

City of Moline, Illinois



Comprehensive Annual Financial Report

Year Ended December 31, 2015

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF MOLINE, ILLINOIS**
As of and for the Year Ended December 31, 2015

Prepared by Finance Department

CITY OF MOLINE

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City Administrator

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May 26, 2016

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, 2015.

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 Tilly Virchow Krause, LLP, have issued an unmodified opinion that the City of Moline's financial statements for the year ended December 31, 2015 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 auditors' 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 383 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 includes 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 was completed last year and includes 24 market rate apartments and 3 commercial spaces that are fully occupied, including a very successful restaurant and bar. Recently, Phase I of the Skinner Block Historic Buildings renovation was completed with 12 new market rate apartments being added to the downtown housing stock. Plans include a second phase of another 12 market rate units with construction expected to start later this year. The City's 5th Avenue redevelopment and streetscape project has completed and 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. In fact, just this past year there has been new investment in existing downtown buildings in excess of \$10,000,000 with projects such as the Rebellion Brew Haus, Kosama Fitness, Jimmy John's Sandwiches, Kone Building, and i-Wireless civic center renovations and expansions. In addition to these projects, the City is working with a local developer to convert the historic Chase Bank building into a commercial, office, and residential mixed use project. Construction on this project is expected to start this year.

The City has purchased the former John Deere Collectors Center from the Deere Foundation and is seeking a developer to design and build a mixed use parking structure that will include public and private parking for up to 350 vehicles as well as possible commercial and residential space. It is expected that the new parking structure will enhance existing commercial interests and act as a catalyst for new development. Once this project is completed, the City will offer the adjacent property for sale for a commercial user who will be able to utilize the parking facility. Interest in this site has already been identified which could include retail/commercial and a select or full service hotel with 100+ rooms, conference space and food service.

Phase III of the Bass Street Landing Project includes, KONE Centre, which is a 10 story mixed use building with was an over \$45 million dollar project, 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. The parking deck which is part of the project serves the building as well as provides additional parking for nearby office, retail and entertainment venues. The first floor commercial area in the parking deck has a commercial 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 continues to be 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. The former KONE campus property was sold to a private developer who has successfully sold or leased the office and warehouse spaces and sold the property that the Enterprise Lofts project was constructed on.

The \$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 continues to move forward. The \$20,000,000 + Transit Oriented Development is being constructed at 12th Street and 4th Avenue and will be the location for the Quad Cities Multi-Modal Station now known as The Q. Service is expected to begin in 2016. The Amin Group is the private developer who is completing the final plans for a 95 unit Element Hotel by Westin. The project 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, and the extended stay hotel rooms and supportive services to Amtrak and the other transit modes in Centre Station which is adjacent to the new station.

WIU-Quad Cities campus continues to grow both physically as well as with the number of students and employees. It included a \$15.8 million renovation and construction of Building 1 which was completed in January 2012 and \$42 million for phase II which was completed in time for fall 2014 classes. The University recently completed planning designs for a phase III project as enrollment continues to be strong. The City assembled and prepared the 16 acres adjacent to the campus site and including infrastructure, site improvements and an all weather road to serve this development as well as the adjacent WIU campus. Three Corners/Madison Construction purchased an initial 5 acres and completed construction on Phase I which includes student housing and commercial/retail space. With the student housing completed and open the developer has begun to fill the first-floor commercial space. A Happy Joes Pizza Grill opened earlier this year and a Sriracha Thai Bistro and Oyster Bar is planned to open this summer. This has created construction as well as permanent full and part time jobs and provides needed

housing opportunities. The City is currently in negotiations with the developer on the next phases which include additional market rate housing and commercial uses.

The City entered into a Development Agreement with Macerich on a repositioning of South Park Mall and the surrounding areas. The agreement outlined plans to demolish 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 constructed new prototype stores and Dick's Sporting Goods just completed a 45,000 s.f. store which opened in April. The City and Macerich are actively working to attract additional retail/restaurant and other commercial tenants to the mall and adjacent property. Part of the repositioning and reconstruction included a new Mega Stop transit facility which allows multiple transit busses to provide front door service to the mall. This project represents a \$1 million investment on the mall property by regional transit provider, MetroLINK.

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, Zimmerman Honda and Sam's Club are open for business. 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. These new retailers provide additional property and sales taxes and are providing opportunities for continued retail and commercial growth and opportunities for the City boundaries to continue to extend east and south. 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, Pet Smart and most recently Moline Family Dental opened in the final remaining space. This redevelopment activity compliments recent renovation investments made within the past few years in the neighboring Target, Kohl's and Hy-Vee stores.

The City is finalizing a Development Agreement for the 15 Acre property formerly known as One Moline Place Phase II. This project, renamed The Point, is a \$51,000,000 development by S.J. Russell Corporation and will be a continuum of care senior development. The project includes up to 285 units consisting of independent living, assisted living, memory care and retail/commercial uses catering to the needs of seniors in Moline. Plans for phase I of the project were recently approved by the City and the project is anticipated to begin later this year and with subsequent phases completed over the next couple of years. This project will allow the City to recoup funds expended to acquire the property and install the necessary infrastructure for development. Construction of infrastructure improvements for phase III of One Moline Place has been completed. Site improvements include a new roadway, sanitary sewer service, water service, and stormwater facilities. This 3.4 acre site is located on the east side of the project and is being completed with a public/private partnership with the City and a Developer. The City, utilizing Community Development Block Grant Funds as well as proceeds from the sale of the land, completed installation of the infrastructure for the project. The private developer will then construct 15 – 20 market rate townhouse style apartments on the site. Now that infrastructure and site improvements have been completed, housing construction can begin later this spring and will take 2 years to build out.

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 approved by the Plan Commission and City Council. 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. Staff continues to utilize this plan to facilitate quality development in this target area of the City.

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 initial phase of constructing sewer and water utilities to serve this development were recently completed on Airport property. Additional work extending from the Airport to adjacent property is now underway. 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 has been developed into a Holiday Inn Express and has been open for approximately a year. The City and Airport continue to explore opportunities in this area.

The City received State funding to complete an update to the Moline Centre, Edgewater and Floreciente plans. Phase I of this plan was completed last April and adopted by the Plan Commission and City Council. This plan serves as a guideline for future riverfront development. Phase I of the plan is already paying dividends through corporate and institutional investment aimed at implementing the plan in areas such as the Floreciente neighborhood where significant objectives and benchmarks have already been achieved. The City also received an additional grant from the Illinois Department of Transportation for Phase II of the plan. This plan will compliment the new riverfront plan and will focus on the transportation related developments currently in the works such as The Q multimodal station and the new I-74 Mississippi River Bridge Crossing project by providing a plan for a multimodal transportation network that identifies new development opportunities surrounding the Multi-Modal Station, the new I-74 Bridge and Western Illinois Campus and how to leverage transportation improvements to facilitate new development activity. This project has been underway for the past year and is essentially complete pending the City's official approval.

Other 2015 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 2015 were:

- Installation of Parks Master Plan signage throughout the entire Park System.
- Successful introductions of propane fueled mowers in Park Operations resulted in a reduction in operating costs of \$1.08 per hour, keeping in line with providing cost effective services while saving tax dollars.

- Realized significant savings with the use of compressed natural gas (CNG) since placing medium duty CNG trucks into service with a drop in cost per mile from \$0.34 per mile down to \$0.05 per mile.
- Installed ADA playground equipment at Riverside Park.
- Interior upgrade of Moline Memorial Park Chapel Mausoleum.
- Obtained \$43.7 million IEPA low interest rate loan for construction of North Slope Waste Water Treatment Plant Improvement Project to include all of the drilled shaft piers, most of which were constructed in the challenging area of the former quarry.
- Negotiated a lower lease amount for Coolidge Gym with the Moline School System.
- Settled litigation pertaining to building code violations at the property adjacent to the John Deere House resulting in a \$200,000 payment toward the cost of a new retaining wall at the property.
- Completed UV Operational Trail at the drinking water plant and received Special Exception Permit.
- Started migration process to new automated catalog that will give users access to 5 million items in 135 libraries across North Illinois.
- Transit Oriented Development (TOD) targeted assistance award from the U.S. Department of Transportation to provide technical assistance to utilize the Multimodal Station as a catalyst for developing a larger TOD zone within Moline Centre.
- Implementation of a Vendor EFT Program to enhance the City's business relationships and further streamline the payment process.
- Expanded the Illinois Debt Recovery Program by uploading 213 delinquent
- Coordination of specific improvement projects with Habitat for Humanity to improve existing housing stock and environmental conditions and to construct new infill housing.

The city's record of achievement for 2015 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, 2014. This was the twenty second (23rd) 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

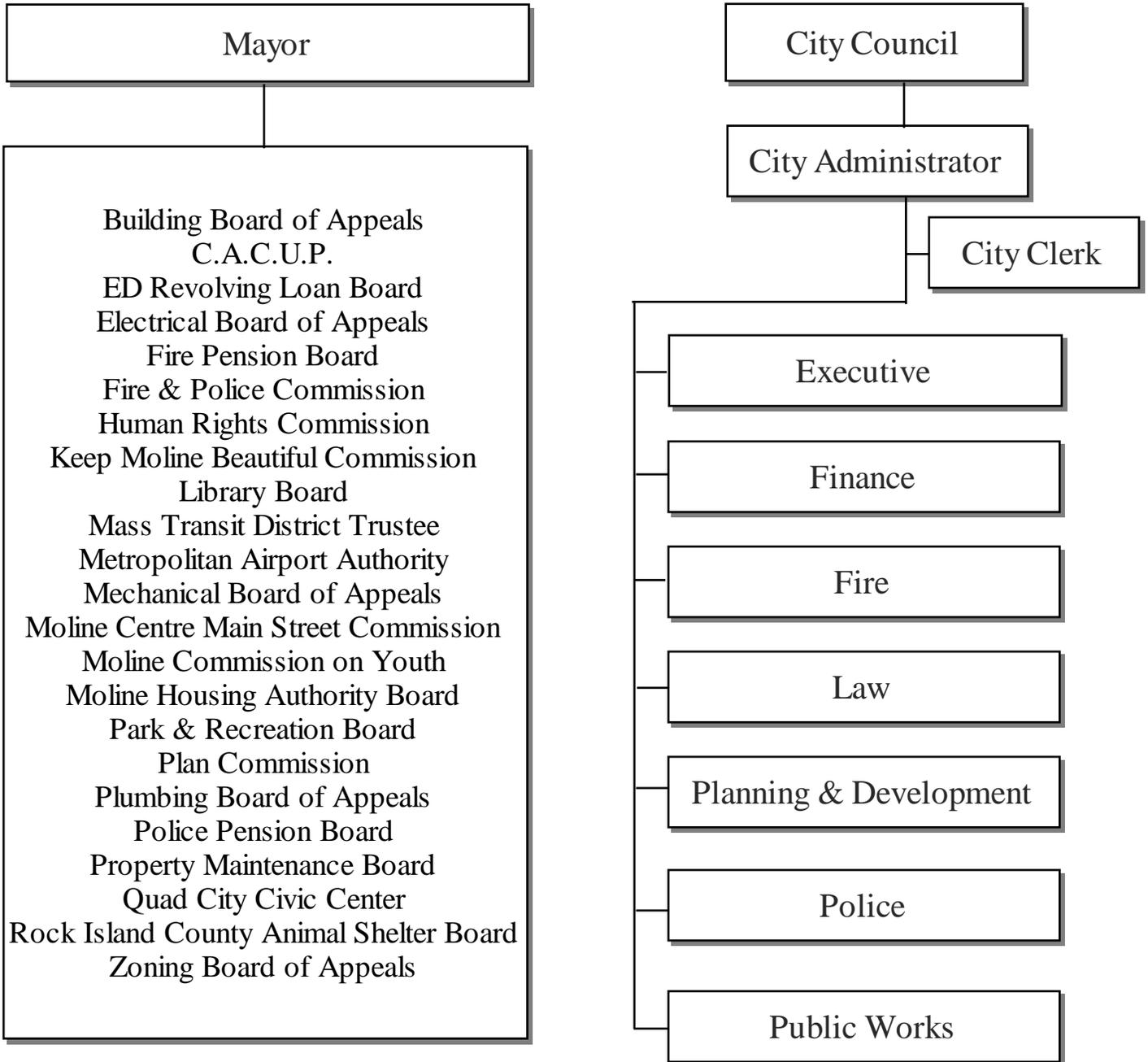
**City of Moline
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

CITIZENS OF MOLINE



CITY OF MOLINE

PRINCIPAL CITY OFFICIALS
As of and for the Year Ended December 31, 2015

LEGISLATIVE

Scott Raes
Mayor

		Term Expiration Date of Elected Officials
Quentin Rodriguez	1st Ward Alderman	4-30-2019
David Parker, Jr.	2nd Ward Alderman	4-30-2017
Mike Wendt	3rd Ward Alderman	4-30-2019
John Zelnio	4th Ward Alderman	4-30-2017
Lori Turner	5th Ward Alderman	4-30-2019
Kevin Schoonmaker	6th Ward Alderman	4-30-2017
Sean Liddell	7th Ward Alderman	4-30-2019
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
Vacant, Library
Lori Wilson, 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, 2015, 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.

To the 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, 2015 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. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, effective January 1, 2015. Net position has been restated as of December 31, 2014 as a result. 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 supplementary information as listed in the table of contents is presented for purposes of additional analysis 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 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

To the 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 26, 2016 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 Vietnam Kraus, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
May 26, 2016

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2015 (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, 2015. 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 \$84.6 million (net position). Of this amount \$(73.1) million represents a negative unrestricted, due basically to the City's investment in capital assets net of related debt, capital projects and specific projects and program.
- > In total, net position increased by \$5.7 million (after restatement). This represents a 7.2% increase from 2014 and is a result of \$0.3 million and \$5.4 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 2015 in funds associated with governmental activities. The increase in the net position of businesstype activities was mainly attributed to a rise in total assets of the businesstype 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 \$19.5 million, an increase of \$0.5 million in comparison with the prior year. Approximately \$2.6 million is available for spending at the government's discretion (unassigned fund balance).
- > General revenues accounted for \$55.9 million in revenue or 84% of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$10.7 million or 16% of total governmental revenues of \$66.6 million.
- > The City had \$66.2 million in expenses related to government activities. However, only \$10.7 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 \$14.3 million, or 36% of the total General Fund expenditures.
- > The City's total debt increased by \$6.3 million during the current year to \$81.7 million.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2015 (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, 2015 (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 3 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, 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, stormwater, and sanitation 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, 2015 (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 and Water Pollution Control Fund, both of which are considered to be major funds of the City. Data from the remaining enterprise funds are combined into a single, aggregated presentation. Additionally, 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 net pension liability 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, 2015 (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>		
	2015	2014*	Change	2015	2014*	Change	2015	2014*	Change
Assets									
Current and other assets	\$ 69.2	\$ 76.2	(9.2)%	\$ 27.0	\$ 23.8	13.4%	\$ 96.2	\$ 100.0	-3.8%
Capital assets	<u>102.6</u>	<u>103.7</u>	(1.1)%	<u>104.9</u>	<u>90.1</u>	16.4%	<u>207.5</u>	<u>193.8</u>	7.1%
Total assets	<u>171.8</u>	<u>179.9</u>	(4.5)%	<u>131.9</u>	<u>113.9</u>	15.8%	<u>303.7</u>	<u>293.8</u>	3.4%
Deferred outflows of resources	<u>25.9</u>	<u>2.2</u>	1,077.3%	<u>1.7</u>	-	-	<u>27.6</u>	<u>2.2</u>	1,154.5%
Liabilities									
Long-term liabilities	184.0	65.9	179.2%	28.6	16.9	69.2%	212.6	82.8	156.8%
Other liabilities	<u>9.6</u>	<u>11.5</u>	(16.5)%	<u>4.5</u>	<u>3.4</u>	32.4%	<u>14.1</u>	<u>14.9</u>	-5.4%
Total liabilities	<u>193.6</u>	<u>77.4</u>	150.1%	<u>33.1</u>	<u>20.3</u>	63.1%	<u>226.7</u>	<u>97.7</u>	132.0%
Deferred inflows of resources	<u>19.9</u>	<u>19.0</u>	4.7%	<u>0.1</u>	-	-	<u>20.0</u>	<u>19.0</u>	5.3%
Net position									
Net investment in capital assets	75.2	73.0	3.0%	77.6	74.2	4.6%	152.8	147.2	3.8%
Restricted	4.9	11.1	(55.9)%	-	-	-	4.9	11.1	-55.9%
Unrestricted	<u>(95.9)</u>	<u>1.6</u>	-6,093.8%	<u>22.8</u>	<u>19.4</u>	17.5%	<u>(73.1)</u>	<u>21.0</u>	-448.1%
Total net position	<u>\$ (15.8)</u>	<u>\$ 85.7</u>	(118.4)%	<u>\$ 100.4</u>	<u>\$ 93.6</u>	7.3%	<u>\$ 84.6</u>	<u>\$ 179.3</u>	-52.8%

*Prior year information has not been updated for the City's implementation of GASB Statement No. 68 and 71 in 2015.

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, 2015 (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 \$5.7 million (after restatement) from \$78.9 million to \$84.6 million. The City's total assets and deferred outflows of resources equal \$331.3 million. The City's total liabilities and deferred inflows of resources equal \$246.7 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 2015 and 6% for 2014) represents resources that are subject to external restrictions on how they may be used. All net position categories show positive balances at year end, except for unrestricted net position for governmental activities.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2015
(Unaudited)

Table 2									
Condensed Statements of Activities									
(in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2015	2014*	Change	2015	2014*	Change	2015	2014*	Change
Revenues									
<i>Program revenues</i>									
Charges for services	\$ 6.4	\$ 7.9	-19.0%	\$ 21.7	\$ 18.7	16.0%	\$ 28.1	\$ 26.6	5.6%
Operating grants and contributions	4.2	4.2		-	-		4.2	4.2	
Capital grants and contributions	0.1	0.1		1.2	-		1.3	0.1	1,200.0%
<i>General revenues</i>									
Property taxes	18.9	18.7	1.1%	-	-		18.9	18.7	1.1%
Other taxes	36.0	34.8	3.4%	-	-		36.0	34.8	3.4%
Other general revenues	<u>1.0</u>	<u>1.0</u>		<u>0.1</u>	<u>0.1</u>		<u>1.1</u>	<u>1.1</u>	
Total revenues	<u>66.6</u>	<u>66.7</u>	-0.1%	<u>23.0</u>	<u>18.8</u>	22.3%	<u>89.6</u>	<u>85.5</u>	4.8%
Expenses									
General government	6.1	6.0	1.7%	-	-		6.1	6.0	1.7%
Public safety	32.8	28.5	15.1%	-	-		32.8	28.5	15.1%
Public works	10.1	12.0	-15.8%	-	-		10.1	12.0	-15.8%
Economic development	8.0	8.0		-	-		8.0	8.0	
Culture and recreation	3.9	4.1	-4.9%	-	-		3.9	4.1	-4.9%
Libraries	3.4	3.5	-2.9%	-	-		3.4	3.5	-2.9%
Water	-	-		8.0	7.5	6.7%	8.0	7.5	6.7%
Water pollution control	-	-		6.6	6.6		6.6	6.6	
Storm water utility	-	-		0.9	0.8	12.5%	0.9	0.8	12.5%
Sanitation Utility	-	-	-%	2.2	-		2.2	-	
Interest and fiscal charges	<u>1.9</u>	<u>2.1</u>	-9.5%	<u>-</u>	<u>-</u>		<u>1.9</u>	<u>2.1</u>	-9.5%
Total expenses	<u>66.2</u>	<u>64.2</u>	3.1%	<u>17.7</u>	<u>14.9</u>	18.8%	<u>83.9</u>	<u>79.1</u>	6.1%
Transfers	<u>(0.1)</u>	<u>-</u>		<u>0.1</u>	<u>-</u>		<u>-</u>	<u>-</u>	
Change in net position	0.3	2.5	-88.0%	5.4	3.9	38.5%	5.7	6.4	-10.9%
Net position, beginning of year (as restated)	<u>(16.1)</u>	<u>83.2</u>	-119.4%	<u>95.0</u>	<u>89.7</u>	5.9%	<u>78.9</u>	<u>172.9</u>	-54.4%
Net position end of year	<u>\$ (15.8)</u>	<u>\$ 85.7</u>	-118.4%	<u>\$ 100.4</u>	<u>\$ 93.6</u>	7.3%	<u>\$ 84.6</u>	<u>\$ 179.3</u>	-52.8%

Table 2 highlights the City's revenues and expenses for the fiscal years ended December 31, 2015 and 2014. These two main components are subtracted to yield the change in net position. This table utilizes the full accrual method.

*Prior year information has not been updated for the City's implementation of GASB Statement No. 68 and 71 in 2015.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2015 (Unaudited)

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

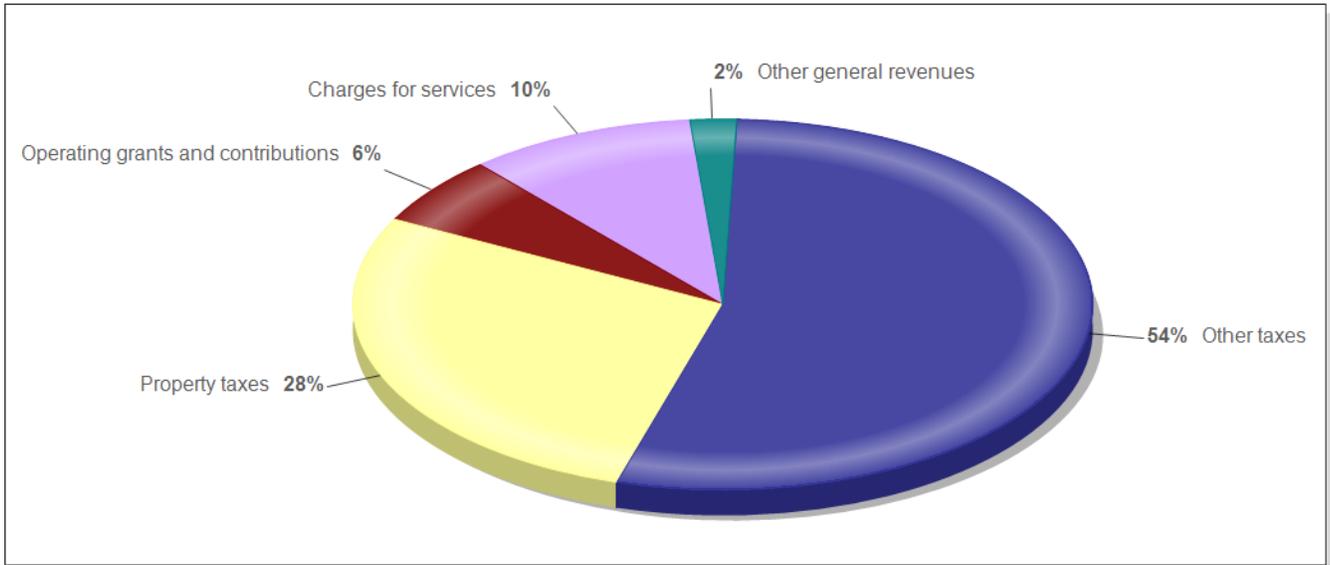
The Governmental Activities increased the City's net position by \$0.3 million (after restatement). Key elements contributing to this change are as follows:

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2015
(Unaudited)

Governmental Activities

Governmental Revenues by Source



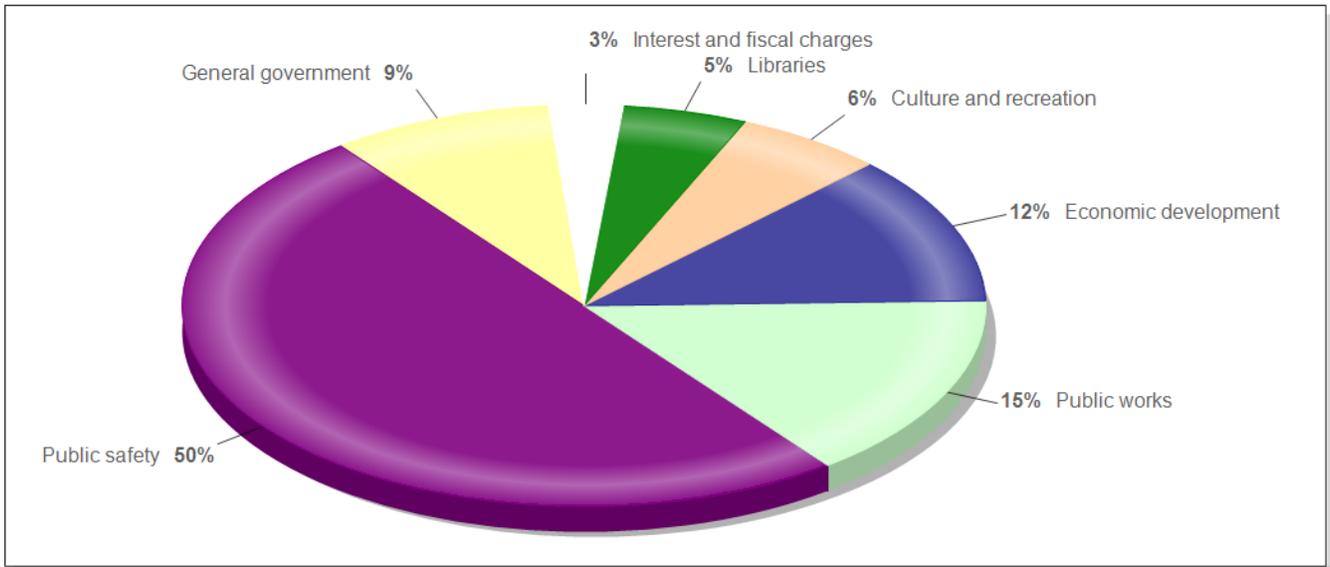
Revenues

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 a slight decrease of 0.1% in revenue due to a 19% decline in charges for services (due to a change in accounting for public work services to the Park Fund), 1.1% increase in property taxes levied and an increase in Other Taxes of 3.4%.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2015
(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 resulted in an increase in net position (after restatement) to \$84.6 million compared to \$78.9 million in the prior fiscal year. Overall, the City's financial position has improved since the prior fiscal year.

Financial Analysis of the City's Funds

The fund balance of the City's General Fund increased by \$1.8 million for 2015 and \$756 thousand million for 2014. For more information, see the General Fund Budgetary Highlight Section.

The Tax Increment Financing #1 Fund had an ending fund balance deficit of \$2.6 million, a increase in the deficit of \$0.3 million from 2014 attributed to increased debt service outlay.

The Capital Projects Fund had an ending fund balance of \$2.3 million, a decrease of \$0.2 million from 2014. Capital outlay spent in 2015 was \$4.7 million, an increase of \$0.7 million over 2014. Projects included various residential street improvements, various sealcoat improvements, sidewalk improvements, alley reconstruction and 16th Street viaduct connection.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2015 (Unaudited)

General Fund Budgetary Highlights

Overall, General Fund revenue was \$936,937 more than the final budget and expenditures were \$777,232 less than the final budget. Specific highlights of General Fund revenue and expenditures are as follows:

- > Income tax revenues were \$426,730 more than the final budget.
- > Sales tax revenues were \$771,541 more than the final budget.
- > Home rule sales tax revenues were \$227,392 more than the final budget.
- > Local use tax revenues were \$103,782 more than the final budget.
- > Telecommunication tax revenues were \$66,824 less than the final budget.
- > Hotel/motel tax revenues were \$172,529 more than the final budget.
- > Utility tax revenues were \$269,567 less than the final budget.
- > Licenses and permit revenues were \$211,975 less than the final budget primarily due to less than anticipated plan review fees, building permit fees, electrical permit fees and plumbing permit fees.
- > Charges for Service revenues were \$415,131 more than the final budget mainly due to an increase use of engineering services, an increase in the non-resident ambulance fees and newly implemented First Responder Fees.
- > Fire Protection was \$317,695 less than the final budget mainly due to several vacant positions throughout the year.
- > Executive was \$350,384 less than the final budget due to the not spending the amount allocated for General Fund contingencies.

