

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF MOLINE, ILLINOIS**

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013

Prepared by Finance Department

CITY OF MOLINE

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Lewis J. Steinbrecher
City Administrator

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May 23, 2014

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

State law requires that all local governments publish a complete set of financial statements at the end of each fiscal year presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to this requirement, this report is published for the fiscal year ended December 31, 2013.

Responsibility for the completeness and reliability of the information contained in this report rests with the City of Moline. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

Baker Tilley Virchow Krause, Certified Public Accountants, have issued an unmodified opinion that the City of Moline's financial statements for the year ended December 31, 2013 are fairly stated. The independent auditors' report is located at the front of the Financial Section of this report.

GAAP requires 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). The City of Moline's MD&A immediately follows the report of the independent auditor's report and complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Moline, located in western Illinois between the Mississippi and Rock Rivers, was incorporated as a town in 1848 and as a city in 1872. It currently occupies 15 square miles and serves a population of 43,483. Moline and Rock Island in Rock Island County, Illinois and Bettendorf and Davenport in Scott County, Iowa make up the "Quad Cities", a metropolitan area with a population of nearly 400,000. Chicago is 175 miles to the east and Des Moines is 160 miles to the west.

The City of Moline is organized under the Council-City Administrator form of government with legislative authority vested in a City Council made up of a Mayor and eight aldermen. The Council is elected on a non-partisan basis. Seven council members are elected from wards and the remaining council member and mayor are elected at large. They all serve four year staggered terms, with four council members elected every two years. The Council appoints the City Administrator, who in turn appoints the heads of various departments and oversees the day-to-day operation of municipal services and its 423 full time equivalent employees. The City considers its employees relations to be good.

The City became a home rule unit with the adoption of the 1970 Illinois Constitution. As such, the City of Moline has no tax rate or debt limits, nor is a referendum required to authorize issuance of debt or to increase property taxes. The City is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Moline provides a full range of services, including police and fire protection; emergency medical response and sanitation collection services; the construction and maintenance of highways, streets, alleys and other infrastructure; public water and wastewater utilities; and, recreational programs and library activities.

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

Economic Activity and Outlook

The City of Moline continues to experience residential and commercial development throughout the community. Previously adopted City Council Goals, including a Strong Local Economy, a Vibrant Downtown, and Expanded Housing Opportunities, reflect the city's interest in maintaining and enhancing local growth in a variety of economic sectors. As previously undeveloped sites become harder to find, much of the community's new development is occurring in the form of infill development, redevelopment, and adaptive reuse projects. Previously successful commercial redevelopment projects have rendered favorable economic impacts on the Moline community. These benefits include generating a higher economic multiplier effect, capitalizing on existing infrastructure, and adding value to existing structures or development sites. Examples of building reuse would include the Historic Block, the Heart of America headquarters, the Caxton Building and the old Moline High School. Continued development within Moline Center include several loft conversion projects recently completed or under construction. The Philips Loft includes 18 market rate apartments and commercial space and is 100 % occupied. Berglund Flats is nearing completion and includes 24 market rate apartments and 3 commercial spaces that are occupied, including a very successful restaurant and bar. There is a waiting list for the apartments which will be completed in April. Additionally the Skinner Block Historic Buildings include plans for 24 market rate apartments. Phase III of the City's 5th Avenue redevelopment and streetscape project was completed late last year. This has been a highly successful project that has brought needed parking back to the City's Main Street and has created interest in additional retail, commercial and office users to locate in Moline Centre. The City has purchased the former John Deere Collectors Center from the Deere Foundation and will combine the property once the existing building is demolished, with a lot the City currently owns to create a new development site. A private developer has expressed interest in constructing a mixed use building which will include retail/commercial and a select or full service hotel with 100+ rooms, conference space and food service. In addition a parking deck will be constructed to serve this new development as well as the other businesses located in the vicinity.

The Bass Street Landing Project incorporates commercial and residential components unique to the Quad City area. Significant public improvements including an open “green” area, a riverfront bike/pedestrian trail, additional parking, an “active” public plaza with water features as well as significant improvements to 17th Street and River Drive have enhanced and leveraged substantial private developments. Phase II includes River Station, a Class A Office and Retail/Commercial building is now nearly 100% occupied. Phase III, KONE Centre, is a 10 story mixed use building with a construction budget exceeding \$45 million dollars, is completed and houses the North American Operational Headquarters of KONE, additional office, retail space, and luxury condominiums occupy the first and several of the upper floors. A parking deck is included to serve the building as well as provide additional parking for nearby office, retail and entertainment venues. The first floor commercial area in the parking deck has a new tenant which operates a bar adjacent to the plaza. Gorman & Company invested over \$12,000,000 in a mixed-use, mixed-income, 69-unit "live-work" development at 19th Street and River Drive which was completed in April 2012 and is now 100% occupied. It is designed to serve up-and-coming entrepreneurs and other members of the region’s evolving "creative class." The development features live-work units that have commercial street entrances, activating the street and allowing small business owners to combine their office, studio, and residence in one place. In addition 3,000 square feet of commercial space has been leased and a convenience store now serves the tenants of the building as well as other residential and office workers in the area. The former KONE campus property was sold to a private developer who has successfully leased several of the office and warehouse spaces and sold the property that the Enterprise Lofts project was constructed on, and just recently signed a lease on a portion of the Headquarters Building.

The City of Moline and the Illinois Department of Transportation were also successful in obtaining a 2010 \$10,000,000 TIGER II and \$177,000,000 High Speed Rail (HSR) Funding for new passenger rail service between Chicago, IL and the Quad Cities. A \$16,000,000 Transit Oriented Development will be constructed at 12th Street and 4th Avenue and will be the location for the Quad Cities Multi-Modal Station. Service is expected to begin in 2015. The Amin Group is the preferred developer and is in the process of completing their plans for the site which includes the renovation of the historic six story Sears Warehouse building as well as new construction. It will be a mixed use development with retail, entertainment, up to 85 extended stay hotel rooms and supportive services to Amtrak and the other transit modes in Centre Station which is adjacent to the new station.

In the State of Illinois’ capital construction plan approved by the Illinois Legislature and signed by the Governor, WIU-Quad Cities was funded to complete a \$15.8 million renovation and construction of Building 1 at the new Riverfront Campus and \$42 million for phase II. Phase I was completed and classes began in January 2012. Phase II includes 5 interconnected buildings and is currently under construction. Phase II will be completed in time for fall 2014 classes. The City owns approximately 16 acres adjacent to the campus site and has completed infrastructure, site improvements and an all weather road to serve this development as well as the adjacent WIU campus. Three Corners/Madison Construction has purchased an initial 5 acres and started construction on Phase I which includes student housing and commercial/retail space. The multi phased project includes additional student housing, market rate housing, commercial, office and retail buildings to support the campus as well as the community. Completion of Phase I will coincide with Phase II of the campus. This will create construction as well as permanent full and part time jobs and provide needed housing opportunities.

The City has entered into a Development Agreement with Macerich on a repositioning of South Park Mall and the surrounding areas. The agreement outlines the plans demolition of a portion of the mall, a complete remodeling of the remaining space including all new lighting, seating areas and common areas. In addition parking lot improvements, landscaping, signage and a new access from John Deere Expressway into the mall property are included. Eleven national tenants have committed to constructing new prototype stores and several are under construction. The remaining four anchor tenants have agreed to stay on site and JC Penny has recently completed remodeling of their space.

There has also been increased interest in the east end of the John Deere Corridor as a major commercial destination. Valley View Village continues to develop with apartments; Menards and Green Hyundai open for business. Sam's Club is under construction and will be open in July. Additional retail, office and commercial uses and could include up to 1,000,000 square feet of space with an estimated construction cost of over \$100,000,000. The City annexed additional property east of 70th Street and John Deere Expressway to accommodate the construction of Zimmerman Honda. This new dealership provides additional property and sales taxes and is providing opportunities for continued retail and commercial growth and opportunities for the City boundaries to continue to extend east and south. In addition Mills Chevrolet completed an entire facility make over and Key Auto Mall has completed Phase I and II of their redevelopment which includes the addition of Chrysler, Jeep and Dodge brands. Phase III will be completed later this year which includes a remodel of other brand showrooms. The former Menards store at the west end of Moline on John Deere Expressway has been substantially redeveloped into 4 retail stores including Hobby Lobby, Ross Dress for Less and Pet Smart and the final tenant has signed a letter of intent and could be open by fall. This redevelopment will compliment the recent renovation of the Target and the existing Kohl's and Hy-Vee stores.

The City Council adopted the Moline South Plan which calls for light industrial/ technology, commercial, and residential development south of the Rock River. Predicated upon the City Council's interest in annexation and quality development, the city has drafted an annexation policy and strategic annexation action plan to help facilitate these future growth opportunities. The Airport South District Plan has been completed and will be reviewed and approved by the Plan Commission and City Council in coming months. The plan includes land use recommendations and infrastructure needs for sustained long term growth of the City as well as includes marketing materials necessary to assist in developer recruitment of City owned properties.

Through a partnership with the City of Moline and the Quad City International Airport the City annexed approximately 65 acres and created a new Tax Increment Financing District of 134 acres which will be developed into retail, commercial, office, technology and light industry park. The City issued \$6,500,000 in Bonds to complete the necessary infrastructure for the development. TIF increment will cover the Bond payments. The utilities to serve this development are currently being installed. The City has continued to expand its relationship with the Airport by adopting a boundary agreement which includes the process for the continued development of the land around the airport. The City has annexed additional property including the existing Hampton Inn hotel as well as an adjacent site which is being developed into a Holiday Inn Express which will be open this summer.

The City received State funding to complete an update to the Moline Centre, Edgewater and Floreiente plans. This plan will be completed in April and will be adopted by the Plan

Commission and City Council. This plan will serve as a guideline for future riverfront development. In addition the City has received an additional grant from the Illinois Department of Transportation. This plan will compliment the new riverfront plan and will focus on the transportation related developments and opportunities surrounding the Multi-Modal Station, the new I-74 Bridge and Western Illinois Campus. This project will be underway by summer 2014.

Other 2013 Accomplishments

Moline is a great place to work, live, and raise a family. The City of Moline is dedicated to constantly improving the delivery of its services thereby enhancing the quality of life for its residents and the operating environment for its businesses. Among the City's more significant other accomplishments in 2013 were:

- Moline Riverside Cemetery Wall Replacement Project was designed, bid and approved for construction. This failing infrastructure had been identified for replacement to keep the integrity of this section of the Cemetery for another 100 plus years.
- Completed and opened University Avenue to allow access to the new WIU campus and Three Corners properties regardless of river conditions and to enhance future development opportunities.
- Updated the Water Pollution Control financial plan and implemented multi-year program of sewer rate adjustments. This will provide adequate funding for operations, maintenance, North Slope improvements and other capital projects.
- Completed comprehensive rehabilitation of 17th Avenue elevated water tank to extend the life of this fixed asset and provide enhanced reliability of City's water supply.
- Completed pilot water main lining project featuring same day return to service. This Project was an important step in exploring alternatives to open-cut replacement of water mains, with the over-riding goal being to maximize the beneficial impact of monies allocated for water main replacements.
- Implemented a pilot program in the Sanitation Section (1,900 carts) to allow advertising on sanitation cart lids. Pilot program brings in \$12,000 per year in revenue to offset future rate increases.
- Recognized as the #6 Best Managed Fleet in North America for 2013. This acknowledges that our practices, controls and approach towards Fleet Management are recognized as some of the best in the industry.
- Utility extensions south of the Airport to position the City to be able to facilitate economic development in this area
- Issued over 2,000 notices to correct nuisance and code violations throughout the City in efforts to achieve neighborhood beautification.
- Implemented software for online employment applications to increase efficiency of the recruitment and selection process.

- Established a Boat Crew within the Police Department to respond to emergencies on the river that require Police presence.
- The Police Department completed a staffing study for Operations. Changes are being made to the manpower allotment to accurately cover shortages and minimize the impact of a loss of an officer on a particular shift.
- A record 1,465 children registered for the Library's summer reading program.

The city's record of achievement for 2013 was substantial. Given the professionalism and dedication of the Mayor, City Council, and city staff, we believe that the accomplishments of the future will be no less weighty. All are committed to seeing that Moline residents and businesses receive first-rate municipal services.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Moline for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012. This was the twenty first (21st) consecutive year that the City has received this prestigious award. The Certificate of Achievement is a national award recognizing conformance with the highest standard for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

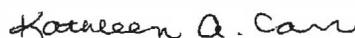
A Certificate of Achievement is valid for a period of one year only. The City Administration is of the opinion that the City's current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and it will be submitted to GFOA to determine its eligibility for another certificate award.

The timely completion and issuance of this report could not have been accomplished without the efficient and dedicated efforts of the entire staff of the Finance Department. We wish to express our appreciation to all members of other City departments who assisted and contributed to the preparation of this year's report. Credit should also be given to the Mayor and City Council for their support of the City's goal to maintain the highest standards of professionalism in the management of the City of Moline's municipal treasury.

Respectfully submitted,



Lewis J. Steinbrecher
City Administrator



Kathleen A. Carr
Finance Director



Government Finance Officers Association

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

Presented to

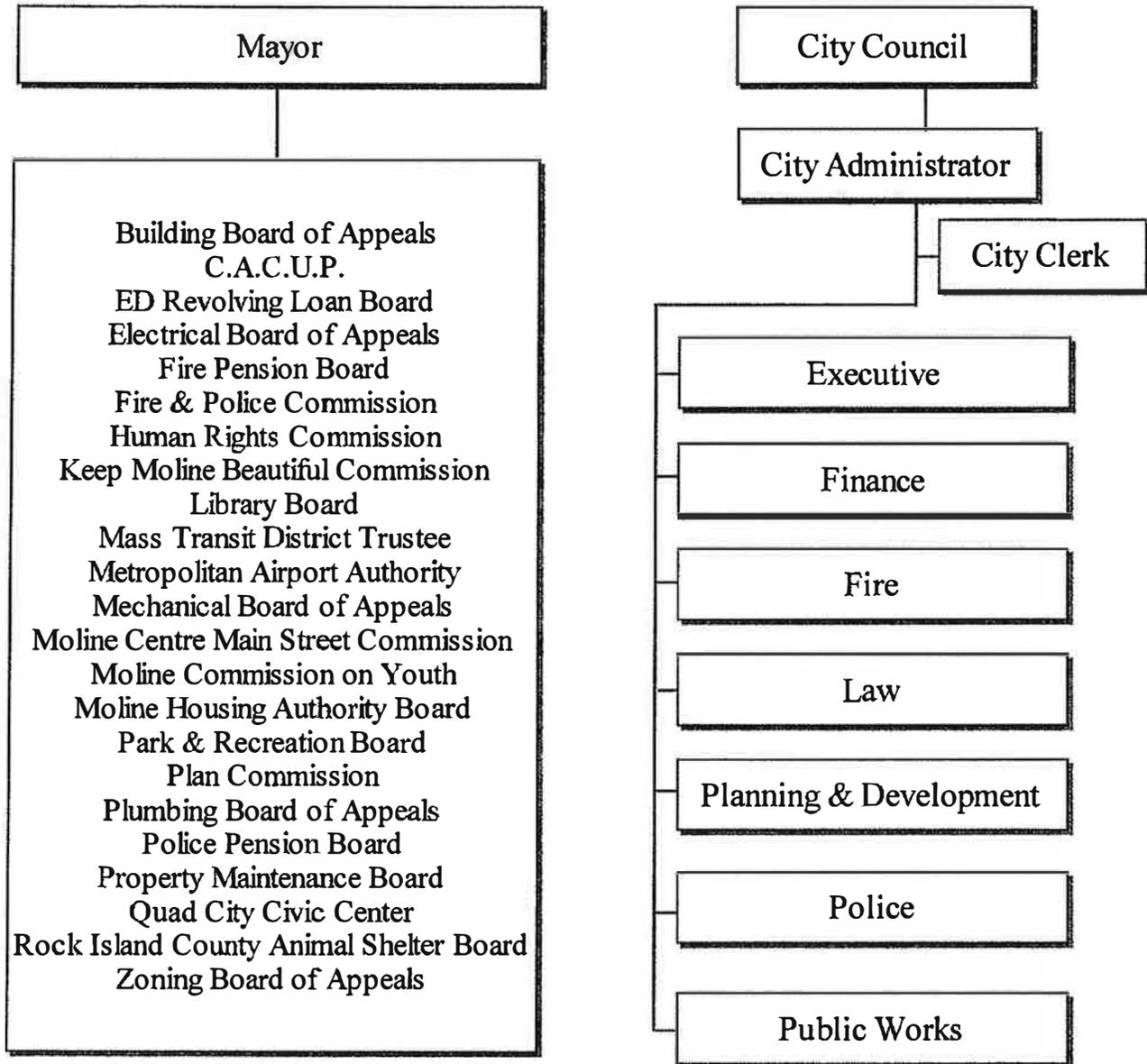
**City of Moline
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

CITIZENS OF MOLINE



CITY OF MOLINE, ILLINOIS

PRINCIPAL CITY OFFICIALS
As of and for the Year Ended December 31, 2013

LEGISLATIVE

Scott Raes
Mayor

		Term Expiration Date of Elected Officials
John Knaack	1st Ward Alderman	4-30-2015
David Parker, Jr.	2nd Ward Alderman	4-30-2017
Janet Bender	3rd Ward Alderman	4-30-2015
Dick Brown	4th Ward Alderman	4-30-2017
Lori Turner	5th Ward Alderman	4-30-2015
Kevin Schoonmaker	6th Ward Alderman	4-30-2017
Sean Liddell	7th Ward Alderman	4-30-2015
Stephanie Acri	At Large Alderman	4-30-2017

ADMINISTRATION

Lewis Steinbrecher, City Administrator
Tracy Koranda, City Clerk

DEPARTMENTS

Maureen E. Riggs, City Attorney
Kathleen Carr, Finance
Lee Ann Fisher, Library
Laura Duran, Parks & Recreation
Kim Hankins, Police and Fire
Mike Waldron, Public Works
Ray Forsythe, Planning Director

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moline, Illinois as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Moline'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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 over financial reporting relevant to the City of Moline's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City of Moline'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.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moline, Illinois as of December 31, 2013 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.

Emphasis of Matter

As discussed in Note I, the City of Moline adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective January 1, 2013. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Moline's basic financial statements. The combining statements and individual fund budgetary schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and individual fund budgetary schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Moline's basic financial statements. The Introductory Section and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2014 on our consideration of the City of Moline'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Moline's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Baker Tilly Vuchoh Kraus, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
May 23, 2014

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

The discussion and analysis of City of Moline's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2013. The management of the City encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the City's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$172.9 million (net position). Of this amount \$23.4 million is unrestricted and may be used to meet the government's ongoing obligation to citizens and creditors.
- In total, net position increased by \$7.4 million. This represents a 4.5% increase from 2012 and is a result of \$5.6 million and \$1.8 million increases in the net position of governmental activities and business-type activities, respectively. The rise in net position of governmental activities was due primarily to favorable operating results in 2013 in funds associated with governmental activities. The increase in the net position of business-type activities was mainly attributed to a rise in total assets of the business-type activities. The rise was attributable to an increase in rate structures to increase reserves for future infrastructure replacement.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$22.2 million, an increase of \$0.1 million in comparison with the prior year. Approximately \$5.2 million is available for spending at the government's discretion (unassigned fund balance).
- General revenues accounted for \$54.5 million in revenue or 81% of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$12.5 million or 19% of total governmental revenues of \$67.0 million.
- The City had \$61.5 million in expenses related to government activities. However, only \$12.5 million of these expenses were offset by program specific charges and grants.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$13.9 million, or 34% of the total General Fund expenditures.
- The City's total debt decreased by \$6.4 million during the current year to \$79.3 million.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Overview of the Financial Statements

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

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be divided into two types of activities: governmental and business type. Governmental activities present the functions of the City that are principally supported by taxes and intergovernmental revenues. Business type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The City's governmental activities include functions like general government, public safety, public works, economic development, library, culture and recreation. The City's business type activities include water, water pollution control, and storm water utilities.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources; as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a City'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 this comparison between governmental funds and governmental activities.

The City maintains 4 major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Tax Increment Financing #1, Debt Service and Capital Project Funds, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The City adopts an annual budget for each of the major funds listed above. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with this budget.

Proprietary funds

The City maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business type activities in the government-wide financial statements. The City utilizes enterprise funds to account for its water, water pollution control, and stormwater utility services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The City uses internal service funds to account for health insurance, liability insurance, information technology and fleet. Because these services predominantly benefit governmental rather than business type functions, they have been included within governmental activities in the government-wide financial statements.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, Water Pollution Control Fund, and Stormwater Utility Fund, all of which are considered to be major funds of the City. Conversely, the internal service fund is combined into a single, aggregated presentation in the proprietary fund financial statements.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.

Notes to basic financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's contributions and funding progress of the Illinois Municipal Retirement Fund, Police Pension Fund, Firefighters' Pension Fund and Retiree Health Plan; as well as, budget to actual comparisons of the funds. Supplementary schedules include combining and individual fund schedules of all non-major funds and Fiduciary Funds.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Government-Wide Financial Analysis

Table 1 Condensed Statements of Net Position (in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2013	2012	Change	2013	2012	Change	2013	2012	Change
Assets									
Current and other assets	\$ 78.7	\$ 78.5	0.3%	\$ 23.4	\$ 22.3	4.9%	\$ 102.1	\$ 100.8	1.3%
Capital assets	<u>102.7</u>	<u>102.1</u>	0.6%	<u>85.4</u>	<u>85.0</u>	0.5%	<u>188.1</u>	<u>187.1</u>	0.5%
Total assets	181.4	180.6	0.4%	108.8	107.3	1.4%	290.2	287.9	0.8%
Deferred outflows of resources									
	<u>2.5</u>	-	-%	-	-	-%	<u>2.5</u>	-	-%
Liabilities									
Long-term liabilities	69.2	72.1	(4.0)%	17.1	18.6	(8.1)%	86.3	90.7	-4.9%
Other liabilities	<u>12.4</u>	<u>30.9</u>	(59.9)%	<u>1.9</u>	<u>0.8</u>	137.5%	<u>14.3</u>	<u>31.7</u>	-54.9%
Total liabilities	81.6	103.0	(20.8)%	19.0	19.4	(2.1)%	100.6	122.4	-17.8%
Deferred inflows of resources									
	<u>19.1</u>	-	-%	<u>0.1</u>	-	-%	<u>19.2</u>	-	-%
Net position									
Net investment in capital assets	69.3	64.8	6.9%	69.2	67.4	2.7%	138.5	132.2	4.8%
Restricted	11.0	9.8	12.2%	-	-	-%	11.0	9.8	12.2%
Unrestricted	<u>2.9</u>	<u>3.0</u>	-3.3%	<u>20.5</u>	<u>20.5</u>	-%	<u>23.4</u>	<u>23.5</u>	-0.4%
Total net position	<u>\$ 83.2</u>	<u>\$ 77.6</u>	7.2%	<u>\$ 89.7</u>	<u>\$ 87.9</u>	2.0%	<u>\$ 172.9</u>	<u>\$ 165.5</u>	4.5%

Normal Impacts

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

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

Borrowing for capital – which will increase current assets and long-term debt.

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net investment in capital assets.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

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 on 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.

Current Year Impacts

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, total net position increased by \$7.4 million from \$165.5 million to \$172.9 million. The City's total assets and deferred outflows of resources equal \$292.7 million. The City's total liabilities and deferred inflows of resources equal \$119.8 million.

By far the largest portion of the City's net position is its investment in capital assets. This represents 80% of net position and consists of land, buildings, machinery, equipment and infrastructure less depreciation and any related outstanding debt used to acquire these assets. The City uses these capital assets to provide services to the residents; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A restricted portion of the City's net position (6% for 2013 and 6% for 2012) represents resources that are subject to external restrictions on how they may be used. The unrestricted combined balance, for both governmental and business type activities, of \$23.4 million may be used to meet the ongoing City obligations to their citizens and creditors. All net position categories show positive balances at year end.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Table 2
Condensed Statements of Activities
(in millions of dollars)

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>2013</u>	<u>2012</u>	<u>Change</u>
Revenues									
<i>Program revenues</i>									
Charges for services	\$ 9.5	\$ 9.5		\$ 17.7	\$ 19.0	-6.8%	\$ 27.2	\$ 28.5	-4.6%
Operating grants and contributions	3.1	3.9	-20.5%	-	-		3.1	3.9	-20.5%
<i>General revenues</i>									
Property taxes	18.8	19.0	-1.1%	-	-		18.8	19.0	-1.1%
Other taxes	34.3	32.9	4.3%	-	-		34.3	32.9	4.3%
Other general revenues	<u>1.4</u>	<u>1.7</u>	-17.6%	<u>0.1</u>	<u>0.1</u>		<u>1.5</u>	<u>1.8</u>	-16.7%
Total revenues	<u>67.1</u>	<u>67.0</u>	0.1%	<u>17.8</u>	<u>19.1</u>	-6.8%	<u>84.9</u>	<u>86.1</u>	-1.4%
Expenses									
General government	6.4	4.7	36.2%	-	-		6.4	4.7	36.2%
Public safety	26.2	26.4	-0.8%	-	-		26.2	26.4	-0.8%
Public works	13.6	13.1	3.8%	-	-		13.6	13.1	3.8%
Economic development	4.7	5.7	-17.5%	-	-		4.7	5.7	-17.5%
Culture and recreation	4.1	4.3	-4.7%	-	-		4.1	4.3	-4.7%
Libraries	3.3	3.1	6.5%	-	-		3.3	3.1	6.5%
Water	-	-		7.8	6.7	16.4%	7.8	6.7	16.4%
Water pollution control	-	-		7.3	5.8	25.9%	7.3	5.8	25.9%
Storm water utility	-	-		0.9	0.8	12.5%	0.9	0.8	12.5%
Interest and fiscal charges	<u>3.2</u>	<u>3.2</u>	-%	<u>-</u>	<u>-</u>		<u>3.2</u>	<u>3.2</u>	
Total expenses	<u>61.5</u>	<u>60.5</u>	1.7%	<u>16.0</u>	<u>13.3</u>	20.3%	<u>77.5</u>	<u>73.8</u>	5.0%
Change in net position	5.6	6.5	-13.8%	1.8	5.8	-69.0%	7.4	12.3	-39.8%
Net position, beginning of year	<u>77.6</u>	<u>71.1</u>	9.1%	<u>87.9</u>	<u>82.1</u>	7.1%	<u>165.5</u>	<u>153.2</u>	8.0%
Net position end of year	<u>\$ 83.2</u>	<u>\$ 77.6</u>	7.2%	<u>\$ 89.7</u>	<u>\$ 87.9</u>	2.0%	<u>\$ 172.9</u>	<u>\$ 165.5</u>	4.5%

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Table 2 highlights the City's revenues and expenses for the fiscal years ended December 31, 2013 and 2012. These two main components are subtracted to yield the change in net position. This table utilizes the full accrual method.

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues

Economic condition – which can reflect a declining, stable or growing economic environment, and has substantial impact on state sales, replacement and hotel/motel tax revenue; as well as, public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/decrease in City approved rates – while certain tax rates are set by statute, the City has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the City's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses

Introduction of new programs – within the functional expense categories (general government, public safety, public works, and community development), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the City to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the City.

