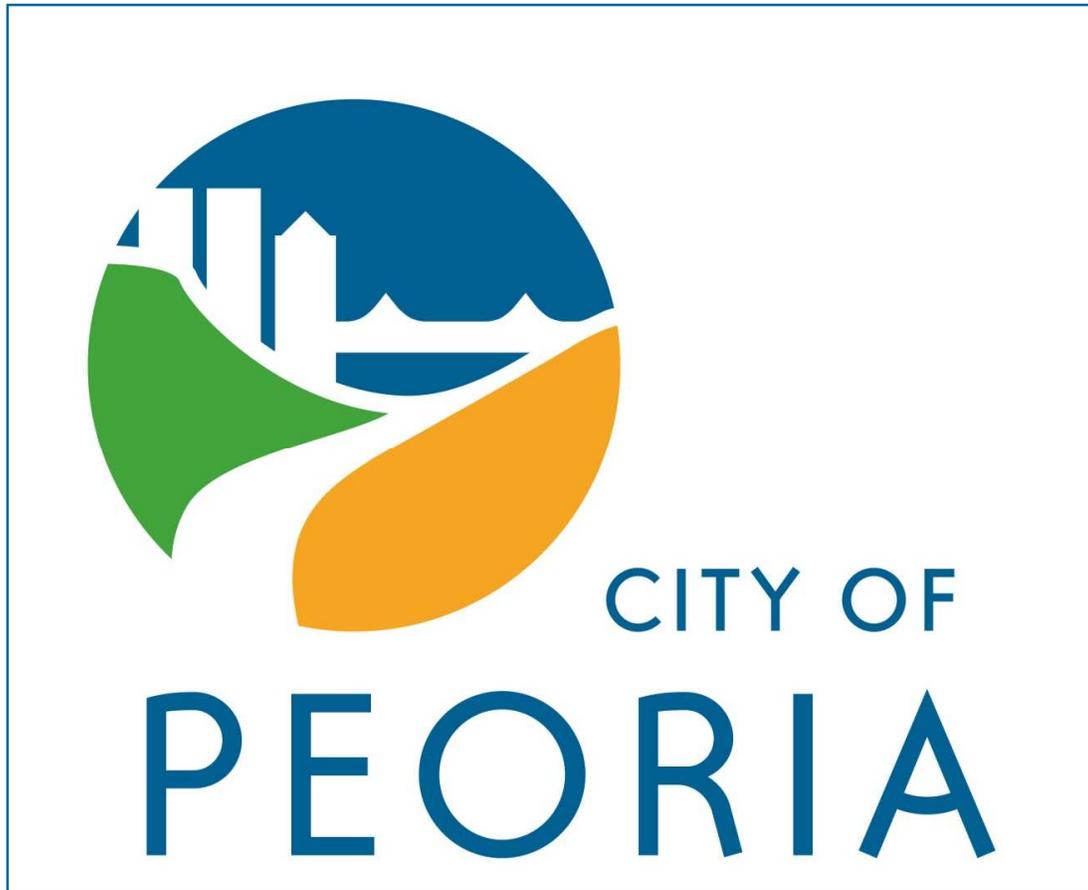


# COMPREHENSIVE ANNUAL FINANCIAL REPORT



ILLINOIS

FOR THE YEAR ENDED DECEMBER 31,  
**2017**

# **CITY OF PEORIA, ILLINOIS**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Year Ended December 31, 2017**

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**Prepared by:**

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Patricia A. Mason  
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Angela M. Washington  
Accountant

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**Office of the City Manager**



June 20, 2018

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, 2017.

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.

CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has audited the City of Peoria, Illinois' 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, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Peoria's financial statements for the fiscal year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

City Hall  
419 Fulton Street, Suite 207  
Peoria, IL 61602

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
June 20, 2018

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 4.

## **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 estimated 2017 Census, the City has a population of 112,883, ranking as the seventh largest city in the State of Illinois.

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, 6, & 13 in the notes to financial statements.

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

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
June 20, 2018

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 138 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 139.

## **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. In January 2017, Caterpillar Inc. announced that they were moving 300 executive positions to Chicago, but stated that 12,000 jobs will remain in the greater Peoria region and that Caterpillar will remain a huge presence as an employer and as a civic philanthropic leader.

While manufacturing continues to play an integral part in the City of Peoria’s economy, manufacturing has given way to the services and trade sectors, such as health services, insurance, retail, and telemarketing, which provide more than two out of every three jobs. The Healthcare industry is the largest employment sector in greater Peoria. There are over 700 healthcare related businesses that employ over 32,000 people, approximately 18% of jobs in the greater Peoria area.

One of the largest employers in Illinois also calls Peoria “home.” OSF HealthCare, an integrated health system owned and operated by The Sisters of the Third Order of St. Francis, Peoria, Illinois, includes OSF Healthcare System consisting of 13 acute care facilities and two colleges of nursing. The 13 health care facilities operated by OSF HealthCare have more than 1,600 licensed acute care beds. The largest hospital, OSF Saint Francis Medical Center in Peoria, Illinois, is a tertiary care teaching center providing numerous specialty services and extensive residency programs for physicians. OSF also has a physician organization, home health practices, outpatient facilities, and hospice programs.

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
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On Oct. 1, 2011, Methodist Hospital became the eighth senior affiliate of UnityPoint Health, the nation's fifth largest nondenominational health system. In 2013, Proctor Hospital affiliated with Methodist, and the two organizations formed a unified health system: UnityPoint Health - Methodist Proctor, a leader in health care in Central Illinois.

The University of Illinois College of Medicine at Peoria (UICOMP) is one of four campuses that make up the nation's largest public medical school. The Peoria campus is known among students for its small class sizes, rigorous curriculum and hands-on clerkships; to residents and fellows for the strong academic setting, large referral base and exceptional facilities; and by physicians seeking the ideal combination of teaching and practicing medicine in a research-based university setting. UICOMP educates about 240 medical students annually, has more than 270 MDs and DOs in 18 residency and fellowship programs, employs about 170 full-time faculty and 1,300 part-time non-salaried faculty and is active in basic science and clinical research, including outcomes research and economic evaluation.

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.

For over a century, Peoria has been home to Bradley University, a top-ranked private university that offers 5,400 undergraduate and graduate students opportunities and resources of a larger university and the personal attention and exceptional learning experience of a smaller university. Bradley offers more than 185 undergraduate and graduate academic programs in business, communications, education, engineering, fine arts, health sciences, liberal arts and sciences, and technology.

Specialty insurer RLI has their corporate headquarters in Peoria. RLI is a leader in the property, casualty and surety industries, offering coverages such as excess liability, commercial earthquake, transportation, marine, directors and officers liability, miscellaneous professional liability, and personal umbrella. The company has a reputation for niche expertise, service, and an entrepreneurial spirit.

In addition to the growth in the health service industry, the City has focused on drawing visitors to the Peoria area. A renovated Peoria Civic Center is the largest downstate Illinois venue for conventions, arena and theater operations. The Peoria Riverfront Museum and Caterpillar Visitor Center anchor a block in the heart of downtown that serves as the focal point of the Peoria Riverfront. Sports tourism continues to be an integral part of the economy. Numerous state high school and elementary school sports and academic championships are hosted in Peoria due to our excellent facilities and central geographic location. A private sports complex, known as the Louisville Slugger Sports Complex opened in 2014. The complex contains 10 little league/softball artificial turf fields,

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
June 20, 2018

concession stands and an 85-foot tall, 124,800 sq. ft. dome designed for year round sports activities.

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.

Peoria consistently ranks as one of the most affordable housing markets in the country. When it comes to millennials, 18-34 year olds, buying homes, Peoria Ranks fifth among 200 of the largest cities in the United States. Millennial home ownership rates in Peoria increased 8.0% over a 10 year period (2006 to 2015), from 26.9% to 34.9%. For the USA, the rate dropped 6.0%, from 40% to 32% over the same period.

## **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 2017 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 2032 is:

***Peoria 2032 is a safe, beautiful, and growing city.***

The policy makers and management team then collaborated on a plan to realize the vision. A series of five-year goals were developed with clear objectives and specific statements to

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
June 20, 2018

provide meaning to the citizens for why each goal is important. The four goals established by the City Council are:

**Financially Sound City**

**Safe Peoria**

**Beautiful Peoria**

**Grow Peoria**

On December 5, 2017, the City Council adopted the 2018-2019 Biennial Budget the City of Peoria. Every two years the City Council adopts a Biennial Budget for all the City's governmental funds. This is the third 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 2018-2019 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 Illinois Department of Insurance actuary based upon State Statute. As a result of the City's conservative funding policy, the Peoria Police Pension Fund was 57.0% funded and the Peoria Firefighters Pension Fund was 55.0%, funded as of the January 1, 2017 valuation provided by the Illinois Department of Insurance. The remaining unfunded amount is being systematically funded over 47 years, which started July 1, 1993 as part of the annual required contribution calculated in accordance with State Statute by the actuary for the Illinois Department of Insurance.

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
June 20, 2018

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 15.60% of payroll for 2016 and 13.85% for 2017.

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

Additional data for the City of Peoria's pension arrangements and post-employment benefits can be found in Note 10 and Note 14 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 has created a stormwater utility, which will begin in June 2018. The stormwater utility will remove 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.

The Honorable James E. Ardis III, Mayor  
Members of the City Council  
The Citizens of the City of Peoria  
June 20, 2018

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, and due to changes in the Federal Government it is unknown when this mandate is likely to occur.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Peoria, Illinois for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending December 31, 2016. This was the seventeenth 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.

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

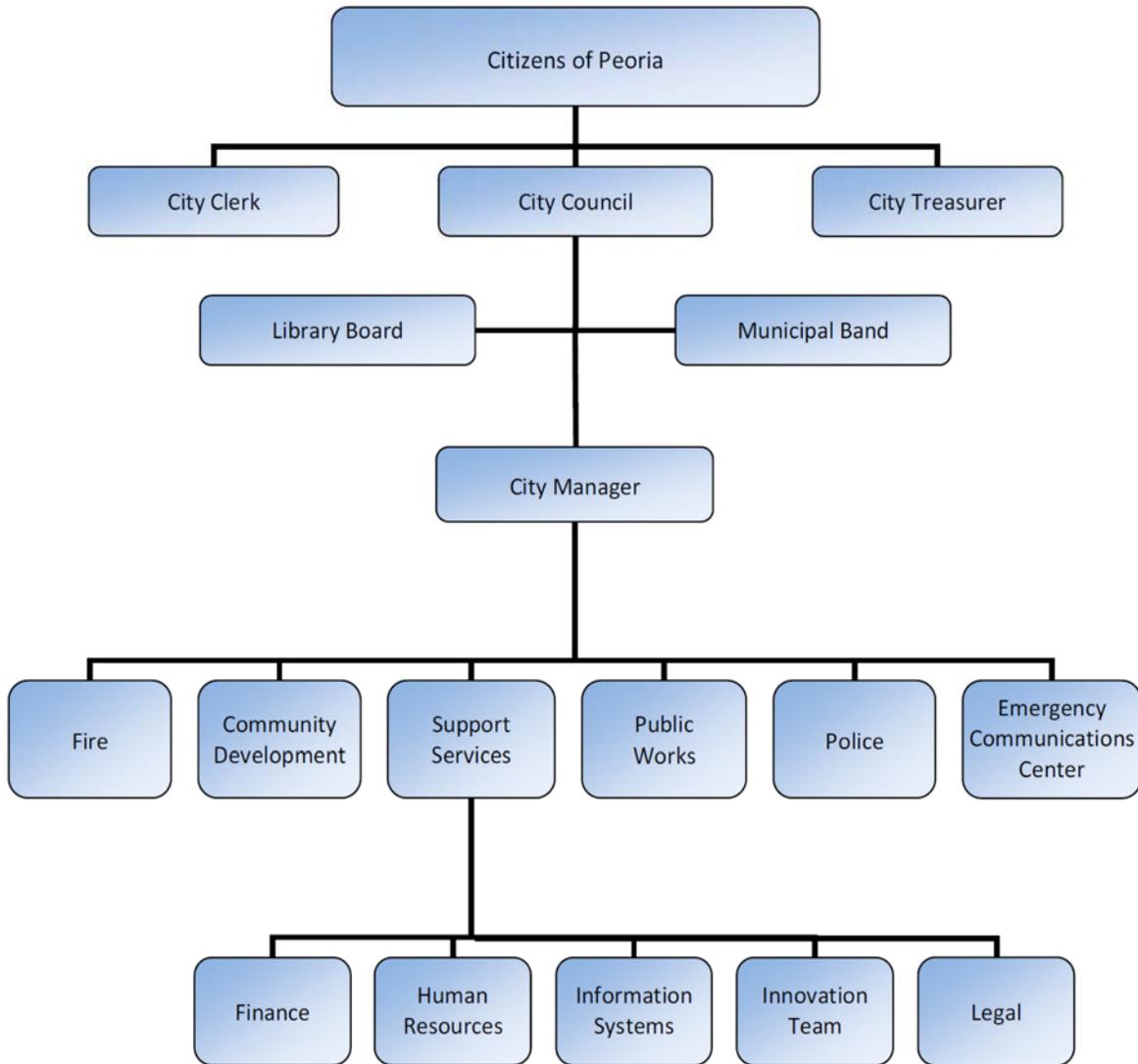
**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO



## 2015 CITY-WIDE ORGANIZATIONAL CHART



**CITY OF PEORIA, ILLINOIS  
ELECTED OFFICIALS**

As of December 31, 2016

**Mayor**

James E. Ardis III

**City Council Members**

Beth A. Akeson  
Chuck Grayeb  
Beth Jensen  
Casey L. Johnson  
Jim Montelongo  
Denise Moore  
Timothy D. Riggerbach  
Sid Ruckriegel  
W. Eric Turner

**City Clerk**

Beth A. Ball

**City Treasurer**

Patrick A. Nichting

As of December 31, 2017

**Mayor**

James E. Ardis III

**City Council Members**

Beth A. Akeson  
Dennis Cyr  
Chuck Grayeb  
Beth Jensen  
Jim Montelongo  
Denise Moore  
Zachary Oyler  
Timothy D. Riggerbach  
Sid Ruckriegel  
W. Eric Turner

**City Clerk**

Beth A. Ball

**City Treasurer**

Patrick A. Nichting

## INDEPENDENT AUDITORS' REPORT

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, 2017, 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Foreign Fire Insurance Board, which represents less than 1% of the assets, net position/fund balance, and revenues of the governmental activities and aggregate remaining fund information, respectively. We did not audit the Police Pension Fund of Peoria and Firemen's Pension Fund of Peoria, which represent 88%, 98%, and 53%, respectively, of the assets, net position/fund balance, and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foreign Fire Insurance Board, Police Pension Trust Fund, and Firemen's Pension Trust Fund, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 for the year ended December 31, 2017 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Peoria's basic financial statements. The combining and individual fund statements and schedules for the year ended December 31, 2017, introductory section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules listed in the table of contents 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 combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Mayor and City Council  
City of Peoria, Illinois

We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements for the year ended December 31, 2016, which are not presented with the accompanying financial statements. In our report dated August 24, 2017, 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. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The 2016 individual fund statements 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 2016 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 individual fund statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

The introductory section and the statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by Governmental Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2018 on our consideration of City of Peoria's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Peoria's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Peoria, Illinois  
June 20, 2018

## 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, 2017. 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 i through viii of this report. All monetary amounts in this analysis, unless otherwise indicated, are expressed in millions of dollars.

### Financial Highlights: Primary Government

- Net position (deficit), assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources, of the City of Peoria was (\$187.3) million at December 31, 2017.
- As of December 31, 2017, the City of Peoria's governmental funds reported combined fund balances of \$35.7 million, a decrease of \$13.0 million in comparison with the prior year.
- The \$2.9 million unassigned general fund balance as of December 31, 2017 was equivalent to 3% of total general fund expenditures.
- The City's total outstanding long term debt decreased \$15.5 million during 2017. No general obligation bonds were issued in 2017.

### 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 supplementary 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 15 - 18 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 forty-one (41) 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 balances for the General Fund, Capital Improvements Fund, Police and Fire Pension Levy Fund, and the Illinois Municipal Retirement 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 nonmajor governmental fund is provided in the form of *combining schedules* elsewhere in this report. Basic governmental fund financial statements can be found on pages 19 – 26 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 27 – 29 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 30 – 31 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 32 – 99 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary 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 supplementary information regarding budgetary comparisons, pension funding, and OPEB funding can be found in pages 100 – 115 of this report.

Combining schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information section. Combining and individual funds schedules plus statistical data are located on pages 116 – 223 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, and 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 (\$187.3) million at December 31, 2017. *Restricted net position* represents resources that are subject to external usage restrictions. The City's (\$454.4) 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 (77.5%) 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, 2017 is presented below:

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

	Governmental Activities 2017	Governmental Activities 2016
Current & Other Assets	\$ 92.4	\$ 113.7
Capital Assets	319.1	319.6
Total Assets	<u>411.5</u>	<u>433.3</u>
Deferred Outflows of Resources	<u>77.8</u>	<u>90.7</u>
Long-Term Liabilities	607.6	626.4
Other Liabilities	18.6	17.8
Total Liabilities	<u>626.2</u>	<u>644.2</u>
Deferred Inflows of Resources	<u>50.4</u>	<u>39.4</u>
Net Position:	<u>\$ (187.3)</u>	<u>\$ (159.6)</u>
Net Investment in Capital Assets	248.0	243.5
Restricted	19.2	19.3
Unrestricted	(454.4)	(422.4)
Total Net Position	<u>\$ (187.3)</u>	<u>\$ (159.6)</u>

### **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 2017 governmental activities. Highlights included:

- \$1.4 million net increase in total property taxes. Approximately \$1 million of the increase was attributable to the increase in police and fire pensions and \$.5 million was the result of increased property tax increment within the city's TIF funds.
- \$3.6 million decrease in other revenue. Road improvements funded from other agencies and jurisdictional transfers of roads decreased \$2.8 million in 2017 as major road projects neared completion in 2016.
- \$97.8 million combined total Police, Fire and Public Safety (Emergency Communications and Inspections) expenses represented 50% of total 2017 governmental activities expenses (not including capital outlay and debt service). These expenses were down \$19.5 million compared to 2016. The majority of this decrease was due to change in assumptions by our actuary, which significantly decreased the OPEB contributions and a decrease in potential legal claims.
- The City paid \$68.7 million in gross wages to City employees in 2017, which was an increase of \$3.8 million or 5.8% compared to 2016. Termination pay increased by \$650 thousand in 2017 due to the offering of a voluntary separation initiative and unanticipated retirements.

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

	Governmental Activities 2017	Governmental Activities 2016
Revenues:		
Program Revenues:		
Charges for Services	\$ 23.5	\$ 24.1
Operating Grants & Contributions	5.3	7.5
Capital Grants & Contributions	1.9	5.9
General Revenues:		
Property Taxes	37.9	36.3
State Taxes	42.3	42.6
Hotel, Restaurant & Amusement Taxes	10.5	10.6
Other Taxes & Fees	43.5	37.6
Other Revenues	4.5	8.1
Total Revenues	<u>169.4</u>	<u>172.7</u>
Expenses:		
Elected Officials	3.5	2.0
City Administration	9.0	9.4
Police	50.0	59.4
Fire	40.3	50.8
Public Works	44.1	41.8
Community Development	10.1	12.6
Library	10.0	9.6
Public Safety (excluding Police & Fire)	7.5	7.1
General Government	15.9	11.5
Other Expenses	6.7	6.8
Total Expenses	<u>197.1</u>	<u>211.0</u>
Increase (Decrease) in Net Position	<u>(27.7)</u>	<u>(38.3)</u>
Beginning Net Position, 1/1	(159.6)	(122.9)
Prior Period Adjustments	0.0	1.7
Ending Net Position	<u>\$ (187.3)</u>	<u>\$ (159.5)</u>

## **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 nonrecurring)** – certain recurring revenues (state revenue sharing, block grant, etc.) may experience changes periodically while nonrecurring (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 \$35.7 million. Essentially, all fund balance are nonspendable (e.g., inventories, advances and endowments), restricted (e.g., per statutes, bond ordinances, grants and intergovernmental agreements), committed or assigned (e.g., per City's intent to for specific purpose) and consequently unavailable for discretionary spending.

The General Fund is the chief operating fund of the City of Peoria. At the end of the current fiscal year, the unassigned General Fund balance was \$2.9 million while total fund balance reached \$39.3 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., 12/31/17 total fund balance in the General Fund represented 42.6% of 2017 general fund expenditures).

The City's total General Fund balance decreased \$5.4 million overall during 2017.

- Significant General Fund balance increases in 2017 included:
  - a) \$.5 million increase in home rule sales tax revenue. The home rules sales tax was increased by .25% on 7/1/16.
  - b) \$.8 million increase in transfers in. In 2017, operating transfers of \$.8 million in from capital were budgeted to provide funding for operations.
- Significant General Fund balance decreases in 2017 included:
  - a) \$.6 million decrease in licenses and permits. Building permit application varies greatly year over year. 2017 saw a significant decrease.
  - b) \$.6 million decrease in state income tax allocation.
  - c) \$3.3 million increase in public safety (police, fire, ECC, etc.) expenditures. Wages increased \$2.1 million or 4.4% over 2016. Termination pay for the three departments was up nearly \$700 thousand due to more retirements.
  - d) \$.7 million increase in library expenditures. Health insurance costs for the library more than doubled in 2017.

The City's combined Capital Improvements (Capital / Local Motor Fuel Tax / Riverfront) Fund balance decreased \$3.5 million in 2017. This fund balance decrease was primarily due to:

- \$.5 million decrease in revenues. Electric utility tax dropped nearly \$300 thousand in 2017 versus 2016.

The City's 2017 employer portion of total pension benefits costs for permanent City employees increased \$0.9 million due to the combined effects of:

- \$.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.
- \$.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.
- \$1.1 million increase in operating transfer out. In 2017, additional operating transfers of \$.8 million from capital were budgeted to provide funding for operations.

For payment of future debt service, the City currently maintains \$3.8 million restricted fund balances in all bond debt service funds, \$0.6 million restricted fund balances in tax increment financing project funds, \$0.5 million restricted fund balances in the capital improvements fund, and \$6.6 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 2016(B) Library G.O. Bond, the 2010(A) G.O. Bond, the 2011(A) G.O. Bond, and the 2015(B) 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.

## Budgetary Highlights

The City strives for activity-based budgeting. Department budgets have been formatted to measure performance outcome for each activity.

2017 budgetary highlights included:

- Property taxes have been budgeted at \$32.7 million which anticipates a 3.00% growth in Equalized Assessed Valuation over 2016.
- Home Rules Sales are budgeted at \$26.4 million, which is an increase of \$1.9 million versus the 2016 budget. The increase recognizes the full year of the .25% increase in sales tax that went into effect on July 1, 2016.
- Increase in Federal Grant funding in the amount \$3.0 million as the City will realize additional funding for Northmoor Road between University Street and Allen Road.
- Issuance of \$4.0 million in general obligation bonds for infrastructure improvements (\$1,300,000) and a pilot project relating to the Combined Sewer Overflow issues on Folkers Avenue (\$2,700,000).

## Capital Asset and Debt Administration

**Capital assets.** As of December 31, 2017, the City maintained \$319.1 million in capital assets (net of depreciation) representing a 0% decrease 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:

- \$11.3 million increase in infrastructure construction additions, including the Sheridan Road improvements, the University Street improvements, Northmoor Road improvements, Harvard Avenue improvements, and Alta/Radnor Lane roundabout improvements.
- \$2.4 million in vehicle additions, including a new ladder truck and new engine truck, as well as, new SUV's for Division Chiefs and Battalion Chiefs.
- \$1.0 million in land, including \$1,000,000 for the acquisition of Riverfront Village which will be demolished and turned into greenspace on the City's riverfront.

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

	Governmental Activities 2017	Governmental Activities 2016
Land & Improvements	\$ 22.7	\$ 21.7
Buildings	48.1	50.8
Vehicles & Equipment	6.3	5.6
Library Media	3.7	3.8
Infrastructure	231.1	227.9
Construction in Progress	7.2	9.8
Total	\$ 319.1	\$ 319.6

Additional information regarding the City's capital assets is located in Note 6 on pages 72 and 73 of this report.

**Long-term debt.** Excluding bond premiums and discounts, the City of Peoria owed total bonded debt of \$170.8 million at December 31, 2017; \$165.8 million of the preceding total comprised of debt backed by the full faith and credit of the government plus \$5.0 million comprised revenue bonds secured by specific revenues.

Standard & Poor’s Rating Service has currently assigned an “AA-” (stable) rating for the City’s general obligation bonds. Moody’s Investor Service has currently assigned an “A2” (stable) rating for the City’s general obligation bonds.

The City did not issue General Obligation debt in 2017.

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**  
(\$ Millions)

	Governmental Activities 2017	Governmental Activities 2016
General Obligation Bonds	\$ 165.8	\$ 180.4
Special Service Area Bonds	0.0	0.5
Revenue Bonds	5.0	4.0
Total	<u>\$ 170.8</u>	<u>\$ 184.9</u>

Additional information on the City of Peoria’s long-term debt can be found in Note 5 on pages 63 - 71 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 2018/2019 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](http://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.

The 2018/2019 Biennial Budget includes a strong response to the citizens’ concerns regarding how to fund our storm water and combined sewer outflow issues. The Council approved a storm water utility fee that will be implemented on June 1st. This fee will result in the creation of our first enterprise fund, which will move \$2.5 million of current expenditures to the newly created fund. The fee has been budgeted for \$4.7 million in 2018 and \$8.0 million in 2019.

Also included in the 2018 Budget was a decrease in all sales tax revenues as a result of the continued increase in online shopping. Fine/fees were also reduced to better reflect the historical revenues that are being generated. Utility tax revenues were significantly reduced as a result of usage.

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. Due to the changes in the EPA, it is unknown when this mandate may occur.

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 five years thereafter. Negotiations are underway to require some form of American Water Company payment to the City during the five-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.

**CITY OF PEORIA, ILLINOIS  
STATEMENT OF NET POSITION  
DECEMBER 31, 2017**

	Total Primary Government - Governmental Activities	Component Units	
		Peoria Civic Center Authority	Springdale Cemetery Management Authority
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 13,589,357	\$ 3,775,016	\$ 70,684
Restricted Cash and Investments with Trustee	633,966	-	-
Restricted Cash and Investments	-	-	274,800
Investments	5,055,570	-	331,730
Taxes Receivable, Net:			
Property Taxes	38,166,200	-	-
Corporate Personal Property Replacement Taxes	755,010	-	-
State Sales and Income Taxes	7,467,537	-	-
Home Rule Sales Taxes	6,523,565	-	-
Hotel, Restaurant, and Amusement Taxes	1,510,250	-	-
Utility Taxes	2,045,495	-	-
Local Motor Fuel Taxes	229,167	-	-
Governmental Grants and Reimbursements Receivable	730,036	-	313,423
Riverboat Gaming Revenue Receivable	394,561	-	-
Loans Receivable, Net	105,578	-	-
Other Receivables, Net	2,315,842	500,281	33,977
Accrued Interest Receivable, Net	20,243	-	-
Special Assessments Receivable	211,828	-	-
Due From Primary Government	-	202,589	-
Inventory, Prepaid Items, and Other	309,157	374,005	3,689
Total Current Assets	80,063,362	4,851,891	1,028,303
Noncurrent Assets:			
Cash, Cash Equivalents, and Investments Held for Capital Projects	9,295,445	-	-
Loans Receivable, Net	316,098	-	-
Other Receivable	-	389,045	1,427
Special Assessments Receivable	2,698,411	-	-
Capital Assets:			
Not Depreciated:			
Land	21,419,803	10,247,918	65,604
Construction-in-Progress	7,165,898	-	-
Depreciated:			
Infrastructure	464,258,387	-	-
Buildings and Land Improvements	116,388,586	158,106,606	1,998,119
Major Equipment and Vehicles	32,855,250	13,195,864	426,008
Media Assets	17,873,676	-	168,486
Accumulated Depreciation	(340,874,947)	(120,996,088)	(1,241,930)
Total Capital Assets	319,086,653	60,554,300	1,416,287
Total Noncurrent Assets	331,396,607	60,943,345	1,417,714
Total Assets	411,459,969	65,795,236	2,446,017
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	76,195,200	-	-
Deferred Charge on Refunding	1,572,063	-	-
Total Deferred Outflows of Resources	77,767,263	-	-

See accompanying Notes to Basic Financial Statements.

	Total Primary Government - Governmental Activities	Component Units	
		Peoria Civic Center Authority	Springdale Cemetery Management Authority
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts and Claims Payable	\$ 7,284,595	\$ 312,678	\$ 13,402
Matured Bonds Payable	633,966	-	-
Accrued Payroll	2,850,153	-	-
Accrued Interest	173,728	-	-
Other Payables	-	298,292	7,617
Advance Ticket Sales	-	910,139	-
Claims and Losses Due and Payable	505,293	-	-
Estimated Payable for Claims and Losses Incurred but Not Reported	100,000	-	-
Unearned Revenue, Other	626,424	608,650	308,495
Accrued Compensated Absences	5,044,004	-	-
Bonds and Loans Payable, Current Portion	1,313,721	190,028	-
Other Long-Term Obligations, Current Portion	57,917	-	-
<b>Total Current Liabilities</b>	<b>18,589,801</b>	<b>2,319,787</b>	<b>329,514</b>
Long-Term Liabilities:			
Accrued Compensated Absences	5,241,417	-	-
Bonds and Loans Payable, Net Bond Premium	176,079,107	394,146	-
Other Long-Term Obligations, Noncurrent	487,894	-	-
Net Other Postemployment Benefits Obligation	76,523,156	-	-
Net Pension Liability	342,875,020	-	-
Workers Compensation Claims Payable	2,647,425	-	-
General Liability Claims Payable	3,387,867	-	-
Voluntary Separation Incentive Payable	352,027	-	-
Unearned Revenue and Deposits	-	776,184	-
<b>Total Long-Term Liabilities</b>	<b>607,593,913</b>	<b>1,170,330</b>	<b>-</b>
<b>Total Liabilities</b>	<b>626,183,714</b>	<b>3,490,117</b>	<b>329,514</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Subsequent Year's Property Taxes	38,166,200	-	-
Pension Related Amounts	12,170,762	-	-
<b>Total Deferred Inflows of Resources</b>	<b>50,336,962</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	247,967,442	59,910,245	1,416,287
Restricted for:			
Debt Service	4,727,884	-	-
Employee Benefits	332,288	-	-
TIF Redevelopment	5,108,934	-	-
Education	232,431	-	-
Recreation	319,176	-	-
Tourism	549,750	-	-
Law Enforcement	282,034	-	-
Grants and Loans	947,391	-	-
Landfill Operations	320,122	-	-
Library Operations, \$563,896 Nonexpendable	1,564,175	-	-
Capital Improvements and Equipment	4,785,387	-	-
Cemetery, \$208,112 Nonexpendable	-	-	274,800
Unrestricted	(454,430,458)	2,394,874	425,416
<b>Total Net Position</b>	<b>\$ (187,293,444)</b>	<b>\$ 62,305,119</b>	<b>\$ 2,116,503</b>

**CITY OF PEORIA, ILLINOIS  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2017**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities:				
Elective Offices, Boards, Commissions, and Agencies	\$ 3,541,797	\$ -	\$ -	\$ -
City Administration	9,047,060	-	330,202	-
Police	50,047,993	730,567	515,516	-
Fire	40,256,945	410,897	255,888	-
Public Works	44,072,091	11,181,272	2,173,693	1,902,475
Community Development	10,118,091	94,134	1,788,238	30,385
Public Safety	7,474,649	2,964,588	146,491	-
General Government	15,895,569	5,791,810	-	-
Library	10,022,344	2,353,934	50,338	-
Interest and Other Fiscal Charges	6,662,513	-	-	-
<b>Total Primary Government</b>	<b>\$ 197,139,052</b>	<b>\$ 23,527,202</b>	<b>\$ 5,260,366</b>	<b>\$ 1,932,860</b>
<b>Component Units</b>				
Peoria Civic Center Authority	\$ 26,510,048	\$ 19,631,187	\$ -	\$ 97,415
Springdale Cemetery Management Authority	808,350	251,421	110,730	108,497
<b>Total Component Units</b>	<b>\$ 27,318,398</b>	<b>\$ 19,882,608</b>	<b>\$ 110,730</b>	<b>\$ 205,912</b>

**General Revenues**

Property Taxes  
Corporate Personal Property Replacement Taxes  
State Sales Taxes, Unrestricted  
State Income Tax Allocation, Unrestricted  
Home Rule Sales Taxes  
Special Service Area Sales Taxes  
Hotel, Restaurant, and Amusement Taxes  
Motor Fuel Taxes  
Gaming Revenue  
Utility Taxes  
Subsidy from City of Peoria  
Interest/Investment Income (Expense)  
Franchise Fees, Based on Gross Receipts  
Insurance Proceeds  
Other

Total General Revenues

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

See accompanying Notes to Basic Financial Statements.