Capital Assets and Debt Administration

Capital assets

By the end of 2015, the City had compiled a total investment of \$358.4 million (\$207.6 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 \$9.3 million. More detailed information about capital assets can be found in Note III.C of the basic financial statements.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2015 (Unaudited)

Table 3
Capital Assets (net of depreciation)
(in millions of dollars)

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2015	2014	Change	2015	2014	Change	2015	2014	Change
Land	\$ 16.6	\$ 16.3	1.8%	\$ 0.6	\$ 0.6		\$ 17.2	\$ 16.9	1.8%
Construction in progress	1.7	2.2	-22.7%	17.2	5.8	196.6%	18.9	8.0	136.3%
Land improvements	4.9	5.3	-7.5%	0.6	0.7	-14.3%	5.5	6.0	-8.3%
Buildings and improvements	34.2	35.4	-3.4%	23.7	24.9	-4.8%	57.9	60.3	-4.0%
Major moveable equipment	1.3	1.5	-13.3%	6.9	5.5	25.5%	8.2	7.0	17.1%
Vehicles	5.4	5.7	-5.3%	-	-		5.4	5.7	-5.3%
Infrastructure	<u>38.5</u>	<u>37.3</u>	3.2%	<u>55.9</u>	<u>52.6</u>	6.3%	<u>94.4</u>	<u>89.9</u>	5.0%
Total	\$ 102.6	\$ 103.7	-1.1%	\$ 104.9	\$ 90.1	16.4%	\$ 207.5	\$ 193.8	7.1%

Debt Administration

The table below summarizes the City's bonded and similar indebtedness. As of December 31, 2015, the City had a total of \$212.6 million of long-term debt outstanding. Of this amount, \$59.0 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.

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

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2015	2014*	Change	2015	2014*	Change	2015	2014*	Change
General obligation debt	\$ 52.9	\$ 57.9	-8.6%	\$ 6.0	\$ 6.7	-10.4%	\$ 58.9	\$ 64.6	-8.8%
Installment notes	1.5	1.6	-6.3%	1.4	1.5	-6.7%	2.9	3.1	-6.5%
IEPA loans	-	-		19.9	7.7	158.4%	19.9	7.7	158.4%
Compensated absences	4.9	5.0	-2.0%	1.1	0.9	22.2%	6.0	5.9	1.7%
OPEB obligation	0.2	0.7	-71.4%	-	0.1	-100.0%	0.2	0.8	-75.0%
IMRF pension obligation	-	0.7	-100.0%	-	-		-	0.7	-100.0%
Net pension liability	<u>124.5</u>	<u>-</u>		<u>0.2</u>	<u>-</u>		<u>124.7</u>	<u>-</u>	
Total	\$ 184.0	\$ 65.9	179.2%	\$ 28.6	\$ 16.9	69.2%	\$ 212.6	\$ 82.8	156.8%

*Prior year information has not been updated for the City's implementation of GASB Statement No. 68 and 71 in 2015.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2015 (Unaudited)

Factors Bearing on the City's Future

Real property assessed values have decreased \$4,751,425 for tax year 2015 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 1.35 percent annually for the past ten years. However, this rate changed to a decrease of 0.53 percent annually over the past five years and decreased 1.13% last year. The City of Moline remains aggressive in encouraging new business development and encouraging new housing construction.

The taxable equalized assessed value increased at an average rate of 0.39 percent annually for the past ten years. However, this rate changed to a decrease of 0.85 percent annually over the past five years and decreased 0.66% 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 46 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 remained at 6.0 percent. This is no change a rate of 6.0 percent a year ago. This compares favorably to the state's average unemployment rate of 6.5 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 2016 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, 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 2016 fiscal year.

CITY OF MOLINE

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Year Ended December 31, 2015 (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, 2015

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and cash equivalents	\$ 8,953,947	\$ 11,479,084	\$ 20,433,031
Investments	27,833,687	3,706,927	31,540,614
Receivables (net)			
Property taxes	19,616,882	-	19,616,882
Accounts	1,593,740	3,959,010	5,552,750
Accrued interest	42,684	-	42,684
Other taxes	7,747,109	-	7,747,109
Internal balances	(5,763,031)	5,763,031	-
Due from other governmental units	1,112,969	1,970,168	3,083,137
Inventories	111,305	84,636	195,941
Prepaid items	1,000	-	1,000
Loans receivable, current	152,023	-	152,023
Loans receivable, noncurrent	3,696,723	-	3,696,723
Restricted assets			
Restricted cash and cash equivalents	3,213,145	-	3,213,145
Restricted investments	839,975	-	839,975
Capital Assets			
Land	16,579,630	638,705	17,218,335
Construction in progress	1,695,323	17,199,991	18,895,314
Land improvements	12,090,173	1,196,671	13,286,844
Buildings	52,614,392	56,309,917	108,924,309
Machinery and equipment	4,638,538	16,756,588	21,395,126
Vehicles	13,905,302	-	13,905,302
Infrastructure	85,961,094	78,767,622	164,728,716
Less: Accumulated depreciation	(84,836,222)	(65,945,714)	(150,781,936)
Total Assets	171,800,388	131,886,636	303,687,024
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	1,958,215	-	1,958,215
Deferred outflows of resources related to pensions	23,977,126	1,751,390	25,728,516
Total Deferred Outflows of Resources	25,935,341	1,751,390	27,686,731
LIABILITIES			
Accounts payable	2,268,565	4,003,932	6,272,497
Accrued expenses	380,740	94,169	474,909
Claims payable	2,150,457	-	2,150,457
Accrued interest payable	625,363	153,228	778,591
Due to other governments	50,000	23,541	73,541
Unearned for other taxes	301,775	-	301,775
Deposits	177,453	206,503	383,956
Line of credit	3,696,723	-	3,696,723
Noncurrent Liabilities			
Due within one year	6,126,467	1,695,169	7,821,636
Due in more than one year	177,834,371	26,895,045	204,729,416
Total Liabilities	193,611,914	33,071,587	226,683,501
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refunding	-	38,818	38,818
Property taxes levied for future periods	19,131,765	-	19,131,765
Deferred inflows of resources related to pensions	785,689	106,150	891,839
Total Deferred Inflows of Resources	19,917,454	144,968	20,062,422
NET POSITION			
Net investment in capital assets	75,198,750	77,650,937	152,849,687
Restricted for			
Community development block grant	261,211	-	261,211
Special service areas	83,829	-	83,829
Tourism	457,628	-	457,628
Cemeteries	297,406	-	297,406
Culture and recreation	544,291	-	544,291
Capital improvements and equipment	1,923,676	-	1,923,676
Libraries	210,303	-	210,303
Public safety	313,525	-	313,525
Impaired investment	839,975	-	839,975
Unrestricted	(95,924,233)	22,770,534	(73,153,699)
TOTAL NET POSITION	\$ (15,793,639)	\$ 100,421,471	\$ 84,627,832

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2015

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 6,129,078	\$ 2,493,166	\$ 284,383	\$ -
Public safety	32,743,973	2,145,201	447,832	-
Public works	10,047,153	-	1,063,046	-
Economic development	7,986,373	1,060,010	2,273,560	-
Culture and recreation	3,940,281	572,899	155,610	-
Libraries	3,427,001	91,773	42,604	54,354
Interest and fiscal charges	<u>1,895,618</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>66,169,477</u>	<u>6,363,049</u>	<u>4,267,035</u>	<u>54,354</u>
Business-type Activities				
Water	7,966,242	9,071,831	-	-
Water pollution control	6,635,307	8,904,761	-	1,193,353
Storm water utility	921,152	1,064,684	-	-
Sanitation utility	<u>2,153,247</u>	<u>2,624,476</u>	<u>32,612</u>	<u>-</u>
Total Business-type Activities	<u>17,675,948</u>	<u>21,665,752</u>	<u>32,612</u>	<u>1,193,353</u>
Total	<u>\$ 83,845,425</u>	<u>\$ 28,028,801</u>	<u>\$ 4,299,647</u>	<u>\$ 1,247,707</u>

General Revenues

Taxes

Property tax
Home rule sales tax
Hotel/motel tax
Franchise tax
Other taxes

Intergovernmental

Sales tax
Income tax
Personal property replacement tax

Investment income

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in net position

NET POSITION - Beginning of Year (as restated)

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>
\$ (3,351,529)	\$ -	\$ (3,351,529)
(30,150,940)	-	(30,150,940)
(8,984,107)	-	(8,984,107)
(4,652,803)	-	(4,652,803)
(3,211,772)	-	(3,211,772)
(3,238,270)	-	(3,238,270)
<u>(1,895,618)</u>	<u>-</u>	<u>(1,895,618)</u>
<u>(55,485,039)</u>	<u>-</u>	<u>(55,485,039)</u>
-	1,105,589	1,105,589
-	3,462,807	3,462,807
-	143,532	143,532
-	503,841	503,841
<u>-</u>	<u>5,215,769</u>	<u>5,215,769</u>
<u>(55,485,039)</u>	<u>5,215,769</u>	<u>(50,269,270)</u>
18,904,016	-	18,904,016
8,459,182	-	8,459,182
1,680,307	-	1,680,307
1,832,842	-	1,832,842
5,424,178	-	5,424,178
11,527,502	-	11,527,502
4,701,778	-	4,701,778
2,309,544	-	2,309,544
354,116	28,408	382,524
<u>689,427</u>	<u>18,235</u>	<u>707,662</u>
<u>55,882,892</u>	<u>46,643</u>	<u>55,929,535</u>
<u>(127,753)</u>	<u>127,753</u>	<u>-</u>
<u>55,755,139</u>	<u>174,396</u>	<u>55,929,535</u>
270,100	5,390,165	5,660,265
<u>(16,063,739)</u>	<u>95,031,306</u>	<u>78,967,567</u>
<u>\$ (15,793,639)</u>	<u>\$ 100,421,471</u>	<u>\$ 84,627,832</u>

See accompanying notes to financial statements.

CITY OF MOLINE

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2015

	<u>General</u>	<u>Tax Increment Financing #1</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 2,089,137	\$ -	\$ -	\$ 1,307,239
Restricted cash and cash equivalents	-	-	-	3,213,145
Investments	6,601,128	-	1,394,849	2,241,813
Receivables (net)				
Property taxes	9,642,537	2,716,866	-	7,257,479
Accounts	1,572,139	-	-	21,601
Accrued interest	-	-	2,424	6,613
Loans	10,000	-	-	3,838,746
Other taxes	6,002,709	-	1,627,065	117,335
Due from other governments	132,306	-	-	969,993
Due from other funds	1,114,009	-	-	1,002,589
Inventories	8,593	-	-	-
Prepaid items	-	-	-	1,000
Interfund advances	<u>7,392,589</u>	<u>-</u>	<u>92,359</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 34,565,147</u></u>	<u><u>\$ 2,716,866</u></u>	<u><u>\$ 3,116,697</u></u>	<u><u>\$ 19,977,553</u></u>

Totals

\$ 3,396,376
3,213,145
10,237,790

19,616,882
1,593,740
9,037
3,848,746
7,747,109
1,102,299
2,116,598
8,593
1,000
7,484,948

\$ 60,376,263

CITY OF MOLINE

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2015

	General	Tax Increment Financing #1	Capital Projects	Nonmajor Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 528,545	\$ 37,717	\$ 264,576	\$ 1,262,515
Accrued expenses	301,339	1,779	-	49,938
Due to other governments	-	50,000	-	-
Due to other funds	3,183	2,620,053	-	1,851,757
Unearned revenues for other taxes	301,775	-	-	-
Deposits	83,184	-	11,160	83,109
Line of credit	-	-	-	3,696,723
Interfund advances	-	-	-	7,392,589
Total Liabilities	1,218,026	2,709,549	275,736	14,336,631
Deferred Inflows of Resources				
Property taxes levied for future periods	9,401,125	2,659,105	-	7,071,535
Unavailable revenues for other taxes	2,255,109	-	582,534	1,300
Unavailable revenues for grants	15,441	-	-	357,737
Total Deferred Inflows of Resources	11,671,675	2,659,105	582,534	7,430,572
Fund Balances (Deficit)				
Nonspendable	7,401,182	-	-	1,000
Restricted	-	-	-	6,897,412
Committed	-	-	2,258,427	-
Assigned	-	-	-	323,862
Unassigned	14,274,264	(2,651,788)	-	(9,011,924)
Total Fund Balances (Deficit)	21,675,446	(2,651,788)	2,258,427	(1,789,650)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 34,565,147	\$ 2,716,866	\$ 3,116,697	\$ 19,977,553

See accompanying notes to financial statements.

Totals

\$ 2,093,353
353,056
50,000
4,474,993
301,775
177,453
3,696,723
7,392,589
18,539,942

19,131,765
2,838,943
373,178
22,343,886

7,402,182
6,897,412
2,258,427
323,862
2,610,552
19,492,435

\$ 60,376,263

CITY OF MOLINE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2015

Total Fund Balances - Governmental Funds	\$ 19,492,435
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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	16,579,630
Land improvements	12,090,173
Construction in progress	1,583,504
Buildings and improvements	52,614,392
Machinery and equipment	4,078,156
Infrastructure	85,961,094
Less: Accumulated depreciation	(76,188,073)

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.	3,212,121
--	-----------

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	23,442,853
---	------------

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(753,307)
--	-----------

Internal service funds are reported in the statement of net position as governmental activities.	24,426,564
--	------------

A liability is reported in the statement of net position for the net obligation relating to post employment benefits.	(210,383)
---	-----------

A deferred outflow of resources is reported in the statement of net position relating to unamortized deferred amounts on refunding.	1,958,215
---	-----------

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	(51,325,617)
Installment notes payable	(1,474,533)
Compensated absences	(4,622,508)
Accrued interest	(625,363)
Unamortized debt premium	(1,602,608)
Net pension liability	<u>(124,430,384)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (15,793,639)</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, 2015

	General	Tax Increment Financing #1	Capital Projects	Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 37,193,266	\$ 2,601,359	\$ 7,273,445	\$ 7,443,405
Licenses and permits	895,225	-	-	-
Intergovernmental	447,832	-	-	3,417,233
Charges for services	3,152,571	-	64,303	715,624
Fines, forfeitures and penalties	316,072	-	-	47,608
Use of money and property	110,379	64,901	6,741	176,199
Contributions	-	-	-	369,072
Miscellaneous	312,363	(27,220)	200,206	215,506
Total Revenues	<u>42,427,708</u>	<u>2,639,040</u>	<u>7,544,695</u>	<u>12,384,647</u>
EXPENDITURES				
Current				
General government	2,662,129	-	576,091	453,901
Public safety	27,569,324	-	-	-
Public works	7,365,059	-	188,571	-
Economic development	2,552,746	369,578	1,581,342	3,481,369
Culture and recreation	-	-	-	3,396,436
Libraries	-	-	-	3,139,658
Capital Outlay	-	-	2,319,801	1,968,645
Debt Service				
Principal	-	2,240,000	-	2,448,860
Interest and fiscal charges	-	410,998	2,300	1,644,076
Total Expenditures	<u>40,149,258</u>	<u>3,020,576</u>	<u>4,668,105</u>	<u>16,532,945</u>
Excess (deficiency) of revenues over expenditures	<u>2,278,450</u>	<u>(381,536)</u>	<u>2,876,590</u>	<u>(4,148,298)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	10,506	-	-	474
Transfers out	(477,745)	-	(3,088,688)	(282,791)
Transfers in	-	108,906	-	3,612,565
Total Other Financing Sources (Uses)	<u>(467,239)</u>	<u>108,906</u>	<u>(3,088,688)</u>	<u>3,330,248</u>
Net Change in Fund Balances	1,811,211	(272,630)	(212,098)	(818,050)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>19,864,235</u>	<u>(2,379,158)</u>	<u>2,470,525</u>	<u>(971,600)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 21,675,446</u>	<u>\$ (2,651,788)</u>	<u>\$ 2,258,427</u>	<u>\$ (1,789,650)</u>

See accompanying notes to financial statements.

Totals
\$ 54,511,475
895,225
3,865,065
3,932,498
363,680
358,220
369,072
700,855
64,996,090

3,692,121
27,569,324
7,553,630
7,985,035
3,396,436
3,139,658
4,288,446

4,688,860
2,057,374
64,370,884

625,206

10,980
(3,849,224)
3,721,471
(116,773)

508,433

18,984,002

\$ 19,492,435

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, 2015

Net change in fund balances - total governmental funds	\$	508,433
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>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.</p>		
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		5,430,982
Book value of capital assets contributed from governmental activities to enterprise funds		(1,193,353)
Depreciation is reported in the government-wide financial statements		(5,022,902)
Net book value of assets retired		(42,003)
<p>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.</p>		
		252,284
<p>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.</p>		
Principal repaid		4,688,860
<p>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 additions to 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.</p>		
Amortization of debt discount, debt premium, and deferred amount on refunding		111,448
<p>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.</p>		
Compensated absences		187,582
Accrued interest on debt		50,308
Other post employment benefits obligation		446,772
Net pension liability		(26,948,006)
Deferred outflows of resources related to pensions		22,224,669
Deferred inflows of resources related to pensions		(753,307)
<p>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</p>		
		328,333
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>270,100</u>

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF NET POSITION PROPRIETARY FUNDS As of December 31, 2015

ASSETS	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Nonmajor Enterprise Funds	Totals	
	Water	Control	Funds	Totals	
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 5,002,319	\$ 5,448,593	\$ 1,028,172	\$ 11,479,084	\$ 5,557,571
Investments	60,347	3,640,563	6,017	3,706,927	17,595,897
Restricted investments	-	-	-	-	839,975
Receivables (net)					
Accounts	1,798,317	1,662,522	498,171	3,959,010	-
Accrued interest	-	-	-	-	33,647
Due from other governments	4,935	1,965,233	-	1,970,168	10,670
Due from other funds	-	-	-	-	2,360,463
Inventories	75,898	8,738	-	84,636	102,712
Total Current Assets	6,941,816	12,725,649	1,532,360	21,199,825	26,500,935
Noncurrent Assets					
Capital Assets					
Land	170,124	468,581	-	638,705	-
Construction in progress	748,025	16,451,966	-	17,199,991	111,819
Land improvements	849,808	14,466	332,397	1,196,671	-
Buildings	34,920,667	21,389,250	-	56,309,917	-
Infrastructure	29,199,324	34,251,165	15,317,133	78,767,622	-
Machinery and equipment	8,030,806	8,725,782	-	16,756,588	560,382
Vehicles	-	-	-	-	13,905,302
Less: Accumulated depreciation	(25,371,663)	(35,479,650)	(5,094,401)	(65,945,714)	(8,648,149)
Total Noncurrent Assets	48,547,091	45,821,560	10,555,129	104,923,780	5,929,354
Total Assets	55,488,907	58,547,209	12,087,489	126,123,605	32,430,289
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pensions	771,573	725,931	253,886	1,751,390	534,273
Total Deferred Outflows of Resources	771,573	725,931	253,886	1,751,390	534,273

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of December 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Nonmajor Enterprise Funds	Totals	
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 361,660	\$ 3,502,169	\$ 140,103	\$ 4,003,932	\$ 175,212
Accrued wages	39,717	37,838	14,190	91,745	27,684
Claims payable	-	-	-	-	2,150,457
Due to other governments	23,541	-	-	23,541	-
Compensated absences	103,540	145,680	30,623	279,843	57,913
Accrued interest	149,643	-	6,009	155,652	-
Due to other funds	116	39	1,913	2,068	-
Deposits	206,503	-	-	206,503	-
Interfund advances	-	-	92,359	92,359	-
IEPA loan	620,932	-	-	620,932	-
Installment note	145,218	-	-	145,218	-
General obligation bonds	602,380	-	46,796	649,176	-
Total Current Liabilities	<u>2,253,250</u>	<u>3,685,726</u>	<u>331,993</u>	<u>6,270,969</u>	<u>2,411,266</u>
Noncurrent Liabilities					
Long-Term Debt					
Net pension liability	91,203	85,808	30,011	207,022	63,153
IEPA loan	5,429,404	13,827,045	-	19,256,449	-
Installment note	1,209,876	-	-	1,209,876	-
General obligation bonds	4,923,579	-	458,593	5,382,172	-
Compensated absences	310,619	437,039	91,868	839,526	173,739
Total Noncurrent Liabilities	<u>11,964,681</u>	<u>14,349,892</u>	<u>580,472</u>	<u>26,895,045</u>	<u>236,892</u>
Total Liabilities	<u>14,217,931</u>	<u>18,035,618</u>	<u>912,465</u>	<u>33,166,014</u>	<u>2,648,158</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred gain on refunding	14,899	-	23,919	38,818	-
Deferred inflows of resources related to pensions	46,764	43,998	15,388	106,150	32,382
Total Deferred Inflows of Resources	<u>61,663</u>	<u>43,998</u>	<u>39,307</u>	<u>144,968</u>	<u>32,382</u>
NET POSITION					
Net investment in capital assets	35,630,601	31,994,515	10,025,821	77,650,937	5,929,354
Restricted for impaired investment	-	-	-	-	839,975
Unrestricted	6,350,285	9,199,009	1,363,782	16,913,076	23,514,693
TOTAL NET POSITION	<u>\$ 41,980,886</u>	<u>\$ 41,193,524</u>	<u>\$ 11,389,603</u>	<u>\$ 94,564,013</u>	<u>\$ 30,284,022</u>
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds				<u>5,857,458</u>	<u>(5,857,458)</u>
Net Position Business-type Activities				<u>\$ 100,421,471</u>	
Net internal service funds reported in the statement of net position as governmental activities					<u>\$ 24,426,564</u>

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Nonmajor Enterprise Funds	Totals
OPERATING REVENUES				
Charges for services	\$ 8,908,650	\$ 8,820,293	\$ 3,450,225	\$ 21,179,168
Fines, forfeitures and penalties	79,604	72,245	-	151,849
Intergovernmental	-	-	32,612	32,612
Miscellaneous	<u>83,577</u>	<u>26,890</u>	<u>242,503</u>	<u>352,970</u>
Total Operating Revenues	<u>9,071,831</u>	<u>8,919,428</u>	<u>3,725,340</u>	<u>21,716,599</u>
OPERATING EXPENSES				
Salaries	2,151,638	2,050,883	686,432	4,888,953
Employee benefits	861,901	805,977	249,202	1,917,080
Professional services	532,645	919,602	114,869	1,567,116
Property services	1,399,465	1,491,537	1,643,413	4,534,415
Other services	356,668	257,908	117,479	732,055
Supplies	856,943	175,587	27,859	1,060,389
Depreciation	1,540,079	1,142,094	331,965	3,014,138
Insurance claims and changes in reserves	-	-	-	-
Total Operating Expenses	<u>7,699,339</u>	<u>6,843,588</u>	<u>3,171,219</u>	<u>17,714,146</u>
Operating Income	<u>1,372,492</u>	<u>2,075,840</u>	<u>554,121</u>	<u>4,002,453</u>
NONOPERATING REVENUES (EXPENSES)				
Use of money and property	10,057	17,359	992	28,408
Interest and fiscal charges	(445,244)	-	(24,010)	(469,254)
Gain (loss) on sale of capital assets	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(435,187)</u>	<u>17,359</u>	<u>(23,018)</u>	<u>(440,846)</u>
Income Before Contributions and Transfers	<u>937,305</u>	<u>2,093,199</u>	<u>531,103</u>	<u>3,561,607</u>
CONTRIBUTIONS AND TRANSFERS				
Capital grants and contributions	-	1,193,353	-	1,193,353
Transfers in	100,000	-	127,753	227,753
Transfers out	-	(100,000)	-	(100,000)
Total Contributions and Transfers	<u>100,000</u>	<u>1,093,353</u>	<u>127,753</u>	<u>1,321,106</u>
Change in Net Position	1,037,305	3,186,552	658,856	4,882,713
NET POSITION - Beginning of Year (as restated)	<u>40,943,581</u>	<u>38,006,972</u>	<u>10,730,747</u>	<u>89,681,300</u>
NET POSITION- END OF YEAR	<u>\$ 41,980,886</u>	<u>\$ 41,193,524</u>	<u>\$ 11,389,603</u>	94,564,013
Change in Net Position				4,882,713
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				<u>507,452</u>
Change in Net Position of Business-type Activities				<u>\$ 5,390,165</u>

See accompanying notes to financial statements.

Governmental
Activities -
Internal Service
Funds

\$ 15,157,614
9,317
10,500
34,673
15,212,104

1,600,728
541,080
921,673
627,779
369,582
1,768,943
1,296,146
7,359,332
14,485,263
726,841

60,396
-
48,548
108,944

835,785

-
35,035
(35,035)
-

835,785
29,448,237
\$ 30,284,022

See accompanying notes to financial statements.

CITY OF MOLINE

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Nonmajor Enterprise Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 8,974,989	\$ 8,017,525	\$ 3,240,764	\$ 20,233,278
Paid to suppliers for goods and services	(3,455,577)	(1,600,821)	(1,789,497)	(6,845,895)
Paid to employees for services	(3,006,103)	(2,828,007)	(974,520)	(6,808,630)
Other receipts	83,577	26,890	242,503	352,970
Net Cash Flows From Operating Activities	<u>2,596,886</u>	<u>3,615,587</u>	<u>719,250</u>	<u>6,931,723</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investments sold and matured	4,236,567	2,883,940	248,371	7,368,878
Investment income	10,057	17,359	1,130	28,546
Investments purchased	-	-	(6,017)	(6,017)
Net Cash Flows From Investing Activities	<u>4,246,624</u>	<u>2,901,299</u>	<u>243,484</u>	<u>7,391,407</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	100,000	-	127,753	227,753
Transfers out	-	(100,000)	-	(100,000)
Proceeds from interfund accounts	-	-	93,378	93,378
Payments on interfund accounts	(8,313)	(7,336)	(1,059)	(16,708)
Net Cash Flows From Noncapital Financing Activities	<u>91,687</u>	<u>(107,336)</u>	<u>220,072</u>	<u>204,423</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payment on bonds payable	(589,316)	-	(46,239)	(635,555)
Principal payment on loans payable	(604,649)	-	-	(604,649)
Principal payment on note payable	(138,590)	-	-	(138,590)
Interest paid	(468,169)	-	(24,486)	(492,655)
Proceeds from IEPA loan	-	12,774,487	-	12,774,487
Acquisition and construction of capital assets	(1,190,499)	(14,752,248)	(581,965)	(16,524,712)
Proceeds from sale of capital assets	-	-	-	-
Net Cash Flows From Capital and Related Financing Activities	<u>(2,991,223)</u>	<u>(1,977,761)</u>	<u>(652,690)</u>	<u>(5,621,674)</u>
Net Change in Cash and Cash Equivalents	3,943,974	4,431,789	530,116	8,905,879
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,058,345</u>	<u>1,016,804</u>	<u>498,056</u>	<u>2,573,205</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,002,319</u>	<u>\$ 5,448,593</u>	<u>\$ 1,028,172</u>	<u>\$ 11,479,084</u>

See accompanying notes to financial statements.

