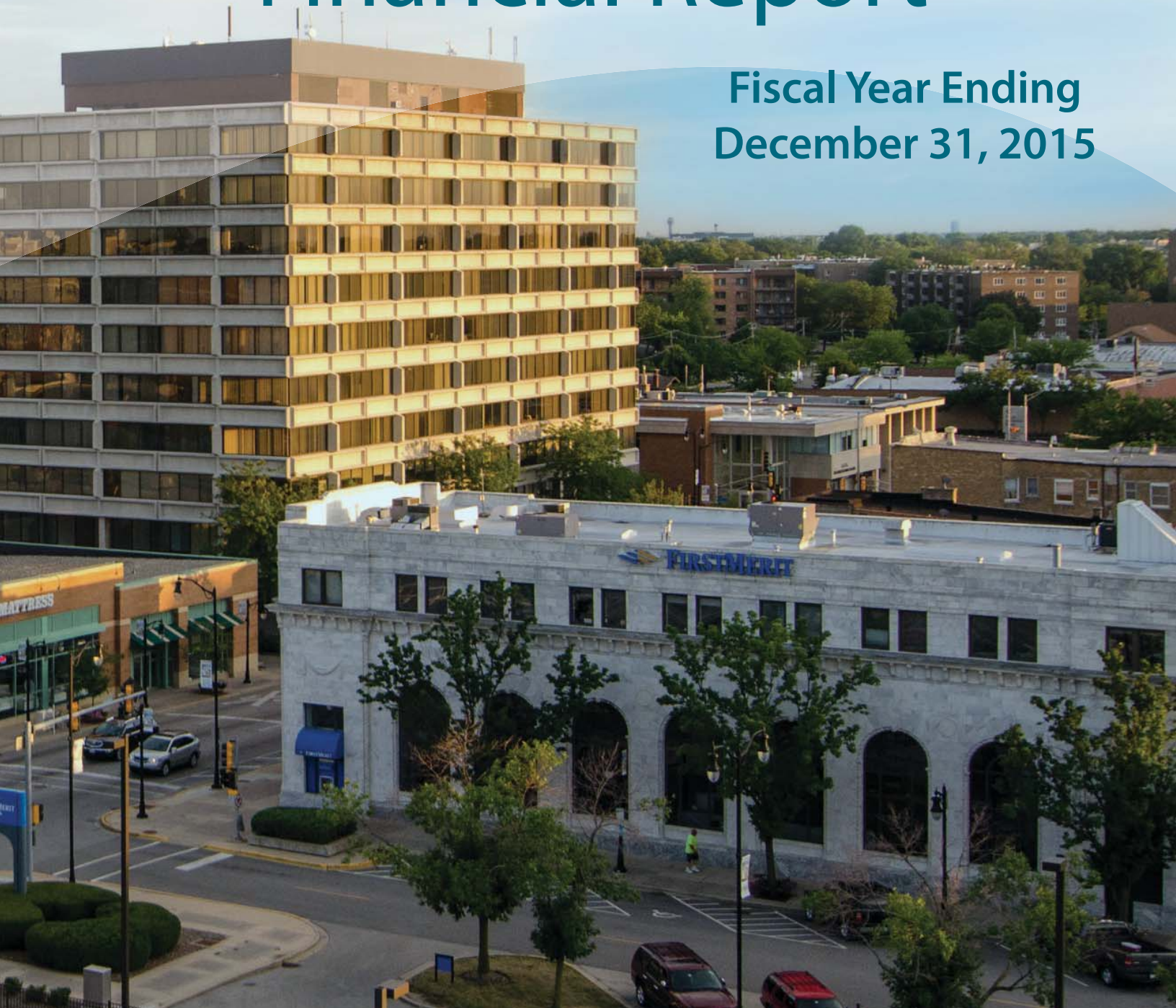


2015 Comprehensive Annual Financial Report

Fiscal Year Ending
December 31, 2015



THE CITY OF DES PLAINES, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Fiscal Year Ended
December 31, 2015

Prepared by the Finance Department

Dorothy Wisniewski
Assistant City Manager/Director of Finance

CITY OF DES PLAINES, ILLINOIS
December 31, 2015

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December 31, 2015

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Finance Department

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June 15, 2016

To the Honorable Mayor, Members of the City Council
Citizens of the City of Des Plaines:

The Comprehensive Annual Financial Report (CAFR) of the City of Des Plaines (City) for the year ended December 31, 2015, is hereby submitted as required by the Illinois Compiled Statutes. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement.

Management staff assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management staff has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable assurance, rather than absolute assurance, that the financial statements will be free of any material misstatements. As management staff, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Crowe Horwath LLP, a firm of independent certified public accountants. The independent auditor concluded that there was a reasonable basis for rendering an unmodified ("clean") opinion on the City of Des Plaines' financial statements for the year ended December 31, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A and this letter of transmittal should be read in conjunction.

Profile of the City of Des Plaines

The City of Des Plaines, Illinois (the City) was founded in 1835 and incorporated in 1869. The City operates under the City Manager form of government approved by voter referendum on November 2, 2004. It is a home rule municipality as defined by the Illinois Constitution. The City is located in northwestern Cook County and covers an area of approximately 15 square miles. The 2010 Decennial Census reported a population of 58,364, a slight decrease from the 2000 Census population of 58,720. The Chicago Metropolitan Agency for Planning (CMAP) population projection for 2040 is 79,389.

The City is located approximately 17 miles northwest of downtown Chicago with O'Hare International Airport bordering on the south. The combination of superior air transportation, good railroads, and a network of expressways continues to foster full development of Des Plaines. O'Hare International Airport provides excellent domestic or international travel opportunities for pleasure, trade, and business. Bus, subway, rail commuter, and freight services are all accessible to and from Des Plaines. As it has throughout its history, Des Plaines continues to be a central hub for transportation.

The City has an above average residential base that is supplemented by substantial commercial and industrial real estate development. Approximately 23.6% of the City's land used is comprised of diversified commercial and light industrial properties.

The City's governing body is the City Council, consisting of the Mayor and eight Aldermen. This governing body is responsible for passing ordinances, adopting the budget, appointing committees, and other related duties. The Mayor, upon the advice and consent of City Council, appoints the City Manager. The City Manager is responsible for carrying out the

policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the City's department heads. The Mayor and the City Clerk are elected at large for four-year terms, while the Aldermen are elected from eight wards for staggered four-year terms.

The City provides a full range of municipal services. These services include police, fire, highways and streets, community development, planning and zoning, engineering and inspection, certain social services, and general administrative services. The City operates its own water system providing Lake Michigan water purchased from the City of Chicago, with sewage treatment provided by the Metropolitan Water Reclamation District. The Des Plaines Park District, a separate governmental entity, primarily provides recreational opportunities. The Mt. Prospect Park District serves a small portion of the City. The Des Plaines Public Library is a component unit of the City and its financial statements are included in this report.

Local Economy

The City continued to see a strengthening in the housing market and economy in general during 2015 as indicated below in the economic development goal of the City Council with an increased number of new developments throughout the year. A major strength of Des Plaines economic base is its diversity. The city's total equalized assessed valuation (EAV) for the 2014 property tax levy collected in 2015 was \$1,717,657,016. This represents a 1.2% increase from the 2013 EAV and is representative of a rebounding local economy. The economic base of Des Plaines is diverse as residential property comprises 56% of the total EAV while commercial and industrial property represent 26% and 17% respectively.

Major employers located within the City's boundaries or in close proximity include Universal Oil Products, LSG Sky Chefs, Sysco Food Systems, Rivers Casino, Holy Family Medical Center and Oakton Community College. Des Plaines is home to 1,784 licensed commercial establishments of which 465 are retail. Des Plaines is comprised of 39,128 jobs (2015, IDES, Where Workers Work); of them, 10.7 percent are in the manufacturing sector, 10.7 percent are in the wholesale sector, 6.2 percent are in retail trade and 13.4 percent are in the healthcare and social assistance. Many of Des Plaines major employers have committed to hiring Des Plaines residents contributing to maintaining a low unemployment rate which is currently at just 6.0 percent for 2015 (not seasonally adjusted, IDES, December, 2015).

Building permit issuance remains strong having issued 2,758 and 2,766 in 2014 and 2015 respectively. The declared valuation from 2014 and 2015 collectively totals \$149 million. When compared to \$60 million in 2012 and 2013 collectively, this represents a 148 percentage increase in activity. This increase signals a strong local economy and validation that the economic development incentives offered in the City of Des Plaines are working.

Long-term Financial Planning

The City Council identified five goals and several strategies to achieve those goals that were formalized into the 2013 Strategic Plan adopted by the City Council on August 5, 2013 via Resolution R-124-13.

The following are the primary goals that define the City's long-term financial planning:

1. **Financial Stability:** Our resources are in optimal balance with City needs and desires, and a stable financial condition endures.
2. **Thriving Economic Development:** Focused, steady growth and creative investment stimulate an increasingly attractive and vital economic climate.
3. **World Class Infrastructure:** Effective storm water management, transportation and water distribution system upgrades inspire community confidence.
4. **Sense of Community:** The value, beauty and feel of the City result in community pride, ownership and well-being.
5. **High Performance:** We are clear, focused, strategic and best-in-class in leadership and service delivery.

The City utilizes a 5 year Capital Improvement Program (CIP) to address major capital and infrastructure improvements. For a project to be included in the CIP, it must involve the creation or purchase of a tangible asset with an original cost of at least \$25,000 and a useful life of more than one year. Starting with 2011 the City established a funding process necessary to replace the City's vehicles and equipment based on a pre-defined schedule. In addition, capital grants are sought at the state and local level for eligible projects on an on-going basis.

Maintaining a healthy fund balance to insure the City's financial strength remains one of the City Council's long-term financial goals. At the close of the fiscal year 2015, the City's total General Fund balance was \$44.1 million, of which the unassigned fund balance was \$22.0 million or 37.5 percent of the General Fund expenditures.

The Water and Sewer fund is the City's major enterprise fund that accounts for revenues and expenses associated with the sale of water and the sanitary sewer system. The fund has been operating in an unbalanced position for the past several years and, as a result, expenses began outpacing revenues. At the end of 2015, the unrestricted net position resulted is a negative \$3.5 million while the total net position at the end of the year was \$19.9 million, an increase of 15.9 percent. In an effort to reverse the operating spending deficit, preserve the enterprise fund reserves, provide funding for investment in equipment and infrastructure renewal and improve quality of water and sewer service for the long term the City Council approved an automatic annual adjustment that matches the City of Chicago annual water rate increase and ensures that the cost of water is covered by the user's fees. To absorb the increase of the delivery cost that includes operation and maintenance expense as well as the capital projects the City is began construction of an alternative water supply source that will be completed in 2016.

The Gaming Tax fund continues to provide the City with the additional resources for an early debt payoff, infrastructure projects and an alternate water source.

Relevant Financial Policies

To help ensure its continual ability to meet immediate and long-term service objectives, the City adopted and adheres to several financial policies. These policies govern the allocation and management of resources. Some of the more prominent policies include the following:

- An investment policy, providing for a high investment return while protecting principal;
- A purchasing policy, setting forth the procedures for ensuring that the best products and services are received at the lowest possible price;
- A policy requiring a quarterly review of revenues and expenditures compared to budget, ensuring that the City Council is aware of major variances;
- A capital policy, setting forth the thresholds for capital assets; and providing guidelines in formulating and adopting the Capital Improvement program;
- An operating budget policy, establishing guidelines in formulating and adopting the operating budget and incorporating GFOA practices;
- A fund balance policy, setting forth the benchmark reserve levels to be maintained in the various funds to ensure proper working capital; i.e. rainy-day funds are maintained to protect against unforeseen economic events.
- A gaming tax policy, restricting use of funds primarily for infrastructure improvements and debt repayment.