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

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

Current Year Impacts

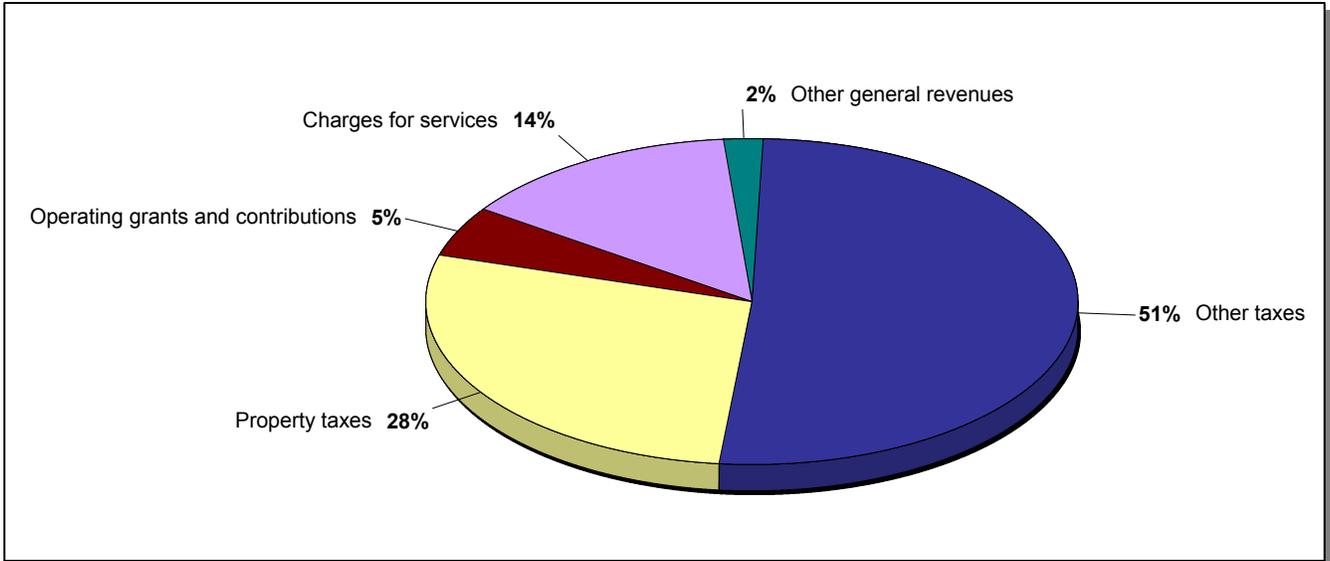
The Governmental Activities increased the City's net position by \$5.6 million. Key elements contributing to this change are as follows:

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Governmental Activities

Governmental Revenues by Source



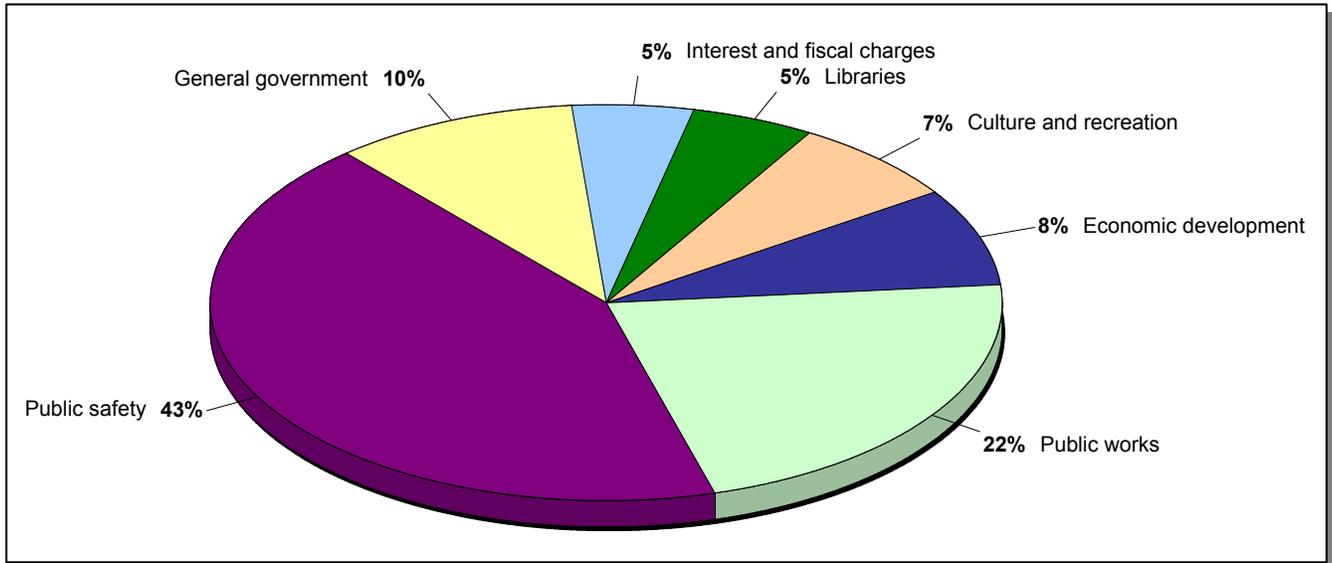
Revenues

Revenues are divided into two major components: program revenue and general revenue. Program revenue is defined as charges for sales and services, operating grants and contributions and capital grants and contributions. General revenue includes taxes, investment income and other unrestricted revenue sources. The City experienced an increase in revenue due to increased receipt of state shared income taxes and ambulance user fees.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Governmental Expenses by Function



Expenses

The City's overall expenses in the current fiscal year increased due to general wage and benefits increases and an additional \$400,000 employer contribution to each the police and fire pension funds however resulted in an increase in net position to \$83.1 million compared to \$77.6 million in the prior fiscal year. Overall, the City's financial position has improved since the prior fiscal year.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Financial Analysis of the City's Funds

The fund balance of the City's General Fund increased by \$1.0 million for 2013 and \$3.1 million for 2012. For more information, see the General Fund Budgetary Highlight Section.

The Tax Increment Financing #1 Fund had an ending fund balance deficit of \$6.4 million, a decrease in the deficit of \$0.3 million from 2012 mainly attributed to the efforts to address the previous constraints of the downtown TIF cash flow to be recovered in future years.

The Debt Service Fund had an ending fund balance of \$0.1 million, a decrease of \$0.4 million from 2012. The decrease is attributed to the spend down of capitalized interest included in the 2011A General Obligation Bond Issue.

The Capital Projects Fund had an ending fund balance of \$2.0 million, a decrease of \$0.4 million from 2012. The total revenues increased by \$0.2 million mainly due to increased utility tax receipts due to a colder winter. Capital outlay spent in 2013 was \$3.8 million, an increase of \$0.1 million over 2012. Projects included various residential street improvements, various sealcoat improvements, sidewalk improvements, alley reconstruction and construction of an additional salt dome. Other Financing Uses to cover capital related debt service also increased \$0.7 million from 2012.

General Fund Budgetary Highlights

Overall General Fund revenue was \$2,014 less than the final budget and expenditures were \$1,947,728 less than the final budget. Specific highlights of General Fund revenue and expenditures are as follows:

- Income tax revenues were \$943,503 more than the final budget.
- Telecommunication tax revenues were \$228,572 less than the final budget.
- \$1 million from reserves (included in the budgeted total for taxes) was \$1 million less than the final budget.
- Sales tax and local use tax were \$57,209 and \$48,476 more than the final budget.
- Contingency line item was \$309,929 less than the final budget.
- Highways and streets was \$428,300 less than the final budget mainly due to vacant engineering positions and less spent on building maintenance contracts.
- Planning and zoning was \$706,961 less than the final budget due to project delays (Moline Centre Plan and Subdivision Code updates) and rebate awards less than estimated.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Capital Assets and Debt Administration

Capital assets

By the end of 2013, the City had compiled a total investment of \$322.3 million (\$188.1 million net of accumulated depreciation) in a broad range of capital assets including land, construction-in-progress, buildings and improvements, major movable equipment, vehicles and infrastructure. Total depreciation expense for the year was \$8.8 million. More detailed information about capital assets can be found in Note III.C of the basic financial statements.

Table 3									
Capital Assets (net of depreciation)									
(in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2013	2012	Change	2013	2012	Change	2013	2012	Change
Land	\$ 13.3	\$ 13.8	-3.6%	\$ 0.4	\$ 0.4		\$ 13.7	\$ 14.2	-3.5%
Construction in progress	4.6	1.0	360.0%	2.1	-		6.7	1.0	570.0%
Land improvements	4.5	5.0	-10.0%	0.8	0.3	166.7%	5.3	5.3	
Buildings and improvements	37.3	38.8	-3.9%	26.1	27.4	-4.7%	63.4	66.2	-4.2%
Major moveable equipment	1.4	1.2	16.7%	5.9	6.3	-6.3%	7.3	7.5	-2.7%
Vehicles	6.1	5.6	8.9%	-	-		6.1	5.6	8.9%
Infrastructure	<u>35.5</u>	<u>36.7</u>	-3.3%	<u>50.1</u>	<u>50.6</u>	-1.0%	<u>85.6</u>	<u>87.3</u>	-1.9%
Total	<u>\$ 102.7</u>	<u>\$ 102.1</u>	0.6%	<u>\$ 85.4</u>	<u>\$ 85.0</u>	0.5%	<u>\$ 188.1</u>	<u>\$ 187.1</u>	0.5%

Debt Administration

The table below summarizes the City's bonded and similar indebtedness. As of December 31, 2013, the City had a total of \$86.3 million of long-term debt outstanding. Of this amount, \$70.1 million was in the form of general obligation bonds backed by the full faith and credit of the City government. For many years now, the City has abated all of its property tax levy for debt service and used revenues from other sources, especially home rule sales tax and water user fees, to pay general obligation debt service. More detailed information about debt administration can be found in Note III.F of the basic financial statements.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Table 4
Long-Term Debt
(in millions of dollars)

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>2013</u>	<u>2012</u>	<u>Change</u>
General obligation debt	\$ 62.8	\$ 67.8	-7.4%	\$ 7.3	\$ 7.7	-5.2%	\$ 70.1	\$ 75.5	-7.2%
Installment notes	0.5	0.6	-16.7%	1.6	1.8	-11.1%	2.1	2.4	-12.5%
IEPA loans	-	-		7.2	7.8	-7.7%	7.2	7.8	-7.7%
Compensated absences	4.8	4.9	-2.0%	0.9	0.9		5.7	5.8	-1.7%
OPEB obligation	0.4	1.0	-60.0%	0.1	0.1		0.5	1.1	-54.5%
IMRF pension obligation	<u>0.7</u>	<u>0.7</u>		<u>-</u>	<u>-</u>		<u>0.7</u>	<u>0.7</u>	
Total	<u>\$ 69.2</u>	<u>\$ 75.0</u>	-7.7%	<u>\$ 17.1</u>	<u>\$ 18.3</u>	-6.6%	<u>\$ 86.3</u>	<u>\$ 93.3</u>	-7.5%

Factors Bearing on the City's Future

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2013 (Unaudited)

Real property assessed values have decreased \$18,198,101 for tax year 2013 as a result of updated equalized assessed valuations provided by the Rock Island County Assessment Office.

The taxable equalized assessed value increased at an average rate of 1.2 percent annually for the past ten years. However, this rate changed to a decrease of 0.5 percent annually over the past five years and decreased 1.1% last year. The City of Moline remains aggressive in encouraging new business development and encouraging new housing construction.

The potential reduction in state shared revenue from the income and replacement taxes due to the State of Illinois' poor financial condition may present significant budgetary challenges for management if the State legislature elects to reduce these funds toward solving the State's budget issues.

Salaries, wages and benefits have been updated to reflect changes per our most recent employment contracts. Since the beginning of the economic downturn in the fall of 2008, the City has eliminated 32 positions. The vast majority of these positions were eliminated through attrition after the positions became vacant with a retirement or resignation. Health care costs and personnel cost which make up a significant portion of the City's operating costs continue to rise.

The unemployment rate for the City of Moline increased to 7.8 percent. This is an increase from a rate of 7.5 percent a year ago. This compares favorably to the state's average unemployment rate of 8.9 percent.

The City continues to develop a budget based on conservative estimates in revenues. Declining or sluggish revenue growth continues to impact governmental activity revenues and provides significant budget challenges for management. Although revenue growth will be limited, the 2014 budget will sustain City services for another year, will enable the City to undertake a variety of capital projects and continue to maintain a 90 day reserve in the General Fund.

The City continues to experience significant increases in uncontrollable expenditures such as police and fire pensions, contractual union wage rates, road salt, fuel, health care, and workers compensation. The City has also had to absorb the adverse impacts of actions by the State of Illinois in recent years, including reductions in state shared revenues, delayed payments, increased property tax exemptions, and new or increased state mandated fees. In an effort to confront these challenges, the City not only has fewer employees, but has eliminated or delayed general wage increases, implemented furlough days, eliminated tuition reimbursement program and reduced employee training and professional development opportunities.

All of these factors were considered in preparing the City of Moline's balanced budget for the 2014 fiscal year.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2013
(Unaudited)

Requests for Information

This financial report is designed to provide the City's citizens, taxpayers, and creditors 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, contact:

Kathleen Carr, Finance Director
City of Moline
1630 8th Ave
Moline, Illinois 61265
kcarr@moline.il.us

CITY OF MOLINE

STATEMENT OF NET POSITION As of December 31, 2013

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and cash equivalents	\$ 5,598,008	\$ 5,038,011	\$ 10,636,019
Investments	31,676,014	9,535,250	41,211,264
Receivables (net)			
Property taxes	19,905,124	-	19,905,124
Accounts	1,616,659	3,699,169	5,315,828
Accrued interest	81,386	-	81,386
Other taxes	7,368,608	-	7,368,608
Internal balances	(5,026,716)	5,026,716	-
Due from other governmental units	475,488	99,394	574,882
Inventories	130,961	80,730	211,691
Prepaid items	12,338	-	12,338
Loans receivable, current	100,340	-	100,340
Loans receivable, noncurrent	4,117,445	-	4,117,445
Net pension asset	7,092,670	-	7,092,670
Restricted assets			
Restricted cash and cash equivalents	5,078,754	-	5,078,754
Restricted investments	498,371	-	498,371
Capital assets not being depreciated			
Land	13,323,156	389,419	13,712,575
Construction in progress	4,566,379	2,058,182	6,624,561
Capital assets being depreciated			
Land improvements	10,952,246	1,196,671	12,148,917
Buildings and improvements	53,277,887	56,309,917	109,587,804
Machinery and equipment	4,388,696	14,959,768	19,348,464
Vehicles	13,200,883	-	13,200,883
Infrastructure	77,157,253	70,474,218	147,631,471
Less: Accumulated depreciation	(74,192,118)	(60,036,191)	(134,228,309)
Total Assets	<u>181,399,832</u>	<u>108,831,254</u>	<u>290,231,086</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	<u>2,527,343</u>	-	<u>2,527,343</u>
Total Deferred Outflows of Resources	<u>2,527,343</u>	-	<u>2,527,343</u>
LIABILITIES			
Accounts payable	2,628,658	1,353,042	3,981,700
Accrued expenses	981,942	190,120	1,172,062
Claims payable	3,365,145	-	3,365,145
Accrued interest payable	724,694	181,712	906,406
Due to other governments	50,000	-	50,000
Unearned revenues for grants	20,760	-	20,760
Deposits	163,528	196,032	359,560
Line of credit	4,534,064	-	4,534,064
Noncurrent Liabilities			
Due within one year	6,086,966	1,555,695	7,642,661
Due in more than one year	63,110,081	15,594,350	78,704,431
Total Liabilities	<u>81,665,838</u>	<u>19,070,951</u>	<u>100,736,789</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred charge on refunding	-	50,460	50,460
Property taxes levied for future periods	<u>19,093,465</u>	-	<u>19,093,465</u>
Total Deferred Inflows of Resources	<u>19,093,465</u>	<u>50,460</u>	<u>19,143,925</u>
NET POSITION			
Net investment in capital assets	69,270,835	69,185,100	138,455,935
Restricted for			
Special service areas	39,405	-	39,405
Tourism	1,308,595	-	1,308,595
Cemeteries	267,173	-	267,173
Culture and recreation	640,036	-	640,036
Libraries	351,774	-	351,774
Community development block grant	303,511	-	303,511
Public safety	220,295	-	220,295
Capital improvements and equipment	729,841	-	729,841
Pension benefits	7,092,670	-	7,092,670
Unrestricted	<u>2,943,737</u>	<u>20,524,743</u>	<u>23,468,480</u>
TOTAL NET POSITION	<u>\$ 83,167,872</u>	<u>\$ 89,709,843</u>	<u>\$ 172,877,715</u>

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2013

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 6,400,325	\$ 4,198,329	\$ 208,969	\$ -
Public safety	26,230,567	1,674,289	479,703	-
Public works	13,581,591	1,624,255	1,317,711	-
Economic development	4,649,505	1,231,960	867,653	-
Culture and recreation	4,107,095	638,640	75,425	-
Libraries	3,286,888	89,018	104,444	44,685
Interest and fiscal charges	<u>3,219,688</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>61,475,659</u>	<u>9,456,491</u>	<u>3,053,905</u>	<u>44,685</u>
Business-type Activities				
Water	7,799,833	8,804,776	-	-
Water pollution control	7,350,887	7,985,352	-	-
Storm water utility	<u>886,694</u>	<u>993,694</u>	<u>-</u>	<u>-</u>
Total Business-type Activities	<u>16,037,414</u>	<u>17,783,822</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 77,513,073</u>	<u>\$ 27,240,313</u>	<u>\$ 3,053,905</u>	<u>\$ 44,685</u>

General Revenues

Taxes

Property tax
Sales tax
Home rule sales tax
Income tax
Personal property replacement tax
Hotel/motel tax
Franchise tax
Other taxes

Intergovernmental
Investment income
Miscellaneous

Total General Revenues

Change in net position

NET POSITION - Beginning of Year

NET POSITION - END OF YEAR

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (1,993,027)	\$ -	\$ (1,993,027)
(24,076,575)	-	(24,076,575)
(10,639,625)	-	(10,639,625)
(2,549,892)	-	(2,549,892)
(3,393,030)	-	(3,393,030)
(3,048,741)	-	(3,048,741)
<u>(3,219,688)</u>	<u>-</u>	<u>(3,219,688)</u>
<u>(48,920,578)</u>	<u>-</u>	<u>(48,920,578)</u>
-	1,004,943	1,004,943
-	634,465	634,465
-	107,000	107,000
<u>-</u>	<u>1,746,408</u>	<u>1,746,408</u>
<u>(48,920,578)</u>	<u>1,746,408</u>	<u>(47,174,170)</u>
18,763,482	-	18,763,482
10,571,512	-	10,571,512
8,033,044	-	8,033,044
4,193,186	-	4,193,186
2,482,937	-	2,482,937
1,342,272	-	1,342,272
2,114,142	-	2,114,142
5,625,686	-	5,625,686
-	37,703	37,703
521,985	18,557	540,542
<u>833,089</u>	<u>393</u>	<u>833,482</u>
<u>54,481,335</u>	<u>56,653</u>	<u>54,537,988</u>
5,560,757	1,803,061	7,363,818
<u>77,607,115</u>	<u>87,906,782</u>	<u>165,513,897</u>
<u>\$ 83,167,872</u>	<u>\$ 89,709,843</u>	<u>\$ 172,877,715</u>

See accompanying notes to financial statements.

CITY OF MOLINE

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2013

	<u>General</u>	<u>Tax Increment Financing #1</u>	<u>Debt Service</u>	<u>Capital Projects</u>
ASSETS				
Cash and cash equivalents	\$ 77,434	\$ 16,779	\$ 50,901	\$ -
Restricted cash and cash equivalents	-	-	-	-
Investments	10,057,162	-	-	751,290
Restricted investments	-	-	-	-
Receivables (net)				
Property taxes	10,130,957	3,301,122	-	-
Accounts	1,440,021	-	-	-
Accrued interest	-	-	-	16,284
Loans	-	27,220	4,117,445	-
Other taxes	5,508,236	-	-	1,542,621
Due from other governments	161,813	-	-	-
Due from other funds	523,580	997	52,000	500,000
Inventories	8,556	-	-	-
Prepaid items	-	-	-	-
Interfund advances	<u>4,932,859</u>	<u>-</u>	<u>-</u>	<u>267,814</u>
TOTAL ASSETS	<u>\$ 32,840,618</u>	<u>\$ 3,346,118</u>	<u>\$ 4,220,346</u>	<u>\$ 3,078,009</u>

Nonmajor Governmental Funds	Totals
\$ 1,295,178	\$ 1,440,292
5,078,754	5,078,754
2,509,551	13,318,003
498,371	498,371
6,473,045	19,905,124
176,638	1,616,659
7,358	23,642
73,120	4,217,785
317,751	7,368,608
311,628	473,441
2,010,020	3,086,597
-	8,556
12,338	12,338
-	5,200,673
\$ 18,763,752	\$ 62,248,843

See accompanying notes to financial statements.

CITY OF MOLINE

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2013

	<u>General</u>	<u>Tax Increment Financing #1</u>	<u>Debt Service</u>	<u>Capital Projects</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 633,953	\$ 20,000	\$ -	\$ 456,813
Accrued expenses	777,642	4,118	-	-
Due to other governments	-	50,000	-	-
Due to other funds	438,577	2,717,213	-	73,819
Unearned revenues for grants	-	-	-	-
Deposits	68,295	-	-	11,160
Line of credit	-	-	4,117,445	-
Interfund advances	-	3,927,958	-	-
Total Liabilities	<u>1,918,467</u>	<u>6,719,289</u>	<u>4,117,445</u>	<u>541,792</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	9,821,630	3,009,985	-	-
Unavailable revenues for other taxes	1,992,265	-	-	523,252
Unavailable revenues for grants	-	-	-	-
Total Deferred Inflows of Resources	<u>11,813,895</u>	<u>3,009,985</u>	<u>-</u>	<u>523,252</u>
Fund Balances (Deficit)				
Nonspendable	4,941,415	-	-	-
Restricted	291,573	-	102,901	-
Committed	-	-	-	2,012,965
Assigned	-	-	-	-
Unassigned	13,875,268	(6,383,156)	-	-
Total Fund Balances (deficit)	<u>19,108,256</u>	<u>(6,383,156)</u>	<u>102,901</u>	<u>2,012,965</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 32,840,618</u>	<u>\$ 3,346,118</u>	<u>\$ 4,220,346</u>	<u>\$ 3,078,009</u>

See accompanying notes to financial statements.

Nonmajor Governmental Funds	Totals
\$ 1,276,190	\$ 2,386,956
137,352	919,112
-	50,000
1,800,970	5,030,579
20,760	20,760
84,073	163,528
416,619	4,534,064
<u>1,272,715</u>	<u>5,200,673</u>
<u>5,008,679</u>	<u>18,305,672</u>
6,261,850	19,093,465
-	2,515,517
<u>153,364</u>	<u>153,364</u>
<u>6,415,214</u>	<u>21,762,346</u>
12,338	4,953,753
9,291,907	9,686,381
175,756	2,188,721
176,910	176,910
<u>(2,317,052)</u>	<u>5,175,060</u>
<u>7,339,859</u>	<u>22,180,825</u>
<u>\$ 18,763,752</u>	<u>\$ 62,248,843</u>

See accompanying notes to financial statements.

CITY OF MOLINE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2013

Total Fund Balances - Governmental Funds	\$ 22,180,825
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.

Land	13,323,156
Construction in progress	4,566,379
Land improvements	10,952,246
Buildings and improvements	53,277,887
Machinery and equipment	3,874,848
Infrastructure	77,157,253
Less: Accumulated depreciation	(67,046,946)

Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	2,668,881
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An asset is reported in the statement of net position for the cumulative overfunding of the annual required contribution to the Police Pension and Firefighters' Pension.	7,092,670
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A liability is reported in the statement of net position for the cumulative underfunding of the annual required contribution to the IMRF pension plan.	(706,333)
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A liability is reported in the statement of net position for the net obligation relating to post employment benefits.	(422,260)
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Internal service funds are reported in the statement of net position as governmental activities.	22,327,754
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A deferred outflow of resources is reported in the statement of net position relating to unamortized deferred amounts on refunding.	2,527,343
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Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
General obligation bonds payable	(60,330,370)
Installment notes payable	(478,526)
Compensated absences	(4,645,210)
Accrued interest	(724,694)
Unamortized debt premium	<u>(2,427,031)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 83,167,872</u>
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CITY OF MOLINE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2013

	<u>General</u>	<u>Tax Increment Financing #1</u>	<u>Debt Service</u>	<u>Capital Projects</u>
REVENUES				
Taxes	\$ 35,120,396	\$ 2,917,408	\$ -	\$ 7,324,406
Licenses and permits	1,072,353	-	-	-
Intergovernmental	481,592	16,779	-	-
Charges for services	4,396,902	-	-	13,365
Fines, forfeitures and penalties	328,298	-	-	-
Use of money and property	74,525	76,820	204,972	21,306
Contributions	-	-	-	-
Miscellaneous	<u>433,655</u>	<u>20,839</u>	<u>-</u>	<u>333</u>
Total Revenues	<u>41,907,721</u>	<u>3,031,846</u>	<u>204,972</u>	<u>7,359,410</u>
EXPENDITURES				
Current				
General government	2,335,879	-	-	296,562
Public safety	27,084,431	-	-	-
Public works	9,067,186	-	-	192,056
Economic development	1,417,135	486,303	-	211,207
Culture and recreation	-	-	-	-
Libraries	-	-	-	-
Capital Outlay	433,911	-	-	3,135,856
Debt Service				
Principal	100,000	1,855,000	2,676,171	-
Interest and fiscal charges	<u>-</u>	<u>510,877</u>	<u>1,884,647</u>	<u>3,440</u>
Total Expenditures	<u>40,438,542</u>	<u>2,852,180</u>	<u>4,560,818</u>	<u>3,839,121</u>
Excess (deficiency) of revenues over expenditures	<u>1,469,179</u>	<u>179,666</u>	<u>(4,355,846)</u>	<u>3,520,289</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	297,451	101,929	3,963,546	-
Transfers out	(893,770)	-	-	(3,942,692)
Proceeds from sale of capital assets	<u>106,638</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(489,681)</u>	<u>101,929</u>	<u>3,963,546</u>	<u>(3,942,692)</u>
Net Change in Fund Balances	979,498	281,595	(392,300)	(422,403)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>18,128,758</u>	<u>(6,664,751)</u>	<u>495,201</u>	<u>2,435,368</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 19,108,256</u>	<u>\$ (6,383,156)</u>	<u>\$ 102,901</u>	<u>\$ 2,012,965</u>

See accompanying notes to financial statements.

Nonmajor Governmental Funds	Totals
\$ 8,041,648	\$ 53,403,858
-	1,072,353
2,295,259	2,793,630
2,378,091	6,788,358
56,079	384,377
168,073	545,696
337,444	337,444
<u>314,963</u>	<u>769,790</u>
<u>13,591,557</u>	<u>66,095,506</u>
891,455	3,523,896
-	27,084,431
2,332,172	11,591,414
2,525,717	4,640,362
3,626,496	3,626,496
3,108,651	3,108,651
1,765,797	5,335,564
65,000	4,696,171
<u>129,916</u>	<u>2,528,880</u>
<u>14,445,204</u>	<u>66,135,865</u>
<u>(853,647)</u>	<u>(40,359)</u>
985,788	5,348,714
(670,517)	(5,506,979)
<u>141,325</u>	<u>247,963</u>
<u>456,596</u>	<u>89,698</u>
(397,051)	49,339
<u>7,736,910</u>	<u>22,131,486</u>
<u>\$ 7,339,859</u>	<u>\$ 22,180,825</u>

See accompanying notes to financial statements.