Governmental
Activities -
Internal Service
Funds

\$ 15,171,408
(12,032,623)
(2,117,525)
34,673
1,055,933

1,158,120
85,531
(1,745,729)
(502,078)

35,035
(35,035)
2,679,590
(1,016,950)
1,662,640

-
-
-
-
(1,114,831)
65,924
(1,048,907)

1,167,588
4,389,983

\$ 5,557,571

CITY OF MOLINE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds			
	Water	Water Pollution Control	Nonmajor Enterprise Funds	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 1,372,492	\$ 2,075,840	\$ 554,121	\$ 4,002,453
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities				
Depreciation	1,540,079	1,142,094	331,965	3,014,138
Changes in assets and liabilities				
Accounts receivable	(17,419)	(102,542)	(242,073)	(362,034)
Due from other governments	4,154	(772,471)	-	(768,317)
Inventory	(18,684)	(1,625)	-	(20,309)
Deferred outflows related to pensions	(519,138)	(493,119)	(234,431)	(1,246,688)
Accounts payable	(324,091)	1,245,438	114,123	1,035,470
Accrued salaries	(83,337)	(79,272)	4,661	(157,948)
Claims payable	-	-	-	-
Compensated absences	26,695	58,246	107,798	192,739
Due to other governments	23,541	-	-	23,541
Deposits payable	9,378	-	-	9,378
Other post employment benefits obligation	(36,517)	(40,074)	-	(76,591)
Deferred inflows related to pensions	46,764	43,998	15,388	106,150
Net pension liability	572,969	539,074	67,698	1,179,741
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 2,596,886</u>	<u>\$ 3,615,587</u>	<u>\$ 719,250</u>	<u>\$ 6,931,723</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contribution of capital assets from Governmental Activities	<u>\$ -</u>	<u>\$ 1,193,353</u>	<u>\$ -</u>	

See accompanying notes to financial statements.

Governmental
Activities -
Internal
Service Funds

\$ 726,841

1,296,146

4,647

(10,670)

4,566

(364,417)

(73,874)

(53,940)

(916,006)

13,508

-

-

-

32,382

396,750

\$ 1,055,933

\$ -

CITY OF MOLINE

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of December 31, 2015

	<u>Pension Trusts</u>
ASSETS	
Cash and cash equivalents	\$ 2,681,131
Investments	
U.S. Treasuries	4,590,985
Mutual funds	37,214,094
U.S. Agency obligations	9,278,604
Corporate bonds	<u>6,976,772</u>
Total Assets	<u>60,741,586</u>
 NET POSITION	
Restricted for pension benefits	<u>\$ 60,741,586</u>

CITY OF MOLINE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended December 31, 2015

	<u>Pension Trusts</u>
ADDITIONS	
Contributions	
Employer	\$ 7,005,987
Plan member	1,047,781
Other	<u>27,493</u>
Total Contributions	<u>8,081,261</u>
Investment income	
Net depreciation in fair value of investments	(697,582)
Investment income	<u>1,042,526</u>
Total Investment Income	344,944
Less: Investment expense	<u>185,218</u>
Net Investment Income	<u>159,726</u>
Total Additions	<u>8,240,987</u>
DEDUCTIONS	
Benefits	8,958,100
Administration	<u>126,806</u>
Total Deductions	<u>9,084,906</u>
 Change in Net Position	 (843,919)
 NET POSITION - Beginning of Year	 <u>61,585,505</u>
 NET POSITION - END OF YEAR	 <u><u>\$ 60,741,586</u></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, 2015

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 City has not identified any organizations that meet this criteria.

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. 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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In June 2012, the GASB issued statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. This statement establishes standards for measuring and recognizing assets, liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. In November 2013, the GASB issued statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. This statement addresses an issue regarding application of the transition provisions of Statement No. 68. These standards were implemented January 1, 2015.

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.

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.
- 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.
- 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, 2015

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 and enterprise 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	Tax Increment Financing #13
Sanitation	Park and Cemetery Gifts
Lead Hazard Grant	Home Buyer Grant
NSP2 Grant	Single Family Owner Occupied Rehabilitation
Library Trust	Library
Perpetual Care	Blight Reduction Program
Trust Emergency Repair	Home Buyer Trust Grant
AG Grant	Abandoned Property Program

Debt Service Fund - used to account for 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 not financed through proprietary bonds.

Enterprise Funds - used to account for and report any activity for which a fee is charged to external uses for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Stormwater Utility
Sanitation Utility

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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

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

Fund Financial Statements (cont.)

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.

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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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

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

Government-Wide Financial Statements (cont.)

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.

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 requirements) 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, Stormwater Utility Fund, and Sanitation 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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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

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

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

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 position 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 police pension fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	65%	-0.58% - 5.39%
Fixed Income	35%	1.98% - 4.07%
Cash equivalents	0%	-0.64% - 1.45%

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.)

Additionally, the police pension fund's investment policy requires the fund to target a \$1 million cash on hand balance.

Illinois Compiled Statutes (ILCS) limit the police pension fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The police pension fund's investment policy does not include formalized long-term expected rates of return by asset class. The police pension fund used the actuarial assumptions listed above, which are determined by the fund's actuary and based on capital market projections done by Mitchell, Vaught & Taylor in conjunction with the 2012 study by the Illinois Department of Insurance on Illinois pension funds.

The firefighters' pension fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	65%	-0.58% - 5.39%
Fixed Income	35%	1.98% - 4.07%
Cash equivalents	0%	-0.64% - 1.45%

Additionally, the firefighters' pension fund's investment policy requires the fund to target a \$1.2 million cash on hand balance.

Illinois Compiled Statutes (ILCS) limit the firefighters' pension fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The firefighters' pension fund's investment policy does not include formalized long-term expected rates of return by asset class. The firefighters' pension fund used the actuarial assumptions listed above, which are determined by the fund's actuary and based on capital market projections done by Mitchell, Vaught & Taylor in conjunction with the 2012 study by the Illinois Department of Insurance on Illinois pension funds.

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.)

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.

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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.)

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.

See Note III. A. for further information.

2. Receivables

Property taxes for levy year 2015 attaches as an enforceable lien on January 1, 2015, 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 2015 tax levy, which attached as an enforceable lien on the property as of January 1, 2015, was levied in November 2015.

Tax bills for levy year 2015 are prepared by Rock Island County Treasurer and are payable in four installments, in June 2016, August 2016, September 2016, and November 2016.

The county collects such taxes and remits them approximately one month after the collection dates. The 2015 property tax levy is recognized as a receivable and deferred inflow in fiscal 2015. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2015, the property taxes receivable and deferred inflow consisted of the estimated amount collectible from the 2015 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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.)

2. Receivables (cont.)

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.

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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.)

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

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.

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance 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 arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the 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 financial statements.

7. Compensated Absences

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, 2015, are determined on the basis of current salary rates and include salary related payments.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.)

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. The balance at year end is shown as an increase or decrease in the liability section of 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 \$11,000,000, made up of 1 issue that matures on August 8th, 2016.

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, 2015, there was one 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 \$30,000,000 and were jointly issued by the following three municipalities, pursuant to an Intergovernmental Cooperation Agreement dated August 1, 1995: City of Peoria, City of Moline, and City of Freeport. These bonds mature on July 1, 2025. There have been no residential mortgage revenue bonds issued since April 1, 1996.

9. Deferred Inflows of Resources

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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.)

A deferred gain on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the 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. When the deferred amount represents a gain, the unamortized amount is reported as a deferred inflow of resources in the government-wide and proprietary fund financial statements.

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 balances are 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, 2015

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.)

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 Council. 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 Council that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council may take official action to assign amounts. 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, 2015

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER BUDGET

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Foreign Fire Insurance	\$ 35,300	\$ 60,540	\$ 25,240
Park and Cemetery Gifts	29,000	37,975	8,975
Tax Increment Financing #5	436,565	436,793	228
Tax Increment Financing #13	-	11,441	11,441
Homebuyer Trust Grant	113,735	148,853	35,118

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

B. DEFICIT BALANCES

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

As of December 31, 2015, the following individual funds held a deficit balance:

Fund	Amount
Tax Increment Financing #1	\$ (2,651,788)
Community Development Block Grant	(37,789)
Special Service Area #6	(690,353)
Tax Increment Financing #2	(407,091)
Tax Increment Financing #6	(725,120)
Lead Hazard Grant	(13,046)
Single Family Owner Occupied Rehabilitation	(591)
NSP2 Grant	(6,249)
Tax Increment Financing #8	(35,210)
Tax Increment Financing #10	(37,637)
Tax Increment Financing #11	(3,934,904)
Tax Increment Financing #12	(2,910,112)
Tax Increment Financing #13	(11,441)
Home Buyer Trust Grant	(86,282)
Abandoned Property Program	(12,299)
AG Grant	(79,590)
Blight Reduction	(24,210)

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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

B. DEFICIT BALANCES (cont.)

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, 2015

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
Petty cash	\$ 3,467	\$ -	N/A
Deposits	26,323,840	27,126,504	Custodial credit risk
Negotiable CDs	1,838,313	1,838,313	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
Illinois Funds	13,610,162	13,610,162	Credit risk
IMET - Convenience Fund	16,932,114	16,932,114	Credit risk
Corporate bonds	6,976,772	6,976,772	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
U.S. Treasury obligations	4,590,985	4,590,985	Custodial credit risk, interest rate risk
U.S. Agency obligations - explicitly guaranteed	9,098,686	9,098,686	Custodial credit risk, interest rate risk
U.S. Agency obligations - implicitly guaranteed	179,918	179,918	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
Mutual funds - other than bond funds	<u>37,214,094</u>	<u>37,214,094</u>	N/A
Total Deposits and Investments	<u>\$116,768,351</u>	<u>\$117,567,548</u>	
Reconciliation to financial statements			
Per statement of net position			
Cash and cash equivalents	\$ 20,433,031		
Investments	31,540,614		
Restricted cash and cash equivalents	3,213,145		
Restricted investments	839,975		
Per statement of fiduciary net position - fiduciary funds			
Cash and cash equivalents	2,681,131		
U.S. Treasuries	4,590,985		
Mutual funds	37,214,094		
U.S. Agency obligations	9,278,604		
Corporate bonds	<u>6,976,772</u>		
Total Deposits and Investments	<u>\$116,768,351</u>		

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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

A. DEPOSITS AND INVESTMENTS (cont.)

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.

On September 29, 2014, the Illinois Metropolitan Investment Trust (IMET) was informed of defaults on certain loans believed to be guaranteed in its Convenience Fund caused by fraud on the part of First Farmer's Financial (FFF), a USDA approved lender. This resulted in an impairment in the value of the City's IMET investments in the amount of \$839,975. The IMET investments are reported as restricted investments and restricted net position. The City believes that it will recover the full value of the investment.

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.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The U.S. Treasury obligations are held in safekeeping at the bank where they are purchased.

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, 2015, the City's investments were rated as follows:

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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

A. DEPOSITS AND INVESTMENTS (cont.)

Credit Risk (cont.)

As of December 31, 2015, the Police Pension Fund's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
Corporate bonds	Ba2 - Aaa
U.S. Agency obligations - implicitly guaranteed	Aaa

As of December 31, 2015, the Firefighters' Pension Fund's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
Corporate bonds	Ba2 - Aaa
U.S. Agency obligations - implicitly guaranteed	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.

At December 31, 2015, there were no investments subject to concentration of credit risk.

Interest Rate Risk

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk (cont.)

As of December 31, 2015, the City's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)	
		Less than 1	1 - 5
Negotiable CDs	\$ 1,838,313	\$ -	\$ 1,838,313
Totals	<u>\$ 1,838,313</u>	<u>\$ -</u>	<u>\$ 1,838,313</u>

Fire Pension

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	10+
U.S. Treasury obligations	\$ 1,724,329	\$ 104,883	\$ 849,912	\$ 425,397	\$ 344,137
U.S. Agency obligations	4,249,736	140,511	459,354	140,508	3,509,363
Corporate bonds	<u>3,279,890</u>	<u>15,145</u>	<u>856,531</u>	<u>1,380,946</u>	<u>1,027,268</u>
Totals	<u>\$ 9,253,955</u>	<u>\$ 260,539</u>	<u>\$ 2,165,797</u>	<u>\$ 1,946,851</u>	<u>\$ 4,880,768</u>

Police Pension

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	10+
U.S. Treasury obligations	\$ 2,866,656	\$ 219,754	\$ 1,867,479	\$ 779,423	\$ -
U.S. Agency obligations	5,028,868	281,022	787,047	258,106	3,702,693
Corporate bonds	<u>3,696,882</u>	<u>35,340</u>	<u>1,025,042</u>	<u>1,550,853</u>	<u>1,085,647</u>
Totals	<u>\$ 11,592,406</u>	<u>\$ 536,116</u>	<u>\$ 3,679,568</u>	<u>\$ 2,588,382</u>	<u>\$ 4,788,340</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

A. DEPOSITS AND INVESTMENTS (cont.)

Money-Weighted Rate of Return

Police Pension Fund

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.16%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.40%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

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	\$ 3,832,209	\$ 1,447,280	\$ -	\$ 5,279,489
Utility tax	44,946	179,785	-	224,731
Income tax	950,581	-	-	950,581
Corporate personal property replacement tax	340,044	-	-	340,044
Motor fuel tax	-	-	98,136	98,136
Hotel/motel tax	-	-	4,391	4,391
Amusement tax	-	-	14,808	14,808
Other	834,929	-	-	834,929
Total	<u>\$ 6,002,709</u>	<u>\$ 1,627,065</u>	<u>\$ 117,335</u>	<u>\$ 7,747,109</u>

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

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

B. RECEIVABLES (cont.)

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	\$	12,336
Uncollectibles related to Water Pollution Control Fund receivables		9,651
Uncollectibles related to Stormwater Utility Fund receivables		<u>10,379</u>
Total Uncollectibles of the Current Fiscal Year	\$	<u><u>32,366</u></u>

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	\$ 19,131,765	\$ -
Overallocation of personal property replacement taxes	301,775	-
Income taxes	-	429,262
Sales taxes	-	1,487,474
Local use taxes	-	202,779
Telecommunication taxes	-	135,594
Grants	-	373,178
Other	<u>-</u>	<u>583,834</u>
Total Unearned/Unavailable Revenue for Governmental Funds	<u><u>\$ 19,433,540</u></u>	<u><u>\$ 3,212,121</u></u>
Unearned revenue included in liabilities	\$ 301,775	
Unearned revenue included in deferred inflows	<u>19,131,765</u>	
Total Unearned Revenue for Governmental Funds	<u><u>\$ 19,433,540</u></u>	

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 16,258,445	\$ 362,047	\$ 40,862	\$ 16,579,630
Construction in progress	2,239,061	2,015,305	2,559,043	1,695,323
Total Capital Assets Not Being Depreciated	18,497,506	2,377,352	2,599,905	18,274,953
Capital assets being depreciated				
Land improvements	11,990,317	99,856	-	12,090,173
Buildings and improvements	52,511,665	142,658	39,931	52,614,392
Major movable equipment	4,642,997	46,534	50,993	4,638,538
Vehicles	13,475,762	956,478	526,938	13,905,302
Infrastructure	81,672,469	4,288,625	-	85,961,094
Total Capital Assets Being Depreciated	164,293,210	5,534,151	617,862	169,209,499
Total Capital Assets	182,790,716	7,911,503	3,217,767	187,484,452
Less: Accumulated depreciation for				
Land improvements	6,670,316	561,022	-	7,231,338
Buildings and improvements	17,119,352	1,354,743	38,792	18,435,303
Major movable equipment	3,088,137	226,675	50,992	3,263,820
Vehicles	7,772,145	1,238,756	509,561	8,501,340
Infrastructure	44,466,568	2,937,853	-	47,404,421
Total Accumulated Depreciation	79,116,518	6,319,049	599,345	84,836,222
Net Capital Assets Being Depreciated	85,176,692	(784,898)	18,517	84,373,277
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 103,674,198	\$ 1,592,454	\$ 2,618,422	\$ 102,648,230

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 59,878
Public safety	556,877
Public works	3,501,440
Economic development	8,734
Culture and recreation	601,407
Libraries	294,567
Internal service	1,296,146
Total Governmental Activities Depreciation Expense	\$ 6,319,049

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

C. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciation				
Land	\$ 638,705	\$ -	\$ -	\$ 638,705
Construction in progress	5,749,168	14,921,572	3,470,749	17,199,991
Total Capital Assets Not Being Depreciated	6,387,873	14,921,572	3,470,749	17,838,696
Capital assets being depreciated				
Land improvements	1,196,671	-	-	1,196,671
Buildings and improvements	56,309,917	-	-	56,309,917
Major movable equipment	14,944,240	1,812,348	-	16,756,588
Infrastructure	74,166,600	4,601,022	-	78,767,622
Total Capital Assets Being Depreciated	146,617,428	6,413,370	-	153,030,798
Total Capital Assets	153,005,301	21,334,942	3,470,749	170,869,494
Less: Accumulated depreciation for				
Land improvements	468,272	92,529	-	560,801
Buildings and improvements	31,410,973	1,220,305	-	32,631,278
Major movable equipment	9,467,957	460,263	-	9,928,220
Infrastructure	21,584,374	1,241,041	-	22,825,415
Total Accumulated Depreciation	62,931,576	3,014,138	-	65,945,714
Net Capital Assets Being Depreciated	83,685,852	3,399,232	-	87,085,084
Business-type Capital Assets, Net of Accumulated Depreciation	\$ 90,073,725	\$ 18,320,804	\$ 3,470,749	\$ 104,923,780

Depreciation expense was charged to functions as follows:

Business-type Activities	
Water	\$ 1,540,079
Storm	331,965
Water Pollution Control	1,142,094
Total Business-type Activities Depreciation Expense	\$ 3,014,138

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

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	Nonmajor Governmental	\$ 1,113,115
General	Nonmajor Enterprise	894
Nonmajor Governmental	Tax Increment Financing #1	470,000
Nonmajor Governmental	Nonmajor Governmental	532,589
Internal Service	General	3,183
Internal Service	Tax Increment Financing #1	2,150,053
Internal Service	Nonmajor Governmental	206,053
Internal Service	Water	116
Internal Service	Water Pollution Control	39
Internal Service	Nonmajor Enterprise	1,019
Total - Fund Financial Statements		4,477,061
Less: Interfund receivables created with internal service fund eliminations		(5,857,458)
Less: Government-wide eliminations		7,051,069
Add: Interfund advances		92,359
Total Internal Balances - Government-Wide Statement of Net Position		\$ 5,763,031

All amounts are due within one year.

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The Tax Increment Financing #1 advance is to assist with development costs until the Tax Increment Financing #11 District and Tax Increment Financing #12 District generate enough tax dollars to meet the payments back to Tax Increment Financing #1. The General Fund advance to the Special Service Area #6 Fund will be repaid in future years by property tax revenue. The advance between the Capital Projects Fund and Sanitation Fund is for the purchase of recycle cans implemented City-wide.

All advances are due in more than one year.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

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

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental	\$ 7,392,589
Capital Projects Fund	Nonmajor Enterprise	<u>92,359</u>
Total - Fund Financial Statements		7,484,948
Less: Fund eliminations		<u>(7,484,948)</u>
Total - Interfund Advances - Government-Wide Statement of Net Position		<u><u>\$ -</u></u>

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount
Tax Increment Financing #1	Nonmajor Governmental	\$ 108,906
Nonmajor Governmental	General	477,745
Nonmajor Governmental	Capital Projects	3,088,688
Nonmajor Governmental	Nonmajor Governmental	46,132
Water	Water Pollution Control	100,000
Nonmajor Enterprise	Nonmajor Governmental	127,753
Internal Service	Internal Service	<u>35,035</u>
Total - Fund Financial Statements		3,984,259
Less: Government-wide eliminations		<u>(3,856,506)</u>
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ 127,753</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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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 2015, this line of credit was extended another year. The line of credit is due December 22, 2016.

Short-term debt activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
2010 Line of Credit	\$ 4,013,601	\$ -	\$ 316,878	\$ 3,696,723
Totals	\$ 4,013,601	\$ -	\$ 316,878	\$ 3,696,723

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2015, was as follows:

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 55,930,062	\$ -	\$ 4,604,445	\$ 51,325,617	\$ 4,830,823
Installment notes	1,558,948	-	84,415	1,474,533	82,104
Add/(Subtract) Deferred Amounts For (Discounts)/Premiums	1,998,620	-	396,012	1,602,608	-
Sub-totals	59,487,630	-	5,084,872	54,402,758	4,912,927
Other Liabilities					
Vested compensated absences	5,028,234	1,082,984	1,257,058	4,854,160	1,213,540
Other post employment benefits obligation	657,155	-	446,772	210,383	-
Net pension liability - IMRF*	-	471,316	-	471,316	-
Net pension liability - Police	43,001,147	8,961,485	-	51,962,632	-
Net pension liability - Fire	56,758,120	15,301,469	-	72,059,589	-
Total Other Liabilities	105,444,656	25,817,254	1,703,830	129,558,080	1,213,540
Total Governmental Activities Long-Term Liabilities	\$ 164,932,286	\$ 25,817,254	\$ 6,788,702	\$ 183,960,838	\$ 6,126,467

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

F. LONG-TERM OBLIGATIONS (cont.)

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 6,620,039	\$ -	\$ 635,557	\$ 5,984,482	\$ 649,176
Installment note	1,493,684	-	138,590	1,355,094	145,218
IEPA loans	7,707,543	12,774,487	604,649	19,877,381	620,932
Add/(Subtract) Deferred Amounts For					
(Discounts)/Premiums	52,380	-	5,514	46,866	-
Sub-totals	<u>15,873,646</u>	<u>12,774,487</u>	<u>1,384,310</u>	<u>27,263,823</u>	<u>1,415,326</u>
Other Liabilities					
Vested compensated absences	926,631	424,395	231,657	1,119,369	279,843
Other postemployment benefits	76,591	-	76,591	-	-
Net pension liability - IMRF*	-	207,022	-	207,022	-
Total Other Liabilities	<u>1,003,222</u>	<u>631,417</u>	<u>308,248</u>	<u>1,326,391</u>	<u>279,843</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 16,876,868</u>	<u>\$ 13,405,904</u>	<u>\$ 1,692,558</u>	<u>\$ 28,590,214</u>	<u>\$ 1,695,169</u>

Compensated absences, the other postemployment benefits, and Police and Fire net pension liabilities are paid out of the General Fund. The IMRF net pension liability is paid out of the fund to which related employee salaries are charged.

* As of December 31, 2014 (as restated), Governmental Activities and Business-Type Activities carried net pension asset balances of \$2,610,486 and \$972,719, respectively, for IMRF. As net pension assets are not presented as long-term obligations, amounts presented above represents activity to properly report ending net pension liabilities for IMRF as of December 31, 2015.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

F. LONG-TERM OBLIGATIONS (cont.)

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, 2015
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	\$ 9,545,000
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	7,135,000
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	9,165,000
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	\$ 2,740,000
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	1,335,000
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	4,910,000
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	20,000

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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, 2015
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	\$ 3,435,000	
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	1,250,617	
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	2,200,000	
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	6,650,000	
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>\$ 2,940,000</u>	
Total Governmental Activities - General Obligation Debt				<u>\$ 51,325,617</u>	

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Business-type Activities General Obligation Debt	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2015
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	\$ 2,700,000
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>3,284,482</u>
Total Business-type Activities - General Obligation Debt				<u>\$ 5,984,482</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
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	5,582,370	1,424,882	732,631	157,673
2020	5,867,885	1,259,867	762,115	128,071
2021-2025	12,639,967	4,084,571	2,465,132	237,119
2026-2030	11,660,000	1,706,108	-	-
2031	<u>335,000</u>	<u>15,410</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 51,325,617</u>	<u>\$ 13,720,582</u>	<u>\$ 5,984,482</u>	<u>\$ 1,157,375</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

F. LONG-TERM OBLIGATIONS (cont.)

Installment Notes

Installment Notes at December 31, 2015 consist of the following:

Governmental Activities Installment Notes	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2015
Tax Increment Financing #12 Installment Loan, First Midwest Bank, due in semi-annual payments of \$41,052, with a balloon payment in 2019 in the amount of \$1,230,534	March 13, 2019	Variable	\$ 1,600,000	\$ <u>1,474,533</u>
Total Governmental Activities Installment Notes				\$ <u>1,474,533</u>
Business-type Activities Installment Notes	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2015
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>1,355,094</u>
Total Business-type Activities Installment Notes				\$ <u>1,355,094</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities Installment Notes		Business-type Activities Installment Notes	
	Principal	Interest	Principal	Interest
2016	\$ 82,104	\$ 49,515	\$ 145,638	\$ 54,362
2017	82,104	46,723	151,852	48,148
2018	82,104	43,932	158,330	41,669
2019	1,228,221	20,919	165,086	34,914
2020	-	-	172,130	27,870
2021-2023	-	-	562,058	38,280
Totals	<u>\$ 1,474,533</u>	<u>\$ 161,089</u>	<u>\$ 1,355,094</u>	<u>\$ 245,243</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

F. LONG-TERM OBLIGATIONS (cont.)

Illinois Environmental Protection Agency (IEPA) Loans

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.

On September 9, 2014, the City approved and entered into a loan agreement with the Illinois Environmental Protection Agency for construction of improvements to the North Slope Wastewater Treatment Plant. The City draws down loan proceeds as construction progresses. Total borrowings available under this agreement are \$37,082,000. As of December 31, 2015, the City had drawn down \$13,827,045 of total proceeds. Under the terms of the agreement, the City will be required to make semi-annual payments of principal and interest upon completion of the project and the final drawdown of loan proceeds. As of December 31, 2015, a repayment schedule was not available.