Major Initiatives

The collaboration between elected officials and City staff identified opportunities to deliver smart, efficient services to the taxpayers of Des Plaines. During 2015 some of the City's accomplishments included:

- **Financial Stability:**
 - ✓ The past five years have been marked by a 0% increase to the property tax levy benefitting both the residents and the business community, and the City Council continues to place an emphasis on keeping City services affordable to the taxpayers.

- ✓ The finance department revised the City's purchasing policy to increase controls and lead the way to a centralized purchasing function. The amendments to the purchasing policy were adopted by the City Council on April 6, 2015 (M-9-15).
 - ✓ The City Council adopted an ordinance (M-10-15) amending Chapter 7 "Alarm Systems" of Title 5 of the City Code to clarify alarm definitions, simplify the penalty structure, align the number of false alarms for police and fire, and increase the fees for excessive false alarms.
- Economic Development:
 - ✓ Issued a Request for Proposals, selected a developer, and entered in to a Redevelopment Agreement for the redevelopment of 4.4 acres in Tax Increment Finance District #7 (Mannheim/Higgins).
 - ✓ In 2015, the City awarded \$141K in Business Assistance Grants to 12 businesses, which in turn reinvested close to \$340K in capital building improvements.
 - ✓ Entered in to a Sales Tax Sharing Agreement for a new Mariano's at 10 East Golf Road.
 - ✓ Facilitated the approval of several new development projects:
 - 68 room Assisted Living development at 959-971 Lee Street
 - Buckingham Place, 270 apartments and 129 townhomes at 800 Northwest Highway
 - 33 independent living units for the physically disabled at 751 Graceland Avenue
 - 58 Townhome units at 783-841 Lee Street
 - 101 townhomes at 300 Western Avenue
 - ✓ The City continues to focus its support of Cook County's Property Tax Incentive program which resulted in \$26.2 million invested in the construction of the following five projects:
 - 45 East Bradrock Drive: a Class 6b incentive for a 20,522 square foot renovation for VIP Tech Electric and multiple tenants
 - 10 East Golf Road: a Class 7b incentive for a new 73,317 square foot Mariano's
 - 520 Santa Rosa Drive: a Class 6b incentive for a 64,250 renovation for Clingan Steel
 - 350 Howard Street: a Class 6b renewal and expansion for a building addition for Cozzini Bros.
 - 521 Santa Rosa Drive: a Class 6b incentive for renovation of 50,248 square feet for the Ampol Group
- Infrastructure:
 - ✓ Nearly \$19.9 million was invested in 2015 related to a new water source, roads, sewers, sidewalks, and flood control with an additional \$19 million investments planned for 2016 without any new debt being issued.
 - ✓ The Public Works and Engineering department oversaw construction of the newly beautified Ellinwood Street downtown corridor with the newly planted trees and brick-paved sidewalks.
 - ✓ The City continued the construction of the alternate water source and River Road reconstruction projects. Both projects are expected to be completed in 2016.
- Community:
 - ✓ During the 2015 fiscal year, the City held a public hearing in order to gain input on ideas pertaining to the metropolitan square public feature within the City's downtown
 - ✓ Began the recruitment for a special events planner to organize and coordinate City events
 - ✓ Installed a ventra machine at the downtown train station making it easier for commuters to travel
 - ✓ Negotiated peg channel fees for all of the AT&T customers which allows residents access to view public meetings
- High Performance:
 - ✓ Implemented a community and economic development software allowing for a quick turnaround on permits requested
 - ✓ Began offering the renewal of business licenses on-line
 - ✓ Reconfigured City hall vehicle use into a motor pool thus generating savings to the City
 - ✓ Implemented an on-line portal for vehicle sticker sales

- The Finance Department, for the third straight year, submitted a Popular Annual Financial Report (PAFR) to the certification program and once again received the award for outstanding achievement in popular annual financial reporting for its 2014 PAFR. The PAFR Award Program encourages state and local governments to extract information from their CAFR and produce a report specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.
- For seven consecutive years, the City has been a recipient of the Government Finance Officers Association's Distinguished Budget Presentation Award in recognition that the City's budget document meets or exceeds the guidelines established by the National Advisory Council of State and Local Budgeting and the GFOA's best practices.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Des Plaines for its comprehensive annual financial report for the fiscal year ended December 31, 2014. This was the thirty- fifth consecutive year the City has achieved this prestigious award. This award is nationally recognized and represents a significant accomplishment for the City and its management. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine eligibility for another certificate.

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Finance Department staff. Timely and fairly presented financial statements and reports are essential to legislative compliance, creditors, financial analysts, the general public and others having need for government financial information. We would like to thank the City Council and Management Staff for their support in planning and conducting the financial operations of the City in a professional and responsible manner.

Respectfully submitted,



Michael G. Bartholomew
City Manager



Dorothy Wisniewski
Assistant City Manager/Director of Finance



Government Finance Officers Association

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

Presented to

**City of Des Plaines
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



Legislative

Matthew J. Bogusz, Mayor

Gloria J. Ludwig, City Clerk

City Council

Patricia Haugeberg – First Ward

James Brookman – Fifth Ward

John Robinson – Second Ward

Malcolm Chester – Sixth Ward

Denise Rodd – Third Ward

Don Smith – Seventh Ward

Dick Sayad – Fourth Ward

Mike Charewicz – Eighth Ward

Administration

City ManagerMichael G. Bartholomew

General Counsel.....Peter Friedman, Holland & Knight, LLP

Assistant City Manager/Director of Finance Dorothy Wisniewski

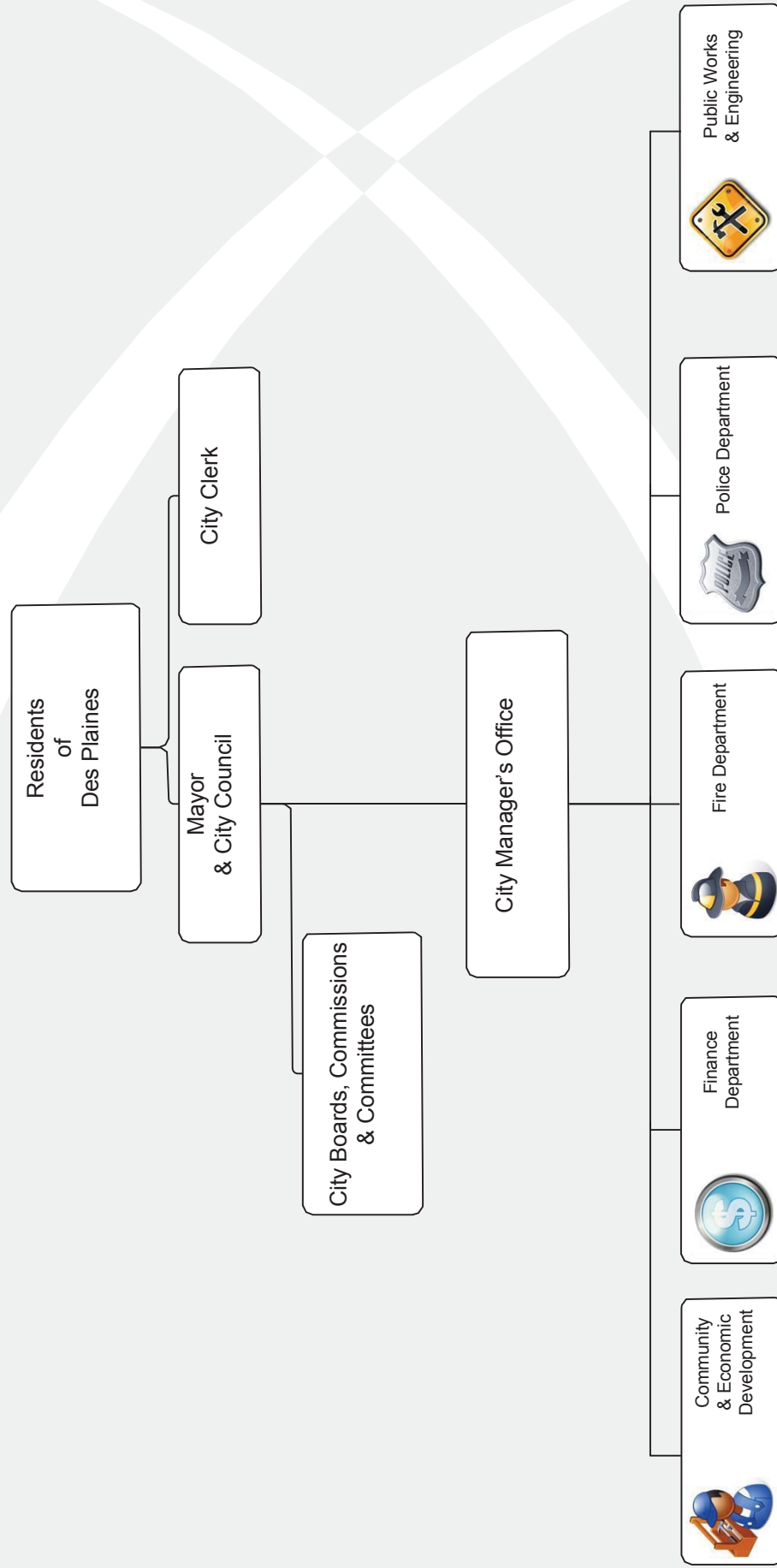
Chief of Police William Kushner

Fire Chief Alan Wax

Director of Public Works & Engineering Timothy Oakley

Director of Community & Economic Development..... George Sakas

City of Des Plaines



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
And Members of the City Council
City of Des Plaines, Illinois
Des Plaines, Illinois 60016

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Des Plaines, Illinois ("City"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, 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

In June 2012 the GASB issued GASB Statement No. 68, "Accounting and Financial Reporting for Pensions." Also, in November 2013 the GASB issued GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date." As disclosed in Note 10, Statements 68 and 71 are effective for the City's fiscal year ending December 31, 2015. These Statements replace the requirements of Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers" and Statement No. 50, "Pension Disclosures." Statements 68 and 71 establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses as well as identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. Note disclosures and required supplementary information requirements about pensions are also addressed. As a result, net position was restated as of January 1, 2015, for the cumulative effect of the applications of these pronouncements. Our opinion is 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 management's discussion and analysis on pages 4 through 17 and the schedules of revenues, expenditures and changes in fund balance – budget and actual for the General fund, TIF #6 (Mannheim/Higgins) fund, and Gaming Tax fund, the historical pension and retirees' health plan information on pages 90 through 102 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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's basic financial statements. The accompanying introductory section, combining and individual fund financial statements and schedules, other supplementary schedules, statistical section, and other information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

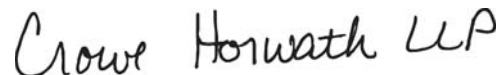
The accompanying 2015 combining and individual fund financial statements and schedules and other supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 2015

combining and individual fund financial statements and schedules and other supplementary schedules have 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 2015 combining and individual fund financial statements and schedules and other supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, 2014 combining and individual fund financial statements and schedules, statistical section, and other information have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2016 on our consideration of City'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's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Crowe Horwath LLP". The signature is written in a cursive, flowing style.