CITY OF MOLINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2013

Net change in fund balances - total governmental funds	\$	49,339
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Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		5,651,747
Depreciation is reported in the government-wide financial statements		(4,827,516)
Net book value of assets retired		(846,243)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.		(310,081)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Principal repaid		4,696,171
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Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as deferred outflows/inflows of resources or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense. Amortization of debt issuance costs, debt discount, debt premium, and deferred amount on refunding		(742,560)
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Compensated absences Accrued interest on debt Other post employment benefits obligation IMRF pension obligation Police Pension and Firefighters' Pension asset		80,860 51,752 542,620 (2,064) 823,110
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Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities		<u>393,622</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>5,560,757</u>
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CITY OF MOLINE

STATEMENT OF NET POSITION PROPRIETARY FUNDS As of December 31, 2013

ASSETS	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Stormwater Utility	Totals	
	Current Assets				
Cash and cash equivalents	\$ 1,707,008	\$ 2,654,209	\$ 676,794	\$ 5,038,011	\$ 4,157,716
Investments	4,025,324	5,509,822	104	9,535,250	18,358,011
Receivables (net)					
Accounts	1,867,970	1,564,359	266,840	3,699,169	-
Accrued interest	-	-	-	-	57,744
Due from other governments	6,746	92,648	-	99,394	2,047
Due from other funds	10,474	26	37,703	48,203	1,923,539
Inventories	72,975	7,755	-	80,730	122,405
Total Current Assets	7,690,497	9,828,819	981,441	18,500,757	24,621,462
Noncurrent Assets					
Capital Assets					
Land	170,124	219,295	-	389,419	-
Construction in progress	1,144,873	600,804	312,505	2,058,182	-
Land improvements	849,808	14,466	332,397	1,196,671	-
Buildings	34,920,667	21,389,250	-	56,309,917	-
Infrastructure	27,537,674	28,949,525	13,987,019	70,474,218	-
Machinery and equipment	6,366,787	8,592,981	-	14,959,768	513,848
Vehicles	-	-	-	-	13,200,883
Less: Accumulated depreciation	(22,406,229)	(33,186,191)	(4,443,771)	(60,036,191)	(7,145,172)
Total Noncurrent Assets	48,583,704	26,580,130	10,188,150	85,351,984	6,569,559
Total Assets	56,274,201	36,408,949	11,169,591	103,852,741	31,191,021

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of December 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Stormwater Utility	Totals	
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 901,307	\$ 395,548	\$ 56,187	\$ 1,353,042	\$ 241,702
Accrued wages	96,640	86,378	7,102	190,120	62,830
Claims payable	-	-	-	-	3,365,145
Compensated absences	92,220	128,131	3,058	223,409	46,829
Accrued interest	177,673	-	4,039	181,712	-
Due to other funds	7,314	7,285	3,061	17,660	10,100
Deposits	196,032	-	-	196,032	-
IEPA loan	588,794	-	-	588,794	-
Installment note	133,800	-	-	133,800	-
General obligation bonds	565,124	-	44,568	609,692	-
Total Current Liabilities	<u>2,758,904</u>	<u>617,342</u>	<u>118,015</u>	<u>3,494,261</u>	<u>3,726,606</u>
Noncurrent Liabilities					
Long-Term Debt					
IEPA loan	6,654,985	-	-	6,654,985	-
Installment note	1,492,728	-	-	1,492,728	-
General obligation bonds	6,126,304	-	551,629	6,677,933	-
Compensated absences	276,659	384,393	9,173	670,225	140,488
Other post-employment benefits	47,174	51,305	-	98,479	-
Total Noncurrent Liabilities	<u>14,597,850</u>	<u>435,698</u>	<u>560,802</u>	<u>15,594,350</u>	<u>140,488</u>
Total Liabilities	<u>17,356,754</u>	<u>1,053,040</u>	<u>678,817</u>	<u>19,088,611</u>	<u>3,867,094</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred charge on refunding	21,204	-	29,256	50,460	-
Total Deferred Inflows of Resources	<u>21,204</u>	<u>-</u>	<u>29,256</u>	<u>50,460</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	33,043,173	26,580,130	9,561,797	69,185,100	6,569,561
Unrestricted	5,853,070	8,775,779	899,721	15,528,570	20,754,366
TOTAL NET POSITION	<u>\$ 38,896,243</u>	<u>\$ 35,355,909</u>	<u>\$ 10,461,518</u>	<u>\$ 84,713,670</u>	<u>\$ 27,323,927</u>
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.				4,996,173	(4,996,173)
Net Position Business-type Activities				<u>\$ 89,709,843</u>	
Net internal service funds reported in the statement of net position as governmental activities					<u>\$ 22,327,754</u>

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Stormwater Utility	Totals	
OPERATING REVENUES					
Charges for services	\$ 8,613,902	\$ 7,903,952	\$ 993,694	\$ 17,511,548	\$ 14,763,779
Fines, forfeitures and penalties	74,162	64,817	-	138,979	11,046
Intergovernmental	-	-	37,703	37,703	194,999
Miscellaneous	<u>104,673</u>	<u>29,014</u>	<u>1</u>	<u>133,688</u>	<u>17,179</u>
Total Operating Revenues	<u>8,792,737</u>	<u>7,997,783</u>	<u>1,031,398</u>	<u>17,821,918</u>	<u>14,987,003</u>
OPERATING EXPENSES					
Salaries	2,004,594	1,969,354	153,155	4,127,103	1,403,213
Employee benefits	688,128	711,754	58,849	1,458,731	495,109
Professional services	726,148	2,061,583	88,904	2,876,635	718,380
Property services	1,431,055	1,259,860	236,572	2,927,487	515,299
Other services	350,044	244,314	21,712	616,070	382,512
Supplies	625,625	203,186	457	829,268	1,925,357
Depreciation	1,458,245	1,103,196	312,046	2,873,487	1,058,914
Insurance claims and changes in reserves	-	-	-	-	<u>8,013,154</u>
Total Operating Expenses	<u>7,283,839</u>	<u>7,553,247</u>	<u>871,695</u>	<u>15,708,781</u>	<u>14,511,938</u>
Operating Income	<u>1,508,898</u>	<u>444,536</u>	<u>159,703</u>	<u>2,113,137</u>	<u>475,065</u>
NONOPERATING REVENUES (EXPENSES)					
Use of money and property	12,699	5,621	237	18,557	52,789
Interest and fiscal charges	(526,013)	-	(22,638)	(548,651)	-
Gain (loss) on sale of capital assets	-	-	-	-	<u>(72,479)</u>
Total Nonoperating Revenues (Expenses)	<u>(513,314)</u>	<u>5,621</u>	<u>(22,401)</u>	<u>(530,094)</u>	<u>(19,690)</u>
Income Before Transfers	<u>995,584</u>	<u>450,157</u>	<u>137,302</u>	<u>1,583,043</u>	<u>455,375</u>
TRANSFERS					
Transfers in	100,000	-	-	100,000	189,520
Transfers out	-	(100,000)	-	(100,000)	<u>(31,255)</u>
Total Transfers	<u>100,000</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>158,265</u>

See accompanying notes to financial statements.

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Water Pollution Control</u>	<u>Stormwater Utility</u>	<u>Totals</u>	
Change in Net Position	1,095,584	350,157	137,302	1,583,043	613,640
NET POSITION - Beginning of Year	<u>37,800,659</u>	<u>35,005,752</u>	<u>10,324,216</u>	<u>83,130,627</u>	<u>26,710,287</u>
NET POSITION- END OF YEAR	<u>\$ 38,896,243</u>	<u>\$ 35,355,909</u>	<u>\$ 10,461,518</u>	<u>\$ 84,713,670</u>	<u>\$ 27,323,927</u>
Change in Net Position Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				1,583,043	
				<u>220,018</u>	
Change in Net Position of Business-type Activities				<u>\$ 1,803,061</u>	

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Stormwater Utility	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES					
Received from customers	\$ 8,526,219	\$ 7,912,745	\$ 1,045,672	\$ 17,484,636	\$ 14,969,667
Paid to suppliers for goods and services	(2,832,045)	(3,471,668)	(302,053)	(6,605,766)	(9,605,912)
Paid to employees for services	(2,657,799)	(2,696,490)	(212,673)	(5,566,962)	(1,875,011)
Other receipts	<u>104,673</u>	<u>29,014</u>	<u>1</u>	<u>133,688</u>	<u>17,179</u>
Net Cash Flows From Operating Activities	<u>3,141,048</u>	<u>1,773,601</u>	<u>530,947</u>	<u>5,445,596</u>	<u>3,505,923</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investments sold and matured	-	-	-	-	1,541,695
Use of money and property	12,699	5,621	237	18,557	24,051
Investments purchased	<u>(4,382)</u>	<u>(5,388)</u>	<u>(18)</u>	<u>(9,788)</u>	<u>(2,381,429)</u>
Net Cash Flows From Investing Activities	<u>8,317</u>	<u>233</u>	<u>219</u>	<u>8,769</u>	<u>(815,683)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	100,000	-	-	100,000	189,520
Transfers out	-	(100,000)	-	(100,000)	(31,255)
Proceeds from interfund accounts	-	8,070	-	8,070	915,530
Payments on interfund accounts	<u>(2,013)</u>	<u>-</u>	<u>(36,354)</u>	<u>(38,367)</u>	<u>(1,908,969)</u>
Net Cash Flows From Noncapital Financing Activities	<u>97,987</u>	<u>(91,930)</u>	<u>(36,354)</u>	<u>(30,297)</u>	<u>(835,174)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal payment on bonds payable	(555,932)	-	(42,897)	(598,829)	-
Principal payment on loans payable	(573,354)	-	-	(573,354)	-
Principal payment on note payable	(127,332)	-	-	(127,332)	-
Interest paid	(545,417)	-	(25,308)	(570,725)	-

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2013

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Water Pollution Control</u>	<u>Stormwater Utility</u>	<u>Totals</u>	
Acquisition and construction of capital assets	(1,519,293)	(809,717)	(483,001)	(2,812,011)	(1,957,697)
Proceeds from sale of capital assets	-	-	-	-	188,423
Net Cash Flows From Capital and Related Financing Activities	<u>(3,321,328)</u>	<u>(809,717)</u>	<u>(551,206)</u>	<u>(4,682,251)</u>	<u>(1,769,274)</u>
Net Change in Cash and Cash Equivalents	(73,976)	872,187	(56,394)	741,817	85,792
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,780,984</u>	<u>1,782,122</u>	<u>733,188</u>	<u>4,296,294</u>	<u>4,071,924</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,707,008</u>	<u>\$ 2,654,309</u>	<u>\$ 676,794</u>	<u>\$ 5,038,111</u>	<u>\$ 4,157,716</u>

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Stormwater Utility	Totals	
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income	\$ 1,573,554	\$ 514,905	\$ 159,703	\$ 2,248,162	\$ 475,065
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities					
Depreciation	1,458,245	1,103,196	312,046	2,873,487	1,058,914
Changes in assets and liabilities					
Accounts receivable	(162,080)	(65,050)	14,275	(212,855)	-
Due from other governments	235	9,126	-	9,361	(157)
Inventory	(9,690)	348	-	(9,342)	22,944
Prepaid items	-	-	-	-	730,276
Accounts payable	305,477	296,827	45,592	647,896	(35,246)
Accrued salaries	4,499	(8,247)	188	(3,560)	209
Claims payable	-	-	-	-	1,230,816
Compensated absences	13,128	(27,335)	(857)	(15,064)	23,102
Deposits payable	5,040	-	-	5,040	-
Other post employment benefits obligation	(47,360)	(50,169)	-	(97,529)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 3,141,048</u>	<u>\$ 1,773,601</u>	<u>\$ 530,947</u>	<u>\$ 5,445,596</u>	<u>\$ 3,505,923</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
None					

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
As of December 31, 2013

	<u>Pension Trusts</u>
ASSETS	
Cash and cash equivalents	\$ 3,489,323
Investments	
Stocks	20,685,225
Mutual funds	<u>35,081,347</u>
Total Assets	<u>59,255,895</u>
LIABILITIES	<u>-</u>
NET POSITION	
Held in trust for pension benefits (a schedule of funding progress is presented in the required supplementary information)	<u>\$ 59,255,895</u>

CITY OF MOLINE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended December 31, 2013

	<u>Pension Trusts</u>
ADDITIONS	
Contributions	
Employer	\$ 7,013,168
Plan member	979,972
Other	<u>10,716</u>
Total Contributions	<u>8,003,856</u>
Investment income	
Net appreciation in fair value of investments	4,522,635
Investment income	<u>1,164,857</u>
Total Investment Income	5,687,492
Less Investment expense	<u>196,830</u>
Net Investment Income	<u>5,490,662</u>
Total Additions	<u>13,494,518</u>
DEDUCTIONS	
Benefits	7,988,051
Administration	72,158
Public services	<u>999</u>
Total Deductions	<u>8,061,208</u>
Change in Net Position	5,433,310
NET POSITION - Beginning of Year	<u>53,822,585</u>
NET POSITION - END OF YEAR	<u>\$ 59,255,895</u>

See accompanying notes to financial statements.

CITY OF MOLINE

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CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Moline, Illinois (the City) was incorporated in 1872. The City is a home-rule municipality, under the 1970 Illinois Constitution, located in Rock Island County, Illinois. The City operates under a city administrator form of government and provides the following services as authorized by its charter: recreation and cultural events, community development, general administration services, individual and community protection, health, leisure time, environment preservation, planning and zoning, water and sewer service and highway and street construction and maintenance.

The accounting policies of the City of Moline, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Component Units

The Police Pension Employees Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The City and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund and the data for the component unit is included in the government's fiduciary fund financial statements. No separate annual financial report is issued for the PPERS.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the City's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's mayor; one pension beneficiary elected by the membership, and two fire employees elected by the membership constitute the pension board. The City and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it was part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund and the data for the component unit is included in the government's fiduciary fund financial statements. No separate annual financial report is issued for the FPERS.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In November 2010, the GASB issued statement No. 61 - *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. This statement modifies certain requirements for inclusion of component units in the financial reporting entity. This standard was implemented effective January 1, 2013.

In March 2012, the GASB issued statement No. 65 - *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This standard was implemented effective January 1, 2013.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, 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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

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

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

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

The City reports the following major governmental funds:

- General Fund - accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Tax Increment Financing #1 Fund - used to account for and report revenue legally restricted to supporting expenditures to the 1st Tax Increment Financing District in the City's downtown.
- Debt Service Fund - used to account and report for revenues legally restricted for the servicing of the general long-term debt related to the acquisition and construction of capital facilities and other capital assets of the City with the exception of those that are financed through proprietary bonds.
- Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets with the exception of those expenditures supported by grant revenues accounted for in other funds.

The City reports the following major enterprise funds:

- Water Utility Fund - accounts for operations of the water system.
- Stormwater Utility Fund - accounts for operations of the storm water system.
- Water Pollution Control Fund - accounts for operations of the of the sanitary sewer system.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The City reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Park	Community Development Block Grant
Motor Fuel Tax	Revolving Loan Program
Tourism	Special Service Area #5
Special Service Area #6	Foreign Fire Insurance
General Trust	Tax Increment Financing #2
Tax Increment Financing #3	Tax Increment Financing #4
Tax Increment Financing #5	Tax Increment Financing #6
Tax Increment Financing #7	Tax Increment Financing #8
Tax Increment Financing #9	Tax Increment Financing #10
Tax Increment Financing #11	Tax Increment Financing #12
Reher Art Gallery	Park and Cemetery Gift
Sanitation	Home Buyer Grant
Lead Hazard Grant	Single Family Owner Occupied Rehabilitation Grant
Small Rental Properties Program	Library
NSP2 Grant	Perpetual Care
Library Trust	
Video Gaming Special Projects	

In addition, the City reports the following fund types:

Internal service funds are used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Health Insurance Fund - to account for the premiums and medical claims of all covered City employees and their covered dependents.

Liability Insurance Fund - to account for the premiums and the payment of claims for general worker's compensation, auto and property insurance.

Fleet Fund - to account for monies set aside annually for future vehicle replacement purchases.

Information Technology Fund - to account for monies set aside annually for future technology equipment replacement purchases.

Public Safety Equipment Fund - to account for monies set aside for future radios and dispatching replacement purchases.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Pension trust funds are used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

Police Pension Fund - to account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from police force members at rates fixed by state statutes and City contributions in the form of an annual property tax levy.

Firefighters' Pension Fund - to account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from fire department members at rates fixed by state statutes and City contributions in the form of an annual property tax levy.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Fund, Water Pollution Control Fund, and Stormwater Utility Fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles 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/expenses during the reporting period. Actual results could differ from those estimates.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Illinois Statutes authorize the City to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities, and corporate bonds meeting certain requirements. Pension funds with net assets in excess of \$10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements. The police pension fund's investment policy allows investments in all of the above listed accounts. The firefighters' pension fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

Interest Rate Risk

The City's and Pensions' investment policies seek to ensure preservation of capital in the City's and Pensions' overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The City's and Police Pension's policies limit the City and Police Pension to investments with a maturity of no more than 20 years from the date of purchase, unless matched to a specific cash flow. The Firefighters' Pension's policy does not limit investment maturities except as part of statutory requirements, as a means of managing its exposure to fair value losses arising from increasing interest rates. However, all of the policies require the City's and Pensions' investment portfolio to be sufficiently liquid to enable the City and Pensions to meet all operating requirements as they come due.

Credit Risk

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The City's and Pensions' investment policies authorize investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Concentration of Credit Risk

The City's and Pensions' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The City's and Police Pension's policy further states that no financial institution shall hold more than 50% of the City's investment portfolio at the current time of investment placement. The City operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the City.

Custodial Credit Risk - Deposits

The City's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 110% of the value of the deposit. The Police Pension's and Firefighters' Pension's investment policy limits exposure to deposit custodial credit risk by requiring deposits in excess of FDIC insurable limits to be collateralized.

Custodial Credit Risk - Investments

The City's and Pensions' investment policies require all securities to be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

See Note III. A. for further information.

2. Receivables

Property taxes for levy year 2013 attaches as an enforceable lien on January 1, 2013, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2013 tax levy, which attached as an enforceable lien on the property as of January 1, 2013, was levied in November 2013.

Tax bills for levy year 2013 are prepared by Rock Island County Treasurer and are payable in four installments, in June 2014, August 2014, September 2014, and November 2014.

The county collects such taxes and remits them approximately one month after the collection dates. The 2013 property tax levy is recognized as a receivable and deferred inflow in fiscal 2013. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2013, the property taxes receivable and deferred inflow consisted of the estimated amount collectible from the 2013 levy.

The City maintains home-rule status under Illinois statutes and, as such, no property tax limitations are imposed on the City by State law.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

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

3. Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO, and charged to construction and/or operation and maintenance expense when used.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

3. Inventories and Prepaid Items (cont.)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$15,000 for general capital assets and \$15,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Land improvements	10 - 40	Years
Buildings and improvements	20 - 50	Years
Major movable equipment	4 - 40	Years
Vehicles	5 - 15	Years
General infrastructure	7 - 15	Years
Water, storm and sewer system infrastructure	40 - 100	Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arose from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund statements.

7. Compensated Absences

Employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is compensated for accumulated vacation days at the employee's wage at the time.

Non-union employees and employees covered by the AFSCME and UAW labor agreements who have at least ten (10) years of continuous service, but are not eligible for retirement benefits, receive compensation for accumulated sick leave upon resignation in good standing. Compensation is made at the rate of 25 percent of the employee's wage at the time of resignation with a \$1,000 maximum payment.

Non-union employees and employees covered by the AFSCME labor agreement who have at least eight (8) years of continuous service and who are otherwise eligible for retirement benefits are eligible to convert 25 percent of accumulated sick leave into a retiree health benefit savings account at resignation. An employee with twenty-five (25) or more years of service shall be eligible to convert 50 percent of accumulated sick leave into the account.

Employees covered by the UAW labor agreement who have at least eight (8) years of continuous service and who are otherwise eligible for retirement benefits receive compensation for any accumulated sick leave. Compensation shall be 25 percent of the employee's accumulated sick leave paid in a lump sum at the employee's rate of pay with an additional 25% of the employee's accumulated sick leave paid directly by the City into a retiree health benefit savings account at resignation.

Any employee covered under the FOP labor agreement or IAFF labor agreement meeting minimum eligibility requirements under their respective pension plans and who has up to twenty-five (25) years of service are eligible to convert 25 percent of their accumulated sick leave into a retiree health benefits savings account. An employee meeting minimum eligibility requirements under their respective pension plans and who has twenty-five (25) or more years of service is eligible to convert 50 percent of accumulated sick leave into the account.

For proprietary fund types and the government-wide statements, these accumulations are recorded as expenses and liabilities of the appropriate fund and activity in the fiscal year earned. For governmental fund types, the amount of accumulated unpaid compensated absences which are payable from available resources are recorded as a liability of the respective fund if they have matured, for example, as a result of employee retirements and resignations.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

7. *Compensated Absences* (cont.)

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2013, are determined on the basis of current salary rates and include salary related payments.

8. *Long-Term Obligations/Conduit Debt*

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for gains/losses is shown as a deferred outflow/inflow in the statement of net position.

The City - has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$16,800,000, made up of 3 issues.

The City has also issued residential mortgage revenue bonds to provide funds to acquire mortgage loans collateralized by first mortgage liens on single family or two to four family owner occupied residential housing and to provide monies to make deposits in various reserve funds and to pay bond issuance costs. These bonds are collateralized by an assignment and pledge of interest in (1) all mortgage loans and earnings from such mortgage loans, (2) all of the City's rights and interest in the bond agreement and (3) all monies and securities held by the custodian of the bond assets. The bonds and interest thereon are not considered as obligations of the City and will be payable solely out of bond proceeds, commitment fees, revenue and other amounts derived by the mortgage loans and certain reserve funds. The bonds and the interest thereon do not constitute an indebtedness, liability, general or moral obligation or pledge of the faith or loan of credit of the City. As of December 31, 2013, there were 3 series of residential mortgage revenue bonds issued prior to April 1, 1996 outstanding. The aggregate principal amount payable for the series issued could not be determined; however, their original issue amounts totaled \$48,545,000. There have been no residential mortgage revenue bonds issued since April 1, 1996.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

10. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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.

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Fund Statements (cont.)

- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the City. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The Council may take official action to assign amounts. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Propriety fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note III. G. for further information.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER APPROPRIATIONS

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Tax Increment Financing #1	\$ 566,975	\$ 2,852,180	\$ 2,285,205
Special Service Area #5	110,400	125,290	14,890
Special Service Area #6	225,000	666,994	441,994
Foreign Fire Insurance	31,700	44,956	13,256
Tax Increment Financing #2	-	171,663	171,663
Tax Increment Financing #6	-	495	495
Library Trust	192,045	193,330	1,285
Tax Increment Financing #5	32,365	434,810	402,445
Tax Increment Financing #8	-	17,596	17,596
Tax Increment Financing #9	-	3,497	3,497
Tax Increment Financing #10	-	3,408	3,408
Tax Increment Financing #11	-	29,514	29,514
Tax Increment Financing #12	-	29,459	29,459
Capital Projects	3,725,000	3,839,121	114,121

The City controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

B. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2013, the following individual funds held a deficit balance:

Fund	Amount
Tax Increment Financing #1	\$ (6,383,156)
Special Service Area #6	(884,412)
Tax Increment Financing #2	(440,580)
Tax Increment Financing #4	(358,592)
Tax Increment Financing #6	(431,703)
Lead Hazard Grant	(11,024)
Single Family Owner Occupied Rehabilitation Grant	(9,674)
Sanitation	(51,560)
Tax Increment Financing #8	(35,167)
Tax Increment Financing #9	(3,062)
Tax Increment Financing #10	(32,305)
Tax Increment Financing #11	(29,514)
Tax Increment Financing #12	(29,459)

These fund deficits will be funded with future tax or grant revenues.

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases.

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The City's deposits and investments at year end were comprised of the following:

	Carrying Value	Bank and Investment Balances	Associated Risks
Deposits	\$ 19,204,096	\$ 19,792,964	Custodial Credit Risk
Mutual funds - bond funds	8,959,270	8,959,270	Credit Risk, Interest Rate Risk
Mutual funds - other than bond funds	26,122,077	26,122,077	None
Stocks	20,685,225	20,685,225	Credit Risk
Other investments	41,709,635	41,709,635	Credit Risk
 Total Deposits and Investments	 \$116,680,303	 \$117,269,171	

Reconciliation to financial statements

Per statement of net position

Cash and cash equivalents	\$ 10,636,019
Investments	41,211,264
Restricted cash and cash equivalents	5,078,754
Restricted investments	498,371

Per statement of net position- fiduciary
funds

Cash and cash equivalents	3,489,323
Stocks	20,685,225
Mutual funds	35,081,347

Total Deposits and Investments \$116,680,303

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held at an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

The City does not have any deposits exposed to custodial credit risk.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2013, the City's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
Illinois Funds Money Market Negotiable CDs	AAAm N/R

As of December 31, 2013, the Police Pension Fund's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
DFA Invt Dimensions Group In Intr Gvt Bd Pt	AAA
Pimco Investment Grd Corp Fund	N/R
Vanguard GNMA Fund #536 Admiral Shares	AAA

As of December 31, 2013, the Firefighters' Pension Fund's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
DFA Invt Dimensions Group In Intr Gvt Bd Pt	AAA
Pimco Investment Grd Corp Fund	N/R
Vanguard GNMA Fund #536 Admiral Shares	AAA

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The firefighters' and police pension funds have adopted an asset allocation mix to serve as a general guide to the trustees and the Funds' investment manager. The following percentages dictate the specific allowable asset allocation structure for the plan: Emerging Markets - 5 percent, International - 10 percent, Small/Mid Cap - 15 percent, Large Blend - 5 percent, Large Value - 15 percent, Fixed Income - 49 percent, and Cash - 1 percent. As of December 31, 2013, there were no investments subject to concentration for credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2013, the City's investments were as follows:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Negotiable CDs	<u>\$ 964,491</u>	.50

As of December 31, 2013, the Police Pension Fund's investments were as follows:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Vanguard GNMA Fund #536 Admiral Shares	<u>\$ 4,904,030</u>	8.60

As of December 31, 2013, the Firefighters' Pension Fund's investments were as follows:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Vanguard GNMA Fund #536 Admiral Shares	<u>\$ 4,055,240</u>	8.60

See Note I.D.1. for further information on deposit and investment policies.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

Receivables as of year end for the government's individual major funds and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Totals
Other Taxes				
Sales tax	\$ 3,439,638	\$ 1,322,810	\$ -	\$ 4,762,448
Utility tax	54,953	219,811	-	274,764
Income tax	885,540	-	-	885,540
Corporate personal property replacement tax	414,760	-	-	414,760
Motor fuel tax	-	-	204,693	204,693
Hotel/motel tax	-	-	84,010	84,010
Amusement tax	-	-	29,048	29,048
Other	<u>713,345</u>	<u>-</u>	<u>-</u>	<u>713,345</u>
Total	<u><u>\$ 5,508,236</u></u>	<u><u>\$ 1,542,621</u></u>	<u><u>\$ 317,751</u></u>	<u><u>\$ 7,368,608</u></u>

All of the receivables on the balance sheet are expected to be collected within one year.

Revenues of the Water, Water Pollution Control, and Stormwater Utility Funds are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to Water Fund receivables	\$ 10,750
Uncollectibles related to Water Pollution Control Fund receivables	7,328
Uncollectibles related to Stormwater Utility Fund receivables	<u>11,462</u>
Total Uncollectibles of the Current Fiscal Year	<u><u>\$ 29,540</u></u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 19,093,465	\$ -
Income taxes	-	399,514
Sales taxes	-	1,845,756
Local use taxes	-	97,930
Telecommunication taxes	-	172,317
Grants	20,760	15,668
Other	-	<u>137,696</u>
Total Unearned/Unavailable Revenue for Governmental Funds	<u>\$ 19,114,225</u>	<u>\$ 2,668,881</u>
Unearned revenue included in liabilities	\$ 20,760	
Unearned revenue included in deferred inflows	<u>19,093,465</u>	
Total Unearned Revenue for Governmental Funds	<u>\$ 19,114,225</u>	

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 13,781,913	\$ 68,792	\$ 527,549	\$ 13,323,156
Construction in progress	<u>1,000,318</u>	<u>3,890,719</u>	<u>324,658</u>	<u>4,566,379</u>
Total Capital Assets Not Being Depreciated	<u>14,782,231</u>	<u>3,959,511</u>	<u>852,207</u>	<u>17,889,535</u>
Capital assets being depreciated				
Land improvements	10,952,246	-	-	10,952,246
Buildings and improvements	53,567,629	252,473	542,215	53,277,887
Major movable equipment	4,035,439	380,751	27,494	4,388,696
Vehicles	12,510,608	1,773,642	1,083,367	13,200,883
Infrastructure	<u>75,686,671</u>	<u>1,470,582</u>	<u>-</u>	<u>77,157,253</u>
Total Capital Assets Being Depreciated	<u>156,752,593</u>	<u>3,877,448</u>	<u>1,653,076</u>	<u>158,976,965</u>
Total Capital Assets	<u>171,534,824</u>	<u>7,836,959</u>	<u>2,505,283</u>	<u>176,866,500</u>
Less: Accumulated depreciation for				
Land improvements	(5,949,198)	(472,657)	-	6,421,855
Buildings and improvements	(14,756,381)	(1,486,122)	223,519	16,018,984
Major movable equipment	(2,852,787)	(166,880)	27,490	2,992,177
Vehicles	(6,962,648)	(1,039,647)	919,612	7,082,683
Infrastructure	<u>(38,955,295)</u>	<u>(2,721,124)</u>	<u>-</u>	<u>41,676,419</u>
Total Accumulated Depreciation	<u>(69,476,309)</u>	<u>(5,886,430)</u>	<u>1,170,621</u>	<u>74,192,118</u>
Net Capital Assets Being Depreciated	<u>87,276,284</u>	<u>(2,008,982)</u>	<u>2,823,697</u>	<u>84,784,847</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 102,058,515</u>	<u>\$ 1,950,529</u>	<u>\$ 3,675,904</u>	<u>\$ 102,674,382</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 71,761
Public safety	548,053
Public works	3,266,968
Economic development	101,326
Culture and recreation	544,840
Libraries	294,568
Internal service	<u>1,058,914</u>
Total Governmental Activities Depreciation Expense	<u><u>\$ 5,886,430</u></u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciation				
Land	\$ 389,419	\$ -	\$ -	\$ 389,419
Construction in progress	<u>-</u>	<u>2,058,182</u>	<u>-</u>	<u>2,058,182</u>
Total Capital Assets Not Being Depreciated	<u>389,419</u>	<u>2,058,182</u>	<u>-</u>	<u>2,447,601</u>
Capital assets being depreciated				
Land improvements	799,831	591,690	194,850	1,196,671
Buildings and improvements	56,309,917	-	-	56,309,917
Major movable equipments	14,981,078	21,998	43,308	14,959,768
Infrastructure	<u>69,879,753</u>	<u>594,465</u>	<u>-</u>	<u>70,474,218</u>
Total Capital Assets Being Depreciated	<u>141,970,579</u>	<u>1,208,153</u>	<u>238,158</u>	<u>142,940,574</u>
Total Capital Assets	<u>142,359,998</u>	<u>3,266,335</u>	<u>238,158</u>	<u>145,388,175</u>
Less: Accumulated depreciation for				
Land improvements	(504,565)	(65,943)	194,850	(375,658)
Buildings and improvements	(28,906,646)	(1,261,027)	-	(30,167,673)
Major movable equipments	(8,709,136)	(402,801)	29,766	(9,082,171)
Infrastructure	<u>(19,266,973)</u>	<u>(1,143,716)</u>	<u>-</u>	<u>(20,410,689)</u>
Total Accumulated Depreciation	<u>(57,387,320)</u>	<u>(2,873,487)</u>	<u>224,616</u>	<u>(60,036,191)</u>
Net Capital Assets Being Depreciated	<u>84,583,259</u>	<u>(1,665,334)</u>	<u>13,542</u>	<u>82,904,383</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u><u>\$ 84,972,678</u></u>	<u><u>\$ 392,848</u></u>	<u><u>\$ 13,542</u></u>	<u><u>\$ 85,351,984</u></u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

Business-type Activities

Water	\$ 1,458,245
Storm	312,046
Water Pollution Control	<u>1,103,196</u>
 Total Business-type Activities Depreciation Expense	 <u><u>\$ 2,873,487</u></u>

D. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 520,519
General Fund	Stormwater Utility Fund	3,061
Tax Increment Financing #1	Nonmajor governmental funds	997
Capital Improvement Fund	Nonmajor governmental funds	500,000
Debt Service	Nonmajor governmental funds	52,000
Nonmajor governmental funds	General Fund	400,474
Nonmajor governmental funds	Tax Increment Financing #1	808,273
Nonmajor governmental funds	Capital Improvement Fund	73,819
Nonmajor governmental funds	Nonmajor governmental funds	727,454
Water Pollution Control Fund	Internal Service Funds	26
Stormwater Utility Fund	General Fund	37,703
Water Fund	General Fund	400
Water Fund	Internal Service Fund	10,074
Internal Service Funds	Water Fund	7,314
Internal Service Funds	Water Pollution Control Fund	7,285
Internal Service Fund	Tax Incremental Financing #1	<u>1,908,940</u>
 Total - Fund Financial Statements		 5,058,339
Less: Interfund receivables created with internal service fund eliminations		 (4,996,173)
Less: Government-wide eliminations		<u>(5,088,882)</u>
 Total Internal Balances - Government-Wide Statement of Net Position		 <u><u>\$ (5,026,716)</u></u>

All amounts are due within one year.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Interfund Receivables/Payables (cont.)