Net Revenue (Expense) and Changes in Net Position		
	Component Units	
Total Primary Governmental Activities	Peoria Civic Center Authority	Springdale Cemetery Management Authority
\$ (3,541,797)	\$ -	\$ -
(8,716,858)	-	-
(48,801,910)	-	-
(39,590,160)	-	-
(28,814,651)	-	-
(8,205,334)	-	-
(4,363,570)	-	-
(10,103,759)	-	-
(7,618,072)	-	-
(6,662,513)	-	-
(166,418,624)	-	-
-	(6,781,446)	-
-	-	(337,702)
-	(6,781,446)	(337,702)
37,908,061	-	-
7,814,322	-	-
24,039,610	-	-
10,448,336	-	-
24,115,810	-	-
28,991	-	-
10,502,371	-	-
4,924,391	-	-
2,905,249	-	-
10,812,482	-	-
-	1,368,166	338,423
706,279	820	16,119
88,480	-	-
56,724	-	-
4,349,498	-	27,067
<u>138,700,604</u>	<u>1,368,986</u>	<u>381,609</u>
(27,718,020)	(5,412,460)	43,907
<u>(159,575,424)</u>	<u>67,717,579</u>	<u>2,072,596</u>
<u>\$ (187,293,444)</u>	<u>\$ 62,305,119</u>	<u>\$ 2,116,503</u>

**CITY OF PEORIA, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

	General Fund	Illinois Municipal Retirement Fund	Capital Improvement Fund
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,488,223	\$ 864,501	\$ 2,797,571
Cash and Investments with Trustee	-	-	-
Investments	3,167,800	-	477,519
Taxes Receivable:			
Property Taxes	371,400	2,834,200	1,278,500
Corporate Personal Property Replacement Taxes	755,010	-	-
State Sales and Income Taxes	7,446,283	-	-
Home Rule Sales Taxes	6,523,565	-	-
Hotel, Restaurant, and Amusement Taxes	1,226,987	-	-
Utility Taxes	519,263	-	1,526,232
Local Motor Fuel Taxes	-	-	229,167
Governmental Grants and Reimbursements Receivable	200,552	-	46,457
Riverboat Gaming Revenue Receivable	-	-	394,561
Loans Receivable, Net	79,357	-	342,319
Other Receivables, Net	1,407,410	-	213,345
Accrued Interest Receivable, Net	16,138	-	2,163
Special Assessments Receivable	-	-	2,910,239
Due from Other Funds	19,715,519	-	162,527
Inventory	309,157	-	-
Advances to Other Funds	5,780,664	-	-
	<u>5,780,664</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 49,007,328</u>	<u>\$ 3,698,701</u>	<u>\$ 10,380,600</u>

See accompanying Notes to Basic Financial Statements.

Police and Fire Pension Levy Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 19	\$ 17,238,143	\$ 22,388,457
-	633,966	633,966
-	911,985	4,557,304
15,609,600	18,072,500	38,166,200
-	-	755,010
-	21,254	7,467,537
-	-	6,523,565
-	283,263	1,510,250
-	-	2,045,495
-	-	229,167
-	483,027	730,036
-	-	394,561
-	-	421,676
-	541,531	2,162,286
-	465	18,766
-	-	2,910,239
-	449,315	20,327,361
-	-	309,157
-	-	5,780,664
<u>\$ 15,609,619</u>	<u>\$ 38,635,449</u>	<u>\$ 117,331,697</u>

**CITY OF PEORIA, ILLINOIS  
BALANCE SHEET (CONTINUED)  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

	General Fund	Illinois Municipal Retirement Fund	Capital Improvement Fund
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE (DEFICIT)</b>			
Liabilities:			
Accounts Payable	\$ 1,939,952	\$ 385,062	\$ 1,663,737
Matured Bonds Payable	-	-	-
Accrued Payroll	2,701,998	-	11,536
Claims and Losses Due and Payable	505,293	-	-
Due to Other Funds	3,501,502	-	12,126,971
Unearned Revenue, Other	397,369	-	211,996
Advances from Other Funds	-	5,780,664	-
Total Liabilities	9,046,114	6,165,726	14,014,240
Deferred Inflows of Resources:			
Subsequent Year's Property Taxes	371,400	2,834,200	1,278,500
Unavailable Revenue - Special Assessments	-	-	2,693,192
Unavailable Revenue - Intergovernmental and Loans	79,357	-	113,725
Unavailable Revenue - Other	200,416	-	344,288
Total Deferred Inflows of Resources	651,173	2,834,200	4,429,705
Fund Balance (Deficit):			
Nonspendable:			
Inventory	309,157	-	-
Advances	5,780,664	-	-
Library Contributions	-	-	-
Restricted:			
Debt Service	-	-	456,910
Employee Benefits	-	-	-
TIF Redevelopment	-	-	-
Education	232,431	-	-
Recreation	319,176	-	-
Tourism	-	-	-
Law Enforcement	197,337	-	84,697
Grants and Loans	-	-	885,137
Library Operations	-	-	-
Landfill Operations	-	-	-
Capital Improvements and Equipment	-	-	-
Assigned:			
Debt Service	6,569,718	-	-
Employee Benefits	-	-	-
Other Postemployment Benefits	23,019,282	-	-
Unassigned	2,882,276	(5,301,225)	(9,490,089)
Total Fund Balance (Deficit)	39,310,041	(5,301,225)	(8,063,345)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficit)	\$ 49,007,328	\$ 3,698,701	\$ 10,380,600

See accompanying Notes to Basic Financial Statements.

Police and Fire Pension Levy Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 2,117,700	\$ 6,106,451
-	633,966	633,966
-	136,619	2,850,153
-	-	505,293
-	7,664,924	23,293,397
-	17,059	626,424
-	-	5,780,664
-	<u>10,570,268</u>	<u>39,796,348</u>
15,609,600	18,072,500	38,166,200
-	-	2,693,192
-	259,839	452,921
-	-	544,704
<u>15,609,600</u>	<u>18,332,339</u>	<u>41,857,017</u>
-	-	309,157
-	-	5,780,664
-	563,896	563,896
-	4,444,702	4,901,612
-	332,288	332,288
-	5,108,934	5,108,934
-	-	232,431
-	-	319,176
-	549,750	549,750
-	-	282,034
-	62,254	947,391
-	1,000,279	1,000,279
-	320,122	320,122
-	4,244,325	4,244,325
-	-	6,569,718
19	-	19
-	-	23,019,282
-	(6,893,708)	(18,802,746)
<u>19</u>	<u>9,732,842</u>	<u>35,678,332</u>
<u>\$ 15,609,619</u>	<u>\$ 38,635,449</u>	<u>\$ 117,331,697</u>

**CITY OF PEORIA, ILLINOIS  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2017**

**Total Governmental Fund Balances** \$ 35,678,332

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. 319,086,653

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 452,921  
Unavailable Revenue - Other 544,704

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. 2,693,192

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Bond Premiums (5,624,107)  
Interest Payable on Debt is not Reported in the Funds if Payments are Due  
Subsequent to Reporting Date (173,728)  
Other Postemployment Benefits Obligation (76,523,156)  
Net Pension Liability (342,875,020)  
Workers' Compensation Claims Payable (2,647,425)  
General Liability Claims Payable (3,387,867)  
Voluntary Separation Incentive Payable (352,027)  
Accrued Compensated Absences (10,285,421)  
Bonds and Loans Payable (171,768,721)  
Landfill Closure and Postclosure Care Costs (545,811)

Certain 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 76,195,200  
Deferred Outflows of Resources, Charges on Refunding 1,572,063  
Deferred Inflows of Resources, Pension Related (12,170,762)

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 2,837,536

**Net Position of Governmental Activities** \$ (187,293,444)

**CITY OF PEORIA, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	General Fund	Illinois Municipal Retirement Fund	Capital Improvements Fund
<b>REVENUES</b>			
Property Taxes	\$ 941,651	\$ 2,986,198	\$ 1,268,616
Corporate Personal Property Replacement Taxes	3,378,983	684,849	-
State Sales Taxes	23,937,874	-	-
State Income Tax Allocation	10,448,336	-	-
Home Rule Sales Taxes	23,803,567	-	-
Special Service Area Sales Taxes	-	-	-
Hotel, Restaurant, and Amusement Taxes	9,632,199	-	-
Motor Fuel Taxes	-	-	1,990,955
Gaming Revenue	-	-	2,905,249
Utility Taxes	3,755,789	-	7,056,693
Governmental Grants and Reimbursements	574,461	-	1,541,939
Licenses and Permits	2,726,772	-	26
Service Charges/Fines/Fees	9,608,222	-	29,094
Special Assessments	-	-	88,480
Loan Repayment	92,581	-	42,688
Rental	175,589	-	4,074
Interest	283,452	5,864	73,931
Other	2,363,538	-	134,017
Total Revenues	<u>91,723,014</u>	<u>3,676,911</u>	<u>15,135,762</u>
<b>EXPENDITURES</b>			
Current:			
Elective Offices, Boards, Commissions, and Agencies	1,417,321	115,187	-
City Administration	6,802,197	532,110	-
Police	30,577,719	251,604	335,474
Fire	24,010,961	71,985	288,439
Public Works	15,048,868	815,998	705,600
Community Development	5,085,563	239,533	450,359
Public Safety	5,443,868	516,358	1,064,043
General Government	2,722,916	(2,160)	280,995
Library	1,138,414	472,656	-
Capital Outlay	-	-	9,924,608
Debt Service:			
Principal	-	-	67,779
Interest and Other Fiscal Charges	-	189,730	7,661
Total Expenditures	<u>92,247,827</u>	<u>3,203,001</u>	<u>13,124,958</u>
Excess (Deficiency) of Revenues Over Expenditures	(524,813)	473,910	2,010,804
<b>OTHER FINANCING SOURCES (USES)</b>			
Insurance Proceeds	56,724	-	-
Proceeds from Sale of Capital Assets	7,500	-	17,700
Transfers In	3,151,000	525,980	3,055,114
Transfers Out	(8,130,941)	-	(8,613,221)
Total Other Financing Sources (Uses)	<u>(4,915,717)</u>	<u>525,980</u>	<u>(5,540,407)</u>
Net Change in Fund Balance	(5,440,530)	999,890	(3,529,603)
Fund Balances - Beginning of Year	44,750,571	(6,301,115)	(4,533,742)
Fund Balances - End of Year	<u>\$ 39,310,041</u>	<u>\$ (5,301,225)</u>	<u>\$ (8,063,345)</u>

See accompanying Notes to Basic Financial Statements.

Police and Fire Pension Levy Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 14,580,100	\$ 18,131,496	\$ 37,908,061
2,848,391	902,099	7,814,322
-	101,736	24,039,610
-	-	10,448,336
-	312,243	24,115,810
-	28,991	28,991
-	870,172	10,502,371
-	2,933,436	4,924,391
-	-	2,905,249
-	-	10,812,482
-	2,692,517	4,808,917
-	-	2,726,798
-	12,978,921	22,616,237
-	-	88,480
-	(29,501)	105,768
-	-	179,663
4,716	324,948	692,911
-	446,331	2,943,886
<u>17,433,207</u>	<u>39,693,389</u>	<u>167,662,283</u>
-	74,746	1,607,254
-	590,986	7,925,293
9,035,019	508,065	40,707,881
8,398,175	480,997	33,250,557
-	9,913,340	26,483,806
-	3,528,708	9,304,163
-	655,192	7,679,461
-	766,694	3,768,445
-	5,793,412	7,404,482
-	10,623,582	20,548,190
-	14,130,500	14,198,279
-	7,656,363	7,853,754
<u>17,433,194</u>	<u>54,722,585</u>	<u>180,731,565</u>
13	(15,029,196)	(13,069,282)
-	-	56,724
-	-	25,200
-	21,623,263	28,355,357
-	(11,611,195)	(28,355,357)
<u>-</u>	<u>10,012,068</u>	<u>81,924</u>
13	(5,017,128)	(12,987,358)
6	14,749,970	48,665,690
<u>\$ 19</u>	<u>\$ 9,732,842</u>	<u>\$ 35,678,332</u>

**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, 2017**

**Net Change in Fund Balances, Governmental Funds** \$ (12,987,358)

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	\$ 20,548,190	
Depreciation Expense	(21,890,730)	
Donated Assets	<u>1,126,417</u>	(216,123)

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

Proceeds from Sale of Capital Assets	(25,200)	
Net Loss on Sale of Capital Assets	<u>(284,850)</u>	(310,050)

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

Grants and Intergovernmental		(1,162,842)
Other		<u>(426,417)</u>

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 Long-Term Special Assessment Receivable	(539,720)	
Bad Debt Expense on Long-Term Loan Receivable	<u>(6,756,250)</u>	(7,295,970)

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:

Principal Repayments:		
General Obligation and Revenue Bonds	14,130,500	
Other Debt	67,779	
Change in Accrued Interest Payable	43,188	
Amortization of Bond Premium	1,329,968	
Net Change in Deferred Amount on Refunding	<u>(181,915)</u>	15,389,520

Governmental funds report pension contributions as expenditures when made. However, in the statement of activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows of related to pensions, deferred inflows related to pensions, and the investment experience.

Pension Contributions	20,451,909	
Pension Expense	<u>(48,319,824)</u>	(27,867,915)

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	164,166	
Landfill Closure and Postclosure Care Costs	122,034	
Other Postemployment Benefits Obligation	(2,040,802)	
Workers' Compensation Payable	445,133	
General Liability Payable	9,169,468	
Voluntary Separation Incentive Payable	<u>(352,027)</u>	7,507,972

Internal Service Fund, Change in Net Position (348,837)

**Change in Net Position of Governmental Activities** \$ (27,718,020)

See accompanying Notes to Basic Financial Statements.

**CITY OF PEORIA, ILLINOIS  
STATEMENT OF NET POSITION  
GOVERNMENTAL ACTIVITIES – INTERNAL SERVICE FUND  
DECEMBER 31, 2017**

**ASSETS**

Cash	\$ 496,345
Investments	498,266
Other Receivables, Net	153,556
Accrued Interest Receivable	1,477
Due from Other Funds	<u>2,966,036</u>
Total Assets	<u>4,115,680</u>

**LIABILITIES**

Accounts and Claims Payable	1,178,144
Estimated Payable for Claims and Losses Incurred but not Reported	<u>100,000</u>
Total Liabilities	<u>1,278,144</u>

**NET POSITION, UNRESTRICTED**

\$ 2,837,536

**CITY OF PEORIA, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**GOVERNMENTAL ACTIVITIES – INTERNAL SERVICE FUND**  
**YEAR ENDED DECEMBER 31, 2017**

<b>OPERATING REVENUES</b>	
Charges for Services	\$ 13,100,472
Miscellaneous	<u>358,933</u>
Total Operating Revenues	<u>13,459,405</u>
<b>OPERATING EXPENSES, OTHER SERVICES, AND CHARGES</b>	<u>13,821,610</u>
<b>OPERATING LOSS</b>	(362,205)
<b>NONOPERATING INCOME, INVESTMENT EARNINGS</b>	<u>13,368</u>
Change in Net Position	(348,837)
Total Net Position - Beginning of Year	<u>3,186,373</u>
Total Net Position - End of Year	<u><u>\$ 2,837,536</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF PEORIA, ILLINOIS  
STATEMENT OF CASH FLOWS  
GOVERNMENTAL ACTIVITIES – INTERNAL SERVICE FUND  
YEAR ENDED DECEMBER 31, 2017**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash Received from Employees and Employer	\$ 12,034,289
Cash Received from Other Operating Revenue	358,933
Cash Payments for Claims	<u>(13,450,672)</u>
Net Cash Used by Operating Activities	<u>(1,057,450)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES, PAYMENTS TO OTHER FUNDS**

-

**CASH FLOWS FROM INVESTING ACTIVITIES**

Sale of Investments	1,014,501
Investment Income	<u>14,323</u>
Net Cash Provided by Investing Activities	<u>1,028,824</u>

**NET DECREASE IN CASH AND CASH EQUIVALENTS**

(28,626)

Cash and Cash Equivalents - Beginning of Year

524,971

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 496,345

**RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES**

Operating Loss	\$ (362,205)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Increase in Other Receivables	(33,590)
Increase in Due from Other Funds	(911,632)
Increase in Accounts Payable	370,938
Decrease in Unearned Revenue	<u>(120,961)</u>
Net Cash Used by Operating Activities	<u><u>\$ (1,057,450)</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF PEORIA, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION  
PENSION TRUST FUNDS  
DECEMBER 31, 2017**

**ASSETS**

Cash and Cash Equivalents	\$ 4,581,392
Receivables:	
Plan Members' Contributions	96,544
Accrued Interest and Dividends	660,023
Total Receivables	756,567
 Other Assets, Prepays	16,329
 Investments, at Fair Value:	
Money Market Mutual Funds	10,399,806
Certificates of Deposit	517,863
U.S. Government Obligations	24,413,224
U.S. Government Agencies	13,391,073
State and Local Obligations	1,368,899
Mutual Funds	155,483,438
Corporate Bonds	53,779,691
Stocks	32,559,083
Insurance Contracts	14,558,684
Total Investments, at Fair Value	306,471,761
Total Assets	311,826,049

**LIABILITIES**

Accounts Payable	112,198
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**NET POSITION RESTRICTED FOR PENSIONS**

**\$ 311,713,851**

**CITY OF PEORIA, ILLINOIS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PENSION TRUST FUNDS  
YEAR ENDED DECEMBER 31, 2017**

**ADDITIONS**

Contributions:

Plan Members' Contributions	\$ 3,666,314
Employer Contributions	17,433,194
Other Income	4,790
Total Contributions	21,104,298

Investment Income:

Net Appreciation in Fair Value of Investments	32,874,885
Dividends	4,183,382
Interest	2,826,818
Total Investment Income	39,885,085
Less: Investment Expenses	(643,372)
Net Investment Income	39,241,713

Total Additions	60,346,011
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**DEDUCTIONS**

Benefits Paid	28,472,868
Administrative Expenses	431,434
Total Deductions	28,904,302

<b>NET INCREASE IN NET POSITION RESTRICTED FOR PENSIONS</b>	31,441,709
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Beginning of Year	280,272,142
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<b>END OF YEAR</b>	<b>\$ 311,713,851</b>
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**CITY OF PEORIA, ILLINOIS**  
**NOTES BASIC TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A. Financial Reporting Entity (Continued)

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

**1. 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.

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 nonprofit 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A. Financial Reporting Entity (Continued)

**1. Blended Component Units (Continued)**

City of Peoria Designated Zone Organization (Continued)

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.

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.

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

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A. Financial Reporting Entity (Continued)

**2. 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 "2016 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  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A. Financial Reporting Entity (Continued)

**2. Discretely Presented Component Units (Continued)**

Springdale Cemetery Management Authority (Continued)

Springdale has a fiscal year-end of December 31, and is considered a special-purpose government engaged only in business type activities.

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

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

**3. 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.

B. 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.

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide and Fund Financial Statements (Continued)**

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.

**C. 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.

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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

**1. 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 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.

Illinois Municipal Retirement Fund

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

Capital Improvements Fund

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

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.

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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

**1. Governmental Funds (Continued)**

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.

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

**2. Proprietary Fund**

The proprietary fund (only proprietary fund the City maintains is the internal service fund) distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going operations. Operating expenses for the proprietary fund include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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.

**3. 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Summary of Significant Accounting Policies

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

**1. 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.

**2. Receivables**

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

**3. Inventories and Prepays**

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.

**4. 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 acquisition 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.

**CITY OF PEORIA, ILLINOIS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Summary of Significant Accounting Policies (Continued)

**4. Capital Assets (Continued)**

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

	Years
Land Improvements	15
Buildings	15 - 40
Machinery and Equipment	3 - 10
Vehicles	5 - 7
Media	10
Infrastructure Assets	15 - 40

**5. 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. 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.

**6. 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 three sources: 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. The City also has deferred inflows of resources related to revenue recognition. This occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. In the City's government-wide statements, the property tax revenues are shown as a deferred inflow. Also, the unamortized portion of the difference between the expected and actual experience change in assumptions and economic demographics related to pensions are recorded in the government-wide statements as a deferred inflow of resources.

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Summary of Significant Accounting Policies (Continued)

**7. Interfund Transactions**

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 is representative of lending/borrowing arrangements at the end of the fiscal year is 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.

**8. 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.

**9. Compensated Absences – Primary Government**

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

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Summary of Significant Accounting Policies (Continued)

**10. 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.

**11. 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.

**12. 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 re-appropriated in the succeeding year.

The City had encumbrances in the General Fund, Capital Improvements Fund, and nonmajor governmental funds of \$300,641, \$2,040,920, and \$3,781,272, respectively.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Summary of Significant Accounting Policies (Continued)

**13. 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 FINANCIAL REPORTING ENTITY, MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Summary of Significant Accounting Policies (Continued)

**14. Net Position**

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets and retainage payable as of December 31, 2017. Net investment in capital assets excludes unspent debt proceeds. At December 31, 2017, the City had no unspent bond proceeds. 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.

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

**15. Use of Estimates**

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

**NOTE 2 DEPOSITS AND INVESTMENTS**

A. 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 nonnegotiable 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

A. Deposits and Investments – Primary Government, Excluding Pension Trust Funds  
(Continued)

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, 2017, the City had the following cash and investments:

Cash and Cash Equivalents - Statement of Net Position		\$ 22,884,802
Restricted Cash and Investments Held by Trustee - Statement of Net Position		633,966
Investments - Statement of Net Position		5,055,570
Total		\$ 28,574,338
Deposits	\$ 10,961,300	
Negotiable Certificates of Deposit	5,022,000	
Non-negotiable Certificates of Deposit	406,736	
Repurchase Agreements	12,163,335	
Illinois Funds	20,967	
Total		\$ 28,574,338

**1. 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, 2017, the City had the following investment maturities:

	Fair Value	Investment Maturities (In Years)	
		Less than 1	1 - 3
Illinois Funds	\$ 20,967	\$ 20,967	\$ -
Negotiable Certificates of Deposit	5,022,000	4,186,000	836,000
Total	\$ 5,042,967	\$ 4,206,967	\$ 836,000

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

A. Deposits and Investments – Primary Government, Excluding Pension Trust Funds  
(Continued)

**1. Interest Rate Risk (Continued)**

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of December 31, 2017:

Level 2 Inputs of \$5,022,000 – Negotiable certificates of deposit are valued using observable market prices of similar assets.

Illinois Funds – The fair value of the City's position in this fund is equal to the value of the City's fund shares. The portfolio is regulated by oversight of the Treasurer of the state of Illinois and private rating agencies. The portfolio has AAAM ratings from Standard and Poor's. The assets of the fund are mainly invested in securities issued by the United States government or agencies related to the United States. Assets of the fund not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year. The carrying amount of these deposits at December 31, 2017 was \$20,967.

**2. 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% 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, 2017, \$46,636 of the City's bank balances, including certificates of deposit and money market accounts of \$30,191,883 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.

**CITY OF PEORIA, ILLINOIS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

A. Deposits and Investments – Primary Government, Excluding Pension Trust Funds  
 (Continued)

**3. Concentration of Credit Risk**

Concentration risk is the risk associated with having more than 5% 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% 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% or more of the City's investments.

**4. 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 investments subject to credit risk are shown with a credit rating below:

Investment Type	Standard & Poor's	Moody's	Balance
Illinois Funds	AAAm	Not Rated	\$ 20,967

B. 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 stock.

**1. 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  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**1. Police Pension Fund (Fund) (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 two 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 stock, 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 stock, bonds, money market instruments; 14) common and preferred stock authorized for investments of trust funds under the laws of the state of Illinois that meet certain requirements detailed in the statutes. There were no changes to the investment policy during the fiscal year.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Deposits and Investments – Pension Trust Funds (Continued)**

**1. Police Pension Fund (Fund) (Continued)**

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

Asset Class	Target Allocation
Fixed Income	35 %
U.S. Equity	30 %
International Equity	20 %
Real Estate	10 %
Global Tactical	5 %

The book value of total equities may not exceed 55% for mutual funds, separate account of an insurance company, or separate accounts of a money manager. This is in addition to the 10% 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% 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, 2017 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Rate of Return
Fixed Income	2.1 %	4.4 %
U.S. Equity	5.6 %	7.9 %
International Equity	5.8 %	8.1 %
Real Estate	5.2 %	7.5 %
Cash	0.4 %	2.7 %

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**1. Police Pension Fund (Fund) (Continued)**

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 significant investments (other than U.S. government and agencies' securities, mutual funds, and insurance contracts) in any one organization that represent 5% or more of the plan's investments.

Rate of Return

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.1%. 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 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, 2017 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Deposits and Investments – Pension Trust Funds (Continued)**

**1. Police Pension Fund (Fund) (Continued)**

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, 2017, the Fund had the following investments:

<u>Type of Investment</u>	<u>Fair Value/ Carrying Amount</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighted Average Years to Maturity (2)</u>
Money Market Funds	\$ 9,047,753	Aaa-mf	0.08
Negotiable Certificates of Deposit	517,863	N/A	1.99
State and Local Obligations	455,496	Aaa to A2	5.02
U.S. Government Notes and Bonds, Explicitly Guaranteed	15,659,475	N/A	4.86
U.S. Government Agencies	4,991,438	Aaa	10.83
Corporate Bonds	29,679,403	Aaa to Ba1	5.99
Mutual Funds - Equities	88,605,395	N/A	N/A
Real Estate Insurance Contracts	14,558,684	A1	N/A
Common and Preferred Stocks	8,112,102	N/A	N/A
Total Investments	<u>\$ 171,627,609</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**  
**DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**1. Police Pension Fund (Fund) (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.

Fair Value Measurements

The plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are quotes prices in active markets for identical assets or liabilities; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Valuation Techniques

Following is a description of the valuation techniques used for assets and liabilities measured at fair value on a recurring basis.

- Mutual funds and marketable equity securities: Valued at the closing quoted price in an active market.
- Corporate bonds and municipal obligations: The investment grade corporate bonds and municipal obligations held by the plan generally do not trade in active markets on the measurement date. Therefore, these securities are valued using inputs including yields currently available on comparable securities of issuers with similar credit ratings, recent market price quotations (where observable), bond spreads, and fundamental data relating to the issuer.
- U.S. government and U.S. government agency securities: Valued by a pricing service using models that incorporate market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Deposits and Investments – Pension Trust Funds (Continued)**

**1. Police Pension Fund (Fund) (Continued)**

Fair value measurements recorded on a recurring basis at December 31, 2017 were as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Assets:</b>				
Investments by Fair Value Level:				
Mutual Funds	\$ 79,525,886	\$ -	\$ -	\$ 79,525,886
Marketable Equity Securities	8,112,102	-	-	8,112,102
Negotiable Certificates of Deposit	-	517,863	-	517,863
Corporate Bonds	-	29,679,403	-	29,679,403
Municipal Obligations	-	455,496	-	455,496
U.S. Government Agency Securities	-	4,991,438	-	4,991,438
U.S. Government Securities	-	15,659,475	-	15,659,475
Total Investments by Fair Value Level	<u>\$ 87,637,988</u>	<u>\$ 51,303,675</u>	<u>\$ -</u>	138,941,663
Real Estate Fund (NAV)				14,558,684
Collective Investment Fund (NAV)				9,079,509
Money Market Funds*				9,047,753
Total Investments				<u>\$ 171,627,609</u>

\*Money market funds are recorded at cost and are not based on Level 1, 2, or 3 inputs.

The following table sets forth additional disclosures of the plan's investments whose fair value is estimated using net asset value (NAV) per share (or its equivalent) as of December 31, 2017.

Investment	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Real Estate Fund (a)	\$ 14,558,684	\$ -	N/A	N/A
Collective Investment Trust (b)	\$ 9,079,509	\$ -	N/A	N/A

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**1. Police Pension Fund (Fund) (Continued)**

- (a) This type includes one real estate fund that invests primarily in owned real estate, such as office buildings, industrial buildings, shopping centers, retail stores, and similar commercial property. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the plan's ownership interest. The plan may redeem all or a portion of this investment upon notice to Principal Life Insurance Company (Principal). When payment is made pursuant to such a notice, the amount to be paid will be generally determined and paid within seven business days of the notice, subject to Principal's right to defer a payment. Principal reserves the right to defer payments for a period as is necessary, up to three years. Such deferment will be based on unstable or disorderly market or investment conditions which do not allow for an orderly investment transfer. The deferment may include, but not be limited to, situations where regular banking has been suspended or when an emergency or other circumstances beyond Principal's control does not allow for the orderly disposal and liquidation of securities or other assets. Due to the illiquid nature of the assets in which the real estate fund is invested, Principal also reserves the right to defer payments that would exceed the amount of cash and other liquid assets held, reduced by amounts committed to purchase properties or needed for operating expenses. If payments are deferred, when made they will be paid on a prorated basis in relation to the total amount of payment requests. There were no restrictions on redemption as of the plan's measurement date of December 31, 2017.
- (b) This type includes one collective investment trust fund that invests primarily in common stock and short-term investments. The strategy of the collective investment trust is managed using a proprietary quantitative investment process to emphasize securities with relatively low expected volatility. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the plan's ownership interest of the fund's assets. The plan may redeem all or a portion of this investment upon notice to State Street Global Advisors. When payment is made pursuant to such notice, the amount to be paid will be generally determined and paid within three business days of the transaction date. There were no restrictions on redemption as of the plan's measurement date of December 31, 2017.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**2. 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 two 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 stock, 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 stock, bonds, money market instruments; 14) common and preferred stock authorized for investments of trust funds under the laws of the state of Illinois that meet certain requirements detailed in the statutes. The Plan updated their targeted investment allocations included in their investment policy during the fiscal year.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**2. Firemen’s Pension Fund (Fund) (Continued)**

The plan’s investment policy establishes the following target allocation across asset classes:

Asset Class	Minimum	Maximum
Equities (Separate Account)	20.00 %	65.00 % *
Fixed Income	33.00	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% for mutual funds, separate account of an insurance company, or separate accounts of a money manager. This is in addition to the 10% 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% 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, 2017 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Rate of Return
U.S. Large Cap Equity	2.44 %	4.74 %
U.S. Mid Cap Equity	0.29	2.59
U.S. Small Cap Equity	0.30	2.60
REITS	0.24	2.54
Non-U.S. Developed Equity	1.40	3.70
Emerging Markets	0.84	3.14
Fixed Income	1.70	4.00
Cash	0.07	2.37

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**2. Firemen’s Pension Fund (Fund) (Continued)**

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.

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% or more of the plan’s investments.

Rate of Return

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.32%. 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% 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, 2017 consisted of deposits with financial institutions. Deposits with financial institutions are covered by FDIC insurance up to \$250,000. At December 31, 2017, all deposits with financial institutions were insured by the FDIC.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**2. Firemen’s Pension Fund (Fund) (Continued)**

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 in the plan’s name.

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, 2017, the Fund had the following investments:

<u>Type of Investment</u>	<u>Fair Value/ Carrying Amount</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighted Average Years to Maturity (2)</u>
Money Market Funds	\$ 1,352,053	N/A	0.08
State and Local Obligations	913,403	Aaa to Aa2	2.46
U.S. Government Notes and Bonds, Explicitly Guaranteed	8,753,749	N/A	6.20
U.S. Government Agencies	8,399,635	Aaa	9.05
Corporate Bonds	24,100,288	Aaa to Baa3	3.91
Mutual Funds - Equities	66,878,043	N/A	N/A
Common and Preferred Stocks	24,446,981	N/A	N/A
Total Investments	<u>\$ 134,844,152</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 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Deposits and Investments – Pension Trust Funds (Continued)

**2. Firemen’s Pension Fund (Fund) (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.

Fair Value Measurements

The plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are quotes prices in active markets for identical assets or liabilities; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Valuation Techniques

Following is a description of the valuation techniques used for assets and liabilities measured at fair value on a recurring basis.