Crowe Horwath LLP

Oak Brook, Illinois
June 15, 2016

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

The following is a discussion and analysis of the City of Des Plaines' (the "City") financial performance for the fiscal year ended December 31, 2015. Use this section in conjunction with the City's basic financial statements. Comparative data is available and presented for this 2015 report.

FINANCIAL HIGHLIGHTS

Government-Wide

The assets and deferred outflows of resources of the City of Des Plaines exceeded its liabilities and deferred inflows of resources by \$144 million (*net position*) as of December 31, 2015. The net position is comprised of \$200.9 million in net investment in capital assets, \$7.2 million in restricted for street and highways, public safety and economic development, offset by a negative \$62.7 million in unrestricted net position. Year over year the net position decreased by \$114.7 million primarily due to a decrease of \$128.3 million in the unrestricted net position as a result of the GASB 68 implementation and offset by an increase of \$15 million in invested in capital assets.

Fund Level

Governmental Funds: As of December 31, 2015, the City's governmental funds reported a combined ending fund balance of \$69.8 million, an increase of \$1.2 million from fiscal 2014. The City reported an unrestricted fund balance of \$8.4 million in fiscal 2015.

- The City's General Fund ended the year with total revenues exceeding total expenditures by \$5.7 million. Combined with other financing net uses of \$3.7 million, the December 31, 2015 fund balance increased by \$2.1 million.
- Local government state shared revenues, i.e. state income, municipal sales and personal property replacement tax increased by \$94 thousand. However, in 2014 the City received a onetime increase in municipal sales tax revenue due to an additional \$600 thousand in collections resulting from a state audit.
- The City received \$24.7 million in taxes generated from the revenues at Rivers Casino, \$3.4 million in admission tax (\$1 per admission), and \$21.3 million in wagering tax (5% of all wagering activities). Pursuant to the contractual agreement with Midwest Gaming, the City is required and has distributed \$10 million of the total gaming tax revenue to the State of Illinois with an additional \$5.9 million (40% of the total revenue over \$10 million) amongst the 10 benefiting communities named in the agreement. The remaining amount of \$8.8 million in gaming tax revenue will be discussed by the City Council as part of the 2017 Budget process and allocated towards expenditures approved in the gaming tax revenue and expenditure policy such as capital infrastructure projects and early debt payoff.

Proprietary Funds: The proprietary funds reported a net position of \$31.0 million as of December 31, 2015, an increase of \$2.5 million or 8.9 percent from fiscal 2014, primarily due to increasing investment in capital assets.

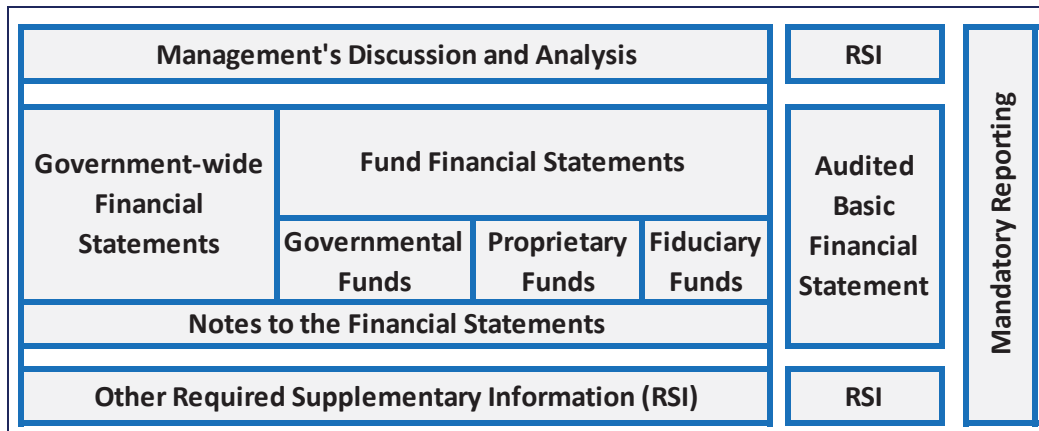
CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2015

Debt Service: The City's total bonds outstanding decreased by \$3.8 million or 9.4 percent during fiscal 2015. This amount represents the net difference between net issuances, payments and refunding of outstanding bond debt. No issuances or refunding was done in 2015.

More detailed information regarding the government-wide, fund level and long-term debt activities can be found in the debt administration section of this management's discussion and analysis (MD&A).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic depicts the flow of components in the Comprehensive Annual Financial Report.



In accordance with generally accepted accounting principles (GAAP), the City presents its financial statements so as to offer two perspectives of its financial position and results of operations. The government-wide perspective presents financial information for the government as a whole. The fund perspective involves the presentation of financial information for individual accounting entities established by the City for specific purposes. The Financial Section of this annual report presents the City's financial position and activities in four parts:

- Management Discussion and Analysis (MD&A)
- The Basic Financial Statements
- Required Supplementary Information other than MD&A
- Other Supplementary Information presenting combining statements and schedules

The report also includes statistical and economic data. The basic financial statements include government-wide financial statements, fund financial statements and notes to financial statements, which provide more detailed information to supplement the basic financial statements.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

Reporting the City as a Whole

The government-wide financial statements are designed to present an overall picture of the financial position of the City. These statements consist of the *Statement of Net Position* and the *Statement of Activities*, which are prepared using the economic resources measurement focus and the accrual basis of accounting. This means that all the current year's revenues and expenses are included, regardless of when cash is received or paid, producing a view of the financial position similar to that presented by most private sector companies.

The *Statement of Net Position* combines and consolidates governmental funds' current financial resources with capital assets and long-term obligations. This statement includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position represents one measure of the City's financial health.

Other indicators of the City's financial health include the condition of its roads and streets (infrastructure) and economic trends affecting the City's future revenues.

The *Statement of Activities* focuses on both the gross and net cost of various activities (including governmental, business-type and component unit). These costs are paid by the City's general taxes and other revenues. This statement summarizes the cost of providing (or the subsidy provided by) specific government services and includes all current year revenues and expenses.

The government-wide *Statement of Net Position* and the *Statement of Activities* divide the City's activities into the following three types:

- *Governmental Activities* – The City's basic services are reported here, including the police, fire, public works, and general administration. Taxes, fees as well as state and federal grants finance most of these activities.
- *Business-type Activities* – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water/sewer system and parking facilities are reported here.
- *Component Unit* – The Des Plaines Public Library is the City's only discretely presented component unit. Although legally separate, this "component unit" is important because the City is financially accountable for its operations.

Reporting the City's Most Significant Funds

Fund financial statements provide additional detail about the City's financial position and activities. Some information presented in the fund financial statements differs from the government-wide statements due to the perspective and basis of accounting used. Funds are presented on the fund-

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

level statements as major and nonmajor based on criteria set by the Government Accounting Standards Board (GASB).

A fund is a separate accounting entity with a self-balancing set of accounts. The City uses funds to keep track of sources of funding and spending related to specific activities. All of the City's funds are divided into three categories: *governmental funds, proprietary funds, and fiduciary funds.*

- *Governmental Funds* – A majority of the City's activity is reported in governmental funds. Reporting of these funds focuses on the flow of money into and out of the funds and amounts remaining at fiscal year-end for future spending. Governmental funds are accounted for using the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash.

The governmental fund financial statements provide a detailed short-term view of the City's general governmental operations and the basic services it provides. This information helps determine the level of resources available for the City's programs. The reconciliations following the fund financial statements explain the differences between the governmental activities column reported on the government-wide statement of net position and the government-wide statement of activities, and the governmental funds reported on the fund financial statements.

The General fund, TIF #6 fund, Gaming Tax fund, Grant Projects fund, and Capital Projects fund are reported as major governmental funds.

- *Proprietary Funds* - When the City charges customers for services it provides, these activities are generally reported in proprietary funds. Services provided to outside (non-governmental) customers are reported in enterprise funds, a component of proprietary funds, and are accounted for using the economic resources measurement focus and the accrual basis of accounting. These are the same business-type activities reported in the government-wide financial statements, but are reported here to provide information at the fund level.

The Risk Management fund and Health Benefits fund are reported as *internal service funds* and provide services on a cost reimbursement basis to other agencies of the financial reporting entity. Water/Sewer System fund and Parking System fund are reported as major proprietary funds. Additionally, the City has a non-major proprietary fund, to account for the activities of the Des Plaines Emergency Communications Center (DPECC).

- *Fiduciary Funds* – The City is the trustee or fiduciary for the Police Pension fund and the Firefighters Pension fund. It is also responsible for other assets that can be used only for trust beneficiaries. All City fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. The activities are reported separately from other financial activities because the City cannot use the assets to finance its operations. The City's fiduciary responsibilities include ensuring that the assets reported in these funds are used for their intended purposes.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

- *Notes to the financial statements* - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.
- *Other information* - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position: Total assets of the City as of December 31, 2015, were \$375.4 million, an increase of \$16.3 million or 4.6 percent. Total liabilities as of December 31, 2015, were \$221.1 million, an increase of \$149.5 million or 209 percent. The following table reflects the condensed *Statement of Net Position*:

Table 1: Statement of Net Position						
December 31, 2015 and 2014						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	2015	2014	2015	2014	2015	2014
ASSETS						
Current & Other Assets	\$ 134,915,397	\$ 128,861,783	\$ 2,337,072	\$ 3,268,136	\$ 137,252,469	\$ 132,129,919
Capital Assets	204,429,680	197,246,448	33,676,322	29,636,936	238,106,002	226,883,384
Total Assets	<u>339,345,077</u>	<u>326,108,231</u>	<u>36,013,394</u>	<u>32,905,072</u>	<u>375,358,471</u>	<u>359,013,303</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>20,174,715</u>	<u>541,551</u>	<u>1,775,766</u>	<u>-</u>	<u>21,950,481</u>	<u>541,551</u>
LIABILITIES						
Current Liabilities	23,807,651	22,229,033	3,100,075	2,315,405	26,907,726	24,544,438
Noncurrent Liabilities	191,233,441	46,375,252	2,958,437	638,531	194,191,878	47,013,783
Total Liabilities	<u>215,041,092</u>	<u>68,604,285</u>	<u>6,058,512</u>	<u>2,953,936</u>	<u>221,099,604</u>	<u>71,558,221</u>
DEFERRED INFLOWS OF RESOURCES	<u>30,644,597</u>	<u>27,873,362</u>	<u>152,823</u>	<u>-</u>	<u>30,797,420</u>	<u>27,873,362</u>
NET POSITION						
Net Investment in Capital Assets	167,177,408	156,111,648	33,676,322	29,636,936	200,853,730	185,748,584
Restricted	7,229,324	7,201,606	-	-	7,229,324	7,201,606
Unrestricted	<u>(60,572,629)</u>	<u>66,858,881</u>	<u>(2,098,497)</u>	<u>314,200</u>	<u>(62,671,126)</u>	<u>67,173,081</u>
Total Net Position	<u>\$ 113,834,103</u>	<u>\$ 230,172,135</u>	<u>\$ 31,577,825</u>	<u>\$ 29,951,136</u>	<u>\$ 145,411,928</u>	<u>\$ 260,123,271</u>

Net position was affected by a number of factors. All cash and cash equivalents on the Statement of Net Position increased by \$6.7 million from fiscal 2014 primarily due to the receipt of grant funds prior to completion of the construction.

Net position was \$145 million in fiscal 2015, a decrease of \$114.7 million. Of the City's net position, \$200.9 million was net investment in capital assets, while \$7.2 million was restricted by the City or other legal requirements and was not available to finance day-to-day operations of the City. Unrestricted net position was negative \$62.7 million. The net position decrease is due to incorporation of GASB Statement 68 which includes \$139 million of net pension liability in the financial statements.