Illinois Environmental Protection Agency (IEPA) Loans at December 31, 2015 consist of the following:

Business-type Activities Illinois Environmental Protection Agency (IEPA) Loans	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2015
Loan, Illinois Environmental Protection Agency, due in semi-annual payments of \$389,327	July 19, 2024	2.675%	\$ 12,000,000	\$ 6,050,336
Loan, Illinois Environmental Protection Agency	N/A	N/A	13,827,045	<u>13,827,045</u>
 Total Business-type Activities Illinois Environmental Protection Agency (IEPA) Loans				 <u>\$ 19,877,381</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

F. LONG-TERM OBLIGATIONS (cont.)

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

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-type Activities Illinois Environmental Protection Agency (IEPA) Loans	
	Principal	Interest
	2016	\$ 620,932
2017	637,653	141,001
2018	654,824	123,829
2019	672,458	106,196
2020	690,566	88,087
2021-2024	2,773,903	161,311
Totals	\$ 6,050,336	\$ 778,146

G. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2015, includes the following:

Governmental Activities

Net Investment in Capital Assets	
Land	\$ 16,579,630
Construction in progress	1,695,323
Other capital assets, net of accumulated depreciation	84,373,277
Less: Long-term debt outstanding (net of premiums, discounts, and deferred amounts on refunding) related to capital assets	(27,449,480)
Total Net Investment in Capital Assets	\$ 75,198,750

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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, 2015, include the following:

	General Fund	Tax Increment Financing #1 Fund	Capital Projects Fund	Nonmajor Governmental Funds	Totals
Fund Balances					
Nonspendable:					
Prepaid items	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
Inventories	8,593	-	-	-	8,593
Advances	7,392,589	-	-	-	7,392,589
Restricted for:					
Tax increment financing	-	-	-	2,756,111	2,756,111
Special services areas	-	-	-	83,829	83,829
Tourism	-	-	-	457,628	457,628
Debt service	-	-	-	49,432	49,432
Cemeteries	-	-	-	297,406	297,406
Culture and recreation	-	-	-	544,291	544,291
Libraries	-	-	-	210,303	210,303
Community development block grant	-	-	-	261,211	261,211
Public safety	-	-	-	313,525	313,525
Capital improvements	-	-	-	1,923,676	1,923,676
Committed to:					
Capital projects	-	-	2,258,427	-	2,258,427
Assigned to:					
General government	-	-	-	323,862	323,862
Unassigned:	<u>14,274,264</u>	<u>(2,651,788)</u>	<u>-</u>	<u>(9,011,924)</u>	<u>2,610,552</u>
Total Fund Balances	<u>\$ 21,675,446</u>	<u>\$ (2,651,788)</u>	<u>\$ 2,258,427</u>	<u>\$ (1,789,650)</u>	<u>\$ 19,492,435</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

G. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	
Land	\$ 638,705
Construction in progress	17,199,991
Other capital assets, net of accumulated depreciation	87,085,081
Less: Long-term debt outstanding (net of premiums, discounts, and deferred amounts on refunding) related to capital assets	<u>(27,272,843)</u>
Total Net Investment in Capital Assets	<u><u>\$ 77,650,934</u></u>

H. RESTATEMENT OF NET POSITION

Net position has been restated as a result of the implementation of GASB Statement No. 68 - *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27* and implementation of GASB Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require the net pension liability and related deferred outflows and deferred inflows, if any, to be reported in the financial statements. The details of this restatement are as follows:

	Governmental Activities	Business-type Activities
Net Position - December 31, 2014 (as reported)	\$ 85,693,410	\$ 93,553,885
Add: Prior year net pension obligation - IMRF	697,374	-
Less: Prior year net pension asset - Police and Fire	(6,693,782)	-
Add: Net pension asset - IMRF	2,610,486	972,719
Add: Deferred outflows related to pensions - IMRF	1,388,040	504,702
Less: Net pension liability - Police and Fire	<u>(99,759,267)</u>	<u>-</u>
Net position - December 31, 2014 (as restated)	<u><u>\$ (16,063,739)</u></u>	<u><u>\$ 95,031,306</u></u>

	Water	Water Pollution	Nonmajor Enterprise	Internal Service Funds
Net Position - December 31, 2014 (as reported)	\$ 40,209,380	\$ 37,320,894	\$ 10,673,605	\$ 28,944,784
Add: Net pension asset - IMRF	481,766	453,266	37,687	333,597
Add: Deferred outflows related to pensions - IMRF	<u>252,435</u>	<u>232,812</u>	<u>19,455</u>	<u>169,856</u>
Net position - December 31, 2014 (as restated)	<u><u>\$ 40,943,581</u></u>	<u><u>\$ 38,006,972</u></u>	<u><u>\$ 10,730,747</u></u>	<u><u>\$ 29,448,237</u></u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Illinois Municipal Retirement Fund

Plan description. All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 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 of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 2% for each year thereafter. For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at or after age 67 with 10 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 of earnings (average of the highest 96 consecutive months' earnings during the last 10 years, capped at \$106,800) for credited service up to 15 years and 2% for each year thereafter. However, an employee's total pension cannot exceed 75% of their final rate of earnings. If an employee retires after 10 years of service between the ages of 62 and 67, and has less than 30 years of service credit, the pension will be reduced by 1/2% for each month that the employee is under the age of 67. If an employee retires after 10 years of service between the ages of 62 and 67, and has between 30 and 35 years of service credit, the pension will be reduced by the lesser of 1/2% for each month that the employee is under the age of 67 or 1/2% for each month of service credit less than 35 years. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes.

Plan membership. At December 31, 2014, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	444
Inactive, non-retired members	95
Active members	<u>237</u>
Total	<u><u>776</u></u>

Contributions. As set by statute, City employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's actuarially determined contribution rate for calendar year 2014 was 11.63% percent of annual covered payroll. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Actuarial Assumptions. The assumptions used to measure the total pension liability in the December 31, 2014 annual actuarial valuation included a 7.50% investment rate of return, (b) projected salary increases from 3.75% to 14.50%, including inflation, and (c) inflation of 3.50% and price inflation of 2.75%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.50%
Inflation	3.50%
Salary increases	3.75% to 14.50%, including inflation
Price inflation	2.75%

Mortality. For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	63.20%	9.15%	7.60%
International Equities	2.60%	9.80%	7.80%
Fixed income	23.50%	3.05%	3.00%
Real estate	4.30%	7.35%	6.15%
Alternatives	4.50%		
Private equity		13.55%	8.50%
Hedge funds		5.55%	5.25%
Commodities		4.40%	2.75%
Cash equivalents	1.90%	2.25%	2.25%

Discount rate. The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2013 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments of 7.50% was blended with the index rate of 3.56% for tax exempt 20-year general obligation municipal bonds with an average AA credit rating at December 31, 2014 to arrive at a discount rate of 7.50% used to determine the total pension liability. The year ending December 31, 2114 is the last year in the 2015 to 2114 projection period for which projected benefit payments are fully funded.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.50% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City:			
Total pension liability	\$ 135,090,989	\$ 119,728,814	\$ 107,124,846
Plan fiduciary net pension	119,050,476	119,050,476	119,050,476
Net pension liability/(asset)	<u>\$ 16,040,513</u>	<u>\$ 678,338</u>	<u>\$ (11,925,630)</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in net pension liability/(asset). The City's changes in net pension liability/(asset) for the calendar year ended December 31, 2014 was as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
City:			
Balances at December 31, 2013	\$ 112,554,333	\$ 116,137,538	\$ (3,583,205)
Service cost	1,778,317	-	1,778,317
Interest on total pension liability	8,273,225	-	8,273,225
Differences between expected and actual experience of the total pension liability	(487,134)	-	(487,134)
Change of assumptions	3,877,732	-	3,877,732
Benefit payments, including refunds of employee contributions	(6,267,659)	(6,267,659)	-
Contributions - employer	-	1,808,719	(1,808,719)
Contributions - employee	-	715,450	(715,450)
Net investment income	-	6,970,213	(6,970,213)
Other (net transfer)	-	(313,785)	313,785
Balances at December 31, 2014	<u>\$ 119,728,814</u>	<u>\$ 119,050,476</u>	<u>\$ 678,338</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2015, the City recognized pension expense of \$2,378,985. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City:		
Difference between expected and actual experience	\$ -	\$ 347,818
Assumption changes	2,768,731	-
Net difference between projected and actual earnings on pension plan investments	1,270,364	-
Contributions subsequent to the measurement date	<u>1,699,600</u>	<u>-</u>
Total	<u>\$ 5,738,695</u>	<u>\$ 347,818</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending December 31, 2016. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$3,691,277) will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>City</u>
2015	\$ 1,287,276
2016	1,287,276
2017	799,136
2018	<u>317,589</u>
Total	<u>\$ 3,691,277</u>

Police Pension

Plan description. 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.

As provided for in the Illinois Compiled Statutes, the Plan 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 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, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Plan membership. At December 31, 2015, the Police Pension membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	82
Inactive plan members entitled to but not yet receiving benefits	5
Active members	79
Total	166

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the 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. The City's actuarially determined contribution rate for the fiscal year ending December 31, 2015 was 52.74% of annual covered payroll.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

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

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.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed as of December 31, 2015 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.00%
Projected salary increases	3.00% - 5.00%
Cost-of-living adjustments	2.00%

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Mortality rates were based on the L&A 2016 Illinois Police Mortality Table, which combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Lauterbach & Amen, LLP for Illinois Police Officers in 2016.

Discount rate. The discount rate used to measure the total pension liability for the Police Pension Plan was 7.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.00% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 98,110,067	\$ 86,288,015	\$ 76,570,057
Plan fiduciary net position	34,325,383	34,325,383	34,325,383
Net pension liability	\$ 63,784,684	\$ 51,962,632	\$ 42,244,674

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in net pension liability/(asset). The City's changes in net pension liability/(asset) for the calendar year ended December 31, 2015 was as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/Asset
	(a)	(b)	(a) - (b)
Balances at December 31, 2014	\$ 77,158,029	\$ 34,156,882	\$ 43,001,147
Service cost	992,579	-	992,579
Interest on total pension liability	5,262,883	-	5,262,883
Differences between expected and actual experience of the total pension liability	1,680,849	-	1,680,849
Change of assumptions	5,141,636	-	5,141,636
Benefit payments, including refunds of employee contributions	(3,947,961)	(3,947,961)	-
Contributions - employer	-	3,523,625	(3,523,625)
Contributions - employee	-	574,324	(574,324)
Contributions - other	-	27,320	(27,320)
Net investment income	-	33,810	(33,810)
Administration	-	(42,617)	42,617
Balances at December 31, 2015	\$ 86,288,015	\$ 34,325,383	\$ 51,962,632

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2015, the City recognized pension expense of \$4,910,400. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,407,540	\$ -
Assumption changes	4,305,597	-
Net difference between projected and actual earnings on pension plan investments	1,861,572	-
Total	\$ 7,574,709	\$ -

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$7,574,709) will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2016	\$ 1,574,742
2017	1,574,742
2018	1,574,742
2019	1,574,738
2020	1,109,348
Thereafter	<u>166,397</u>
Total	<u>\$ 7,574,709</u>

Firefighters' Pension

Plan description. 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.

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Plan 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 Plan 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, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Plan membership. At December 31, 2015, the Firefighters' Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	107
Inactive plan members entitled to but not yet receiving benefits	-
Active members	<u>58</u>
Total	<u><u>165</u></u>

Contributions. Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2015, 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. The City's actuarially determined contribution rate for the fiscal year ending December 31, 2015 was 65.87% of annual covered payroll.

Net pension liability/(asset). The net pension liability/(asset) was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

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

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, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial assumptions. The total pension liability was determined by an actuarial valuation performed as of December 31, 2015 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	5.96%
Inflation	2.00%
Projected salary increases	3.00% - 27.87%
Cost-of-living adjustments	2.00%

Mortality rates were based on the L&A 2016 Illinois Firefighters' Mortality Table, which combines observed experience of Illinois Firefighters with the RP-2014 mortality table for blue collar workers. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Lauterbach & Amen, LLP for Illinois Firefighters in 2016.

Discount rate. The discount rate used to measure the total pension liability for the Firefighters' Pension Plan was 5.96%. The discount rate used to measure the total pension liability as of December 31, 2014 was 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments of 7.00% was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 5.96% used to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 5.96% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (4.96%) or 1 percentage point higher (6.96%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 111,695,017	\$ 98,475,792	\$ 87,558,815
Plan fiduciary net position	26,416,203	26,416,203	26,416,203
Net pension liability	\$ 85,278,814	\$ 72,059,589	\$ 61,142,612

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in net pension liability/(asset). The City's changes in net pension liability/(asset) for the calendar year ended December 31, 2015 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at December 31, 2014	\$ 84,186,743	\$ 27,428,623	\$ 56,758,120
Service cost	1,223,912	-	1,223,912
Interest on total pension liability	4,868,228	-	4,868,228
Differences between expected and actual experience of the total pension liability	(683,158)	-	(683,158)
Change of assumptions	13,890,206	-	13,890,206
Benefit payments, including refunds of employee contributions	(5,010,139)	(5,010,139)	-
Contributions - employer	-	3,482,362	(3,482,362)
Contributions - employee	-	473,457	(473,457)
Contributions - other	-	173	(173)
Net investment income	-	125,916	(125,916)
Administration	-	(84,189)	84,189
Balances at December 31, 2015	<u>\$ 98,475,792</u>	<u>\$ 26,416,203</u>	<u>\$ 72,059,589</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2015, the City recognized pension expense of \$6,897,682. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 544,021
Assumption changes	11,061,243	-
Net difference between projected and actual earnings on pension plan investments	1,353,869	-
Total	<u>\$ 12,415,112</u>	<u>\$ 544,021</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$11,871,091) will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2016	\$ 3,028,294
2017	3,028,294
2018	3,028,294
2019	<u>2,786,209</u>
Total	<u>\$ 11,871,091</u>

PENSION SEGMENT INFORMATION

Fiduciary Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
Assets			
Cash and cash equivalents	\$ 1,581,919	\$ 1,099,212	\$ 2,681,131
Investments			
Mutual funds	21,151,058	16,063,036	37,214,094
U.S. Treasuries	2,866,656	1,724,329	4,590,985
U.S. Agency obligations	5,028,868	4,249,736	9,278,604
Corporate bonds	<u>3,696,882</u>	<u>3,279,890</u>	<u>6,976,772</u>
Total Assets	<u>34,325,383</u>	<u>26,416,203</u>	<u>60,741,586</u>
Liabilities	-	-	-
Net Position			
Restricted for pension benefits	<u>\$ 34,325,383</u>	<u>\$ 26,416,203</u>	<u>\$ 60,741,586</u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in Plan Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
Additions			
Contributions			
Employer	\$ 3,523,625	\$ 3,482,362	\$ 7,005,987
Plan member	574,324	473,457	1,047,781
Other	27,320	173	27,493
Total Contributions	4,125,269	3,955,992	8,081,261
Investment Income			
Net depreciation in fair value of investments	(275,796)	(421,786)	(697,582)
Interest on investments	402,220	640,306	1,042,526
Total Investment income	126,424	218,520	344,944
Less investment expense	92,614	92,604	185,218
Net investment income	33,810	125,916	159,726
Total Additions	4,159,079	4,081,908	8,240,987
Deductions			
Benefits	3,947,961	5,010,139	8,958,100
Administration	42,617	84,189	126,806
Total Deductions	3,990,578	5,094,328	9,084,906
Net change in net position	168,501	(1,012,420)	(843,919)
Net position, beginning of year	34,156,882	27,428,623	61,585,505
Net position, end of year	\$ 34,325,383	\$ 26,416,203	\$ 60,741,586

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 for medical and prescription drug insurance is \$175,000 per incident and \$7,426,813 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 \$750,000 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, 2015

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. \$1,751,109 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	\$ 3,365,145	\$ 3,066,463
Current year claims and changes in estimates	6,464,468	7,359,332
Claim payments	<u>(6,763,150)</u>	<u>(8,275,338)</u>
Unpaid Claims - End of Year	<u>\$ 3,066,463</u>	<u>\$ 2,150,457</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, 2015. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. As of December 31, 2015, the City committed \$33,416,649 in expenditures in upcoming years for various construction projects, including a remaining commitment of \$28,941,245 for the North Slope Upgrade project.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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, 2015, 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 plan provides for eligible retirees and their spouses through the City's which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses at established contribution rates.

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 2015, the City contributed \$1,731,689 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). 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	\$	1,215,484
Interest on net OPEB obligation		23,434
Adjustment to annual required contribution		<u>(30,592)</u>
Annual OPEB cost		1,208,326
Contributions made		<u>(1,731,689)</u>
Increase in net OPEB obligation		(523,363)
Net OPEB Obligation - Beginning of Year		<u>733,746</u>
Net OPEB Obligation - End of Year	\$	<u><u>210,383</u></u>

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

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 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2013	\$ 1,161,015	45%	\$ 520,739
December 31, 2014	1,208,326	82%	733,746
December 31, 2015	1,208,326	143%	210,383

The funded status of the plan as of December 31, 2015, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 12,526,717
Actuarial value of plan assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 12,526,717
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 22,140,803
UAAL as a percentage of covered payroll	57%

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, 2015

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 4.5% investment rate of return and an annual healthcare cost trend rate of 8.0% initially, reduced by decrements to an ultimate rate of 4.0% after 5 years. Both rates include a 2.5% 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, 2015, 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.

CITY OF MOLINE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE IV - OTHER INFORMATION (cont.)

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

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

- > Statement No. 72, *Fair Value Measurement and Application*
- > Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*
- > Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*
- > Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- > Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Government*
- > Statement No. 77, *Tax Abatement Disclosures*
- > Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*
- > Statement No. 79, *Certain External Investment Pools and Pool Participants*
- > Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*
- > Statement No. 81, *Irrevocable Split-Interest Agreements*
- > Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73*

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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 35,949,660	\$ 36,359,660	\$ 37,193,266	\$ 833,606
Licenses and permits	1,107,200	1,107,200	895,225	(211,975)
Intergovernmental	483,290	483,290	447,832	(35,458)
Charges for services	2,737,440	2,737,440	3,152,571	415,131
Fines, forfeitures and penalties	362,000	362,000	316,072	(45,928)
Use of money and property	95,490	95,490	110,379	14,889
Miscellaneous	<u>345,690</u>	<u>345,690</u>	<u>312,363</u>	<u>(33,327)</u>
Total Revenues	<u>41,080,770</u>	<u>41,490,770</u>	<u>42,427,708</u>	<u>936,938</u>
EXPENDITURES				
Current:				
Engineering	2,058,235	2,067,745	2,137,678	(69,933)
Executive	751,770	651,770	301,386	350,384
Financial administration	1,416,955	1,416,955	1,366,632	50,323
Fire protection	12,166,495	12,266,495	11,948,800	317,695
Highways and streets	4,125,785	4,127,010	3,979,192	147,818
Judicial	589,830	589,830	579,667	10,163
Legislative	457,190	522,790	414,444	108,346
Planning and zoning	2,232,035	2,413,735	2,552,746	(139,011)
Police	14,676,035	14,676,035	14,788,452	(112,417)
Protection inspections	587,430	587,430	543,726	43,704
Public works	340,200	340,200	340,774	(574)
Building and grounds	1,002,710	1,002,710	907,415	95,295
Traffic	<u>263,785</u>	<u>263,785</u>	<u>288,346</u>	<u>(24,561)</u>
Total Expenditures	<u>40,668,455</u>	<u>40,926,490</u>	<u>40,149,258</u>	<u>777,232</u>
Excess of revenues over expenditures	<u>412,315</u>	<u>564,280</u>	<u>2,278,450</u>	<u>1,714,170</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	45,430	45,430	-	(45,430)
Transfers out	(477,745)	(477,745)	(477,745)	-
Proceeds from sale of capital assets	<u>20,000</u>	<u>30,735</u>	<u>10,506</u>	<u>(20,229)</u>
Total Other Financing Sources (Uses)	<u>(412,315)</u>	<u>(401,580)</u>	<u>(467,239)</u>	<u>(65,659)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 162,700</u>	<u>\$ 1,811,211</u>	<u>\$ 1,648,511</u>
FUND BALANCE - Beginning of Year			<u>19,864,235</u>	
FUND BALANCE - END OF YEAR			<u>\$ 21,675,446</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,720,475	\$ 2,720,475	\$ 2,601,359	\$ (119,116)
Intergovernmental	335	335	-	(335)
Use of money and property	76,500	76,500	64,901	(11,599)
Miscellaneous	-	-	(27,220)	(27,220)
Total Revenues	<u>2,797,310</u>	<u>2,797,310</u>	<u>2,639,040</u>	<u>(158,270)</u>
EXPENDITURES				
Current:				
Economic development	544,495	544,495	369,578	174,917
Debt Service				
Principal	-	-	2,240,000	(2,240,000)
Interest and fiscal charges	<u>2,653,100</u>	<u>2,653,100</u>	<u>410,998</u>	<u>2,242,102</u>
Total Expenditures	<u>3,197,595</u>	<u>3,197,595</u>	<u>3,020,576</u>	<u>177,019</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(400,285)</u>	<u>(400,285)</u>	<u>(381,536)</u>	<u>18,749</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	59,965	59,965	108,906	48,941
Transfers out	<u>(45,430)</u>	<u>(45,430)</u>	-	<u>45,430</u>
Total Other Financing Sources (Uses)	<u>14,535</u>	<u>14,535</u>	<u>108,906</u>	<u>94,371</u>
Net Change in Fund Balance	<u>\$ (385,750)</u>	<u>\$ (385,750)</u>	(272,630)	<u>\$ 113,120</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(2,379,158)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (2,651,788)</u>	

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

CITY OF MOLINE

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS Most Recent Fiscal Year

	2015
Total pension liability	
Service cost	\$ 1,778,317
Interest	8,273,225
Differences between expected and actual experience	(487,134)
Changes of assumptions	3,877,732
Benefit payments, including refunds of member contributions	(6,267,659)
Net change in total pension liability	7,174,481
Total pension liability - beginning	112,554,333
Total pension liability - ending (a)	\$ 119,728,814
Plan fiduciary net position	
Employer contributions	\$ 1,808,719
Employee contributions	715,450
Net investment income	6,970,213
Benefit payments, including refunds of member contributions	(6,267,659)
Other (net transfer)	(313,785)
Net change in plan fiduciary net position	2,912,938
Plan fiduciary net position - beginning	116,137,538
Plan fiduciary net position - ending (b)	\$ 119,050,476
Employer's net pension liability - ending (a) - (b)	\$ 678,338
Plan fiduciary net position as a percentage of the total pension liability	99.43%
Covered-employee payroll	\$ 15,552,221
Employer's net pension liability as a percentage of covered-employee payroll	4.36%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

CITY OF MOLINE

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Most Recent Fiscal Year

	<u>2015</u>
Actuarially determined contribution	\$ 1,771,398
Contributions in relation to the actuarially determined contribution	<u>(1,808,719)</u>
Contribution deficiency (excess)	<u>\$ (37,321)</u>
Covered-employee payroll	\$ 15,552,221
Contributions as a percentage of covered-employee payroll	11.63%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 of the year prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	29 years
Asset valuation method	5-Year Smoothed Market
Inflation	3.00%
Salary increases	4.40% to 16.00% including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 CHBCA

Other information:

There were no benefit changes during the year.

CITY OF MOLINE

POLICE PENSION FUND

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS Last Two Fiscal Years

	2014	2015
Total pension liability		
Service cost	\$ 1,347,915	\$ 992,579
Interest	5,328,053	5,262,883
Differences between expected and actual experience	-	1,680,849
Changes of assumptions	-	5,141,636
Benefit payments, including refunds of member contributions	(3,755,330)	(3,947,961)
Net change in total pension liability	2,920,638	9,129,986
Total pension liability - beginning	74,237,391	77,158,029
Total pension liability - ending (a)	\$ 77,158,029	\$ 86,288,015
Plan fiduciary net position		
Employer contributions	\$ 3,124,517	\$ 3,523,625
Employee contributions	570,452	574,324
Net investment income	2,077,542	33,810
Benefit payments, including refunds of member contributions	(4,204,026)	(3,947,961)
Administration	(54,848)	(42,617)
Other	41,303	27,320
Net change in plan fiduciary net position	1,554,940	168,501
Plan fiduciary net position - beginning	32,601,942	34,156,882
Plan fiduciary net position - ending (b)	\$ 34,156,882	\$ 34,325,383
City's net pension liability - ending (a) - (b)	\$ 43,001,147	\$ 51,962,632
Plan fiduciary net position as a percentage of the total pension liability	44.27%	39.78%
Covered-employee payroll	\$ 6,338,306	\$ 6,681,186
City's net pension liability as a percentage of covered-employee payroll	678.43%	777.75%

Notes to Schedule:

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

CITY OF MOLINE

POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Actuarially determined contribution	\$ 1,044,899	\$ 1,289,927	\$ 1,397,502	\$ 2,043,517
Contributions in relation to the actuarially determined contribution	1,198,072	1,317,184	1,475,079	2,071,356
Contribution deficiency (excess)	<u>\$ (153,173)</u>	<u>\$ (27,257)</u>	<u>\$ (77,577)</u>	<u>\$ (27,839)</u>
Covered-employee payroll	\$ 4,563,482	\$ 4,670,514	\$ 4,998,296	\$ 6,011,657
Contributions as a percentage of covered-employee payroll	26.25%	28.20%	29.51%	34.46%

Notes to Schedule:

The Plan implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

Valuation date: Actuarially determined contributions are calculated as of December 31 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll
Remaining amortization period	25 years
Asset valuation method	5-year smoothed market
Inflation	2.00%
Salary increases	3.00% - 5.00%
Investment rate of return	7.00%
Retirement age	50 - 69
Mortality	L&A 2016 Mortality Table for Illinois Police

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 2,128,166	\$ 2,485,096	\$ 2,998,141	\$ 2,981,298	\$ 2,981,298	\$ 3,542,595
<u>2,222,982</u>	<u>2,280,805</u>	<u>3,075,321</u>	<u>3,355,739</u>	<u>3,124,517</u>	<u>3,523,625</u>
<u>\$ (94,816)</u>	<u>\$ 204,291</u>	<u>\$ (77,180)</u>	<u>\$ (374,441)</u>	<u>\$ (143,219)</u>	<u>\$ 18,970</u>
\$ 5,309,947	\$ 6,197,726	\$ 6,230,987	\$ 6,298,425	\$ 6,338,306	\$ 6,681,186
41.86%	36.80%	49.36%	53.28%	49.30%	52.74%

CITY OF MOLINE

POLICE PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
Last Two Fiscal Years

	<u>2014</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	5.33%	0.16%

Notes to Schedule:

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

CITY OF MOLINE

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS Last Two Fiscal Years

	2014	2015
Total pension liability		
Service cost	\$ 1,331,203	\$ 1,223,912
Interest	5,575,009	4,868,228
Differences between expected and actual experience	-	(683,158)
Changes of assumptions	-	13,890,206
Benefit payments, including refunds of member contributions	(4,622,735)	(5,010,139)
Net change in total pension liability	2,283,477	14,289,049
Total pension liability - beginning	81,903,266	84,186,743
Total pension liability - ending (a)	\$ 84,186,743	\$ 98,475,792
Plan fiduciary net position		
Employer contributions	\$ 3,489,864	\$ 3,482,362
Employee contributions	412,364	473,457
Other contributions	-	173
Net investment income	1,642,081	125,916
Benefit payments, including refunds of member contributions	(4,724,492)	(5,010,139)
Administration	(45,147)	(84,189)
Net change in plan fiduciary net position	774,670	(1,012,420)
Plan fiduciary net position - beginning	26,653,953	27,428,623
Plan fiduciary net position - ending (b)	\$ 27,428,623	\$ 26,416,203
City's net pension liability - ending (a) - (b)	\$ 56,758,120	\$ 72,059,589
Plan fiduciary net position as a percentage of the total pension liability	32.58%	26.83%
Covered-employee payroll	\$ 5,095,404	\$ 5,287,016
City's net pension liability as a percentage of covered-employee payroll	1113.91%	1362.95%

Notes to Schedule:

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

CITY OF MOLINE

FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Actuarially determined contribution	\$ 1,229,564	\$ 1,526,783	\$ 1,668,190	\$ 2,278,474
Contributions in relation to the actuarially determined contribution	<u>1,419,929</u>	<u>1,578,334</u>	<u>1,770,872</u>	<u>2,330,188</u>
Contribution deficiency (excess)	<u>\$ (190,365)</u>	<u>\$ (51,551)</u>	<u>\$ (102,682)</u>	<u>\$ (51,714)</u>
Covered-employee payroll	\$ 4,004,546	\$ 3,874,891	\$ 4,221,265	\$ 5,027,040
Contributions as a percentage of covered-employee payroll	35.46%	40.73%	41.95%	46.35%

Notes to Schedule:

The Plan implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

Valuation date: Actuarially determined contributions are calculated as of December 31 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll
Remaining amortization period	25 years
Asset valuation method	5-year smoothed market
Inflation	2.00%
Salary increases	3.00% - 27.87%
Investment rate of return	7.00%
Retirement age	50 - 69
Mortality	L&A 2016 Mortality Table for Illinois Firefighters

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 2,497,891	\$ 2,558,184	\$ 3,115,083	\$ 3,267,089	\$ 3,479,730	\$ 3,488,751
<u>2,622,169</u>	<u>2,679,017</u>	<u>3,024,688</u>	<u>3,657,429</u>	<u>3,489,864</u>	<u>3,482,362</u>
<u>\$ (124,278)</u>	<u>\$ (120,833)</u>	<u>\$ 90,395</u>	<u>\$ (390,340)</u>	<u>\$ (10,134)</u>	<u>\$ 6,389</u>
\$ 4,478,182	\$ 5,250,334	\$ 4,989,390	\$ 5,112,848	\$ 5,095,404	\$ 5,287,016
58.55%	51.03%	60.62%	71.53%	68.49%	65.87%

CITY OF MOLINE

FIREFIGHTERS' PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
Last Two Fiscal Years

	<u>2014</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	5.33%	0.40%

Notes to Schedule:

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

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, 2015

<u>Fiscal Year Date</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>
12/31/2015	\$ 1,215,484	142.47 %
12/31/2014	1,215,484	81.89
12/31/2013	1,171,557	142.22

<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>
12/31/2014	\$ -	\$ 12,526,717	\$ 12,526,717	-%	\$ 22,140,803	57%
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%

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

CITY OF MOLINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION December 31, 2015

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.