- Mutual funds and marketable equity securities: Valued at the closing quoted price in an active market.
- Corporate bonds and municipal obligations: The investment grade corporate bonds and municipal obligations held by the plan generally do not trade in active markets on the measurement date. Therefore, these securities are valued using inputs including yields currently available on comparable securities of issuers with similar credit ratings, recent market price quotations (where observable), bond spreads, and fundamental data relating to the issuer.
- U.S. government and U.S. government agency securities: Valued by a pricing service using models that incorporate market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers and reference data.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Deposits and Investments – Pension Trust Funds (Continued)**

**2. Firemen’s Pension Fund (Fund) (Continued)**

Fair value measurements recorded on a recurring basis at December 31, 2017 were as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Assets:</b>				
Investments by Fair Value Level:				
Mutual Funds	\$ 66,878,043	\$ -	\$ -	\$ 66,878,043
Marketable Equity Securities	24,446,981	-	-	24,446,981
Corporate Bonds	-	24,100,288	-	24,100,288
Municipal Obligations	-	913,403	-	913,403
U.S. Government Agency Securities	-	8,399,635	-	8,399,635
U.S. Government Securities	-	8,753,749	-	8,753,749
Total Investments by Fair Value Level	<u>\$ 91,325,024</u>	<u>\$ 42,167,075</u>	<u>\$ -</u>	133,492,099
Money Market Funds*				1,352,053
Total Investments				<u>\$ 134,844,152</u>

\*Money market funds are recorded at cost and are not based on Level 1, 2, or 3 inputs.

**C. Deposits and Investments – Discretely Presented Component Units**

**1. 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, 2017, \$3,405,757 of the Civic Center’s bank balance of \$3,717,460 was exposed to custodial credit risk.

Reconciliation to statement of net position:

	Carrying Amount
Cash on Hand	\$ 57,556
Demand Deposits and Money Market Accounts	3,717,460
	<u>\$ 3,775,016</u>
Cash and Cash Equivalents	<u>\$ 3,775,016</u>

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)**

C. Deposits and Investments – Discretely Presented Component Units (Continued)

**2. 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, 2017, the carrying amount of the Authority's deposits (including checking, savings and certificates of deposit) was \$309,288 and the bank balance was \$323,085. The Authority also had cash on hand of \$36,196. None of the bank balance of \$323,085 was 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  
DECEMBER 31, 2017**

**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, 2017 represents installments of the 2016 property taxes which were received during 2017.

The amount of the property tax receivable unavailable at year-end represents the tax levied for 2017, for which an enforceable lien exists as of January 1, but is levied for the 2018 budget and will be collected from taxpayers in June and September 2018.

**NOTE 4 RESTRICTED CASH AND CASH AND INVESTMENTS HELD BY TRUSTEE**

In accordance with the appropriate bond ordinances, as of December 31, 2017, the City has paid to its respective paying agents the following amounts included as restricted cash and investments held by trustee:

The refunding bond escrow agent held \$633,966 of cash and investments in the 2016A General Obligation Bond Debt Service Fund.

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT**

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

Issue	Amount Issued	Outstanding December 31, 2017
2009A general obligation bonds issued to refund a portion of previously issued bonds; interest at 2.00% to 5.00%	\$ 17,645,000	\$ 2,305,000
2010A general obligation bonds issued to advance refund a portion of previously issued bonds; interest at 2.00% to 4.00%	2,420,000	1,185,000
2010C taxable general obligation bonds (Build America & Recovery Zone Bonds) issued for capital improvements; interest at 2.00% to 6.40%	15,490,000	12,910,000
2010D general obligation bonds issued to refund a portion of previously issued bonds; interest at 2.00% to 5.00%	24,310,000	18,620,000

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

Issue	Amount Issued	Outstanding December 31, 2017
2011A general obligation bonds issued to currently refund a portion of previously issued bonds; interest at 2.00% to 3.00%	\$ 4,060,000	\$ 2,400,000
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	29,280,000
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	9,690,000
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
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	1,415,000
2014A general obligation bonds issued to pay the cost of construction infrastructure improvements; interest at 3% to 4%	9,660,000	8,520,000
2014B 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	5,455,000
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	10,335,000

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

Issue	Amount Issued	Outstanding December 31, 2017
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
2016A variable rate general obligation demand bonds issued to redeem the City's outstanding Taxable Variable Rate General Obligation Capital Improvement Bonds, Series 2012C, for capital improvement projects and to pay the costs of issuing the 2016A bonds; 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 1.03% as of December 31, 2017	9,710,000	9,090,000
2016B general obligation refunding bonds issued to advance refund a portion of the City's outstanding general obligation library bonds, series 2008A due January 1, 2019-2028 and to pay the cost of issuing the 2016B bonds; interest at 2% to 5%	19,070,000	18,915,000
2016C taxable general obligation bonds issued to construct a combined sewer overflow (CSO) pilot program on Adams Street between Pecan Street and Persimmon Street and storm water, sidewalks and road infrastructure, and to pay the costs of issuing the 2016C bonds; interest rate at 3.0% to 3.5%	<u>3,070,000</u>	<u>2,965,000</u>
Total General Obligation Bonds	<u>\$ 210,350,000</u>	<u>\$ 167,190,000</u>

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

A. 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% due in annual payments beginning December 1, 1998 through December 1, 2015. As of December 31, 2017, 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 23 years commencing with the date of the adoption of the Northside Riverfront Redevelopment Area, to promptly deposit the incremental real estate taxes when received as follows: 50% into the "Principal and Interest Account - Acquisition Loan" and 50% 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.

B. 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%.

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  
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**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

C. 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% 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.

D. Postclosure Costs – Landfill

State and federal laws and regulations require the City/County to perform certain postclosure maintenance and monitoring functions at City/County Landfill #1 for 30 years after the facility stops accepting waste and are 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 (\$122,034) were recognized in 2017. The balance due reported represents the estimate of what it would cost to perform all postclosure care as of December 31, 2017 over 30 years for Landfill #1, which discontinued accepting waste in 1998. Actual cost may be higher or lower due to inflation, changes in technology, or changes in regulations.

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

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

	Balance December 31, 2016	Additions	Deletions	Balance December 31, 2017	Current Portion	Long-Term Portion
General Obligation Bonds	\$ 178,705,000	\$ -	\$ (12,930,000)	\$ 165,775,000	\$ -	\$ 165,775,000
Revenue Bonds	1,680,000	-	(265,000)	1,415,000	-	1,415,000
Special Assessment Bonds	3,995,500	-	(410,500)	3,585,000	320,000	3,265,000
Special Service Area Bonds	525,000	-	(525,000)	-	-	-
Loans Payable	1,061,500	-	(67,779)	993,721	993,721	-
Subtotal	185,967,000	-	(14,198,279)	171,768,721	1,313,721	170,455,000
Bond Premium	6,954,075	-	(1,329,968)	5,624,107	-	5,624,107
Total Bonds and Loans Payable, Net	192,921,075	-	(15,528,247)	177,392,828	1,313,721	176,079,107
Landfill Closure and Postclosure Care Costs	667,845	328,311	(450,345)	545,811	57,917	487,894
Compensated Absences	10,449,587	5,300,603	(5,464,769)	10,285,421	5,044,004	5,241,417
Total Long-Term Liabilities	<u>\$ 204,038,507</u>	<u>\$ 5,628,914</u>	<u>\$ (21,443,361)</u>	<u>\$ 188,224,060</u>	<u>\$ 6,415,642</u>	<u>\$ 181,808,418</u>

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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

E. Repayment

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

Year Ending December 31,	2009A		2010A	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2018	\$ -	\$ 53,563	\$ -	\$ 22,588
2019	650,000	94,938	220,000	41,325
2020	685,000	65,625	225,000	33,538
2021	720,000	30,500	240,000	24,800
2022	250,000	6,250	245,000	15,100
2023 - 2027	-	-	255,000	5,100
2028 - 2032	-	-	-	-
2033 - 2037	-	-	-	-
Total	<u>\$ 2,305,000</u>	<u>\$ 250,876</u>	<u>\$ 1,185,000</u>	<u>\$ 142,451</u>

Year Ending December 31,	2010C Taxable		2010D	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2018	\$ -	\$ 393,111	\$ -	\$ 400,156
2019	430,000	776,118	100,000	799,063
2020	445,000	754,999	100,000	796,500
2021	445,000	732,415	100,000	793,688
2022	470,000	708,390	100,000	790,688
2023 - 2027	2,960,000	3,090,215	18,220,000	1,383,331
2028 - 2032	8,160,000	1,065,478	-	-
2033 - 2037	-	-	-	-
Total	<u>\$ 12,910,000</u>	<u>\$ 7,520,726</u>	<u>\$ 18,620,000</u>	<u>\$ 4,963,426</u>

Year Ending December 31,	2011A		2011B	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2018	\$ -	\$ 36,000	\$ -	\$ 102,450
2019	305,000	67,425	-	204,900
2020	315,000	58,125	-	204,900
2021	335,000	48,375	-	204,900
2022	345,000	38,175	4,620,000	112,500
2023 - 2027	1,100,000	50,250	670,000	30,150
2028 - 2032	-	-	-	-
2033 - 2037	-	-	-	-
Total	<u>\$ 2,400,000</u>	<u>\$ 298,350</u>	<u>\$ 5,290,000</u>	<u>\$ 859,800</u>

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

**E. Repayment (Continued)**

<u>Year Ending December 31,</u>	2012A Taxable General Obligation Bonds		2012B General Obligation Bonds	
	Principal	Interest	Principal	Interest
	\$	\$	\$	\$
2018	-	619,994	-	143,888
2019	955,000	1,225,663	65,000	287,288
2020	1,050,000	1,194,275	65,000	286,313
2021	1,150,000	1,158,525	65,000	285,338
2022	1,250,000	1,117,963	65,000	283,875
2023 - 2027	8,300,000	4,736,613	2,380,000	1,357,800
2028 - 2032	16,575,000	2,286,931	7,050,000	105,750
2033 - 2037	-	-	-	-
Total	<u>\$ 29,280,000</u>	<u>\$ 12,339,964</u>	<u>\$ 9,690,000</u>	<u>\$ 2,750,252</u>

<u>Year Ending December 31,</u>	2013A General Obligation Bonds	
	Principal	Interest
	\$	\$
2018	-	144,950
2019	-	289,900
2020	950,000	289,900
2021	-	280,400
2022	-	270,900
2023 - 2027	8,405,000	1,069,650
2028 - 2032	-	-
2033 - 2037	-	-
Total	<u>\$ 9,355,000</u>	<u>\$ 2,345,700</u>

<u>Year Ending December 31,</u>	2013D Taxable Motor Fuel Tax Revenue Bonds		2014A General Obligation Bonds	
	Principal	Interest	Principal	Interest
	\$	\$	\$	\$
2018	-	21,862	-	161,950
2019	270,000	40,174	405,000	317,825
2020	275,000	32,691	415,000	305,525
2021	285,000	24,327	430,000	292,850
2022	290,000	20,273	440,000	279,800
2023 - 2027	295,000	-	2,460,000	1,127,400
2028 - 2032	-	-	3,670,000	583,500
2033 - 2037	-	-	700,000	55,500
Total	<u>\$ 1,415,000</u>	<u>\$ 139,327</u>	<u>\$ 8,520,000</u>	<u>\$ 3,124,350</u>

<u>Year Ending December 31,</u>	2014B General Obligation Bond Project		2015A General Obligation Bonds	
	Principal	Interest	Principal	Interest
	\$	\$	\$	\$
2018	-	192,825	-	136,375
2019	3,035,000	329,325	2,280,000	215,750
2020	3,635,000	200,300	2,375,000	99,375
2021	3,190,000	63,800	800,000	20,000
2022	-	-	-	-
2023 - 2027	-	-	-	-
2028 - 2032	-	-	-	-
2033 - 2037	-	-	-	-
Total	<u>\$ 9,860,000</u>	<u>\$ 786,250</u>	<u>\$ 5,455,000</u>	<u>\$ 471,500</u>

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

**E. Repayment (Continued)**

<u>Year Ending December 31,</u>	2015B General Obligation Bonds		2015C Taxable General Obligation Bonds	
	Principal	Interest	Principal	Interest
	2018	\$ -	\$ 231,525	\$ -
2019	930,000	439,800	-	341,935
2020	1,000,000	391,550	290,000	336,135
2021	1,030,000	340,800	305,000	324,235
2022	1,085,000	287,925	315,000	311,835
2023 - 2027	6,290,000	599,250	1,780,000	1,355,275
2028 - 2032	-	-	2,170,000	944,543
2033 - 2037	-	-	2,740,000	356,250
Total	<u>\$ 10,335,000</u>	<u>\$ 2,290,850</u>	<u>\$ 7,600,000</u>	<u>\$ 4,141,176</u>

<u>Year Ending December 31,</u>	2015D Taxable General Obligation Bonds		2016A Taxable Variable Rate General Obligation Demand Bonds	
	Principal	Interest	Principal	Interest
	2018	\$ -	\$ 44,015	\$ -
2019	-	88,030	675,000	182,132
2020	80,000	86,710	705,000	167,028
2021	80,000	84,070	725,000	151,476
2022	85,000	81,348	755,000	135,298
2023 - 2027	460,000	360,008	4,270,000	409,055
2028 - 2032	705,000	251,345	1,960,000	68,872
2033 - 2037	590,000	93,750	-	-
Total	<u>\$ 2,000,000</u>	<u>\$ 1,089,276</u>	<u>\$ 9,090,000</u>	<u>\$ 1,211,579</u>

<u>Year Ending December 31,</u>	2016B Taxable General Obligation Bonds		2016C Taxable General Obligation Bonds	
	Principal	Interest	Principal	Interest
	2018	\$ -	\$ 444,975	\$ -
2019	1,370,000	869,400	115,000	92,386
2020	1,450,000	819,850	120,000	88,861
2021	1,545,000	752,225	125,000	85,186
2022	1,660,000	672,100	130,000	81,361
2023 - 2027	10,335,000	1,933,375	700,000	346,056
2028 - 2032	2,555,000	56,925	1,000,000	230,828
2033 - 2037	-	-	775,000	85,136
Total	<u>\$ 18,915,000</u>	<u>\$ 5,548,850</u>	<u>\$ 2,965,000</u>	<u>\$ 1,056,870</u>

<u>Year Ending December 31,</u>	2006 Special Assessment Bonds	
	Principal	Interest
	2018	\$ 320,000
2019	335,000	180,745
2020	355,000	162,990
2021	375,000	144,175
2022	390,000	124,300
2023 - 2027	1,810,000	262,725
2028 - 2032	-	-
2033 - 2037	-	-
Total	<u>\$ 3,585,000</u>	<u>\$ 1,072,640</u>

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 5 LONG-TERM DEBT – PRIMARY GOVERNMENT (CONTINUED)**

E. Repayment (Continued)

<u>Year Ending December 31,</u>	<u>PMP Promissory Note</u>		<u>Wal-Mart Promissory Note</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 922,213	\$ 30,000	\$ 71,508	\$ 3,933
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023 - 2027	-	-	-	-
2028 - 2032	-	-	-	-
2033 - 2037	-	-	-	-
Total	<u>\$ 922,213</u>	<u>\$ 30,000</u>	<u>\$ 71,508</u>	<u>\$ 3,933</u>

<u>Year Ending December 31,</u>	<u>Total Long-Term Bonds and Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 1,313,721	\$ 3,697,607
2019	12,140,000	6,884,122
2020	14,535,000	6,375,190
2021	11,945,000	5,842,085
2022	12,495,000	5,338,081
2023 - 2027	70,690,000	18,116,253
2028 - 2032	43,845,000	5,594,172
2033 - 2037	4,805,000	590,636
Total	<u>\$ 171,768,721</u>	<u>\$ 52,438,146</u>

F. 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**  
**DECEMBER 31, 2017**

**NOTE 6 CAPITAL ASSETS**

A summary of the changes in capital assets follows:

	Cost				Balance as of December 31, 2017
	Balance as of December 31, 2016	Additions	Deletions	Transfers	
Not Depreciated:					
Land	\$ 19,949,185	\$ 1,780,668	\$ (310,050)	\$ -	\$ 21,419,803
Construction-in-Progress	9,817,514	4,506,850	-	(7,158,466)	7,165,898
Depreciated:					
Land Improvements	7,228,942	-	-	-	7,228,942
Buildings	108,205,849	953,795	-	-	109,159,644
Machinery and Equipment	8,483,689	95,042	-	-	8,578,731
Vehicles	22,788,025	2,357,486	(868,992)	-	24,276,519
Media	18,057,260	730,188	(913,772)	-	17,873,676
Infrastructure	445,849,343	11,250,578	-	7,158,466	464,258,387
Total	<u>\$ 640,379,807</u>	<u>\$ 21,674,607</u>	<u>\$ (2,092,814)</u>	<u>\$ -</u>	<u>\$ 659,961,600</u>

	Accumulated Depreciation			Balance as of December 31, 2017	Net Capital Assets as of December 31, 2017
	Balance as of December 31, 2016	Additions	Deletions		
Not Depreciated:					
Land	\$ -	\$ -	\$ -	\$ -	\$ 21,419,803
Construction-in-Progress	-	-	-	-	7,165,898
Depreciated:					
Land Improvements	5,516,908	404,454	-	5,921,362	1,307,580
Buildings	57,401,597	3,714,101	-	61,115,698	48,043,946
Machinery and Equipment	7,882,506	181,997	-	8,064,503	514,228
Vehicles	17,826,112	1,536,626	(868,992)	18,493,746	5,782,773
Media	14,217,339	840,177	(913,772)	14,143,744	3,729,932
Infrastructure	217,922,519	15,213,375	-	233,135,894	231,122,493
Total	<u>\$ 320,766,981</u>	<u>\$ 21,890,730</u>	<u>\$ (1,782,764)</u>	<u>\$ 340,874,947</u>	<u>\$ 319,086,653</u>

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

Governmental Activities:	
City Administration	\$ 26,400
Police	476,182
Fire	880,946
Public Works	16,124,432
Community Development	3,849
Public Safety	41,753
General Government	2,155,782
Library	2,181,386
Total Depreciation Expense	<u>\$ 21,890,730</u>

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**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 as of August 31, 2016	Additions	Deletions	Balance as of August 31, 2017
Historical Cost:				
Not Depreciated:				
Land	\$ 10,247,918	\$ -	\$ -	\$ 10,247,918
Construction-in-Process	-	-	-	-
Depreciated:				
Land Improvements	7,821,366	203,229	-	8,024,595
Building and Improvements	149,657,426	424,585	-	150,082,011
Furniture, Fixtures, and Equipment	13,052,510	143,354	-	13,195,864
Total Cost	<u>180,779,220</u>	<u>771,168</u>	<u>-</u>	<u>181,550,388</u>
Accumulated Depreciation:				
Land Improvements	6,968,327	252,369	-	7,220,696
Building and Improvements	95,927,048	5,328,978	-	101,256,026
Furniture, Fixtures, and Equipment	12,069,116	450,250	-	12,519,366
Total Accumulated Depreciation	<u>114,964,491</u>	<u>6,031,597</u>	<u>-</u>	<u>120,996,088</u>
Net Land, Building, and Equipment	<u>\$ 65,814,729</u>	<u>\$ (5,260,429)</u>	<u>\$ -</u>	<u>\$ 60,554,300</u>

	Springdale Cemetery Management Authority				
	Balance as of December 31, 2016	Additions	Deletions	Transfers	Balance as of December 31, 2017
Cost:					
Assets Depreciated:					
Maintenance Building	\$ 406,586	\$ -	\$ -	\$ -	\$ 406,586
Building Improvements	404,634	-	-	-	404,634
Land Improvements	906,615	-	-	280,284	1,186,899
Furniture and Equipment	426,008	-	-	-	426,008
Computer Software	168,486	-	-	-	168,486
Assets Not Depreciated,					
Land	65,604	-	-	-	65,604
Construction-in-Process	171,787	108,497	-	(280,284)	-
Total Cost	<u>\$ 2,549,720</u>	<u>\$ 108,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,658,217</u>

	Balance as of December 31, 2016	Additions	Deletions	Balance as of December 31, 2017	Net Capital Assets as of December 31, 2017
	2016			2017	2017
Accumulated Depreciation:					
Maintenance Building	\$ 131,373	\$ 10,819	\$ -	\$ 142,192	\$ 264,394
Building Improvements	125,356	11,169	-	136,525	268,109
Land Improvements	395,459	41,838	-	437,297	749,602
Furniture and Equipment	359,166	17,330	-	376,496	49,512
Computer Software	138,346	11,074	-	149,420	19,066
Land	-	-	-	-	65,604
Construction-in-Process	-	-	-	-	-
Total Accumulated Depreciation	<u>\$ 1,149,700</u>	<u>\$ 92,230</u>	<u>\$ -</u>	<u>\$ 1,241,930</u>	<u>\$ 1,416,287</u>

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 7 RECEIVABLES**

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% 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, 2017, the City's loan receivable balance was \$79,357.

The City has received grant funds from the U.S. Department of Commerce and Economic Development Administration for the purpose of providing loans to existing or emerging businesses to further economic development and create new jobs in the community. At December 31, 2017, the City had future principal receipts under these notes as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 44,978
2019	43,298
2020	36,210
2021	13,100
2022	10,038
Thereafter	194,695
Total	<u><u>\$ 342,319</u></u>

Other current receivables as of December 31, 2017 consist of the following:

Charges for Services and Reimbursements	\$ 1,541,144
Franchise Fees	520,981
Other Fines and Fees	250,894
Miscellaneous Taxes	42,429
Total Other Current Receivables (Gross)	<u>2,355,448</u>
Less: Allowance for Uncollectible Accounts	39,606
Total Other Current Receivables (Net)	<u><u>\$ 2,315,842</u></u>

**NOTE 8 OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

The individual fund interfund receivable and payable balances as of December 31, 2017 are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major Funds:		
General Fund	\$ 19,715,519	\$ 3,501,502
Capital Improvements Fund	162,527	12,126,971
Nonmajor Governmental Funds	449,315	7,664,924
Internal Service Fund	2,966,036	-
Total	<u><u>\$ 23,293,397</u></u>	<u><u>\$ 23,293,397</u></u>

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 8 OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (CONTINUED)**

Advances to and from other funds as of December 31, 2017 were as follows:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Major Funds:		
General Fund	\$ 5,780,664	\$ -
Illinois Municipal Retirement Fund	-	5,780,664
Total	<u>\$ 5,780,664</u>	<u>\$ 5,780,664</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:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 3,151,000	\$ 8,130,941
Illinois Municipal Retirement Fund	525,980	-
Capital Improvements Fund	3,055,114	8,613,221
Nonmajor Governmental Funds	<u>21,623,263</u>	<u>11,611,195</u>
Total	<u>\$ 28,355,357</u>	<u>\$ 28,355,357</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.

Accounting principles generally accepted in the United States of America 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  
DECEMBER 31, 2017**

**NOTE 8 OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (CONTINUED)**

As of December 31, 2017, the following funds had deficit balances:

Fund	Deficit
Major Funds:	
Illinois Municipal Retirement Fund	\$ (5,301,225)
Capital Improvements Fund	(8,063,345)
Nonmajor Funds:	
Refuse Collection Fund	(4,619,457)
Sewer Fund	(2,093,923)

Deficits in the Illinois Municipal Retirement Fund will be eliminated through future incremental property tax receipts. Deficits in the Capital Improvements Fund will be eliminated by the reduction or freezing of capital projects. Deficits in the Refuse Collection Fund and Sewer Fund will be eliminated by increasing the charges for future services.

**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, workers' 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 \$225,000 and a maximum aggregate benefit of \$1,000,000.

During 2017, 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:

- \$11,000,000/\$14,000,000 limits for general liability
- \$11,000,000/\$14,000,000 limits for employment practices, sexual abuse, law enforcement, and public officials liability
- \$11,000,000 limit for auto liability
- Self-insured retention limits apply to all coverages

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

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 9 SELF-INSURANCE – PRIMARY GOVERNMENT (CONTINUED)**

GASB 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, 2017, the estimate of health and dental claims incurred but not reported amounted to \$100,000. The unpaid reported claims of \$665,771 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 2017 and 2016 were:

Balance - December 31, 2015	\$ 1,014,326
Current Year Claims and Changes in Estimates	7,824,743
Claims Paid	<u>(8,159,329)</u>
Balance - December 31, 2016	679,740
Current Year Claims and Changes in Estimates	8,469,763
Claims Paid	<u>(8,383,732)</u>
Balance - December 31, 2017	<u><u>\$ 765,771</u></u>

Changes in the workers' compensation liability which include unpaid reported claims and amounts incurred but not reported in fiscal years 2017 and 2016 were:

Balance - December 31, 2015	\$ 2,749,159
Current Year Claims and Changes in Estimates	4,975,616
Claims Paid	<u>(4,367,410)</u>
Balance - December 31, 2016	3,357,365
Current Year Claims and Changes in Estimates	4,548,706
Claims Paid	<u>(4,774,896)</u>
Balance - December 31, 2017	<u><u>\$ 3,131,175</u></u>

Changes in the general liability which include unpaid reported claims and amounts incurred but not reported in fiscal years 2017 and 2016 were:

Balance - December 31, 2015	\$ 11,064,201
Current Year Claims and Changes in Estimates	3,028,510
Claims Paid	<u>(1,519,351)</u>
Balance - December 31, 2016	12,573,360
Current Year Claims and Changes in Estimates	3,440,592
Write-Off of Estimated Liability	(9,172,000)
Claims Paid	<u>(3,432,542)</u>
Balance - December 31, 2017	<u><u>\$ 3,409,410</u></u>

Of the \$3,131,175 of workers' compensation liability, \$483,750 is reported in the General Fund as due and \$2,647,425 is reported in governmental activities as noncurrent. Of the \$2,581,410 of general liability, \$21,543 is reported in the General Fund as due and \$3,387,867 is reported in governmental activities as noncurrent.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS**

A. Plan Descriptions

**1. Illinois Municipal Retirement Fund (IMRF)**

The City's defined benefit pension plan, a multi-employer agent plan, for regular employees provides retirement and disability benefits, postretirement 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](http://www.imrf.org).

**2. 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.

**3. 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.

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.

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS (CONTINUED)**

B. Benefits Provided

**1. 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 1.66% of the final rate of earnings for the first 15 years of service credit, plus 2.00% for each year of service credit after 15 years to a maximum of 75.00% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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 1.66% of the final rate of earnings for the first 15 years of service credit, plus 2.00% for each year of service credit after 15 years to a maximum of 75.00% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 10 PENSION PLANS (CONTINUED)**

B. Benefits Provided (Continued)

**2. 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% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% 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% of the original pension granted or 3% of the pension amount, depending on the individual's date of retirement.

Survivor benefits vary based on the timing of the participant's death. For duty related deaths, the benefit allowed for survivors is 100% of the salary earned at the time of death. For retirement and disability deaths, the benefit allowed to survivors is 100% 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% 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% 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  
DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS (CONTINUED)**

B. Benefits Provided (Continued)

**3. 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% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75.0% 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% of the original pension and 3% 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% of the salary earned at the time of death. For retirement, disability, and nonduty-related deaths, the benefit allowed for survivors is the greater of 54% of the participant's salary at the time of death or 100% 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% 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% 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  
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**NOTE 10 PENSION PLANS (CONTINUED)**

C. Employees Covered by Benefit Terms

As of December 31, 2016 and January 1, 2017 for the IMRF and Police and Firemen's Pension Plans, respectively, the following employees were covered by the benefit terms:

	<u>IMRF</u>		<u>Police Pension Fund of Peoria</u>	<u>Firemen's Pension Fund of Peoria</u>
	<u>Regular</u>	<u>Elected County Officials</u>		
Retirees and Beneficiaries Currently Receiving Benefits	628	-	246	204
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	189	-	28	4
Active Plan Members	<u>337</u>	<u>-</u>	<u>222</u>	<u>207</u>
Total	<u>1,154</u>	<u>-</u>	<u>496</u>	<u>415</u>

D. Contributions

**1. IMRF**

As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. ECO employees participating in IMRF are required to contribute 7.5% 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 2016 were 15.69% and 0% for RP and ECO, respectively. For the fiscal year ended December 31, 2017, the City contributed \$3,015,431 to the plans. 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.

**2. Police Pension Fund**

Covered employees are required to contribute 9.91% 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% by 2040. For the year ended December 31, 2017, the City's contribution was 44.81% of covered payroll. For the fiscal year ended December 31, 2017, the City contributed \$9,035,019 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.

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 10 PENSION PLANS (CONTINUED)**

D. Contributions (Continued)

**2. Police Pension Fund (Continued)**

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.

**3. Firemen's Pension Fund**

Covered employees are required to contribute 9.455% 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% by 2040. For the year ended December 31, 2017, the City's contribution was 47.6% of covered payroll. For the fiscal year ended December 31, 2017, the City contributed \$8,398,175 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**  
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**NOTE 10 PENSION PLANS (CONTINUED)**

E. Net Pension Liability

The City's net pension liability for the IMRF was measured as of December 31, 2016. 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, 2016, updated to December 31, 2016.

Actuarial Assumptions:

**1. IMRF**

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.75%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- 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 nondisabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for nondisabled 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS (CONTINUED)**

E. Net Pension Liability (Continued)

**1. IMRF (Continued)**

- 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:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	38 %	6.85 %
International Equities	17	6.75
Fixed Income	27	3.00
Real Estate	8	5.75
Alternatives	9	N/A
Private Equity	N/A	7.35
Hedge Funds	N/A	5.25
Commodities	N/A	2.65
Cash Equivalents	1	2.25
Total	<u>100 %</u>	

**2. Police Pension Fund**

The total pension liability was determined by an actuarial valuation as of January 1, 2016, updated to December 31, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	4.00% - 9.00%
Investment Rate of Return	6.75%

Mortality Rates

The RP-2000 Combined Healthy Annuitant Mortality, projected to the valuation date with Scale AA was used for active employees and pensioners. Five percent of active deaths are assumed to be in the line of duty. The RP-2000 Disabled Retiree Morality, projected to the valuation date with Scale AA was used for disabled police officers.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS (CONTINUED)**

E. Net Pension Liability (Continued)

**2. Police Pension Fund (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, 2016 are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Fixed Income	35 %	2.0 %
U.S. Equity	30 %	5.6 %
International Equity	20 %	5.9 %
Real Estate	10 %	5.4 %
Global Tactical	5 %	4.0 %
Total	100 %	

**3. Firemen's Pension Fund**

The total pension liability was determined by an actuarial valuation as of January 1, 2016, updated to December 31, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	4.00% - 9.00%
Investment Rate of Return	6.75%

Mortality Rates

The RP-2000 Combined Healthy Annuitant Mortality, projected to the valuation date with Scale AA was used for active employees and pensioners. Five percent of active deaths are assumed to be in the line of duty. The RP-2000 Disabled Retiree Morality, projected to the valuation date with Scale AA was used for disabled firefighters.

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 10 PENSION PLANS (CONTINUED)**

E. Net Pension Liability (Continued)

**3. Firemen's Pension Fund (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, 2016, are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equity	27 %	9.04 %
U.S. Mid Cap Equity	3 %	9.54 %
U.S. Small Cap Equity	3 %	10.04 %
Fixed Income	38 %	4.48 %
Non-U.S. Developed Equity	16 %	8.75 %
Emerging Markets	8 %	10.54 %
REITS	3 %	8.00 %
Cash	2 %	3.38 %
Total	<u>100 %</u>	

F. Discount Rate

**1. IMRF**

A discount rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this discount rate 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 rate reflects:

- a. 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
- b. 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).
- c. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS (CONTINUED)**

F. Discount Rate (Continued)

**2. Police and Firemen's Pension Funds**

The discount rate used to measure the total pension liability for the Police and Firemen's Pension Funds were 6.16% and 6.06%, respectively. 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.

G. Changes in Net Pension Liability

**1. IMRF**

	Regular		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances - December 31, 2016	\$ 204,524,728	\$ 177,645,887	\$ 26,878,841
Changes for the Year:			
Service Cost	2,239,533	-	2,239,533
Interest on the Total Pension Liability	14,899,808	-	14,899,808
Differences Between Expected and Actual Experience of the Total Pension Liability	(480,008)	-	(480,008)
Changes of Assumptions	(670,445)	-	(670,445)
Contributions - Employer	-	3,324,499	(3,324,499)
Contributions - Employees	-	1,034,756	(1,034,756)
Net Investment Income	-	13,062,848	(13,062,848)
Difference Between Projected and Actual Investment Income	-	(57,626)	57,626
Benefit Payments, including Refunds of Employee Contributions	(12,366,347)	(12,366,347)	-
Administrative Expenses	-	(176,219)	176,219
Other (Net Transfer)	-	58	(58)
Net Changes	<u>3,622,541</u>	<u>4,821,969</u>	<u>(1,199,428)</u>
Balances - December 31, 2017	<u>\$ 208,147,269</u>	<u>\$ 182,467,856</u>	<u>\$ 25,679,413</u>

The changes in net pension liability above are the aggregated information of the Regular Plan and the Elected County Official Plan. Disaggregated information for the Elected County Official's Plan as of December 31, 2016 is not available and is not material to the City's financial statements.