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Changes in Net Position: The following chart shows the revenue and expenses of the City's activities and their impact on the change in net position:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
REVENUES						
Program Revenues:						
Fees, Fines & Charges for Services	\$ 13,477,439	\$ 14,277,986	\$14,788,255	\$18,053,593	\$ 28,265,694	\$ 32,331,579
Operating Grants & Contributions	2,759,817	2,307,571	3,471	5,804	2,763,288	2,313,375
Capital Grants & Contributions	11,967,751	4,109,373	-	-	11,967,751	4,109,373
Total Program Revenues	<u>28,205,007</u>	<u>20,694,930</u>	<u>14,791,726</u>	<u>18,059,397</u>	<u>42,996,733</u>	<u>38,754,327</u>
General Revenues:						
Property Taxes	28,607,185	28,442,253	-	-	28,607,185	28,442,253
Other Taxes	62,514,258	62,749,041	-	-	62,514,258	62,749,041
Investment Income	189,691	73,812	1,340	1,392	191,031	75,204
Miscellaneous Revenue	982,019	862,423	8,824	716,306	990,843	1,578,729
Total General Revenues	<u>92,293,153</u>	<u>92,127,529</u>	<u>10,164</u>	<u>717,698</u>	<u>92,303,317</u>	<u>92,845,227</u>
Total Revenues	<u>120,498,160</u>	<u>112,822,459</u>	<u>14,801,890</u>	<u>18,777,095</u>	<u>135,300,050</u>	<u>131,599,554</u>
EXPENSES						
General Government	26,508,887	25,998,813	-	-	26,508,887	25,998,813
Public Safety	47,386,563	38,962,218	-	-	47,386,563	38,962,218
Public Works	9,687,304	7,632,615	-	-	9,687,304	7,632,615
Streets and Highways	15,713,911	13,643,574	-	-	15,713,911	13,643,574
Economic Development	1,980,456	2,346,862	-	-	1,980,456	2,346,862
Interest	1,459,709	1,679,828	-	-	1,459,709	1,679,828
Water/Sewer	-	-	17,830,764	16,528,659	17,830,764	16,528,659
Parking System	-	-	834,894	833,974	834,894	833,974
Emergency Comm. System	-	-	234,127	4,057,033	234,127	4,057,033
Total Expenses	<u>102,736,830</u>	<u>90,263,910</u>	<u>18,899,785</u>	<u>21,419,666</u>	<u>121,636,615</u>	<u>111,683,576</u>
Excess (Deficiency) Before Transfers	<u>17,761,330</u>	<u>22,558,549</u>	<u>(4,097,895)</u>	<u>(2,642,571)</u>	<u>13,663,435</u>	<u>19,915,978</u>
Transfers	<u>(6,692,243)</u>	<u>(284,242)</u>	<u>6,692,243</u>	<u>284,242</u>	<u>-</u>	<u>-</u>
Changes in Net Position	<u>11,069,087</u>	<u>22,274,307</u>	<u>2,594,348</u>	<u>(2,358,329)</u>	<u>13,663,435</u>	<u>19,915,978</u>
Net Position, Beginning Balance	<u>230,172,135</u>	<u>207,897,828</u>	<u>29,951,136</u>	<u>32,309,465</u>	<u>260,123,271</u>	<u>240,207,293</u>
Change in Accounting Principle	<u>(127,407,119)</u>		<u>(967,659)</u>		<u>(128,374,778)</u>	
Net Position, As Restated	<u>102,765,016</u>		<u>28,983,477</u>		<u>131,748,493</u>	
Net Position, Ending Balance	<u>\$113,834,103</u>	<u>\$230,172,135</u>	<u>\$31,577,825</u>	<u>\$29,951,136</u>	<u>\$145,411,928</u>	<u>\$260,123,271</u>

The City's net position as of December 31, 2015 decreased by \$114.7 million. The City earned program revenues of \$43 million and general revenues of \$92.3 million, for total revenues of \$135.3 million, an increase of \$4.2 million or 11 percent from fiscal year 2014.

The major components of this increase were capital grants and contributions, with an increase of \$7.9 million. Operating grants and contributions revenue also increased by \$450 thousand and general revenue decreased by \$542 thousand. The expenses of the City were \$121.6 million, an increase of \$10.0 million or 8.9 percent. The expense fluctuations in governmental activities are

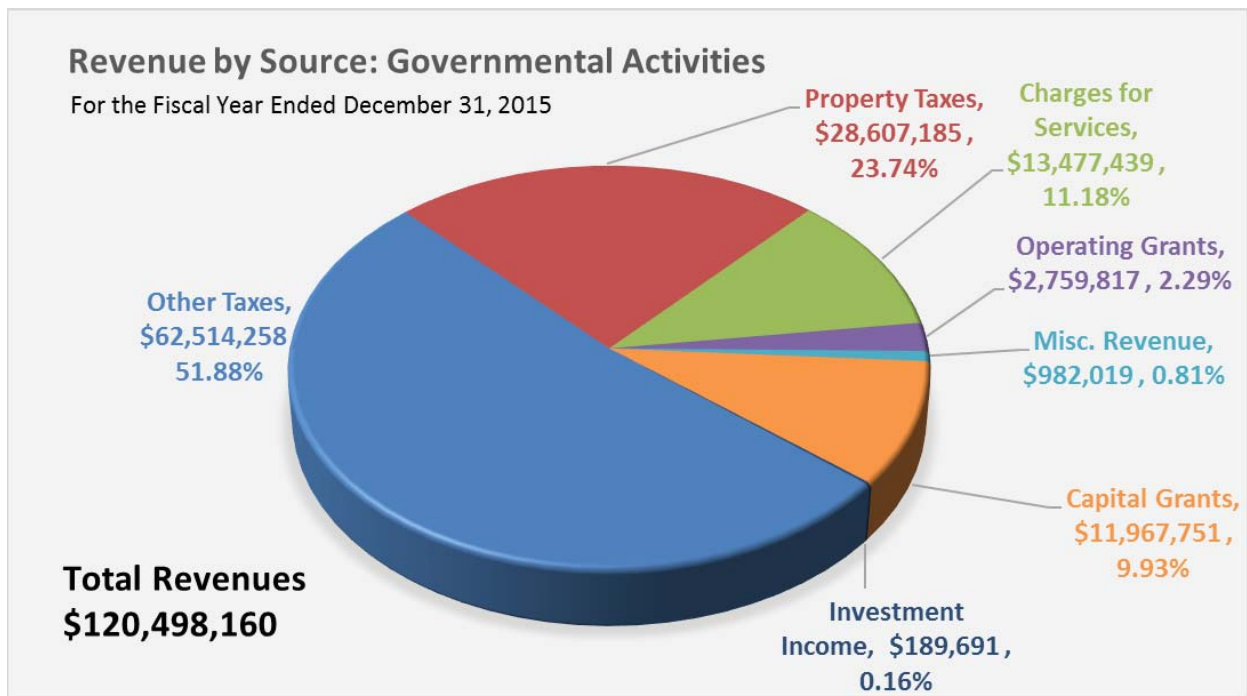
CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
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largely attributable to a \$2.0 million increase in the streets and highways services and \$8.3 million increase in public safety.

In business-type activities there was a \$1.1 million increase in water/sewer services and a \$3.8 million decrease in Emergency Communication System due to ending operations in January of 2015. Further discussion of results for changes in the City's financial condition follows in the analysis of the City's funds.

Governmental Activities: The governmental activities program revenue was \$28.5 million, including charges for services of \$13.5 million, operating grants and contributions of \$2.8 million and capital grants and contributions of \$12 million. The largest change, a \$7.9 million increase, was for capital grants and contributions. Fees, fines and charges for services revenue decreased by \$801 thousand partially due to a reduction in the storm sewer rate charged to customers.

The general revenue was \$92.3 million, including property taxes of \$28.6 million and other taxes revenue of \$62.5 million. The general revenue had decreases of \$542 thousand, including a slight decrease in telecommunication tax and home rule sales tax revenues. The following chart represents revenues from governmental activities by source.



The 2014 equalized assessed value (EAV) increased by 1.2% from the 2013 EAV following a rebound in the market value of property in Cook County, IL.

Equalized Assessed Valuation (EAV)	Tax Levy 2014	Tax Levy 2013	Increase / (Decrease)	Change (%)
	\$ 1,717,657,016	\$ 1,697,287,344	\$ 20,369,672	1.2%

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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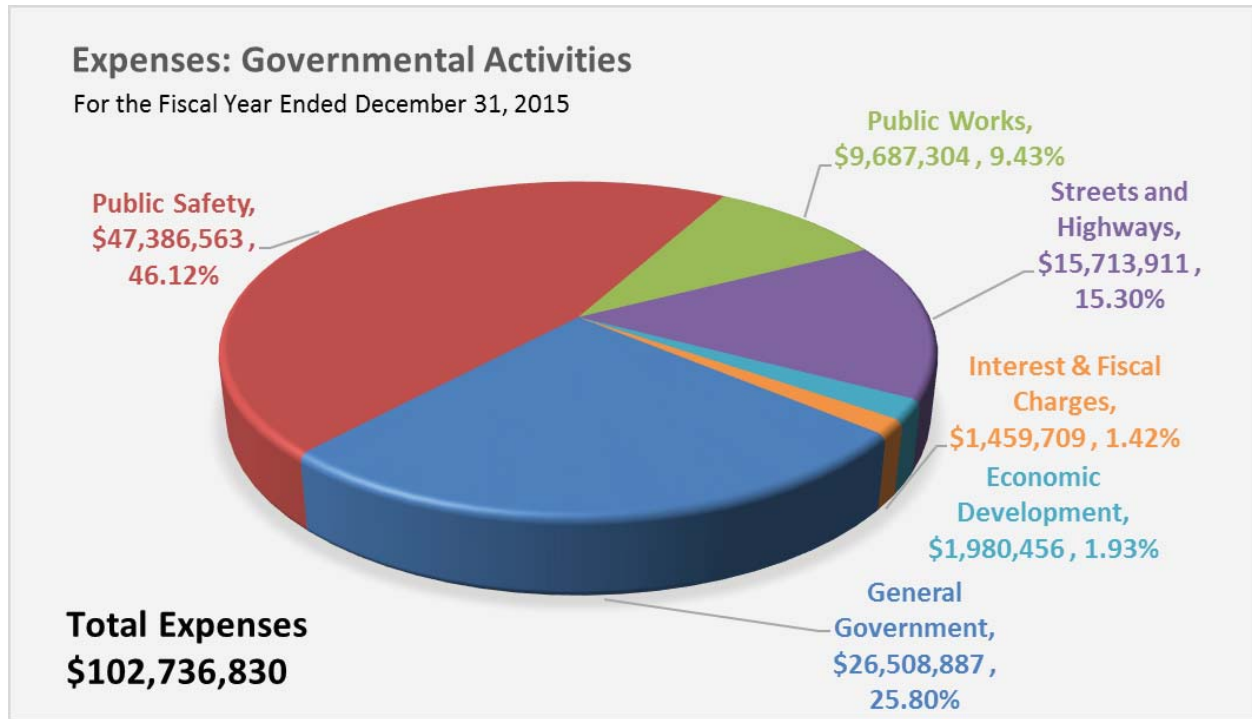
The *General Fund* state-per-capita shared revenues from *income tax* and *use tax* increased by 11.8 percent.