SUPPLEMENTARY INFORMATION

CITY OF MOLINE

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2015

	Park	Community Development Block Grant	Motor Fuel Tax	Revolving Loan Program
ASSETS				
Cash and cash equivalents	\$ 89,719	\$ -	\$ 118,913	\$ 19,944
Restricted cash and cash equivalents	-	-	-	-
Investments	551	-	1,887,121	-
Receivables (net)				
Property taxes	2,753,399	-	-	-
Accounts	20,188	-	-	-
Accrued interest	-	-	-	-
Loans	-	-	-	60,264
Other taxes	-	-	98,136	-
Due from other governments	43,280	396,815	-	-
Due from other funds	251,586	-	-	181,003
Prepaid items	1,000	-	-	-
	<u>\$ 3,159,723</u>	<u>\$ 396,815</u>	<u>\$ 2,104,170</u>	<u>\$ 261,211</u>
TOTAL ASSETS				
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 43,362	\$ 190,972	\$ 180,494	\$ -
Accrued expenses	20,363	-	-	-
Due to other funds	-	205,843	-	-
Deposits	765	-	-	-
Line of credit	-	-	-	-
Interfund advances	-	-	-	-
Total Liabilities	<u>64,490</u>	<u>396,815</u>	<u>180,494</u>	<u>-</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	2,671,000	-	-	-
Unavailable revenues for other taxes	1,300	-	-	-
Unavailable revenues for grants	-	37,789	-	-
Total Deferred Inflows of Resources	<u>2,672,300</u>	<u>37,789</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)				
Nonspendable	1,000	-	-	-
Restricted	421,933	-	1,923,676	261,211
Assigned	-	-	-	-
Unassigned	-	(37,789)	-	-
Total Fund Balances (deficit)	<u>422,933</u>	<u>(37,789)</u>	<u>1,923,676</u>	<u>261,211</u>
	<u>\$ 3,159,723</u>	<u>\$ 396,815</u>	<u>\$ 2,104,170</u>	<u>\$ 261,211</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				

<u>Tourism</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>
\$ 288,983	\$ 40,776	\$ 114,950	\$ 95,117	\$ 59,163	\$ -	\$ 18,591
-	-	-	-	-	-	-
149,454	-	-	-	5,965	-	-
-	140,485	266,435	-	-	234,266	53,675
-	-	-	-	-	-	-
1,191	-	-	-	-	-	-
18,000	-	-	-	-	-	-
-	4,391	-	-	14,808	-	-
-	-	-	-	-	-	-
-	100,000	-	-	470,000	-	-
-	-	-	-	-	-	-
<u>\$ 457,628</u>	<u>\$ 285,652</u>	<u>\$ 381,385</u>	<u>\$ 95,117</u>	<u>\$ 549,936</u>	<u>\$ 234,266</u>	<u>\$ 72,266</u>
\$ -	\$ 61,338	\$ 1,484	\$ -	\$ 7,666	\$ -	\$ -
-	-	-	-	-	-	255
-	-	-	-	-	407,332	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	811,839	-	-	-	-
-	<u>61,338</u>	<u>813,323</u>	-	<u>7,666</u>	<u>407,332</u>	<u>255</u>
-	140,485	258,415	-	-	234,025	53,295
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>140,485</u>	<u>258,415</u>	-	-	<u>234,025</u>	<u>53,295</u>
-	-	-	-	-	-	-
457,628	83,829	-	95,117	218,408	-	18,716
-	-	-	-	323,862	-	-
-	-	(690,353)	-	-	(407,091)	-
<u>457,628</u>	<u>83,829</u>	<u>(690,353)</u>	<u>95,117</u>	<u>542,270</u>	<u>(407,091)</u>	<u>18,716</u>
<u>\$ 457,628</u>	<u>\$ 285,652</u>	<u>\$ 381,385</u>	<u>\$ 95,117</u>	<u>\$ 549,936</u>	<u>\$ 234,266</u>	<u>\$ 72,266</u>

CITY OF MOLINE

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2015

	Tax Increment Financing #4	Tax Increment Financing #6	Library Trust	Perpetual Care
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 48,281	\$ 97,250
Restricted cash and cash equivalents	-	-	-	-
Investments	-	-	-	198,722
Receivables (net)				
Property taxes	202,590	-	-	-
Accounts	-	-	-	1,413
Accrued interest	-	-	401	21
Loans	-	-	-	-
Other taxes	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
	<u>\$ 202,590</u>	<u>\$ -</u>	<u>\$ 48,682</u>	<u>\$ 297,406</u>
TOTAL ASSETS				
	<u>\$ 202,590</u>	<u>\$ -</u>	<u>\$ 48,682</u>	<u>\$ 297,406</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 16,767	\$ 3,221	\$ -
Accrued expenses	-	-	-	-
Due to other funds	2,707	708,353	-	-
Deposits	-	-	-	-
Line of credit	-	-	-	-
Interfund advances	-	-	-	-
Total Liabilities	<u>2,707</u>	<u>725,120</u>	<u>3,221</u>	<u>-</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	191,925	-	-	-
Unavailable revenues for other taxes	-	-	-	-
Unavailable revenues for grants	-	-	-	-
Total Deferred Inflows of Resources	<u>191,925</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	7,958	-	45,461	297,406
Assigned	-	-	-	-
Unassigned	-	(725,120)	-	-
Total Fund Balances (deficit)	<u>7,958</u>	<u>(725,120)</u>	<u>45,461</u>	<u>297,406</u>
	<u>\$ 202,590</u>	<u>\$ -</u>	<u>\$ 48,682</u>	<u>\$ 297,406</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				

<u>Reher Art Gallery</u>	<u>Park and Cemetery Gifts</u>	<u>Lead Hazard Grant</u>	<u>Sanitation</u>	<u>Single Family Owner Occupied Rehabilitation</u>	<u>Library</u>	<u>NSP2 Grant</u>
\$ 51,538	\$ 117,358	\$ -	\$ -	\$ -	\$ 88,630	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	2,813,584	-
-	5,000	-	-	-	-	-
-	-	-	-	-	-	-
-	-	133,146	-	591	-	227,451
-	-	-	-	-	-	-
<u>\$ 51,538</u>	<u>\$ 122,358</u>	<u>\$ 133,146</u>	<u>\$ -</u>	<u>\$ 591</u>	<u>\$ 2,902,214</u>	<u>\$ 227,451</u>
\$ -	\$ -	\$ 44,037	\$ -	\$ 350	\$ 30,245	\$ 74,665
-	-	-	-	-	29,320	-
-	-	89,109	-	241	-	56,140
-	-	-	-	-	-	7,344
-	-	-	-	-	-	-
-	-	133,146	-	591	59,565	138,149
-	-	-	-	-	2,729,345	-
-	-	-	-	-	-	-
-	-	13,046	-	591	-	95,551
-	-	13,046	-	591	2,729,345	95,551
51,538	122,358	-	-	-	113,304	-
-	-	-	-	-	-	-
-	-	(13,046)	-	(591)	-	(6,249)
<u>51,538</u>	<u>122,358</u>	<u>(13,046)</u>	<u>-</u>	<u>(591)</u>	<u>113,304</u>	<u>(6,249)</u>
<u>\$ 51,538</u>	<u>\$ 122,358</u>	<u>\$ 133,146</u>	<u>\$ -</u>	<u>\$ 591</u>	<u>\$ 2,902,214</u>	<u>\$ 227,451</u>

CITY OF MOLINE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2015

	<u>Tax Increment Financing #5</u>	<u>Tax Increment Financing #7</u>	<u>Tax Increment Financing #8</u>	<u>Tax Increment Financing #9</u>
ASSETS				
Cash and cash equivalents	\$ 179	\$ -	\$ -	\$ 6,051
Restricted cash and cash equivalents	-	3,213,145	-	-
Investments	-	-	-	-
Receivables (net)				
Property taxes	495,035	840	-	8,055
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Loans	-	-	-	-
Other taxes	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
	<u>495,214</u>	<u>3,213,985</u>	<u>-</u>	<u>14,106</u>
TOTAL ASSETS	\$ 495,214	\$ 3,213,985	\$ -	\$ 14,106
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 489,938	\$ -	\$ -
Accrued expenses	-	-	-	-
Due to other funds	-	-	210	-
Deposits	-	-	35,000	-
Line of credit	-	-	-	-
Interfund advances	-	-	-	-
Total Liabilities	<u>-</u>	<u>489,938</u>	<u>35,210</u>	<u>-</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	495,035	840	-	8,055
Unavailable revenues for other taxes	-	-	-	-
Unavailable revenues for grants	-	-	-	-
Total Deferred Inflows of Resources	<u>495,035</u>	<u>840</u>	<u>-</u>	<u>8,055</u>
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	179	2,723,207	-	6,051
Assigned	-	-	-	-
Unassigned	-	-	(35,210)	-
Total Fund Balances (deficit)	<u>179</u>	<u>2,723,207</u>	<u>(35,210)</u>	<u>6,051</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 495,214	\$ 3,213,985	\$ -	\$ 14,106

<u>Tax Increment Financing #10</u>	<u>Tax Increment Financing #11</u>	<u>Tax Increment Financing #12</u>	<u>Tax Increment Financing #13</u>	<u>Home Buyer Trust Grant</u>	<u>Trust Emergency Repair</u>	<u>Abandoned Property Program</u>
\$ 2,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
-	-	-	-	-	-	-
-	-	-	-	-	-	-
141,375	-	147,740	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	86,282	21,709	12,299
-	-	-	-	-	-	-
<u>\$ 143,738</u>	<u>\$ -</u>	<u>\$ 147,740</u>	<u>\$ -</u>	<u>\$ 86,282</u>	<u>\$ 21,709</u>	<u>\$ 12,300</u>
\$ -	\$ 12,680	\$ -	\$ 3,000	\$ -	\$ -	\$ 12,300
-	-	-	-	-	-	-
-	-	251,586	8,441	86,282	21,709	-
40,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,922,224	2,658,526	-	-	-	-
<u>40,000</u>	<u>3,934,904</u>	<u>2,910,112</u>	<u>11,441</u>	<u>86,282</u>	<u>21,709</u>	<u>12,300</u>
141,375	-	147,740	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	86,282	-	12,299
<u>141,375</u>	<u>-</u>	<u>147,740</u>	<u>-</u>	<u>86,282</u>	<u>-</u>	<u>12,299</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(37,637)</u>	<u>(3,934,904)</u>	<u>(2,910,112)</u>	<u>(11,441)</u>	<u>(86,282)</u>	<u>-</u>	<u>(12,299)</u>
<u>(37,637)</u>	<u>(3,934,904)</u>	<u>(2,910,112)</u>	<u>(11,441)</u>	<u>(86,282)</u>	<u>-</u>	<u>(12,299)</u>
<u>\$ 143,738</u>	<u>\$ -</u>	<u>\$ 147,740</u>	<u>\$ -</u>	<u>\$ 86,282</u>	<u>\$ 21,709</u>	<u>\$ 12,300</u>

CITY OF MOLINE

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2015

	<u>AG Grant</u>	<u>Blight Reduction Program</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 49,432	\$ 1,307,239
Restricted cash and cash equivalents	-	-	-	3,213,145
Investments	-	-	-	2,241,813
Receivables (net)				
Property taxes	-	-	-	7,257,479
Accounts	-	-	-	21,601
Accrued interest	-	-	-	6,613
Loans	63,759	-	3,696,723	3,838,746
Other taxes	-	-	-	117,335
Due from other governments	-	48,420	-	969,993
Due from other funds	-	-	-	1,002,589
Prepaid items	-	-	-	1,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
TOTAL ASSETS	<u>\$ 63,759</u>	<u>\$ 48,420</u>	<u>\$ 3,746,155</u>	<u>\$ 19,977,553</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 71,386	\$ 18,610	\$ -	\$ 1,262,515
Accrued expenses	-	-	-	49,938
Due to other funds	8,204	5,600	-	1,851,757
Deposits	-	-	-	83,109
Line of credit	-	-	3,696,723	3,696,723
Interfund advances	-	-	-	7,392,589
Total Liabilities	<u>79,590</u>	<u>24,210</u>	<u>3,696,723</u>	<u>14,336,631</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	-	-	-	7,071,535
Unavailable revenues for other taxes	-	-	-	1,300
Unavailable revenues for grants	63,759	48,420	-	357,737
Total Deferred Inflows of Resources	<u>63,759</u>	<u>48,420</u>	<u>-</u>	<u>7,430,572</u>
Fund Balances (Deficit)				
Nonspendable	-	-	-	1,000
Restricted	-	-	49,432	6,897,412
Assigned	-	-	-	323,862
Unassigned	(79,590)	(24,210)	-	(9,011,924)
Total Fund Balances (deficit)	<u>(79,590)</u>	<u>(24,210)</u>	<u>49,432</u>	<u>(1,789,650)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 63,759</u>	<u>\$ 48,420</u>	<u>\$ 3,746,155</u>	<u>\$ 19,977,553</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2015

	Special Revenue			
	Park	Community Development Block Grant	Motor Fuel Tax	Revolving Loan Program
REVENUES				
Taxes	\$ 2,801,030	\$ -	\$ -	\$ -
Intergovernmental	15,948	914,169	1,063,046	-
Charges for services	595,084	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	152,140	-	772	1,610
Contributions	2,260	-	-	-
Miscellaneous	1,233	5,331	-	-
Total Revenues	3,567,695	919,500	1,063,818	1,610
EXPENDITURES				
Current				
General government	-	-	-	-
Economic development	-	988,530	-	-
Culture and recreation	3,355,207	-	-	-
Libraries	-	-	-	-
Capital Outlay	199,460	-	699,553	-
Debt Service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	3,554,667	988,530	699,553	-
Excess (deficiency) of revenues over expenditures	13,028	(69,030)	364,265	1,610
OTHER FINANCING SOURCES (USES)				
Transfers in	217,221	31,241	-	-
Transfers out	-	-	-	(31,241)
Proceeds from sale of capital assets	474	-	-	-
Total Other Financing Sources (Uses)	217,695	31,241	-	(31,241)
Net Change in Fund Balances	230,723	(37,789)	364,265	(29,631)
FUND BALANCES (DEFICIT) - Beginning of Year	192,210	-	1,559,411	290,842
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 422,933	\$ (37,789)	\$ 1,923,676	\$ 261,211

Special Revenue

Tourism	Special Service Area #5	Special Service Area #6	Foreign Fire Insurance	General Trust	Tax Increment Financing #2	Tax Increment Financing #3
\$ -	\$ 178,190	\$ 253,867	\$ 59,540	\$ 197,476	\$ 229,436	\$ 52,249
-	-	-	-	97,577	-	-
-	2,000	-	-	-	-	-
-	-	-	-	-	-	-
2,009	28	40	-	42	27	6
-	-	-	-	284,283	-	-
-	1,038	-	-	11,477	-	-
<u>2,009</u>	<u>181,256</u>	<u>253,907</u>	<u>59,540</u>	<u>590,855</u>	<u>229,463</u>	<u>52,255</u>
-	-	-	60,540	393,361	-	-
-	148,594	151,294	-	-	-	46,925
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	135,000	-
-	-	8,138	-	-	104,955	-
-	<u>148,594</u>	<u>159,432</u>	<u>60,540</u>	<u>393,361</u>	<u>239,955</u>	<u>46,925</u>
<u>2,009</u>	<u>32,662</u>	<u>94,475</u>	<u>(1,000)</u>	<u>197,494</u>	<u>(10,492)</u>	<u>5,330</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,009	32,662	94,475	(1,000)	197,494	(10,492)	5,330
<u>455,619</u>	<u>51,167</u>	<u>(784,828)</u>	<u>96,117</u>	<u>344,776</u>	<u>(396,599)</u>	<u>13,386</u>
<u>\$ 457,628</u>	<u>\$ 83,829</u>	<u>\$ (690,353)</u>	<u>\$ 95,117</u>	<u>\$ 542,270</u>	<u>\$ (407,091)</u>	<u>\$ 18,716</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2015

	Special Revenue			
	Tax Increment Financing #4	Tax Increment Financing #6	Library Trust	Perpetual Care
REVENUES				
Taxes	\$ 188,163	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	23	-	5,551	1,146
Contributions	-	-	42,604	-
Miscellaneous	-	-	-	16,775
Total Revenues	188,186	-	48,155	17,921
EXPENDITURES				
Current				
General government	-	-	-	-
Economic development	-	12,343	-	-
Culture and recreation	-	-	-	-
Libraries	-	-	103,501	-
Capital Outlay	-	161,585	-	-
Debt Service				
Principal	-	65,000	-	-
Interest and fiscal charges	-	53,974	-	-
Total Expenditures	-	292,902	103,501	-
Excess (deficiency) of revenues over expenditures	188,186	(292,902)	(55,346)	17,921
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(13,765)	(1,126)
Proceeds from sale of capital assets	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(13,765)	(1,126)
Net Change in Fund Balances	188,186	(292,902)	(69,111)	16,795
FUND BALANCES (DEFICIT) - Beginning of Year	(180,228)	(432,218)	114,572	280,611
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 7,958	\$ (725,120)	\$ 45,461	\$ 297,406

Special Revenue

Reher Art Gallery	Park and Cemetery Gifts	Lead Hazard Grant	Sanitation	Single Family Owner Occupied Rehabilitation	Library	NSP2 Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,707,380	\$ -
-	-	707,590	-	70,712	54,354	327,138
-	-	-	-	-	44,165	73,875
-	-	-	-	-	47,608	-
3	6,636	-	-	-	-	-
-	39,925	-	-	-	-	-
-	-	-	-	-	13,806	165,846
<u>3</u>	<u>46,561</u>	<u>707,590</u>	<u>-</u>	<u>70,712</u>	<u>2,867,313</u>	<u>566,859</u>
-	-	-	-	-	-	-
-	-	720,636	-	69,530	-	300,785
3,254	37,975	-	-	-	-	-
-	-	-	-	-	3,036,157	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,254</u>	<u>37,975</u>	<u>720,636</u>	<u>-</u>	<u>69,530</u>	<u>3,036,157</u>	<u>300,785</u>
<u>(3,251)</u>	<u>8,586</u>	<u>(13,046)</u>	<u>-</u>	<u>1,182</u>	<u>(168,844)</u>	<u>266,074</u>
13,765	-	-	-	-	261,650	-
-	-	-	(127,753)	-	-	(11,377)
-	-	-	-	-	-	-
<u>13,765</u>	<u>-</u>	<u>-</u>	<u>(127,753)</u>	<u>-</u>	<u>261,650</u>	<u>(11,377)</u>
10,514	8,586	(13,046)	(127,753)	1,182	92,806	254,697
<u>41,024</u>	<u>113,772</u>	<u>-</u>	<u>127,753</u>	<u>(1,773)</u>	<u>20,498</u>	<u>(260,946)</u>
<u>\$ 51,538</u>	<u>\$ 122,358</u>	<u>\$ (13,046)</u>	<u>\$ -</u>	<u>\$ (591)</u>	<u>\$ 113,304</u>	<u>\$ (6,249)</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2015

	Special Revenue			
	Tax Increment Financing #5	Tax Increment Financing #7	Tax Increment Financing #8	Tax Increment Financing #9
REVENUES				
Taxes	\$ 485,325	\$ 821	\$ -	\$ 7,895
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	116	6,005	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	485,441	6,826	-	7,895
EXPENDITURES				
Current				
General government	-	-	-	-
Economic development	436,793	61,079	-	-
Culture and recreation	-	-	-	-
Libraries	-	-	-	-
Capital Outlay	-	605,481	-	-
Debt Service				
Principal	-	165,000	-	-
Interest and fiscal charges	-	334,445	-	-
Total Expenditures	436,793	1,166,005	-	-
Excess (deficiency) of revenues over expenditures	48,648	(1,159,179)	-	7,895
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(97,529)	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total Other Financing Sources (Uses)	(97,529)	-	-	-
Net Change in Fund Balances	(48,881)	(1,159,179)	-	7,895
FUND BALANCES (DEFICIT) - Beginning of Year	49,060	3,882,386	(35,210)	(1,844)
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 179	\$ 2,723,207	\$ (35,210)	\$ 6,051

Special Revenue

Tax Increment Financing #10	Tax Increment Financing #11	Tax Increment Financing #12	Tax Increment Financing #13	Home Buyer Trust Grant	Trust Emergency Repair	Abandoned Property Program
\$ 138,600	\$ -	\$ 143,433	\$ -	\$ -	\$ -	\$ -
-	500	-	-	68,085	61,386	37,228
-	-	-	-	-	-	-
17	-	13	-	-	-	-
-	-	-	-	-	-	-
<u>138,617</u>	<u>500</u>	<u>143,446</u>	<u>-</u>	<u>68,085</u>	<u>61,386</u>	<u>37,228</u>
-	-	-	-	-	-	-
143,950	28,149	-	11,441	148,853	61,011	48,314
-	-	-	-	-	-	-
-	301,908	-	-	-	-	-
-	-	84,415	-	-	-	-
-	-	<u>53,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>143,950</u>	<u>330,057</u>	<u>137,736</u>	<u>11,441</u>	<u>148,853</u>	<u>61,011</u>	<u>48,314</u>
<u>(5,333)</u>	<u>(329,557)</u>	<u>5,710</u>	<u>(11,441)</u>	<u>(80,768)</u>	<u>375</u>	<u>(11,086)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(5,333)	(329,557)	5,710	(11,441)	(80,768)	375	(11,086)
<u>(32,304)</u>	<u>(3,605,347)</u>	<u>(2,915,822)</u>	<u>-</u>	<u>(5,514)</u>	<u>(375)</u>	<u>(1,213)</u>
<u>\$ (37,637)</u>	<u>\$ (3,934,904)</u>	<u>\$ (2,910,112)</u>	<u>\$ (11,441)</u>	<u>\$ (86,282)</u>	<u>\$ -</u>	<u>\$ (12,299)</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2015

	Special Revenue			Total Nonmajor Governmental Funds
	AG Grant	Blight Reduction Program	Debt Service	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 7,443,405
Intergovernmental	-	-	-	3,417,233
Charges for services	-	-	-	715,624
Fines, forfeitures and penalties	-	-	-	47,608
Use of money and property	-	-	15	176,199
Contributions	-	-	-	369,072
Miscellaneous	-	-	-	215,506
Total Revenues	-	-	15	12,384,647
EXPENDITURES				
Current				
General government	-	-	-	453,901
Economic development	79,590	23,552	-	3,481,369
Culture and recreation	-	-	-	3,396,436
Libraries	-	-	-	3,139,658
Capital Outlay	-	658	-	1,968,645
Debt Service				
Principal	-	-	1,999,445	2,448,860
Interest and fiscal charges	-	-	1,089,243	1,644,076
Total Expenditures	79,590	24,210	3,088,688	16,532,945
Excess (deficiency) of revenues over expenditures	(79,590)	(24,210)	(3,088,673)	(4,148,298)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,088,688	3,612,565
Transfers out	-	-	-	(282,791)
Proceeds from sale of capital assets	-	-	-	474
Total Other Financing Sources (Uses)	-	-	3,088,688	3,330,248
Net Change in Fund Balances	(79,590)	(24,210)	15	(818,050)
FUND BALANCES (DEFICIT) - Beginning of Year	-	-	49,417	(971,600)
FUND BALANCES (DEFICIT) - END OF YEAR	\$ (79,590)	\$ (24,210)	\$ 49,432	\$ (1,789,650)

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - PARK
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,801,030	\$ 2,801,030	\$ 2,801,030	\$ -
Intergovernmental	22,000	22,000	15,948	(6,052)
Charges for services	605,630	605,630	595,084	(10,546)
Use of money and property	121,310	121,310	152,140	30,830
Contributions	3,000	3,000	2,260	(740)
Miscellaneous	2,900	2,900	1,233	(1,667)
Total Revenues	<u>3,555,870</u>	<u>3,555,870</u>	<u>3,567,695</u>	<u>11,825</u>
EXPENDITURES				
Current:				
Culture and recreation	3,622,465	3,622,465	3,355,207	267,258
Capital Outlay	<u>150,000</u>	<u>190,000</u>	<u>199,460</u>	<u>(9,460)</u>
Total Expenditures	<u>3,772,465</u>	<u>3,812,465</u>	<u>3,554,667</u>	<u>257,798</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(216,595)</u>	<u>(256,595)</u>	<u>13,028</u>	<u>269,623</u>
OTHER FINANCING SOURCES				
Transfers in	216,095	216,095	217,221	1,126
Proceeds from sale of capital assets	<u>500</u>	<u>500</u>	<u>474</u>	<u>(26)</u>
Total Other Financing Sources	<u>216,595</u>	<u>216,595</u>	<u>217,695</u>	<u>1,100</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (40,000)</u>	230,723	<u>\$ 270,723</u>
FUND BALANCE - Beginning of Year			<u>192,210</u>	
FUND BALANCE - END OF YEAR			<u>\$ 422,933</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 674,400	\$ 1,474,785	\$ 914,169	\$ (560,616)
Miscellaneous	-	-	5,331	5,331
Total Revenues	<u>674,400</u>	<u>1,474,785</u>	<u>919,500</u>	<u>(555,285)</u>
EXPENDITURES				
Current:				
Economic development	<u>674,400</u>	<u>1,474,785</u>	<u>988,530</u>	<u>486,255</u>
Total Expenditures	<u>674,400</u>	<u>1,474,785</u>	<u>988,530</u>	<u>486,255</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(69,030)</u>	<u>(69,030)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>31,241</u>	<u>31,241</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>31,241</u>	<u>31,241</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(37,789)</u>	<u>\$ (37,789)</u>
FUND BALANCE - Beginning of Year			<u>-</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (37,789)</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 1,892,830	\$ 1,892,830	\$ 1,063,046	\$ (829,784)
Use of money and property	-	-	772	772
Total Revenues	<u>1,892,830</u>	<u>1,892,830</u>	<u>1,063,818</u>	<u>(829,012)</u>
EXPENDITURES				
Capital Outlay	<u>2,482,830</u>	<u>2,526,790</u>	<u>699,553</u>	<u>1,827,237</u>
Total Expenditures	<u>2,482,830</u>	<u>2,526,790</u>	<u>699,553</u>	<u>1,827,237</u>
Net Change in Fund Balance	<u>\$ (590,000)</u>	<u>\$ (633,960)</u>	364,265	<u>\$ 998,225</u>
FUND BALANCE - Beginning of Year			<u>1,559,411</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,923,676</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, 2015