Resources of the Illinois Municipal Retirement Fund will be used to liquidate the IMRF net pension liability for the City of Peoria, Illinois.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS (CONTINUED)**

H. Police Pension Fund

	Police Pension Fund		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Balances - December 31, 2015	\$ 320,434,803	\$ 151,059,095	\$ 169,375,708
Changes for the Year:			
Service Cost	6,608,830	-	6,608,830
Interest	19,632,806	-	19,632,806
Differences Between Expected and Actual Experience	(12,292,026)	-	(12,292,026)
Changes of Assumptions	(790,881)	-	(790,881)
Contributions - Employer	-	8,392,780	(8,392,780)
Contributions - Member	-	2,161,968	(2,161,968)
Net Investment Income	-	8,513,053	(8,513,053)
Benefit Payments, Including Refunds of Member Contributions	(14,582,197)	(14,582,197)	-
Administrative Expenses	-	(164,023)	164,023
Net Changes	<u>(1,423,468)</u>	<u>4,321,581</u>	<u>(5,745,049)</u>
Balances - December 31, 2016	<u>\$ 319,011,335</u>	<u>\$ 155,380,676</u>	<u>\$ 163,630,659</u>

I. Firemen's Pension Fund

	Firemen's Pension Fund		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Balances - December 31, 2015	\$ 263,885,413	\$ 121,872,047	\$ 142,013,366
Changes for the Year:			
Service Cost	6,138,425	-	6,138,425
Interest	16,095,771	-	16,095,771
Differences Between Expected and Actual Experience	3,253,630	-	3,253,630
Changes of Assumptions	1,400,665	-	1,400,665
Contributions - Employer	-	7,801,323	(7,801,323)
Contributions - Member	-	1,649,248	(1,649,248)
Net Investment Income	-	6,027,434	(6,027,434)
Benefit Payments, Including Refunds of Member Contributions	(12,317,490)	(12,317,490)	-
Administrative Expenses	-	(141,096)	141,096
Net Changes	<u>14,571,001</u>	<u>3,019,419</u>	<u>11,551,582</u>
Balances - December 31, 2016	<u>\$ 278,456,414</u>	<u>\$ 124,891,466</u>	<u>\$ 153,564,948</u>

Resources of the Police and Fire Pension Levy Fund will be used to liquidate the Police Pension and Firemen's Pension net pension liabilities for the City of Peoria, Illinois.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 10 PENSION PLANS (CONTINUED)**

J. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using a discount rate of 7.50% for IMRF, 6.16% for the Police Pension Fund, and 6.06% for the Firemen's Pension Fund, as well as what the plan's net pension liability would be if it were calculated using discount rates that are 1.00% lower or 1.00% higher:

	1% Decrease		Current Discount		1% Increase	
	Rate	NPL	Rate	NPL	Rate	NPL
IMRF	6.50 %	\$ 49,357,892	7.50 %	\$ 25,679,413	8.50 %	\$ 5,982,713
Police Pension Fund	5.16	207,340,443	6.16	163,630,659	7.16	127,640,744
Firemen's Pension Fund	5.06	192,615,999	6.06	153,564,948	7.06	121,590,974

The analysis above for IMRF is the aggregated information of the Regular Plan and Elected County Official Plan. Disaggregated information was not available.

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

1. IMRF

For the year ended December 31, 2017, the City recognized pension expense of \$7,023,600. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences Between Expected and Actual Experience	\$ 42,318	\$ 205,534
Changes of Assumptions	71,818	443,152
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>6,296,446</u>	<u>-</u>
Total Deferred Amounts to be Recognized in Pension Expense in future Periods	6,410,582	648,686
Pension Contributions Made Subsequent to the Measurement Date	<u>3,015,431</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 9,426,013</u>	<u>\$ 648,686</u>

\$3,015,431 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 10 PENSION PLANS (CONTINUED)**

**K. Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)**

**1. IMRF (Continued)**

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

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows/Inflows of Resources</u>
2017	\$ 1,987,095
2018	1,889,696
2019	1,873,579
2020	11,526
Total	<u>\$ 5,761,896</u>

**2. Police Pension Fund**

For the year ended December 31, 2017 the City recognized pension expense of \$21,195,797. On December 31, 2017 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Police Pension Fund</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences Between Expected and Actual Experience	\$ -	\$ 10,256,872
Changes in Assumptions	16,268,003	632,704
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>8,177,280</u>	<u>-</u>
Total Deferred Amounts to be Recognized Expense in Future Periods	24,445,283	10,889,576
Pension Contributions Made Subsequent to the Measurement Date	<u>9,035,019</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 33,480,302</u>	<u>\$ 10,889,576</u>

\$9,035,019 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 10 PENSION PLANS (CONTINUED)**

K. Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)

**2. Police Pension Fund (Continued)**

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

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows/Inflows of Resources</u>
2018	\$ 6,098,458
2019	6,098,457
2020	3,848,714
2021	<u>(2,489,922)</u>
Total	<u>\$ 13,555,707</u>

**3. Firemen's Pension Fund**

For the year ended December 31, 2017 the City recognized pension expense of \$20,100,427. On December 31, 2017 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences Between Expected and Actual Experience	\$ 2,711,360	\$ -
Changes in Assumptions	13,775,500	632,500
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>8,403,850</u>	<u>-</u>
Total Deferred Amounts to be Recognized Expense in Future Periods	24,890,710	632,500
Pension Contributions Made Subsequent to the Measurement Date	<u>8,398,175</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 33,288,885</u>	<u>\$ 632,500</u>

\$8,398,175 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018.

**CITY OF PEORIA, ILLINOIS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2017**

**NOTE 10 PENSION PLANS (CONTINUED)**

K. Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)

**3. Firemen’s Pension Fund (Continued)**

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

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows/Inflows of Resources</u>
2018	\$ 6,716,834
2019	6,716,834
2020	6,016,162
2021	4,032,664
2022	775,716
Total	<u>\$ 24,258,210</u>

**NOTE 11 COMMITMENTS – PRIMARY GOVERNMENT**

A. Peoria Civic Center Authority

The intergovernmental agreement between the City and the Peoria Civic Center Authority (the Civic Center) titled “2016 Intergovernmental Agreement Between the City of Peoria and the Peoria Civic Center Authority” was entered into on August 9, 2016 and replaced the previous 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, 2017, the City recognized \$1,421,373 as subsidies to the Civic Center.

B. 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, 2017, the City recognized \$542,500 as subsidies to the Convention Bureau. These amounts have been reflected as expenditures within the General Fund.

C. Arts Partners

Per City Council agreement, effective August 2002, 2.5% of restaurant taxes are being distributed to the nonprofit organization, Arts Partners. During the year ended December 31, 2017, the City recognized \$100,000 as subsidies to the organization.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 11 COMMITMENTS – PRIMARY GOVERNMENT (CONTINUED)**

D. 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, 2017, the City recognized \$431,403 as subsidies to this fund.

E. 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, 2017 was \$290,622 and the City recognized \$193,750 as revenue in the current year.

F. Various Contract Commitments

The City has commitments of \$1,841,035 on various contracts for public works purposes to be expended after year-end.

The City has a commitment of \$2,013,881 for new accounting software to be expended after year-end.

**NOTE 12 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 13 OTHER COMPONENT UNIT DISCLOSURES**

A. Peoria Civic Center Authority of Peoria, Illinois

All disclosures for the Civic Center are as of and for the year ended August 31, 2017.

**1. 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 13 OTHER COMPONENT UNIT DISCLOSURES (CONTINUED)**

A. Peoria Civic Center Authority of Peoria, Illinois (Continued)

**2. 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% per year, which at August 31, 2017 was 2.98%, 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% per year, which at August 31, 2017 was 2.98%, 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 \$1,279,948 at August 31, 2017. The suite remodel was part of a larger project whose total capitalized cost was \$1,151,721 and has accumulated depreciation of \$729,424 at August 31, 2017.

Future maturities of long-term debt are as follows:

<u>Year Ending August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 190,028	\$ 16,850	\$ 206,878
2019	110,004	12,546	122,550
2020	110,004	8,531	118,535
2021	110,004	4,516	114,520
2022	64,134	781	64,915
Total	<u>\$ 584,174</u>	<u>\$ 43,224</u>	<u>\$ 627,398</u>

**3. 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.

B. Springdale Cemetery Management Authority

**1. 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 acquisition 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 13 OTHER COMPONENT UNIT DISCLOSURES (CONTINUED)**

B. Springdale Cemetery Management Authority (Continued)

**1. Capital Assets (Continued)**

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

	<u>Years</u>
Buildings and Improvements	39
Land Improvements	20
Software, Furniture, and Equipment	3 – 7

**2. Unearned Revenue**

Unearned revenue as of December 31, 2017 consists of pre-need service revenue that has not yet been earned as the service has not yet been performed.

**3. 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, 2017 amounted to \$274,800 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.

**4. 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.

**5. Risk Management**

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

**CITY OF PEORIA, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS**

A. 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 five 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 retirees' contributions making up 90% 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% 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.

B. 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.

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

B. Funding Policy (Continued)

The required contribution is based on projected pay-as-you-go financing. The General Fund has assigned fund balance of \$23,019,282 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.

C. 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	\$ 4,889,683
Interest on Net OPEB Obligation	3,351,706
Adjustment to Annual Required Contribution	<u>(2,844,332)</u>
Annual OPEB Cost	5,397,057
Contributions and Payments Made	<u>(3,356,255)</u>
Increase in Net OPEB Obligation	2,040,802
Net OPEB Obligation - Beginning of Year	<u>74,482,354</u>
Net OPEB Obligation - End of Year	<u><u>\$ 76,523,156</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the two preceding years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2017	\$ 5,397,057	62.19 %	\$ 76,523,156
December 31, 2016	9,516,387	12.41	74,482,354
December 31, 2015	9,516,387	12.41	66,146,292

**CITY OF PEORIA, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

D. Funded Status and Funding Progress

As of December 31, 2017, the most recent valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$63.8 million and the actuarial value of assets is none resulting in an unfunded actuarial accrued liability (UAAL) of \$63.8. The covered payroll (annual payroll of active employees covered by the plan) was \$68.7 million, and the ratio of the UAAL to the covered payroll was 92.3%.

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.

E. 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, 2017 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a discount rate of 4.5%, salary scale of 3.5%, and an annual health care cost trend rate of 10.0% reduced by decrements of 0.5% annually to an ultimate rate of 5.0%. 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 15 SUBSEQUENT EVENTS**

**Bond Issues**

On February 26, 2018, the City issued General Obligation Bonds, Series 2018A, in the amount of \$4,090,000. Principal installments are due serially on January 1, 2019 through January 1, 2038. Interest is payable on the first day of January and July of each year, commencing on July 1, 2018. Interest rates vary from 3.0% to 4.0%.

**CITY OF PEORIA, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2017**

	General Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Property Taxes	\$ 909,488	\$ 909,488	\$ 941,651	\$ 32,163
Corporate Personal Property Replacement Taxes	2,865,521	2,865,521	3,378,983	513,462
State Sales Taxes	24,458,000	24,458,000	23,937,874	(520,126)
State Income Tax Allocation	11,800,000	11,800,000	10,448,336	(1,351,664)
Home Rule Sales Taxes	26,432,484	26,432,484	23,803,567	(2,628,917)
Hotel, Restaurant, and Amusement Taxes	9,188,800	9,188,800	9,632,199	443,399
Utility Taxes	3,972,800	3,972,800	3,755,789	(217,011)
Governmental Grants and Reimbursements	522,142	918,810	574,461	(344,349)
Licenses and Permits	2,966,300	2,966,300	2,726,772	(239,528)
Service Charges/Fines/Fees	11,517,500	11,521,711	9,608,222	(1,913,489)
Loan Repayment	-	-	92,581	92,581
Rental	102,100	102,100	175,589	73,489
Interest	92,000	92,000	283,452	191,452
Other	4,068,200	2,568,200	2,363,538	(204,662)
Total Revenues	<u>98,895,335</u>	<u>97,796,214</u>	<u>91,723,014</u>	<u>(6,073,200)</u>
<b>EXPENDITURES</b>				
Current:				
Elective Offices, Boards, Commissions, and Agencies	1,459,609	1,613,054	1,417,321	195,733
City Administration	17,982,414	6,693,967	6,802,197	(108,230)
Police	28,105,205	31,353,834	30,577,719	776,115
Fire	21,437,237	23,890,545	24,010,961	(120,416)
Public Works	14,231,840	15,641,514	15,048,868	592,646
Community Development	4,777,715	4,886,436	5,085,563	(199,127)
Public Safety	3,867,931	4,892,601	5,443,868	(551,267)
General Government	95,400	2,510,731	2,722,916	(212,185)
Library	-	1,022,922	1,138,414	(115,492)
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>91,957,351</u>	<u>92,505,604</u>	<u>92,247,827</u>	<u>257,777</u>
Excess (Deficiency) of Revenues Over Expenditures	6,937,984	5,290,610	(524,813)	(5,815,423)
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance Proceeds	-	-	56,724	56,724
Proceeds from Sale of Capital Assets	-	-	7,500	7,500
Transfers In	3,075,000	3,151,000	3,151,000	-
Transfers Out	(7,969,088)	(8,064,088)	(8,130,941)	(66,853)
Total Other Financing Sources (Uses)	<u>(4,894,088)</u>	<u>(4,913,088)</u>	<u>(4,915,717)</u>	<u>(2,629)</u>
Net Change in Fund Balance	<u>\$ 2,043,896</u>	<u>\$ 377,522</u>	(5,440,530)	<u>\$ (5,818,052)</u>
Fund Balance - Beginning of Year			<u>44,750,571</u>	
Fund Balance - End of Year			<u>\$ 39,310,041</u>	

**CITY OF PEORIA, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND DEFICIT**  
**BUDGET AND ACTUAL – ILLINOIS MUNICIPAL RETIREMENT FUND**  
**YEAR ENDED DECEMBER 31, 2017**

	Illinois Municipal Retirement Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Property Taxes	\$ 3,024,477	\$ 3,024,477	\$ 2,986,198	\$ (38,279)
Corporate Personal Property Replacement Taxes	684,849	684,849	684,849	-
State Sales Taxes	-	-	-	-
State Income Tax Allocation	-	-	-	-
Home Rule Sales Taxes	-	-	-	-
Hotel, Restaurant, and Amusement Taxes	-	-	-	-
Utility Taxes	-	-	-	-
Governmental Grants and Reimbursements	-	-	-	-
Licenses and Permits	-	-	-	-
Service Charges/Fines/Fees	-	-	-	-
Loan Repayment	-	-	-	-
Rental	-	-	-	-
Interest	-	-	5,864	5,864
Other	-	-	-	-
Total Revenues	<u>3,709,326</u>	<u>3,709,326</u>	<u>3,676,911</u>	<u>(32,415)</u>
<b>EXPENDITURES</b>				
Current:				
Elective Offices, Boards, Commissions, and Agencies	-	121,434	115,187	6,247
City Administration	-	560,965	532,110	28,855
Police	-	265,248	251,604	13,644
Fire	-	75,888	71,985	3,903
Public Works	-	860,249	815,998	44,251
Community Development	-	252,523	239,533	12,990
Public Safety	-	544,359	516,358	28,001
General Government	3,178,953	-	(2,160)	2,160
Library	-	498,287	472,656	25,631
Debt Service:				
Principal	866,623	-	-	-
Interest and Fiscal Charges	189,730	1,056,353	189,730	866,623
Total Expenditures	<u>4,235,306</u>	<u>4,235,306</u>	<u>3,203,001</u>	<u>1,032,305</u>
Excess (Deficiency) of Revenues Over Expenditures	(525,980)	(525,980)	473,910	999,890
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance Proceeds	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	525,980	525,980	525,980	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>525,980</u>	<u>525,980</u>	<u>525,980</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	999,890	<u>\$ 999,890</u>
Fund Balance - Beginning of Year			(6,301,115)	
Fund Balance - End of Year			<u>\$ (5,301,225)</u>	

**CITY OF PEORIA, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – POLICE AND FIRE PENSION LEVY FUND**  
**YEAR ENDED DECEMBER 31, 2017**

	Police and Fire Pension Levy Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Property Taxes	\$ 14,766,892	\$ 14,766,892	\$ 14,580,100	\$ (186,792)
Corporate Personal Property Replacement Taxes	2,848,391	2,848,391	2,848,391	-
State Sales Taxes	-	-	-	-
State Income Tax Allocation	-	-	-	-
Home Rule Sales Taxes	-	-	-	-
Hotel, Restaurant, and Amusement Taxes	-	-	-	-
Utility Taxes	-	-	-	-
Governmental Grants and Reimbursements	-	-	-	-
Licenses and Permits	-	-	-	-
Service Charges/Fines/Fees	-	-	-	-
Loan Repayment	-	-	-	-
Rental	-	-	-	-
Interest	-	-	4,716	4,716
Other	-	-	-	-
Total Revenues	<u>17,615,283</u>	<u>17,615,283</u>	<u>17,433,207</u>	<u>(182,076)</u>
<b>EXPENDITURES</b>				
Current:				
Elective Offices, Boards, Commissions, and Agencies	-	-	-	-
City Administration	-	-	-	-
Police	9,129,351	9,129,351	9,035,019	94,332
Fire	8,485,932	8,485,932	8,398,175	87,757
Public Works	-	-	-	-
Community Development	-	-	-	-
Public Safety	-	-	-	-
General Government	-	-	-	-
Library	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>17,615,283</u>	<u>17,615,283</u>	<u>17,433,194</u>	<u>182,089</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	13	13
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance Proceeds	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	13	<u>\$ 13</u>
Fund Balance - Beginning of Year			<u>6</u>	
Fund Balance - End of Year			<u>\$ 19</u>	

**CITY OF PEORIA, ILLINOIS**  
**SCHEDULE OF CHANGES IN THE FUND'S NET PENSION LIABILITY AND RELATED RATIOS**  
**POLICE PENSION FUND OF PEORIA**  
**FISCAL YEARS ENDED DECEMBER 31, 2017, 2016, AND 2015**

	2016	2015	2014
Total Pension Liability:			
Service Cost	\$ 6,608,830	\$ 5,674,027	\$ 5,251,316
Interest	19,632,806	19,336,470	18,171,879
Differences Between Expected and Actual Experience	(12,292,026)	(705,419)	-
Changes in Assumptions	(790,881)	22,350,503	-
Contributions - Buy Back	-	-	24,328
Benefit Payments, Including Refunds of Plan Member Contributions	(14,582,197)	(14,025,943)	(13,496,601)
Net Change in Total Pension Liability	(1,423,468)	32,629,638	9,950,922
 Total Pension Liability - Beginning	320,434,803	287,805,165	277,854,243
 Total Pension Liability - Ending	\$ 319,011,335	\$ 320,434,803	\$ 287,805,165
 Plan Fiduciary Net Position:			
Employer Contributions	\$ 8,392,780	\$ 7,858,832	\$ 7,819,927
Member Contributions	2,161,968	1,821,130	1,877,977
Contributions - Buy Back	-	-	24,328
Net Investment Income	8,513,053	283,989	6,523,587
Benefit Payments, Including Refunds of Plan Member Contributions	(14,582,197)	(14,025,942)	(13,496,601)
Administrative Expenses	(164,023)	(239,695)	(185,810)
Other Changes	-	-	4,376
Net Change in Plan Fiduciary Net Position	4,321,581	(4,301,686)	2,567,784
 Plan Fiduciary Net Position - Beginning	151,059,095	162,000,492	152,792,997
 Receivable Adjustment	-	(6,639,711)	6,639,711
 Plan Fiduciary Net Position - Ending	\$ 155,380,676	\$ 151,059,095	\$ 162,000,492
 Fund's Net Pension Liability	\$ 163,630,659	\$ 169,375,708	\$ 125,804,673
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	48.71%	47.14%	56.29%
 Covered Payroll	\$ 21,816,024	\$ 18,376,690	\$ 17,693,091
 Fund's Net Pension Liability as a Percentage of Covered Payroll	750.05%	921.69%	711.04%

**Year Ended December 31, 2016** - There was a change with respect to actuarial assumptions related to the mortality assumption. It was updated to include projections using Scale AA. There was also a change with respect to the discount rate with the increasing of the rate from 6.14% to 6.16%.

**Year Ended December 31, 2015** - Plan Net Position as of the beginning of the year for 2015 as been restated by \$6,639,711 to remove the employer receivable contribution. There was a change with respect to the actuarial assumptions related to the mortality assumption. It included \$7,144,252 that was the result of updating the mortality table for 2014 to better reflect anticipated mortality experience in the future. There was also a change with respect to the discount rate with the lowering of the rate from 6.75% to 6.14%.

Additional years will be added to this schedule until 10 years of data is presented.

**CITY OF PEORIA, ILLINOIS  
POLICE PENSION FUND OF PEORIA  
SCHEDULE OF FUND CONTRIBUTIONS  
DECEMBER 31, 2017**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 8,798,648	\$ 9,035,019	\$ (236,371)	\$ 20,164,067	44.81 %
2016	8,287,356	8,392,780	(105,424)	21,816,024	38.47
2015	10,789,431	7,858,832	2,930,599	18,376,690	42.77
2014	9,294,645	7,819,927	1,474,718	17,693,091	44.20
2013	8,774,286	7,329,935	1,444,351	18,628,745	39.35
2012	7,314,783	6,533,591	781,192	17,254,113	37.87
2011	5,936,531	5,116,130	820,401	16,736,677	30.57
2010	4,773,412	5,214,453	(441,041)	16,494,393	31.61
2009	4,204,204	4,614,886	(410,682)	16,723,267	27.60
2008	2,660,990	3,901,526	(1,240,536)	16,061,815	24.29

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 years 2014 and thereafter.

**CITY OF PEORIA, ILLINOIS  
POLICE PENSION FUND OF PEORIA  
SCHEDULE OF INVESTMENT RETURNS  
DECEMBER 31, 2017**

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2016	5.77 %
2015	0.02 %
2014	4.14 %

Additional years will be added to this schedule until 10 years of data is presented.

**CITY OF PEORIA, ILLINOIS**  
**SCHEDULE OF CHANGES IN THE FUND'S NET PENSION LIABILITY AND RELATED RATIOS**  
**FIREMEN'S PENSION FUND OF PEORIA**  
**FISCAL YEARS ENDED DECEMBER 31, 2017, 2016, AND 2015**

	2016	2015	2014
Total Pension Liability:			
Service Cost	\$ 6,138,425	\$ 5,422,677	\$ 5,269,553
Interest	16,095,771	15,919,124	15,307,714
Differences Between Expected and Actual Experience	3,253,630	(948,750)	-
Changes of Assumptions	1,400,665	18,912,421	-
Contributions - Buy Back	-	86,500	-
Benefit Payments, Including Refunds of Plan Member Contributions	(12,317,490)	(11,845,503)	(11,499,439)
Net Change in Total Pension Liability	<u>14,571,001</u>	<u>27,546,469</u>	<u>9,077,828</u>
Total Pension Liability - Beginning	<u>263,885,413</u>	<u>236,338,944</u>	<u>227,261,116</u>
Total Pension Liability - Ending	<u><u>\$ 278,456,414</u></u>	<u><u>\$ 263,885,413</u></u>	<u><u>\$ 236,338,944</u></u>
Plan Fiduciary Net Position:			
Employer Contributions	\$ 7,801,323	\$ 7,153,055	\$ 6,601,502
Member Contributions	1,649,248	1,604,147	1,580,125
Contributions - Buy Back	-	86,500	-
Net Investment Income	6,027,434	(1,485,243)	5,224,390
Benefit Payments, Including Refunds of Plan Member Contributions	(12,317,490)	(11,845,503)	(11,499,439)
Change of Assumptions	-	(475,512)	-
Administrative Expenses	(141,096)	(127,903)	(105,120)
Net Change in Plan Fiduciary Net Position	<u>3,019,419</u>	<u>(5,090,459)</u>	<u>1,801,458</u>
Plan Fiduciary Net Position - Beginning	121,872,047	133,005,956	131,204,498
Receivable Adjustment	<u>-</u>	<u>(6,043,450)</u>	<u>-</u>
Plan Fiduciary Net Position - Ending	<u><u>\$ 124,891,466</u></u>	<u><u>\$ 121,872,047</u></u>	<u><u>\$ 133,005,956</u></u>
Fund's Net Pension Liability	<u><u>\$ 153,564,948</u></u>	<u><u>\$ 142,013,366</u></u>	<u><u>\$ 103,332,988</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	44.85%	46.18%	56.28%
Covered Payroll	\$ 17,443,131	\$ 16,966,124	\$ 15,950,315
Fund's Net Pension Liability as a Percentage of Covered Payroll	880.37%	837.04%	647.84%

**Year Ended December 31, 2016** - There was a change with respect to actuarial assumptions related to the mortality assumption. It was updated to include projections using Scale AA. There was also a change with respect to the discount rate with the lowering of the rate from 6.10% to 6.06%.

**Year Ended December 31, 2015** - Plan Net Position as of the beginning of the year for 2015 as been restated by \$6,043,450 to remove the employer receivable contribution. There was a change with respect to the discount rate with the lowering of the rate from 6.75% to 6.10%.

Additional years will be added to this schedule until 10 years of data is presented.

**CITY OF PEORIA, ILLINOIS  
FIREMEN'S PENSION FUND OF PEORIA  
SCHEDULE OF FUND CONTRIBUTIONS  
DECEMBER 31, 2017**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency	Covered- Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 8,404,575	\$ 8,398,175	\$ 6,400	\$ 17,642,041	47.60 %
2016	7,703,279	7,801,323	(98,044)	17,443,131	44.72
2015	9,790,315	7,153,055	2,637,260	16,966,124	42.16
2014	8,825,900	7,193,534	1,632,366	15,950,315	45.10
2013	8,034,777	6,538,727	1,496,050	15,155,298	43.14
2012	7,510,977	7,307,779	203,198	14,659,650	49.85
2011	6,815,026	6,463,705	351,321	14,071,164	45.94
2010	6,814,550	6,745,309	69,241	13,575,743	49.69
2009	5,681,839	5,641,163	40,676	14,202,691	39.72
2008	5,067,851	5,040,841	27,010	13,204,082	38.18

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 years 2014 and thereafter.

**CITY OF PEORIA, ILLINOIS  
FIREMEN'S PENSION FUND OF PEORIA  
SCHEDULE OF INVESTMENT RETURNS  
DECEMBER 31, 2016**

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2016	5.29 %
2015	(1.14)%
2014	4.41 %

Additional years will be added to this schedule until 10 years of data is presented.

**CITY OF PEORIA, ILLINOIS  
OTHER POSTEMPLOYMENT BENEFIT PLAN  
DECEMBER 31, 2017**

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]
12/31/2017	\$ -	\$ 63,795,895	\$ 63,795,895	- %	\$ 68,679,258	92.3 %
12/31/2015	-	82,810,757	82,810,757	-	64,859,194	127.7 %
12/31/2013	-	88,000,000	88,000,000	-	60,575,779	145.3 %

**CITY OF PEORIA, ILLINOIS**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**FISCAL YEARS ENDED DECEMBER 31, 2017, 2016, AND 2015**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability:			
Service Cost	\$ 2,239,533	\$ 2,144,857	\$ 2,208,213
Interest on the Total Pension Liability	14,899,808	14,565,127	13,828,139
Difference Between Expected and Actual Experience of the Total Pension Liability	(480,008)	67,190	(864,403)
Changes of Assumptions	(670,445)	222,020	7,169,988
Benefit Payments, Including Refunds of Employee Contributions	<u>(12,366,347)</u>	<u>(12,244,879)</u>	<u>(11,685,199)</u>
Net Change in Total Pension Liability	3,622,541	4,754,315	10,656,738
Total Pension Liability - Beginning	<u>204,524,728</u>	<u>199,770,413</u>	<u>189,113,675</u>
Total Pension Liability - Ending (A)	<u>\$ 208,147,269</u>	<u>\$ 204,524,728</u>	<u>\$ 199,770,413</u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 3,324,499	\$ 3,253,495	\$ 2,936,574
Contributions - Employees	1,034,756	993,750	921,332
Net Investment Income	13,062,848	13,449,388	10,635,946
Difference Between Projected and Actual Investment Income	(57,626)	(9,310,270)	-
Benefit Payments, Including Refunds of Employee Contributions	(12,366,347)	(12,244,879)	(11,685,199)
Administrative Expenses	(176,219)	427,834	-
Other	58	9,569	(15,074)
Net Change in Plan Fiduciary Net Position	<u>4,821,969</u>	<u>(3,421,113)</u>	<u>2,793,579</u>
Plan Fiduciary Net Position - Beginning	<u>177,645,887</u>	<u>181,067,000</u>	<u>178,273,421</u>
Plan Fiduciary Net Position - Ending (B)	<u>\$ 182,467,856</u>	<u>\$ 177,645,887</u>	<u>\$ 181,067,000</u>
Net Pension Liability - Ending (A) - (B)	<u>\$ 25,679,413</u>	<u>\$ 26,878,841</u>	<u>\$ 18,703,413</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.66%	86.86%	90.64%
Covered Valuation Payroll	\$ 21,066,690	\$ 20,561,718	\$ 19,510,671
Net Pension Liability as a Percentage of Covered Valuation Payroll	121.90%	130.72%	95.86%

Additional years will be added to this schedule until 10 years of data is presented.

**CITY OF PEORIA, ILLINOIS  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
FISCAL YEAR ENDED DECEMBER 31, 2017**

Fiscal Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actuarial Contribution as a Percentage of Covered Valuation Payroll
2017	\$ 3,305,364	\$ 3,324,499	\$ (19,135)	\$ 21,066,690	15.78 %
2016	3,246,695	3,253,495	(6,800)	20,561,718	15.79
2015	3,051,469	3,052,087	(618)	19,510,671	15.64

Additional years will be added to this schedule until 10 years of data is presented.

**CITY OF PEORIA, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2017**

**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 Fund, Illinois Municipal Retirement Fund, and Police and Fire Pension Levy Fund as presented in the Required Supplementary Information.

There were no excess of actual expenditures over final budget in major funds.

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.
Multi-County MEG Grant Fund	Budget is for the length of the grant not the calendar year.
Home Investment Partnership Program Fund	Budget is for the length of the project 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; fund created in 2014. Will be budgeted in future years with historical data.
Capital Projects Funds	Budgets adopted on a project-length budget.

**CITY OF PEORIA, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
POLICE PENSION FUND OF PEORIA  
DECEMBER 31, 2017**

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:	Entry Age Normal through 2015; Projected Unit Credit beginning 2016
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%
Healthy Mortality Rates – Male:	RP-2000 Combined Healthy Mortality
Healthy Mortality Rates – Female:	RP-2000 Combined Healthy Mortality
Disability Mortality Rates – Male:	RP-2000 Disabled Retiree Mortality
Disability Mortality Rates – Female:	RP-2000 Disabled Retiree Mortality
Salary Increases	Service-related table with rates grading from 9% to 4% at 32 years of service
Payroll Growth	4.00%
Tier 2 Cost-of Living Adjustment	1.25%
Marital Status:	85% of members are assumed to be married; male spouses are assumed to be three 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  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FIREMEN'S PENSION FUND OF PEORIA  
DECEMBER 31, 2017**

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:	Entry Age Normal through 2015; Projected Unit Credit beginning 2016
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 4-year period
Interest Rate:	6.75%
Healthy Mortality Rates – Male:	RP-2000 Combined Healthy Mortality
Healthy Mortality Rates – Female:	RP-2000 Combined Healthy Mortality
Disability Mortality Rates – Male:	RP-2000 Disabled Retiree Mortality.
Disability Mortality Rates – Female:	RP-2000 Disabled Retiree Mortality.
Salary Increases:	Service-related table with rates grading from 9% to 4% at 32 years of service
Payroll Growth:	4.00%
Tier 2 Cost-of Living Adjustment:	1.25%
Marital Status:	85% of members are assumed to be married; male spouses are assumed to be three 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**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**DECEMBER 31, 2017**

Valuation Date: 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 Contribution Rates:

Funding Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	27-year closed period
Actuarial Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.50%
Price Inflation:	2.75%, approximate; no explicit price inflation assumption is used in this valuation
Salary Increases:	3.75% to 14.50%, 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 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality:	RP-2014 Blue Collar Health Annuity Mortality Table with adjustments to match current IMRF experience. The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).
Other Information:	There were no benefit changes during the year.