Illinois State Shared Tax Revenue	Fiscal Year 2015	Fiscal Year 2014	Increase / (Decrease)	Change (%)
State Income Tax	\$ 6,210,116	\$ 5,587,992	\$ 622,124	11.1%
Use Tax	1,288,847	1,120,783	168,064	15.0%
Total	\$ 7,498,963	\$ 6,708,775	\$ 790,188	11.8%

The City's *municipal sales tax* revenue (one percent share of the State collected tax, not including home rule tax) decreased 4.2 percent during the fiscal year. In 2014 the City experienced a one-time increase in this revenue largely due to \$600 thousand in collections resulting from a state audit. Removing the 2014 one-time adjustment from municipal sales tax revenues recognized in 2014, equates to an increase in municipal sales tax of 1.2% year over year.

Municipal Sales Tax Revenue	Fiscal Year 2015	Fiscal Year 2014	Increase / (Decrease)	Change (%)
	\$ 10,744,654	\$ 11,214,007	\$ (469,353)	-4.2%

The following chart represents expenses from governmental activities.



Governmental activities expenses were \$102.7 million. All functions of governmental activities in the government-wide statement of activities have a net cost with the exception of economic development. The general government, public safety and streets and highways account for 87.2 percent of governmental activities expenses and 87.6 percent of the net cost. The property tax and

CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2015

tax collections of the state shared revenues provide the primary source of funding, which when added to program revenues, support payment for governmental services.

Business-type Activities: Business-type activities generated program revenue of \$14.8 million from fees, fines and charges for services. The total expenses for business-type activities were \$18.9 million. The largest change occurred in the water and sewer fund with a \$2.7 million increase in net position. The emergency communications services function was eliminated in 2015. There was an increase in Net Position in the government's business-type activities of \$2.5 million in comparison to the prior year's decrease of \$2.4 million.

The following chart summarizes expenses and program revenues from the City's business-type activities during the year.

Expenses and Program Revenues: Business-type Activities		
For the Fiscal Year Ended December 31, 2015		
Activities	Expenses	Program Revenues
Water	17,830,764	14,457,818
Parking	834,894	333,908
Emergency Communications	234,127	-
	<u>\$18,899,785</u>	<u>\$14,791,726</u>

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As of December 31, 2015, governmental funds reported fund balances of \$69.8 million. The general fund reported a positive \$44.1 million fund balance.

General Fund: The fund balance for the general fund as of December 31, 2015, was \$44.1 million, an increase of \$2 million from fiscal 2014, mostly due to higher than anticipated state shared revenues. The nonspendable fund balance was \$15.7 million and the assigned fund balance was \$6.5 million, resulting in the unassigned fund balance of \$22 million. The unassigned balance of the general fund can be used to cover the day-to-day service delivery and was at 37 percent of the 2015 general fund expenditures.

Gaming Tax Fund: The fund balance for the gaming tax fund as of December 31, 2015, was \$20.5 million, a decrease of \$976 thousand from fiscal year 2014. This decrease is due to the delay in cash transfers to the capital projects fund and the water/sewer fund that were postponed until 2015.

Tax Increment Financing Funds: The City maintains five separate funds created to account for the revenues and expenditures related to the City's tax increment financing (TIF) redevelopment

CITY OF DES PLAINES, ILLINOIS
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areas. The negative impact on the City's 2015 total governmental fund balance is primarily due to deficit fund balances in TIF #3 (Wille Road) of \$3.3 million and TIF #6 (Mannheim/Higgins) of \$9.2 million related to an outstanding debt burden as well as reduced property tax revenue. 2015 was the first full year for TIF #7 (Mannheim/Higgins South) and it accumulated a deficit of \$172 thousand in preparation for redevelopment opportunities.

Capital Projects Fund: The three capital projects funds maintained by the City include capital projects, equipment replacement and I.T. replacement funds. The capital projects fund accounts for the acquisition and construction of major capital facilities and improvements and was classified as a major governmental fund of the City. The fund balance for the capital projects fund as of December 31, 2015, totaled \$5.1 million, an increase of \$1.5 million since December 31, 2014.

Proprietary Funds

The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the Water/Sewer and Parking Systems funds as Major Enterprise funds. The Des Plaines Emergency Communications Center (DPECC) is reported as a non-major business-type enterprise fund. Proprietary funds reported a net position of \$31 million as of December 31, 2015.

Water/Sewer Fund: Water and sewer fund's net position as of December 31, 2015, totaled \$19.9 million, an increase of \$2.7 million from the prior year as a major project was undertaken to construct an alternate water source.

Parking System Fund: Net Position of \$11.1 million, a decrease of \$551 thousand from fiscal 2014 since the revenue from charges for services continues to lag behind the operating expenses and the depreciation.

Emergency Communication Fund: The Des Plaines Emergency Communication Center (DPECC) fund created in 2013 to replace operations of the Joint Emergency Telecommunications System (JETS) fund and reported net position of \$0 as operations stopped in January of 2015.

CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
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GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3: General Fund Budgetary Highlights
 For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance from Fund Budget Positive (Negative)
Revenues	\$ 58,612,040	\$ 64,434,881	\$ 5,822,841
Expenditures	60,453,761	58,685,806	1,767,955
Excess of Revenues Over Expenditures	(1,841,721)	5,749,075	7,590,796
Other Financing Sources (Uses)	(3,110,805)	(3,684,028)	(573,223)
Net Changes in Fund Balance	<u>\$ (4,952,526)</u>	<u>\$ 2,065,047</u>	<u>\$ 7,017,573</u>

General fund actual revenues were \$5.8 million or 9.9 percent greater than the budgeted amount while general fund actual expenditures were \$1.8 million or 2.9 percent lower than the budgeted amount. The revenues from licenses, intergovernmental payments as well as charges for services, fines and fees were higher than anticipated. The expenditures were below the budget expectations based on the City's conservative approach to spending.

CAPITAL ASSETS

As of December 31, 2015, the City had \$238.1 million in net capital assets. This total represents an increase of \$11.2 million in total capital assets or 4.9 percent from fiscal 2014.

Major capital projects are completed based on the City's Capital Improvement Program (CIP) that is a multi-year plan that prioritizes the City's street, utility, and drainage infrastructure project needs for the next five years given current financial resources. The capital improvements during 2015 fiscal year included streets and alley reconstruction, water, sewer and drainage system improvements as well as River Road reconstruction project. This is a \$12.9 million project funded through the Illinois Department of Transportation (IDOT); included in this report is \$7.3 million from construction in progress expenditures.

The Business-type capital assets activities included reconstruction of the water mains and sanitary sewer improvements, building improvements as well as equipment and vehicles purchases.

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

Note 5 provides details about the City's capital assets and Note 12 details the City's significant commitments related to future capital expenditures. The following table illustrates the changes in capital assets.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Land	\$ 23,655,167	\$ 22,009,852	\$ 1,891,770	\$ 1,891,770	\$ 25,546,937	\$ 23,901,622
Land right of way	53,299,649	53,299,649	-	-	53,299,649	53,299,649
Buildings	11,676,049	12,121,980	8,727,090	9,400,368	20,403,139	21,522,348
Building improvements	25,620,499	26,831,978	22,672,895	17,861,598	48,293,394	44,693,576
Equipment	1,950,371	1,922,588	208,893	243,881	2,159,264	2,166,469
Vehicles	4,394,587	4,174,475	175,674	239,319	4,570,261	4,413,794
Infrastructure	76,516,074	76,306,632	-	-	76,516,074	76,306,632
Construction in progress	7,317,284	579,294	-	-	7,317,284	579,294
Total Capital Assets	<u>\$ 204,429,680</u>	<u>\$ 197,246,448</u>	<u>\$ 33,676,322</u>	<u>\$ 29,636,936</u>	<u>\$ 238,106,002</u>	<u>\$ 226,883,384</u>

DEBT OUTSTANDING

The City, under its home rule authority, does not have a legal debt limit. The City's outstanding general obligation debt rating of "Aa2" has been reaffirmed in 2016 by Moody's Investors Service. The City continues to look for opportunities to pay debt off early or refinance debt at lower interest rates.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 36,870,688	\$ 40,678,625	\$ -	\$ -	\$ 36,870,688	\$ 40,678,625
TIF revenue bonds	361,705	423,590			361,705	423,590
Loans payable	175,000	187,500			175,000	187,500
Total Bonded Debt	<u>\$ 37,407,393</u>	<u>\$ 41,289,715</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,407,393</u>	<u>\$ 41,289,715</u>

The City had \$36.9 million in principal outstanding general obligation debt from governmental activities and no principle outstanding from business-type activities for the year ended December 31, 2015. The majority of the City's debt burden is supported by TIF revenues, sales and utility taxes, sewer fees and other fees and only \$560 thousand is supported by property tax revenue. The City's net direct debt ratio to equalized assessed value (EAV) continues to be less than 1 percent. Additional information of the City's long-term debt can be found in Note 7 – Debt Activity of the 2015 CAFR.

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City has taken great strides during the past five years to ensure its fiscal stability:

- The City's property tax base possesses significant commercial and industrial components. The value of commercial and industrial properties comprised 26.4 percent and 17.4 percent, respectively, of the City's total 2014 EAV of \$1.7 billion.
- Property taxes imposed on property within the City's corporate limits provide a stable revenue source. The property of the City's ten largest taxpayers during 2015 accounted for only 11.13 percent of the City's total EAV.
- The 2009 – 2013 American Community Survey conducted by the United States Bureau of the Census found that 80.9 percent of residential properties are owner occupied. The median home value was \$242,700 compared to a state average of \$182,300.
- According to the American Community Survey, the estimated median annual income for Des Plaines households between 2009 and 2013 was \$64,347. This compares favorably with the statewide figure of \$56,797.
- In 2015 Illinois' economy continued its post-recession expansion; the average annual unemployment rate fell to 5.1 percent in Des Plaines compared to 5.9 percent state and 5.3 percent national rates.
- The City continues to benefit from the alignment of positions as a result of 2011 staffing reduction. Controlling the cost of salaries and benefits is essential in order to control spending.
- Cost containment and the use of budgetary reserves remains key to the continued improvement of financial position. FY 2016 will see additional accomplishments in the area of infrastructure improvements supported by state and federal funding.
- The funding for the vehicle and equipment purchases is provided on a pay-as-you-go basis and a schedule of funding is followed annually based on a replacement cycle. This is an essential step in the long-term financial planning as it allows the City to fund the capital equipment purchases on an ongoing basis rather than incur high costs of borrowing.
- The City has a diverse revenue base with only 20 percent of its revenue derived from the property taxes. The remaining revenue sources includes other taxes of 30 percent, intergovernmental of 22 percent, and charges for services of 24 percent.

The most significant challenges that were considered during the development of 2015 budget were:

- *Pension liabilities:* Recent changes in pension legislation allowed the municipalities some relief in funding the pension obligations at 90% by 2040. The City continues to calculate and fund its pension obligations at the 100 percent actuarial funding level and is using an actuarial rate of return assumption of 7 percent to calculate the Police and Fire pension investment.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

- *Revenue sources at risk:* State legislation has not allowed for increases in local municipal revenues and reductions have even been proposed. Reductions to the Local Government Distributive Fund continued to be discussed at the state level with a projection of 50 percent losses to the income taxes currently distributed to local governments. Additional reductions to revenues are being discussed for sales tax and personal property replacement tax.
- *Underperforming TIF Districts:* The City has five Tax Increment Financing (TIF) districts and two (TIF #3, Wille Road and TIF#6, Mannheim/Higgins) have negative fund balances. Given the significant decreases in equalized assessed values over the past few years, the incremental property taxes typically generated within TIFs have measurably declined in these cases. These circumstances were the cause of the negative fund balances in these TIFs, which are currently being offset by advances from the City's General fund with the hope of future repayments. During the year TIF #4 was closed and TIF #6 was divided into two separate districts/funds (TIF #6 & TIF #7) which re-sets the EAV of the newly created TIF #7 as a solution to revitalize the district.