	<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	\$ 1,490	\$ 1,490	\$ 1,610	\$ 120
Miscellaneous	10,885	10,885	-	(10,885)
Total Revenues	<u>12,375</u>	<u>12,375</u>	<u>1,610</u>	<u>(10,765)</u>
EXPENDITURES				
Current:				
Economic development	<u>243,000</u>	<u>243,000</u>	-	<u>243,000</u>
Total Expenditures	<u>243,000</u>	<u>243,000</u>	-	<u>243,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(230,625)</u>	<u>(230,625)</u>	<u>1,610</u>	<u>232,235</u>
OTHER FINANCING USES				
Transfers out	-	-	(31,241)	(31,241)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(31,241)</u>	<u>(31,241)</u>
Net Change in Fund Balance	<u>\$ (230,625)</u>	<u>\$ (230,625)</u>	(29,631)	<u>\$ 200,994</u>
FUND BALANCE - Beginning of Year			<u>290,842</u>	
FUND BALANCE - END OF YEAR			<u>\$ 261,211</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - TOURISM
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 2,009	\$ 2,009
Miscellaneous	52,950	52,950	-	(52,950)
Total Revenues	<u>52,950</u>	<u>52,950</u>	<u>2,009</u>	<u>(50,941)</u>
EXPENDITURES				
Current:				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	<u>\$ 52,950</u>	<u>\$ 52,950</u>	2,009	<u>\$ (50,941)</u>
FUND BALANCE - Beginning of Year			<u>455,619</u>	
FUND BALANCE - END OF YEAR			<u>\$ 457,628</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 175,335	\$ 175,335	\$ 178,190	\$ 2,855
Use of money and property	-	-	28	28
Miscellaneous	-	-	1,038	1,038
Charges for services	-	-	2,000	2,000
Total Revenues	<u>175,335</u>	<u>175,335</u>	<u>181,256</u>	<u>5,921</u>
EXPENDITURES				
Current:				
Economic development	<u>177,230</u>	<u>177,230</u>	<u>148,594</u>	<u>28,636</u>
Total Expenditures	<u>177,230</u>	<u>177,230</u>	<u>148,594</u>	<u>28,636</u>
Net Change in Fund Balance	<u>\$ (1,895)</u>	<u>\$ (1,895)</u>	32,662	<u>\$ 34,557</u>
FUND BALANCE - Beginning of Year			<u>51,167</u>	
FUND BALANCE - END OF YEAR			<u>\$ 83,829</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 257,225	\$ 257,225	\$ 253,867	\$ (3,358)
Use of money and property	-	-	40	40
Total Revenues	<u>257,225</u>	<u>257,225</u>	<u>253,907</u>	<u>(3,318)</u>
EXPENDITURES				
Current:				
Economic development	166,145	166,145	151,294	14,851
Debt Service				
Interest and fiscal charges	<u>100,000</u>	<u>100,000</u>	<u>8,138</u>	<u>91,862</u>
Total Expenditures	<u>266,145</u>	<u>266,145</u>	<u>159,432</u>	<u>106,713</u>
Net Change in Fund Balance	<u>\$ (8,920)</u>	<u>\$ (8,920)</u>	94,475	<u>\$ 103,395</u>
FUND BALANCE (DEFICIT) -				
Beginning of Year			<u>(784,828)</u>	
FUND BALANCE (DEFICIT) - END				
OF YEAR			<u>\$ (690,353)</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	<u>\$ 35,300</u>	<u>\$ 35,300</u>	<u>\$ 59,540</u>	<u>\$ 24,240</u>
Total Revenues	<u>35,300</u>	<u>35,300</u>	<u>59,540</u>	<u>24,240</u>
EXPENDITURES				
Current:				
General government	<u>35,300</u>	<u>35,300</u>	<u>60,540</u>	<u>(25,240)</u>
Total Expenditures	<u>35,300</u>	<u>35,300</u>	<u>60,540</u>	<u>(25,240)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(1,000)</u>	<u>\$ (1,000)</u>
FUND BALANCE - Beginning of Year			<u>96,117</u>	
FUND BALANCE - END OF YEAR			<u>\$ 95,117</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL TRUST
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 200,000	\$ 200,000	\$ 197,476	\$ (2,524)
Intergovernmental	-	100,000	97,577	(2,423)
Use of money and property	-	-	42	42
Contributions	150,000	300,000	284,283	(15,717)
Miscellaneous	-	-	11,477	11,477
Total Revenues	<u>350,000</u>	<u>600,000</u>	<u>590,855</u>	<u>(9,145)</u>
EXPENDITURES				
Current:				
General government	<u>405,000</u>	<u>655,000</u>	<u>393,361</u>	<u>261,639</u>
Total Expenditures	<u>405,000</u>	<u>655,000</u>	<u>393,361</u>	<u>261,639</u>
Net Change in Fund Balance	<u>\$ (55,000)</u>	<u>\$ (55,000)</u>	197,494	<u>\$ 252,494</u>
FUND BALANCE - Beginning of Year			<u>344,776</u>	
FUND BALANCE - END OF YEAR			<u>\$ 542,270</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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 217,620	\$ 217,620	\$ 229,436	\$ 11,816
Use of money and property	40	40	27	(13)
Total Revenues	<u>217,660</u>	<u>217,660</u>	<u>229,463</u>	<u>11,803</u>
EXPENDITURES				
Debt Service				
Principal	-	-	135,000	(135,000)
Interest and fiscal charges	<u>239,975</u>	<u>239,975</u>	<u>104,955</u>	<u>135,020</u>
Total Expenditures	<u>239,975</u>	<u>239,975</u>	<u>239,955</u>	<u>20</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,315)</u>	<u>(22,315)</u>	<u>(10,492)</u>	<u>11,823</u>
OTHER FINANCING USES				
Transfers out	<u>(240,440)</u>	-	-	-
Total Other Financing Uses	<u>(240,440)</u>	-	-	-
Net Change in Fund Balance	<u>\$ (262,755)</u>	<u>\$ (22,315)</u>	(10,492)	<u>\$ 11,823</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(396,599)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (407,091)</u>	

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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 52,775	\$ 52,775	\$ 52,249	\$ (526)
Use of money and property	10	10	6	(4)
Total Revenues	52,785	52,785	52,255	(530)
EXPENDITURES				
Current:				
Economic development	52,785	52,785	46,925	5,860
Total Expenditures	52,785	52,785	46,925	5,860
Net Change in Fund Balance	\$ -	\$ -	5,330	\$ 5,330
FUND BALANCE - Beginning of Year			13,386	
FUND BALANCE - END OF YEAR			\$ 18,716	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 188,385	\$ 188,385	\$ 188,163	\$ (222)
Use of money and property	-	-	23	23
Total Revenues	<u>188,385</u>	<u>188,385</u>	<u>188,186</u>	<u>(199)</u>
EXPENDITURES				
Debt Service				
Interest and fiscal charges	<u>199,205</u>	<u>199,205</u>	-	<u>199,205</u>
Total Expenditures	<u>199,205</u>	<u>199,205</u>	-	<u>199,205</u>
Net Change in Fund Balance	<u>\$ (10,820)</u>	<u>\$ (10,820)</u>	188,186	<u>\$ 199,006</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(180,228)</u>	
FUND BALANCE - END OF YEAR			<u>\$ 7,958</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, 2015

	<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	-	15,000	12,343	2,657
Capital Outlay	-	785,000	161,585	623,415
Debt Service	<u>118,995</u>	<u>118,995</u>	<u>118,974</u>	<u>21</u>
Total Expenditures	<u>118,995</u>	<u>918,995</u>	<u>292,902</u>	<u>626,093</u>
Net Change in Fund Balance	<u>\$ (118,995)</u>	<u>\$ (918,995)</u>	(292,902)	<u>\$ 626,093</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(432,218)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (725,120)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY TRUST
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 15,000	\$ 15,000	\$ 5,551	\$ (9,449)
Contributions	60,000	60,000	42,604	(17,396)
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>48,155</u>	<u>(26,845)</u>
EXPENDITURES				
Current:				
Libraries	<u>223,495</u>	<u>223,495</u>	<u>103,501</u>	<u>119,994</u>
Total Expenditures	<u>223,495</u>	<u>223,495</u>	<u>103,501</u>	<u>119,994</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(148,495)</u>	<u>(148,495)</u>	<u>(55,346)</u>	<u>93,149</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>\$ (162,260)</u>	<u>\$ (162,260)</u>	(69,111)	<u>\$ 93,149</u>
FUND BALANCE - Beginning of Year			<u>114,572</u>	
FUND BALANCE - END OF YEAR			<u>\$ 45,461</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - PERPETUAL CARE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ 25	\$ 25	\$ 1,146	\$ 1,121
Miscellaneous	14,000	14,000	16,775	2,775
Total Revenues	<u>14,025</u>	<u>14,025</u>	<u>17,921</u>	<u>3,896</u>
EXPENDITURES				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,025</u>	<u>14,025</u>	<u>17,921</u>	<u>3,896</u>
OTHER FINANCING USES				
Transfers out	<u>(25)</u>	<u>(25)</u>	<u>(1,126)</u>	<u>(1,101)</u>
Total Other Financing Uses	<u>(25)</u>	<u>(25)</u>	<u>(1,126)</u>	<u>(1,101)</u>
Net Change in Fund Balance	<u>\$ 14,000</u>	<u>\$ 14,000</u>	16,795	<u>\$ 2,795</u>
FUND BALANCE - Beginning of Year			<u>280,611</u>	
FUND BALANCE - END OF YEAR			<u>\$ 297,406</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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 3	\$ 3
Total Revenues	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
EXPENDITURES				
Current:				
Culture and recreation	48,765	48,765	3,254	45,511
Total Expenditures	<u>48,765</u>	<u>48,765</u>	<u>3,254</u>	<u>45,511</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(48,765)</u>	<u>(48,765)</u>	<u>(3,251)</u>	<u>45,514</u>
OTHER FINANCING SOURCES				
Transfers in	13,765	13,765	13,765	-
Total Other Financing Sources	<u>13,765</u>	<u>13,765</u>	<u>13,765</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (35,000)</u>	<u>\$ (35,000)</u>	10,514	<u>\$ 45,514</u>
FUND BALANCE - Beginning of Year			41,024	
FUND BALANCE - END OF YEAR			<u>\$ 51,538</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, 2015

	<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	\$ 6,000	\$ 6,000	\$ 6,636	\$ 636
Contributions	<u>26,000</u>	<u>26,000</u>	<u>39,925</u>	<u>13,925</u>
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>46,561</u>	<u>14,561</u>
EXPENDITURES				
Current:				
Culture and recreation	26,000	26,000	37,975	(11,975)
Capital Outlay	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total Expenditures	<u>29,000</u>	<u>29,000</u>	<u>37,975</u>	<u>(8,975)</u>
Net Change in Fund Balance	<u>\$ 3,000</u>	<u>\$ 3,000</u>	8,586	<u>\$ 5,586</u>
FUND BALANCE - Beginning of Year			<u>113,772</u>	
FUND BALANCE - END OF YEAR			<u>\$ 122,358</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 750,695	\$ 868,845	\$ 707,590	\$ (161,255)
Total Revenues	<u>750,695</u>	<u>868,845</u>	<u>707,590</u>	<u>(161,255)</u>
EXPENDITURES				
Current:				
Economic development	<u>750,695</u>	<u>868,845</u>	<u>720,636</u>	<u>148,209</u>
Total Expenditures	<u>750,695</u>	<u>868,845</u>	<u>720,636</u>	<u>148,209</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(13,046)	<u>\$ (13,046)</u>
FUND BALANCE - Beginning of Year			<u>-</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (13,046)</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 88,200	\$ 125,285	\$ 70,712	\$ (54,573)
Total Revenues	<u>88,200</u>	<u>125,285</u>	<u>70,712</u>	<u>(54,573)</u>
EXPENDITURES				
Current:				
Economic development	<u>88,200</u>	<u>125,285</u>	<u>69,530</u>	<u>55,755</u>
Total Expenditures	<u>88,200</u>	<u>125,285</u>	<u>69,530</u>	<u>55,755</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	1,182	<u>\$ 1,182</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(1,773)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (591)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,707,380	\$ 2,707,380	\$ 2,707,380	\$ -
Intergovernmental	54,000	54,000	54,354	354
Fines, forfeitures and penalties	61,000	61,000	47,608	(13,392)
Charges for services	33,025	33,025	44,165	11,140
Use of money and property	100	100	-	(100)
Miscellaneous	16,000	16,000	13,806	(2,194)
Total Revenues	<u>2,871,505</u>	<u>2,871,505</u>	<u>2,867,313</u>	<u>(4,192)</u>
EXPENDITURES				
Current:				
Libraries	<u>3,193,155</u>	<u>3,193,155</u>	<u>3,036,157</u>	<u>156,998</u>
Total Expenditures	<u>3,193,155</u>	<u>3,193,155</u>	<u>3,036,157</u>	<u>156,998</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(321,650)</u>	<u>(321,650)</u>	<u>(168,844)</u>	<u>152,806</u>
OTHER FINANCING SOURCES				
Transfers in	<u>261,650</u>	<u>261,650</u>	<u>261,650</u>	<u>-</u>
Total Other Financing Sources	<u>261,650</u>	<u>261,650</u>	<u>261,650</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (60,000)</u>	<u>\$ (60,000)</u>	92,806	<u>\$ 152,806</u>
FUND BALANCE - Beginning of Year			<u>20,498</u>	
FUND BALANCE - END OF YEAR			<u>\$ 113,304</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - NSP2 GRANT
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 43,290	\$ 250,000	\$ 327,138	\$ 77,138
Charges for services	77,080	77,080	73,875	(3,205)
Miscellaneous	-	-	165,846	165,846
Total Revenues	<u>120,370</u>	<u>327,080</u>	<u>566,859</u>	<u>239,779</u>
EXPENDITURES				
Current:				
Economic development	<u>108,500</u>	<u>315,210</u>	<u>300,785</u>	<u>14,425</u>
Total Expenditures	<u>108,500</u>	<u>315,210</u>	<u>300,785</u>	<u>14,425</u>
Excess of revenues over expenditures	<u>11,870</u>	<u>11,870</u>	<u>266,074</u>	<u>254,204</u>
OTHER FINANCING USES				
Transfers out	<u>(11,870)</u>	<u>(11,870)</u>	<u>(11,377)</u>	<u>493</u>
Total Other Financing Uses	<u>(11,870)</u>	<u>(11,870)</u>	<u>(11,377)</u>	<u>493</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	254,697	<u>\$ 254,697</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(260,946)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (6,249)</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 485,070	\$ 485,070	\$ 485,325	\$ 255
Use of money and property	-	-	116	116
Total Revenues	<u>485,070</u>	<u>485,070</u>	<u>485,441</u>	<u>371</u>
EXPENDITURES				
Current:				
Economic development	<u>436,565</u>	<u>436,565</u>	<u>436,793</u>	<u>(228)</u>
Total Expenditures	<u>436,565</u>	<u>436,565</u>	<u>436,793</u>	<u>(228)</u>
Excess of revenues over expenditures	<u>48,505</u>	<u>48,505</u>	<u>48,648</u>	<u>143</u>
OTHER FINANCING USES				
Transfers out	<u>(49,000)</u>	<u>(49,000)</u>	<u>(97,529)</u>	<u>(48,529)</u>
Total Other Financing Uses	<u>(49,000)</u>	<u>(49,000)</u>	<u>(97,529)</u>	<u>(48,529)</u>
Net Change in Fund Balance	<u>\$ (495)</u>	<u>\$ (495)</u>	<u>(48,881)</u>	<u>\$ (48,386)</u>
FUND BALANCE - Beginning of Year			<u>49,060</u>	
FUND BALANCE - END OF YEAR			<u>\$ 179</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 415	\$ 415	\$ 821	\$ 406
Use of money and property	10,000	10,000	6,005	(3,995)
Total Revenues	<u>10,415</u>	<u>10,415</u>	<u>6,826</u>	<u>(3,589)</u>
EXPENDITURES				
Current:				
Economic development	3,640,000	3,640,000	61,079	3,578,921
Capital Outlay	-	-	605,481	(605,481)
Debt Service				
Principal	165,000	165,000	165,000	-
Interest and fiscal charges	<u>334,475</u>	<u>334,475</u>	<u>334,445</u>	<u>30</u>
Total Expenditures	<u>4,139,475</u>	<u>4,139,475</u>	<u>1,166,005</u>	<u>2,973,470</u>
Net Change in Fund Balance	<u>\$ (4,129,060)</u>	<u>\$ (4,129,060)</u>	(1,159,179)	<u>\$ 2,969,881</u>
FUND BALANCE - Beginning of Year			<u>3,882,386</u>	
FUND BALANCE - END OF YEAR			<u>\$ 2,723,207</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(35,210)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (35,210)</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,205	\$ 1,205	\$ 7,895	\$ 6,690
Total Revenues	<u>1,205</u>	<u>1,205</u>	<u>7,895</u>	<u>6,690</u>
EXPENDITURES				
Economic development	1,205	1,205	-	1,205
Total Expenditures	<u>1,205</u>	<u>1,205</u>	<u>-</u>	<u>1,205</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 <u>\$ -</u>	 7,895	 <u>\$ 7,895</u>
 FUND BALANCE (DEFICIT) - Beginning of Year			 <u>(1,844)</u>	
 FUND BALANCE - END OF YEAR			 <u>\$ 6,051</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 249,925	\$ 249,925	\$ 138,600	\$ (111,325)
Use of money and property	-	-	17	17
Total Revenues	<u>249,925</u>	<u>249,925</u>	<u>138,617</u>	<u>(111,308)</u>
EXPENDITURES				
Economic development	<u>249,925</u>	<u>249,925</u>	<u>143,950</u>	<u>105,975</u>
Total Expenditures	<u>249,925</u>	<u>249,925</u>	<u>143,950</u>	<u>105,975</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(5,333)	<u>\$ (5,333)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(32,304)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (37,637)</u>	

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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ -	\$ 500	\$ 500
Total Revenues	-	-	500	500
EXPENDITURES				
Current:				
Economic development	-	20,800	28,149	(7,349)
Capital Outlay	-	324,000	301,908	22,092
Total Expenditures	-	344,800	330,057	14,743
Net Change in Fund Balance	\$ -	\$ (344,800)	(329,557)	\$ 15,243
FUND BALANCE (DEFICIT) - Beginning of Year			(3,605,347)	
FUND BALANCE (DEFICIT) - END OF YEAR			\$ (3,934,904)	

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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ 107,575	\$ 143,433	\$ 35,858
Use of money and property	-	10	13	3
Total Revenues	<u>-</u>	<u>107,585</u>	<u>143,446</u>	<u>35,861</u>
EXPENDITURES				
Debt Service				
Principal	-	84,415	84,415	-
Interest and fiscal charges	-	53,325	53,321	4
Total Expenditures	<u>-</u>	<u>137,740</u>	<u>137,736</u>	<u>4</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (30,155)</u>	5,710	<u>\$ 35,865</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(2,915,822)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (2,910,112)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT FINANCING #13
 For the Year Ended December 31, 2015

	<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	-	-	11,441	(11,441)
Total Expenditures	-	-	11,441	(11,441)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(11,441)	<u>\$ (11,441)</u>
FUND BALANCE - Beginning of Year			-	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (11,441)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - HOME BUYER TRUST GRANT
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 107,845	\$ 113,735	\$ 68,085	\$ (45,650)
Total Revenues	<u>107,845</u>	<u>113,735</u>	<u>68,085</u>	<u>(45,650)</u>
EXPENDITURES				
Current:				
Economic development	107,845	113,735	148,853	(35,118)
Total Expenditures	<u>107,845</u>	<u>113,735</u>	<u>148,853</u>	<u>(35,118)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(80,768)	<u>\$ (80,768)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(5,514)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (86,282)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - TRUST EMERGENCY REPAIR
For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 98,300	\$ 98,300	\$ 61,386	\$ (36,914)
Total Revenues	<u>98,300</u>	<u>98,300</u>	<u>61,386</u>	<u>(36,914)</u>
EXPENDITURES				
Current:				
Economic development	<u>98,300</u>	<u>98,300</u>	<u>61,011</u>	<u>37,289</u>
Total Expenditures	<u>98,300</u>	<u>98,300</u>	<u>61,011</u>	<u>37,289</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	375	<u>\$ 375</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(375)</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 - ABANDONED PROPERTY PROGRAM
 For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 58,910	\$ 58,910	\$ 37,228	\$ (21,682)
Total Revenues	<u>58,910</u>	<u>58,910</u>	<u>37,228</u>	<u>(21,682)</u>
EXPENDITURES				
Current:				
Economic development	58,910	58,910	48,314	10,596
Total Expenditures	<u>58,910</u>	<u>58,910</u>	<u>48,314</u>	<u>10,596</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(11,086)	<u>\$ (11,086)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(1,213)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (12,299)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - AG GRANT
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ 250,000	\$ -	\$ (250,000)
Total Revenues	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>(250,000)</u>
EXPENDITURES				
Current:				
Economic development	-	250,000	79,590	170,410
Total Expenditures	<u>-</u>	<u>250,000</u>	<u>79,590</u>	<u>170,410</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(79,590)	<u>\$ (79,590)</u>
FUND BALANCE - Beginning of Year			-	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (79,590)</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BLIGHT REDUCTION PROGRAM For the Year Ended December 31, 2015

	<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	-	350,000	23,552	326,448
Capital Outlay	-	-	658	(658)
Total Expenditures	-	350,000	24,210	325,790
Net Change in Fund Balance	\$ -	\$ (350,000)	(24,210)	\$ 325,790
FUND BALANCE - Beginning of Year			-	
FUND BALANCE (DEFICIT) - END OF YEAR			\$ (24,210)	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 15	\$ 15
Miscellaneous	144,000	144,000	-	(144,000)
Total Revenues	<u>144,000</u>	<u>144,000</u>	<u>15</u>	<u>(143,985)</u>
EXPENDITURES				
Debt Service				
Principal	1,999,445	1,999,445	1,999,445	-
Interest and fiscal charges	<u>1,233,005</u>	<u>1,233,005</u>	<u>1,089,243</u>	<u>143,762</u>
Total Expenditures	<u>3,232,450</u>	<u>3,232,450</u>	<u>3,088,688</u>	<u>143,762</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,088,450)</u>	<u>(3,088,450)</u>	<u>(3,088,673)</u>	<u>(223)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>3,088,450</u>	<u>3,088,450</u>	<u>3,088,688</u>	<u>238</u>
Total Other Financing Sources	<u>3,088,450</u>	<u>3,088,450</u>	<u>3,088,688</u>	<u>238</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	15	<u>\$ 15</u>
FUND BALANCE - Beginning of Year			<u>49,417</u>	
FUND BALANCE - END OF YEAR			<u>\$ 49,432</u>	

CITY OF MOLINE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS For the Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 7,196,000	\$ 7,196,000	\$ 7,273,445	\$ 77,445
Charges for services	20,000	20,000	64,303	44,303
Use of money and property	-	-	6,741	6,741
Miscellaneous	-	-	200,206	200,206
Total Revenues	<u>7,216,000</u>	<u>7,216,000</u>	<u>7,544,695</u>	<u>328,695</u>
EXPENDITURES				
Current				
Economic development	1,695,000	1,695,000	1,581,342	113,658
Public works	-	-	188,571	(188,571)
General government	-	444,050	576,091	(132,041)
Capital Outlay	2,590,000	2,590,000	2,319,801	270,199
Debt Service				
Interest and fiscal charges	-	-	2,300	(2,300)
Total Expenditures	<u>4,285,000</u>	<u>4,729,050</u>	<u>4,668,105</u>	<u>60,945</u>
Excess of revenues over expenditures	<u>2,931,000</u>	<u>2,486,950</u>	<u>2,876,590</u>	<u>389,640</u>
OTHER FINANCING USES				
Transfers out	<u>(3,090,000)</u>	<u>(3,090,000)</u>	<u>(3,088,688)</u>	<u>1,312</u>
Total Other Financing Uses	<u>(3,090,000)</u>	<u>(3,090,000)</u>	<u>(3,088,688)</u>	<u>1,312</u>
Net Change in Fund Balance	<u>\$ (159,000)</u>	<u>\$ (603,050)</u>	(212,098)	<u>\$ 390,952</u>
FUND BALANCE - Beginning of Year			<u>2,470,525</u>	
FUND BALANCE - END OF YEAR			<u>\$ 2,258,427</u>	

CITY OF MOLINE

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
As of December 31, 2015

	<u>Stormwater Utility</u>	<u>Sanitation Utility</u>	<u>Total Nonmajor Enterprise Funds</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 630,374	\$ 397,798	\$ 1,028,172
Investments	-	6,017	6,017
Receivables (net)			
Accounts	<u>259,005</u>	<u>239,166</u>	<u>498,171</u>
Total Current Assets	<u>889,379</u>	<u>642,981</u>	<u>1,532,360</u>
Noncurrent Assets			
Capital Assets			
Land improvements	332,397	-	332,397
Infrastructure	15,317,133	-	15,317,133
Less: Accumulated depreciation	<u>(5,094,401)</u>	<u>-</u>	<u>(5,094,401)</u>
Total Noncurrent Assets	<u>10,555,129</u>	<u>-</u>	<u>10,555,129</u>
Total Assets	<u>11,444,508</u>	<u>642,981</u>	<u>12,087,489</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	<u>60,358</u>	<u>193,528</u>	<u>253,886</u>
Total Deferred Outflows of Resources	<u>60,358</u>	<u>193,528</u>	<u>253,886</u>
LIABILITIES			
Current Liabilities			
Accounts payable	66,864	73,239	140,103
Accrued wages	3,050	11,140	14,190
Compensated absences	4,546	26,077	30,623
Accrued interest	3,585	2,424	6,009
Due to other funds	894	1,019	1,913
Interfund advances	-	92,359	92,359
General obligation bonds	<u>46,796</u>	<u>-</u>	<u>46,796</u>
Total Current Liabilities	<u>125,735</u>	<u>206,258</u>	<u>331,993</u>
Noncurrent Liabilities			
Long-Term Debt			
Net pension liability	7,135	22,876	30,011
General obligation bonds	458,593	-	458,593
Compensated absences	<u>13,637</u>	<u>78,231</u>	<u>91,868</u>
Total Noncurrent Liabilities	<u>479,365</u>	<u>101,107</u>	<u>580,472</u>
Total Liabilities	<u>605,100</u>	<u>307,365</u>	<u>912,465</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refunding	23,919	-	23,919
Deferred inflows of resources related to pensions	<u>3,658</u>	<u>11,730</u>	<u>15,388</u>
Total Deferred Inflows of Resources	<u>27,577</u>	<u>11,730</u>	<u>39,307</u>
NET POSITION			
Net investment in capital assets	10,025,821	-	10,025,821
Unrestricted	<u>846,368</u>	<u>517,414</u>	<u>1,363,782</u>
TOTAL NET POSITION	<u>\$ 10,872,189</u>	<u>\$ 517,414</u>	<u>\$ 11,389,603</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2015

	<u>Stormwater Utility</u>	<u>Sanitation Utility</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES			
Charges for services	\$ 1,064,684	\$ 2,385,541	\$ 3,450,225
Intergovernmental	-	32,612	32,612
Miscellaneous	377	242,126	242,503
Total Operating Revenues	<u>1,065,061</u>	<u>2,660,279</u>	<u>3,725,340</u>
OPERATING EXPENSES			
Salaries	172,474	513,958	686,432
Employee benefits	66,852	182,350	249,202
Professional services	90,735	24,134	114,869
Property services	228,705	1,414,708	1,643,413
Other services	9,905	107,574	117,479
Supplies	3,868	23,991	27,859
Depreciation	331,965	-	331,965
Total Operating Expenses	<u>904,504</u>	<u>2,266,715</u>	<u>3,171,219</u>
Operating Income	<u>160,557</u>	<u>393,564</u>	<u>554,121</u>
NON-OPERATING REVENUES (EXPENSES)			
Use of money and property	882	110	992
Interest and fiscal charges	(19,997)	(4,013)	(24,010)
Total Non-Operating Revenues (Expenses)	<u>(19,115)</u>	<u>(3,903)</u>	<u>(23,018)</u>
Net Income (Loss) Before Transfers	<u>141,442</u>	<u>389,661</u>	<u>531,103</u>
TRANSFERS			
Transfers in	-	127,753	127,753
Total Transfers	<u>-</u>	<u>127,753</u>	<u>127,753</u>
Change in Net Position	141,442	517,414	658,856
NET POSITION - Beginning of Year (as restated)	<u>10,730,747</u>	<u>-</u>	<u>10,730,747</u>
NET POSITION - END OF YEAR	<u>\$ 10,872,189</u>	<u>\$ 517,414</u>	<u>\$ 11,389,603</u>