**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2017**

	Special Revenue Funds		
	Peoria Public Library Fund	Motor Fuel Tax Fund	Community Development Block Grant Fund
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 3,693,238	\$ 1,557,706	\$ 51,250
Cash and Investments with Trustee	-	-	-
Investments	-	911,985	-
Property Taxes Receivable	6,696,800	-	-
State Sales and Income Taxes	-	-	-
Hotel, Restaurant, and Amusement Taxes Receivable	-	-	-
Governmental Grants and Reimbursements Receivable	-	254,125	92,240
Other Receivables, Net	-	1,801	1,450
Accrued Interest Receivable	-	465	-
Due from Other Funds	-	68,469	-
	<u>-\$ 10,390,038</u>	<u>\$ 2,794,551</u>	<u>\$ 144,940</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
Liabilities:			
Accounts Payable	\$ 107,604	\$ 1,126,555	\$ 83,318
Matured Bonds Payable	-	-	-
Accrued Payroll	98,559	1,160	8,922
Due to Other Funds	-	5	-
Unearned Revenue, Other	-	-	-
Total Liabilities	<u>206,163</u>	<u>1,127,720</u>	<u>92,240</u>
Deferred Inflows of Resources:			
Subsequent Year's Property Taxes	6,696,800	-	-
Unavailable Revenue - Intergovernmental and Loans	-	-	52,700
Total Deferred Inflows of Resources	<u>6,696,800</u>	<u>-</u>	<u>52,700</u>
Fund Balance (Deficit):			
Nonspendable:			
Library Contributions	563,896	-	-
Restricted:			
Debt Service	-	-	-
Employee Benefits	-	-	-
TIF Redevelopment	-	-	-
Tourism	-	-	-
Grants and Loans	-	-	-
Library Operations	1,000,279	-	-
Landfill Operations	-	-	-
Capital Improvements and Equipment	1,922,900	1,666,831	-
Unassigned	-	-	-
Total Fund Balance (Deficit)	<u>3,487,075</u>	<u>1,666,831</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficit)	<u>\$ 10,390,038</u>	<u>\$ 2,794,551</u>	<u>\$ 144,940</u>

Special Revenue Funds

Multi-County MEG Grant Fund	Home Investment Partnership Program Fund	Solid Waste Fund	Refuse Collection Fund	Sewer Fund	Peoria Foreign Fire Insurance Board	Westlake Special Service Area Fund
\$ -	\$ 143,721	\$ 346,208	\$ 333,866	\$ 403,331	\$ 210,714	\$ 124,322
-	-	-	-	-	-	-
-	-	-	-	-	-	65,000
-	-	-	-	-	-	45,989
-	73,289	-	-	-	-	-
-	-	-	1,217	537,063	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 217,010</u>	<u>\$ 346,208</u>	<u>\$ 335,083</u>	<u>\$ 940,394</u>	<u>\$ 210,714</u>	<u>\$ 235,311</u>
\$ -	\$ 71,343	\$ 26,086	\$ 62,009	\$ 237,070	\$ -	\$ -
-	-	-	-	-	-	-
-	1,946	-	-	12,053	-	-
-	-	-	4,892,178	2,722,129	-	-
-	-	-	-	-	-	-
-	73,289	26,086	4,954,187	2,971,252	-	-
-	-	-	-	-	-	65,000
-	143,721	-	353	63,065	-	-
-	143,721	-	353	63,065	-	65,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	320,122	-	-	-	-
-	-	-	-	-	210,714	170,311
-	-	-	(4,619,457)	(2,093,923)	-	-
-	-	320,122	(4,619,457)	(2,093,923)	210,714	170,311
<u>\$ -</u>	<u>\$ 217,010</u>	<u>\$ 346,208</u>	<u>\$ 335,083</u>	<u>\$ 940,394</u>	<u>\$ 210,714</u>	<u>\$ 235,311</u>

**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
DECEMBER 31, 2017**

	Special Revenue Funds			
	PeoriaCorps Fund	FICA Medicare Fund	Tourism Reserve Fund	Innovation Grant Fund
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 25,717	\$ 430,520	\$ 361,088	\$ 25,133
Cash and Investments with Trustee	-	-	-	-
Investments	-	-	-	-
Property Taxes Receivable	-	1,453,900	-	-
State Sales and Income Taxes	-	-	-	-
Hotel, Restaurant, and Amusement Taxes Receivable	-	-	167,316	-
Governmental Grants and Reimbursements Receivable	63,373	-	-	-
Other Receivables, Net	-	-	-	-
Accrued Interest Receivable	-	-	-	-
Due from Other Funds	-	-	27,346	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 89,090</u>	<u>\$ 1,884,420</u>	<u>\$ 555,750</u>	<u>\$ 25,133</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
Liabilities:				
Accounts Payable	\$ 21,086	\$ 98,232	\$ 6,000	\$ 1,062
Matured Bonds Payable	-	-	-	-
Accrued Payroll	10,037	-	-	2,618
Due to Other Funds	-	-	-	107
Unearned Revenue, Other	-	-	-	17,059
Total Liabilities	<u>31,123</u>	<u>98,232</u>	<u>6,000</u>	<u>20,846</u>
Deferred Inflows of Resources:				
Subsequent Year's Property Taxes	-	1,453,900	-	-
Unavailable Revenue - Intergovernmental and Loans	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>1,453,900</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit):				
Nonspendable:				
Library Contributions	-	-	-	-
Restricted:				
Debt Service	-	-	-	-
Employee Benefits	-	332,288	-	-
TIF Redevelopment	-	-	-	-
Tourism	-	-	549,750	-
Grants and Loans	57,967	-	-	4,287
Library Operations	-	-	-	-
Landfill Operations	-	-	-	-
Capital Improvements and Equipment	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance (Deficit)	<u>57,967</u>	<u>332,288</u>	<u>549,750</u>	<u>4,287</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficit)	<u>\$ 89,090</u>	<u>\$ 1,884,420</u>	<u>\$ 555,750</u>	<u>\$ 25,133</u>

Special Revenue Funds			Debt Service Funds			
Sports Complex Special Service Area Fund	Holiday Inn Special Service Area Fund	Knoxville Junction Special Service Area Fund	WeaverRidge Debt Service Fund	General Obligation Bonds Debt Service Master Fund	2006 Special Assessment Bond Debt Service Fund	2007-A Special Assessment Bond Debt Service Fund
\$ 138,827	\$ 96,998	\$ 59	\$ -	\$ 174,608	\$ 2,802,223	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
145,900	32,000	148,100	-	1,995,700	-	-
-	-	-	-	-	-	-
27,657	10,028	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
41,000	-	-	-	-	312,500	-
<u>\$ 353,384</u>	<u>\$ 139,026</u>	<u>\$ 148,159</u>	<u>\$ -</u>	<u>\$ 2,170,308</u>	<u>\$ 3,114,723</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	41,000	-	-	-	-	-
-	-	-	-	-	-	-
-	41,000	-	-	-	-	-
145,900	32,000	148,100	-	1,995,700	-	-
-	-	-	-	-	-	-
145,900	32,000	148,100	-	1,995,700	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
207,484	66,026	59	-	-	-	-
-	-	-	-	-	-	-
<u>207,484</u>	<u>66,026</u>	<u>59</u>	<u>-</u>	<u>174,608</u>	<u>3,114,723</u>	<u>-</u>
<u>\$ 353,384</u>	<u>\$ 139,026</u>	<u>\$ 148,159</u>	<u>\$ -</u>	<u>\$ 2,170,308</u>	<u>\$ 3,114,723</u>	<u>\$ -</u>

**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
DECEMBER 31, 2017**

	Debt Service Funds			
	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
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 444,179	\$ 1,017	\$ 50	\$ 28,646
Cash and Investments with Trustee	-	-	-	-
Investments	-	-	-	-
Property Taxes Receivable	2,237,800	-	-	-
State Sales and Income Taxes	-	-	-	-
Hotel, Restaurant, and Amusement Taxes Receivable	-	-	-	-
Governmental Grants and Reimbursements Receivable	-	-	-	-
Other Receivables, Net	-	-	-	-
Accrued Interest Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 2,681,979</u>	<u>\$ 1,017</u>	<u>\$ 50</u>	<u>\$ 28,646</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Matured Bonds Payable	-	-	-	-
Accrued Payroll	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue, Other	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Subsequent Year's Property Taxes	2,237,800	-	-	-
Unavailable Revenue - Intergovernmental and Loans	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Deferred Inflows of Resources	2,237,800	-	-	-
Fund Balance (Deficit):				
Nonspendable:				
Library Contributions	-	-	-	-
Restricted:				
Debt Service	444,179	1,017	50	28,646
Employee Benefits	-	-	-	-
TIF Redevelopment	-	-	-	-
Tourism	-	-	-	-
Grants and Loans	-	-	-	-
Library Operations	-	-	-	-
Landfill Operations	-	-	-	-
Capital Improvements and Equipment	-	-	-	-
Unassigned	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Fund Balance (Deficit)	444,179	1,017	50	28,646
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficit)	<u>\$ 2,681,979</u>	<u>\$ 1,017</u>	<u>\$ 50</u>	<u>\$ 28,646</u>



**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
DECEMBER 31, 2017**

	Capital Projects Funds		
	TIF Project Fund	City of Peoria Designated Zone Organization	2014A General Obligation Bond Project Fund
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 5,772,412	\$ -	\$ -
Cash and Investments with Trustee	-	-	-
Investments	-	-	-
Property Taxes Receivable	5,297,300	-	-
State Sales and Income Taxes	21,254	-	-
Hotel, Restaurant, and Amusement Taxes Receivable	32,273	-	-
Governmental Grants and Reimbursements Receivable	-	-	-
Other Receivables, Net	-	-	-
Accrued Interest Receivable	-	-	-
Due from Other Funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 11,123,239</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
Liabilities:			
Accounts Payable	\$ 276,367	\$ -	\$ -
Matured Bonds Payable	-	-	-
Accrued Payroll	1,324	-	-
Due to Other Funds	9,505	-	-
Unearned Revenue, Other	-	-	-
Total Liabilities	<u>287,196</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:			
Subsequent Year's Property Taxes	5,297,300	-	-
Unavailable Revenue - Intergovernmental and Loans	-	-	-
Total Deferred Inflows of Resources	<u>5,297,300</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit):			
Nonspendable:			
Library Contributions	-	-	-
Restricted:			
Debt Service	610,137	-	-
Employee Benefits	-	-	-
TIF Redevelopment	5,108,934	-	-
Tourism	-	-	-
Grants and Loans	-	-	-
Library Operations	-	-	-
Landfill Operations	-	-	-
Capital Improvements and Equipment	-	-	-
Unassigned	(180,328)	-	-
Total Fund Balance (Deficit)	<u>5,538,743</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficit)	<u>\$ 11,123,239</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects Funds

2016A General Obligation Bond Project Fund	2016C General Obligation Bond Project Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 17,238,143
-	-	633,966
-	-	911,985
-	-	18,072,500
-	-	21,254
-	-	283,263
-	-	483,027
-	-	541,531
-	-	465
-	-	449,315
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,635,449</u>
\$ -	\$ -	\$ 2,117,700
-	-	633,966
-	-	136,619
-	-	7,664,924
-	-	17,059
-	-	10,570,268
-	-	18,072,500
-	-	259,839
-	-	18,332,339
-	-	563,896
-	-	4,444,702
-	-	332,288
-	-	5,108,934
-	-	549,750
-	-	62,254
-	-	1,000,279
-	-	320,122
-	-	4,244,325
-	-	(6,893,708)
-	-	9,732,842
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,635,449</u>

**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (DEFICITS)  
YEAR ENDED DECEMBER 31, 2017**

	Special Revenue Funds		
	Peoria Public Library Fund	Motor Fuel Tax Fund	Community Development Block Grant Fund
<b>REVENUES</b>			
Property Taxes	\$ 6,674,431	\$ -	\$ -
Corporate Personal Property Replacement Taxes	480,814	-	-
State Sales Taxes	-	-	-
Home Rule Sales Taxes	-	-	-
Special Service Area Sales Taxes	-	-	-
Hotel, Restaurant, and Amusement Taxes	-	-	-
Motor Fuel Taxes	-	2,933,436	-
Governmental Grants and Reimbursements	50,338	-	1,372,565
Service Charges/Fines/Fees	206,191	21,614	(251,197)
Loan Repayment	-	-	(29,885)
Interest	15,699	29,778	-
Other	74,384	344,029	12,388
Total Revenues	<u>7,501,857</u>	<u>3,328,857</u>	<u>1,103,871</u>
<b>EXPENDITURES</b>			
Current:			
Elective Offices, Boards, Commissions, and Agencies	-	-	-
City Administration	-	-	-
Police	-	-	-
Fire	-	-	-
Public Works	-	(37,479)	-
Community Development	-	-	720,299
Public Safety	-	-	378,946
General Government	-	-	-
Library	5,538,382	-	-
Capital Outlay	730,190	4,376,174	551
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>6,268,572</u>	<u>4,338,695</u>	<u>1,099,796</u>
Excess (Deficiency) of Revenues Over Expenditures	1,233,285	(1,009,838)	4,075
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers Out	(844,131)	-	(4,075)
Total Other Financing Sources (Uses)	<u>(844,131)</u>	<u>-</u>	<u>(4,075)</u>
Net Change in Fund Balance	389,154	(1,009,838)	-
Fund Balance (Deficit) - Beginning of Year	<u>3,097,921</u>	<u>2,676,669</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 3,487,075</u>	<u>\$ 1,666,831</u>	<u>\$ -</u>

Special Revenue Funds

Multi-County MEG Grant Fund	Home Investment Partnership Program Fund	Solid Waste Fund	Refuse Collection Fund	Sewer Fund	Peoria Foreign Fire Insurance Board	Westlake Special Service Area Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
-	-	-	-	-	-	-
-	-	-	-	-	-	312,243
-	-	-	-	-	-	-
-	-	-	-	-	-	-
42,679	467,594	-	121,648	63,065	160,899	-
-	-	487,230	6,194,098	6,320,985	-	-
-	384	-	-	-	-	-
-	-	1,885	4,795	2,219	755	13
-	-	-	-	-	-	-
<u>42,679</u>	<u>467,978</u>	<u>489,115</u>	<u>6,320,541</u>	<u>6,386,269</u>	<u>161,654</u>	<u>352,256</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
42,671	-	-	-	-	-	-
-	-	-	-	-	175,023	-
-	467,778	-	7,133,402	2,309,513	-	-
-	-	-	-	-	-	-
-	-	340,653	-	-	-	306,847
-	-	-	-	-	-	-
-	-	-	-	2,847,525	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>42,671</u>	<u>467,778</u>	<u>340,653</u>	<u>7,133,402</u>	<u>5,157,038</u>	<u>175,023</u>	<u>306,847</u>
8	200	148,462	(812,861)	1,229,231	(13,369)	45,409
-	-	-	291,000	-	-	-
-	-	(76,000)	-	(3,053,472)	-	-
-	-	<u>(76,000)</u>	<u>291,000</u>	<u>(3,053,472)</u>	<u>-</u>	<u>-</u>
8	200	72,462	(521,861)	(1,824,241)	(13,369)	45,409
<u>(8)</u>	<u>(200)</u>	<u>247,660</u>	<u>(4,097,596)</u>	<u>(269,682)</u>	<u>224,083</u>	<u>124,902</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 320,122</u>	<u>\$ (4,619,457)</u>	<u>\$ (2,093,923)</u>	<u>\$ 210,714</u>	<u>\$ 170,311</u>

**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (DEFICITS) (CONTINUED)  
YEAR ENDED DECEMBER 31, 2017**

	Special Revenue Funds			
	PeoriaCorps Fund	FICA Medicare Fund	Tourism Reserve Fund	Innovation Grant Fund
<b>REVENUES</b>				
Property Taxes	\$ -	\$ 1,842,404	\$ -	\$ -
Corporate Personal Property Replacement Taxes	-	421,285	-	-
State Sales Taxes	-	-	-	-
Home Rule Sales Taxes	-	-	-	-
Special Service Area Sales Taxes	-	-	-	-
Hotel, Restaurant, and Amusement Taxes	-	-	431,403	-
Motor Fuel Taxes	-	-	-	-
Governmental Grants and Reimbursements	106,569	-	-	307,160
Service Charges/Fines/Fees	-	-	-	-
Loan Repayment	-	-	-	-
Interest	-	963	436	241
Other	-	-	2,888	3,000
Total Revenues	<u>106,569</u>	<u>2,264,652</u>	<u>434,727</u>	<u>310,401</u>
<b>EXPENDITURES</b>				
Current:				
Elective Offices, Boards, Commissions, and Agencies	-	74,746	-	-
City Administration	-	278,326	-	307,160
Police	-	465,394	-	-
Fire	-	305,974	-	-
Public Works	-	484,192	-	-
Community Development	127,602	128,137	290,536	-
Public Safety	-	260,350	-	-
General Government	-	6,487	-	-
Library	-	255,030	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>127,602</u>	<u>2,258,636</u>	<u>290,536</u>	<u>307,160</u>
Excess (Deficiency) of Revenues				
Over Expenditures	(21,033)	6,016	144,191	3,241
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	79,000	318,151	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>79,000</u>	<u>318,151</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	57,967	324,167	144,191	3,241
Fund Balance (Deficit) - Beginning of Year	-	8,121	405,559	1,046
Fund Balance (Deficit) - End of Year	<u>\$ 57,967</u>	<u>\$ 332,288</u>	<u>\$ 549,750</u>	<u>\$ 4,287</u>

Special Revenue Funds			Debt Service Funds			
Sports Complex Special Service Area Fund	Holiday Inn Special Service Area Fund	Knoxville Junction Special Service Area Fund	WeaverRidge Debt Service Fund	General Obligation Bonds Debt Service Master Fund	2006 Special Assessment Bond Debt Service Fund	2007-A Special Assessment Bond Debt Service Fund
\$ 162,544	\$ 76,755	\$ 151,140	\$ -	\$ 1,997,995	\$ -	\$ 93,377
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
17,039	11,952	-	-	-	-	-
209,017	56,493	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
311	81	49	-	25,799	44,100	39
-	-	-	-	-	-	-
<u>388,911</u>	<u>145,281</u>	<u>151,189</u>	<u>-</u>	<u>2,023,794</u>	<u>44,100</u>	<u>93,416</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	151,140	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	1,050	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	525,000	7,060,000	305,000	105,500
-	-	-	13,125	2,868,100	213,870	6,172
<u>-</u>	<u>-</u>	<u>151,140</u>	<u>538,125</u>	<u>9,929,150</u>	<u>518,870</u>	<u>111,672</u>
388,911	145,281	49	(538,125)	(7,905,356)	(474,770)	(18,256)
41,000	-	-	80,000	9,973,661	312,500	-
(376,954)	(84,989)	-	-	(2,113,268)	-	(55)
<u>(335,954)</u>	<u>(84,989)</u>	<u>-</u>	<u>80,000</u>	<u>7,860,393</u>	<u>312,500</u>	<u>(55)</u>
52,957	60,292	49	(458,125)	(44,963)	(162,270)	(18,311)
154,527	5,734	10	458,125	219,571	3,276,993	18,311
<u>\$ 207,484</u>	<u>\$ 66,026</u>	<u>\$ 59</u>	<u>\$ -</u>	<u>\$ 174,608</u>	<u>\$ 3,114,723</u>	<u>\$ -</u>

**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (DEFICITS) (CONTINUED)  
YEAR ENDED DECEMBER 31, 2017**

	Debt Service Funds			
	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
	\$	\$	\$	\$
	-	-	-	-
<b>REVENUES</b>				
Property Taxes	2,262,189	-	-	-
Corporate Personal Property Replacement Taxes	-	-	-	-
State Sales Taxes	-	-	-	-
Home Rule Sales Taxes	-	-	-	-
Special Service Area Sales Taxes	-	-	-	-
Hotel, Restaurant, and Amusement Taxes	-	-	-	-
Motor Fuel Taxes	-	-	-	-
Governmental Grants and Reimbursements	-	-	-	-
Service Charges/Fines/Fees	-	-	-	-
Loan Repayment	-	-	-	-
Interest	19,065	1,345	139	3,000
Other	-	-	-	-
Total Revenues	2,281,254	1,345	139	3,000
<b>EXPENDITURES</b>				
Current:				
Elective Offices, Boards, Commissions, and Agencies	-	-	-	-
City Administration	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public Works	-	-	-	-
Community Development	-	-	-	-
Public Safety	-	-	-	-
General Government	-	-	-	-
Library	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	1,335,000	3,000,000	-	850,000
Interest and Fiscal Charges	956,700	950,313	204,900	1,263,363
Total Expenditures	2,291,700	3,950,313	204,900	2,113,363
Excess (Deficiency) of Revenues Over Expenditures	(10,446)	(3,948,968)	(204,761)	(2,110,363)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	3,948,707	199,877	2,049,217
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	3,948,707	199,877	2,049,217
Net Change in Fund Balance	(10,446)	(261)	(4,884)	(61,146)
Fund Balance (Deficit) - Beginning of Year	454,625	1,278	4,934	89,792
Fund Balance (Deficit) - End of Year	\$ 444,179	\$ 1,017	\$ 50	\$ 28,646

Debt Service Funds

2012B General Obligation Bond Debt Service Fund	2012C General Obligation Bond Debt Service Fund	2013A General Obligation Bond Debt Service Fund	2013D Taxable Motor Fuel Tax Revenue Bond Debt Service Fund	2015C General Obligation Bond Debt Service Fund	2015D General Obligation Bond Debt Service Fund	2016A General Obligation Bond Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
299	-	133	2,699	4,408	1,348	493
-	-	-	-	-	-	-
<u>299</u>	<u>-</u>	<u>133</u>	<u>2,699</u>	<u>4,408</u>	<u>1,348</u>	<u>493</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	111,657
-	-	-	-	-	-	-
-	-	-	-	-	-	-
65,000	-	-	265,000	-	-	620,000
288,750	-	289,900	50,032	341,935	88,030	121,173
<u>353,750</u>	<u>-</u>	<u>289,900</u>	<u>315,032</u>	<u>341,935</u>	<u>88,030</u>	<u>852,830</u>
(353,451)	-	(289,767)	(312,333)	(337,527)	(86,682)	(852,337)
341,138	-	287,105	145,170	335,954	84,989	935,034
-	(8)	-	-	-	-	-
<u>341,138</u>	<u>(8)</u>	<u>287,105</u>	<u>145,170</u>	<u>335,954</u>	<u>84,989</u>	<u>935,034</u>
(12,313)	(8)	(2,662)	(167,163)	(1,573)	(1,693)	82,697
12,406	8	2,724	167,443	1,625	1,709	(11,858)
<u>\$ 93</u>	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ 280</u>	<u>\$ 52</u>	<u>\$ 16</u>	<u>\$ 70,839</u>

**CITY OF PEORIA, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (DEFICITS) (CONTINUED)  
YEAR ENDED DECEMBER 31, 2017**

	Capital Projects Funds		
	TIF Project Fund	City of Peoria	
		Designated Zone Organization	2014A General Obligation Bond Project Fund
<b>REVENUES</b>			
Property Taxes	\$ 4,830,661	\$ -	\$ -
Corporate Personal Property Replacement Taxes	-	-	-
State Sales Taxes	101,736	-	-
Home Rule Sales Taxes	-	-	-
Special Service Area Sales Taxes	-	-	-
Hotel, Restaurant, and Amusement Taxes	173,259	-	-
Motor Fuel Taxes	-	-	-
Governmental Grants and Reimbursements	-	-	-
Service Charges/Fines/Fees	-	-	-
Loan Repayment	-	-	-
Interest	111,963	32	478
Other	9,642	-	-
Total Revenues	5,227,261	32	478
<b>EXPENDITURES</b>			
Current:			
Elective Offices, Boards, Commissions, and Agencies	-	-	-
City Administration	5,500	-	-
Police	-	-	-
Fire	-	-	-
Public Works	23,712	-	-
Community Development	1,643,216	-	-
Public Safety	15,896	-	-
General Government	-	-	-
Library	-	-	-
Capital Outlay	1,677,696	-	-
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	3,366,020	-	-
Excess (Deficiency) of Revenues Over Expenditures	1,861,241	32	478
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	82,000	2,118,760	-
Transfers Out	(2,684,263)	(2,118,792)	(156,168)
Total Other Financing Sources (Uses)	(2,602,263)	(32)	(156,168)
Net Change in Fund Balance	(741,022)	-	(155,690)
Fund Balance (Deficit) - Beginning of Year	6,279,765	-	155,690
Fund Balance (Deficit) - End of Year	\$ 5,538,743	\$ -	\$ -

Capital Projects Funds

<u>2016A General Obligation Bond Project Fund</u>	<u>2016C General Obligation Bond Project Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 18,131,496
-	-	902,099
-	-	101,736
-	-	312,243
-	-	28,991
-	-	870,172
-	-	2,933,436
-	-	2,692,517
-	-	12,978,921
-	-	(29,501)
37,335	15,048	324,948
-	-	446,331
<u>37,335</u>	<u>15,048</u>	<u>39,693,389</u>
-	-	74,746
-	-	590,986
-	-	508,065
-	-	480,997
-	-	9,913,340
-	-	3,528,708
-	-	655,192
-	-	766,694
-	-	5,793,412
-	991,446	10,623,582
-	-	14,130,500
-	-	7,656,363
<u>-</u>	<u>991,446</u>	<u>54,722,585</u>
37,335	(976,398)	(15,029,196)
-	-	21,623,263
(83,869)	(15,151)	(11,611,195)
<u>(83,869)</u>	<u>(15,151)</u>	<u>10,012,068</u>
(46,534)	(991,549)	(5,017,128)
<u>46,534</u>	<u>991,549</u>	<u>14,749,970</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,732,842</u>

**CITY OF PEORIA, ILLINOIS  
COMBINING BALANCE SHEET SCHEDULE  
ALL TIF PROJECT ACCOUNTS  
DECEMBER 31, 2017**

	Southtown TIF Project	Downtown TIF Project	Northside TIF Project	Midtown Plaza TIF Project
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ 512,655	\$ 525,667	\$ 51,000
Property Taxes Receivable	-	1,740,100	142,900	74,800
State Sales Taxes Receivable	-	-	-	-
Hotel, Restaurant, and Amusement Taxes Receivable	-	-	-	-
Due from Other Funds	-	234,000	-	-
	<u>-</u>	<u>2,486,755</u>	<u>668,567</u>	<u>125,800</u>
Total Assets	<u>\$ -</u>	<u>\$ 2,486,755</u>	<u>\$ 668,567</u>	<u>\$ 125,800</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
Liabilities:				
Accounts Payable	\$ -	\$ 62,721	\$ -	\$ -
Accrued Payroll	-	870	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>63,591</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:				
Subsequent Year's Property Taxes	-	1,740,100	142,900	74,800
Fund Balance:				
Restricted:				
Debt Service	-	553,320	53,097	3,720
TIF Redevelopment	-	129,744	472,570	47,280
Unassigned	-	-	-	-
Total Fund Balance	<u>-</u>	<u>683,064</u>	<u>525,667</u>	<u>51,000</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ -</u>	<u>\$ 2,486,755</u>	<u>\$ 668,567</u>	<u>\$ 125,800</u>

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	Downtown Conservation TIF Project
\$ 827,674	\$ 112	\$ 348,853	\$ 870,291	\$ 145	\$ 497,160	\$ 288,268
184,800	315,500	126,700	863,800	1,240,200	380,500	123,800
-	-	-	-	21,254	-	-
-	-	-	-	32,273	-	-
-	-	-	-	-	-	-
<u>\$ 1,012,474</u>	<u>\$ 315,612</u>	<u>\$ 475,553</u>	<u>\$ 1,734,091</u>	<u>\$ 1,293,872</u>	<u>\$ 877,660</u>	<u>\$ 412,068</u>
\$ 1,926	\$ -	\$ -	\$ 59,366	\$ -	\$ 115,759	\$ 2,584
-	-	-	-	-	-	-
-	-	-	4,505	234,000	5,000	-
<u>1,926</u>	<u>-</u>	<u>-</u>	<u>63,871</u>	<u>234,000</u>	<u>120,759</u>	<u>2,584</u>
184,800	315,500	126,700	863,800	1,240,200	380,500	123,800
-	-	-	-	-	-	-
825,748	112	348,853	806,420	-	376,401	285,684
-	-	-	-	(180,328)	-	-
<u>825,748</u>	<u>112</u>	<u>348,853</u>	<u>806,420</u>	<u>(180,328)</u>	<u>376,401</u>	<u>285,684</u>
<u>\$ 1,012,474</u>	<u>\$ 315,612</u>	<u>\$ 475,553</u>	<u>\$ 1,734,091</u>	<u>\$ 1,293,872</u>	<u>\$ 877,660</u>	<u>\$ 412,068</u>

**CITY OF PEORIA, ILLINOIS  
COMBINING BALANCE SHEET SCHEDULE  
ALL TIF PROJECT ACCOUNTS (CONTINUED)  
DECEMBER 31, 2017**

	South Village TIF Project	River Trail TIF Project	Eliminations	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,850,585	\$ 2	\$ -	\$ 5,772,412
Property Taxes Receivable	104,200	-	-	5,297,300
State Sales Taxes Receivable	-	-	-	21,254
Hotel, Restaurant, and Amusement Taxes Receivable	-	-	-	32,273
Due from Other Funds	-	-	(234,000)	-
	<u>1,954,785</u>	<u>2</u>	<u>(234,000)</u>	<u>11,123,239</u>
Total Assets	<u>\$ 1,954,785</u>	<u>\$ 2</u>	<u>\$ (234,000)</u>	<u>\$ 11,123,239</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
Liabilities:				
Accounts Payable	\$ 34,011	\$ -	\$ -	\$ 276,367
Accrued Payroll	454	-	-	1,324
Due to Other Funds	-	-	(234,000)	9,505
Total Liabilities	<u>34,465</u>	<u>-</u>	<u>(234,000)</u>	<u>287,196</u>
Deferred Inflows of Resources:				
Subsequent Year's Property Taxes	104,200	-	-	5,297,300
Fund Balance:				
Restricted:				
Debt Service	-	-	-	610,137
TIF Redevelopment	1,816,120	2	-	5,108,934
Unassigned	-	-	-	(180,328)
Total Fund Balance	<u>1,816,120</u>	<u>2</u>	<u>-</u>	<u>5,538,743</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 1,954,785</u>	<u>\$ 2</u>	<u>\$ (234,000)</u>	<u>\$ 11,123,239</u>

**CITY OF PEORIA, ILLINOIS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES – ALL TIF PROJECT ACCOUNTS  
 YEAR ENDED DECEMBER 31, 2017**

	Southtown TIF Project	Downtown TIF Project	Northside TIF Project	Midtown Plaza TIF Project
<b>REVENUES</b>				
Property Taxes	\$ -	\$ 1,737,293	\$ 143,243	\$ 74,219
State Sales Taxes	-	-	-	-
Hotel, Restaurant, and Amusement Taxes	-	-	-	-
Interest	-	30,566	7,762	1,561
Other	-	-	-	-
Total Revenues	<u>-</u>	<u>1,767,859</u>	<u>151,005</u>	<u>75,780</u>
<b>EXPENDITURES</b>				
Current:				
City Administration	-	500	500	500
Public Works	-	13,810	-	-
Community Development	-	848,895	-	-
Public Safety	-	-	-	-
Capital Outlay	-	1,385,427	-	-
Total Expenditures	<u>-</u>	<u>2,248,632</u>	<u>500</u>	<u>500</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(480,773)	150,505	75,280
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	82,000
Transfers Out	(614)	(767,945)	(32,215)	(110,000)
Total Other Financing Sources (Uses)	<u>(614)</u>	<u>(767,945)</u>	<u>(32,215)</u>	<u>(28,000)</u>
Net Change in Fund Balance	(614)	(1,248,718)	118,290	47,280
Fund Balance - Beginning of Year	<u>614</u>	<u>1,931,782</u>	<u>407,377</u>	<u>3,720</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 683,064</u>	<u>\$ 525,667</u>	<u>\$ 51,000</u>

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	Downtown Conservation TIF Project
\$ 184,829	\$ 313,137	\$ 138,709	\$ 508,967	\$ 1,225,428	\$ 330,940	\$ 109,067
-	-	-	-	101,736	-	-
-	-	-	-	173,259	-	-
12,124	1,000	4,517	10,577	1,371	6,494	3,796
-	-	-	-	-	-	-
<u>196,953</u>	<u>314,137</u>	<u>143,226</u>	<u>519,544</u>	<u>1,501,794</u>	<u>337,434</u>	<u>112,863</u>
500	500	500	500	500	500	500
1,926	-	-	-	-	-	-
35,025	316,826	-	54,179	35,905	205,392	3,046
-	-	-	-	-	-	-
-	-	-	122,117	-	-	-
<u>37,451</u>	<u>317,326</u>	<u>500</u>	<u>176,796</u>	<u>36,405</u>	<u>205,892</u>	<u>3,546</u>
159,502	(3,189)	142,726	342,748	1,465,389	131,542	109,317
-	-	-	-	-	-	-
-	(61,389)	-	-	(1,712,714)	-	-
<u>-</u>	<u>(61,389)</u>	<u>-</u>	<u>-</u>	<u>(1,712,714)</u>	<u>-</u>	<u>-</u>
159,502	(64,578)	142,726	342,748	(247,325)	131,542	109,317
666,246	64,690	206,127	463,672	66,997	244,859	176,367
<u>\$ 825,748</u>	<u>\$ 112</u>	<u>\$ 348,853</u>	<u>\$ 806,420</u>	<u>\$ (180,328)</u>	<u>\$ 376,401</u>	<u>\$ 285,684</u>

**CITY OF PEORIA, ILLINOIS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES – ALL TIF PROJECT ACCOUNTS (CONTINUED)  
 YEAR ENDED DECEMBER 31, 2017**

	South Village TIF Project	River Trail TIF Project	Eliminations	Total
<b>REVENUES</b>				
Property Taxes	\$ 64,829	\$ -	\$ -	\$ 4,830,661
State Sales Taxes	-	-	-	101,736
Hotel, Restaurant, and Amusement Taxes	-	-	-	173,259
Interest	32,193	2	-	111,963
Other	9,642	-	-	9,642
Total Revenues	<u>106,664</u>	<u>2</u>	<u>-</u>	<u>5,227,261</u>
<b>EXPENDITURES</b>				
Current:				
City Administration	500	-	-	5,500
Public Works	7,976	-	-	23,712
Community Development	143,948	-	-	1,643,216
Public Safety	15,896	-	-	15,896
Capital Outlay	170,152	-	-	1,677,696
Total Expenditures	<u>338,472</u>	<u>-</u>	<u>-</u>	<u>3,366,020</u>
Excess (Deficiency) of Revenues Over Expenditures	(231,808)	2	-	1,861,241
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	614	-	(614)	82,000
Transfers Out	-	-	614	(2,684,263)
Total Other Financing Sources (Uses)	<u>614</u>	<u>-</u>	<u>-</u>	<u>(2,602,263)</u>
Net Change in Fund Balance	(231,194)	2	-	(741,022)
Fund Balance - Beginning of Year	<u>2,047,314</u>	<u>-</u>	<u>-</u>	<u>6,279,765</u>
Fund Balance - End of Year	<u>\$ 1,816,120</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 5,538,743</u>

## **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, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ 909,488	\$ 909,488	\$ 941,651	\$ 1,363,832
Corporate Personal Property Replacement Taxes	2,865,521	2,865,521	3,378,983	2,852,919
State Sales Taxes	24,458,000	24,458,000	23,937,874	24,385,127
State Income Tax Allocation	11,800,000	11,800,000	10,448,336	11,048,815
Home Rule Sales Taxes	26,432,484	26,432,484	23,803,567	23,347,159
Hotel, Restaurant, and Amusement Taxes	9,188,800	9,188,800	9,632,199	9,396,323
Utility Taxes	3,972,800	3,972,800	3,755,789	3,509,481
Governmental Grants and Reimbursements	522,142	918,810	574,461	706,740
Licenses and Permits	2,966,300	2,966,300	2,726,772	3,325,420
Service Charges/Fines/Fees	11,517,500	11,521,711	9,608,222	9,072,832
Loan Repayment	-	-	92,581	103,056
Rental	102,100	102,100	175,589	171,966
Interest	92,000	92,000	283,452	178,074
Other	4,068,200	2,568,200	2,363,538	2,678,755
Total Revenues	<u>98,895,335</u>	<u>97,796,214</u>	<u>91,723,014</u>	<u>92,140,499</u>
<b>EXPENDITURES</b>				
Current:				
Elective Offices, Boards, Commissions, and Agencies	1,459,609	1,613,054	1,417,321	1,575,000
City Administration	17,982,414	6,693,967	6,802,197	7,125,740
Police	28,105,205	31,353,834	30,577,719	29,858,548
Fire	21,437,237	23,890,545	24,010,961	22,433,340
Public Works	14,231,840	15,641,514	15,048,868	14,720,674
Community Development	4,777,715	4,886,436	5,085,563	5,669,833
Public Safety	3,867,931	4,892,601	5,443,868	4,440,116
General Government	95,400	2,510,731	2,722,916	2,929,978
Library	-	1,022,922	1,138,414	442,203
Total Expenditures	<u>91,957,351</u>	<u>92,505,604</u>	<u>92,247,827</u>	<u>89,195,432</u>
Excess (Deficiency) of Revenues Over Expenditures	6,937,984	5,290,610	(524,813)	2,945,067
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance Proceeds	-	-	56,724	-
Proceeds from Sale of Capital Assets	-	-	7,500	-
Transfers In	3,075,000	3,151,000	3,151,000	2,300,785
Transfers Out	<u>(7,969,088)</u>	<u>(8,064,088)</u>	<u>(8,130,941)</u>	<u>(8,412,706)</u>
Total Other Financing Sources (Uses)	<u>(4,894,088)</u>	<u>(4,913,088)</u>	<u>(4,915,717)</u>	<u>(6,111,921)</u>
Net Change in Fund Balance	<u>\$ 2,043,896</u>	<u>\$ 377,522</u>	(5,440,530)	(3,166,854)
Fund Balance - Beginning of Year			<u>44,750,571</u>	<u>47,917,425</u>
Fund Balance - End of Year			<u>\$ 39,310,041</u>	<u>\$ 44,750,571</u>

## Special Revenue Funds

Funds used to account for revenues from specific taxes or other earmarked revenue sources which, by federal or state statute, or local ordinance 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.