Total operating revenues budgeted for 2016 are \$132 million, a 3.3 percent increase from the 2015 Budget. The General fund revenues are budgeted at \$59.4 million, a \$772 thousand, or 1.3 percent increase from 2015 due to a positive trend in sales tax receipts over the last several years. The City's total 2015 property tax levy payable in 2016 is \$23.1 million, a 0 percent increase over the prior year's tax levy. This is the fifth year that the City has elected not to increase property taxes.

Total City spending for the 2016 Budget is \$150.7 million, a \$5.4 million, or 3.5 percent decrease over the 2015 budget amount. The General fund expenditures of \$61.1 million, a \$705 thousand, or 1.2 percent increase over 2015 budget is a result of an increase in personnel related costs (wages, insurance, etc.) as well as the funding of the public safety pensions and benefits.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Dorothy Wisniewski, Assistant City Manager/Director of Finance, City of Des Plaines, 1420 Miner Street, Des Plaines, IL 60016 or access the City's website at www.desplaines.org.

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Unit (Library)
	Governmental Activities	Business-type Activities	Total Primary Government	
ASSETS				
Cash and Investments	\$ 83,972,481	\$ 792,069	\$ 84,764,550	\$ 5,838,585
Receivables (Net)				
Property Taxes	28,512,667	-	28,512,667	5,989,010
Accounts	1,455,107	3,825,922	5,281,029	-
Accrued Interest	303,011	-	303,011	-
Other Taxes	1,284,854	-	1,284,854	-
Other	238,779	84,091	322,870	-
Prepaid Items	4,765,089	-	4,765,089	-
Inventories	-	184,893	184,893	-
Due from Other Governmental Units	11,833,506	-	11,833,506	-
Internal Balances	2,549,903	(2,549,903)	-	-
Capital Assets Not Being Depreciated	84,272,100	1,891,770	86,163,870	-
Capital Assets Being Depreciated, Net	120,157,580	31,784,552	151,942,132	1,260,468
TOTAL ASSETS	<u>339,345,077</u>	<u>36,013,394</u>	<u>375,358,471</u>	<u>13,088,063</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amounts from Refunding of Debt	442,358	-	442,358	-
Deferred Pension Outflows	19,732,357	1,775,766	21,508,123	1,399,580
Total Deferred Outflows of Resources	<u>20,174,715</u>	<u>1,775,766</u>	<u>21,950,481</u>	<u>1,399,580</u>
LIABILITIES				
Accounts Payable	21,635,661	2,644,683	24,280,344	718,713
Accrued Payroll	1,651,427	185,568	1,836,995	86,234
Accrued Liabilities	145,293	84,630	229,923	-
Accrued Interest Payable	69,945	-	69,945	-
Unearned Revenue	168,026	185,194	353,220	-
Deposits Payable	137,299	-	137,299	-
Long-term Obligations				
Due Within One Year	5,574,297	145,080	5,719,377	99,309
Due in More Than One Year	185,659,144	2,813,357	188,472,501	2,318,955
TOTAL LIABILITIES	<u>215,041,092</u>	<u>6,058,512</u>	<u>221,099,604</u>	<u>3,223,211</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	28,381,831	-	28,381,831	5,986,354
Deferred Pension Inflows	2,262,766	152,823	2,415,589	119,809
Total Deferred Inflows of Resources	<u>30,644,597</u>	<u>152,823</u>	<u>30,797,420</u>	<u>6,106,163</u>
NET POSITION				
Net Investment in Capital Assets	167,177,408	33,676,322	200,853,730	1,260,468
Restricted for				
Streets and Highways	364,274	-	364,274	-
Public Safety	1,582,538	-	1,582,538	-
Economic Development	4,895,473	-	4,895,473	-
Culture and Recreation	-	-	-	3,897,801
Debt Service	387,039	-	387,039	-
Unrestricted	(60,572,629)	(2,098,497)	(62,671,126)	-
TOTAL NET POSITION	<u>\$ 113,834,103</u>	<u>\$ 31,577,825</u>	<u>\$ 145,411,928</u>	<u>\$ 5,158,269</u>

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF ACTIVITIES
Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines & Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General Government	\$ 26,508,887	\$ 5,343,730	\$ 375,313	\$ -
Public Safety	47,386,563	3,889,312	957,656	-
Public Works	9,687,304	2,927,288	-	-
Streets and Highways	15,713,911	1,317,109	1,426,848	10,991,694
Economic Development	1,980,456	-	-	976,057
Interest and Fiscal Charges	1,459,709	-	-	-
Total Governmental Activities	102,736,830	13,477,439	2,759,817	11,967,751
Business-type Activities				
Water	17,830,764	14,454,347	3,471	-
Parking System	834,894	333,908	-	-
Emergency Communications	234,127	-	-	-
Total Business-type Activities	18,899,785	14,788,255	3,471	-
Total Primary Government	\$ 121,636,615	\$ 28,265,694	\$ 2,763,288	\$ 11,967,751
Component Unit:				
Library	\$ 7,053,356	\$ 157,902	\$ 72,955	\$ -

General Revenues
 Taxes
 Property Taxes
 Home Rule Sale Taxes
 Utility Taxes
 Food and Beverage Taxes
 Hotel/Motel Taxes
 Real Estate Transfer Taxes
 Local Option Motor Fuel Taxes
 Gaming Taxes
 Other Taxes
 Unrestricted Intergovernmental
 Sales Taxes
 Income Taxes
 Replacement Taxes
 Investment Income
 Miscellaneous
 Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, January 1, 2015

Change in Accounting Principle (See Note 10)

Net Position, January 1, 2015, as restated

Net Position, December 31, 2015

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total Primary Government	Library
\$ (20,789,844)		\$ (20,789,844)	\$ -
(42,539,595)		(42,539,595)	-
(6,760,016)		(6,760,016)	-
(1,978,260)		(1,978,260)	-
(1,004,399)		(1,004,399)	-
(1,459,709)		(1,459,709)	-
<u>(74,531,823)</u>		<u>(74,531,823)</u>	<u>-</u>
	\$ (3,372,946)	(3,372,946)	-
	(500,986)	(500,986)	-
	<u>(234,127)</u>	<u>(234,127)</u>	-
	<u>(4,108,059)</u>	<u>(4,108,059)</u>	<u>-</u>
<u>(74,531,823)</u>	<u>(4,108,059)</u>	<u>(78,639,882)</u>	<u>-</u>
-	-	-	(6,822,499)
28,607,185	-	28,607,185	6,072,634
5,711,272	-	5,711,272	-
3,033,933	-	3,033,933	-
1,228,581	-	1,228,581	-
2,145,985	-	2,145,985	-
597,813	-	597,813	-
1,540,285	-	1,540,285	-
24,654,889	-	24,654,889	-
4,081,651	-	4,081,651	-
12,042,780	-	12,042,780	-
6,232,000	-	6,232,000	-
1,245,069	-	1,245,069	92,988
189,691	1,340	191,031	2,554
982,019	8,824	990,843	13,918
<u>(6,692,243)</u>	<u>6,692,243</u>	<u>-</u>	<u>-</u>
<u>85,600,910</u>	<u>6,702,407</u>	<u>92,303,317</u>	<u>6,182,094</u>
11,069,087	2,594,348	13,663,435	(640,405)
230,172,135	29,951,136	260,123,271	6,263,299
<u>(127,407,119)</u>	<u>(967,659)</u>	<u>(128,374,778)</u>	<u>(464,625)</u>
102,765,016	28,983,477	131,748,493	5,798,674
<u>\$ 113,834,103</u>	<u>\$ 31,577,825</u>	<u>\$ 145,411,928</u>	<u>\$ 5,158,269</u>

CITY OF DES PLAINES, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	Major Governmental Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Grant Funded Projects	Capital Projects		
ASSETS							
Cash and Investments	\$ 25,129,459	\$ -	\$ 33,704,365	\$ 4,097,685	\$ 4,783,342	\$ 14,688,010	\$ 82,402,861
Receivables (net)							
Property Tax Receivable	22,802,608	52,282	-	-	33,524	5,624,253	28,512,667
Other Taxes	1,158,799	-	-	-	126,055	-	1,284,854
Accounts Receivable	997,226	-	-	-	379,635	76,796	1,453,657
Accrued Interest	267,717	-	2,981	-	-	32,313	303,011
Other	221,825	-	-	-	32	18,422	240,279
Due from Other Governments	5,806,373	-	2,610,157	2,137,656	1,114,749	164,571	11,833,506
Advances to Other Funds	15,702,116	-	-	-	-	-	15,702,116
TOTAL ASSETS	<u>\$ 72,086,123</u>	<u>\$ 52,282</u>	<u>\$ 36,317,503</u>	<u>\$ 6,235,341</u>	<u>\$ 6,437,337</u>	<u>\$ 20,604,365</u>	<u>\$ 141,732,951</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts Payable	\$ 1,583,040	\$ -	\$ 15,861,956	\$ 1,865,939	\$ 1,287,516	\$ 1,017,750	\$ 21,616,201
Accrued Payroll	1,627,115	-	-	-	23,968	-	1,651,083
Accrued Liabilities	132,265	-	-	-	-	-	132,265
Deposits Payable	-	-	-	-	5,839	131,460	137,299
Advances from Other Funds	-	9,179,285	-	-	-	3,419,982	12,599,267
Unearned Revenue	168,026	-	-	-	-	-	168,026
Total Liabilities	<u>3,510,446</u>	<u>9,179,285</u>	<u>15,861,956</u>	<u>1,865,939</u>	<u>1,317,323</u>	<u>4,569,192</u>	<u>36,304,141</u>
Deferred Inflows of Resources							
Deferred Property Tax Revenue	22,747,101	52,282	-	-	32,995	5,549,453	28,381,831
Unavailable Other Revenue	1,681,124	-	-	5,467,021	-	49,254	7,197,399
Total Deferred Inflows of Resources	<u>24,428,225</u>	<u>52,282</u>	<u>-</u>	<u>5,467,021</u>	<u>32,995</u>	<u>5,598,707</u>	<u>35,579,230</u>
Fund Balances							
Nonspendable							
Long-term Interfund Advances	15,702,116	-	-	-	-	-	15,702,116
Restricted							
Economic Development	-	-	-	-	-	4,895,473	4,895,473
Debt Retirement/Infrastructure	-	-	20,455,547	-	-	-	20,455,547
Streets & Highways	-	-	-	-	-	364,274	364,274
Public Safety	-	-	-	-	-	1,582,538	1,582,538
Debt Service	-	-	-	-	-	456,984	456,984
Assigned							
Infrastructure	3,149,300	-	-	-	5,087,019	-	8,236,319
Capital Acquisitions	1,250,000	-	-	-	-	6,583,637	7,833,637
General Fund Deficit	1,705,551	-	-	-	-	-	1,705,551
Emergency Telephone System Transfer of Surcharge	351,000	-	-	-	-	-	351,000
Unassigned	21,989,485	(9,179,285)	-	(1,097,619)	-	(3,446,440)	8,266,141
Total Fund Balances	<u>44,147,452</u>	<u>(9,179,285)</u>	<u>20,455,547</u>	<u>(1,097,619)</u>	<u>5,087,019</u>	<u>10,436,466</u>	<u>69,849,580</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 72,086,123</u>	<u>\$ 52,282</u>	<u>\$ 36,317,503</u>	<u>\$ 6,235,341</u>	<u>\$ 6,437,337</u>	<u>\$ 20,604,365</u>	<u>\$ 141,732,951</u>