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.

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The General Fund advance is to assist with debt payments until the Tax Increment Financing #1 District generates enough tax dollars to meet the debt payments. The General Fund advance to the Special Service Area #6 Fund will be repaid in future years by property tax revenue. The Capital Projects Fund advance to the Sanitation Fund is for capital improvement funding to be repaid with future charges for services.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Tax Increment Financing #1	\$ 3,927,958	\$ 3,927,958
Capital Improvement Fund	Sanitation Fund	267,814	267,814
General Fund	Special Service Area #6	1,004,901	1,004,901
Total - Fund Financial Statements		5,200,673	
Less: Fund eliminations		(5,200,673)	
Total - Interfund Advances - Government-Wide Statement of Net Position		\$ -	

For the statement of net position, interfund advances which are owed within the governmental activities or business-type activities are netted and eliminated.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount
General Fund	Nonmajor governmental funds	\$ 297,451
Tax Increment Financing #1	General Fund	50,000
Tax Increment Financing #1	Nonmajor governmental funds	51,929
Debt Service Fund	Nonmajor governmental funds	20,854
Debt Service Fund	Capital Improvement Fund	3,942,692
Nonmajor governmental funds	General Fund	685,505
Nonmajor governmental funds	Nonmajor governmental funds	300,283
Water Fund	Water Pollution Control Fund	100,000
Internal Service Funds	General Fund	158,265
Internal Service Funds	Internal Service Funds	<u>31,255</u>
Total - Fund Financial Statements		5,638,234
Less: Government-wide eliminations		<u>(5,638,234)</u>
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ -</u></u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. SHORT-TERM DEBT ACTIVITY

In 2007, the City issued bonds in the amount of \$7,550,000 to facilitate a loan to the developer, Financial District Properties KP, LLC, for the purpose of financing property acquisition costs of Phase III of the Bass Street Landing Project. The bonds matured on December 3, 2010 in the amount of \$7,710,809. There were funds available to make the interest portion of the debt service but not the principal amount of \$7,550,000. The developer requested a three-year extension on the loan to allow time to negotiate a long-term lease of the two existing KONE buildings to retain these operations in Moline. A line of credit was approved to finance the three-year extension. In 2013, this line of credit was extended another year. The line of credit is due December 22, 2014.

In 2012, the City issued a line of credit in the amount of \$736,619 to facilitate economic development within the TIF #4 project area. The unused line of credit for the City, as of December 31, 2013, was \$2,004,857. The line of credit will be paid from future property tax revenues.

Short-term debt activity for the year ended December 31, 2013, was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
2010 Line of Credit	\$ 6,332,511	\$ -	\$ 2,215,066	\$ 4,117,445
2012 Line of Credit	736,619	-	320,000	416,619
Totals	<u>\$ 7,069,130</u>	<u>\$ -</u>	<u>\$ 2,535,066</u>	<u>\$ 4,534,064</u>

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2013, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 64,926,541	\$ -	\$ 4,596,171	\$ 60,330,370	\$ 4,400,308
Installment Notes	578,526	-	100,000	478,526	478,526
Add/(Subtract) Deferred Amounts For					
(Discounts)/Premiums	2,894,201	-	(467,170)	2,427,031	-
Sub-totals	<u>68,399,268</u>	<u>-</u>	<u>5,163,341</u>	<u>63,235,927</u>	<u>4,878,834</u>
Other Liabilities					
Vested compensated absences	4,890,286	1,164,813	1,222,572	4,832,527	1,208,132
Other post employment benefits obligation	964,880	-	542,620	422,260	-
IMRF pension obligation	704,269	2,064	-	706,333	-
Total Other Liabilities	<u>6,559,435</u>	<u>1,166,877</u>	<u>1,765,192</u>	<u>5,961,120</u>	<u>1,208,132</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 74,958,703</u>	<u>\$ 1,166,877</u>	<u>\$ 6,928,533</u>	<u>\$ 69,197,047</u>	<u>\$ 6,086,966</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 7,828,459	\$ -	\$ 598,829	\$ 7,229,630	\$ 609,692
Installment Note	1,753,860	-	127,332	1,626,528	133,800
IEPA Loan	7,817,133	-	573,354	7,243,779	588,794
Add/(Subtract) Deferred Amounts For					
(Discounts)/Premiums	(70,279)	-	(128,274)	57,995	-
Sub-totals	17,329,173	-	1,171,241	16,157,932	1,332,286
Other Liabilities					
Vested compensated absences	908,698	212,111	227,175	893,634	223,409
Other postemployment benefits	60,983	37,496	-	98,479	-
Total Other Liabilities	969,681	249,607	227,175	992,113	223,409
Total Business-type Activities Long-Term Liabilities	\$ 18,298,854	\$ 249,607	\$ 1,398,416	\$ 17,150,045	\$ 1,555,695

Compensated absences, the other postemployment benefits and IMRF pension obligation are paid out of the General Fund.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by tax increment financing and Home Rule Sales Tax supplied through transfers from the Capital Projects Fund. Those bonds for proprietary activities are reported in the proprietary funds as they are expected to be repaid from proprietary revenues.

Governmental Activities

General Obligation Debt	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2013
2004A Corporate Purpose general obligation bonds issued for capital asset purposes due in annual amounts of \$300,000 to \$1,460,000	December 1, 2030	3.50% to 5.00%	\$ 22,535,000	\$ 685,000
2004 B & C Corporate Purpose general obligation bonds issued for capital asset purposes due in annual amounts of \$300,000 to \$1,160,000	November 1, 2020	4.00% to 4.54%	8,990,000	410,000
2007A Corporate Purpose general obligation bonds issued for temporary financing due in annual amounts of \$25,000 to \$1,445,000	December 1, 2030	4.00% to 4.15%	10,000,000	9,615,000

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Governmental Activities General Obligation Debt (cont.)	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2013
2011A Corporate Purpose general obligation bonds issued for capital asset purposes due in annual amounts of \$165,000 to \$790,000	December 1,	2030	1.60% to 5.30%	7,605,000	7,605,000
2011B Corporate Purpose general obligation bonds issued to advance refund outstanding General Obligation Bonds, Series 2002A due in annual amounts of \$10,000 to \$1,470,000	February 1,	2022	2.00% to 4.00%	9,215,000	9,185,000
2012A Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2003C due in annual amounts of \$65,000 to \$255,000	November 1,	2031	1.25% to 4.60%	3,010,000	2,945,000
2012B Corporate Purpose general obligation bonds issued for capital asset purposes due in annual amounts of \$65,000 to \$110,000	November 1,	2031	2.15% to 4.60%	1,400,000	1,400,000
2012C Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2003B due in annual amounts of \$185,000 to \$1,010,000	November 1,	2020	0.65% to 2.95%	7,350,000	6,805,000
2012D Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2002A due in annual amounts of \$20,000 to \$1,090,000	February 1,	2016	2.00% to 3.00%	3,220,000	2,175,000
2012E Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2002B, 2002C, and 2003A due in annual amounts of \$340,000 to \$960,000	November 1,	2021	2.00% to 3.00%	5,930,000	4,210,000
2012F Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2004C, due in annual amounts of \$40,000 to \$460,000	November 1,	2020	0.87% to 2.60%	1,602,224	1,475,370

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Governmental Activities General Obligation Debt (cont.)	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2013
2012G Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2004C due in annual amounts of \$40,000 to \$460,000	November 1, 2020	0.87% to 2.60%	3,120,000	3,015,000	
2012H Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2004A due in annual amounts of \$50,000 to \$930,000	December 1, 2023	2.00% to 5.00%	7,450,000	7,400,000	
2012I Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2004B due in annual amounts of \$35,000 to \$685,000	November 1, 2020	2.00% to 4.00%	3,440,000	<u>3,405,000</u>	
Total Governmental Activities - General Obligation Debt				<u><u>\$ 60,330,370</u></u>	

Business-type Activities

General Obligation Debt	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2013
2010A Corporate Purpose general obligation bonds due in annual amounts of \$15,000 to \$435,000	February 1, 2022	2.00% to 4.00%	\$ 4,000,000	\$ 3,355,000
2012F Corporate Purpose general obligation bonds issued to refund General Obligation Bonds, Series 2004C, due in annual amounts of \$40,000 to \$460,000	November 1, 2020	0.87% to 2.60%	4,207,776	<u>3,874,630</u>
Total Business-type Activities - General Obligation Debt				<u><u>\$ 7,229,630</u></u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2014	\$ 4,400,308	\$ 2,106,185	\$ 609,692	\$ 273,692
2015	4,604,445	1,990,282	635,555	255,176
2016	4,830,823	1,876,226	649,176	235,960
2017	5,086,339	1,749,832	673,661	212,406
2018	5,323,233	1,603,686	701,767	186,146
2019-2023	20,036,139	5,434,769	3,528,861	501,317
2024-2028	10,719,083	2,666,216	430,918	21,546
2029-2031	<u>5,330,000</u>	<u>389,853</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 60,330,370</u>	<u>\$ 17,817,049</u>	<u>\$ 7,229,630</u>	<u>\$ 1,686,243</u>

Installment Contracts

Installment Contracts at December 31, 2013 consist of the following:

Governmental Activities				Balance
Installment Contracts	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2013
Revolving Line of Credit, First Midwest Bank with monthly interest payment at Wall Street Journal Prime Rate minus 0.5% multiplied by 66%, 3.25% as of December 31, 2013	May 2, 2014	Variable	\$ 2,900,000	<u>\$ 478,526</u>
Total Governmental Activities Installment Contracts				<u>\$ 478,526</u>
Business-type Activities				Balance
Installment Contracts	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2013
Revolving Line of Credit, First Midwest Bank, due in quarterly amounts of \$50,000 to \$57,529	October 1, 2023	4.20%	\$ 2,000,000	<u>\$ 1,626,528</u>
Total Business-type Activities Installment Contracts				<u>\$ 1,626,528</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities Installment Contracts		Business-type Activities Installment Contracts	
	Principal	Interest	Principal	Interest
2014	\$ 478,526	\$ 15,246	\$ 133,800	\$ 66,037
2015	-	-	139,678	60,322
2016	-	-	145,638	54,362
2017	-	-	151,852	48,148
2018	-	-	158,330	41,669
2019-2023	-	-	897,230	101,064
Totals	<u>\$ 478,526</u>	<u>\$ 15,246</u>	<u>\$ 1,626,528</u>	<u>\$ 371,602</u>

Illinois Environmental Protection Agency (IEPA) loan

The City entered into a loan agreement with the Illinois Environmental Protection Agency on February 27, 2002 and amended on November 19, 2004, for the upgrade of the water treatment plant. The City draws down loan proceeds as construction progresses. Total borrowings available under this agreement are \$12,000,000. Under the terms of the agreement, the City was required to make semi-annual payments of principal and interest beginning January 19, 2005 through July 19, 2024 with interest at 2.675 percent.

Illinois Environmental Protection Agency (IEPA) loan at December 31, 2013, consists of the following:

Business-type Activities

Illinois Environmental Protection Agency (IEPA) loan	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2013
Loan, Illinois Environmental Protection Agency, due in semi-annual payments of \$389,327	July 19, 2024	2.675%	\$ 12,000,000	<u>\$ 7,243,779</u>
Total Business-type Activities Illinois Environmental Protection Agency (IEPA) loan				<u>\$ 7,243,779</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Illinois Environmental Protection Agency (IEPA) loan (cont.)

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-type Activities Illinois Environmental Protection Agency (IEPA) loan	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 588,794	\$ 189,860
2015	604,649	174,004
2016	620,932	157,722
2017	637,653	141,001
2018	654,824	123,829
2019-2023	3,548,318	344,950
2024	<u>588,609</u>	<u>10,643</u>
Totals	<u>\$ 7,243,779</u>	<u>\$ 1,142,009</u>

Other Debt Information

Prior-Year Defeasance of Debt

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At December 31, 2013, \$22,755,000 of bonds outstanding are considered defeased. The bonds are callable on May 1, 2014 and June 1, 2014.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2013, includes the following:

Governmental Activities

Net Investment in Capital Assets	
Land	\$ 13,323,156
Construction in progress	4,566,379
Other capital assets, net of accumulated depreciation	84,784,847
Less: Long-term debt outstanding (net of premiums, discounts, and deferred amounts on refunding) related to capital assets	<u>(33,403,547)</u>
Total Net Investment in Capital Assets	<u>\$ 69,270,835</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES (cont.)

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2013, include the following:

	General Fund	Tax Increment Financing #1 Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Totals
Fund Balances						
Nonspendable:						
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ 12,338	\$ 12,338
Inventories	8,556	-	-	-	-	8,556
Advances	4,932,859	-	-	-	-	4,932,859
Restricted for:						
Tax increment financing	-	-	-	-	5,431,277	5,431,277
Special services areas	-	-	-	-	39,405	39,405
Tourism	-	-	-	-	1,308,595	1,308,595
Debt service	-	-	102,901	-	-	102,901
Cemeteries	-	-	-	-	267,173	267,173
Culture and recreation	-	-	-	-	640,036	640,036
Libraries	-	-	-	-	351,774	351,774
Community development block grant	-	-	-	-	303,511	303,511
Public safety	-	-	-	-	220,295	220,295
Capital improvements	-	-	-	-	729,841	729,841
IMRF excess	291,573	-	-	-	-	291,573
Committed to:						
Capital projects	-	-	-	2,012,965	158,692	2,171,657
Culture and recreation	-	-	-	-	17,064	17,064
Assigned to:						
General government	-	-	-	-	176,910	176,910
Unassigned:	<u>13,875,268</u>	<u>(6,383,156)</u>	<u>-</u>	<u>-</u>	<u>(2,317,052)</u>	<u>5,175,060</u>
Total Fund Balances	<u>\$ 19,108,256</u>	<u>\$ (6,383,156)</u>	<u>\$ 102,901</u>	<u>\$ 2,012,965</u>	<u>\$ 7,339,859</u>	<u>\$ 22,180,825</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	
Land	\$ 389,419
Construction in progress	2,058,182
Other capital assets, net of accumulated depreciation	82,904,383
Less: Long-term debt outstanding (net of premiums, discounts, and deferred amounts on refunding) related to capital assets	<u>(16,166,884)</u>
Total Net Investment in Capital Assets	<u>\$ 69,185,100</u>

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Plan Descriptions

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefits levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Illinois Municipal Retirement Fund

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. Effective January 1, 2011, IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in *Regular Tier 1*. If the member first participated in IMRF on or after January 1, 2011, they participate in *Regular Tier 2*.

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate (average of the highest 48 consecutive months earnings during the last 10 years) of earnings for each year of credited service up to 15 years and 2% for each year thereafter. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service, or age 62 with 35 years of service are entitled to an annual retirement benefit as described above. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City's contribution rate for 2013 was 12.48% of annual covered payroll. For 2013, the City's annual required contribution rate was 12.48%. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

Police Pension

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

At December 31, 2013, the Police Pension membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	81
Current employees:	
Vested	56
Non vested	22
	<hr/>
Total	159
	<hr/> <hr/>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

As provided for in the Illinois Compiled Statutes, the Police Pension Fund provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 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 police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police officer shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. For the year ended December 31, 2013, the City's contribution was 41.91% of covered payroll. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

Firefighters' Pension

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

At December 31, 2013, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	102
Current employees:	
Vested	42
Non vested	21
	<hr/>
Total	<u>165</u>

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Fund provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Firefighters' Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more 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% 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 and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2013, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. For the year ended December 31, 2013, the City's contribution was 48.41% of covered payroll. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrual liability for benefits.

Summary of Significant Accounting Policies

Police and Firefighters' Pension Plans

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

Method Used to Value Investments. Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Annual Pension Cost

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2013	January 1, 2013	January 1, 2013
Contribution rates:			
Employer	12.48%	41.91%	48.41%
Employee	4.50%	9.91%	9.455%
Annual required contribution	\$1,933,058	\$2,981,298	\$3,267,089
Contributions made	\$1,930,994	\$3,355,739	\$3,657,429
Actuarial cost method	Entry-age normal 5 year smoothed market	Entry-age normal 5 year smoothed market	Entry-age normal 5 year smoothed market
Asset valuation method	Level percentage of payroll, opened	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization method	30 years	20 years	24 years
Amortization period			
Actuarial assumptions:			
Investment rate of return	7.50%	7.50%	7.50%
	Compounded annually	Compounded annually	Compounded annually
Projected salary increases	0.40% to 10.00%	1.12% to 4.86%	1.12% to 4.86%
Inflation rate included	4.00%	2.00%	2.00%
Cost-of-living adjustments	3.00%	3.00%	3.00%

Net Pension Obligation (Asset)

The following is the net pension obligation (asset) calculation for the year ended December 31, 2013:

Net Pension Obligation (Asset):	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual required contribution	\$ 1,933,058	\$ 2,981,298	\$ 3,267,089
Interest on net pension obligation	-	(162,255)	(306,873)
Adjustment to annual required contribution	-	152,763	258,036
Annual pension cost	1,933,058	2,971,806	3,218,252
Contributions made	(1,930,994)	(3,355,739)	(3,657,429)
Change in net pension obligation	2,064	(383,933)	(439,177)
Net pension obligation (asset), beginning of year	704,269	(2,161,751)	(4,107,809)
Net pension obligation(asset), end of year	<u>\$ 706,333</u>	<u>\$ (2,545,684)</u>	<u>\$ (4,546,986)</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Interest on net pension obligation and adjustment to annual required contribution for the Illinois Municipal Retirement Fund are immaterial and, therefore, have not been presented.

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2013	\$ 1,933,058	\$ 2,971,806	\$ 3,218,252
	2012	1,783,659	2,984,500	3,059,366
	2011	1,723,615	2,465,748	2,551,197
Contributions made	2013	\$ 1,930,994	\$ 3,355,739	\$ 3,657,429
	2012	1,787,728	3,075,321	3,024,688
	2011	1,430,600	2,280,805	2,679,017
Percentage of APC contributed	2013	100.00%	112.92%	113.65%
	2012	100.00%	103.04%	98.87%
	2011	83.00%	93.03%	105.01%
Net pension obligation (asset)	2013	\$ 706,333	\$ (2,545,684)	\$ (4,546,986)
	2012	704,269	(2,161,751)	(4,107,809)
	2011	708,338	(2,070,930)	(4,142,487)

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Funded Status and Funding Progress

The City's actuarial value of plan assets for the current year and related information is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	December 31, 2013	January 1, 2013	January 1, 2013
Actuarial Valuation of Assets (a)	\$ 42,202,550	\$ 32,154,578	\$ 26,794,893
Actuarial Accrued Liability (AAL) - Entry Age (b)	\$ 48,464,762	\$ 66,574,541	\$ 65,788,378
Unfunded AAL (UAAL) (b - a)	\$ 6,262,212	\$ 34,419,963	\$ 38,993,485
Funded Ratio (a/b)	87 %	48 %	41 %
Covered Payroll (c)	15,489,243	6,298,425	5,112,848
UAAL as a Percentage of Covered Payroll ((b-a)/c)	40 %	546 %	763 %

PENSION SEGMENT INFORMATION

Fiduciary Net Position

	Pension Trust		
	Police Pension	Fire Pension	Total
Assets			
Cash and cash equivalents	\$ 2,380,717	\$ 1,108,606	\$ 3,489,323
Investments			
Mutual funds	18,798,934	16,282,413	35,081,347
Stocks	<u>11,422,291</u>	<u>9,262,934</u>	<u>20,685,225</u>
Total Assets	<u>32,601,942</u>	<u>26,653,953</u>	<u>59,255,895</u>
Liabilities	-	-	-
Net Position			
Held in trust for pension benefits	<u>\$ 32,601,942</u>	<u>\$ 26,653,953</u>	<u>\$ 59,255,895</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in Plan Net Position

	Pension Trust		Total
	Police Pension	Fire Pension	
Additions			
Contributions			
Employer	\$ 3,355,739	\$ 3,657,429	\$ 7,013,168
Plan member	552,777	427,195	979,972
Other	-	10,716	10,716
Total Contributions	3,908,516	4,095,340	8,003,856
Investment Income			
Net appreciation in fair value of investments	2,492,303	2,030,332	4,522,635
Interest on investments	635,363	529,494	1,164,857
Total Investment income	3,127,666	2,559,826	5,687,492
Less investment expense	109,833	86,997	196,830
Net investment income	3,017,833	2,472,829	5,490,662
Total Additions	6,926,349	6,568,169	13,494,518
Deductions			
Benefits	3,573,331	4,414,720	7,988,051
Administration	40,206	31,952	72,158
Public services	-	999	999
Total Deductions	3,613,537	4,447,671	8,061,208
Net change in net position	3,312,812	2,120,498	5,433,310
Net position, beginning of year	29,289,130	24,533,455	53,822,585
Net position, end of year	\$ 32,601,942	\$ 26,653,953	\$ 59,255,895

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City has established self-insurance funds (internal service funds) to provide coverage for losses from theft of, damage to, or destruction of assets; workers compensation; and health care of its employees.

Self Insurance

For all claims, the uninsured risk of loss is \$175,000 per incident and \$6,956,418 in the aggregate for a policy year. The City has a \$100,000 deductible plan for general liability and a \$25,000 deductible for property. The deductible plan for workers' compensation is \$600,000 for all City employees. All claim procedures are performed by an independent claims administrator.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance (cont.)

All funds of the City participate in the risk management program. Amounts payable to the Liability Insurance fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. \$1,406,465 was assigned for that reserve at year end, and is included in unrestricted net position of the internal service fund.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability.

There have been no significant reductions in insurance coverage in the current year from prior years. The amount of settlements have not exceeded insurance coverage in the past three fiscal years.

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims - Beginning of Year	\$ 2,153,632	\$ 2,134,329
Current year claims and changes in estimates	6,717,058	8,013,154
Claim payments	<u>(6,736,361)</u>	<u>(6,782,338)</u>
Unpaid Claims - End of Year	<u>\$ 2,134,329</u>	<u>\$ 3,365,145</u>

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has active construction projects as of December 31, 2013. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

Other Commitments

The City has an intergovernmental agreement with the Illinois Quad City Civic Center Authority (the Authority) to provide financial assistance relating to operating deficits, if any. During the year ended December 31, 2013, the City made no contributions to the operations of the Authority.

D. OTHER POSTEMPLOYMENT BENEFITS

The City administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides health care benefits and life insurance for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive lifetime healthcare insurance at established contribution rates. The Retiree Health Plan does not issue a publicly available financial report.

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the City and the unions, or by City Council action for Non-Union employees. The City makes the same monthly health insurance contribution on behalf of retirees under the age of 65 as it makes on behalf of all other active employees during that year. For fiscal year 2013, the City contributed \$1,666,139 to the plan. The City contributes 80% of the current year premiums for single coverage for retirees under the age of 65. Spouses of retirees can be covered, but at the retiree's expense

The City'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 parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the City's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$	1,171,557
Interest on net OPEB obligation		44,091
Adjustment to annual required contribution		<u>(54,633)</u>
Annual OPEB cost		1,161,015
Contributions made		<u>(1,666,139)</u>
Decrease in net OPEB obligation		(505,124)
Net OPEB Obligation - Beginning of Year		<u>1,025,863</u>
Net OPEB Obligation - End of Year	\$	<u><u>520,739</u></u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2011	\$ 1,213,981	106%	\$ 881,828
December 31, 2012	1,161,015	88%	1,025,863
December 31, 2013	1,161,015	144%	520,739

The funded status of the plan as of December 31, 2013, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 11,895,773
Actuarial value of plan assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 11,895,773
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 24,217,827
UAAL as a percentage of covered payroll	49%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and 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 that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2013

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

In the actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 5% investment rate of return and an annual healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 4% after 5 years. Both rates include a 3% inflation assumption. The actuarial value of Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at December 31, 2013, was 30 years.

E. TAX INCREMENT FINANCING DISTRICT

The City of Moline has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the City and its surrounding areas. As part of the redevelopment plans, the City has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

Construction and development in the RPA's were the responsibility of developers and are substantially complete. To entice development of the areas, the City created tax increment financing (TIF) districts to finance public improvements made within the RPA's.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*
- Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*
- Statement No. 69, *Government Combinations and Disposals of Government Operations*
- Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FOR THE YEAR ENDED December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 34,779,430	\$ 34,779,430	\$ 35,120,396	\$ 340,966
Licenses and permits	952,600	989,400	1,072,353	82,953
Intergovernmental	623,300	623,300	481,592	(141,708)
Charges for services	4,565,045	4,565,045	4,396,902	(168,143)
Fines, forfeitures and penalties	420,000	420,000	328,298	(91,702)
Use of money and property	68,560	68,560	74,525	5,965
Miscellaneous	<u>464,000</u>	<u>464,000</u>	<u>433,655</u>	<u>(30,345)</u>
Total Revenues	<u>41,872,935</u>	<u>41,909,735</u>	<u>41,907,721</u>	<u>(2,014)</u>
EXPENDITURES				
Current:				
Engineering	1,983,950	1,983,950	1,913,043	70,907
Executive	669,070	574,950	262,817	312,133
Financial administration	1,363,155	1,363,155	1,340,760	22,395
Fire protection	11,846,835	12,246,835	11,992,797	254,038
Fleet maintenance	1,848,855	1,848,855	1,837,019	11,836
Highways and streets	4,066,560	4,266,560	4,019,933	246,627
Judicial	560,325	560,325	538,811	21,514
Legislative	211,550	211,550	193,491	18,059
Planning and zoning	2,124,095	2,124,095	1,417,135	706,960
Police	13,787,020	14,187,020	14,014,674	172,346
Protection inspections	569,410	579,410	641,869	(62,459)
Public works	385,760	385,760	383,845	1,915
Building and grounds	980,655	980,655	913,346	67,309
Traffic	515,615	515,615	435,091	80,524
Capital Outlay	436,615	457,535	433,911	23,624
Debt Service	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Expenditures	<u>41,349,470</u>	<u>42,386,270</u>	<u>40,438,542</u>	<u>1,947,728</u>
Excess (deficiency) of revenues over (under) expenditures	<u>523,465</u>	<u>(476,535)</u>	<u>1,469,179</u>	<u>1,945,714</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	427,805	427,805	297,451	(130,354)
Transfers out	(961,270)	(961,270)	(893,770)	67,500
Proceeds from sale of capital assets	<u>10,000</u>	<u>10,000</u>	<u>106,638</u>	<u>96,638</u>
Total Other Financing Sources (Uses)	<u>(523,465)</u>	<u>(523,465)</u>	<u>(489,681)</u>	<u>33,784</u>

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL
FOR THE YEAR ENDED December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (1,000,000)</u>	\$ 979,498	<u>\$ 1,979,498</u>
FUND BALANCE - Beginning of Year			<u>18,128,758</u>	
FUND BALANCE - END OF YEAR			<u>\$ 19,108,256</u>	

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #1
 For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 3,354,410	\$ 3,354,410	\$ 2,917,408	\$ (437,002)
Intergovernmental	-	-	16,779	16,779
Charges for services	75,900	75,900	-	(75,900)
Use of money and property	71,405	71,405	76,820	5,415
Miscellaneous	19,150	19,150	20,839	1,689
Total Revenues	<u>3,520,865</u>	<u>3,520,865</u>	<u>3,031,846</u>	<u>(489,019)</u>
EXPENDITURES				
Current:				
Economic development	566,975	566,975	486,303	80,672
Debt Service				
Principal	-	-	1,855,000	(1,855,000)
Interest and fiscal charges	-	-	510,877	(510,877)
Total Expenditures	<u>566,975</u>	<u>566,975</u>	<u>2,852,180</u>	<u>(2,285,205)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,953,890</u>	<u>2,953,890</u>	<u>179,666</u>	<u>(2,774,224)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	50,000	101,929	51,929
Transfers out	<u>(2,686,255)</u>	<u>(2,686,255)</u>	-	<u>2,686,255</u>
Total Other Financing Sources (Uses)	<u>(2,636,255)</u>	<u>(2,636,255)</u>	<u>101,929</u>	<u>2,738,184</u>
Net Change in Fund Balance	<u>\$ 317,635</u>	<u>\$ 317,635</u>	281,595	<u>\$ (36,040)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(6,664,751)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (6,383,156)</u>	

See accountants' report and accompanying notes to required supplementary information.