**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.

**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 was 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.

**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.

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

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

**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.

**Sports Complex Special Service Area:** This fund is used to collect and disburse the special service taxes collected at the Sports Complex.

**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, Illinois 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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ 6,762,002	\$ 6,762,002	\$ 6,674,431	\$ 6,505,482
Corporate Personal Property Replacement Taxes	480,814	480,814	480,814	473,708
Governmental Grants and Reimbursements	118,187	118,187	50,338	125,983
Service Charges/Fines/Fees	106,404	106,404	206,191	123,375
Interest	2,623	2,623	15,699	11,538
Other	28,680	28,680	74,384	27,851
Total Revenues	<u>7,498,710</u>	<u>7,498,710</u>	<u>7,501,857</u>	<u>7,267,937</u>
<b>EXPENDITURES</b>				
Current:				
Library:				
Personal Services	3,797,697	3,797,697	3,519,836	3,357,531
Contractual Services	1,711,947	1,711,947	1,666,244	1,829,053
Supplies and Materials	171,835	171,835	352,302	359,234
Capital Outlay	973,100	973,100	730,190	868,403
Total Expenditures	<u>6,654,579</u>	<u>6,654,579</u>	<u>6,268,572</u>	<u>6,414,221</u>
Excess of Revenues Over Expenditures	844,131	844,131	1,233,285	853,716
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(844,131)</u>	<u>(844,131)</u>	<u>(844,131)</u>	<u>(844,131)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	389,154	9,585
Fund Balance - Beginning of Year			<u>3,097,921</u>	<u>3,088,336</u>
Fund Balance - End of Year			<u>\$ 3,487,075</u>	<u>\$ 3,097,921</u>

**CITY OF PEORIA, ILLINOIS**  
**MOTOR FUEL TAX FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Motor Fuel Taxes	\$ 3,411,103	\$ 3,411,103	\$ 2,933,436	\$ 2,485,037
Service Charges/Fines/Fees	-	-	21,614	20,614
Interest	50,000	50,000	29,778	29,165
Other	-	-	344,029	211,866
Total Revenues	<u>3,461,103</u>	<u>3,461,103</u>	<u>3,328,857</u>	<u>2,746,682</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	(37,479)	29,132
Capital Outlay	<u>3,450,000</u>	<u>3,450,000</u>	<u>4,376,174</u>	<u>2,022,540</u>
Total Expenditures	<u>3,450,000</u>	<u>3,450,000</u>	<u>4,338,695</u>	<u>2,051,672</u>
Net Change in Fund Balance	<u>\$ 11,103</u>	<u>\$ 11,103</u>	(1,009,838)	695,010
Fund Balance - Beginning of Year, as Previously Reported			2,676,669	1,943,893
Prior Period Adjustments			<u>-</u>	<u>37,766</u>
Fund Balance - Beginning of Year, as Restated			<u>2,676,669</u>	<u>1,981,659</u>
Fund Balance - End of Year			<u>\$ 1,666,831</u>	<u>\$ 2,676,669</u>

**CITY OF PEORIA, ILLINOIS  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Governmental Grants and Reimbursements	\$ 1,372,565	\$ 1,910,586
Service Charges/Fines/Fees	(251,197)	(130,674)
Loan Repayment	(29,885)	525
Other	12,388	-
Total Revenues	<u>1,103,871</u>	<u>1,780,437</u>
<b>EXPENDITURES</b>		
Current:		
Community Development:		
Project Costs	173,945	303,622
Rehabilitation	214,151	360,911
Payments to Subrecipients	332,203	493,525
Public Safety	378,946	373,973
Capital Outlay	551	242,791
Total Expenditures	<u>1,099,796</u>	<u>1,774,822</u>
Excess of Revenues Over Expenditures	4,075	5,615
<b>OTHER FINANCING USES</b>		
Transfers Out	<u>(4,075)</u>	<u>(5,615)</u>
Net Change in Fund Balance	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF PEORIA, ILLINOIS**  
**MULTI-COUNTY MEG GRANT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017	2016
<b>REVENUES</b>		
Governmental Grants and Reimbursements	\$ 42,679	\$ 56,935
<b>EXPENDITURES</b>		
Police	42,671	56,943
Net Change in Fund Balance	8	(8)
Fund Balance (Deficit) - Beginning of Year	(8)	-
Fund Balance (Deficit) - End of Year	\$ -	\$ (8)

**CITY OF PEORIA, ILLINOIS**  
**HOME INVESTMENT PARTNERSHIP PROGRAM FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Governmental Grants and Reimbursements	\$ 467,594	\$ 369,452
Loan Repayment	384	1,100
Other	-	5,250
Total Revenues	<u>467,978</u>	<u>375,802</u>
<b>EXPENDITURES</b>		
Current:		
Community Development:		
Administration	48,737	49,884
Public Services	217,581	270,603
Payments to Subrecipients	201,460	55,315
Total Expenditures	<u>467,778</u>	<u>375,802</u>
Net Change in Fund Balance	200	-
Fund Balance (Deficit) - Beginning of Year	<u>(200)</u>	<u>(200)</u>
Fund Balance (Deficit) - End of Year	<u>\$ -</u>	<u>\$ (200)</u>

**CITY OF PEORIA, ILLINOIS  
SOLID WASTE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Service Charges/Fines/Fees	\$ 407,350	\$ 493,015	\$ 487,230	\$ 470,427
Interest	-	-	1,885	1,292
Total Revenues	407,350	493,015	489,115	471,719
<b>EXPENDITURES</b>				
General Government	367,300	406,900	340,653	282,357
Excess of Revenues Over Expenditures	40,050	86,115	148,462	189,362
<b>OTHER FINANCING USES</b>				
Transfers Out	-	(76,000)	(76,000)	(75,785)
Net Change in Fund Balance	<u>\$ 40,050</u>	<u>\$ 10,115</u>	72,462	113,577
Fund Balance - Beginning of Year			<u>247,660</u>	<u>134,083</u>
Fund Balance - End of Year			<u>\$ 320,122</u>	<u>\$ 247,660</u>

**CITY OF PEORIA, ILLINOIS**  
**REFUSE COLLECTION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND DEFICIT**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
**(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Governmental Grants and Reimbursements	\$ 119,500	\$ 119,500	\$ 121,648	\$ 106,077
Service Charges/Fines/Fees	6,575,500	6,575,500	6,194,098	6,394,970
Interest	-	-	4,795	3,758
Other	-	-	-	(1,007)
Total Revenues	<u>6,695,000</u>	<u>6,695,000</u>	<u>6,320,541</u>	<u>6,503,798</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	<u>6,866,551</u>	<u>6,866,551</u>	<u>7,133,402</u>	<u>8,716,551</u>
Deficiency of Revenues Over Expenditures	(171,551)	(171,551)	(812,861)	(2,212,753)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>291,000</u>	<u>291,000</u>	<u>291,000</u>	<u>608,105</u>
Net Change in Fund Balance	<u>\$ 119,449</u>	<u>\$ 119,449</u>	(521,861)	(1,604,648)
Fund Deficit - Beginning of Year			<u>(4,097,596)</u>	<u>(2,492,948)</u>
Fund Deficit - End of Year			<u>\$ (4,619,457)</u>	<u>\$ (4,097,596)</u>

**CITY OF PEORIA, ILLINOIS**  
**SEWER FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND DEFICIT**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Governmental Grants and Reimbursements	\$ -	\$ -	\$ 63,065	\$ -
Service Charges/Fines/Fees	6,120,164	6,120,164	6,320,985	5,150,789
Interest	-	-	2,219	1,430
Other	-	-	-	513
Total Revenues	<u>6,120,164</u>	<u>6,120,164</u>	<u>6,386,269</u>	<u>5,152,732</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	3,179,475	3,179,475	2,309,513	184,838
General Government	-	-	-	303,566
Capital Outlay	3,001,500	3,001,500	2,847,525	1,340,865
Debt Service:				
Principal	2,700,000	2,700,000	-	-
Total Expenditures	<u>8,880,975</u>	<u>8,880,975</u>	<u>5,157,038</u>	<u>1,829,269</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,760,811)	(2,760,811)	1,229,231	3,323,463
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(2,863,681)</u>	<u>(2,863,681)</u>	<u>(3,053,472)</u>	<u>(2,756,013)</u>
Net Change in Fund Balance	<u>\$ (5,624,492)</u>	<u>\$ (5,624,492)</u>	(1,824,241)	567,450
Fund Deficit - Beginning of Year			<u>(269,682)</u>	<u>(837,132)</u>
Fund Deficit - End of Year			<u>\$ (2,093,923)</u>	<u>\$ (269,682)</u>

**CITY OF PEORIA, ILLINOIS  
PEORIA FOREIGN FIRE INSURANCE BOARD  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017	2016
<b>REVENUES</b>		
Governmental Grants and Reimbursements	\$ 160,899	\$ 166,202
Interest	755	713
Total Revenues	161,654	166,915
 <b>EXPENDITURES</b>		
Fire	175,023	161,258
Net Change in Fund Balance	(13,369)	5,657
Fund Balance - Beginning of Year	224,083	218,426
Fund Balance - End of Year	\$ 210,714	\$ 224,083

**CITY OF PEORIA, ILLINOIS**  
**WESTLAKE SPECIAL SERVICE AREA FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 40,000	\$ 40,003
Home Rule Sales Taxes	312,243	274,798
Interest	13	-
Total Revenues	<u>352,256</u>	<u>314,801</u>
<b>EXPENDITURES</b>		
General Government	<u>306,847</u>	<u>330,517</u>
Net Change in Fund Balance	45,409	(15,716)
Fund Balance - Beginning of Year	<u>124,902</u>	<u>140,618</u>
Fund Balance - End of Year	<u><u>\$ 170,311</u></u>	<u><u>\$ 124,902</u></u>

**CITY OF PEORIA, ILLINOIS**  
**PEORICORPS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
**(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		Actual	2016
	Original Budget	Final Budget		Actual
<b>REVENUES</b>				
Governmental Grants and Reimbursements	\$ -	\$ 75,000	\$ 106,569	\$ -
<b>EXPENDITURES</b>				
Community Development	-	154,000	127,602	-
Deficiency of Revenues Over Expenditures	-	(79,000)	(21,033)	-
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	79,000	79,000	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	57,967	-
Fund Balance - Beginning of Year			-	-
Fund Balance - End of Year			<u>\$ 57,967</u>	<u>\$ -</u>

**CITY OF PEORIA, ILLINOIS  
FICA MEDICARE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ 1,865,911	\$ 1,865,911	\$ 1,842,404	\$ 1,565,407
Corporate Personal Property Replacement Taxes	421,285	421,285	421,285	358,292
Interest	-	-	963	102
Total Revenues	<u>2,287,196</u>	<u>2,287,196</u>	<u>2,264,652</u>	<u>1,923,801</u>
<b>EXPENDITURES</b>				
Current:				
Elective Offices, Boards, Commissions, and Agencies	86,604	86,604	74,746	69,030
City Administration	322,488	322,488	278,326	251,624
Police	532,741	532,741	465,394	440,915
Fire	349,268	349,268	305,974	274,648
Public Works	561,061	561,061	484,192	462,284
Community Development	148,481	148,481	128,137	114,043
Public Safety	301,667	301,667	260,350	264,872
General Government	7,517	7,517	6,487	5,402
Library	295,520	295,520	255,030	311,425
Total Expenditures	<u>2,605,347</u>	<u>2,605,347</u>	<u>2,258,636</u>	<u>2,194,243</u>
Excess (Deficiency) of Revenues Over Expenditures	(318,151)	(318,151)	6,016	(270,442)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>318,151</u>	<u>318,151</u>	<u>318,151</u>	<u>278,563</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	324,167	8,121
Fund Balance - Beginning of Year			<u>8,121</u>	<u>-</u>
Fund Balance - End of Year			<u>\$ 332,288</u>	<u>\$ 8,121</u>

**CITY OF PEORIA, ILLINOIS  
 TOURISM RESERVE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 YEAR ENDED DECEMBER 31, 2017  
 (WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		2016	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>REVENUES</b>				
Hotel, Restaurant, and Amusement				
Taxes	\$ 350,000	\$ 350,000	\$ 431,403	\$ 775,505
Interest	-	-	436	92
Other	-	-	2,888	26,619
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>434,727</u>	<u>802,216</u>
<b>EXPENDITURES</b>				
Community Development	<u>350,000</u>	<u>350,000</u>	<u>290,536</u>	<u>2,334,581</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	144,191	(1,532,365)
Fund Balance - Beginning of Year			<u>405,559</u>	<u>1,937,924</u>
Fund Balance - End of Year			<u>\$ 549,750</u>	<u>\$ 405,559</u>

**CITY OF PEORIA, ILLINOIS  
 INNOVATION GRANT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 YEAR ENDED DECEMBER 31, 2017  
 (WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017			2016
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>REVENUES</b>				
Governmental Grants and Reimbursements	\$ 500,000	\$ 500,000	\$ 307,160	\$ 404,000
Interest	-	-	241	157
Other	-	-	3,000	-
Total Revenues	<u>500,000</u>	<u>500,000</u>	<u>310,401</u>	<u>404,157</u>
<b>EXPENDITURES</b>				
City Administration	<u>478,129</u>	<u>478,129</u>	<u>307,160</u>	<u>404,000</u>
Net Change in Fund Balance	<u>\$ 21,871</u>	<u>\$ 21,871</u>	3,241	157
Fund Balance - Beginning of Year			<u>1,046</u>	<u>889</u>
Fund Balance - End of Year			<u>\$ 4,287</u>	<u>\$ 1,046</u>

**CITY OF PEORIA, ILLINOIS**  
**SPORTS COMPLEX SPECIAL SERVICE AREA FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ 162,544	\$ -
Special Service Area Sales Taxes	-	-	17,039	206
Hotel, Restaurant, and Amusement Taxes	-	-	209,017	221,587
Interest	-	-	311	171
Total Revenues	-	-	388,911	221,964
<b>EXPENDITURES</b>				
Community Development	-	-	-	-
Excess of Revenues over Expenditures	-	-	388,911	221,964
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	41,000	-
Transfers Out	-	-	(376,954)	(67,437)
Total Other Financing Sources (Uses)	-	-	(335,954)	(67,437)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	52,957	154,527
Fund Balance - Beginning of Year			<u>154,527</u>	<u>-</u>
Fund Balance - End of Year			<u>\$ 207,484</u>	<u>\$ 154,527</u>

**CITY OF PEORIA, ILLINOIS**  
**HOLIDAY INN SPECIAL SERVICE AREA FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ 76,755	\$ 17,362
Special Service Area Sales Taxes	-	-	11,952	557
Hotel, Restaurant, and Amusement Taxes	-	-	56,493	5,174
Interest	-	-	81	2
Total Revenues	-	-	145,281	23,095
<b>EXPENDITURES</b>				
Community Development	-	-	-	-
Excess of Revenues over Expenditures	-	-	145,281	23,095
<b>OTHER FINANCING USES</b>				
Transfers Out	-	-	(84,989)	(17,361)
Net Change in Fund Balance	\$ -	\$ -	60,292	5,734
Fund Balance - Beginning of Year			5,734	-
Fund Balance - End of Year			\$ 66,026	\$ 5,734

**CITY OF PEORIA, ILLINOIS**  
**KNOXVILLE JUNCTION SPECIAL SERVICE AREA FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ 151,140	\$ 115,011
Interest	-	-	49	9
Total Revenues	<u>-</u>	<u>-</u>	<u>151,189</u>	<u>115,020</u>
<b>EXPENDITURES</b>				
Community Development	-	-	151,140	115,010
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	49	10
Fund Balance - Beginning of Year			<u>10</u>	<u>-</u>
Fund Balance - End of Year			<u>\$ 59</u>	<u>\$ 10</u>

## Debt Service Funds

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

Following are the individual Debt Service Funds:

**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 Taxable Motor Fuel Tax Revenue 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 Taxable Motor Fuel Tax Revenue Bonds.

**2015C 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.

**2016A 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 2016A General Obligation Bonds.

**CITY OF PEORIA, ILLINOIS  
WEAVERRIDGE DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ -	\$ 5
<b>EXPENDITURES</b>				
Current:				
General Government	15,400	15,400	-	9,156
Debt Service:				
Principal	525,000	525,000	525,000	555,000
Interest and Fiscal Charges	13,125	13,125	13,125	40,125
Total Expenditures	<u>553,525</u>	<u>553,525</u>	<u>538,125</u>	<u>604,281</u>
Deficiency of Revenues Over Expenditures	(553,525)	(553,525)	(538,125)	(604,276)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>68,000</u>	<u>68,000</u>	<u>80,000</u>	<u>73,908</u>
Net Change in Fund Balance	<u>\$ (485,525)</u>	<u>\$ (485,525)</u>	(458,125)	(530,368)
Fund Balance - Beginning of Year			<u>458,125</u>	<u>988,493</u>
Fund Balance - End of Year			<u>\$ -</u>	<u>\$ 458,125</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ 2,000,000	\$ 2,000,000	\$ 1,997,995	\$ 2,008,390
Interest	2,200	2,200	25,799	10,414
Total Revenues	<u>2,002,200</u>	<u>2,002,200</u>	<u>2,023,794</u>	<u>2,018,804</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	1,050	1,050
Debt Service:				
Principal	6,955,000	6,955,000	7,060,000	6,845,000
Interest and Fiscal Charges	<u>2,782,805</u>	<u>2,782,805</u>	<u>2,868,100</u>	<u>2,961,881</u>
Total Expenditures	<u>9,737,805</u>	<u>9,737,805</u>	<u>9,929,150</u>	<u>9,807,931</u>
Deficiency of Revenues Over Expenditures	(7,735,605)	(7,735,605)	(7,905,356)	(7,789,127)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	7,891,550	7,891,550	9,973,661	9,852,985
Transfers Out	-	-	(2,113,268)	(2,000,000)
Total Other Financing Sources (Uses)	<u>7,891,550</u>	<u>7,891,550</u>	<u>7,860,393</u>	<u>7,852,985</u>
Net Change in Fund Balance	<u>\$ 155,945</u>	<u>\$ 155,945</u>	(44,963)	63,858
Fund Balance - Beginning of Year			<u>219,571</u>	<u>155,713</u>
Fund Balance - End of Year			<u>\$ 174,608</u>	<u>\$ 219,571</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ 129,280	\$ 129,280	\$ -	\$ -
Interest	10,000	10,000	44,100	31,775
Other	210,100	210,100	-	-
Total Revenues	<u>349,380</u>	<u>349,380</u>	<u>44,100</u>	<u>31,775</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	305,000	305,000	305,000	290,000
Interest and Fiscal Charges	213,870	213,870	213,870	228,370
Total Expenditures	<u>518,870</u>	<u>518,870</u>	<u>518,870</u>	<u>518,370</u>
Deficiency of Revenues Over Expenditures	(169,490)	(169,490)	(474,770)	(486,595)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	312,500	312,500	312,500	-
Net Change in Fund Balance	<u>\$ 143,010</u>	<u>\$ 143,010</u>	(162,270)	(486,595)
Fund Balance - Beginning of Year			<u>3,276,993</u>	<u>3,763,588</u>
Fund Balance - End of Year			<u>\$ 3,114,723</u>	<u>\$ 3,276,993</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017			2016
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>REVENUES</b>				
Property Taxes	\$ 121,548	\$ 121,548	\$ 93,377	\$ 121,548
Interest	-	-	39	187
Total Revenues	<u>121,548</u>	<u>121,548</u>	<u>93,416</u>	<u>121,735</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	500
Debt Service:				
Principal	105,500	105,500	105,500	109,000
Interest and Fiscal Charges	<u>6,172</u>	<u>6,172</u>	<u>6,172</u>	<u>12,548</u>
Total Expenditures	<u>111,672</u>	<u>111,672</u>	<u>111,672</u>	<u>122,048</u>
Excess (Deficiency) of Revenues Over Expenditures	9,876	9,876	(18,256)	(313)
<b>OTHER FINANCING USES</b>				
Transfers Out	-	-	(55)	-
Net Change in Fund Balance	<u>\$ 9,876</u>	<u>\$ 9,876</u>	(18,311)	(313)
Fund Balance - Beginning of Year			<u>18,311</u>	<u>18,624</u>
Fund Balance - End of Year			<u>\$ -</u>	<u>\$ 18,311</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Property Taxes	\$ 2,405,750	\$ 2,405,750	\$ 2,262,189	\$ 2,338,944
Interest	-	-	19,065	10,950
Total Revenues	<u>2,405,750</u>	<u>2,405,750</u>	<u>2,281,254</u>	<u>2,349,894</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	1,335,000	1,335,000	1,335,000	1,395,000
Interest and Fiscal Charges	1,070,750	1,070,750	956,700	1,106,544
Total Expenditures	<u>2,405,750</u>	<u>2,405,750</u>	<u>2,291,700</u>	<u>2,501,544</u>
Deficiency of Revenues Over Expenditures	-	-	(10,446)	(151,650)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of Bonds	-	-	-	19,070,000
Bond Premium	-	-	-	3,019,857
Payment to Refunded Bond Escrow Agent	-	-	-	(21,774,412)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>315,445</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(10,446)	163,795
Fund Balance - Beginning of Year			<u>454,625</u>	<u>290,830</u>
Fund Balance - End of Year			<u>\$ 444,179</u>	<u>\$ 454,625</u>

**CITY OF PEORIA, ILLINOIS**  
**2010D GENERAL OBLIGATION BOND DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 1,345	\$ 239
<b>EXPENDITURES</b>				
Debt Service:				
Principal	3,000,000	3,000,000	3,000,000	2,620,000
Interest and Fiscal Charges	950,313	950,313	950,313	1,055,112
Total Expenditures	<u>3,950,313</u>	<u>3,950,313</u>	<u>3,950,313</u>	<u>3,675,112</u>
Deficiency of Revenues Over Expenditures	(3,950,313)	(3,950,313)	(3,948,968)	(3,674,873)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>3,950,313</u>	<u>3,950,313</u>	<u>3,948,707</u>	<u>3,675,113</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(261)	240
Fund Balance - Beginning of Year			<u>1,278</u>	<u>1,038</u>
Fund Balance - End of Year			<u>\$ 1,017</u>	<u>\$ 1,278</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 139	\$ 54
<b>EXPENDITURES</b>				
Debt Service:				
Interest and Fiscal Charges	204,900	204,900	204,900	204,900
Deficiency of Revenues Over Expenditures	(204,900)	(204,900)	(204,761)	(204,846)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	204,900	204,900	199,877	204,900
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(4,884)	54
Fund Balance - Beginning of Year			4,934	4,880
Fund Balance - End of Year			<u>\$ 50</u>	<u>\$ 4,934</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 3,000	\$ 606
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	250
Debt Service:				
Principal	850,000	850,000	850,000	750,000
Interest and Fiscal Charges	1,263,363	1,263,363	1,263,363	1,282,113
Total Expenditures	<u>2,113,363</u>	<u>2,113,363</u>	<u>2,113,363</u>	<u>2,032,363</u>
Deficiency of Revenues Over Expenditures	(2,113,363)	(2,113,363)	(2,110,363)	(2,031,757)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>2,113,363</u>	<u>2,113,363</u>	<u>2,049,217</u>	<u>2,247,047</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(61,146)	215,290
Fund Balance (Deficit) - Beginning of Year			<u>89,792</u>	<u>(125,498)</u>
Fund Balance - End of Year			<u>\$ 28,646</u>	<u>\$ 89,792</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 299	\$ 130
<b>EXPENDITURES</b>				
Debt Service:				
Principal	65,000	65,000	65,000	60,000
Interest and Fiscal Charges	288,750	288,750	288,750	289,650
Total Expenditures	<u>353,750</u>	<u>353,750</u>	<u>353,750</u>	<u>349,650</u>
Deficiency of Revenues Over Expenditures	(353,750)	(353,750)	(353,451)	(349,520)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>353,750</u>	<u>353,750</u>	<u>341,138</u>	<u>349,650</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(12,313)	130
Fund Balance - Beginning of Year			<u>12,406</u>	<u>12,276</u>
Fund Balance - End of Year			<u>\$ 93</u>	<u>\$ 12,406</u>

**CITY OF PEORIA, ILLINOIS**  
**2012C GENERAL OBLIGATION BOND DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
**(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ -	\$ 161
<b>EXPENDITURES</b>				
Current:				
General Government	20,000	20,000	-	13,098
Debt Service:				
Principal	315,000	315,000	-	-
Interest and Fiscal Charges	16,100	16,100	-	4,191
Total Expenditures	<u>351,100</u>	<u>351,100</u>	<u>-</u>	<u>17,289</u>
Deficiency of Revenues Over Expenditures	(351,100)	(351,100)	-	(17,128)
<b>OTHER FINANCING SOURCES (USES)</b>				
Payment to Refunded Bond Escrow Agent	-	-	-	(3,917,171)
Transfers In	351,100	351,100	-	3,951,362
Transfers Out	-	-	(8)	(9,427)
Total Other Financing Sources (Uses)	<u>351,100</u>	<u>351,100</u>	<u>(8)</u>	<u>24,764</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(8)	7,636
Fund Balance (Deficit) - Beginning of Year			<u>8</u>	<u>(7,628)</u>
Fund Balance - End of Year			<u>\$ -</u>	<u>\$ 8</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 133	\$ 34
<b>EXPENDITURES</b>				
Debt Service:				
Interest and Fiscal Charges	289,900	289,900	289,900	289,900
Deficiency of Revenues Over Expenditures	(289,900)	(289,900)	(289,767)	(289,866)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	289,900	289,900	287,105	289,900
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(2,662)	34
Fund Balance - Beginning of Year			<u>2,724</u>	<u>2,690</u>
Fund Balance - End of Year			<u>\$ 62</u>	<u>\$ 2,724</u>

**CITY OF PEORIA, ILLINOIS**  
**2013D TAXABLE MOTOR FUEL TAX REVENUE BOND DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 2,699	\$ 1,638
<b>EXPENDITURES</b>				
Debt Service:				
Principal	265,000	265,000	265,000	260,000
Interest and Fiscal Charges	50,032	50,032	50,032	55,154
Total Expenditures	<u>315,032</u>	<u>315,032</u>	<u>315,032</u>	<u>315,154</u>
Deficiency of Revenues Over Expenditures	(315,032)	(315,032)	(312,333)	(313,516)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>315,032</u>	<u>315,032</u>	<u>145,170</u>	<u>315,154</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(167,163)	1,638
Fund Balance - Beginning of Year			<u>167,443</u>	<u>165,805</u>
Fund Balance - End of Year			<u>\$ 280</u>	<u>\$ 167,443</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017			2016
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 4,408	\$ 530
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	(6)
Debt Service:				
Interest and Fiscal Charges	<u>341,935</u>	<u>341,935</u>	<u>341,935</u>	<u>341,935</u>
Total Expenditures	<u>341,935</u>	<u>341,935</u>	<u>341,935</u>	<u>341,929</u>
Deficiency of Revenues Over Expenditures	(341,935)	(341,935)	(337,527)	(341,399)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>-</u>	<u>-</u>	<u>335,954</u>	<u>68,335</u>
Net Change in Fund Balance	<u>\$ (341,935)</u>	<u>\$ (341,935)</u>	(1,573)	(273,064)
Fund Balance - Beginning of Year			<u>1,625</u>	<u>274,689</u>
Fund Balance - End of Year			<u>\$ 52</u>	<u>\$ 1,625</u>

**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, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 1,348	\$ 77
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	(6)
Debt Service:				
Interest and Fiscal Charges	88,030	88,030	88,030	88,030
Total Expenditures	<u>88,030</u>	<u>88,030</u>	<u>88,030</u>	<u>88,024</u>
Deficiency of Revenues Over Expenditures	(88,030)	(88,030)	(86,682)	(87,947)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	-	84,989	18,932
Net Change in Fund Balance	<u>\$ (88,030)</u>	<u>\$ (88,030)</u>	(1,693)	(69,015)
Fund Balance - Beginning of Year			<u>1,709</u>	<u>70,724</u>
Fund Balance - End of Year			<u>\$ 16</u>	<u>\$ 1,709</u>

**CITY OF PEORIA, ILLINOIS**  
**2016A GENERAL OBLIGATION BOND DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 493	\$ 18
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	111,657	56,876
Debt Service:				
Principal	-	-	620,000	-
Interest and Fiscal Charges	-	-	121,173	60,638
Total Expenditures	<u>-</u>	<u>-</u>	<u>852,830</u>	<u>117,514</u>
Deficiency of Revenues Over Expenditures	-	-	(852,337)	(117,496)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	-	935,034	105,638
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	82,697	(11,858)
Fund Balance (Deficit) - Beginning of Year			<u>(11,858)</u>	<u>-</u>
Fund Balance (Deficit) - End of Year			<u>\$ 70,839</u>	<u>\$ (11,858)</u>

## 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 Account:** This account 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 Account:** This account 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 Account:** This account is used to account for tax increment financing revenues restricted for improvements within the Northside Tax Increment Financing District.