CITY OF DES PLAINES, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2015

Total Fund Balances - Governmental Funds	\$ 69,849,580
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Amounts reported for governmental activities in the statement of net position are different because:

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

Capital Assets	\$ 318,591,731	
Accumulated Depreciation	<u>(114,162,051)</u>	
Net Capital Assets		204,429,680

Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	7,197,399
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Gains/Losses related to the refunding of long-term debt are deferred and amortized over the life of the debt issue in the statement of net position.	442,358
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Generally, interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.	(69,945)
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Deferred outflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements	19,732,357
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Deferred inflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements	(2,262,766)
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Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of:

Compensated Absences Payable	(2,257,008)	
General Obligation Bonds Payable	(5,335,000)	
TIF General Obligation Bonds Payable	(31,535,688)	
TIF Revenue Bonds Payable	(361,705)	
Unamortized Bond Premiums & Discounts	(287,237)	
Installment Notes Payable	(175,000)	
Net Pension Liabilities	(148,801,895)	
Other Post Employment Benefits (OPEB)	<u>(2,479,908)</u>	
Total Long-term Liabilities		(191,233,441)

Internal service funds are reported in the Statement of Net Position as Governmental Activities.	<u>5,748,881</u>
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Net Position of Governmental Activities	<u>\$ 113,834,103</u>
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CITY OF DES PLAINES, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2015

	Major Governmental Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Grant Funded Projects	Capital Projects		
Revenues							
Property Taxes	\$ 22,952,517	\$ 52,109	\$ -	\$ -	\$ 33,798	\$ 5,569,665	\$ 28,608,089
Other Taxes	12,097,995	-	24,654,889	-	5,823,739	123,896	42,700,519
Licenses and Permits	2,921,119	-	-	-	-	-	2,921,119
Intergovernmental	19,780,209	-	-	8,835,076	-	1,845,399	30,460,684
Public Charges for Services	5,030,129	-	-	-	1,317,109	765,125	7,112,363
Fines, Forfeitures and Penalties	1,277,659	-	-	-	-	121,451	1,399,110
Investment Income	84,615	-	40,161	3,129	3,712	58,032	189,649
Miscellaneous	290,638	-	-	-	80,684	237,461	608,783
Total Revenues	<u>64,434,881</u>	<u>52,109</u>	<u>24,695,050</u>	<u>8,838,205</u>	<u>7,259,042</u>	<u>8,721,029</u>	<u>114,000,316</u>
Expenditures							
Current							
General Government	7,810,936	-	15,862,826	78,609	-	120,427	23,872,798
Public Safety	39,145,089	-	-	-	-	2,944,867	42,089,956
Public Works	7,037,522	-	-	-	1,441,112	-	8,478,634
Streets and Highways	4,387,902	-	-	8,811,134	-	1,178,179	14,377,215
Economic Development	304,357	1,165	-	1,272,203	-	1,775,891	3,353,616
Debt Service							
Principal	-	990,000	-	-	1,600,000	1,869,385	4,459,385
Interest and Fiscal Charges	-	159,259	-	-	180,332	528,353	867,944
Capital Outlay	-	-	-	-	5,888,048	3,114,648	9,002,696
Total Expenditures	<u>58,685,806</u>	<u>1,150,424</u>	<u>15,862,826</u>	<u>10,161,946</u>	<u>9,109,492</u>	<u>11,531,750</u>	<u>106,502,244</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>5,749,075</u>	<u>(1,098,315)</u>	<u>8,832,224</u>	<u>(1,323,741)</u>	<u>(1,850,450)</u>	<u>(2,810,721)</u>	<u>7,498,072</u>
Other Financing Sources (Uses)							
Transfer In	203,335	-	-	297,693	4,300,000	3,698,392	8,499,420
Transfer Out	(3,887,363)	-	(9,808,628)	-	(912,882)	(169,777)	(14,778,650)
Total Other Financing Sources (Uses)	<u>(3,684,028)</u>	<u>-</u>	<u>(9,808,628)</u>	<u>297,693</u>	<u>3,387,118</u>	<u>3,528,615</u>	<u>(6,279,230)</u>
Net Change in Fund Balances	<u>2,065,047</u>	<u>(1,098,315)</u>	<u>(976,404)</u>	<u>(1,026,048)</u>	<u>1,536,668</u>	<u>717,894</u>	<u>1,218,842</u>
Fund Balances at Beginning of Year	<u>42,082,405</u>	<u>(8,080,970)</u>	<u>21,431,951</u>	<u>(71,571)</u>	<u>3,550,351</u>	<u>9,718,572</u>	<u>68,630,738</u>
Fund Balances at End of Year	<u>\$ 44,147,452</u>	<u>\$ (9,179,285)</u>	<u>\$ 20,455,547</u>	<u>\$ (1,097,619)</u>	<u>\$ 5,087,019</u>	<u>\$ 10,436,466</u>	<u>\$ 69,849,580</u>

CITY OF DES PLAINES, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2015

Net Change in Fund Balances - Total Governmental Funds \$ 1,218,842

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and other transactions that impact capital assets in the current year.

Capital Expenditures	\$ 14,122,057	
Depreciation	(6,925,247)	
Loss on disposal of capital assets	<u>(13,578)</u>	
Capital Expenditures in Excess of Depreciation and other transactions		7,183,232

Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. 4,006,359

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.

Change in Compensated Absences Liability	107,359	
Accretion of Interest on Capital Appreciation Bonds	(577,063)	
Change in Accrued Interest Payable	13,068	
Change in Other Post Employment Benefits (OPEB)	(395,579)	
Change in Pension Liability and Deferral Items	<u>(5,279,483)</u>	
Total Expenses of Non-current Resources		(6,131,698)

The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayments:		
General Obligation Bonds Payable	1,685,000	
TIF General Obligation Bonds Payable	2,700,000	
TIF Revenue Bonds Payable	61,885	
Installment Notes Payable	12,500	
Amortization of Premiums, Discounts, & Loss on Refunding	<u>206</u>	
Net Adjustment		4,459,591

Transfer out reported in the statement of activities due to the transfer of net pension liability from a business-type fund did not require the use of current financial resources and therefore is not reported in the governmental funds. (413,013)

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 (net of current look back adjustment) reported with the governmental activities. 745,774

Change in Net Position of Governmental Activities \$ 11,069,087

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2015

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Water/Sewer	Parking System	Des Plaines Emergency Communication Center	Total Enterprise Funds	
ASSETS					
Current Assets					
Cash and Investments	\$ -	\$ 792,069	\$ -	\$ 792,069	\$ 1,569,620
Receivables (Net)					
Accounts	3,825,922	-	-	3,825,922	-
Other	10,531	73,560	-	84,091	1,450
Prepaid Items	-	-	-	-	4,763,589
Inventories	184,893	-	-	184,893	-
Total Current Assets	<u>4,021,346</u>	<u>865,629</u>	<u>-</u>	<u>4,886,975</u>	<u>6,334,659</u>
Noncurrent Assets					
Capital Assets					
Capital Assets Not Being Depreciated	233,828	1,657,942	-	1,891,770	-
Capital Assets Being Depreciated, Net	23,158,972	8,625,580	-	31,784,552	-
Total Noncurrent Assets	<u>23,392,800</u>	<u>10,283,522</u>	<u>-</u>	<u>33,676,322</u>	<u>-</u>
TOTAL ASSETS	<u>27,414,146</u>	<u>11,149,151</u>	<u>-</u>	<u>38,563,297</u>	<u>6,334,659</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Pension Outflows	<u>1,775,766</u>	<u>-</u>	<u>-</u>	<u>1,775,766</u>	<u>-</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	2,588,655	56,028	-	2,644,683	19,460
Accrued Liabilities	270,198	-	-	270,198	13,372
Advances from Other Funds	3,102,849	-	-	3,102,849	-
Unearned Revenue	185,194	-	-	185,194	-
Long-term Obligations, Due Within One Year					
Compensated Absences	145,080	-	-	145,080	-
Total Current Liabilities	<u>6,291,976</u>	<u>56,028</u>	<u>-</u>	<u>6,348,004</u>	<u>32,832</u>
Noncurrent Liabilities					
Long-term Obligations, Due in More Than One Year					
Net OPEB Obligation	100,577	-	-	100,577	-
Net Pension Liability	2,607,063	-	-	2,607,063	-
Compensated Absences	105,717	-	-	105,717	-
Total Noncurrent Liabilities	<u>2,813,357</u>	<u>-</u>	<u>-</u>	<u>2,813,357</u>	<u>-</u>
TOTAL LIABILITIES	<u>9,105,333</u>	<u>56,028</u>	<u>-</u>	<u>9,161,361</u>	<u>32,832</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Pension Inflows	<u>152,823</u>	<u>-</u>	<u>-</u>	<u>152,823</u>	<u>-</u>
NET POSITION					
Net Investment in Capital Assets	23,392,800	10,283,522	-	33,676,322	-
Unrestricted	(3,461,044)	809,601	-	(2,651,443)	6,301,827
TOTAL NET POSITION	<u>\$ 19,931,756</u>	<u>\$ 11,093,123</u>	<u>\$ -</u>	<u>31,024,879</u>	<u>\$ 6,301,827</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities					
Related to Enterprise Funds				552,946	
Net Position of Business-type Activities				<u>\$ 31,577,825</u>	

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2015

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Water/Sewer	Parking System	Des Plaines Emergency Communication Center	Total Enterprise Funds	
Operating Revenues					
Charges for Services	\$ 14,454,347	\$ 333,908	\$ -	\$ 14,788,255	\$ 11,586,990
Miscellaneous	202,635	-	-	202,635	384,488
Total Operating Revenues	<u>14,656,982</u>	<u>333,908</u>	<u>-</u>	<u>14,990,890</u>	<u>11,971,478</u>
Operating Expenses					
Salaries	3,047,809	-	189,352	3,237,161	1,870
Benefits	1,908,072	-	2,706	1,910,778	151
Contractual Services	1,652,810	43,197	42,069	1,738,076	-
Commodities	10,285,089	151,761	-	10,436,850	-
Capital Outlay	41,570	-	-	41,570	-
Claims Expense	-	-	-	-	7,518,435
Insurance and Processing Fees	-	-	-	-	3,477,743
Miscellaneous	-	-	-	-	179,493
Depreciation	1,123,594	653,621	-	1,777,215	-
Total Operating Expenses	<u>18,058,944</u>	<u>848,579</u>	<u>234,127</u>	<u>19,141,650</u>	<u>11,177,692</u>
Operating Income (Loss)	<u>(3,401,962)</u>	<u>(514,671)</u>	<u>(234,127)</u>	<u>(4,150,760)</u>	<u>793,786</u>
Nonoperating Revenues and (Expenses)					
Intergovernmental	3,471	-	-	3,471	-
Investment Income	1,328	-	12	1,340	42
Total Nonoperating Revenues and (Expenses)	<u>4,799</u>	<u>-</u>	<u>12</u>	<u>4,811</u>	<u>42</u>
Income (Loss) Before Transfers and Special Item	<u>(3,397,163)</u>	<u>(514,671)</u>	<u>(234,115)</u>	<u>(4,145,949)</u>	<u>793,828</u>
Transfers					
Transfers In	6,126,775	-	188,971	6,315,746	-
Transfers Out	-	(36,516)	-	(36,516)	-
Total Transfers	<u>6,126,775</u>	<u>(36,516)</u>	<u>188,971</u>	<u>6,279,230</u>	<u>-</u>
Income (Loss) Before Special Item	<u>2,729,612</u>	<u>(551,187)</u>	<u>(45,144)</u>	<u>2,133,281</u>	<u>793,828</u>
Special Item	<u>-</u>	<u>-</u>	<u>413,013</u>	<u>413,013</u>	<u>-</u>
Change in Net Position	2,729,612	(551,187)	367,869	2,546,294	793,828
Net Position at Beginning of Year, Restated	<u>17,202,144</u>	<u>11,644,310</u>	<u>(367,869)</u>	<u>28,478,585</u>	<u>5,507,999</u>
Net Position at End of Year	<u>\$ 19,931,756</u>	<u>\$ 11,093,123</u>	<u>\$ -</u>	<u>31,024,879</u>	<u>\$ 6,301,827</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Funds				48,054	
Change in Net Position of Business-type Activities				<u>\$ 2,594,348</u>	