CITY OF MOLINE

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2015

	Stormwater Utility	Sanitation Utility	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Received from customers	\$ 1,061,777	\$ 2,178,987	\$ 3,240,764
Paid to suppliers for goods and services	(292,329)	(1,497,168)	(1,789,497)
Paid to employees for services	(234,738)	(739,782)	(974,520)
Other receipts	377	242,126	242,503
Net Cash Flows From Operating Activities	<u>535,087</u>	<u>184,163</u>	<u>719,250</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments sold and matured	248,371	-	248,371
Investment income	1,020	110	1,130
Investments purchased	-	(6,017)	(6,017)
Net Cash Flows From Investing Activities	<u>249,391</u>	<u>(5,907)</u>	<u>243,484</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	127,753	127,753
Proceeds from interfund accounts	-	93,378	93,378
Payments from interfund accounts	(1,059)	-	(1,059)
Net Cash Flows From Noncapital Financing Activities	<u>(1,059)</u>	<u>221,131</u>	<u>220,072</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payment on bonds payable	(46,239)	-	(46,239)
Interest paid	(22,897)	(1,589)	(24,486)
Acquisition and construction of capital assets	(581,965)	-	(581,965)
Net Cash Flows From Capital and Related Financing Activities	<u>(651,101)</u>	<u>(1,589)</u>	<u>(652,690)</u>
Net Change in Cash and Cash Equivalents	132,318	397,798	530,116
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>498,056</u>	<u>-</u>	<u>498,056</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 630,374</u>	<u>\$ 397,798</u>	<u>\$ 1,028,172</u>

	Stormwater Utility	Sanitation Utility	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	\$ 160,557	\$ 393,564	\$ 554,121
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities			
Depreciation	331,965	-	331,965
Changes in assets and liabilities			
Accounts receivable	(2,907)	(239,166)	(242,073)
Deferred outflows related to pensions	(40,903)	(193,528)	(234,431)
Accounts payable	40,884	73,239	114,123
Accrued salaries	(6,479)	11,140	4,661
Compensated absences	3,490	104,308	107,798
Net pension liability	44,822	22,876	67,698
Deferred inflows related to pensions	<u>3,658</u>	<u>11,730</u>	<u>15,388</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 535,087</u>	<u>\$ 184,163</u>	<u>\$ 719,250</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
None			

CITY OF MOLINE

COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS As of December 31, 2015

	Health Insurance	Information Technology	Liability Insurance	Fleet
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 2,898,454	\$ 3,291	\$ 2,269,219	\$ 258,411
Investments	5,155,546	352,164	6,929,950	5,158,200
Restricted investments	839,975	-	-	-
Receivables				
Accrued interest	6,015	-	1,080	26,552
Due from other governments	10,670	-	-	-
Due from other funds	664,079	270,000	1,015,000	411,384
Inventories	-	-	-	102,712
Total Current Assets	<u>9,574,739</u>	<u>625,455</u>	<u>10,215,249</u>	<u>5,957,259</u>
Noncurrent Assets				
Capital assets				
Construction in progress	-	-	-	111,819
Machinery and equipment	-	402,674	-	157,708
Vehicles	-	-	-	13,905,302
Less: Accumulated depreciation	-	(97,092)	-	(8,551,057)
Total Noncurrent Assets	<u>-</u>	<u>305,582</u>	<u>-</u>	<u>5,623,772</u>
Total Assets	<u>9,574,739</u>	<u>931,037</u>	<u>10,215,249</u>	<u>11,581,031</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	61,274	91,051	87,032	294,916
Total Deferred Outflows of Resources	<u>61,274</u>	<u>91,051</u>	<u>87,032</u>	<u>294,916</u>
LIABILITIES				
Current Liabilities				
Accounts payable	9,350	63,173	28,049	74,640
Accrued expenses	3,049	4,630	4,454	15,551
Claims payable	1,046,406	-	1,104,051	-
Compensated absences	-	-	-	57,913
Total Current Liabilities	<u>1,058,805</u>	<u>67,803</u>	<u>1,136,554</u>	<u>148,104</u>
Noncurrent Liabilities				
Compensated absences	-	-	-	173,739
Net pension liability	7,242	10,763	10,288	34,860
Total Noncurrent Liabilities	<u>7,242</u>	<u>10,763</u>	<u>10,288</u>	<u>208,599</u>
Total Liabilities	<u>1,066,047</u>	<u>78,566</u>	<u>1,146,842</u>	<u>356,703</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	3,713	5,519	5,275	17,875
Total Deferred Inflows of Resources	<u>3,713</u>	<u>5,519</u>	<u>5,275</u>	<u>17,875</u>
NET POSITION				
Net investment in capital assets	-	305,582	-	5,623,772
Restricted for impaired investment	-	-	839,975	-
Unrestricted	8,566,253	632,421	8,310,189	5,877,597
TOTAL NET POSITION	\$ 8,566,253	\$ 938,003	\$ 9,150,164	\$ 11,501,369

<u>Public Safety Equipment</u>	<u>Totals</u>
\$ 128,196	\$ 5,557,571
37	17,595,897
-	839,975
-	33,647
-	10,670
-	2,360,463
-	102,712
<u>128,233</u>	<u>26,500,935</u>
-	111,819
-	560,382
-	13,905,302
-	(8,648,149)
-	5,929,354
<u>128,233</u>	<u>32,430,289</u>
-	534,273
-	534,273
-	175,212
-	27,684
-	2,150,457
-	57,913
-	2,411,266
-	173,739
-	63,153
-	236,892
-	2,648,158
-	32,382
-	32,382
-	5,929,354
-	839,975
128,233	23,514,693
<u>\$ 128,233</u>	<u>\$ 30,284,022</u>

CITY OF MOLINE

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2015

	<u>Health Insurance</u>	<u>Information Technology</u>	<u>Liability Insurance</u>	<u>Fleet</u>
OPERATING REVENUES				
Charges for services	\$ 6,338,949	\$ 932,645	\$ 3,348,455	\$ 4,389,300
Fines, forfeitures and penalties	-	-	-	9,317
Intergovernmental	-	-	-	10,500
Miscellaneous	<u>540</u>	<u>3,917</u>	<u>629</u>	<u>29,587</u>
Total Operating Revenues	<u>6,339,489</u>	<u>936,562</u>	<u>3,349,084</u>	<u>4,438,704</u>
OPERATING EXPENSES				
Salaries	171,594	254,988	243,730	930,416
Employee benefits	56,236	125,909	86,608	272,327
Professional services	735,361	22,222	121,875	42,215
Property services	-	441,249	193	186,337
Other services	1,582	161,893	5,129	200,978
Supplies	11,746	155,440	999	1,273,425
Depreciation	-	46,143	-	1,250,003
Insurance claims and changes in reserves	<u>6,539,909</u>	<u>-</u>	<u>819,423</u>	<u>-</u>
Total Operating Expenses	<u>7,516,428</u>	<u>1,207,844</u>	<u>1,277,957</u>	<u>4,155,701</u>
Operating Income (Loss)	<u>(1,176,939)</u>	<u>(271,282)</u>	<u>2,071,127</u>	<u>283,003</u>
NONOPERATING REVENUES				
Use of money and property	28,840	140	25,136	6,126
Gain (loss) on sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,548</u>
Total Nonoperating Revenues	<u>28,840</u>	<u>140</u>	<u>25,136</u>	<u>54,674</u>
Income (Loss) Before Transfers	<u>(1,148,099)</u>	<u>(271,142)</u>	<u>2,096,263</u>	<u>337,677</u>
TRANSFERS				
Transfers in	35,035	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(35,035)</u>	<u>-</u>
Total Transfers	<u>35,035</u>	<u>-</u>	<u>(35,035)</u>	<u>-</u>
Change in net position	(1,113,064)	(271,142)	2,061,228	337,677
NET POSITION - Beginning of Year (as restated)	<u>9,679,317</u>	<u>1,209,145</u>	<u>7,088,936</u>	<u>11,163,692</u>
NET POSITION - END OF YEAR	<u>\$ 8,566,253</u>	<u>\$ 938,003</u>	<u>\$ 9,150,164</u>	<u>\$ 11,501,369</u>

<u>Public Safety Equipment</u>	<u>Totals</u>
\$ 148,265	\$ 15,157,614
-	9,317
-	10,500
-	<u>34,673</u>
<u>148,265</u>	<u>15,212,104</u>
-	1,600,728
-	541,080
-	921,673
-	627,779
-	369,582
327,333	1,768,943
-	1,296,146
-	<u>7,359,332</u>
<u>327,333</u>	<u>14,485,263</u>
<u>(179,068)</u>	<u>726,841</u>
154	60,396
-	<u>48,548</u>
<u>154</u>	<u>108,944</u>
<u>(178,914)</u>	<u>835,785</u>
-	35,035
-	<u>(35,035)</u>
-	-
(178,914)	835,785
<u>307,147</u>	<u>29,448,237</u>
<u>\$ 128,233</u>	<u>\$ 30,284,022</u>

CITY OF MOLINE

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For the Year Ended December 31, 2015

	<u>Health Insurance</u>	<u>Information Technology</u>	<u>Liability Insurance</u>	<u>Fleet</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 6,328,279	\$ 937,292	\$ 3,348,455	\$ 4,409,117
Paid to suppliers for goods and services	(7,208,738)	(760,378)	(2,021,303)	(1,714,871)
Paid to employees for services	(227,121)	(379,327)	(326,930)	(1,184,147)
Other receipts	<u>540</u>	<u>3,917</u>	<u>629</u>	<u>29,587</u>
Net Cash Flows From Operating Activities	<u>(1,107,040)</u>	<u>(198,496)</u>	<u>1,000,851</u>	<u>1,539,686</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investments sold and matured	738,426	-	232,235	-
Investment income	23,269	140	25,313	36,655
Investments purchased	<u>-</u>	<u>(140)</u>	<u>-</u>	<u>(1,745,589)</u>
Net Cash Flows From Investing Activities	<u>761,695</u>	<u>-</u>	<u>257,548</u>	<u>(1,708,934)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	35,035	-	-	-
Transfers out	-	-	(35,035)	-
Proceeds from interfund accounts	1,065,350	162,218	-	1,452,022
Payments on interfund accounts	<u>-</u>	<u>-</u>	<u>(1,016,950)</u>	<u>-</u>
Net Cash Flows From Noncapital Financing Activities	<u>1,100,385</u>	<u>162,218</u>	<u>(1,051,985)</u>	<u>1,452,022</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	(24,544)	-	(1,090,287)
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,924</u>
Net Cash Flows From Capital and Related Financing Activities	<u>-</u>	<u>(24,544)</u>	<u>-</u>	<u>(1,024,363)</u>
Net Change in Cash and Cash Equivalents	755,040	(60,822)	206,414	258,411
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>2,143,414</u>	<u>64,113</u>	<u>2,062,805</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 2,898,454</u></u>	<u><u>\$ 3,291</u></u>	<u><u>\$ 2,269,219</u></u>	<u><u>\$ 258,411</u></u>

<u>Public Safety Equipment</u>	<u>Totals</u>
\$ 148,265	\$ 15,171,408
(327,333)	(12,032,623)
-	(2,117,525)
<u>-</u>	<u>34,673</u>
<u>(179,068)</u>	<u>1,055,933</u>
187,459	1,158,120
154	85,531
<u>-</u>	<u>(1,745,729)</u>
<u>187,613</u>	<u>(502,078)</u>
-	35,035
-	(35,035)
-	2,679,590
<u>-</u>	<u>(1,016,950)</u>
<u>-</u>	<u>1,662,640</u>
-	(1,114,831)
<u>-</u>	<u>65,924</u>
<u>-</u>	<u>(1,048,907)</u>
8,545	1,167,588
<u>119,651</u>	<u>4,389,983</u>
<u>\$ 128,196</u>	<u>\$ 5,557,571</u>

CITY OF MOLINE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2015

	<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)	\$ (1,176,939)	\$ (271,282)	\$ 2,071,127	\$ 283,003
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Depreciation	-	46,143	-	1,250,003
Changes in assets and liabilities				
Due from other governments	(10,670)	-	-	-
Inventory	-	-	-	4,566
Accounts receivable	-	4,647	-	-
Deferred outflows related to pensions	(41,780)	(61,720)	(56,872)	(204,045)
Accounts payable	(49,459)	20,426	(28,359)	(16,482)
Accrued salaries	(6,725)	(9,843)	(9,626)	(27,746)
Claims payable	129,319	-	(1,045,325)	-
Compensated absences	-	-	-	13,508
Net pension liability	45,501	67,614	64,631	219,004
Deferred inflows related to pensions	<u>3,713</u>	<u>5,519</u>	<u>5,275</u>	<u>17,875</u>
 NET CASH FLOWS FROM OPERATING ACTIVITIES	 <u>\$ (1,107,040)</u>	 <u>\$ (198,496)</u>	 <u>\$ 1,000,851</u>	 <u>\$ 1,539,686</u>
 NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
None				

<u>Public Safety Equipment</u>	<u>Totals</u>
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\$ (179,068)	\$ 726,841
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-	1,296,146
---	-----------

-	(10,670)
---	----------

-	4,566
---	-------

-	4,647
---	-------

-	(364,417)
---	-----------

-	(73,874)
---	----------

-	(53,940)
---	----------

-	(916,006)
---	-----------

-	13,508
---	--------

-	396,750
---	---------

<u>-</u>	<u>32,382</u>
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<u>\$ (179,068)</u>	<u>\$ 1,055,933</u>
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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.	172 - 183
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).	184 - 192
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.	193 - 195
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.	196 - 199
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.	200 - 203

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			
	2006	2007	2008	2009
Governmental activities:				
Net investment in capital assets	\$ 57,201,501	\$ 64,345,991	\$ 62,717,995	\$ 67,051,552
Restricted	3,802,073	3,825,048	3,497,820	3,226,583
Unrestricted	(2,992,608)	(7,485,636)	(6,248,183)	(4,691,148)
Total governmental activities net position	\$ 58,010,966	\$ 60,685,403	\$ 59,967,632	\$ 65,586,987
Business-type activities:				
Net investment in capital assets	\$ 59,268,471	\$ 61,300,888	\$ 63,358,764	\$ 63,346,784
Restricted	3,930,285	3,212,217	3,223,930	2,907,993
Unrestricted	12,636,602	12,044,541	12,242,148	12,966,157
Total business-type activities net position	\$ 75,835,358	\$ 76,557,646	\$ 78,824,842	\$ 79,220,934
Primary government:				
Net investment in capital assets	\$ 116,469,972	\$ 125,646,879	\$ 126,076,759	\$ 130,479,024
Restricted	7,732,358	7,037,265	6,721,750	6,134,576
Unrestricted	9,643,994	4,558,905	5,993,965	8,194,321
Total primary government net position	\$ 133,846,324	\$ 137,243,049	\$ 138,792,474	\$ 144,807,921

* In fiscal year 2015, the City implemented GASB Statement No. 68 and No. 71. Prior years were not restated for implementation of these standards.

		Fiscal Year									
		2010	2011	2012	2013	2014	2015*				
\$	60,561,906	\$	64,773,235	\$	64,794,955	\$	69,270,835	\$	73,034,640	\$	75,198,750
	3,178,920		10,947,408		9,797,845		10,953,300		11,073,433		4,931,844
	5,848,804		(4,605,803)		3,014,315		2,943,737		1,585,337		(95,924,233)
\$	69,589,630	\$	71,114,840	\$	77,607,115	\$	83,167,872	\$	85,693,410	\$	(15,793,639)
\$	68,733,516	\$	66,540,179	\$	67,397,675	\$	69,185,100	\$	74,199,856	\$	77,650,937
	2,962,455		-		-		-		-		-
	8,998,712		15,611,201		20,509,107		20,524,743		19,354,029		22,770,534
\$	80,694,683	\$	82,151,380	\$	87,906,782	\$	89,709,843	\$	93,553,885	\$	100,421,471
\$	129,295,422	\$	131,313,414	\$	132,192,630	\$	138,455,935	\$	147,234,496	\$	152,849,687
	6,141,375		10,947,408		9,797,845		10,953,300		11,073,433		4,931,844
	14,847,516		11,005,398		23,523,422		23,468,480		20,939,366		(73,153,699)
\$	150,284,313	\$	153,266,220	\$	165,513,897	\$	172,877,715	\$	179,247,295	\$	84,627,832

CITY OF MOLINE

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

	Fiscal Year			
	2006	2007	2008	2009
Expenses:				
Governmental activities:				
General government	\$ 6,209,170	\$ 2,861,969	\$ 1,954,577	\$ 2,497,892
Public safety	19,197,144	21,505,184	24,551,936	23,770,749
Public works	13,286,755	16,514,727	16,002,231	12,760,178
Economic development	3,617,303	5,080,793	7,368,010	4,238,506
Culture and recreation	4,070,794	3,983,659	4,759,742	2,154,698
Libraries	1,370,287	3,185,328	3,267,811	3,000,735
Debt service	3,965,343	3,766,018	3,998,121	3,810,629
Total governmental activities expenses	51,716,796	56,897,678	61,902,428	52,233,387
Business-type activities:				
Water	6,782,301	6,897,268	6,994,231	6,762,061
Water pollution control	5,766,169	5,647,112	5,633,636	5,992,480
Stormwater	753,809	837,297	954,319	900,169
Sanitation utility	-	-	-	-
Curbside	-	-	357,248	485,115
Total business-type activities expenses	13,302,279	13,381,677	13,939,434	14,139,825
Total primary government expenses	65,019,075	70,279,355	75,841,862	66,373,212
Program revenue:				
Governmental activities:				
Charges for services:				
General government	3,606,167	3,780,916	3,499,674	1,591,131
Public safety	1,481,127	1,694,783	1,839,004	1,666,990
Public works	-	29,050	26,080	28,245
Economic development	941,417	29,050	980,325	1,844,984
Cemetery	177,303	965,790	-	-
Culture and recreation	540,617	627,459	814,418	663,845
Libraries	53,847	76,241	79,335	86,953
Operating grants and contributions:				
General government	933,115	459,185	151,569	573,760
Public safety	349,811	644,216	1,629,770	794,497
Public works	1,655,498	1,349,795	1,250,500	1,210,507
Economic development	1,080,080	1,863,312	1,989,553	2,138,597
Culture and recreation	87,220	220,387	280,410	237,227
Libraries	4,609	111,747	71,400	25,743
Capital grants and contributions	53,900	53,550	52,990	52,951
Total governmental activities program revenue	10,964,711	11,905,481	12,665,028	10,915,430
Business-type activities:				
Charges for services:				
Water	7,160,628	7,006,038	7,296,886	7,152,112
Water pollution control	5,398,128	5,365,875	5,797,693	5,737,278
Stormwater	1,091,219	1,012,055	1,004,611	990,071
Sanitation Utility	-	-	-	-
Curbside	-	-	357,049	475,202
Operating grants and contributions, stormwater	-	-	133,458	-
Operating grants and contributions, sanitation utility	-	-	-	-
Capital grants and contributions:				
Water	205,100	118,275	1,042,382	89,300
Water pollution control	37,600	54,000	238,015	-
Stormwater management	-	-	68,777	-
Total business-type activities program revenues	13,892,675	13,556,243	15,938,871	14,443,963
Total primary government program revenues	24,857,386	25,461,724	28,603,899	25,359,393
Net (expense) revenue:				
Governmental activities	(40,752,085)	(44,992,197)	(49,237,400)	(41,317,957)
Business-type activities	590,396	174,566	1,999,437	304,138
Total primary government net expense	(40,161,689)	(44,817,631)	(47,237,963)	(41,013,819)

(Continued)

Fiscal Year						
	2010	2011	2012	2013	2014	2015*
\$	2,573,283	\$ 3,048,061	\$ 4,678,673	\$ 6,400,325	\$ 6,027,581	\$ 6,129,078
	25,475,065	23,931,072	26,453,904	26,230,567	28,532,961	32,743,973
	13,289,803	14,854,483	13,100,178	13,581,591	12,008,677	10,047,153
	4,366,582	12,199,242	5,703,904	4,649,505	7,979,497	7,986,373
	2,499,745	2,290,352	4,289,430	4,107,095	4,030,594	3,940,281
	3,119,042	4,296,255	3,122,944	3,286,888	3,507,337	3,427,001
	3,585,046	3,367,407	3,159,415	3,219,688	2,114,083	1,895,618
	54,908,566	63,986,872	60,508,448	61,475,659	64,200,730	66,169,477
	7,664,423	6,931,688	6,692,550	7,799,833	7,513,581	7,966,242
	6,091,218	5,874,480	5,793,013	7,350,887	6,645,093	6,635,307
	908,505	873,083	817,808	886,694	791,319	921,152
	-	-	-	-	-	2,153,247
	439,393	-	-	-	-	-
	15,103,539	13,679,251	13,303,371	16,037,414	14,949,993	17,675,948
	70,012,105	77,666,123	73,811,819	77,513,073	79,150,723	83,845,425
	1,605,665	1,663,452	4,249,059	4,198,329	2,446,485	2,493,166
	1,654,274	1,692,816	1,839,572	1,674,289	1,688,604	2,145,201
	47,963	869,270	1,437,251	1,624,255	1,900,307	-
	840,736	890,973	1,069,280	1,231,960	1,092,010	1,060,010
	-	-	-	-	-	-
	870,273	694,276	796,596	638,640	667,483	572,899
	85,210	88,446	89,585	89,018	82,485	91,773
	457,079	452,430	279,108	208,969	265,997	284,383
	497,248	583,974	664,619	479,703	715,395	447,832
	1,321,750	1,375,564	1,508,724	1,317,711	1,426,512	1,063,046
	1,653,434	5,791,971	1,352,034	867,653	1,633,877	2,273,560
	43,089	53,200	37,464	75,425	106,539	155,610
	41,468	85,658	53,756	104,444	70,408	42,604
	44,692	44,790	44,592	44,685	54,354	54,354
	9,162,881	14,286,820	13,421,640	12,555,081	12,150,456	10,684,438
	7,300,576	7,124,628	9,058,944	8,804,776	9,185,423	9,071,831
	6,445,526	7,016,140	8,939,213	7,985,352	8,552,663	8,904,761
	965,327	998,088	1,031,616	993,694	1,010,036	1,064,684
	-	-	-	-	-	2,624,476
	476,870	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	32,612
	1,116,318	-	-	-	-	-
	231,500	-	-	-	-	1,193,353
	-	-	-	-	-	-
	16,536,117	15,138,856	19,029,773	17,783,822	18,748,122	22,891,717
	25,698,998	29,425,676	32,451,413	30,338,903	30,898,578	33,576,155
	(45,745,685)	(49,700,052)	(47,086,808)	(48,920,578)	(52,050,274)	(55,485,039)
	1,432,578	1,459,605	5,726,402	1,746,408	3,798,129	5,215,769
	(44,313,107)	(48,240,447)	(41,360,406)	(47,174,170)	(48,252,145)	(50,269,270)

CITY OF MOLINE

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

	Fiscal Year			
	2006	2007	2008	2009
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 15,534,342	\$ 16,360,726	\$ 17,543,384	\$ 18,117,131
Sales taxes	10,218,879	10,329,548	10,180,790	9,975,304
Home rule sales tax	6,483,054	6,658,480	6,611,526	6,219,676
Income taxes	3,586,058	3,907,201	4,138,395	3,557,485
Personal property replacement taxes	2,216,170	2,720,044	2,508,904	2,281,414
Hotel/motel tax	1,092,998	1,155,277	1,267,206	1,144,394
Other taxes	1,817,802	2,004,746	1,803,392	1,804,182
Franchise tax	2,158,817	2,340,998	2,340,621	2,284,129
Investment earnings	1,227,350	1,609,674	1,096,194	492,259
Miscellaneous	631,387	608,990	1,032,666	1,061,338
Transfers	-	-	(3,449)	-
Total governmental activities	44,966,857	47,695,684	48,519,629	46,937,312
Business-type activities:				
Intergovernmental	-	-	-	-
Investment earnings	440,001	546,228	260,931	86,482
Miscellaneous	-	1,494	3,379	5,472
Transfers	-	-	3,449	-
Total business-type activities	440,001	547,722	267,759	91,954
Total primary government	45,406,858	48,243,406	48,787,388	47,029,266
Changes in net position:				
Governmental activities	4,214,772	2,674,437	(717,771)	5,619,355
Business-type activities	1,030,397	722,288	2,267,196	396,092
Total primary government	\$ 5,245,169	\$ 3,396,725	\$ 1,549,425	\$ 6,015,447

* In fiscal year 2015, the City implemented GASB Statement No. 68 and No. 71. Prior years were not restated for implementation of these standards.