CITY OF MOLINE

ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS
 As of and for the Year Ended December 31, 2013

<u>Fiscal Year Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2013	\$ 1,933,058	100.00%	\$ 706,333
12/31/2012	1,783,659	100.00%	704,269
12/31/2011	1,714,218	83.00%	708,338

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2013	\$ 42,202,550	\$ 48,464,762	\$ 6,262,212	87.08%	\$ 15,489,243	40.43%
12/31/2012	40,277,578	50,324,549	10,046,971	80.04%	15,180,074	66.19%
12/31/2011	38,790,390	50,335,101	11,544,711	77.06%	15,374,154	75.09%
12/31/2010	39,042,890	48,131,894	9,089,004	81.12%	14,980,272	60.67%
12/31/2009	40,685,165	48,046,299	7,361,134	84.68%	15,142,108	48.61%
12/31/2008	41,258,733	48,455,926	7,197,193	85.15%	15,095,747	47.68%

On an market value basis, the actuarial value of assets as of December 31, 2013 is \$53,353,110. On a market basis, the funded ratio would be 110.09%

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

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	12/31/2013
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, 30 year open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return	7.50% per year
Projected salary increases	4.00% per year, additional 0.40% to 10.00% per year depending on age and service, attributable to seniority/merit
Inflation factor	4.00% per year

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF MOLINE

POLICE PENSION FUND
 SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS
 As of and for the Year Ended December 31, 2013

<u>Fiscal Year Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension (Asset)</u>
12/31/2013	\$ 2,981,298	112.56%	\$ (2,545,684)
12/31/2012	2,998,141	102.63%	(2,161,751)
12/31/2011	2,485,096	91.78%	(2,070,930)
12/31/2010	2,128,166	104.46%	(2,255,873)
12/31/2009	2,043,517	101.36%	(2,140,925)
12/31/2008	1,397,502	105.55%	(2,064,604)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2013	\$ 32,154,578	\$ 66,574,541	\$ 34,419,963	48.30%	\$ 6,298,425	546.49%
12/31/2012	28,536,726	64,193,380	35,656,654	44.45%	6,230,987	572.25%
12/31/2011	30,552,244	57,859,699	27,307,455	52.80%	6,197,726	440.60%
12/31/2010	26,204,232	54,454,928	28,250,696	48.12%	5,309,947	532.03%
12/31/2009	25,291,113	49,999,392	24,708,279	50.58%	6,011,657	411.01%
12/31/2008	29,143,824	47,239,129	18,095,305	61.69%	4,998,296	362.03%

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	1/1/2013
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.50% per year
Projected salary increases	TCG Basic Salary Table providing graded increases from 1.12% to 4.86% varying by age, plus inflation
Inflation factor	2.00% per year
Cost of living adjustments	3.00% per year

CITY OF MOLINE

**FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS
As of and for the Year Ended December 31, 2013**

<u>Fiscal Year Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension (Asset)</u>
12/31/2013	\$ 3,267,089	111.95%	\$ (4,546,986)
12/31/2012	3,115,083	97.10%	(4,107,809)
12/31/2011	2,558,184	104.72%	(4,142,487)
12/31/2010	2,497,891	104.98%	(3,974,667)
12/31/2009	2,278,474	102.27%	(3,814,519)
12/31/2008	1,668,190	106.16%	(3,762,805)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2013	\$ 26,794,893	\$ 65,788,378	\$ 38,993,485	40.73%	\$5,112,848	762.66%
12/31/2012	24,707,190	64,661,538	39,954,348	38.21%	4,989,390	800.79%
12/31/2011	29,183,658	59,678,809	30,495,151	48.90%	5,250,334	580.82%
12/31/2010	24,987,381	57,338,719	32,351,338	43.58%	4,478,182	722.42%
12/31/2009	25,012,439	51,945,359	26,932,920	48.15%	5,027,040	535.76%
12/31/2008	29,178,270	50,157,247	20,978,977	58.17%	4,221,265	496.98%

The information presented in the above required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation can be found in the notes to basic financial statements.

Valuation date	1/1/2013
Actuarial cost method	Entry Age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	24 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.50% per year
Projected salary increases	TCG Basic Salary Table providing graded increases from 1.12% to 4.86% varying by age, plus inflation
Inflation factor	2.00% per year
Cost of living adjustments	3.00% per year

CITY OF MOLINE

RETIREE HEALTH PLAN
 SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS
 As of and for the Year Ended December 31, 2013

<u>Fiscal Year Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>
12/31/2013	\$ 1,171,557	142.22 %
12/31/2012	1,171,557	86.81
12/31/2011	1,225,407	105.08

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) - Projected Unit</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2013	\$ -	\$ 11,895,773	\$ 11,895,773	-%	\$ 24,217,827	49%
12/31/2012	-	11,895,773	11,895,773	-%	21,740,587	55%
12/31/2011	-	12,744,551	12,744,551	-%	22,253,419	57%
12/31/2010	-	12,747,914	12,747,914	-%	21,295,138	60%
12/31/2009	-	11,007,293	11,007,293	-%	24,930,237	44%
12/31/2008	-	10,450,275	10,450,275	-%	23,743,083	44%

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF MOLINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION December 31, 2013

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The budget is as amended by the City Council. All annual appropriations lapse at fiscal year end.

Prior to April 1, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to April 1, the nonappropriated administrative budget is approved by resolution of the City Council. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

The City is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the City Council. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function, and department. The City Council is authorized to transfer budget amounts between departments within any fund; however, the City Council must approve revisions that alter the total expenditures of any fund.

EXCESS EXPENDITURES OVER APPROPRIATIONS

Excess expenditures over appropriations are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Tax Increment Financing #1	\$ 566,975	\$ 2,852,180	\$ 2,285,205

SUPPLEMENTARY INFORMATION

CITY OF MOLINE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2013

	<u>Park</u>	<u>Community Development Block Grant</u>	<u>Motor Fuel Tax</u>	<u>Revolving Loan Program</u>	<u>Tourism</u>
ASSETS					
Cash and cash equivalents	\$ 53,663	\$ -	\$ 27,160	\$ 55,101	\$ 334
Restricted cash and cash equivalents	-	-	-	-	-
Investments	317,193	-	835,332	-	1,150,916
Restricted investments	-	-	-	-	-
Receivables (net)					
Property taxes	2,281,474	-	-	-	-
Accounts	32,136	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	53,120	20,000
Other taxes	-	-	204,693	-	84,010
Due from other governments	35,751	131,233	-	-	-
Due from other funds	-	-	-	180,688	53,335
Prepaid items	<u>12,338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u><u>2,732,555</u></u>	<u><u>131,233</u></u>	<u><u>1,067,185</u></u>	<u><u>288,909</u></u>	<u><u>1,308,595</u></u>
TOTAL ASSETS	<u><u>\$ 2,732,555</u></u>	<u><u>\$ 131,233</u></u>	<u><u>\$ 1,067,185</u></u>	<u><u>\$ 288,909</u></u>	<u><u>\$ 1,308,595</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 60,071	\$ 34,762	\$ 337,344	\$ -	\$ -
Accrued expenses	25,769	-	-	-	-
Due to other funds	-	96,471	-	-	-
Unearned revenues for grants	-	-	-	-	-
Deposits	1,090	-	-	-	-
Line of credit	-	-	-	-	-
Interfund advances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u><u>86,930</u></u>	<u><u>131,233</u></u>	<u><u>337,344</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Deferred Inflows of Resources					
Property taxes levied for future periods	2,191,760	-	-	-	-
Unavailable revenues for grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Special Service Area #5	Special Service Area #6	Foreign Fire Insurance	General Trust	Tax Increment Financing #2	Tax Increment Financing #3	Tax Increment Financing #4
\$ 57,991	\$ 3	\$ 77,136	\$ 801	\$ 79,669	\$ 10,622	\$ 43,258
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
145,335	271,540	-	-	215,270	55,212	205,399
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,943	-	-	27,105	-	-	-
-	-	-	-	-	-	-
28,089	608,273	-	475,244	-	-	-
-	-	-	-	-	-	-
<u>233,358</u>	<u>879,816</u>	<u>77,136</u>	<u>503,150</u>	<u>294,939</u>	<u>65,834</u>	<u>248,657</u>
<u>\$ 233,358</u>	<u>\$ 879,816</u>	<u>\$ 77,136</u>	<u>\$ 503,150</u>	<u>\$ 294,939</u>	<u>\$ 65,834</u>	<u>\$ 248,657</u>

\$ 48,318	\$ 2,102	\$ -	\$ 8,466	\$ -	\$ -	\$ -
-	-	-	-	-	103	-
-	500,000	-	-	520,519	-	-
-	-	-	15,923	-	-	-
300	-	-	-	-	-	-
-	-	-	-	-	-	416,619
-	1,004,901	-	-	-	-	-
<u>48,618</u>	<u>1,507,003</u>	<u>-</u>	<u>24,389</u>	<u>520,519</u>	<u>103</u>	<u>416,619</u>

145,335	257,225	-	-	215,000	54,790	190,630
-	-	-	-	-	-	-

CITY OF MOLINE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2013

	<u>Tax Increment Financing #6</u>	<u>Library Trust</u>	<u>Perpetual Care</u>	<u>Reher Art Gallery</u>	<u>Park and Cemetery Gifts</u>
ASSETS					
Cash and cash equivalents	\$ -	\$ 153,043	\$ 65,549	\$ 28,731	\$ 193,023
Restricted cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Restricted investments	-	-	-	-	-
Receivables (net)					
Property taxes	53,500	-	-	-	-
Accounts	-	-	1,624	-	-
Accrued interest	-	1,503	-	-	5,486
Loans	-	-	-	-	-
Other taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	200,000	-	-
Prepaid items	-	-	-	-	-
TOTAL ASSETS	<u>53,500</u>	<u>154,546</u>	<u>267,173</u>	<u>28,731</u>	<u>198,509</u>
TOTAL ASSETS	<u>\$ 53,500</u>	<u>\$ 154,546</u>	<u>\$ 267,173</u>	<u>\$ 28,731</u>	<u>\$ 198,509</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 14,202	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-
Due to other funds	431,703	-	-	-	-
Unearned revenues for grants	-	-	-	-	-
Deposits	-	-	-	-	-
Line of credit	-	-	-	-	-
Interfund advances	-	-	-	-	-
Total Liabilities	<u>431,703</u>	<u>14,202</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property taxes levied for future periods	53,500	-	-	-	-
Unavailable revenues for grants	-	-	-	-	-

<u>Sanitation</u>	<u>Home Buyer Grant</u>	<u>Lead Hazard Grant</u>	<u>Single Family Owner Occupied Rehabilitation</u>	<u>Small Rental Properties Program</u>	<u>Library</u>	<u>NSP2 Grant</u>
\$ 372,172	\$ -	\$ -	\$ -	\$ -	\$ 9,387	\$ 23,994
-	-	-	-	-	-	-
6,021	-	-	-	-	200,089	-
-	-	-	-	-	-	-
-	-	-	-	-	2,762,315	-
142,878	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	140,000	-	-	-	4,644
-	-	-	-	-	-	-
<u>521,071</u>	<u>-</u>	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>2,971,791</u>	<u>28,638</u>
<u>\$ 521,071</u>	<u>\$ -</u>	<u>\$ 140,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,971,791</u>	<u>\$ 28,638</u>

\$ 130,850	\$ -	\$ 60,620	\$ -	\$ -	\$ 43,273	\$ 712
36,271	-	-	-	-	75,209	-
-	-	79,380	4,837	-	-	997
-	-	-	4,837	-	-	-
-	-	-	-	-	-	7,683
-	-	-	-	-	-	-
267,814	-	-	-	-	-	-
<u>434,935</u>	<u>-</u>	<u>140,000</u>	<u>9,674</u>	<u>-</u>	<u>118,482</u>	<u>9,392</u>
-	-	-	-	-	2,670,610	-
<u>137,696</u>	<u>-</u>	<u>11,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,644</u>

CITY OF MOLINE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2013

	<u>Tax Increment Financing #5</u>	<u>Tax Increment Financing #7</u>	<u>Tax Increment Financing #8</u>	<u>Tax Increment Financing #9</u>	<u>Tax Increment Financing #10</u>
ASSETS					
Cash and cash equivalents	\$ 18,782	\$ -	\$ -	\$ -	\$ 7,695
Restricted cash and cash equivalents	-	5,078,754	-	-	-
Investments	-	-	-	-	-
Restricted investments	-	498,371	-	-	-
Receivables (net)					
Property taxes	483,000	-	-	-	-
Accounts	-	-	-	-	-
Accrued interest	-	369	-	-	-
Loans	-	-	-	-	-
Other taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	464,391	-	-	-	-
Prepaid items	-	-	-	-	-
TOTAL ASSETS	<u>966,173</u>	<u>5,577,494</u>	<u>-</u>	<u>-</u>	<u>7,695</u>
TOTAL ASSETS	<u>\$ 966,173</u>	<u>\$ 5,577,494</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,695</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 434,810	\$ 100,660	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-
Due to other funds	-	104,861	167	3,062	-
Unearned revenues for grants	-	-	-	-	-
Deposits	-	-	35,000	-	40,000
Line of credit	-	-	-	-	-
Interfund advances	-	-	-	-	-
Total Liabilities	<u>434,810</u>	<u>205,521</u>	<u>35,167</u>	<u>3,062</u>	<u>40,000</u>
Deferred Inflows of Resources					
Property taxes levied for future periods	483,000	-	-	-	-
Unavailable revenues for grants	-	-	-	-	-

<u>Tax Increment Financing #11</u>	<u>Tax Increment Financing #12</u>	<u>Video Gaming Special Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 17,064	\$ 1,295,178
-	-	-	5,078,754
-	-	-	2,509,551
-	-	-	498,371
-	-	-	6,473,045
-	-	-	176,638
-	-	-	7,358
-	-	-	73,120
-	-	-	317,751
-	-	-	311,628
-	-	-	2,010,020
-	-	-	12,338
-	-	17,064	18,763,752
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,064</u>	<u>\$ 18,763,752</u>

\$ -	\$ -	\$ -	\$ 1,276,190
-	-	-	137,352
29,514	29,459	-	1,800,970
-	-	-	20,760
-	-	-	84,073
-	-	-	416,619
-	-	-	1,272,715
<u>29,514</u>	<u>29,459</u>	<u>-</u>	<u>5,008,679</u>

-	-	-	6,261,850
-	-	-	153,364

CITY OF MOLINE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2013

	<u>Park</u>	<u>Community Development Block Grant</u>	<u>Motor Fuel Tax</u>	<u>Revolving Loan Program</u>	<u>Tourism</u>
Total Deferred Inflows of Resources	<u>2,191,760</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)					
Nonspendable	12,338	-	-	-	-
Restricted	441,527	-	729,841	288,909	1,308,595
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unreserved fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (deficit)	<u>453,865</u>	<u>-</u>	<u>729,841</u>	<u>288,909</u>	<u>1,308,595</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u>\$ 2,732,555</u>	 <u>\$ 131,233</u>	 <u>\$ 1,067,185</u>	 <u>\$ 288,909</u>	 <u>\$ 1,308,595</u>

<u>Special Service Area #5</u>	<u>Special Service Area #6</u>	<u>Foreign Fire Insurance</u>	<u>General Trust</u>	<u>Tax Increment Financing #2</u>	<u>Tax Increment Financing #3</u>	<u>Tax Increment Financing #4</u>
<u>145,335</u>	<u>257,225</u>	<u>-</u>	<u>-</u>	<u>215,000</u>	<u>54,790</u>	<u>190,630</u>
-	-	-	-	-	-	-
39,405	-	77,136	143,159	-	10,941	-
-	-	-	158,692	-	-	-
-	-	-	176,910	-	-	-
<u>-</u>	<u>(884,412)</u>	<u>-</u>	<u>-</u>	<u>(440,580)</u>	<u>-</u>	<u>(358,592)</u>
<u>39,405</u>	<u>(884,412)</u>	<u>77,136</u>	<u>478,761</u>	<u>(440,580)</u>	<u>10,941</u>	<u>(358,592)</u>
<u>\$ 233,358</u>	<u>\$ 879,816</u>	<u>\$ 77,136</u>	<u>\$ 503,150</u>	<u>\$ 294,939</u>	<u>\$ 65,834</u>	<u>\$ 248,657</u>

CITY OF MOLINE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2013

	Tax Increment Financing #6	Library Trust	Perpetual Care	Reher Art Gallery	Park and Cemetery Gifts
Total Deferred Inflows of Resources	53,500	-	-	-	-
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	-	140,344	267,173	28,731	198,509
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unreserved fund balance	(431,703)	-	-	-	-
Total Fund Balances (deficit)	(431,703)	140,344	267,173	28,731	198,509
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 53,500	\$ 154,546	\$ 267,173	\$ 28,731	\$ 198,509

<u>Sanitation</u>	<u>Home Buyer Grant</u>	<u>Lead Hazard Grant</u>	<u>Single Family Owner Occupied Rehabilitation</u>	<u>Small Rental Properties Program</u>	<u>Library</u>	<u>NSP2 Grant</u>
<u>137,696</u>	<u>-</u>	<u>11,024</u>	<u>-</u>	<u>-</u>	<u>2,670,610</u>	<u>4,644</u>
-	-	-	-	-	-	-
-	-	-	-	-	182,699	14,602
-	-	-	-	-	-	-
<u>(51,560)</u>	<u>-</u>	<u>(11,024)</u>	<u>(9,674)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(51,560)</u>	<u>-</u>	<u>(11,024)</u>	<u>(9,674)</u>	<u>-</u>	<u>182,699</u>	<u>14,602</u>
<u>\$ 521,071</u>	<u>\$ -</u>	<u>\$ 140,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,971,791</u>	<u>\$ 28,638</u>

CITY OF MOLINE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2013

	Tax Increment Financing #5	Tax Increment Financing #7	Tax Increment Financing #8	Tax Increment Financing #9	Tax Increment Financing #10
Total Deferred Inflows of Resources	483,000	-	-	-	-
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	48,363	5,371,973	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unreserved fund balance	-	-	(35,167)	(3,062)	(32,305)
Total Fund Balances (deficit)	48,363	5,371,973	(35,167)	(3,062)	(32,305)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 966,173	\$ 5,577,494	\$ -	\$ -	\$ 7,695

<u>Tax Increment Financing #11</u>	<u>Tax Increment Financing #12</u>	<u>Video Gaming Special Projects</u>	<u>Total Nonmajor Governmental Funds</u>
-	-	-	<u>6,415,214</u>
-	-	-	12,338
-	-	-	9,291,907
-	-	17,064	175,756
-	-	-	176,910
<u>(29,514)</u>	<u>(29,459)</u>	<u>-</u>	<u>(2,317,052)</u>
<u>(29,514)</u>	<u>(29,459)</u>	<u>17,064</u>	<u>7,339,859</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,064</u>	<u>\$ 18,763,752</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	Special Revenue				
	Park	Community Development Block Grant	Motor Fuel Tax	Revolving Loan Program	Tourism
REVENUES					
Taxes	\$ 2,802,145	\$ -	\$ -	\$ -	\$ 940,390
Intergovernmental	46,290	506,074	1,262,523	-	-
Charges for services	637,790	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Use of money and property	134,961	2	184	619	414
Contributions	2,420	-	-	-	-
Miscellaneous	3,096	15,870	-	-	1
Total Revenues	<u>3,626,702</u>	<u>521,946</u>	<u>1,262,707</u>	<u>619</u>	<u>940,805</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public works	-	-	-	-	-
Economic development	-	522,075	-	16,089	342,554
Culture and recreation	3,612,947	-	-	-	-
Libraries	-	-	-	-	-
Capital Outlay	230,232	-	1,035,565	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	1,672	-	-	-
Total Expenditures	<u>3,843,179</u>	<u>523,747</u>	<u>1,035,565</u>	<u>16,089</u>	<u>342,554</u>
Excess (deficiency) of revenues over expenditures	<u>(216,477)</u>	<u>(1,801)</u>	<u>227,142</u>	<u>(15,470)</u>	<u>598,251</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	286,518	-	-	-	-
Transfers out	-	-	-	-	(583,951)
Proceeds from sale of capital assets	825	-	-	-	140,500
Total Other Financing Sources (Uses)	<u>287,343</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(443,451)</u>
Net Change in Fund Balances	70,866	(1,801)	227,142	(15,470)	154,800
FUND BALANCES (DEFICITS) - Beginning of Year	<u>382,999</u>	<u>1,801</u>	<u>502,699</u>	<u>304,379</u>	<u>1,153,795</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 453,865</u>	<u>\$ -</u>	<u>\$ 729,841</u>	<u>\$ 288,909</u>	<u>\$ 1,308,595</u>

Special Revenue

Special Service Area #5	Special Service Area #6	Foreign Fire Insurance	General Trust	Tax Increment Financing #2	Tax Increment Financing #3	Tax Increment Financing #4
\$ 113,321	\$ 224,541	\$ 60,988	\$ 232,321	\$ 215,819	\$ 52,883	\$ 190,630
-	-	-	5,000	-	-	-
7,475	-	-	-	-	-	-
-	-	-	-	-	-	-
15	73	-	45	33	7	31
-	-	-	203,969	-	-	-
432	258	-	77,176	24,514	-	-
<u>121,243</u>	<u>224,872</u>	<u>60,988</u>	<u>518,511</u>	<u>240,366</u>	<u>52,890</u>	<u>190,661</u>
-	-	44,956	846,499	-	-	-
-	-	-	-	-	-	-
125,290	155,994	-	-	495	49,985	-
-	-	-	-	-	-	-
-	500,000	-	-	-	-	-
-	-	-	-	65,000	-	-
-	11,000	-	-	106,168	-	-
<u>125,290</u>	<u>666,994</u>	<u>44,956</u>	<u>846,499</u>	<u>171,663</u>	<u>49,985</u>	<u>-</u>
<u>(4,047)</u>	<u>(442,122)</u>	<u>16,032</u>	<u>(327,988)</u>	<u>68,703</u>	<u>2,905</u>	<u>190,661</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	(20,854)
-	-	-	-	-	-	-
-	-	-	-	-	-	(20,854)
(4,047)	(442,122)	16,032	(327,988)	68,703	2,905	169,807
<u>43,452</u>	<u>(442,290)</u>	<u>61,104</u>	<u>806,749</u>	<u>(509,283)</u>	<u>8,036</u>	<u>(528,399)</u>
<u>\$ 39,405</u>	<u>\$ (884,412)</u>	<u>\$ 77,136</u>	<u>\$ 478,761</u>	<u>\$ (440,580)</u>	<u>\$ 10,941</u>	<u>\$ (358,592)</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	Special Revenue				
	Tax Increment Financing #6	Library Trust	Perpetual Care	Reher Art Gallery	Park and Cemetery Gifts
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Use of money and property	-	13,585	19	2	5,499
Contributions	-	104,340	-	-	26,715
Miscellaneous	-	-	12,904	-	-
Total Revenues	<u>-</u>	<u>117,925</u>	<u>12,923</u>	<u>2</u>	<u>32,214</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public works	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	7,260	6,289
Libraries	-	193,330	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and fiscal charges	495	-	-	-	-
Total Expenditures	<u>495</u>	<u>193,330</u>	<u>-</u>	<u>7,260</u>	<u>6,289</u>
Excess (deficiency) of revenues over expenditures	<u>(495)</u>	<u>(75,405)</u>	<u>12,923</u>	<u>(7,258)</u>	<u>25,925</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	13,765	-
Transfers out	-	(13,765)	(18)	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(13,765)</u>	<u>(18)</u>	<u>13,765</u>	<u>-</u>
Net Change in Fund Balances	(495)	(89,170)	12,905	6,507	25,925
FUND BALANCES (DEFICITS) - Beginning of Year	<u>(431,208)</u>	<u>229,514</u>	<u>254,268</u>	<u>22,224</u>	<u>172,584</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ (431,703)</u>	<u>\$ 140,344</u>	<u>\$ 267,173</u>	<u>\$ 28,731</u>	<u>\$ 198,509</u>

Special Revenue

Sanitation	Home Buyer Grant	Lead Hazard Grant	Single Family Owner Occupied Rehabilitation	Small Rental Properties Program	Library	NSP2 Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,708,129	\$ -
38,612	161,432	132,298	77,778	-	44,789	20,463
1,624,255	-	-	-	-	32,939	75,632
-	-	-	-	-	56,079	-
2,852	-	-	-	-	69	-
-	-	-	-	-	-	-
112,439	-	-	-	-	13,996	54,277
<u>1,778,158</u>	<u>161,432</u>	<u>132,298</u>	<u>77,778</u>	<u>-</u>	<u>2,856,001</u>	<u>150,372</u>
-	-	-	-	-	-	-
2,332,172	-	-	-	-	-	-
-	123,721	143,322	94,310	502	-	62,104
-	-	-	-	-	2,915,321	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,066	-	-	-	-	-	-
<u>2,342,238</u>	<u>123,721</u>	<u>143,322</u>	<u>94,310</u>	<u>502</u>	<u>2,915,321</u>	<u>62,104</u>
<u>(564,080)</u>	<u>37,711</u>	<u>(11,024)</u>	<u>(16,532)</u>	<u>(502)</u>	<u>(59,320)</u>	<u>88,268</u>
685,505	-	-	-	-	-	-
-	-	-	-	-	-	(11,647)
-	-	-	-	-	-	-
<u>685,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,647)</u>
121,425	37,711	(11,024)	(16,532)	(502)	(59,320)	76,621
<u>(172,985)</u>	<u>(37,711)</u>	<u>-</u>	<u>6,858</u>	<u>502</u>	<u>242,019</u>	<u>(62,019)</u>
<u>\$ (51,560)</u>	<u>\$ -</u>	<u>\$ (11,024)</u>	<u>\$ (9,674)</u>	<u>\$ -</u>	<u>\$ 182,699</u>	<u>\$ 14,602</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	Special Revenue				
	Tax Increment Financing #5	Tax Increment Financing #7	Tax Increment Financing #8	Tax Increment Financing #9	Tax Increment Financing #10
REVENUES					
Taxes	\$ 483,122	\$ 295	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Use of money and property	51	9,610	1	-	1
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>483,173</u>	<u>9,905</u>	<u>1</u>	<u>-</u>	<u>1</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public works	-	-	-	-	-
Economic development	434,810	370,992	17,596	3,497	3,408
Culture and recreation	-	-	-	-	-
Libraries	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	515	-	-	-
Total Expenditures	<u>434,810</u>	<u>371,507</u>	<u>17,596</u>	<u>3,497</u>	<u>3,408</u>
Excess (deficiency) of revenues over expenditures	<u>48,363</u>	<u>(361,602)</u>	<u>(17,595)</u>	<u>(3,497)</u>	<u>(3,407)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(40,282)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(40,282)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	8,081	(361,602)	(17,595)	(3,497)	(3,407)
FUND BALANCES (DEFICITS) - Beginning of Year	<u>40,282</u>	<u>5,733,575</u>	<u>(17,572)</u>	<u>435</u>	<u>(28,898)</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 48,363</u>	<u>\$ 5,371,973</u>	<u>\$ (35,167)</u>	<u>\$ (3,062)</u>	<u>\$ (32,305)</u>

<u>Special Revenue</u>			
<u>Tax Increment Financing #11</u>	<u>Tax Increment Financing #12</u>	<u>Video Gaming Special Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 17,064	\$ 8,041,648
-	-	-	2,295,259
-	-	-	2,378,091
-	-	-	56,079
-	-	-	168,073
-	-	-	337,444
-	-	-	314,963
<u>-</u>	<u>-</u>	<u>17,064</u>	<u>13,591,557</u>
-	-	-	891,455
-	-	-	2,332,172
29,514	29,459	-	2,525,717
-	-	-	3,626,496
-	-	-	3,108,651
-	-	-	1,765,797
-	-	-	65,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>129,916</u>
<u>29,514</u>	<u>29,459</u>	<u>-</u>	<u>14,445,204</u>
<u>(29,514)</u>	<u>(29,459)</u>	<u>17,064</u>	<u>(853,647)</u>
-	-	-	985,788
-	-	-	(670,517)
<u>-</u>	<u>-</u>	<u>-</u>	<u>141,325</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>456,596</u>
(29,514)	(29,459)	17,064	(397,051)
<u>-</u>	<u>-</u>	<u>-</u>	<u>7,736,910</u>
<u>\$ (29,514)</u>	<u>\$ (29,459)</u>	<u>\$ 17,064</u>	<u>\$ 7,339,859</u>