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

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

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

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

**South Village TIF Project Account:** This account is used to account for tax increment financing revenues restricted for improvements within the South Village Tax Increment Financing District.

**River Trail TIF Project Account:** This account is used to account for tax increment financing revenues restricted for improvements within the River Trail 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.

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

**2016A General Obligation Bond Project Fund:** This fund is used to monitor the bond funds which are used for construction of public capital infrastructure improvement expenditures.

**2016C General Obligation Bond Project Fund:** This fund is used to monitor the bond funds which are used for the construction of a combined sewer overflow pilot program on Adams Street.

**CITY OF PEORIA, ILLINOIS**  
**CAPITAL IMPROVEMENTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND DEFICIT**  
**YEAR ENDED DECEMBER 31, 2017**  
**(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017	2016
<b>REVENUES</b>		
Property Taxes	\$ 1,268,616	\$ 1,237,776
Motor Fuel Taxes	1,990,955	2,162,742
Riverboat Gaming Revenue	2,905,249	2,991,308
Utility Taxes	7,056,693	7,256,801
Governmental Grants and Reimbursements	1,541,939	1,073,125
Licenses and Permits	26	(1,262)
Service Charges/Fines/Fees	29,094	82,631
Special Assessments	88,480	166,317
Loan Repayment	42,688	61,163
Rental	4,074	24,723
Interest	73,931	76,784
Other	134,017	546,180
Total Revenues	15,135,762	15,678,288
<b>EXPENDITURES</b>		
Current:		
City Administration	-	412,771
Police	335,474	581,721
Fire	288,439	318,090
Public Works	705,600	545,044
Community Development	450,359	293,070
Public Safety	1,064,043	635,323
General Government	280,995	641,648
Capital Outlay	9,924,608	9,823,277
Debt Service:		
Principal	67,779	64,245
Interest and Fiscal Charges	7,661	11,194
Total Expenditures	13,124,958	13,326,383
Excess of Revenues Over Expenditures	2,010,804	2,351,905
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds from Sale of Capital Assets	17,700	3,100
Transfers In	3,055,114	3,291,552
Transfers Out	(8,613,221)	(7,520,254)
Total Other Financing Sources (Uses)	(5,540,407)	(4,225,602)
Net Change in Fund Balance	(3,529,603)	(1,873,697)
Fund Deficit - Beginning of Year, as Previously Reported	(4,533,742)	(2,179,166)
Prior Period Adjustment	-	(480,879)
Fund Deficit - Beginning of Year, as Restated	(4,533,742)	(2,660,045)
Fund Deficit - End of Year	\$ (8,063,345)	\$ (4,533,742)

**CITY OF PEORIA, ILLINOIS  
TIF PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 4,830,661	\$ 4,319,307
State Sales Taxes	101,736	120,422
Hotel, Restaurant, and Amusement Taxes	173,259	165,893
Interest	111,963	72,543
Other	9,642	3,900
Total Revenues	<u>5,227,261</u>	<u>4,682,065</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	5,500	5,500
Public Works	23,712	33,068
Community Development	1,643,216	1,811,096
Public Safety	15,896	238,952
Capital Outlay	1,677,696	499,900
Total Expenditures	<u>3,366,020</u>	<u>2,588,516</u>
Excess of Revenues Over Expenditures	1,861,241	2,093,549
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	82,000	82,000
Transfers Out	<u>(2,684,263)</u>	<u>(2,616,667)</u>
Total Other Financing Sources (Uses)	<u>(2,602,263)</u>	<u>(2,534,667)</u>
Net Change in Fund Balance	(741,022)	(441,118)
Fund Balance - Beginning of Year	<u>6,279,765</u>	<u>6,720,883</u>
Fund Balance - End of Year	<u>\$ 5,538,743</u>	<u>\$ 6,279,765</u>

**CITY OF PEORIA, ILLINOIS**  
**SOUTHTOWN TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017	2016
<b>REVENUES</b>		
Interest	\$ -	\$ 17,158
<b>EXPENDITURES</b>		
Current:		
Public Works	-	108
Capital Outlay	-	(22,481)
Total Expenditures	-	(22,373)
Excess of Revenues Over Expenditures	-	39,531
<b>OTHER FINANCING USES</b>		
Transfers Out	(614)	(744,165)
Net Change in Fund Balance	(614)	(704,634)
Fund Balance - Beginning of Year	614	705,248
Fund Balance - End of Year	\$ -	\$ 614

**CITY OF PEORIA, ILLINOIS  
DOWNTOWN TIF PROJECT ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 1,737,293	\$ 1,678,052
Interest	30,566	20,914
Total Revenues	<u>1,767,859</u>	<u>1,698,966</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	500	500
Public Works	13,810	31,827
Community Development	848,895	655,775
Capital Outlay	1,385,427	109,937
Total Expenditures	<u>2,248,632</u>	<u>798,039</u>
Excess (Deficiency) of Revenues Over Expenditures	(480,773)	900,927
<b>OTHER FINANCING USES</b>		
Transfers Out	<u>(767,945)</u>	<u>(766,558)</u>
Net Change in Fund Balance	(1,248,718)	134,369
Fund Balance - Beginning of Year	<u>1,931,782</u>	<u>1,797,413</u>
Fund Balance - End of Year	<u>\$ 683,064</u>	<u>\$ 1,931,782</u>

**CITY OF PEORIA, ILLINOIS**  
**NORTHSIDE TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017	2016
<b>REVENUES</b>		
Property Taxes	\$ 143,243	\$ 137,615
Interest	7,762	4,472
Total Revenues	151,005	142,087
 <b>EXPENDITURES</b>		
City Administration	500	500
Excess of Revenues Over Expenditures	150,505	141,587
 <b>OTHER FINANCING USES</b>		
Transfers Out	(32,215)	(136,292)
Net Change in Fund Balance	118,290	5,295
Fund Balance - Beginning of Year	407,377	402,082
Fund Balance - End of Year	\$ 525,667	\$ 407,377

**CITY OF PEORIA, ILLINOIS**  
**MIDTOWN PLAZA TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 74,219	\$ 28,325
Interest	1,561	413
Total Revenues	<u>75,780</u>	<u>28,738</u>
<b>EXPENDITURES</b>		
City Administration	<u>500</u>	<u>500</u>
Excess of Revenues Over Expenditures	75,280	28,238
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	82,000	82,000
Transfers Out	(110,000)	(110,000)
Total Other Financing Sources (Uses)	<u>(28,000)</u>	<u>(28,000)</u>
Net Change in Fund Balance	47,280	238
Fund Balance - Beginning of Year	<u>3,720</u>	<u>3,482</u>
Fund Balance - End of Year	<u><u>\$ 51,000</u></u>	<u><u>\$ 3,720</u></u>

**CITY OF PEORIA, ILLINOIS**  
**NORTHSIDE BUSINESS PARK TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 184,829	\$ 177,235
Interest	12,124	5,843
Total Revenues	<u>196,953</u>	<u>183,078</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	500	500
Public Works	1,926	-
Community Development	35,025	32,918
Capital Outlay	-	76
Total Expenditures	<u>37,451</u>	<u>33,494</u>
Net Change in Fund Balance	159,502	149,584
Fund Balance - Beginning of Year	<u>666,246</u>	<u>516,662</u>
Fund Balance - End of Year	<u>\$ 825,748</u>	<u>\$ 666,246</u>

**CITY OF PEORIA, ILLINOIS**  
**DOWNTOWN STADIUM TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 313,137	\$ 305,941
Interest	1,000	1,135
Total Revenues	<u>314,137</u>	<u>307,076</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	500	500
Community Development	316,826	151,440
Total Expenditures	<u>317,326</u>	<u>151,940</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,189)	155,136
<b>OTHER FINANCING USES</b>		
Transfers Out	<u>(61,389)</u>	<u>(153,438)</u>
Net Change in Fund Balance	(64,578)	1,698
Fund Balance - Beginning of Year	<u>64,690</u>	<u>62,992</u>
Fund Balance - End of Year	<u>\$ 112</u>	<u>\$ 64,690</u>

**CITY OF PEORIA, ILLINOIS  
EAGLE VIEW TIF PROJECT ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED DECEMBER 31, 2017  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)**

	2017	2016
<b>REVENUES</b>		
Property Taxes	\$ 138,709	\$ 93,960
Interest	4,517	1,501
Total Revenues	143,226	95,461
 <b>EXPENDITURES</b>		
Current:		
City Administration	500	500
 Net Change in Fund Balance	142,726	94,961
 Fund Balance - Beginning of Year	206,127	111,166
 Fund Balance - End of Year	\$ 348,853	\$ 206,127

**CITY OF PEORIA, ILLINOIS**  
**WAREHOUSE DISTRICT TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 508,967	\$ 385,954
Interest	10,577	6,330
Other	-	3,900
Total Revenues	<u>519,544</u>	<u>396,184</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	500	500
Community Development	54,179	260,805
Capital Outlay	<u>122,117</u>	<u>282,475</u>
Total Expenditures	<u>176,796</u>	<u>543,780</u>
Net Change in Fund Balance	342,748	(147,596)
Fund Balance - Beginning of Year	<u>463,672</u>	<u>611,268</u>
Fund Balance - End of Year	<u>\$ 806,420</u>	<u>\$ 463,672</u>

**CITY OF PEORIA, ILLINOIS**  
**HOSPITALITY IMPROVEMENT ZONE TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 1,225,428	\$ 1,186,568
State Sales Taxes	101,736	120,422
Hotel, Restaurant, and Amusement Taxes	173,259	165,893
Interest	1,371	3,195
Total Revenues	<u>1,501,794</u>	<u>1,476,078</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	500	500
Community Development	35,905	-
Total Expenditures	<u>36,405</u>	<u>500</u>
Excess of Revenues Over Expenditures	1,465,389	1,475,578
<b>OTHER FINANCING USES</b>		
Transfers Out	<u>(1,712,714)</u>	<u>(1,450,379)</u>
Net Change in Fund Balance	(247,325)	25,199
Fund Balance - Beginning of Year	<u>66,997</u>	<u>41,798</u>
Fund Balance (Deficit) - End of Year	<u>\$ (180,328)</u>	<u>\$ 66,997</u>

**CITY OF PEORIA, ILLINOIS**  
**EAST VILLAGE GROWTH CELL TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 330,940	\$ 186,707
Interest	6,494	4,244
Total Revenues	<u>337,434</u>	<u>190,951</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	500	500
Community Development	205,392	555,429
Total Expenditures	<u>205,892</u>	<u>555,929</u>
Excess (Deficiency) of Revenues Over Expenditures	131,542	(364,978)
<b>OTHER FINANCING SOURCES</b>		
Transfers In	<u>-</u>	<u>200,000</u>
Net Change in Fund Balance	131,542	(164,978)
Fund Balance - Beginning of Year	<u>244,859</u>	<u>409,837</u>
Fund Balance - End of Year	<u><u>\$ 376,401</u></u>	<u><u>\$ 244,859</u></u>

**CITY OF PEORIA, ILLINOIS**  
**DOWNTOWN CONSERVATION TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 109,067	\$ 98,331
Interest	3,796	1,249
Total Revenues	<u>112,863</u>	<u>99,580</u>
<b>EXPENDITURES</b>		
City Administration	500	500
Community Development	3,046	-
Total Expenditures	<u>3,546</u>	<u>500</u>
Net Change in Fund Balance	109,317	99,080
Fund Balance - Beginning of Year	<u>176,367</u>	<u>77,287</u>
Fund Balance - End of Year	<u><u>\$ 285,684</u></u>	<u><u>\$ 176,367</u></u>

**CITY OF PEORIA, ILLINOIS**  
**SOUTH VILLAGE TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Property Taxes	\$ 64,829	\$ 40,619
Interest	32,193	6,089
Other	<u>9,642</u>	<u>-</u>
Total Revenues	106,664	46,708
<b>EXPENDITURES</b>		
Current:		
City Administration	500	500
Public Works	7,976	1,133
Community Development	143,948	154,729
Public Safety	15,896	238,952
Capital Outlay	<u>170,152</u>	<u>129,893</u>
Total Expenditures	<u>338,472</u>	<u>525,207</u>
Deficiency of Revenues Over Expenditures	(231,808)	(478,499)
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	614	744,165
Transfers Out	<u>-</u>	<u>(200,000)</u>
Total Other Financing Sources (Uses)	<u>614</u>	<u>544,165</u>
Net Change in Fund Balance	(231,194)	65,666
Fund Balance - Beginning of Year	<u>2,047,314</u>	<u>1,981,648</u>
Fund Balance - End of Year	<u>\$ 1,816,120</u>	<u>\$ 2,047,314</u>

**CITY OF PEORIA, ILLINOIS**  
**RIVER TRAIL TIF PROJECT ACCOUNT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
 (WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017	2016
<b>REVENUES</b>		
Interest	\$ 2	\$ -
<b>EXPENDITURES</b>	-	-
Net Change in Fund Balance	2	-
Fund Balance - Beginning of Year	-	-
Fund Balance - End of Year	\$ 2	\$ -

**CITY OF PEORIA, ILLINOIS**  
**CITY OF PEORIA DESIGNATED ZONE ORGANIZATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Interest	\$ 32	\$ 83
<b>EXPENDITURES</b>		
Community Development	<u>-</u>	<u>5,615</u>
Excess (Deficiency) of Revenues Over Expenditures	32	(5,532)
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	2,118,760	1,075,658
Transfers Out	<u>(2,118,792)</u>	<u>(1,070,166)</u>
Total Other Financing Sources (Uses)	<u>(32)</u>	<u>5,492</u>
Net Change in Fund Balance	-	(40)
Fund Balance - Beginning of Year	<u>-</u>	<u>40</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>

**CITY OF PEORIA, ILLINOIS**  
**2014A GENERAL OBLIGATION BOND PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Interest	\$ 478	\$ 1,886
<b>EXPENDITURES</b>		
Capital Outlay	<u>-</u>	<u>(75,125)</u>
Excess of Revenues Over Expenditures	478	77,011
<b>OTHER FINANCING USES</b>		
Transfers Out	<u>(156,168)</u>	<u>(39,962)</u>
Net Change in Fund Balance	(155,690)	37,049
Fund Balance - Beginning of Year	<u>155,690</u>	<u>118,641</u>
Fund Balance - End of Year	<u><u>\$ -</u></u>	<u><u>\$ 155,690</u></u>

**CITY OF PEORIA, ILLINOIS**  
**2016A GENERAL OBLIGATION BOND PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	2017	2016
<b>REVENUES</b>		
Interest	\$ 37,335	\$ 13,347
<b>EXPENDITURES</b>		
Current:		
Public Works	-	184,121
General Government	-	538,816
Capital Outlay	-	5,036,705
Total Expenditures	-	5,759,642
Excess (Deficiency) of Revenues Over Expenditures	37,335	(5,746,295)
<b>OTHER FINANCING SOURCES (USES)</b>		
Issuance of Bonds	-	9,710,000
Transfers Out	(83,869)	(3,917,171)
Total Other Financing Sources (Uses)	(83,869)	5,792,829
Net Change in Fund Balance	(46,534)	46,534
Fund Balance - Beginning of Year	46,534	-
Fund Balance - End of Year	\$ -	\$ 46,534

**CITY OF PEORIA, ILLINOIS**  
**2016C GENERAL OBLIGATION BOND PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED DECEMBER 31, 2017**  
(WITH COMPARATIVE FIGURES FOR THE YEAR ENDED DECEMBER 31, 2016)

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Interest	\$ 15,048	\$ 813
<b>EXPENDITURES</b>		
Current:		
General Government	-	96,616
Capital Outlay	991,446	2,012,340
Total Expenditures	<u>991,446</u>	<u>2,108,956</u>
Deficiency of Revenues Over Expenditures	(976,398)	(2,108,143)
<b>OTHER FINANCING SOURCES (USES)</b>		
Issuance of Bonds	-	3,070,000
Bond Premium	-	29,692
Transfers Out	(15,151)	-
Total Other Financing Sources (Uses)	<u>(15,151)</u>	<u>3,099,692</u>
Net Change in Fund Balance	(991,549)	991,549
Fund Balance - Beginning of Year	<u>991,549</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 991,549</u>

## **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 SCHEDULE OF FIDUCIARY NET POSITION  
DECEMBER 31, 2017**

	Police Pension Fund of Peoria	Firemen's Pension Fund of Peoria	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 10,787	\$ 4,570,605	\$ 4,581,392
Receivables:			
Plan Members' Contributions	50,646	45,898	96,544
Accrued Interest and Dividends	367,905	292,118	660,023
Total Receivables	<u>418,551</u>	<u>338,016</u>	<u>756,567</u>
Other Assets, Prepaids	9,868	6,461	16,329
Investments, at Fair Value:			
Money Market Mutual Funds	9,047,753	1,352,053	10,399,806
Certificates of Deposit	517,863	-	517,863
U.S. Government Obligations	15,659,475	8,753,749	24,413,224
U.S. Government Agencies	4,991,438	8,399,635	13,391,073
State and Local Obligations	455,496	913,403	1,368,899
Mutual Funds	88,605,395	66,878,043	155,483,438
Corporate Bonds	29,679,403	24,100,288	53,779,691
Stocks	8,112,102	24,446,981	32,559,083
Insurance Contracts	14,558,684	-	14,558,684
Total Investments, at Fair Value	<u>171,627,609</u>	<u>134,844,152</u>	<u>306,471,761</u>
Total Assets	172,066,815	139,759,234	311,826,049
<b>LIABILITIES</b>			
Accounts Payable	<u>59,819</u>	<u>52,379</u>	<u>112,198</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 172,006,996</u>	<u>\$ 139,706,855</u>	<u>\$ 311,713,851</u>

**CITY OF PEORIA, ILLINOIS  
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED DECEMBER 31, 2017**

	Police Pension Fund of Peoria	Firemen's Pension Fund of Peoria	Total
<b>ADDITIONS</b>			
Contributions:			
Plan Members' Contributions	\$ 1,998,259	\$ 1,668,055	\$ 3,666,314
Employer Contributions	9,035,019	8,398,175	17,433,194
Other Income	2,094	2,696	4,790
Total Contributions	<u>11,035,372</u>	<u>10,068,926</u>	<u>21,104,298</u>
Investment Income:			
Net Appreciation in Fair Value of Investments	17,987,678	14,887,207	32,874,885
Dividends	2,210,964	1,972,418	4,183,382
Interest	1,464,264	1,362,554	2,826,818
Total Investment Income	<u>21,662,906</u>	<u>18,222,179</u>	<u>39,885,085</u>
Less: Investment Expenses	<u>(328,882)</u>	<u>(314,490)</u>	<u>(643,372)</u>
Net Investment Income	<u>21,334,024</u>	<u>17,907,689</u>	<u>39,241,713</u>
Total Additions	32,369,396	27,976,615	60,346,011
<b>DEDUCTIONS</b>			
Benefits Paid	15,491,027	12,981,841	28,472,868
Administrative Expenses	252,049	179,385	431,434
Total Deductions	<u>15,743,076</u>	<u>13,161,226</u>	<u>28,904,302</u>
<b>NET INCREASE</b>	16,626,320	14,815,389	31,441,709
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
Beginning of Year	<u>155,380,676</u>	<u>124,891,466</u>	<u>280,272,142</u>
End of Year	<u>\$ 172,006,996</u>	<u>\$ 139,706,855</u>	<u>\$ 311,713,851</u>

**CITY OF PEORIA, ILLINOIS  
STATISTICAL SECTION (UNAUDITED)  
CONTENTS**

Contents	Pages
<p><b>Financial Trends: Tables I - IV</b>            These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.</p>	<p><b>192 - 202</b></p>
<p><b>Revenue Capacity: Tables V - IX</b>            These schedules contain information to help the reader assess two primary revenue sources for the City: a) property taxes b) taxable sales.</p>	<p><b>203 - 208</b></p>
<p><b>Debt Capacity: Tables X - XIII</b>            These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</p>	<p><b>209 - 213</b></p>
<p><b>Demographic and Economic Information: Tables XIV - XV</b>            These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	<p><b>214 - 215</b></p>
<p><b>Operating Information: Tables XVI - XVIII</b>            These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	<p><b>216 - 219</b></p>
<p><b>Glossary of Terms in Statistical Section</b></p>	<p><b>220 - 223</b></p>

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**Sources:**

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

**GASB Statement 34 Implementation:**

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

**GASB Statement 54 Implementation:**

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

**CITY OF PEORIA, ILLINOIS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year		
	2008	2009	2010 Restated
Governmental activities/primary government:			
Net investment in capital assets	\$ 194,265,042	\$ 177,077,761	\$ 184,710,991
Restricted	75,633,071	63,707,057	36,374,406
Unrestricted	(151,816,167)	(138,035,376)	(103,672,054)
<b>Total governmental activities/primary government net position</b>	<b>\$ 118,081,946</b>	<b>\$ 102,749,442</b>	<b>\$ 117,413,343</b>

**Source:** City of Peoria comprehensive annual financial reports for fiscal years 2008 through 2017.

**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.

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:**

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.

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.

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.

2015 Net Position:

In 2016, the City recorded prior period adjustments producing a \$1,652,525 increase in December 31, 2015 net position. These adjustments were to move capital related expenditures and revenue between the State MFT fund and the Capital Improvements Fund. Also, deferred charge on refundings was restated.

**Business-Type Activities:**

The City has no business-type activities.

**TABLE I**

							Fiscal Year	
2011	2012	2013	2014	2015	2016	2017		
Restated			Restated	Restated				
\$ 186,383,801	\$ 191,648,334	\$ 210,260,982	\$ 231,881,361	\$ 236,299,594	\$ 243,466,295	<b>\$ 247,967,442</b>		
23,938,124	31,880,396	26,059,338	22,307,050	22,029,340	19,332,432	<b>19,169,572</b>		
(73,918,356)	(96,661,910)	(111,474,073)	(342,238,330)	(381,255,279)	(422,374,151)	<b>(454,430,458)</b>		
<b>\$ 136,403,569</b>	<b>\$ 126,866,820</b>	<b>\$ 124,846,247</b>	<b>\$ (88,049,919)</b>	<b>\$ (122,926,345)</b>	<b>\$ (159,575,424)</b>	<b>\$ (187,293,444)</b>		

**CITY OF PEORIA, ILLINOIS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year		
	2008	2009	2010 Restated
<b>Expenses</b>			
Governmental activities:			
Elected Offices, Boards, Commissions, and Agencies	\$ 2,118,174	\$ 2,177,766	\$ 1,807,517
City Administration	8,185,595	8,197,849	4,649,988
Police	37,876,713	36,273,295	36,717,097
Fire	28,353,632	31,575,786	31,747,002
Public Works	28,535,894	30,208,619	24,460,125
Community Development	14,753,676	14,723,262	17,055,003
Public Safety	10,196,053	10,768,011	10,265,084
General Government	19,793,924	16,545,136	23,810,131
Library	9,882,250	11,308,891	9,284,492
Interest on Long-Term Debt	7,468,578	8,844,508	8,316,083
<b>Total governmental activities/primary government expenses</b>	<b>\$ 167,164,489</b>	<b>\$ 170,623,123</b>	<b>\$ 168,112,522</b>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
Elected offices, boards, commissions, and agencies	\$ -	\$ -	\$ -
City administration	-	-	-
Police	839,168	558,810	597,217
Fire	709,022	564,471	511,084
Public works	5,546,259	5,229,957	4,970,342
Community development	-	-	-
Public safety	3,921,530	2,792,610	2,594,265
General government	11,839,748	11,951,363	15,374,543
Library	128,679	129,540	98,307
Operating grants and contributions:			
Elected offices, boards, commissions, and agencies	-	-	-
City administration	-	-	-
Police	805,850	786,354	1,155,061
Fire	257,520	186,799	254,738
Public works	4,999	-	-
Community development	6,436,062	8,810,036	10,822,497
Public safety	-	-	-
General government	-	-	-
Library	65,283	51,760	82,199
Capital grants and contributions			
Elected offices, boards, commissions, and agencies	-	-	-
City administration	-	-	-
Police	-	-	-
Fire	-	-	-
Public works	-	186,166	517,220
Community development	13,333	10,000	5,000
Public safety	-	124,693	579,939
General government	7,385,886	1,121,888	8,712,785
Library	143,026	160,220	105,477
<b>Total governmental activities/primary government program revenues</b>	<b>38,096,365</b>	<b>32,664,667</b>	<b>46,380,674</b>
<b>Net (expense) revenue:</b>			
<b>Total governmental activities/primary government net expense</b>	<b>\$ (129,068,124)</b>	<b>\$ (137,958,456)</b>	<b>\$ (121,731,848)</b>

(Continued)

TABLE II

							Fiscal Year	
2011	2012	2013	2014	2015	2016	2017		
Restated			Restated	Restated				
\$ 2,038,876	\$ 1,882,152	\$ 2,276,126	\$ 2,128,498	\$ 2,335,352	\$ 2,031,343	\$ 3,541,797		
3,389,721	6,843,305	6,787,260	6,132,866	7,481,096	9,455,331	9,047,060		
38,335,139	38,516,002	43,174,401	42,634,035	56,819,398	59,420,246	50,047,993		
32,400,123	32,080,101	33,400,729	35,378,534	40,529,566	50,781,926	40,256,945		
24,073,194	30,999,642	36,101,530	38,186,520	39,156,002	41,785,670	44,072,091		
17,018,270	12,420,353	13,378,793	8,507,556	9,544,855	12,593,708	10,118,091		
7,778,795	5,829,511	5,910,780	4,224,466	6,257,645	7,062,559	7,474,649		
22,512,282	30,812,306	24,494,522	13,045,363	22,612,339	11,488,235	15,895,569		
11,059,026	11,362,496	9,972,628	8,810,410	9,642,742	9,565,930	10,022,344		
9,493,691	10,107,766	10,415,956	10,136,289	8,277,949	6,794,449	6,662,513		
<b>\$ 168,099,117</b>	<b>\$ 180,853,634</b>	<b>\$ 185,912,725</b>	<b>\$ 169,184,537</b>	<b>\$ 202,656,944</b>	<b>\$ 210,979,397</b>	<b>\$ 197,139,052</b>		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
-	-	-	-	-	3,106	-		
605,675	698,323	540,538	489,498	429,384	496,180	730,567		
501,192	493,568	412,896	436,789	437,800	383,803	410,897		
5,060,544	11,587,937	12,317,497	12,431,860	13,082,006	11,239,321	11,181,272		
-	-	-	-	129,169	10,541	94,134		
2,377,782	2,309,697	1,818,083	2,711,396	2,230,107	2,646,898	2,964,588		
11,966,230	5,249,428	4,389,254	5,515,593	4,705,147	6,804,388	5,791,810		
119,577	128,276	135,705	138,197	124,750	2,483,002	2,353,934		
-	-	-	-	293,078	992	-		
-	-	-	-	-	408,250	330,202		
1,980,971	3,347,777	3,003,709	691,508	364,881	664,852	515,516		
524,903	1,034,717	782,030	241,064	355,209	389,175	255,888		
-	-	30,155	400,461	613,862	3,920,330	2,173,693		
8,649,820	6,063,515	3,126,109	2,188,338	2,375,179	1,842,844	1,788,238		
-	-	-	-	4,352	46,674	146,491		
2,248,247	1,222,559	2,728,878	3,698,686	-	180,295	-		
100,553	42,223	16,225	26,981	17,520	37,092	50,338		
-	-	-	-	-	-	-		
-	-	-	-	-	-	-		
-	-	-	-	-	-	-		
98,882	-	-	-	-	-	-		
671,303	26,226	13,656,601	362,896	3,365,835	707,321	1,902,475		
5,000	-	-	-	-	46,460	30,385		
324,942	33,655	-	-	-	-	-		
16,677,425	2,110,191	4,520,380	6,068,356	4,982,329	-	-		
139,147	117,940	118,187	143,759	143,521	88,891	-		
<b>52,052,192</b>	<b>34,466,032</b>	<b>51,202,462</b>	<b>35,545,383</b>	<b>33,654,129</b>	<b>32,400,415</b>	<b>30,720,428</b>		
<b>\$ (116,046,924)</b>	<b>\$ (146,387,602)</b>	<b>\$ (134,710,263)</b>	<b>\$ (133,639,155)</b>	<b>\$ (169,002,815)</b>	<b>\$ (178,578,982)</b>	<b>\$ (166,418,624)</b>		

**TABLE II (CONTINUED)**

	Fiscal Year		
	2008	2009	2010 Restated
<b>General Revenues and Other Changes in Net Position:</b>			
Governmental activities/primary government:			
Taxes:			
Property taxes	\$ 29,047,046	\$ 32,964,520	\$ 34,408,536
Corporate personal property replacement taxes	7,690,109	6,777,042	7,116,213
State sales taxes, unrestricted	23,807,678	21,951,915	22,983,019
State income tax allocation, unrestricted	11,456,986	9,848,758	9,473,829
Home rule sales taxes	23,100,548	21,074,331	21,750,896
Special Service Area Sales Taxes	-	-	-
Hotel, restaurant and amusement taxes	8,253,017	7,640,779	7,913,576
Motor fuel taxes	4,090,305	3,925,693	3,977,971
Gaming revenue	3,594,362	3,528,968	3,536,729
Utility taxes	8,629,442	8,406,435	9,535,439
Grants and contributions not restricted to specific programs	115,379	2,403	7,334
Interest/Investment Income	2,384,392	1,053,232	1,125,035
Franchise Fees, based on gross receipts	2,306,679	2,249,178	2,178,794
Other	7,315,068	3,202,698	3,480,454
<b>Total governmental activities/primary government</b>	<b>\$ 131,791,011</b>	<b>\$ 122,625,952</b>	<b>\$ 127,487,825</b>
<b>Change in net position:</b>			
<b>Total governmental activities/primary government</b>	<b>\$ 2,722,887</b>	<b>\$ (15,332,504)</b>	<b>\$ 5,755,977</b>

**Source:** City of Peoria comprehensive annual financial reports for fiscal years 2008 through 2017.

**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.

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:**

2011 Beginning Net Position:

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

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.