							Fiscal Year					
							2010	2011	2012	2013	2014	2015*
\$	17,855,293	\$	17,830,538	\$	19,018,508	\$	18,763,482	\$	18,701,710	\$	18,904,016	
	10,989,828		10,683,518		10,557,865		10,571,512		10,775,214		11,527,502	
	7,844,608		8,207,285		8,153,477		8,033,044		8,036,609		8,459,182	
	2,857,866		3,108,624		2,947,521		4,193,186		4,117,929		4,701,778	
	2,398,869		2,245,652		2,169,704		2,482,937		2,412,288		2,309,544	
	1,205,644		1,269,800		1,302,793		1,342,272		1,646,428		1,680,307	
	2,636,109		4,260,755		5,331,484		2,114,142		1,898,239		5,424,178	
	2,257,915		2,305,142		2,408,460		5,625,686		6,011,954		1,832,842	
	402,708		543,568		541,203		521,985		462,656		354,116	
	1,227,715		741,666		1,148,068		833,089		512,785		689,427	
	-		28,714		-		-		-		(127,753)	
	49,676,555		51,225,262		53,579,083		54,481,335		54,575,812		55,755,139	
	-		-		-		37,703		-		-	
	35,068		15,132		18,814		18,557		38,474		28,408	
	6,103		10,674		10,186		393		7,439		18,235	
	-		(28,714)		-		-		-		127,753	
	41,171		(2,908)		29,000		56,653		45,913		174,396	
	49,717,726		51,222,354		53,608,083		54,537,988		54,621,725		55,929,535	
	3,930,870		1,525,210		6,492,275		5,560,757		2,525,538		270,100	
	1,473,749		1,456,697		5,755,402		1,803,061		3,844,042		5,390,165	
\$	5,404,619	\$	2,981,907	\$	12,247,677	\$	7,363,818	\$	6,369,580	\$	5,660,265	

CITY OF MOLINE

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

Function / Program	Fiscal Year			
	2006	2007	2008	2009
Governmental activities:				
General government	\$ 4,539,282	\$ 4,240,101	\$ 3,651,243	\$ 2,164,891
Public safety	1,830,938	2,338,999	3,468,774	2,461,487
Public works	1,655,498	1,378,845	1,276,580	1,238,752
Cemetery	177,303	-	-	-
Economic development	2,021,497	2,829,102	2,969,878	3,983,581
Culture and recreation	627,837	847,846	1,094,828	901,072
Libraries	112,356	241,538	203,725	165,647
Total governmental activities	10,964,711	11,876,431	12,665,028	10,915,430
Business-type activities:				
Water	7,365,728	7,124,313	8,339,268	7,241,412
Sewer	5,435,728	5,419,875	6,035,708	5,737,278
Stormwater	1,091,219	1,012,055	1,206,846	990,071
Sanitation Utility	-	-	-	-
Curbside	-	-	357,049	475,202
Total business-type activities	13,892,675	13,556,243	15,938,871	14,443,963
Total government	\$ 24,857,386	\$ 25,432,674	\$ 28,603,899	\$ 25,359,393

		Fiscal Year									
		2010	2011	2012	2013	2014	2015				
\$	2,062,744	\$	2,115,882	\$	4,528,167	\$	4,407,298	\$	2,712,482	\$	2,777,549
	2,151,522		2,276,790		2,504,191		2,153,992		2,403,999		2,593,033
	1,369,713		2,244,834		2,945,975		2,941,966		3,326,819		1,063,046
	-		-		-		-		-		-
	2,494,170		6,682,944		2,421,314		2,099,613		2,725,887		3,333,570
	913,362		747,476		834,060		714,065		774,022		728,509
	171,370		218,894		187,933		238,147		207,247		188,731
	9,162,881		14,286,820		13,421,640		12,555,081		12,150,456		10,684,438
	8,416,894		7,124,628		9,058,944		8,804,776		9,185,423		9,071,831
	6,677,026		7,016,140		8,939,213		7,985,352		8,552,663		10,098,114
	965,327		998,088		1,031,616		993,694		1,010,036		1,064,684
	-		-		-		-		-		2,657,088
	476,870		-		-		-		-		-
	16,536,117		15,138,856		19,029,773		17,783,822		18,748,122		22,891,717
\$	25,698,998	\$	29,425,676	\$	32,451,413	\$	30,338,903	\$	30,898,578	\$	33,576,155

CITY OF MOLINE

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

	Fiscal Year			
	2006	2007	2008	2009
General Fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unassigned	-	-	-	-
Reserved	1,285,780	2,750,421	2,709,469	2,856,481
Unreserved	10,712,344	12,077,644	12,174,488	11,542,429
Total General Fund	\$ 11,998,124	\$ 14,828,065	\$ 14,883,957	\$ 14,398,910
All Other Governmental Funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	444,632	7,901,321	7,608,107	7,549,677
Unreserved, reported in:				
Special revenue funds	3,362,616	2,465,248	(634,396)	(2,787,027)
Debt service funds	-	20,328	52,134	98,559
Capital projects funds	6,667,527	3,783,994	4,313,832	2,919,023
Total all other government funds	\$ 10,474,775	\$ 14,170,891	\$ 11,339,677	\$ 7,780,232

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

		Fiscal Year									
		2010	2011	2012	2013	2014	2015				
\$	-	\$	4,031,322	\$	4,884,461	\$	4,941,415	\$	7,118,690	\$	7,401,182
	-		345,609		386,631		291,573		75,574		-
	-		10,635,397		12,857,666		13,875,268		12,669,971		14,274,264
	3,800,315		-		-		-		-		-
	10,308,466		-		-		-		-		-
\$	14,108,781	\$	15,012,328	\$	18,128,758	\$	19,108,256	\$	19,864,235	\$	21,675,446
\$	-	\$	527,840	\$	2,000	\$	12,338	\$	182,595	\$	1,000
	-		10,956,793		9,813,174		9,394,808		7,489,953		6,897,412
	-		2,034,819		2,863,062		2,188,721		2,288,930		2,258,427
	-		45,054		220,608		176,910		191,668		323,862
	-		(12,654,569)		(8,896,116)		(8,700,208)		(11,033,379)		(11,663,712)
	8,579,975		-		-		-		-		-
	(3,630,630)		-		-		-		-		-
	(6,957,917)		-		-		-		-		-
	2,345,314		-		-		-		-		-
\$	336,742	\$	909,937	\$	4,002,728	\$	3,072,569	\$	(880,233)	\$	(2,183,011)

CITY OF MOLINE

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

	Fiscal Year			
	2006	2007	2008	2009
Revenues:				
Taxes	\$ 42,980,668	\$ 45,411,222	\$ 46,551,605	\$ 45,345,529
Licenses and permits	816,825	810,858	841,424	731,901
Intergovernmental	3,638,524	3,852,527	5,108,216	3,975,090
Charges for services	4,746,186	5,208,113	5,202,252	4,984,534
Fines, forfeitures and penalties	590,372	549,508	569,627	485,287
Use of money and property	951,980	1,207,368	691,364	364,195
Other	1,632,919	1,126,523	1,331,191	1,702,510
Total revenues	55,357,474	58,166,119	60,295,679	57,589,046
Expenditures:				
General government	3,594,313	3,887,576	3,600,975	3,329,074
Public safety	20,188,107	20,947,310	23,620,556	23,189,309
Public works	9,951,054	9,665,799	10,924,327	9,851,889
Economic development	3,697,966	4,176,988	4,710,934	4,293,106
Culture and recreation	3,580,364	3,316,175	3,874,815	3,590,174
Library	2,548,700	2,906,180	3,001,445	2,869,311
Capital outlay	15,078,131	7,556,706	5,050,853	5,620,897
Debt service:				
Principal	2,777,409	3,905,983	4,425,625	5,261,295
Interest	3,955,433	3,614,144	3,854,973	3,693,859
Bond issuance cost	-	209,503	-	-
Total expenditures	65,371,477	60,186,364	63,064,503	61,698,914
Excess of revenues (under) expenditures	(10,014,003)	(2,020,245)	(2,768,824)	(4,109,868)
Other financing sources (uses):				
Transfers in	8,777,961	10,007,781	7,255,943	9,093,663
Transfers out	(8,777,961)	(10,007,781)	(7,262,679)	(9,093,663)
Issuance of long-term debt	-	17,550,000	-	-
Payment to refunded bond escrow agent	-	(9,733,353)	-	-
Premium (discount) on long-term debt	-	(86,826)	-	-
Proceeds from sale of property	-	816,481	238	65,376
Total other financing sources (uses)	-	8,546,302	(6,498)	65,376
Net changes in fund balance	\$ (10,014,003)	\$ 6,526,057	\$ (2,775,322)	\$ (4,044,492)
Debt service as a percentage of noncapital expenditures				
	10.3%	13.6%	14.6%	16.0%

							Fiscal Year					
2010		2011		2012		2013		2014		2015		
\$	47,227,867	\$	49,609,256	\$	53,047,052	\$	53,403,858	\$	53,606,119	\$	54,511,475	
	778,997		826,474		928,845		1,072,353		944,646		895,225	
	4,147,311		6,456,009		5,144,976		2,793,630		3,623,317		3,865,065	
	5,555,656		6,403,824		7,132,019		6,788,358		5,295,578		3,932,498	
	418,879		446,250		378,304		384,377		403,928		363,680	
	375,638		538,976		563,323		545,696		471,422		358,220	
	1,553,127		1,155,557		1,566,666		1,107,234		871,521		1,069,927	
	60,057,475		65,436,346		68,761,185		66,095,506		65,216,531		64,996,090	
	2,882,614		2,828,944		2,629,173		3,523,896		3,655,951		3,692,121	
	24,564,811		25,130,024		25,545,707		27,084,431		27,270,357		27,569,324	
	10,139,948		11,126,862		10,637,878		11,591,414		10,306,969		7,553,630	
	4,024,389		12,254,178		5,496,553		4,640,362		7,945,345		7,985,035	
	3,647,417		3,526,436		3,676,577		3,626,496		3,721,123		3,396,436	
	2,890,066		3,026,917		2,911,431		3,108,651		3,211,623		3,139,658	
	4,527,110		6,373,438		7,472,975		5,335,564		6,688,957		4,288,446	
	11,769,437		4,272,034		9,226,854		4,696,171		4,919,886		4,688,860	
	3,465,664		3,384,968		2,484,662		2,528,880		2,306,953		2,057,374	
	-		293,732		560,987		-		-		-	
	67,911,456		72,217,533		70,642,797		66,135,865		70,027,164		64,370,884	
	(7,853,981)		(6,781,187)		(1,881,612)		(40,359)		(4,810,633)		625,206	
	8,085,837		8,095,594		7,199,789		5,348,714		9,306,309		3,721,471	
	(8,085,837)		(8,066,880)		(7,199,789)		(5,506,979)		(9,306,309)		(3,849,224)	
	-		16,820,000		36,522,224		-		1,600,000		-	
	-		(9,862,838)		(30,767,495)		-		-		-	
	-		831,053		2,305,855		-		-		-	
	120,362		441,000		30,249		247,963		13,810		10,980	
	120,362		8,257,929		8,090,833		89,698		1,613,810		(116,773)	
\$	(7,733,619)	\$	1,476,742	\$	6,209,221	\$	49,339	\$	(3,196,823)	\$	508,433	
	23.8%		11.7%		18.3%		11.9%		11.5%		11.2%	

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
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
2014	18,701,710	8,009,258	10,704,494	4,163,228	2,412,288
2015	18,904,016	8,387,730	11,367,924	4,626,731	2,309,544
Change 2006-2015	18.4%	22.7%	17.9%	27.2%	-8.7%

Source: City records.

	Hotel/Motel Tax	Other Taxes	Franchise Taxes	Utility Tax	Total
\$	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	47,607,021
	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	53,047,390
	1,342,272	5,625,686	2,098,865	3,070,908	56,474,766
	1,646,428	2,706,876	1,956,759	3,305,078	53,606,119
	1,680,307	2,475,764	1,811,045	2,948,414	54,511,475
	35.9%	26.6%	-19.2%	100.0%	22.6%

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
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
2014	558,972,122	280,062,224	13,761,903	133,381
2015	561,906,781	283,182,024	13,743,797	190,331

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	Total	Percent	Total Direct	Total Taxable
	Property	Assessed	Growth	Tax Rate	Assessed
		Value			Value
\$	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
	855,871	853,785,501	-0.60%	2.0638	711,781,582
	883,957	859,906,890	0.72%	Not Available	712,314,009

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 Municipal Retirement Fund	Capital Improvement Fund	Park and Recreation Fund	Library Fund
2005	0.5386	0.1862	0.1584	0.1388	0.0456	0.3316	0.3844
2006	0.5228	0.1950	0.1708	0.1404	0.0438	0.3288	0.3852
2007	0.5904	0.2128	0.1798	0.1144	0.0000	0.3634	0.3678
2008	0.5616	0.2346	0.1978	0.1008	0.0000	0.3616	0.3660
2009	0.2732	0.3096	0.2778	0.1778	0.0000	0.3526	0.3606
2010	0.1806	0.3606	0.3070	0.1966	0.0000	0.3494	0.3572
2011	0.0304	0.4044	0.4136	0.2350	0.0000	0.3512	0.3590
2012	0.0000	0.4526	0.4092	0.2518	0.0000	0.3606	0.3686
2013	0.0000	0.4858	0.4348	0.2566	0.0000	0.3060	0.3728
2014	0.0000	0.4902	0.4978	0.2344	0.0000	0.3672	0.3754

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 2015 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
0.1758	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	0.7200	0.1444	0.0690	0.0716	0.1742	0.5016
0.1742	1.9966	5.0188	0.7570	0.1490	0.0910	0.0734	0.1768	0.5356
0.1772	1.9288	5.0266	0.7604	0.2048	0.0938	0.0742	0.1812	0.5337
0.1810	1.9324	5.0584	0.8574	0.2096	0.0000	0.0734	0.1822	0.5324
0.1808	1.9744	5.0600	0.8684	0.2146	0.0000	0.0750	0.1872	0.5369
0.1840	2.0268	5.0590	0.7898	0.2254	0.0974	0.0750	0.1948	0.5403
0.1940	2.0500	5.1090	0.9036	0.2326	0.1148	0.0750	0.2054	0.5427
0.0988	2.0638	5.1120	0.9406	0.2414	0.1190	0.0750	0.2082	0.5485

CITY OF MOLINE

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

Taxpayer	2015			2006		
	Taxable Assessed	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed	Rank	Percentage of Total City Taxable Assessed Value
	Value		Value	Value		Value
Southpark Mall	\$ 9,871,086	1	1.39%	\$ 10,971,932	1	1.53%
Mills at Riverbend Commons	4,691,773	2	0.66%			
Financial District Properties	4,382,292	3	0.62%			
United Healthcare	3,945,903	4	0.55%	2,455,579	9	0.34%
Deere & Company	3,878,880	5	0.54%	7,651,188	2	1.07%
Walmart	3,549,988	6	0.50%	3,529,373	4	0.49%
Heritage Place	2,977,588	7	0.42%			
Hiland Toyota	2,907,191	8	0.41%			
Pedcor/Valley View Apartments	2,800,000	9	0.39%			
Radisson/TGIFriday	2,742,194	10	0.38%	2,681,356	5	0.37%
Cityline Plaza				3,333,333	3	0.47%
MidAmerica Asset				2,666,666	6	0.37%
Pine Ridge Apartments				2,552,005	7	0.36%
Lowe's				2,516,440	8	0.35%
Homewood Manor				2,325,962	10	0.33%
Total	\$ 41,746,895		5.86%	\$ 40,683,834		5.69%

Total Taxable EAV \$712,314,009

\$715,253,556

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
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%
2014	2013	14,684,000	14,677,835	99.96%
2015	2014	14,684,000	14,628,872	99.62%

Source: Rock Island County Auditor

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 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%
16,742	14,692,087	100.06%
14,778	14,692,613	100.06%
-	14,628,872	99.62%

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	Less Amount Available in	Net General	Installment		
	Bonds	Debt Service	Bonded Debt	Note		
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
2014	57,928,682	49,417	57,879,265	1,558,948	8.35%	1,367
2015	52,928,225	49,432	52,878,793	1,474,533	7.63%	1,250

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.

Note: Beginning in 2014, the general obligation bonds are presented net of unamortized premium and discount.

Business-Type		Activities		Total Primary Government	Percentage of Per Capita Income	Per Capita
Loan Payable	General Obligation Bonds					
\$ 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	6.37%		1,769
9,201,227	6,672,419		75,361,276	3.45%		1,733
21,232,475	6,031,348		81,666,581	N/A		1,878

CITY OF MOLINE

Direct and Overlapping Governmental Activities Debt For the Year Ended December 31, 2015 (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
East Moline School District Number 37	\$ 11,660,000	3.65%	\$ 425,590
United Township High School District Number 30	1,010,000	2.41%	24,341
Moline School District Number 40	26,796,655	86.35%	23,138,912
Blackhawk Community College District Number 503	31,620,000	19.95%	6,308,190
Rock Island County	20,730,000	30.41%	6,303,993
Rock Island County Forest Preserve	4,585,000	30.41%	1,394,299
Metropolitan Mass Transit Authority	-	30.41%	-
Metropolitan Airport Authority	21,745,000	38.97%	8,474,027
Subtotal, overlapping debt	118,146,655		46,069,351
City Direct Debt	54,402,758	100.00%	54,402,758
Total direct and overlapping debt	172,549,413		<u><u>\$ 100,472,109</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)
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	1,168,692,591	26,877	7.5%
2013	43,483	50,084	1,206,653,250	27,750	6.9%
2014	43,483	50,388	2,183,237,947	50,209	6.0%
2015	43,483	N/A	N/A	N/A	6.0%

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	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Trinity Moline	2,700	1	4.06%			
Deere & Company	2,315	2	3.48%	6,470	1	8.86%
Moline School District	860	3	1.29%	1,042	2	1.43%
Black Hawk College	825	4	1.24%	899	4	1.23%
HyVee	700	5	1.05%			
WIU	501	6	0.75%			
Walmart	450	7	0.68%	495	7	0.68%
Key Buick Dodge	400	8	0.60%			
City of Moline	383	9	0.58%	405	8	0.55%
United Healthcare	360	10	0.54%			
Kone				900	3	1.23%
Rock Island Argus				350	9	0.48%
iWireless				480	6	0.66%
Eagle Foods				644	5	0.88%
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)

Functions/Program	Full-Time Equivalent Employees as of December 31			
	2015	2014	2013	2012
General Government:				
Legislative	10.0	10	10.00	10.00
City Administrator	1.0	1	1.00	1.50
Human Resources	1.5	1.45	1.48	1.48
Information Technology	4.0	4	4.00	4.00
Health Benefits	2.5	2.5	2.44	2.44
Liability Insurance	3.2	3.15	3.18	3.08
Public Information	0.0		0.00	0.00
Planning	8.2	8.15	5.08	4.38
GIS	0.0	0	0.00	0.00
Economic Development	0.0	0	0.00	0.00
Code Compliance	5.2	5.15	5.15	5.15
Community Development	0.0	0	3.95	5.85
TIF	0.0	0	1.62	1.77
Finance	11.0	11	11.00	10.50
Law	4.8	4.75	5.25	5.00
Parks and Recreation:	19.0	19	8.00	8.00
Police:				
Officers	80.5	80.5	80.50	83.00
Civilians	45.0	45	44.00	42.00
Fire:				
Firefighters and Officers	61.5	61.5	66.50	62.00
Civilians	1.0	1	1.00	1.00
Public Works:				
Bike Trail	1.0	1	1.00	1.00
Administration	2.5	2.5	2.50	2.50
Building and Grounds	8.2	8.22	8.22	9.22
Engineering	12.7	12.7	13.70	13.70
Traffic Signal	2.0	2	1.00	1.00
Streets	21.5	21.54	21.54	21.54
Sanitation	8.3	8.34	8.34	8.34
Park Maintenance	0.0	0	11.00	11.00
Fleet	10.9	10.9	10.90	10.90
Water:				
Administration	2.3	2.25	2.25	2.25
Water Plant	13.0	13	13.00	14.00
Distribution	13.4	13.5	13.50	12.50
Metering	3.6	3.5	3.50	3.50
Water Pollution Control:				
Administration	2.3	2.25	2.25	2.25
North Slope	7.5	7.5	7.50	7.50
South Slope	10.5	10.5	10.50	10.50
Sewer Maintenance	7.8	7.8	7.80	7.80
Regional	0.2	0.2	0.20	0.20
Stormwater	2.2	2.15	2.15	2.15
Library	28.0	28	28.00	28.00
Total	416.00	416.00	423.00	421.00

Source: City Personnel Department

Full-Time Equivalent Employees as of December 31

2011	2010	2009	2008	2007	2006
10.00	10.00	10.00	10.00	10.00	10.25
2.00	2.00	2.00	2.00	2.00	1.75
1.48	1.48	1.48	1.40	1.40	1.40
4.00	0.00	0.00	0.00	4.44	3.00
2.44	2.19	2.19	1.85	2.00	2.00
3.08	3.13	3.13	3.25	3.25	3.25
0.00	0.00	0.00	0.00	0.00	1.00
4.33	10.90	10.60	3.65	3.75	3.75
0.00	0.00	0.00	0.00	0.00	0.33
0.00	0.00	1.30	1.50	0.50	0.50
5.10	6.00	6.00	6.00	6.00	6.60
6.65	0.00		3.25	2.65	2.65
2.07	0.00	0.00	1.50	1.50	1.50
10.50	10.00	10.00	11.00	12.00	12.00
4.95	9.30	11.30	12.60	4.85	3.15
8.00	8.00	8.00	10.00	10.00	10.00
82.00	83.00	83.00	83.00	82.00	82.00
45.00	46.00	49.00	50.00	53.00	54.00
68.00	69.00	70.00	70.00	70.00	70.00
0.50	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
9.22	9.22	10.42	10.42	10.50	7.50
10.80	11.00	12.00	12.00	15.00	15.00
1.00	1.00	1.00	1.00	1.00	1.00
21.54	22.54	23.04	23.04	22.70	22.70
8.34	8.34	8.64	8.64	9.30	13.30
11.00	12.00	12.00	11.00	11.00	11.00
10.90	9.90	10.90	11.90	11.50	11.50
1.75	2.25	2.75	2.75	3.08	3.08
14.00	14.00	14.00	14.00	14.00	15.00
13.50	12.50	12.50	12.50	12.50	10.50
2.00	4.00	4.00	4.00	4.00	5.00
1.75	2.25	1.92	2.25	2.58	2.58
7.50	7.50	7.17	7.50	7.50	7.50
10.50	10.50	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
2.10	2.00	2.00	2.00	2.00	2.00
28.00	28.00	29.00	30.00	30.00	30.00
426.00	431.00	443.33	448.00	450.00	450.79

CITY OF MOLINE

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

Function/Program	2006	2007	2008	2009
Police:				
Calls for service	56,071	57,143	58,965	59,138
Adult arrest - Misdemeanor and Felony	1,880	1,999	2,448	2,432
Adult arrest - City Ordinance	496	392	494	439
Juvenile arrest - Misdemeanor and Felony	280	136	267	210
Juvenile arrest - City Ordinance	808	759	675	510
Traffic citations (includes speeding citations)	7,094	8,724	10,674	9,579
Fire:				
Total fire runs	1,013	1,151	1,940	1,287
Total ambulance runs	3,345	3,741	4,306	4,175
ISO Rating	3	3	3	3
Building safety:				
Total building permits	3,559	4,177	4,143	4,072
Total value all permits	\$ 78,587,632	\$ 73,677,247	\$ 68,625,974	\$ 40,006,035
Library:				
Number of Materials Loaned	397,327	498,703	510,998	525,678
Gate Count	285,605	373,562	315,775	337,152
Number of Registered Borrowers	24,059	26,123	27,640	21,218
Public Works:				
Solid Waste Collected (tons)	17,149	15,964	14,250	13,985
Recycle collected (ton)	3,391	3,166	3,500	2,273

Source: City Departments

Calendar Year						
2010	2011	2012	2013	2014	2015	
55,821	55,842	58,583	50,864	51,496	64,031	
1,941	2,968	1,802	1,418	1,336	1,434	
248	255	216	200	289	297	
257	363	265	170	281	141	
599	578	513	417	500	461	
8,508	7,023	6,995	5,662	5,884	5,374	
1,330	1,163	1,384	1,187	1,213	1,166	
4,257	4,331	4,314	4,320	4,513	4,994	
3	3	3	3	3	3	
3,180	3,442	1,430	1,425	1,328	3,559	
\$ 25,693,988	\$ 62,381,967	\$ 71,658,637	\$ 184,490,526	\$ 153,565,470	\$ 78,587,632	
501,661	459,559	428,944	419,656	394,015	394,281	
331,727	306,239	303,226	279,056	271,787	263,461	
25,255	25,425	24,095	23,987	22,286	21,597	
15,275	13,155	14,032	14,500	15,653	16,242	
4,947	2,169	2,509	2,388	2,237	2,190	

CITY OF MOLINE

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

Function/Program	2006	2007	2008	2009
Police:				
Stations	1	1	1	1
Sub Stations	3	3	4	4
Fire, Fire Stations	4	4	4	4
Public Works:				
Collection Trucks	7	7	7	7
Miles of Pavement	682	682	682	686
Traffic Signals	102	102	102	103
Parks & Recreation:				
Park Acreage	698	698	698	608
Parks	22	22	22	22
Cemetery Acreage	112	112	112	110
Bike Path (miles)	11	11	11	11
Swimming pools	1	1	1	1
Library:				
Facilities	2	2	2	1
Volumes	183,261	199,597	200,603	205,000
Water:				
Watermain (miles)	207	228	230	207
Water Customers Served	17,055	16,722	16,761	17,055
Storage Capacity (MGPD)	8	9.1	9.1	8
Average Daily Consumption (MGPD)	5.2	5.3	5.2	5.2
Peak Consumption (MGPD)	9.3	7.3	6.7	9.3
Treatment Plants	1	1	1	1
Watermain Breaks	38	45	48	47
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

2010	2011	2012	2013	2014	2015
1	1	1	1	1	1
4	4	4	4	4	4
4	4	4	4	4	4
7	7	7	7	7	7
686	686	688	703	703	250
104	104	105	106	110	111
608	608	610	610	610	610
22	22	23	23	23	23
110	110	110	110	110	110
11	11	11	11	11	11
1	1	1	1	1	1
1	1	1	1	1	1
211,856	259,869	211,438	197,016	203,417	202,813
234	236	237	237	238	238
16,588	16,710	17,192	16,818	16,846	16,871
9.1	9.1	9.1	9.1	9	9.1
5	5	5	4.7	5	4.8
6.6	7.7	8.3	6.9	6	5.9
1	1	1	1	1	1
55	48	59	50	67	114
204	206	208	208	209	209
16,640	16,640	16,799	16,752	16,770	16,804
14	14	14	14	15	15
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, 2015, 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 26, 2016.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 of 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 City of Moline'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 26, 2016

REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditors' Report

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

Report on Compliance for the Major Federal Program

We have audited the City of Moline, Illinois' compliance with the types of compliance requirements described in the *OMB 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, 2015. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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.

To the 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 program for the year ended December 31, 2015.

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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

To the Honorable Mayor and
Members of the City Council

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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 as of and for the year ended December 31, 2015, 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 26, 2016, 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 the Uniform Guidance 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.

Baker Tilly Victor Krom, LLP

Oak Brook, Illinois
May 26, 2016

CITY OF MOLINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

Federal Grantor/Pass Through Grantor/Program Title	CFDA Number	Grant Number	Passed Through to Subrecipients	Expenditures for the Fiscal Year
U.S. Department of Housing and Urban Development				
<i>Direct</i>				
Community Development Block Grants - Entitlement Grants	14.218	B-12-MC-17-0014	\$ -	\$ 988,530
Lead-Based Paint Hazard Control In Privately Owned Housing	14.900	ILLHB0549-13	352,932	720,636
<i>Subtotal Direct</i>			<u>352,932</u>	<u>1,709,166</u>
<i>Passed through the Rock Island Economic Growth Corporation</i>				
Neighborhood Stabilization Program (NSP2) (ARRA)	14.256	B-09-CN-IL-0027	-	240,099
<i>Subtotal passed through Rock Island Economic Growth Corporation</i>			<u>-</u>	<u>240,099</u>
<i>Passed through Illinois Housing Development Authority</i>				
Home Investment Partnerships Program				
2012 Single Family Owner Occupied Rehabilitation	14.239	HO-50532	-	69,531
Homebuyer Trust Fund Program	14.239	STF-50715	-	148,853
Abandoned Property	14.239	APP-50888	-	48,314
Emergency Repair Trust Fund	14.239	STF-50765	-	61,011
Subtotal Home Investment Partnerships Program			<u>-</u>	<u>327,709</u>
<i>Subtotal passed through Illinois Housing Development Authority</i>			<u>-</u>	<u>327,709</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 352,932</u>	<u>\$ 2,276,974</u>
U.S. Department of Justice				
<i>Direct</i>				
Edward Byrne Memorial Justice Assistance Grant Program				
2014 Justice Assistance Grant	16.738	2015-DJ-BX-0066	\$ -	\$ 11,640
Bulletproof Vest Partnership Program				
2014 Bulletproof Vest Partnership Program	16.607	N/A	-	2,594
Total U.S. Department of Justice			<u>\$ -</u>	<u>\$ 14,234</u>
Environmental Protection Agency				
<i>Passed through Illinois Environmental Protection Agency</i>				
Capitalization Grants for Clean Water State Revolving Funds (M)	66.458	L17#4696	\$ -	\$ 2,690,498
Total Environmental Protection Agency			<u>\$ -</u>	<u>\$ 2,690,498</u>
Total Expenditures of Federal Awards			<u>\$ 352,932</u>	<u>\$ 4,981,706</u>

(M) - Denotes Major Program

CITY OF MOLINE, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended December 31, 2015

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 (the City) under programs of the federal government for the year ended December 31, 2015. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

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 the Uniform Guidance, 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 – INDIRECT COST RATE

The City of Moline has not elected to use the 10% de minimis indirect cost rate.

NOTE 4 – FEDERAL LOAN PROGRAM

The City of Moline participates as a subrecipient of federal awards from the Illinois Environmental Protection Agency (IEPA) under the Capitalization Grants for Clean Water State Revolving Funds program (CFDA #66.458). Expenditures incurred for the program are reimbursed with a combination of federal and non-federal funds by the IEPA and, for those costs reimbursed with federal funds, included in the Schedule. The balance of the loans outstanding at December 31, 2015, including both federal and non-federal portions, is \$13,827,045.

CITY OF MOLINE, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2015

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 516(a) of Uniform Guidance?

 yes X no

Auditee qualified as low-risk auditee?

 X yes no

Identification of major federal programs:

CFDA Number(s)

Name of Federal Program or Cluster

66.458

Capitalization Grants for Clean Water
State Revolving Funds

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

\$750,000

CITY OF MOLINE, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2015

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

None noted.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None noted.