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - PARK
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,801,030	\$ 2,801,030	\$ 2,802,145	\$ 1,115
Intergovernmental	28,000	28,000	46,290	18,290
Charges for services	663,140	663,140	637,790	(25,350)
Use of money and property	127,125	127,125	134,961	7,836
Contributions	3,700	3,700	2,420	(1,280)
Miscellaneous	3,000	3,000	3,096	96
Total Revenues	<u>3,625,995</u>	<u>3,625,995</u>	<u>3,626,702</u>	<u>707</u>
EXPENDITURES				
Current:				
Culture and recreation	3,567,015	3,567,015	3,612,947	(45,932)
Capital Outlay	430,000	430,000	230,232	199,768
Total Expenditures	<u>3,997,015</u>	<u>3,997,015</u>	<u>3,843,179</u>	<u>153,836</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(371,020)</u>	<u>(371,020)</u>	<u>(216,477)</u>	<u>154,543</u>
OTHER FINANCING SOURCES				
Transfers in	280,000	280,000	286,518	6,518
Proceeds from sale of capital assets	-	-	825	825
Total Other Financing Sources	<u>280,000</u>	<u>280,000</u>	<u>287,343</u>	<u>7,343</u>
Net Change in Fund Balance	<u>\$ (91,020)</u>	<u>\$ (91,020)</u>	70,866	<u>\$ 161,886</u>
FUND BALANCE - Beginning of Year			<u>382,999</u>	
FUND BALANCE - END OF YEAR			<u>\$ 453,865</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT
 For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 665,265	\$ 1,069,695	\$ 506,074	\$ (563,621)
Use of money and property	-	-	2	2
Miscellaneous	-	-	15,870	15,870
Total Revenues	<u>665,265</u>	<u>1,069,695</u>	<u>521,946</u>	<u>(547,749)</u>
EXPENDITURES				
Current:				
Economic development	665,265	1,068,020	522,075	545,945
Interest and fiscal charges	-	1,675	1,672	3
Total Expenditures	<u>665,265</u>	<u>1,069,695</u>	<u>523,747</u>	<u>545,948</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(1,801)	<u>\$ (1,801)</u>
FUND BALANCE - Beginning of Year			<u>1,801</u>	
FUND BALANCE - END OF YEAR			<u><u>\$ -</u></u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,550,000	\$ 2,550,000	\$ 1,262,523	\$ (1,287,477)
Use of money and property	-	-	184	184
Total Revenues	<u>2,550,000</u>	<u>2,550,000</u>	<u>1,262,707</u>	<u>(1,287,293)</u>
EXPENDITURES				
Capital Outlay	<u>2,550,000</u>	<u>2,550,000</u>	<u>1,035,565</u>	<u>1,514,435</u>
Total Expenditures	<u>2,550,000</u>	<u>2,550,000</u>	<u>1,035,565</u>	<u>1,514,435</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	227,142	<u>\$ 227,142</u>
FUND BALANCE - Beginning of Year			<u>502,699</u>	
FUND BALANCE - END OF YEAR			<u>\$ 729,841</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - REVOLVING LOAN PROGRAM For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ 2,880	\$ 2,880	\$ 619	\$ (2,261)
Miscellaneous	19,980	19,980	-	(19,980)
Total Revenues	<u>22,860</u>	<u>22,860</u>	<u>619</u>	<u>(22,241)</u>
EXPENDITURES				
Current:				
Economic development	<u>238,860</u>	<u>238,860</u>	<u>16,089</u>	<u>222,771</u>
Total Expenditures	<u>238,860</u>	<u>238,860</u>	<u>16,089</u>	<u>222,771</u>
Net Change in Fund Balance	<u>\$ (216,000)</u>	<u>\$ (216,000)</u>	(15,470)	<u>\$ 200,530</u>
FUND BALANCE - Beginning of Year			<u>304,379</u>	
FUND BALANCE - END OF YEAR			<u>\$ 288,909</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TOURISM For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 800,000	\$ 800,000	\$ 940,390	\$ 140,390
Use of money and property	250	250	414	164
Miscellaneous	-	-	1	1
Total Revenues	<u>800,250</u>	<u>800,250</u>	<u>940,805</u>	<u>140,555</u>
EXPENDITURES				
Current:				
Economic development	<u>431,725</u>	<u>431,725</u>	<u>342,554</u>	<u>89,171</u>
Total Expenditures	<u>431,725</u>	<u>431,725</u>	<u>342,554</u>	<u>89,171</u>
Excess of revenues over expenditures	<u>368,525</u>	<u>368,525</u>	<u>598,251</u>	<u>229,726</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(662,375)	(662,375)	(583,951)	78,424
Proceeds from sale of capital assets	-	-	140,500	140,500
Total Other Financing Sources (Uses)	<u>(662,375)</u>	<u>(662,375)</u>	<u>(443,451)</u>	<u>218,924</u>
Net Change in Fund Balance	<u>\$ (293,850)</u>	<u>\$ (293,850)</u>	154,800	<u>\$ 448,650</u>
FUND BALANCE - Beginning of Year			<u>1,153,795</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,308,595</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL SERVICE AREA #5
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 110,400	\$ 110,400	\$ 113,321	\$ 2,921
Use of money and property	-	-	15	15
Miscellaneous	-	-	432	432
Charges for services	-	-	7,475	7,475
Total Revenues	<u>110,400</u>	<u>110,400</u>	<u>121,243</u>	<u>10,843</u>
EXPENDITURES				
Current:				
Economic development	<u>110,400</u>	<u>110,400</u>	<u>125,290</u>	<u>(14,890)</u>
Total Expenditures	<u>110,400</u>	<u>110,400</u>	<u>125,290</u>	<u>(14,890)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(4,047)	<u>\$ (4,047)</u>
FUND BALANCE - Beginning of Year			<u>43,452</u>	
FUND BALANCE - END OF YEAR			<u>\$ 39,405</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL SERVICE AREA #6
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 225,000	\$ 225,000	\$ 224,541	\$ (459)
Use of money and property	-	-	73	73
Miscellaneous	-	-	258	258
Total Revenues	<u>225,000</u>	<u>225,000</u>	<u>224,872</u>	<u>(128)</u>
EXPENDITURES				
Current:				
Economic development	125,000	125,000	155,994	(30,994)
Capital Outlay	100,000	100,000	500,000	(400,000)
Debt Service	-	-	11,000	(11,000)
Total Expenditures	<u>225,000</u>	<u>225,000</u>	<u>666,994</u>	<u>(441,994)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(442,122)	<u>\$ (442,122)</u>
FUND BALANCE (DEFICIT) -				
Beginning of Year			<u>(442,290)</u>	
FUND BALANCE (DEFICIT) - END				
OF YEAR			<u>\$ (884,412)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FOREIGN FIRE INSURANCE For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 31,700	\$ 31,700	\$ 60,988	\$ 29,288
Total Revenues	<u>31,700</u>	<u>31,700</u>	<u>60,988</u>	<u>29,288</u>
EXPENDITURES				
Current:				
General government	<u>31,700</u>	<u>31,700</u>	<u>44,956</u>	<u>(13,256)</u>
Total Expenditures	<u>31,700</u>	<u>31,700</u>	<u>44,956</u>	<u>(13,256)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	16,032	<u>\$ 16,032</u>
FUND BALANCE - Beginning of Year			<u>61,104</u>	
FUND BALANCE - END OF YEAR			<u>\$ 77,136</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL TRUST
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 250,000	\$ 250,000	\$ 232,321	\$ (17,679)
Intergovernmental	-	-	5,000	5,000
Use of money and property	-	-	45	45
Contributions	100,000	100,000	203,969	103,969
Miscellaneous	-	-	77,176	77,176
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>518,511</u>	<u>168,511</u>
EXPENDITURES				
Current:				
General government	<u>414,600</u>	<u>926,100</u>	<u>846,499</u>	<u>79,601</u>
Total Expenditures	<u>414,600</u>	<u>926,100</u>	<u>846,499</u>	<u>79,601</u>
Net Change in Fund Balance	<u>\$ (64,600)</u>	<u>\$ (576,100)</u>	(327,988)	<u>\$ 248,112</u>
FUND BALANCE - Beginning of Year			<u>806,749</u>	
FUND BALANCE - END OF YEAR			<u>\$ 478,761</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #2
 For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 193,350	\$ 193,350	\$ 215,819	\$ 22,469
Use of money and property	-	-	33	33
Miscellaneous	-	-	24,514	24,514
Total Revenues	193,350	193,350	240,366	47,016
EXPENDITURES				
Current:				
Economic development	-	-	495	(495)
Debt Service				
Principal	-	-	65,000	(65,000)
Interest and fiscal charges	-	-	106,168	(106,168)
Total Expenditures	-	-	171,663	(171,663)
Excess (deficiency) of revenues over (under) expenditures	193,350	193,350	68,703	(124,647)
OTHER FINANCING SOURCES (USES)				
Transfers out	(240,440)	(171,170)	-	171,170
Total Other Financing Sources (Uses)	(240,440)	(171,170)	-	171,170
Net Change in Fund Balance	\$ (47,090)	\$ 22,180	68,703	\$ 46,523
FUND BALANCE (DEFICIT) - Beginning of Year			(509,283)	
FUND BALANCE (DEFICIT) - END OF YEAR			\$ (440,580)	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #3
 For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 54,450	\$ 54,450	\$ 52,883	\$ (1,567)
Use of money and property	-	-	7	7
Total Revenues	<u>54,450</u>	<u>54,450</u>	<u>52,890</u>	<u>(1,560)</u>
EXPENDITURES				
Current:				
Economic development	<u>54,450</u>	<u>54,450</u>	<u>49,985</u>	<u>4,465</u>
Total Expenditures	<u>54,450</u>	<u>54,450</u>	<u>49,985</u>	<u>4,465</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	2,905	<u>\$ 2,905</u>
FUND BALANCE - Beginning of Year			<u>8,036</u>	
FUND BALANCE - END OF YEAR			<u>\$ 10,941</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #4 For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 193,425	\$ 193,425	\$ 190,630	\$ (2,795)
Use of money and property	-	-	31	31
Total Revenues	<u>193,425</u>	<u>193,425</u>	<u>190,661</u>	<u>(2,764)</u>
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>193,425</u>	<u>193,425</u>	<u>190,661</u>	<u>(2,764)</u>
OTHER FINANCING USES				
Transfers out	<u>(193,425)</u>	<u>(193,425)</u>	<u>(20,854)</u>	<u>172,571</u>
Total Other Financing Uses	<u>(193,425)</u>	<u>(193,425)</u>	<u>(20,854)</u>	<u>172,571</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	169,807	<u>\$ 169,807</u>
FUND BALANCE (DEFICIT) -				
Beginning of Year			<u>(528,399)</u>	
FUND BALANCE (DEFICIT) - END				
OF YEAR			<u>\$ (358,592)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #6
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 53,500	\$ 53,500	\$ -	\$ (53,500)
Total Revenues	<u>53,500</u>	<u>53,500</u>	<u>-</u>	<u>(53,500)</u>
EXPENDITURES				
Debt Service	-	-	495	(495)
Total Expenditures	<u>-</u>	<u>-</u>	<u>495</u>	<u>(495)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>53,500</u>	<u>53,500</u>	<u>(495)</u>	<u>(53,995)</u>
OTHER FINANCING USES				
Transfers out	(53,500)	(53,500)	-	53,500
Total Other Financing Uses	<u>(53,500)</u>	<u>(53,500)</u>	<u>-</u>	<u>53,500</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(495)	<u>\$ (495)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(431,208)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (431,703)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY TRUST For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ 15,200	\$ 15,200	\$ 13,585	\$ (1,615)
Miscellaneous	55,000	55,000	-	(55,000)
Contributions	<u>37,000</u>	<u>103,440</u>	<u>104,340</u>	<u>900</u>
Total Revenues	<u>107,200</u>	<u>173,640</u>	<u>117,925</u>	<u>(55,715)</u>
EXPENDITURES				
Current:				
Libraries	<u>93,435</u>	<u>192,045</u>	<u>193,330</u>	<u>(1,285)</u>
Total Expenditures	<u>93,435</u>	<u>192,045</u>	<u>193,330</u>	<u>(1,285)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,765</u>	<u>(18,405)</u>	<u>(75,405)</u>	<u>(57,000)</u>
OTHER FINANCING USES				
Transfers out	<u>(13,765)</u>	<u>(13,765)</u>	<u>(13,765)</u>	<u>-</u>
Total Other Financing Uses	<u>(13,765)</u>	<u>(13,765)</u>	<u>(13,765)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (32,170)</u>	<u>(89,170)</u>	<u>\$ (57,000)</u>
FUND BALANCE - Beginning of Year			<u>229,514</u>	
FUND BALANCE - END OF YEAR			<u>\$ 140,344</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PERPETUAL CARE For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ 75	\$ 75	\$ 19	\$ (56)
Miscellaneous	14,000	14,000	12,904	(1,096)
Total Revenues	<u>14,075</u>	<u>14,075</u>	<u>12,923</u>	<u>(1,152)</u>
EXPENDITURES				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,075</u>	<u>14,075</u>	<u>12,923</u>	<u>(1,152)</u>
OTHER FINANCING USES				
Transfers out	<u>(75)</u>	<u>(75)</u>	<u>(18)</u>	<u>57</u>
Total Other Financing Uses	<u>(75)</u>	<u>(75)</u>	<u>(18)</u>	<u>57</u>
Net Change in Fund Balance	<u>\$ 14,000</u>	<u>\$ 14,000</u>	12,905	<u>\$ (1,095)</u>
FUND BALANCE - Beginning of Year			<u>254,268</u>	
FUND BALANCE - END OF YEAR			<u>\$ 267,173</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - REHER ART GALLERY For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ 30	\$ 30	\$ 2	\$ (28)
Total Revenues	<u>30</u>	<u>30</u>	<u>2</u>	<u>(28)</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>33,795</u>	<u>33,795</u>	<u>7,260</u>	<u>26,535</u>
Total Expenditures	<u>33,795</u>	<u>33,795</u>	<u>7,260</u>	<u>26,535</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(33,765)</u>	<u>(33,765)</u>	<u>(7,258)</u>	<u>26,507</u>
OTHER FINANCING SOURCES				
Transfers in	<u>13,765</u>	<u>13,765</u>	<u>13,765</u>	<u>-</u>
Total Other Financing Sources	<u>13,765</u>	<u>13,765</u>	<u>13,765</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (20,000)</u>	<u>\$ (20,000)</u>	6,507	<u>\$ 26,507</u>
FUND BALANCE - Beginning of Year			<u>22,224</u>	
FUND BALANCE - END OF YEAR			<u>\$ 28,731</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - PARK AND CEMETERY GIFTS
 For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ 6,050	\$ 6,050	\$ 5,499	\$ (551)
Contributions	9,500	9,500	26,715	17,215
Total Revenues	<u>15,550</u>	<u>15,550</u>	<u>32,214</u>	<u>16,664</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>26,500</u>	<u>26,500</u>	<u>6,289</u>	<u>20,211</u>
Total Expenditures	<u>26,500</u>	<u>26,500</u>	<u>6,289</u>	<u>20,211</u>
Net Change in Fund Balance	<u>\$ (10,950)</u>	<u>\$ (10,950)</u>	25,925	<u>\$ 36,875</u>
FUND BALANCE - Beginning of Year			<u>172,584</u>	
FUND BALANCE - END OF YEAR			<u>\$ 198,509</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - SANITATION
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 32,825	\$ 32,825	\$ 38,612	\$ 5,787
Charges for services	1,601,080	1,601,080	1,624,255	23,175
Use of money and property	-	-	2,852	2,852
Miscellaneous	123,755	123,755	112,439	(11,316)
Total Revenues	<u>1,757,660</u>	<u>1,757,660</u>	<u>1,778,158</u>	<u>20,498</u>
EXPENDITURES				
Current:				
Public works	2,347,575	2,354,575	2,332,172	22,403
Debt Service				
Interest and fiscal charges	<u>95,590</u>	<u>95,590</u>	<u>10,066</u>	<u>85,524</u>
Total Expenditures	<u>2,443,165</u>	<u>2,450,165</u>	<u>2,342,238</u>	<u>107,927</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(685,505)</u>	<u>(692,505)</u>	<u>(564,080)</u>	<u>128,425</u>
OTHER FINANCING SOURCES				
Transfers in	<u>685,505</u>	<u>685,505</u>	<u>685,505</u>	-
Total Other Financing Sources	<u>685,505</u>	<u>685,505</u>	<u>685,505</u>	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (7,000)</u>	121,425	<u>\$ 128,425</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(172,985)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (51,560)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - HOME BUYER GRANT
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 237,170	\$ 237,170	\$ 161,432	\$ (75,738)
Total Revenues	<u>237,170</u>	<u>237,170</u>	<u>161,432</u>	<u>(75,738)</u>
EXPENDITURES				
Current:				
Economic development	<u>237,170</u>	<u>237,170</u>	<u>123,721</u>	<u>113,449</u>
Total Expenditures	<u>237,170</u>	<u>237,170</u>	<u>123,721</u>	<u>113,449</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	37,711	<u>\$ 37,711</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(37,711)</u>	
FUND BALANCE - END OF YEAR			<u><u>\$ -</u></u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - LEAD HAZARD GRANT
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 534,535	\$ 132,298	\$ (402,237)
Total Revenues	<u>-</u>	<u>534,535</u>	<u>132,298</u>	<u>(402,237)</u>
EXPENDITURES				
Current:				
Economic development	-	534,535	143,322	391,213
Total Expenditures	<u>-</u>	<u>534,535</u>	<u>143,322</u>	<u>391,213</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(11,024)	<u>\$ (11,024)</u>
FUND BALANCE - Beginning of Year			-	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (11,024)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SINGLE FAMILY OWNER OCCUPIED REHABILITATION For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 132,560	\$ 132,560	\$ 77,778	\$ (54,782)
Total Revenues	<u>132,560</u>	<u>132,560</u>	<u>77,778</u>	<u>(54,782)</u>
EXPENDITURES				
Current:				
Economic development	<u>132,560</u>	<u>132,560</u>	<u>94,310</u>	<u>38,250</u>
Total Expenditures	<u>132,560</u>	<u>132,560</u>	<u>94,310</u>	<u>38,250</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(16,532)	<u>\$ (16,532)</u>
FUND BALANCE - Beginning of Year			<u>6,858</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (9,674)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SMALL RENTAL PROPERTIES PROGRAM For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 505	\$ -	\$ (505)
Total Revenues	<u>-</u>	<u>505</u>	<u>-</u>	<u>(505)</u>
EXPENDITURES				
Current:				
Economic development	-	505	502	3
Total Expenditures	<u>-</u>	<u>505</u>	<u>502</u>	<u>3</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(502)	<u>\$ (502)</u>
FUND BALANCE - Beginning of Year			<u>502</u>	
FUND BALANCE - END OF YEAR			<u>\$ -</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,707,380	\$ 2,707,380	\$ 2,708,129	\$ 749
Intergovernmental	45,000	45,000	44,789	(211)
Fines, forfeitures and penalties	75,000	75,000	56,079	(18,921)
Charges for services	49,725	49,725	32,939	(16,786)
Use of money and property	500	500	69	(431)
Miscellaneous	16,000	16,000	13,996	(2,004)
Total Revenues	<u>2,893,605</u>	<u>2,893,605</u>	<u>2,856,001</u>	<u>(37,604)</u>
EXPENDITURES				
Current:				
Libraries	<u>3,001,045</u>	<u>3,001,045</u>	<u>2,915,321</u>	<u>85,724</u>
Total Expenditures	<u>3,001,045</u>	<u>3,001,045</u>	<u>2,915,321</u>	<u>85,724</u>
Net Change in Fund Balance	<u>\$ (107,440)</u>	<u>\$ (107,440)</u>	(59,320)	<u>\$ 48,120</u>
FUND BALANCE - Beginning of Year			<u>242,019</u>	
FUND BALANCE - END OF YEAR			<u>\$ 182,699</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - NSP2 GRANT
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,085,750	\$ 1,113,490	\$ 20,463	\$ (1,093,027)
Charges for services	-	-	75,632	75,632
Miscellaneous	-	-	54,277	54,277
Total Revenues	<u>1,085,750</u>	<u>1,113,490</u>	<u>150,372</u>	<u>(963,118)</u>
EXPENDITURES				
Current:				
Economic development	1,030,155	1,046,055	62,104	983,951
Capital Outlay	<u>55,595</u>	<u>55,595</u>	-	<u>55,595</u>
Total Expenditures	<u>1,085,750</u>	<u>1,101,650</u>	<u>62,104</u>	<u>1,039,546</u>
Excess of revenues over expenditures	<u>-</u>	<u>11,840</u>	<u>88,268</u>	<u>76,428</u>
OTHER FINANCING USES				
Transfers out	-	(11,840)	(11,647)	193
Total Other Financing Uses	<u>-</u>	<u>(11,840)</u>	<u>(11,647)</u>	<u>193</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	76,621	<u>\$ 76,621</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(62,019)</u>	
FUND BALANCE - END OF YEAR			<u>\$ 14,602</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #5
 For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 32,365	\$ 32,365	\$ 483,122	\$ 450,757
Use of money and property	-	-	51	51
Total Revenues	<u>32,365</u>	<u>32,365</u>	<u>483,173</u>	<u>450,808</u>
EXPENDITURES				
Current:				
Economic development	<u>32,365</u>	<u>32,365</u>	<u>434,810</u>	<u>(402,445)</u>
Total Expenditures	<u>32,365</u>	<u>32,365</u>	<u>434,810</u>	<u>(402,445)</u>
Excess of revenues over expenditures	-	-	48,363	48,363
OTHER FINANCING USES				
Transfers out	-	(40,285)	(40,282)	3
Total Other Financing Uses	-	<u>(40,285)</u>	<u>(40,282)</u>	<u>3</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (40,285)</u>	8,081	<u>\$ 48,366</u>
FUND BALANCE - Beginning of Year			<u>40,282</u>	
FUND BALANCE - END OF YEAR			<u>\$ 48,363</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #7
 For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ -	\$ -	\$ 295	\$ 295
Use of money and property	-	-	9,610	9,610
Total Revenues	<u>-</u>	<u>-</u>	<u>9,905</u>	<u>9,905</u>
EXPENDITURES				
Current:				
Economic development	5,728,635	5,728,635	370,992	5,357,643
Debt Service	-	-	515	(515)
Total Expenditures	<u>5,728,635</u>	<u>5,728,635</u>	<u>371,507</u>	<u>5,357,128</u>
Net Change in Fund Balance	<u>\$ (5,728,635)</u>	<u>\$ (5,728,635)</u>	(361,602)	<u>\$ 5,367,033</u>
FUND BALANCE - Beginning of Year			<u>5,733,575</u>	
FUND BALANCE - END OF YEAR			<u>\$ 5,371,973</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #8
 For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 1	\$ 1
Total Revenues	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
EXPENDITURES				
Current:				
Economic development	-	-	17,596	(17,596)
Total Expenditures	<u>-</u>	<u>-</u>	<u>17,596</u>	<u>(17,596)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(17,595)	<u>\$ (17,595)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(17,572)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (35,167)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #9
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Economic development	-	-	3,497	(3,497)
Total Expenditures	-	-	3,497	(3,497)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(3,497)	<u>\$ (3,497)</u>
FUND BALANCE - Beginning of Year			<u>435</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (3,062)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #10
 For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 1	\$ 1
Total Revenues	-	-	1	1
EXPENDITURES				
Current:				
Economic development	-	-	3,408	(3,408)
Total Expenditures	-	-	3,408	(3,408)
Net Change in Fund Balance	\$ -	\$ -	(3,407)	\$ (3,407)
FUND BALANCE (DEFICIT) - Beginning of Year			(28,898)	
FUND BALANCE (DEFICIT) - END OF YEAR			\$ (32,305)	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #11
 For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Economic development	-	-	29,514	(29,514)
Total Expenditures	-	-	29,514	(29,514)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(29,514)	<u>\$ (29,514)</u>
FUND BALANCE - Beginning of Year			-	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (29,514)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #12
 For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Economic development	-	-	29,459	(29,459)
Total Expenditures	-	-	29,459	(29,459)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(29,459)	<u>\$ (29,459)</u>
FUND BALANCE - Beginning of Year			-	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (29,459)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - VIDEO GAMING SPECIAL PROJECTS For the Year Ended December 31, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 17,064	\$ 17,064
Total Revenues	-	-	17,064	17,064
EXPENDITURES				
Capital Outlay	67,500	67,500	-	67,500
Total Expenditures	67,500	67,500	-	67,500
Excess (deficiency) of revenues over (under) expenditures	(67,500)	(67,500)	17,064	84,564
OTHER FINANCING SOURCES				
Transfers in	-	67,500	-	(67,500)
Total Other Financing Sources	-	67,500	-	(67,500)
Net Change in Fund Balance	\$ (67,500)	\$ -	17,064	\$ 17,064
FUND BALANCE - Beginning of Year			-	
FUND BALANCE - END OF YEAR			\$ 17,064	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 204,972	\$ 204,972
Miscellaneous	420,000	420,000	-	(420,000)
Total Revenues	<u>420,000</u>	<u>420,000</u>	<u>204,972</u>	<u>(215,028)</u>
EXPENDITURES				
Debt Service				
Principal	4,800,170	4,800,170	2,676,171	2,123,999
Interest and fiscal charges	<u>3,061,305</u>	<u>3,061,305</u>	<u>1,884,647</u>	<u>1,176,658</u>
Total Expenditures	<u>7,861,475</u>	<u>7,861,475</u>	<u>4,560,818</u>	<u>3,300,657</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,441,475)</u>	<u>(7,441,475)</u>	<u>(4,355,846)</u>	<u>3,085,629</u>
OTHER FINANCING SOURCES				
Transfers in	<u>7,102,635</u>	<u>7,102,635</u>	<u>3,963,546</u>	<u>(3,139,089)</u>
Total Other Financing Sources	<u>7,102,635</u>	<u>7,102,635</u>	<u>3,963,546</u>	<u>(3,139,089)</u>
Net Change in Fund Balance	<u>\$ (338,840)</u>	<u>\$ (338,840)</u>	(392,300)	<u>\$ (53,460)</u>
FUND BALANCE - Beginning of Year			<u>495,201</u>	
FUND BALANCE - END OF YEAR			<u>\$ 102,901</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 7,467,850	\$ 7,467,850	\$ 7,324,406	\$ (143,444)
Charges for services	20,000	20,000	13,365	(6,635)
Use of money and property	-	-	21,306	21,306
Miscellaneous	-	-	333	333
Total Revenues	<u>7,487,850</u>	<u>7,487,850</u>	<u>7,359,410</u>	<u>(128,440)</u>
EXPENDITURES				
Economic development	650,000	325,000	211,207	113,793
Public works	-	-	192,056	(192,056)
General government	-	400,000	296,562	103,438
Capital Outlay	2,840,000	3,000,000	3,135,856	(135,856)
Debt Service				
Interest and fiscal charges	-	-	3,440	(3,440)
Total Expenditures	<u>3,490,000</u>	<u>3,725,000</u>	<u>3,839,121</u>	<u>(114,121)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,997,850</u>	<u>3,762,850</u>	<u>3,520,289</u>	<u>(242,561)</u>
OTHER FINANCING USES				
Transfers out	<u>(4,043,715)</u>	<u>(4,010,500)</u>	<u>(3,942,692)</u>	<u>67,808</u>
Total Other Financing Uses	<u>(4,043,715)</u>	<u>(4,010,500)</u>	<u>(3,942,692)</u>	<u>67,808</u>
Net Change in Fund Balance	<u>\$ (45,865)</u>	<u>\$ (247,650)</u>	(422,403)	<u>\$ (174,753)</u>
FUND BALANCE - Beginning of Year			<u>2,435,368</u>	
FUND BALANCE - END OF YEAR			<u>\$ 2,012,965</u>	

CITY OF MOLINE

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of December 31, 2013

	Health Insurance	Information Technology	Liability Insurance	Fleet
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 2,240,369	\$ 12,097	\$ 1,850,876	\$ 54,373
Investments	7,922,392	951,892	6,678,177	2,647,283
Receivables				
Accrued interest	529	-	1,383	55,832
Due from other governments	2,047	-	-	-
Due from other funds	14,570	-	-	1,908,969
Inventories	-	-	-	122,405
Total Current Assets	<u>10,179,907</u>	<u>963,989</u>	<u>8,530,436</u>	<u>4,788,862</u>
Noncurrent Assets				
Capital assets				
Machinery and equipment	-	378,130	-	135,718
Vehicles	-	-	-	13,200,883
Less: Accumulated depreciation	-	(33,065)	-	(7,112,107)
Total Noncurrent Assets	<u>-</u>	<u>345,065</u>	<u>-</u>	<u>6,224,494</u>
Total Assets	<u>10,179,907</u>	<u>1,309,054</u>	<u>8,530,436</u>	<u>11,013,356</u>
LIABILITIES				
Current Liabilities				
Accounts payable	3,446	49,141	42,022	147,093
Accrued expenses	7,026	11,173	11,140	33,491
Claims payable	615,310	-	2,749,835	-
Compensated absences	-	-	-	46,829
Due to other funds	-	-	10,100	-
Total Current Liabilities	<u>625,782</u>	<u>60,314</u>	<u>2,813,097</u>	<u>227,413</u>
Noncurrent Liabilities				
Compensated absences	-	-	-	140,488
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,488</u>
Total Liabilities	<u>625,782</u>	<u>60,314</u>	<u>2,813,097</u>	<u>367,901</u>
NET POSITION				
Net investment in capital assets	-	345,067	-	6,224,494
Unrestricted	<u>9,554,125</u>	<u>903,673</u>	<u>5,717,339</u>	<u>4,420,961</u>
TOTAL NET POSITION	<u>\$ 9,554,125</u>	<u>\$ 1,248,740</u>	<u>\$ 5,717,339</u>	<u>\$ 10,645,455</u>