2015 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 (CONTINUED)**

		Fiscal Year					
2011		2012	2013	2014	2015	2016	2017
Restated				Restated	Restated		
\$	35,411,598	\$ 34,953,409	\$ 35,044,553	\$ 34,119,990	\$ 31,563,865	\$ 36,360,562	\$ 37,908,061
	6,663,610	6,438,641	7,366,584	7,156,827	6,849,754	7,048,472	7,814,322
	23,425,790	24,637,340	23,764,815	23,960,185	24,634,202	24,505,549	24,039,610
	9,252,638	10,196,314	11,090,291	10,891,399	12,435,605	11,048,815	10,448,336
	22,662,416	22,898,395	22,336,809	21,961,547	22,203,898	23,621,957	24,115,810
	-	-	-	-	-	763	28,991
	8,514,746	8,695,857	8,819,495	8,980,044	9,230,491	10,564,482	10,502,371
	3,755,406	3,616,662	3,605,215	3,676,930	3,654,898	5,090,893	4,924,391
	3,492,315	3,510,234	3,353,151	3,162,509	3,157,614	2,991,308	2,905,249
	12,026,499	12,269,259	12,050,962	12,035,216	11,188,083	10,766,282	10,812,482
	2,968,278	12,311	95,427	155,528	993,780	-	-
	2,156,553	2,627,602	1,217,095	-	561,728	471,322	706,279
	2,290,351	2,474,896	2,354,192	2,299,617	3,267,973	166,317	88,480
	2,416,950	6,762,301	5,196,316	8,655,476	4,384,498	7,640,656	4,406,222
\$	135,037,150	\$ 139,093,222	\$ 132,689,690	\$ 137,055,267	\$ 134,126,389	\$ 140,277,378	\$ 138,700,604
\$	18,990,225	\$ (7,294,379)	\$ (2,020,573)	\$ 3,416,113	\$ (34,876,426)	\$ (38,301,604)	\$ (27,718,020)

**CITY OF PEORIA, ILLINOIS**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	Fiscal Year		
	2008	2009	2010
General Fund:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Reserved	8,704,989	8,371,893	8,103,056
Unreserved - Designated	12,828,231	12,847,709	12,859,791
Unreserved - Undesignated	11,078,502	4,595,390	4,371,850
<b>Total General Fund</b>	<b>\$ 32,611,722</b>	<b>\$ 25,814,992</b>	<b>\$ 25,334,697</b>
All Other Governmental Funds:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Reserved	26,265,107	25,208,159	47,103,244
Unreserved - Designated, reported in:			
Special Revenue Funds	1,665,130	2,002,018	1,961,529
Capital Project Funds	32,740,696	26,235,774	19,684,749
Unreserved - Undesignated, reported in:			
Special Revenue Funds	1,731,009	1,818,615	1,382,947
Debt Service Funds	-	-	-
Capital Project Funds	10,948,360	5,390,826	5,025,196
<b>Total All Other Government Funds</b>	<b>\$ 73,350,302</b>	<b>\$ 60,655,392</b>	<b>\$ 75,157,665</b>

**Source:** City of Peoria comprehensive annual financial reports for fiscal years 2008 through 2017.

**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

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

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						
2011	2012	2013	2014	2015	2016	2017
Restated				Restated		
\$ 672,059	\$ 928,685	\$ 9,954,561	\$ 8,860,417	\$ 8,020,598	\$ 7,251,347	\$ 6,089,821
306,681	915,767	829,034	848,735	859,260	801,024	748,944
16,233,211	-	-	-	-	-	-
7,815,947	18,939,465	14,588,173	19,634,307	23,157,075	27,356,602	29,589,000
17,398,313	20,316,688	17,212,339	17,332,816	15,880,492	9,341,598	2,882,276
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>\$ 42,426,211</b>	<b>\$ 41,100,605</b>	<b>\$ 42,584,107</b>	<b>\$ 46,676,275</b>	<b>\$ 47,917,425</b>	<b>\$ 44,750,571</b>	<b>\$ 39,310,041</b>
\$ 439,196	\$ 498,803	\$ 516,905	\$ 523,863	\$ 521,848	\$ 1,420,699	\$ 563,896
62,094,179	87,695,699	74,592,284	25,730,915	21,018,792	20,010,653	17,489,398
-	-	-	-	-	-	-
15,650,492	10,572,062	7,656,615	968,520	-	6	19
(2,083,145)	(770,426)	(9,302,137)	(9,734,488)	(14,348,130)	(17,516,239)	(21,685,022)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>\$ 76,100,721</b>	<b>\$ 97,996,138</b>	<b>\$ 73,463,667</b>	<b>\$ 17,488,810</b>	<b>\$ 7,192,510</b>	<b>\$ 3,915,119</b>	<b>\$ (3,631,709)</b>

**CITY OF PEORIA, ILLINOIS**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	Fiscal Year		
	2008	2009	2010
Revenues:			
Taxes	\$ 112,840,425	\$ 110,789,222	\$ 114,596,444
Gaming revenue	3,594,362	764,720	3,536,729
Governmental grants and reimbursements	12,798,543	13,087,732	21,927,936
Licenses and Permits	3,374,273	2,048,933	2,516,900
Charges for services	21,916,812	21,426,996	20,069,485
Special assessments	359,175	466,684	778,741
Loan repayments	327,345	154,784	150,998
Interest	2,364,386	1,039,034	1,119,080
Other	5,764,935	3,164,042	3,255,681
<b>Total Revenues</b>	<b>\$ 163,340,256</b>	<b>\$ 152,942,147</b>	<b>\$ 167,951,994</b>
Expenditures:			
Elected offices, boards, commissions, agencies	1,962,117	2,064,338	1,987,560
City administration	7,682,868	7,758,944	7,657,199
Police	35,794,392	35,105,004	34,014,508
Fire	26,125,716	27,796,965	27,463,584
Public works	26,812,501	28,156,412	23,090,210
Community development	13,672,424	13,818,411	15,680,834
Public safety	9,285,483	9,932,649	9,570,742
General government	8,549,659	10,286,382	13,624,131
Library	7,011,868	7,249,289	6,916,950
Capital outlay	22,400,879	17,812,988	38,538,261
Debt service:			
Principal	8,618,657	8,676,500	8,724,038
Interest	8,356,302	9,334,280	8,787,893
<b>Total Expenditures</b>	<b>\$ 176,272,866</b>	<b>\$ 177,992,162</b>	<b>\$ 196,055,910</b>
<b>Excess of Revenues (under) Expenditures</b>	<b>(12,932,610)</b>	<b>(25,050,015)</b>	<b>(28,103,916)</b>
Other Financing Sources (Uses):			
Proceeds from issuance of bonds	28,000,000	17,645,000	43,715,000
Premium on issued bonds	798,013	250,876	2,119,576
Payment to refunding bond escrow agent	-	(17,665,354)	(3,836,533)
Proceeds from sale of property	87,360	8,275	127,851
New loan proceeds	-	5,319,578	-
Insurance proceeds	-	-	-
Transfers in	28,416,782	21,422,476	26,081,501
Transfers out	(28,416,782)	(21,422,476)	(26,081,501)
<b>Total Other Financing Sources (Uses)</b>	<b>28,885,373</b>	<b>5,558,375</b>	<b>42,125,894</b>
<b>Net Change in Fund Balances</b>	<b>\$ 15,952,763</b>	<b>\$ (19,491,640)</b>	<b>\$ 14,021,978</b>
Debt service as a percentage of noncapital expenditures	11.0%	11.2%	11.1%

**Source:** City of Peoria comprehensive annual financial reports for fiscal years 2008 through 2017.

**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											
		2011	2012	2013	2014	2015	2016	2017					
Restated													
\$	118,158,046	\$	121,358,799	\$	122,154,688	\$	119,909,506	\$	118,937,378	\$	126,079,624	\$	130,594,374
	3,492,315		3,510,234		3,229,684		2,849,342		3,157,614		2,991,308		2,905,249
	33,323,459		14,721,653		17,023,909		16,892,815		15,215,169		7,460,038		4,808,917
	2,597,899		2,408,440		1,942,447		2,138,718		2,684,807		3,324,158		2,726,798
	19,543,740		18,339,319		18,223,694		19,142,846		18,879,103		21,184,964		22,616,237
	185,749		359,132		(25,984)		107,033		-		166,317		88,480
	154,868		232,259		155,223		616,905		1,123,346		165,844		105,768
	2,302,857		2,569,959		1,170,248		861,617		372,534		452,452		692,911
	5,658,012		6,726,287		5,392,587		7,737,697		5,472,375		3,696,616		3,123,549
\$	185,416,945	\$	170,226,082	\$	169,266,496	\$	170,256,479	\$	165,842,326	\$	165,521,321	\$	167,662,283
	1,937,261		2,047,017		2,295,478		2,091,400		1,752,902		1,770,595		1,607,254
	3,360,440		6,862,338		6,716,345		5,989,729		7,037,490		8,782,208		7,925,293
	35,801,837		34,989,102		38,190,758		37,343,061		38,406,314		39,592,544		40,707,881
	29,734,147		27,666,439		29,753,246		28,954,466		31,236,602		31,045,550		33,250,557
	23,439,561		19,543,226		24,476,899		23,842,646		24,160,952		25,804,465		26,483,806
	16,723,085		12,438,977		12,441,478		8,075,891		9,405,927		12,194,370		9,304,163
	7,761,710		5,753,224		7,128,150		5,717,578		5,751,344		6,547,796		7,679,461
	10,475,320		32,077,467		18,920,621		7,951,195		15,014,787		5,216,325		3,768,445
	8,814,034		7,680,877		8,119,596		6,785,264		7,091,049		6,812,192		7,404,482
	23,671,645		22,638,689		31,222,632		35,068,703		23,480,437		21,771,696		20,548,190
	10,072,238		11,072,123		12,178,913		71,801,662		13,423,822		12,948,245		14,198,279
	10,088,401		10,757,611		10,998,273		11,171,810		7,935,515		8,247,533		7,853,754
\$	181,879,679	\$	193,527,090	\$	202,442,389	\$	244,793,405	\$	184,697,141	\$	180,733,519	\$	180,731,565
	3,537,266		(23,301,008)		(33,175,893)		(74,536,926)		(18,854,815)		(15,212,198)		(13,069,282)
	9,350,000		46,150,000		16,920,000		21,405,000		34,595,000		31,850,000		-
	646,087		283,771		347,535		1,245,865		2,534,007		3,049,549		-
	(4,064,361)		-		(7,046,086)		-		(27,337,141)		(25,691,583)		-
	195,925		437,048		5,475		3,371		7,800		3,100		25,200
	-		-		-		-		-		-		-
	-		-		-		-		-		-		56,724
	25,101,415		30,469,594		25,282,277		27,596,312		27,333,494		29,355,164		28,355,357
	(25,101,415)		(33,569,594)		(25,282,277)		(27,596,312)		(27,333,494)		(29,355,164)		(28,355,357)
	6,127,651		43,770,819		10,226,924		22,654,236		9,799,666		9,211,066		81,924
\$	9,664,917	\$	20,469,811	\$	(22,948,969)	\$	(51,882,690)	\$	(9,055,149)	\$	(6,001,132)	\$	(12,987,358)
	12.7%		12.8%		13.5%		39.6%		13.2%		13.3%		13.8%

**CITY OF PEORIA, ILLINOIS**  
**ASSESSED VALUE AND ESTIMATED ACTUAL**  
**VALUE OF TAXABLE PROPERTY <sup>(1) (2) (3)</sup>**  
**LAST TEN FISCAL YEARS**  
**(DOLLARS IN THOUSANDS, EXCEPT TOTAL DIRECT TAX RATE)**  
**(UNAUDITED)**

**TABLE V**

Fiscal Year	Property Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railway Property	Total Taxable Assessed Value	% Change in Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
<b>2018</b>	<b>2017</b>	<b>1,346,920</b>	<b>709,121</b>	<b>52,828</b>	<b>1,089</b>	<b>3,660</b>	<b>2,113,618</b>	<b>0.46%</b>	<b>1.5497</b>	<b>\$ 6,341,487</b>
2017	2016	1,341,577	704,824	53,315	890	3,380	2,103,985	3.64%	1.5619	\$ 6,312,587
2016	2015	1,294,075	679,177	52,889	857	3,078	2,030,076	1.92%	1.5619	\$ 6,090,838
2015	2014	1,276,405	660,877	50,985	890	2,687	1,991,844	2.43%	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

Source: Peoria County Clerk (Tax Computation Reports)

**Notes**

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

<sup>(2)</sup> Excludes increased assessed valuation of Redevelopment Areas: Central Business District, Downtown Stadium, 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; 2016 - \$50,676,880; 2017 - \$55,338,057

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

**CITY OF PEORIA, ILLINOIS  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUATION)  
(UNAUDITED)**

		City Direct Tax Rate, By Fund								
Fiscal Year	Property Tax Levy Year	Illinois Municipal Retirement Fund			Library Obligation Bonds		Street & Bridge	Social Security	Firemer Pension Fund	Police Pension Fund
		General Fund	Bond & Interest	Retirement Fund	Library Fund	General				
<b>2018</b>	<b>2017</b>	<b>0.0178</b>	<b>0.0954</b>	<b>0.1354</b>	<b>0.3200</b>	<b>0.1069</b>	<b>0.0588</b>	<b>0.0695</b>	<b>0.3562</b>	<b>0.3897</b>
2017	2016	0.0318	0.0962	0.1438	0.3214	0.1089	0.0588	0.0887	0.3381	0.3638
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

**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**

Overlapping Rates								
<b>Total Direct Tax Rate</b>	<b>School District No.150</b>	<b>Peoria County</b>	<b>Peoria Township</b>	<b>Park District</b>	<b>Airport Authority</b>	<b>ICC Junior College</b>	<b>Mass Transit District</b>	<b>Total Tax Rate</b>
<b>1.5497</b>	<b>5.3363</b>	<b>0.8245</b>	<b>0.1493</b>	<b>0.8256</b>	<b>0.2218</b>	<b>0.4915</b>	<b>0.2418</b>	<b>9.6404</b>
1.5514	5.2829	0.8244	0.1490	0.8243	0.2152	0.4903	0.2311	9.5686
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

**CITY OF PEORIA, ILLINOIS**  
**PRINCIPAL PROPERTY TAXPAYERS** <sup>(1) (2) (3)</sup>  
**CURRENT YEAR AND NINE YEARS AGO**  
**(UNAUDITED)**

**TABLE VII**

Tax payer	2017			2008		
	(Taxable Assessed Valuation \$2,113,617,692)			(Taxable Assessed Valuation \$1,945,751,863)		
	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	\$ 24,709,970	1	1.17%	\$ 20,261,710	1	1.04%
Pere Marquette / Marriot	15,200,930	2	0.72%			
Peoria New Mall LLC (Shoppes at Grand Prairie)	15,055,040	3	0.71%	11,183,890	2	0.57%
Northwoods Development Co	9,250,660	4	0.44%	9,108,220	3	0.47%
PV Peoria LLC (Prairie Vista Apartments)	7,888,620	5	0.37%			
Willow Knolls Ltd	7,871,860	6	0.37%	7,433,350	5	0.38%
Wal-Mart Real Estate Business Trust	7,243,512	7	0.34%	7,399,520	6	0.38%
OSF Healthcare System	6,078,430	8	0.29%			
Komatsu America Corp	5,881,030	9	0.28%			
ROCO LLC (Knoxville Pointe Apartments)	5,589,250	10	0.26%			
Edward Rose Building Co.				8,071,910	4	0.41%
PMP Fermentation Products				6,892,940	7	0.35%
IMI Grand Prairie North LLC				6,092,850	8	0.31%
Gateway Taylor, Inc				5,411,780	9	0.28%
Peoria Chiefs Community Baseball Club LLC				5,389,050	10	0.28%
	<b>\$ 104,769,302</b>		<b>4.96%</b>	<b>\$ 87,245,220</b>		<b>4.48%</b>

**Source:** City of Peoria Official Bond Statements & Peoria County Assessor - Supervisor of Assessments (Top 10 Taxpayer Listing by Total Assessed Value) and City of Peoria comprehensive annual financial reports for fiscal year 2008.

**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.

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

**TABLE VIII**

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
<b>2017</b>	<b>2016</b>	<b>\$ 38,155,152</b>	<b>\$ 37,676,729</b>	<b>98.75%</b>	\$ -	<b>\$ 37,676,729</b>	<b>98.75%</b>
2016	2015	36,598,047	36,329,376	99.27%	-	\$ 36,329,376	99.27%
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%

**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.

**CITY OF PEORIA, ILLINOIS  
TAXABLE SALES BY CATEGORY  
LAST TEN CALENDAR YEARS  
(DOLLARS IN THOUSANDS)  
(UNAUDITED)**

**TABLE IX**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Merchandise	\$ 391,718	\$ 380,143	\$ 378,851	\$ 348,278	\$ 383,073	\$ 349,304	\$ 339,363	\$ 329,893	\$ 257,177	\$ 236,452
Food	214,735	222,521	229,184	269,468	279,978	281,002	288,103	300,296	364,690	364,748
Drinking and Eating Places	226,676	218,259	225,876	234,314	239,747	240,392	241,465	253,485	251,558	244,490
Apparel	99,906	89,305	92,305	124,771	97,425	95,815	91,117	90,673	92,117	90,534
Furniture, H.H., and Radio	167,054	147,190	144,841	143,882	142,295	135,458	128,024	135,063	133,250	126,276
Lumber, Bldg, Hardware	130,046	117,211	115,644	113,695	116,716	118,969	123,666	123,722	122,180	117,421
Automotive and Filling Stations	411,187	368,643	402,814	399,213	486,041	430,288	436,073	447,140	435,202	440,099
Drugs & Miscellaneous Retail	255,395	253,201	274,731	284,326	287,762	283,856	277,988	276,043	275,689	272,047
Agriculture and All Others	251,212	193,786	205,011	192,551	190,707	180,397	186,418	183,026	184,448	186,452
Manufacturers	31,985	30,331	37,810	40,946	39,726	45,924	48,118	56,141	42,868	17,772
<b>Total</b>	<b>\$ 2,179,916</b>	<b>\$ 2,020,591</b>	<b>\$ 2,107,068</b>	<b>\$ 2,151,445</b>	<b>\$ 2,263,469</b>	<b>\$ 2,161,406</b>	<b>\$ 2,160,334</b>	<b>\$ 2,195,482</b>	<b>\$ 2,159,179</b>	<b>\$ 2,096,292</b>
City direct sales tax rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%
Number of Taxpayers	2,582	2,446	2,490	2,452	2,417	2,418	2,318	2,351	2,333	2,328

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

**Notes:**

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

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.

Effective July 1, 2016, the City's Home Rule Sales Tax Rate was increased from 1.50% to 1.75%.

**CITY OF PEORIA, ILLINOIS**  
**RATIOS OF OUTSTANDING DEBT BY TYPE** <sup>(1) (2)</sup>  
**LAST TEN FISCAL YEARS**  
**(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)**  
**(UNAUDITED)**

**TABLE X**

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	Bond Premium	Total Outstanding Debt			
2017	\$ 165,775	\$ 5,000	\$ -	\$ 994	\$ 5,624	177,393	8.74%	5.48%	1,532
2016	178,705	5,676	525	1,061	6,954	192,921	9.69%	6.03%	1,666
2015	184,460	4,395	1,080	1,126	5,817	196,878	9.88%	5.94%	1,700
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

**Source:**

City of Peoria comprehensive annual financial reports for the fiscal years 2008 through 2017.

**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.

**Business-Type Activities:**

The City has no business-type activities.

**CITY OF PEORIA, ILLINOIS**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)**  
**(UNAUDITED)**

**TABLE XI**

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					
2017	115,828	2,113,618	171,399	\$ 7,867	163,532	7.74%	1,411.85	\$211,362	\$30,485	180,877
2016	115,828	2,103,985	185,659	9,446	176,213	8.38%	1,521.33	210,399	37,370	173,029
2015	115,828 <sup>(2)</sup>	2,030,076	190,277	8,437	181,840	8.96%	1,569.92	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	238,090	50,732	191,633	9.85%	1,666.27	194,456	24,865	169,591
2012	115,007	1,968,374	239,220	55,050	184,170	9.36%	1,601.38	196,837	25,845	170,992
2011	115,007	1,992,981	203,270	43,772	159,498	8.00%	1,386.85	199,298	26,685	172,613
2010	115,007 <sup>(1)</sup>	2,012,057	207,450	37,164	170,286	8.46%	1,480.66	201,206	27,400	173,806
2009	121,170	1,983,655	174,115	16,333	157,782	7.95%	1,302.15	198,365	28,000	170,365
2008	121,170	1,945,752	181,175	17,844	163,331	8.39%	1,347.95	194,575	28,000	166,575

**Notes:**

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

<sup>(1)</sup> Includes 6,163 population decrease identified during 2010 United States Census

<sup>(2)</sup> From the Economic Development Council for Central Illinois website [[www.greaterpeoriaedc.org](http://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 2016:**

Assessed Value (from County Report)	\$2,113,618
Debt Limit (10% of assessed value)	211,362
Debt Applicable to Limit	
General Obligation Bonds	171,399
Less: Amount set aside for repayment of GO Debt	(7,867)
Gross Total Debt Applicable to Limit	<u>163,532</u>
Less: Debt With Alternative Repayment Sources	(133,047)
Net Total Debt Applicable to Limit	<u>30,485</u>
Legal Debt Margin	<u><u>\$180,877</u></u>

**CITY OF PEORIA, ILLINOIS**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT** <sup>(1)</sup>  
**DECEMBER 31, 2017**  
**(UNAUDITED)**

**TABLE XII**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable To City	City's Estimated Share of Overlapping Debt
County of Peoria	\$ 67,735,000	60.33%	\$ 40,864,393
Greater Peoria Airport Authority	43,463,000	54.77%	23,806,344
Pleasure Driveway and Park District	1,975,000	95.63%	1,888,694
Weaverridge Special Service Area	-		-
School District No. 62, Pleasant Valley	250,000	44.49%	111,230
School District No. 150, City of Peoria	127,250,039	97.71%	124,341,777
School District No. 310, Limestone	3,090,000	6.18%	191,000
School District No. 321, Chillicothe IVC	8,669,164	1.56%	135,603
School District No. 323, Dunlap	45,455,000	87.53%	39,786,324
School District No. 325, Peoria Heights	5,480,000	11.06%	606,249
School District No. 514, Illinois Central College	29,770,000	29.15%	8,679,290
<b>Subtotal - Overlapping Debt</b>	<b>333,137,203</b>		<b>240,410,903</b>
City of Peoria Direct Debt	177,392,720	100.00%	177,392,720
<b>Total Direct and Overlapping Debt</b>	<b>\$ 510,529,923</b>		<b>\$ 417,803,623</b>

**Sources:** City of Peoria Official Bond Statements for Series 2018A General Obligation 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, ILLINOIS  
 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	
2017	-	-	-	-	-	-	-	N/A
2016	-	-	-	-	-	-	-	N/A
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

Local Motor Fuel Tax Revenue Bonds

Fiscal Year	Local Motor Fuel Tax Revenue	Net Available Revenue	Debt Service		Coverage
			Principal	Interest	
2017	\$ 1,991	1,991	\$ 265	\$ 50	6.32
2016	2,163	2,163	260	55	6.87
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	-	-	-	-	-

**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

The City increased Local Motor Fuel Tax from \$.02 to \$.05 effective 01/01/2016.

**TABLE XIII**

Special Assessment Bonds								
Special Assessment Collections	Capitalized Interest	Pledged Property Taxes	Interest Revenue	Net Available Revenue	Debt Service		Coverage	
					Principal	Interest		
<b>\$ 93</b>	-	<b>\$ 313</b>	<b>\$ 44</b>	<b>450</b>	<b>\$ 411</b>	<b>\$ 220</b>	<b>0.71</b>	
105	-	366	56	527	399	241	0.82	
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	

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

**TABLE XIV**

Fiscal Year Ended December 31	Population <sup>(1)</sup>	Personal Income (Thousands)	Per Capita Personal Income <sup>(5)</sup>	Median Age <sup>(4)</sup>	School Enrollment <sup>(2)</sup>	Unemployment Rate <sup>(3)</sup>
<b>2017</b>	<b>114,265</b>	<b>3,235,528</b>	<b>\$ 28,316</b>	<b>38.7</b>	<b>13,278</b>	<b>5.9%</b>
2016	114,265	3,180,795	27,837	38.7	13,297	7.0%
2015	115,007	3,201,450	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%

**Sources:**

<sup>(1)</sup> Special Census Data for 2008 - 2009; United States Census Data for 2010 - 2015;  
United States Census Date [www.census.gov/quickfacts] for 2016 - 2017.

<sup>(2)</sup> Peoria School District # 150 Illinois Report Card

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

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

<sup>(5)</sup> Per Capita Income from the Economic Development Council for Central Illinois website [www.greaterpeoriaedc.org];  
United States Census Date [www.census.gov/quickfacts] for 2017.

**CITY OF PEORIA, ILLINOIS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

**TABLE XV**

Employee Ranges	2017 Employer	2008 Employer
More Than 15,000 Employees	Caterpillar Tractor Company	Caterpillar Tractor Company
More than 1,500 Employees	Bradley University HGS (fka: Affina, LLC) OSF St. Francis Medical Center Peoria School District No. 150 Unity Point Methodist	Methodist Medical Center OSF St. Francis Medical Center Peoria School District No. 150
1,000 to 1,500 Employees	Illinois Central College Keystone Steel and Wire Company Peoria Air Guard 182nd Airlift Wing Proctor Hospital Advanced Technology Services	Bradley University County of Peoria Peoria Air Guard 182nd Airlift Wing
500 to 1,000 Employees	AmerenCILCO Belcan Corporation Citizens Equity Federal Credit Union (CEFCU) City of Peoria County of Peoria Hy-Vee Komatsu Mining Systems Kroger Lowes National Center of Agriculture Research University of Illinois US Postal Service Vonachon Services Inc Wal-Mart Stores	HGS (fka: Affina, LLC) Advanced Technology Services AmerenCILCO Keystone Steel and Wire Company Citizens Equity Federal Credit Union (CEFCU) City 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](http://greaterpeoriaedc.org))  
and City of Peoria comprehensive annual financial reports for fiscal year 2008.

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

**TABLE XVI**

<u>Function/Program</u>	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Elected Offices, Commissions &amp; Agencies</b>										
City Council	1	1	1	1	1	1	1	1	1	1
City Clerk	4	4	4	4	4	4	4	4	4	4
City Treasurer	6	6	6	6	6	6	6	6	6	6
Election Commission	3	3	3	3	3	3	3	0	0	0
<b>City Administration</b>										
City Manager	8	7	11	9	6	4	4	10	10	10
Finance	19	19	18	17	14	14	14	15	15	15
Human Resources	6	6	6	6	6	6	6	6	6	6
Information Systems	18	18	18	17	13	14	14	14	13	13
Legal	8	8	8	8	7	7	7	7	7	9
Police	290	290	256	247	243	248	254	254	257	257
Fire	216	216	214	207	211	211	211	212	213	214
Public Works	106	105	97	97	80	80	79	85	84	90
<b>Community Development</b>										
Economic Development	5	5	0	3	1	3	3	0	0	0
Planning and Growth Management	19	19	18	18	12	14	14	14	15	15
YouthBuild (Workforce Development)	14	19	19	19	9	1	1	1	0	0
<b>Public Safety</b>										
Inspection Services	50	50	43	11	20	20	20	23	23	23
Emergency Services	41	40	38	36	36	36	36	36	36	36
Library	74	72	67	74	86	83	84	73	73	73
<b>Total</b>	<b>888</b>	<b>888</b>	<b>827</b>	<b>783</b>	<b>758</b>	<b>755</b>	<b>761</b>	<b>761</b>	<b>763</b>	<b>772</b>

**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.

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

Function/Program	Fiscal Year			
	2008	2009	2010	2011
<b>Police:</b>				
Total Number of Calls For Service	82,656	81,144	78,815	78,619
Total Number of Arrests	9,393	8,425	7,463	7,074
–Adult arrest - Misdemeanor and Felony	8,686	7,765	6,739	6,505
–Juvenile arrest - Misdemeanor and Felony	707	660	724	569
Property Crime	4,907	5,518	5,286	5,573
Traffic Violations	30,195	23,480	20,611	20,130
Total Parking Violations	22,971	18,460	16,616	16,206
–Peoria Police Department	3,518	1,900	1,403	1,247
–Peoria Parking Enforcement	19,453	16,560	15,213	14,959
Number of Commissioned Police Officers	250	250	217	214
<b>Fire:</b>				
Total Number of Alarms	14,726	16,159	16,752	17,733
–Fire Calls	528	646	654	651
–Emergency Medical Services	9,737	11,317	12,222	14,013
–Hazardous Materials Calls	358	422	432	270
–Rescue or Other Calls	4,103	3,774	3,444	2,799
Total Number of Inspections	3,546	3,397	1,935	3,030
–Fire and Life Safety	2,804	2,577	1,125	2,207
–Hazardous Materials	742	820	810	823
Number of Commissioned Firefighters	206	205	199	201
<b>Public Works:</b>				
# Parking Decks & Lots Maintained	13	21	21	21
Street Resurfacing (# Linear Miles)	82	33	0	0
Storm Sewer Maintenance (# Linear Feet)	450	250	394	185
# Street Signs & Signals Maintenance Calls	8,525	8,605	8,700	8,700
<b>Inspections:</b>				
# Construction Permits Issued (1)	282	162	176	204
<b>Library:</b>				
Number of Materials Loaned	848,604	891,905	819,192	1,070,264
Door Count	561,369	589,979	405,712	473,462
Computer Usage	97,153	104,031	49,476	89,657

**Source:** City Departments and Annual Budget Documents; City of Peoria's internet website ([www.ci.peoria.il.us](http://www.ci.peoria.il.us))

**Note:** Operating indicators selectively provided for the four largest City operating departments and the Peoria Public Library.

In April 2010, the South Side Library Branch was closed.

**Related Supplemental Data:**

(1) New Residential/Commercial Construction	Fiscal Year			
	2008	2009	2010	2011
Dollar Value of Construction	\$ 191,448,160	\$ 56,070,700	\$ 89,839,112	\$ 151,096,126

TABLE XVII

Fiscal Year					
2012	2013	2014	2015	2016	2017
76,337	71,040	69,125	68,789	69,743	<b>68,995</b>
7,146	5,912	6,101	5,814	5,583	<b>5,649</b>
6,708	5,577	5,634	5,321	5,229	<b>5,383</b>
438	335	467	493	354	<b>266</b>
5,137	4,544	4,968	4,545	4,550	<b>4,798</b>
17,652	15,985	13,417	12,857	9,631	<b>10,249</b>
15,812	9,709	6,699	11,497	6,327	<b>5,775</b>
1,871	1,360	1,290	1,104	686	<b>673</b>
13,941	8,349	5,409	10,393	5,641	<b>5,102</b>
214	217	224	224	229	<b>229</b>
18,118	18,344	18,648	19,094	19,552	<b>20,340</b>
702	565	539	516	585	<b>575</b>
14,369	14,625	14,679	15,420	16,053	<b>16,263</b>
259	233	264	222	237	<b>203</b>
2,788	2,921	3,166	2,936	2,677	<b>3,299</b>
2,451	2,881	2,920	2,633	2,712	<b>2,312</b>
1,456	2,148	2,361	2,034	2,057	<b>2,015</b>
995	733	559	599	655	<b>297</b>
205	207	201	196	201	<b>190</b>
24	24	24	25	25	<b>25</b>
1	1	15	31	26	<b>20</b>
300	4,650	7,200	5,037	2,785	<b>2,939</b>
13,719	1,295	1,590	1,625	1,624	<b>1,159</b>
250	177	177	147	98	<b>44</b>
1,332,637	1,326,874	1,242,037	1,099,275	1,075,331	<b>1,022,653</b>
729,668	796,253	759,889	714,726	712,414	<b>686,233</b>
111,907	124,300	113,285	105,342	96,134	<b>79,576</b>

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 79,700,283	\$ 62,323,198	\$ 67,581,585	\$ 90,372,712	\$ 36,067,900	\$ <b>101,639,000</b>

**CITY OF PEORIA, ILLINOIS  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**TABLE XVIII**

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Police:</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Sub Stations	1	1	1	1	1	1	1	1	1	1
Marked vehicles	93	92	90	92	94	95	95	95	95	<b>95</b>
Unmarked Vehicles	86	88	88	86	84	88	88	88	90	<b>90</b>
Unmarked Vehicles - TOU	30	30	30	30	30	30	30	32	38	<b>37</b>
<b>Fire:</b>										
Stations	12	12	12	12	12	12	12	12	12	<b>12</b>
Engine (Pumpers) Companies	17	17	17	17	17	17	17	17	17	<b>17</b>
Truck Companies	6	6	6	6	6	6	6	6	6	<b>6</b>
Rescue Squads	3	3	3	3	3	3	3	3	3	<b>3</b>
<b>Public Works:</b>										
Heavy-Duty Trucks (GVW 27,000-42,000)	43	44	46	45	45	45	45	45	45	<b>45</b>
Trucks (GVW 10,100- 25,000)	33	30	27	27	26	26	26	26	26	<b>26</b>
Streets (Center Lane Miles)	458	463	463	467	468	480	470	474	495	<b>495</b>
Street Lights	10,231	10,387	10,712	10,700	10,800	9,580	9,215	9,215	9,230	<b>9,272</b>
Traffic Signals / Flashers	279	280	279	256	256	263	267	271	302	<b>281</b>
<b>Library:</b>										
Facilities (including Bookmobile)	7	7	6	6	6	6	6	6	6	<b>6</b>

**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.

In April 2010, the South Side Library Branch was closed.

**CITY OF PEORIA, ILLINOIS  
STATISTICAL SECTION  
GLOSSARY OF TERMS**

**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.

**CITY OF PEORIA, ILLINOIS  
STATISTICAL SECTION  
GLOSSARY OF TERMS (CONTINUED)**

**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.

**CITY OF PEORIA, ILLINOIS  
STATISTICAL SECTION  
GLOSSARY OF TERMS (CONTINUED)**

**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.

**CITY OF PEORIA, ILLINOIS  
STATISTICAL SECTION  
GLOSSARY OF TERMS (CONTINUED)**

**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 2017 fiscal year in December 2016. Therefore, the property tax year for these levies is 2016. These taxes would be collected in calendar year 2017 during the 2017 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.

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1953 | 1966 | 1989 | 2013

**172 YEARS  
OF SERVICE TO  
OUR COMMUNITY**

**Incorporated – April 21, 1845**