<u>Public Safety Equipment</u>	<u>Totals</u>
\$ 1	\$ 4,157,716
158,267	18,358,011
-	57,744
-	2,047
-	1,923,539
-	122,405
<u>158,268</u>	<u>24,621,462</u>
-	513,848
-	13,200,883
-	<u>(7,145,172)</u>
-	<u>6,569,559</u>
<u>158,268</u>	<u>31,191,021</u>
-	241,702
-	62,830
-	3,365,145
-	46,829
-	10,100
-	<u>3,726,606</u>
-	140,488
-	<u>140,488</u>
-	3,867,094
-	6,569,561
<u>158,268</u>	<u>20,754,366</u>
<u>\$ 158,268</u>	<u>\$ 27,323,927</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION INTERNAL SERVICE FUNDS For the Year Ended December 31, 2013

	Health Insurance	Information Technology	Liability Insurance	Fleet
OPERATING REVENUES				
Charges for services	\$ 6,121,403	\$ 989,260	\$ 3,201,140	\$ 4,451,976
Fines, forfeitures and penalties	-	-	-	11,046
Intergovernmental	-	-	-	194,999
Miscellaneous	<u>409</u>	<u>3,152</u>	<u>980</u>	<u>12,638</u>
Total Operating Revenues	<u>6,121,812</u>	<u>992,412</u>	<u>3,202,120</u>	<u>4,670,659</u>
OPERATING EXPENSES				
Salaries	151,560	231,842	254,337	765,474
Employee benefits	45,739	96,363	84,721	268,286
Professional services	562,587	19,461	82,417	53,915
Property services	-	417,732	-	97,567
Other services	1,143	149,078	6,907	225,384
Supplies	9,697	249,590	1,055	1,665,015
Depreciation	-	13,680	-	1,045,234
Insurance claims and changes in reserves	<u>5,290,323</u>	<u>-</u>	<u>2,722,831</u>	<u>-</u>
Total Operating Expenses	<u>6,061,049</u>	<u>1,177,746</u>	<u>3,152,268</u>	<u>4,120,875</u>
Operating Income (Loss)	<u>60,763</u>	<u>(185,334)</u>	<u>49,852</u>	<u>549,784</u>
NONOPERATING REVENUES				
Use of money and property	27,993	409	21,587	2,797
Gain (loss) on sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>(72,479)</u>
Total Nonoperating Revenues	<u>27,993</u>	<u>409</u>	<u>21,587</u>	<u>(69,682)</u>
Income (Loss) Before Transfers	<u>88,756</u>	<u>(184,925)</u>	<u>71,439</u>	<u>480,102</u>
TRANSFERS				
Transfers in	31,255	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(31,255)</u>	<u>-</u>
Total Transfers	<u>31,255</u>	<u>-</u>	<u>(31,255)</u>	<u>-</u>
Change in net position	120,011	(184,925)	40,184	480,102
NET POSITION - Beginning of Year	<u>9,434,114</u>	<u>1,433,665</u>	<u>5,677,155</u>	<u>10,165,353</u>
NET POSITION - END OF YEAR	<u>\$ 9,554,125</u>	<u>\$ 1,248,740</u>	<u>\$ 5,717,339</u>	<u>\$ 10,645,455</u>

<u>Public Safety Equipment</u>	<u>Totals</u>
\$ -	\$ 14,763,779
-	11,046
-	194,999
-	17,179
<u>-</u>	<u>14,987,003</u>
-	1,403,213
-	495,109
-	718,380
-	515,299
-	382,512
-	1,925,357
-	1,058,914
-	8,013,154
<u>-</u>	<u>14,511,938</u>
<u>-</u>	<u>475,065</u>
3	52,789
-	(72,479)
<u>3</u>	<u>(19,690)</u>
<u>3</u>	<u>455,375</u>
158,265	189,520
-	(31,255)
<u>158,265</u>	<u>158,265</u>
158,268	613,640
-	26,710,287
<u>\$ 158,268</u>	<u>\$ 27,323,927</u>

CITY OF MOLINE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2013

	<u>Health Insurance</u>	<u>Information Technology</u>	<u>Liability Insurance</u>	<u>Fleet</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 6,121,246	\$ 989,260	\$ 3,201,140	\$ 4,658,021
Paid to suppliers for goods and services	(5,986,649)	(822,415)	(1,498,460)	(1,298,388)
Paid to employees for services	(197,114)	(328,232)	(339,022)	(1,010,643)
Other receipts	<u>409</u>	<u>3,152</u>	<u>980</u>	<u>12,638</u>
Net Cash Flows From Operating Activities	<u>(62,108)</u>	<u>(158,235)</u>	<u>1,364,638</u>	<u>2,361,628</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investments sold and matured	-	199,592	-	1,342,103
Use of money and property	28,123	409	21,891	(26,375)
Investments purchased	<u>(232,333)</u>	<u>-</u>	<u>(1,990,829)</u>	<u>-</u>
Net Cash Flows From Investing Activities	<u>(204,210)</u>	<u>200,001</u>	<u>(1,968,938)</u>	<u>1,315,728</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	31,255	-	-	-
Transfers out	-	-	(31,255)	-
Proceeds from interfund accounts	475,430	-	440,100	-
Payments on interfund accounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,908,969)</u>
Net Cash Flows From Noncapital Financing Activities	<u>506,685</u>	<u>-</u>	<u>408,845</u>	<u>(1,908,969)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	(55,260)	-	(1,902,437)
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>188,423</u>
Net Cash Flows From Capital and Related Financing Activities	<u>-</u>	<u>(55,260)</u>	<u>-</u>	<u>(1,714,014)</u>
Net Change in Cash and Cash Equivalents	240,367	(13,494)	(195,455)	54,373
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>2,000,002</u>	<u>25,591</u>	<u>2,046,331</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 2,240,369</u></u>	<u><u>\$ 12,097</u></u>	<u><u>\$ 1,850,876</u></u>	<u><u>\$ 54,373</u></u>

<u>Public Safety Equipment</u>	<u>Totals</u>
\$ -	\$ 14,969,667
-	(9,605,912)
-	(1,875,011)
<u>-</u>	<u>17,179</u>
<u>-</u>	<u>3,505,923</u>
-	1,541,695
3	24,051
<u>(158,267)</u>	<u>(2,381,429)</u>
<u>(158,264)</u>	<u>(815,683)</u>
158,265	189,520
-	(31,255)
-	915,530
<u>-</u>	<u>(1,908,969)</u>
<u>158,265</u>	<u>(835,174)</u>
-	(1,957,697)
<u>-</u>	<u>188,423</u>
<u>-</u>	<u>(1,769,274)</u>
1	85,792
<u>-</u>	<u>4,071,924</u>
<u>\$ 1</u>	<u>\$ 4,157,716</u>

CITY OF MOLINE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2012

	<u>Health Insurance</u>	<u>Information Technology</u>	<u>Liability Insurance</u>	<u>Fleet</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 60,763	\$ (185,334)	\$ 49,852	\$ 549,784
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	-	13,680	-	1,045,234
Changes in assets and liabilities				
Due from other governments	(157)	-	-	-
Inventory	-	-	-	22,944
Prepaid items	-	-	-	730,276
Accounts payable	(4,068)	13,446	(34,897)	(9,727)
Accrued salaries	185	(27)	36	15
Claims payable	(118,831)	-	1,349,647	-
Compensated absences	-	-	-	23,102
	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,102</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ (62,108)</u>	<u>\$ (158,235)</u>	<u>\$ 1,364,638</u>	<u>\$ 2,361,628</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
None				

<u>Public Safety Equipment</u>	<u>Totals</u>
\$ -	\$ 475,065
-	1,058,914
-	(157)
-	22,944
-	730,276
-	(35,246)
-	209
-	1,230,816
<u>-</u>	<u>23,102</u>
<u><u>\$ -</u></u>	<u><u>\$ 3,505,923</u></u>

CITY OF MOLINE

Statistical Section Table of Contents

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	157 - 168
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax).	169 - 177
Debt Capacity 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.	178 - 180
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	181 - 184
Operating Information 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.	185 - 188

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year.

CITY OF MOLINE

Statistical Section Comments Relative to Statistical Section

The following statistical table recommended by the National Council on Governmental Accounting is not included for the reason stated below:

The government is a home rule municipality. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property. . . (1) if its population is more than 25,000 and less than 500,000 an aggregate of one percent. . . (2) indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts".

To date, the General Assembly has set no limits for home rule municipalities.

CITY OF MOLINE

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

	Fiscal Year			
	2004	2005	2006	2007
Governmental activities:				
Net investment in capital assets	\$ 22,393,271	\$ 47,525,980	\$ 57,201,501	\$ 64,345,991
Restricted	-	2,648,698	3,802,073	3,825,048
Unrestricted	28,621,190	3,621,516	(2,992,608)	(7,485,636)
Total governmental activities net position	\$ 51,014,461	\$ 53,796,194	\$ 58,010,966	\$ 60,685,403
Business-type activities:				
Net investment in capital assets	\$ 57,126,641	\$ 57,328,274	\$ 59,268,471	\$ 61,300,888
Restricted	4,810,778	4,897,621	3,930,285	3,212,217
Unrestricted	11,121,796	12,579,066	12,636,602	12,044,541
Total business-type activities net position	\$ 73,059,215	\$ 74,804,961	\$ 75,835,358	\$ 76,557,646
Primary government:				
Net investment in capital assets	\$ 79,519,912	\$ 104,854,254	\$ 116,469,972	\$ 125,646,879
Restricted	4,810,778	7,546,319	7,732,358	7,037,265
Unrestricted	39,742,986	16,200,582	9,643,994	4,558,905
Total primary government net position	\$ 124,073,676	\$ 128,601,155	\$ 133,846,324	\$ 137,243,049

		Fiscal Year									
		2008	2009	2010	2011	2012	2013				
\$	62,717,995	\$	67,051,552	\$	60,561,906	\$	64,773,235	\$	64,794,955	\$	69,270,835
	3,497,820		3,226,583		3,178,920		10,947,408		9,797,845		10,953,300
	(6,248,183)		(4,691,148)		5,848,804		(4,605,803)		3,014,315		2,943,737
\$	59,967,632	\$	65,586,987	\$	69,589,630	\$	71,114,840	\$	77,607,115	\$	83,167,872
\$	63,358,764	\$	63,346,784	\$	68,733,516	\$	66,540,179	\$	67,397,675	\$	69,185,100
	3,223,930		2,907,993		2,962,455		-		-		-
	12,242,148		12,966,157		8,998,712		15,611,201		20,509,107		20,524,743
\$	78,824,842	\$	79,220,934	\$	80,694,683	\$	82,151,380	\$	87,906,782	\$	89,709,843
\$	126,076,759	\$	130,479,024	\$	129,295,422	\$	131,313,414	\$	132,192,630	\$	138,455,935
	6,721,750		6,134,576		6,141,375		10,947,408		9,797,845		10,953,300
	5,993,965		8,194,321		14,847,516		11,005,398		23,523,422		23,468,480
\$	138,792,474	\$	144,807,921	\$	150,284,313	\$	153,266,220	\$	165,513,897	\$	172,877,715

CITY OF MOLINE

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

	Fiscal Year			
	2004	2005	2006	2007
Expenses:				
Governmental activities:				
General government	\$ 4,104,925	\$ 1,365,835	\$ 6,209,170	\$ 2,861,969
Public safety	18,648,962	20,596,640	19,197,144	21,505,184
Public Works	10,026,650	11,194,929	13,286,755	16,514,727
Cemetery	368,895	370,523	-	-
Economic Development	2,684,734	6,292,269	3,617,303	5,080,793
Culture and recreation	2,997,107	4,146,516	4,070,794	3,983,659
Libraries	2,164,488	2,160,560	1,370,287	3,185,328
Debt Service	3,047,633	4,034,760	3,965,343	3,766,018
Total governmental activities expenses	44,043,394	50,162,032	51,716,796	56,897,678
Business-type activities:				
Water	5,623,684	6,004,057	6,782,301	6,897,268
Water pollution control	5,111,443	5,348,143	5,766,169	5,647,112
Stormwater	583,976	640,291	753,809	837,297
Curbside	-	-	-	-
Total business-type activities expenses	11,319,103	11,992,491	13,302,279	13,381,677
Total primary government expenses	55,362,497	62,154,523	65,019,075	70,279,355
Program revenue:				
Governmental activities:				
Charges for services:				
General government	3,129,787	3,531,632	3,606,167	3,780,916
Public safety	1,227,795	1,239,807	1,481,127	1,694,783
Public Works	-	-	-	29,050
Economic Development	794,251	847,026	941,417	29,050
Cemetery	183,568	173,342	177,303	965,790
Culture and recreation	416,133	473,933	540,617	627,459
Libraries	61,836	58,018	53,847	76,241
Operating grants and contributions:				
General government	488,910	370,757	933,115	459,185
Public safety	531,165	499,679	349,811	644,216
Public Works	1,700,007	1,263,595	1,655,498	1,349,795
Economic Development	1,160,730	1,336,698	1,080,080	1,863,312
Culture and recreation	44,382	448,398	87,220	220,387
Libraries	7,963	15,390	4,609	111,747
Capital grants and contributions	495,169	54,666	53,900	53,550
Total governmental activities program revenue	10,241,696	10,312,941	10,964,711	11,905,481
Business-type activities:				
Charges for services:				
Water	6,422,726	7,011,133	7,160,628	7,006,038
Water pollution control	4,758,667	4,871,104	5,398,128	5,365,875
Stormwater	760,162	1,041,674	1,091,219	1,012,055
Curbside	-	-	-	-
Operating grants and contributions, stormwater	-	-	-	-
Capital grants and contributions:				
Water	455,700	257,082	205,100	118,275
Sewer	110,000	306,943	37,600	54,000
Stormwater management	-	-	-	-
Total business-type activities program revenues	12,507,255	13,487,936	13,892,675	13,556,243
Total primary government program revenues	22,748,951	23,800,877	24,857,386	25,461,724
Net (expense) revenue:				
Governmental activities	(33,801,698)	(39,849,091)	(40,752,085)	(44,992,197)
Business-type activities	1,188,152	1,495,445	590,396	174,566
Total primary government net expense	(32,613,546)	(38,353,646)	(40,161,689)	(44,817,631)

(Continued)

Fiscal Year						
2008	2009	2010	2011	2012	2013	
\$ 1,954,577	\$ 2,497,892	\$ 2,573,283	\$ 3,048,061	\$ 4,678,673	\$ 6,400,325	
24,551,936	23,770,749	25,475,065	23,931,072	26,453,904	26,230,567	
16,002,231	12,760,178	13,289,803	14,854,483	13,100,178	13,581,591	
-	-	-	-	-	-	
7,368,010	4,238,506	4,366,582	12,199,242	5,703,904	4,649,505	
4,759,742	2,154,698	2,499,745	2,290,352	4,289,430	4,107,095	
3,267,811	3,000,735	3,119,042	4,296,255	3,122,944	3,286,888	
3,998,121	3,810,629	3,585,046	3,367,407	3,159,415	3,219,688	
61,902,428	52,233,387	54,908,566	63,986,872	60,506,448	61,475,659	
6,994,231	6,762,061	7,664,423	6,931,688	6,692,550	7,799,833	
5,633,636	5,992,480	6,091,218	5,874,480	5,793,013	7,350,887	
954,319	900,169	908,505	873,083	817,808	886,694	
357,248	485,115	439,393	-	-	-	
13,939,434	14,139,825	15,103,539	13,679,251	13,303,371	16,037,414	
75,841,862	66,373,212	70,012,105	77,666,123	73,811,819	77,513,073	
3,499,674	1,591,131	1,605,665	1,663,452	4,249,059	4,198,329	
1,839,004	1,666,990	1,654,274	1,692,816	1,839,572	1,674,289	
26,080	28,245	47,963	869,270	1,437,251	1,624,255	
980,325	1,844,984	840,736	890,973	1,069,280	1,231,960	
-	-	-	-	-	-	
814,418	663,845	870,273	694,276	796,596	638,640	
79,335	86,953	85,210	88,446	89,585	89,018	
151,569	573,760	457,079	452,430	279,108	208,969	
1,629,770	794,497	497,248	583,974	664,619	479,703	
1,250,500	1,210,507	1,321,750	1,375,564	1,508,724	1,317,711	
1,989,553	2,138,597	1,653,434	5,791,971	1,352,034	867,653	
280,410	237,227	43,089	53,200	37,464	75,425	
71,400	25,743	41,468	85,658	53,756	104,444	
52,990	52,951	44,692	44,790	44,592	44,685	
12,665,028	10,915,430	9,162,881	14,286,820	13,421,640	12,555,081	
7,296,886	7,152,112	7,300,576	7,124,628	9,058,944	8,804,776	
5,797,693	5,737,278	6,445,526	7,016,140	8,939,213	7,985,352	
1,004,611	990,071	965,327	998,088	1,031,616	993,694	
357,049	475,202	476,870	-	-	-	
133,458	-	-	-	-	-	
1,042,382	89,300	1,116,318	-	-	-	
238,015	-	231,500	-	-	-	
68,777	-	-	-	-	-	
15,938,871	14,443,963	16,536,117	15,138,856	19,029,773	17,783,822	
28,603,899	25,359,393	25,698,998	29,425,676	32,451,413	30,338,903	
(49,237,400)	(41,317,957)	(45,745,685)	(49,700,052)	(47,086,808)	(48,920,578)	
1,999,437	304,138	1,432,578	1,459,605	5,726,402	1,746,408	
(47,237,963)	(41,013,819)	(44,313,107)	(48,240,447)	(41,360,406)	(47,174,170)	

CITY OF MOLINE

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

	Fiscal Year			
	2004	2005	2006	2007
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 14,349,827	\$ 14,279,008	\$ 15,534,342	\$ 16,360,726
Sales taxes	10,002,119	9,733,376	10,218,879	10,329,548
Home rule sales tax	6,281,888	6,028,407	6,483,054	6,658,480
Income taxes	2,801,414	3,293,165	3,586,058	3,907,201
Personal Property Replacement Taxes	1,506,856	2,119,504	2,216,170	2,720,044
Hotel/Motel Tax	689,894	1,012,391	1,092,998	1,155,277
Other taxes	650,373	1,716,494	1,817,802	2,004,746
Franchise Tax	2,004,928	2,111,332	2,158,817	2,340,998
Investment earnings	1,025,917	1,413,963	1,227,350	1,609,674
Miscellaneous	503,081	539,010	631,387	608,990
Gain on Sale of Capital Assets	11,796	384,174	-	-
Transfers	-	-	-	-
Total governmental activities	39,828,093	42,630,824	44,966,857	47,695,684
Business-type activities:				
Intergovernmental	-	-	-	-
Investment earnings	208,848	250,301	440,001	546,228
Miscellaneous	7,007	-	-	1,494
Transfers	-	-	-	-
Total business-type activities	215,855	250,301	440,001	547,722
Total primary government	40,043,948	42,881,125	45,406,858	48,243,406
Changes in net position:				
Governmental activities	38,961,671	48,232,728	4,214,772	2,674,437
Business-type activities	70,251,201	71,313,469	1,030,397	722,288
Total primary government	\$ 109,212,872	\$ 119,546,197	\$ 5,245,169	\$ 3,396,725

							Fiscal Year															
							2008			2009			2010			2011			2012			2013
\$	17,543,384	\$	18,117,131	\$	17,855,293	\$	17,830,538	\$	19,018,508	\$	18,763,482											
	10,180,790		9,975,304		10,989,828		10,683,518		10,557,865		10,571,512											
	6,611,526		6,219,676		7,844,608		8,207,285		8,153,477		8,033,044											
	4,138,395		3,557,485		2,857,866		3,108,624		2,947,521		4,193,186											
	2,508,904		2,281,414		2,398,869		2,245,652		2,169,704		2,482,937											
	1,267,206		1,144,394		1,205,644		1,269,800		1,302,793		1,342,272											
	1,803,392		1,804,182		2,636,109		4,260,755		5,331,484		2,114,142											
	2,340,621		2,284,129		2,257,915		2,305,142		2,408,460		5,625,686											
	1,096,194		492,259		402,708		543,568		541,203		521,985											
	1,032,666		1,061,338		1,227,715		741,666		1,148,068		833,089											
	-		-		-		-		-		-											
	(3,449)		-		-		28,714		-		-											
	48,519,629		46,937,312		49,676,555		51,225,262		53,579,083		54,481,335											
	-		-		-		-		-		37,703											
	260,931		86,482		35,068		15,132		18,814		18,557											
	3,379		5,472		6,103		10,674		10,186		393											
	3,449		-		-		(28,714)		-		-											
	267,759		91,954		41,171		(2,908)		29,000		56,653											
	48,787,388		47,029,266		49,717,726		51,222,354		53,608,083		54,537,988											
	(717,771)		5,619,355		3,930,870		1,525,210		6,492,275		5,560,757											
	2,267,196		396,092		1,473,749		1,456,697		5,755,402		1,803,061											
\$	1,549,425	\$	6,015,447	\$	5,404,619	\$	2,981,907	\$	12,247,677	\$	7,363,818											

CITY OF MOLINE

Program Revenues by Function/Program Last Ten Fiscal Years (accrual basis of accounting) (Unaudited)

Function / Program	Fiscal Year			
	2004	2005	2006	2007
Governmental activities:				
General government	\$ 3,618,697	\$ 3,902,389	\$ 4,539,282	\$ 4,240,101
Public safety	1,758,960	1,739,486	1,830,938	2,338,999
Public Works	2,140,466	1,263,595	1,655,498	1,378,845
Cemetery	183,568	173,342	177,303	-
Economic Development	1,954,981	2,183,724	2,021,497	2,829,102
Culture and recreation	460,515	922,331	627,837	847,846
Libraries	124,509	128,074	112,356	241,538
Total governmental activities	10,241,696	10,312,941	10,964,711	11,876,431
Business-type activities:				
Water	6,878,426	7,268,215	7,365,728	7,124,313
Sewer	4,868,667	5,178,047	5,435,728	5,419,875
Stormwater	760,162	1,041,674	1,091,219	1,012,055
Curbside	-	-	-	-
Total business-type activities	12,507,255	13,487,936	13,892,675	13,556,243
Total government	\$ 22,748,951	\$ 23,800,877	\$ 24,857,386	\$ 25,432,674

Fiscal Year						
2008	2009	2010	2011	2012	2013	
\$ 3,651,243	\$ 2,164,891	\$ 2,062,744	\$ 2,115,882	\$ 4,528,167	\$ 4,407,298	
3,468,774	2,461,487	2,151,522	2,276,790	2,504,191	2,153,992	
1,276,580	1,238,752	1,369,713	2,244,834	2,945,975	2,941,966	
-	-	-	-	-	-	
2,969,878	3,983,581	2,494,170	6,682,944	2,421,314	2,099,613	
1,094,828	901,072	913,362	747,476	834,060	714,065	
203,725	165,647	171,370	218,894	187,933	238,147	
12,665,028	10,915,430	9,162,881	14,286,820	13,421,640	12,555,081	
8,339,268	7,241,412	8,416,894	7,124,628	9,058,944	8,804,776	
6,035,708	5,737,278	6,677,026	7,016,140	8,939,213	7,985,352	
1,206,846	990,071	965,327	998,088	1,031,616	993,694	
357,049	475,202	476,870	-	-	-	
15,938,871	14,443,963	16,536,117	15,138,856	19,029,773	17,783,822	
\$ 28,603,899	\$ 25,359,393	\$ 25,698,998	\$ 29,425,676	\$ 32,451,413	\$ 30,338,903	

CITY OF MOLINE

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

	Fiscal Year			
	2004	2005	2006	2007
General Fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	418,905	1,900,545	1,285,780	2,750,421
Unreserved	7,139,319	8,550,898	10,712,344	12,077,644
Total General Fund	\$ 7,558,224	\$ 10,451,443	\$ 11,998,124	\$ 14,828,065
All Other Governmental Funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	513,728	466,666	444,632	7,901,321
Unreserved, reported in:				
Special revenue funds	13,191,859	5,426,427	3,362,616	2,465,248
Debt service funds	-	-	-	20,328
Capital projects funds	26,346,262	16,106,163	6,667,527	3,783,994
Total all other government funds	\$ 40,051,849	\$ 21,999,256	\$ 10,474,775	\$ 14,170,891

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, implemented in Fiscal Year 2011

							Fiscal Year					
2008		2009		2010		2011		2012		2013		
\$	-	\$	-	\$	-	\$	4,031,322	\$	4,884,461	\$	4,941,415	
	-		-		-		345,609		386,631		291,573	
	-		-		-		-		-		-	
	-		-		-		-		-		-	
	-		-		-		10,635,397		12,857,666		13,875,268	
	2,709,469		2,856,481		3,800,315		-		-		-	
	12,174,488		11,542,429		10,308,466		-		-		-	
\$	14,883,957	\$	14,398,910	\$	14,108,781	\$	15,012,328	\$	18,128,758	\$	19,108,256	
<hr/>												
\$	-	\$	-	\$	-	\$	527,840	\$	2,000	\$	12,338	
	-		-		-		10,956,793		9,813,174		9,394,808	
	-		-		-		2,034,819		2,863,062		2,188,721	
	-		-		-		45,054		220,608		176,910	
	-		-		-		(12,654,569)		(8,896,116)		(8,700,208)	
	7,608,107		7,549,677		8,579,975		-		-		-	
	(634,396)		(2,787,027)		(3,630,630)		-		-		-	
	52,134		98,559		(6,957,917)		-		-		-	
	4,313,832		2,919,023		2,345,314		-		-		-	
\$	11,339,677	\$	7,780,232	\$	336,742	\$	909,937	\$	4,002,728	\$	3,072,569	

CITY OF MOLINE

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

	Fiscal Year			
	2004	2005	2006	2007
Revenues:				
Taxes	\$ 38,045,313	\$ 40,270,996	\$ 42,980,668	\$ 45,411,222
Licenses and permits	794,251	712,554	816,825	810,858
Intergovernmental	4,258,967	3,662,658	3,638,524	3,852,527
Charges for services	3,896,065	4,409,463	4,746,186	5,208,113
Fines, forfeitures and penalties	575,735	582,172	590,372	549,508
Use of money and property	987,973	1,300,660	951,980	1,207,368
Other	824,945	854,407	1,632,919	1,126,523
Total revenues	49,383,249	51,792,910	55,357,474	58,166,119
Expenditures:				
General government	3,440,785	3,515,200	3,594,313	3,887,576
Public safety	18,397,804	18,902,065	20,188,107	20,947,310
Public works	7,727,005	8,263,695	9,951,054	9,665,799
Cemetery	368,895	370,523	-	-
Economic development	2,702,909	5,926,299	3,697,966	4,176,988
Culture and recreation	2,934,220	3,502,092	3,580,364	3,316,175
Library	2,169,779	2,217,779	2,548,700	2,906,180
Capital outlay	19,978,161	21,667,821	15,078,131	7,556,706
Debt service:				
Principal	1,686,643	2,615,004	2,777,409	3,905,983
Interest	3,080,666	4,009,943	3,955,433	3,614,144
Bond issuance cost	-	-	-	209,503
Total expenditures	62,486,867	70,990,421	65,371,477	60,186,364
Excess of revenues (under) expenditures	(13,103,618)	(19,197,511)	(10,014,003)	(2,020,245)
Other financing sources (uses):				
Transfers in	2,740,410	3,978,854	8,777,961	10,007,781
Transfers out	(2,740,410)	(3,978,854)	(8,777,961)	(10,007,781)
Issuance of long-term debt	31,525,000	3,639,431	-	17,550,000
Proceeds of refunding bonds	(307,946)	398,706	-	-
Payment to refunded bond escrow agent	-	-	-	(9,733,353)
Premium (discount) on long-term debt	-	-	-	(86,826)
Capital contributions	-	-	-	-
Proceeds from sale of property	11,796	-	-	816,481
Total other financing sources (uses)	31,228,850	4,038,137	-	8,546,302
Net changes in fund balance	\$ 18,125,232	\$ (15,159,374)	\$ (10,014,003)	\$ 6,526,057
Debt service as a percentage of noncapital expenditures	7.6%	9.3%	10.3%	13.6%

		Fiscal Year									
		2008	2009	2010	2011	2012	2013				
\$	46,551,605	\$	45,345,529	\$	47,227,867	\$	49,609,256	\$	53,047,052	\$	53,403,858
	841,424		731,901		778,997		826,474		928,845		1,072,353
	5,108,216		3,975,090		4,147,311		6,456,009		5,144,976		2,793,630
	5,202,252		4,984,534		5,555,656		6,403,824		7,132,019		6,788,358
	569,627		485,287		418,879		446,250		378,304		384,377
	691,364		364,195		375,638		538,976		563,323		545,696
	1,331,191		1,702,510		1,553,127		1,155,557		1,566,666		1,107,234
	60,295,679		57,589,046		60,057,475		65,436,346		68,761,185		66,095,506
	3,600,975		3,329,074		2,882,614		2,828,944		2,629,173		3,523,896
	23,620,556		23,189,309		24,564,811		25,130,024		25,545,707		27,084,431
	10,924,327		9,851,889		10,139,948		11,126,862		10,637,878		11,591,414
	-		-		-		-		-		-
	4,710,934		4,293,106		4,024,389		12,254,178		5,496,553		4,640,362
	3,874,815		3,590,174		3,647,417		3,526,436		3,676,577		3,626,496
	3,001,445		2,869,311		2,890,066		3,026,917		2,911,431		3,108,651
	5,050,853		5,620,897		4,527,110		6,373,438		7,472,975		5,335,564
	4,425,625		5,261,295		11,769,437		4,272,034		9,226,854		4,696,171
	3,854,973		3,693,859		3,465,664		3,384,968		2,484,662		2,528,880
	-		-		-		293,732		560,987		-
	63,064,503		61,698,914		67,911,456		72,217,533		70,642,797		66,135,865
	(2,768,824)		(4,109,868)		(7,853,981)		(6,781,187)		(1,881,612)		(40,359)
	7,255,943		9,093,663		8,085,837		8,095,594		7,199,789		5,348,714
	(7,262,679)		(9,093,663)		(8,085,837)		(8,066,880)		(7,199,789)		(5,506,979)
	-		-		-		16,820,000		36,522,224		-
	-		-		-		-		-		-
	-		-		-		(9,862,838)		(30,767,495)		-
	-		-		-		831,053		2,305,855		-
	-		-		-		-		-		-
	238		65,376		120,362		441,000		30,249		247,963
	(6,498)		65,376		120,362		8,257,929		8,090,833		89,698
\$	(2,775,322)	\$	(4,044,492)	\$	(7,733,619)	\$	1,476,742	\$	6,209,221	\$	49,339
	14.6%		16.0%		23.8%		11.7%		18.3%		11.9%

CITY OF MOLINE

Tax Revenues by Source, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting) (Unaudited)

Fiscal Year	Property	Local Option Sales Tax	Sales Tax	Income Tax	Replacement Tax
2004	14,347,261	5,379,875	9,356,785	2,689,284	1,577,896
2005	14,258,256	6,721,439	9,172,692	3,039,114	2,115,862
2006	15,433,181	6,484,881	9,337,667	3,369,397	2,510,522
2007	16,365,601	6,632,137	9,628,520	3,907,201	2,791,738
2008	17,543,384	6,561,060	10,346,606	4,138,395	2,508,904
2009	18,117,131	6,294,692	9,873,833	3,557,485	2,281,414
2010	17,855,293	7,820,143	10,141,031	2,857,866	2,398,869
2011	17,830,538	8,234,104	10,405,678	3,108,624	2,245,652
2012	19,018,508	8,139,735	10,511,516	4,174,189	2,170,042
2013	18,763,482	8,112,800	10,609,299	4,368,517	2,482,937
Change 2004-2013	23.54%	33.69%	11.81%	38.44%	36.45%

Source: City records.

Hotel/Motel Tax	Other Taxes	Franchise Taxes	Utility Tax	Total
689,894	-	-	-	34,040,995
1,012,391	-	-	-	36,319,754
1,077,680	1,817,802	2,158,817	-	42,189,946
1,155,277	1,822,776	2,340,998	-	44,644,247
1,267,206	1,845,429	2,340,621	-	46,551,605
1,144,394	1,792,451	2,284,129	-	45,345,529
1,205,644	2,691,106	2,257,915	379,154	47,227,867
1,269,800	2,372,374	2,305,142	1,837,344	49,609,256
1,302,793	2,475,912	2,408,460	2,846,235	50,201,155
1,342,272	5,625,686	2,098,865	3,070,908	53,403,858
48.60%	100.00%	100.00%	100.00%	36.26%

CITY OF MOLINE

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years (Unaudited)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Farm Property
2004	404,654,937	234,813,447	13,974,806	130,071
2005	428,311,668	243,886,920	14,559,998	122,192
2006	443,232,191	256,975,891	14,580,106	98,375
2007	473,507,242	266,102,311	14,878,681	340,243
2008	477,372,862	273,247,482	15,297,000	109,589
2009	477,803,853	277,500,506	15,598,111	111,585
2010	591,392,861	279,541,063	15,815,505	102,635
2011	589,965,771	281,611,805	14,525,856	116,862
2012	576,260,657	277,070,521	14,176,933	104,868
2013	567,365,100	276,657,437	14,022,320	115,567

Source: County Assessor

Note: There is no personal property tax (on cars or jewelry); only real property is taxed. The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year. The farmland value is based upon productivity instead of actual market value.

Railway Property	Total Assessed Value	Percent Growth	Total Direct Tax Rate	Total Taxable Assessed Value
328,846	653,902,107	-1.04%	1.9116	631,057,882
301,276	687,182,054	5.09%	1.9594	660,490,489
366,993	715,253,556	4.09%	1.9460	685,661,108
346,494	755,174,971	5.58%	2.0062	718,052,937
740,123	766,767,056	1.54%	1.9966	732,851,776
474,743	771,488,798	0.62%	1.9288	735,979,834
546,196	887,398,260	15.02%	1.9324	742,959,707
659,658	886,879,952	-0.06%	1.9744	743,947,252
716,481	868,329,460	-2.09%	2.0268	724,014,627
820,375	858,980,799	-1.08%	2.0500	716,578,007

CITY OF MOLINE

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

Tax Year Levied	City Direct Rates						
	General Fund	Fire Pension Fund	Police Pension Fund	Illinois	Capital Improvement Fund	Park and Recreation Fund	Library Fund
				Municipal Retirement Fund			
2003	0.7090	0.1858	0.1512	0.0194	0.0510	0.3058	0.3118
2004	0.6624	0.1760	0.1474	0.0206	0.0476	0.3470	0.3356
2005	0.5386	0.1862	0.1584	0.1388	0.0456	0.3316	0.3844
2006	0.5228	0.195	0.1708	0.1404	0.0438	0.3288	0.3852
2007	0.5904	0.2128	0.1798	0.1144	0	0.3634	0.3678
2008	0.5616	0.2346	0.1978	0.1008	0	0.3616	0.366
2009	0.2732	0.3096	0.2778	0.1778	0	0.3526	0.3606
2010	0.1806	0.3606	0.307	0.1966	0	0.3494	0.3572
2011	0.0304	0.4044	0.4136	0.235	0	0.3512	0.359
2012	0	0.4526	0.4092	0.2518	0	0.3606	0.3686

Source: Rock Island County Clerk

Notes:

Overlapping rates are those of local and county governments that apply to property owners within the City.

Not all overlapping rates apply to all City property owners, although the County property tax rates

apply to all City property owners; the Airport Authority rates apply to the property owners within that Authority's geographic boundaries.

Tax levy year 2013 information is not yet available.

Overlapping Rates

Social Security	Total Direct	School District	Rock Island County	Moline Township	Forest Preserve	Airport Authority	Metro Transit	Black Hawk Community College
0.1648	1.8988	5.2612	0.7082	0.1388	0.0664	0.0714	0.1148	0.3740
0.1750	1.9116	5.1108	0.7342	0.1438	0.0698	0.0750	0.1646	0.4021
0.1758	1.9594	5.1508	0.7284	0.1426	0.0692	0.0718	0.1652	0.4145
0.1778	1.9646	5.1152	0.7362	0.1412	0.0696	0.0726	0.1754	0.4579
0.1776	2.0062	5.0586	0.72	0.1444	0.069	0.0716	0.1742	0.5016
0.1742	1.9966	5.0188	0.757	0.149	0.091	0.0734	0.1768	0.5356
0.1772	1.9288	5.0266	0.7604	0.2048	0.0938	0.0742	0.1812	0.5337
0.181	1.9324	5.0584	0.8574	0.2096	0	0.0734	0.1822	0.5324
0.1808	1.9744	5.06	0.8684	0.2146	0	0.075	0.1872	0.5369
0.184	2.0268	5.059	0.7898	0.2254	0.0974	0.075	0.1948	0.5403

CITY OF MOLINE

Principal Property Taxpayers Current Year and Nine Years Ago (Unaudited)

Taxpayer	2013			2004		
	Taxable Assessed	Rank	Percentage of Total City Taxable Assessed	Taxable Assessed	Rank	Percentage of Total City Taxable Assessed
	Value		Value	Value		Value
Southpark Mall	\$9,768,540	1	1.36%	\$ 16,292,249	1	2.58%
Kone Towers	\$4,460,348	2	0.62%			
United Healthcare	\$4,016,186	3	0.56%			
Deere & Company	\$3,947,970	4	0.55%	8,847,149	2	1.40%
Walmart	\$3,585,484	5	0.50%	3,229,877	4	0.51%
Heritage Plaza	\$3,030,624	6	0.42%	3,268,608	3	0.52%
Trinity Medical Center	\$3,024,391	7	0.42%	2,266,736	8	0.36%
Hiland Toyota	\$2,936,260	8	0.41%			
Radisson/TGIF	\$2,791,037	9	0.39%	2,133,333	10	0.34%
City Line Plaza	\$2,775,745	10	0.39%	2,335,447	6	0.37%
Lowes				2,302,899	7	0.36%
Holiday Inn						
Ryan Property (Apartments)				2,454,569	5	0.39%
King Plaza				2,256,862	9	0.36%
Total	\$ 40,336,585		5.63%	\$ 45,387,729		7.19%
 Total Taxable EAV	 \$716,578,007			 \$631,057,882		

Source: Rock Island County Assessor's Office

CITY OF MOLINE

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

Fiscal Year Ended:	Tax Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2004	2003	12,120,000	12,135,877	100.13%
2005	2004	12,060,000	12,040,804	99.84%
2006	2005	12,935,000	12,909,201	99.80%
2007	2006	13,465,000	13,417,384	99.65%
2008	2007	14,399,800	14,388,850	99.92%
2009	2008	14,619,000	14,607,654	99.92%
2010	2009	14,191,000	14,142,554	99.66%
2011	2010	14,351,000	14,323,438	99.81%
2012	2011	14,684,000	14,658,100	99.82%
2013	2012	14,684,000	14,675,345	99.94%

Source: Rock Island County Auditor

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
-	12,120,000	100.00%
5,930	12,046,734	99.89%
6,396	12,915,598	99.85%
18,204	13,417,873	99.65%
13,358	14,349,401	99.65%
9,585	14,567,834	99.99%
8,648	14,151,201	99.72%
17,660	14,341,098	99.93%
9,106	14,667,206	99.89%
-	14,675,345	99.94%

CITY OF MOLINE

Ratios of Net General Bonded Debt Outstanding by Type Last Ten Fiscal Years (Unaudited)

Fiscal Year	Governmental Activities				Percentage of Actual Property Value	Debt Per Capita
	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt	Installment Note		
2004	91,025,000	-	91,025,000	-	13.78%	2,080
2005	88,545,000	-	88,545,000	-	13.54%	2,023
2006	74,818,375	-	74,818,375	-	10.89%	1,709
2007	90,192,371	7,520,328	82,672,043	-	11.56%	1,889
2008	78,329,988	7,500,000	70,829,988	-	9.38%	1,618
2009	73,579,847	7,500,000	66,079,847	-	8.62%	1,510
2010	62,316,949	50,119	62,266,830	-	7.02%	1,432
2011	65,604,915	1,100,634	64,504,281	943,526	7.27%	1,483
2012	64,926,541	495,201	64,431,340	578,426	8.98%	1,495
2013	60,330,370	102,901	60,227,469	478,526	8.47%	1,396

Note: Details regarding the City's outstanding debt may be found in the notes to the basic financial statements.
As a Home Rule entity, under the State of Illinois Constitution, the City has no statutory debt limit.

Business-Type					
Activities					
Loan Payable	General Obligation Bonds	Revenue Bonds	Total Primary Government	Percentage of Per Capita Income	Per Capita
12,000,000	12,071,511	-	115,096,511	N/A	2,630
11,431,003	11,623,379	-	111,599,382	9.70%	2,550
10,954,967	11,161,625	-	96,934,967	8.43%	2,215
10,466,111	10,687,629	-	111,346,111	9.68%	2,544
9,964,091	10,200,012	-	98,494,091	8.56%	2,250
9,448,553	9,700,153	-	92,728,553	8.06%	2,119
10,911,830	9,278,052	-	82,506,831	7.02%	1,887
10,251,155	8,725,087	-	85,524,683	7.11%	1,920
9,570,994	7,828,459	-	82,904,420	7.09%	1,907
8,870,307	7,229,630	-	76,908,833	N/A	1,769

CITY OF MOLINE

Direct and Overlapping Governmental Activities Debt For the Year Ended December 31, 2013 (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
East Moline School District Number 37	\$ 5,755,228	3.65%	\$ 210,066
United Township High School District Number 30	1,415,000	2.41%	34,102
Moline School District Number 40	22,766,044	86.35%	19,658,479
Blackhawk Community College District Number 503	32,715,000	19.95%	6,526,643
Rock Island County	28,016,751	30.41%	8,519,894
Rock Island County Forest Preserve	5,200,000	30.41%	1,581,320
Metropolitan Mass Transit Authority	1,200,000	30.41%	364,920
Metropolitan Airport Authority	23,675,000	38.97%	9,226,148
Subtotal, overlapping debt	120,743,023		46,121,570
City Direct Debt	60,808,896	100.00%	60,808,896
Total direct and overlapping debt	181,551,919		<u><u>\$ 106,930,466</u></u>

Source: Rock Island County Clerk

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. 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 it by each unit's total taxable assessed value.

CITY OF MOLINE

Demographic and Economic Statistics Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended December 31	Population (1)	Median Household Income(2)	Personal Income (2)	Per Capita Income (2)	Unemployment Rate (3)
2004	43,768	35,836	N/A	N/A	5.1%
2005	43,768	47,431	1,150,179,272	26,279	4.6%
2006	43,768	47,431	1,150,179,272	26,279	4.4%
2007	43,768	47,431	1,150,179,272	26,279	4.6%
2008	43,768	47,431	1,150,179,272	26,279	5.4%
2009	43,768	45,052	1,150,179,272	26,279	8.4%
2010	43,483	45,052	1,165,692,284	26,808	9.1%
2011	43,483	45,052	1,173,332,544	26,984	7.6%
2012	43,483	48,221	11,168,692,591	26,877	7.5%
2013	43,483	N/A	N/A	N/A	7.8%

Sources:

- (1) Estimates are based on actual census data for 2000 and 2010
- (2) U.S. Census Bureau, 2010-2012 American Community Survey
- (3) Illinois Department of Employment Security

CITY OF MOLINE

Principal Employers Current Year and Nine Years Ago (Unaudited)

Employer	2013			2004		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Trinity Moline	2,700	1	3.90%			
Deere & Company	1,600	2	2.30%	6,470	1	8.74%
Moline School District	1,111	3	1.60%	1,042	2	1.41%
Black Hawk College	825	4	1.20%	899	4	1.21%
John Deere Harvester Works	500	5	0.70%			
Wal-Mart	450	6	0.60%	475	7	0.64%
City of Moline	407	7	0.60%	405	8	0.55%
Key Buick Dodge	400	8	0.60%			
Kone	310	9	0.40%	900	3	1.22%
Hy Vee	300	10	0.40%			
Moline Dispatch Publishing				350	9	0.47%
iWireless				480	6	0.65%
Eagle Foods				644	5	0.87%
McLaughlin Body				300	10	0.41%

Sources: Bi-State Regional commission

CITY OF MOLINE

Full-Time Equivalent City Government Employees By Functions/Programs Last Ten Fiscal Years (Unaudited)

<u>Functions/Program</u>	Full-Time Equivalent Employees as of December 31			
	2013	2012	2011	2010
General Government:				
Legislative	10.00	10.00	10.00	10.00
City Administrator	1.00	1.50	2.00	2.00
Human Resources	1.48	1.48	1.48	1.48
Information Technology	4.00	4.00	4.00	0.00
Health Benefits	2.44	2.44	2.44	2.19
Liability Insurance	3.18	3.08	3.08	3.13
Public Information	0.00	0.00	0.00	0.00
Planning	5.08	4.38	4.33	10.90
GIS	0.00	0.00	0.00	0.00
Economic Development	0.00	0.00	0.00	0.00
Code Compliance	5.15	5.15	5.10	6.00
Community Development	3.95	5.85	6.65	0.00
TIF	1.62	1.77	2.07	0.00
Finance	11.00	10.50	10.50	10.00
Law	5.25	5.00	4.95	9.30
Parks and Recreation:	8.00	8.00	8.00	8.00
Police:				
Officers	80.50	83.00	82.00	83.00
Civilians	44.00	42.00	45.00	46.00
Fire:				
Firefighters and Officers	66.50	62.00	68.00	69.00
Civilians	1.00	1.00	0.50	1.00
Public Works:				
Bike Trail	1.00	1.00	1.00	1.00
Administration	2.50	2.50	2.50	2.50
Building and Grounds	8.22	9.22	9.22	9.22
Engineering	13.70	13.70	10.80	11.00
Traffic Signal	1.00	1.00	1.00	1.00
Streets	21.54	21.54	21.54	22.54
Sanitation	8.34	8.34	8.34	8.34
Park Maintenance	11.00	11.00	11.00	12.00
Fleet	10.90	10.90	10.90	9.90
Water:				
Administration	2.25	2.25	1.75	2.25
Water Plant	13.00	14.00	14.00	14.00
Distribution	13.50	12.50	13.50	12.50
Metering	3.50	3.50	2.00	4.00
Water Pollution Control:				
Administration	2.25	2.25	1.75	2.25
North Slope	7.50	7.50	7.50	7.50
South Slope	10.50	10.50	10.50	10.50
Sewer Maintenance	7.80	7.80	8.30	8.30
Regional	0.20	0.20	0.20	0.20
Stormwater	2.15	2.15	2.10	2.00
Library	28.00	28.00	28.00	28.00
Total	423.00	421.00	426.00	431.00

Source: City Personnel Department

Full-Time Equivalent Employees as of December 31

2009	2008	2007	2006	2005	2004
10.00	10.00	10.00	10.25	10.25	10.25
2.00	2.00	2.00	1.75	1.75	1.65
1.48	1.40	1.40	1.40	1.30	1.30
		4.44	3.00	3.10	3.10
2.19	1.85	2.00	2.00	0.60	0.25
3.13	3.25	3.25	3.25	3.75	3.55
0.00	0.00	0.00	1.00	1.00	1.00
10.60	3.65	3.75	3.75	3.85	4.15
0.00	0.00	0.00	0.33	0.00	0.00
1.30	1.50	0.50	0.50	0.50	0.40
6.00	6.00	6.00	6.60	6.00	6.30
	3.25	2.65	2.65	3.05	4.15
0.00	1.50	1.50	1.50	1.50	2.00
10.00	11.00	12.00	12.00	12.00	12.00
11.30	12.60	4.85	3.15	3.45	3.45
8.00	10.00	10.00	10.00	10.00	10.00
83.00	83.00	82.00	82.00	82.00	82.00
49.00	50.00	53.00	54.00	57.00	57.00
70.00	70.00	70.00	70.00	71.00	71.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
2.50	2.50	2.50	2.50	2.50	2.50
10.42	10.42	10.50	7.50	7.50	7.50
12.00	12.00	15.00	15.00	15.10	16.67
1.00	1.00	1.00	1.00	1.00	1.00
23.04	23.04	22.70	22.70	22.70	22.70
8.64	8.64	9.30	13.30	13.30	13.30
12.00	11.00	11.00	11.00	11.00	11.00
10.90	11.90	11.50	11.50	11.50	9.50
2.75	2.75	3.08	3.08	3.25	3.25
14.00	14.00	14.00	15.00	15.00	15.00
12.50	12.50	12.50	10.50	10.50	10.50
4.00	4.00	4.00	5.00	5.00	5.00
1.92	2.25	2.58	2.58	2.75	2.75
7.17	7.50	7.50	7.50	7.50	7.50
11.00	11.00	11.00	11.00	11.00	11.00
8.30	8.30	8.30	8.30	8.30	8.30
0.20	0.20	0.20	0.20	0.20	0.20
2.00	2.00	2.00	2.00	1.90	0.33
29.00	30.00	30.00	30.00	28.00	28.00
443.33	448.00	450.00	450.79	452.10	451.55

CITY OF MOLINE

Operating Indicators By Function/Program Last Ten Fiscal Years (Unaudited)

Function/Program	Calendar Year			
	2004	2005	2006	2007
Police:				
Calls for service	56,150	53,178	56,071	57,143
Adult arrest - Misdemeanor and Felony	1,884	1,732	1,880	1,999
Adult arrest - City Ordinance	543	429	496	392
Juvenile arrest - Misdemeanor and Felony	267	283	280	136
Juvenile arrest - City Ordinance	871	761	808	759
Traffic citations (includes speeding citations)	8,169	7,809	7,094	8,724
Fire:				
Total fire runs	1,098	1,098	1,013	1,151
Total ambulance runs	3,063	3,063	3,345	3,741
Property Value Saved	\$ 2,322,500	2,322,500 \$	7,328,400 \$	16,231,450 \$
Property Value Loss	\$ 521,000	521,000 \$	2,051,750 \$	1,868,150 \$
ISO Rating	3	3	3	3
Building safety:				
Total building permits	3,826	3,722	3,559	4,177
Total value all permits	\$ 76,571,179	\$ 87,267,044	\$ 78,587,632	\$ 73,677,247
Library:				
Number of Materials Loaned	447,215	447,215	397,327	498,703
Gate Count	238,416	238,416	285,605	373,562
Number of Registered Borrowers	25,625	25,625	24,059	26,123
Public Works:				
Solid Waste Collected (tons)	18,464	17,619	17,149	15,964
Recycle collected (ton)	3,467	2,971	3,391	3,166

Source: City Departments

Calendar Year

	2008	2009	2010	2011	2012	2013
	58,965	59,138	55,821	55,842	58,583	50,864
	2,448	2,432	1,941	2,968	1,802	1,418
	494	439	248	255	216	200
	267	210	257	363	265	170
	675	510	599	578	513	417
	10,674	9,579	8,508	7,023	6,995	5,662
	1,940	1,287	1,330	1,163	1,384	1,187
	4,306	4,175	4,257	4,331	4,314	4,320
\$	1,715,500	\$ 26,333,350	\$ 6,616,750	\$ 21,326,050	\$ 13,733,400	\$ 4,510,150
\$	234,000	\$ 723,800	\$ 511,600	\$ 640,701	\$ 623,600	\$ 1,068,850
	3	3	3	3	3	3
	4,164	4,072	3,180	3,442	3,592	3,849
\$	68,625,974	\$ 40,006,035	\$ 25,693,988	\$ 62,381,967	\$ 71,658,637	\$ 184,490,526
	510,998	525,678	501,661	459,559	428,944	419,656
	315,775	337,152	331,727	306,239	303,226	279,056
	27,640	21,218	25,255	25,425	24,095	23,987
	14,250	13,985	15,275	13,155	14,032	14,500
	3,500	2,273	4,947	2,169	2,509	2,388

CITY OF MOLINE

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

Function/Program	2004	2005	2006	2007
Police:				
Stations	1	1	1	1
Sub Stations	3	3	3	3
Fire, Fire Stations	4	4	4	4
Public Works:				
Collection Trucks	7	7	7	7
Streets (Miles)	214	214	214	214
Traffic Signals	102	102	102	102
Parks & Recreation:				
Park Acreage	698	698	698	698
Parks	22	22	22	22
Cemetery Acreage	112	112	112	112
Bike Path (miles)	11	11	11	11
Swimming pools	1	1	1	1
Library:				
Facilities	2	2	2	2
Volumes	186,518	186,518	183,261	199,597
Water:				
Watermain (miles)	207	207	207	228
Water Customers Served	17,055	17,055	17,055	16,722
Storage Capacity (MGPD)	8.1	8.0	8.0	9.1
Average Daily Consumption (MGPD)	5.2	5.4	5.2	5.3
Peak Consumption (MGPD)	8.8	7.7	9.3	7.3
Treatment Plants	1	1	1	1
Watermain Breaks	32	72	38	45
Wastewater:				
Sewer				
Sanitary Sewers (miles)	190	190	190	190
Sewer Customers Served	16,466	16,466	16,466	16,466
Pump Stations	14	14	14	14
Treatment Plants	2	2	2	2

Source: City Departments

2008	2009	2010	2011	2012	2013
1	1	1	1	1	1
4	4	4	4	4	4
4	4	4	4	4	4
7	7	7	7	7	7
214	218	218	218	220	235
102	103	104	104	105	106
698	608	608	608	610	610
22	22	22	22	23	23
112	110	110	110	110	110
11	11	11	11	11	11
1	1	1	1	1	1
2	1	1	1	1	1
200,603	205,000	211,856	259,869	211,438	197,016
230	207	234	236	237	237
16,761	17,055	16,588	16,710	17,192	16,818
9.1	8.0	9.1	9.1	9.1	9.1
5.2	5.2	5.0	5.0	5.0	4.7
6.7	9.3	6.6	7.7	8.3	6.9
1	1	1	1	1	1
48	47	55	48	59	50
190	190	204	206	208	208
16,466	16,466	16,640	16,640	16,799	16,752
14	14	14	14	14	14
2	2	2	2	2	2



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REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Independent Auditors' Report

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

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moline, Illinois as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Moline's basic financial statements, and have issued our report thereon dated May 23, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Moline's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Moline's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Moline's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Honorable Mayor and
Members of the City Council

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Moline's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Oak Brook, Illinois
May 23, 2014

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133

Independent Auditors' Report

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

Report on Compliance for Each Major Federal Program

We have audited the City of Moline, Illinois' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the City of Moline's major federal program for the year ended December 31, 2013. The City of Moline's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance of the City of Moline's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Moline's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City of Moline's compliance.

Honorable Mayor and
Members of the City Council

Opinion on the Major Federal Program

In our opinion, the City of Moline complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the City of Moline is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Moline's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Moline's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Honorable Mayor and
Members of the City Council

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moline, Illinois as of and for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise the City of Moline's basic financial statements. We issued our report thereon dated May 23, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.


Oak Brook, Illinois
May 23, 2014

CITY OF MOLINE

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013**

Federal Grantor/Pass Through Grantor/Program Title	CFDA Number	Grant Number	Expenditures
U.S. Department of Housing and Urban Development:			
<i>Direct:</i>			
Community Development Block Grant (M)	14.218	B-13-MC-17-0014	\$ 522,075
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	ILLHB0549-13	143,322
<i>Subtotal Direct:</i>			<u>665,397</u>
<i>Passed through the Illinois Department of Commerce & Economic Opportunity</i>			
CDBG IKE - Planning & Technical Assistance	14.228	08-355029	47,620
<i>Subtotal of IL Department of Commerce & Economic Opportunity pass through:</i>			<u>47,620</u>
<i>Passed through the Rock Island Economic Growth Corp</i>			
NSP2 (ARRA)	14.256	B-09-CN-IL-0027	22,496
<i>Subtotal of Rock Island Economic Growth pass through:</i>			<u>22,496</u>
<i>Passed through Illinois Housing Development Authority</i>			
2011 Homebuyer Assistance Program	14.239	SHB-50438	123,721
2010 Small Rental Properties	14.239	HS-50206	502
2012 Single Family Owner Occupied Rehabilitation	14.239	HO-50532	94,310
<i>Subtotal Home Investment Partnerships Program:</i>			<u>218,533</u>
<i>Subtotal passed through Illinois Housing Development Authority:</i>			<u>218,533</u>
Total U.S. Department of Housing and Urban Development:			<u>\$ 954,046</u>
U.S. Department of Justice (Direct):			
2012 Edward Byrne Memorial Justice Assistance Grant	16.738	2012-H1369-IL-DJ	16,886
2013 Bulletproof Vest Partnership Program	16.607	N/A	3,944
Total U.S. Department of Justice:			<u>\$ 20,830</u>
US Department of Homeland Security			
<i>(Passed through Illinois Emergency Management Agency)</i>			
Disaster Grants - Public Assistance	97.036	FEMA 4116	8,694
<i>Subtotal passed through Illinois Emergency Management Agency:</i>			<u>8,694</u>
Total U.S. Department of Homeland Security:			<u>\$ 8,694</u>
Total expenditures of federal awards			<u>\$ 983,570</u>

(M) - Denotes Major Program

CITY OF MOLINE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended December 31, 2013

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “schedule”) includes the federal grant activity of the City of Moline, Illinois under programs of the federal government for the year ended December 31, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the City of Moline, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Moline.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

NOTE 3 – SUBRECIPIENTS

Of the federal expenditures presented in the schedule of expenditures of federal awards, the City provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Community Development Block Grant (CDBG)	14.218	\$ 94,221
Lead-Based Paint Hazard Control Grant	14.900	38,114

NOTE 4 – FEDERAL LOAN PROGRAM

Under the Community Development Block Grant program, the City administers loan programs which are accounted for in the Revolving Loan Program Fund, a special revenue fund. As of December 31, 2013, the loans outstanding under these programs totaled \$53,120.

CITY OF MOLINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2013

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- > Material weakness(es) identified? _____ yes X no
- > Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

FEDERAL AWARDS

Internal control over major programs:

- > Material weakness(es) identified? _____ yes X no
- > Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

_____ yes X no

Auditee qualified as low-risk auditee?

_____ yes X no

Identification of major federal programs:

CFDA Number(s)

14.218

Name of Federal Program or Cluster

Community Development Block Grant

Dollar threshold used to distinguish between type A and type B programs:

\$300,000

CITY OF MOLINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

**SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

None

SECTION III – FEDERAL AWARDS AWARDS FINDINGS AND QUESTIONED COSTS

None.