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2015

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor Fund	Total Enterprise Funds	Activities
	Water/Sewer	Parking System	Des Plaines Emergency Communication Center		Internal Service Funds
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 14,797,124	\$ 339,824	\$ 115,509	\$ 15,252,457	\$ 11,586,990
Receipts from Miscellaneous Revenues	211,453	-	-	211,453	384,488
Cash Payments to Suppliers for Good and Services	(12,263,098)	(177,791)	(72,479)	(12,513,368)	(11,516,576)
Cash Payments to Employees for Services	(4,581,448)	-	(828,118)	(5,409,566)	-
Net Cash Provided/(Used) by Operating Activities	<u>(1,835,969)</u>	<u>162,033</u>	<u>(785,088)</u>	<u>(2,459,024)</u>	<u>454,902</u>
Cash Flows from Noncapital Financing Activities					
Transfers In	6,126,775	-	188,971	6,315,746	-
Transfers Out	-	(36,516)	-	(36,516)	-
Special Item	-	-	413,013	413,013	-
Interfund Advances	457,834	-	-	457,834	-
Proceeds from Operating Grants	3,471	-	-	3,471	-
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>6,588,080</u>	<u>(36,516)</u>	<u>601,984</u>	<u>7,153,548</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition and Construction of Capital Assets	(4,753,439)	-	-	(4,753,439)	-
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(4,753,439)</u>	<u>-</u>	<u>-</u>	<u>(4,753,439)</u>	<u>-</u>
Cash Flows from Investing Activities					
Investment Income	1,328	-	12	1,340	42
Net Cash Provided/(Used) by Investing Activities	<u>1,328</u>	<u>-</u>	<u>12</u>	<u>1,340</u>	<u>42</u>
Net Increase (Decrease) in Cash & Investments	-	125,517	(183,092)	(57,575)	454,944
Cash & Investments, Beginning of Year	-	666,552	183,092	849,644	1,114,676
Cash & Investments, End of Year	<u>\$ -</u>	<u>\$ 792,069</u>	<u>\$ -</u>	<u>\$ 792,069</u>	<u>\$ 1,569,620</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities					
Operating Income/(Loss)	\$ (3,401,962)	\$ (514,671)	\$ (234,127)	\$ (4,150,760)	\$ 793,786
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities					
Depreciation	1,123,594	653,621	-	1,777,215	-
Decrease (Increase) in Receivables	342,777	5,916	115,509	464,202	(39)
Decrease (Increase) in Prepaid Items	-	-	-	-	(306,575)
Decrease (Increase) in Inventories	(493)	-	-	(493)	-
Decrease in Deferred Outflows - Pension	(1,074,175)	-	427,419	(646,756)	-
(Decrease) Increase in Accounts Payable	(283,136)	17,167	(30,410)	(296,379)	(27,375)
(Decrease) Increase in Accrued Liabilities	58,580	-	(49,511)	9,069	(4,895)
(Decrease) Increase in Unearned Revenue	8,818	-	-	8,818	-
(Decrease) Increase in Net OPEB Obligation	16,869	-	(119,805)	(102,936)	-
(Decrease) Increase in Net Pension Liability	1,443,573	-	(708,814)	734,759	-
(Decrease) in Deferred Inflows - Pension	(63,222)	-	(131,618)	(194,840)	-
(Decrease) Increase in Compensated Absences Payable	(7,192)	-	(53,731)	(60,923)	-
Total Adjustments	<u>1,565,993</u>	<u>676,704</u>	<u>(550,961)</u>	<u>1,691,736</u>	<u>(338,884)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (1,835,969)</u>	<u>\$ 162,033</u>	<u>\$ (785,088)</u>	<u>\$ (2,459,024)</u>	<u>\$ 454,902</u>
Noncash Capital and Related Financing Activities					
Capital assets included in accounts payable	\$ 1,063,162	\$ -	\$ -	\$ 1,063,162	\$ -

See accompanying notes to the financial statements.

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2015

	Pension Trust Funds	Agency Funds
ASSETS		
Cash and Cash Equivalents	\$ 6,971,647	\$ 514,996
Investments		
U.S. Government and Agency Obligations	21,750,050	-
State and Local Obligations	1,285,355	
Corporate Bonds	20,044,302	
Mutual Funds	44,488,727	-
Stocks	34,225,522	-
Insurance Contracts	1,484	-
Receivables (Net)		
Accrued Interest	390,012	-
Other	-	8,327
Prepaid Items	11,234	-
TOTAL ASSETS	\$ 129,168,333	\$ 523,323
 LIABILITIES AND NET POSITION		
Liabilities		
Accounts Payable	115,628	92,878
Deposits Payable	-	430,445
Total Liabilities	115,628	\$ 523,323
 Net Position		
Held in Trust for Pension Benefits	\$ 129,052,705	

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUNDS
Year Ended December 31, 2015

	<u>Pension Trust Funds</u>
Additions	
Contributions	
Employer	\$ 8,608,917
Plan Members	<u>1,740,554</u>
Total Contributions	<u>10,349,471</u>
Investment Income	(1,579,258)
Less Investment Expense	<u>(527,258)</u>
Net Investment Income	<u>(2,106,516)</u>
Total Additions	<u>8,242,955</u>
Deductions	
Administration	171,135
Benefits and Refunds	<u>13,224,416</u>
Total Deductions	<u>13,395,551</u>
Change in Plan Net Position	(5,152,596)
Plan Net Position at Beginning of Year	<u>134,205,301</u>
Plan Net Position at End of Year	<u>\$ 129,052,705</u>

CITY OF DES PLAINES, ILLINOIS
INDEX TO NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Des Plaines, Illinois (the City) was founded in 1835 and incorporated in 1869. The City is a home rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The City operates under a City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, civic and cultural, and general administrative services.

The accounting policies of the City of Des Plaines, 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).

Reporting Entity:

This report includes all of the funds of the City of Des Plaines. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) 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 or incomplete. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement Nos. 14, 39, and 61.

The primary criterion for including a potential component unit within the reporting entity under GASB Statement No. 14, as amended by GASB Statement No. 61, is the financial accountability that the elected officials of the primary government have for the component unit. The criteria used in assessing financial accountability consist of (1) the primary government is financially accountable if it appoints a voting majority of the organization's governing body *and* (a) it is able to impose its will on that organization *or* (b) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government; *and* (2) the primary government is financially accountable if the organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Component units that are fiduciary in nature are reported in the primary government's fund financial statements only. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Component Units – Police and Firefighters’ Pension Funds - 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. 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 firefighter 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 were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters and because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund. No separate annual financial report is issued for the FPERS.

Discretely Presented Component Unit – Des Plaines Public Library – The government-wide financial statements include the Des Plaines Public Library (Library) as a component unit. The Library is a legally separate organization. The board of the Library is appointed by the City Council. Illinois Statutes provide for circumstances whereby the City can impose its will on the Library, and also create a potential financial benefit to or burden on the City. See Note 8. As a component unit, the Library's financial statements have been presented as a discrete column in the financial statements. The Library does not issue a separate audit report.

Government-Wide and Fund Financial Statements:

Government-wide Financial Statements – The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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.

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 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent 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.

The City reports the following major governmental funds:

- General: Accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- TIF #6 (Mannheim/Higgins): Accounts for restricted incremental property tax revenues and expenditures related to the tax increment finance district located near Mannheim and Higgins Roads.
- Gaming Tax: Accounts for the revenues of a \$1 admissions tax and 5% wagering tax collected at the Rivers Casino in Des Plaines, Illinois that are legally restricted for contractual obligations.
- Capital Projects: Accounts for resources legally restricted to supporting expenditures for the capital projects program.
- Grant Funded Projects: Accounts for restricted revenues and expenditures related to the Public Safety, Capital and other miscellaneous grants.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major enterprise funds:

- Water/Sewer: Accounts for operations of the water and sewer system. The fund accounts for the provision of water and sewer to the residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund including administration, operations, maintenance, debt service, financing, billing and collection.
- Parking System: Accounts for operations of the Parking System. The fund accounts for provision of parking in the City. All activities necessary to provide such services are accounted for in this fund including administration, operations, maintenance and related debt service, billing and collection.

The City reports the following nonmajor governmental funds:

- Special Revenue Funds: Used to account for the proceeds of specific revenue sources (other than debt service and major capital projects) that are legally restricted to expenditures for specified purposes.

Motor Fuel Tax	Community Development Block Grant
Asset Seizure	Foreign Fire Insurance Tax
TIF #1 (Downtown)	TIF #3 (Wille Road)
TIF #5 (Perry/Lee)	TIF #7 (Mannheim/Higgins)
Emergency Telephone System	

- Debt Service Funds: Used to account for the accumulation of resources for, and the payment of, general long term debt principal, interest, and related costs.

Debt Service

- Capital Projects Funds: Used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

Equipment Replacement
I.T. Replacement

The City reports the following nonmajor enterprise fund:

- Des Plaines Emergency Communication Center Fund: Accounts for the 9-1-1 and emergency dispatching operations provided by the City to the City of Des Plaines and the City of Park Ridge under an intergovernmental agreement between the two communities.

In addition, the City reports the following fund types:

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

Risk Management
Health Benefits

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Pension (and other employee benefit) trust funds are used to 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.

Firefighters' Pension
Police Pension

- Agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Compliance Bond
Section 125 Plan

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 of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, the interfund services provided and used are not eliminated in the process of consolidation.

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, with the exception of sales taxes, which the City considers revenues to be available if they are collected within 90 days. 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 of resources. 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 deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports deferred inflows of resources and unearned revenues on its financial statements. Deferred inflows of resources arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, deferred inflows of resources and unearned revenue are removed from the balance sheet or statement of net position and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The proprietary funds distinguish operating revenues and expenses from non-operating 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/Sewer and Parking System funds are charges to customers for sales and services. 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 non-operating revenues and expenses.

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

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position:

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.

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

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.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and equity securities. The Police Pension Fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The Firefighters' Pension Fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

The Police and Firefighter's Pension Funds' policies are to maintain long term focus on its investment decision making process. Specifically, the Pension Fund's benefit liabilities extend many years into the future. As such, the investment focus should be on long term results.

Interest Rate Risk: The City's and Pension Funds' investment policies seek to ensure preservation of capital in the City's and Pension Funds' overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. In accordance with the City's investment policy, unless matched to a specific anticipated expenditure, the City will not directly invest in securities maturing more than three years from the date of purchase. However, reserve funds may be invested in securities exceeding three years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds. The Pension Funds' 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 Pension Funds' investment portfolio to be sufficiently liquid to enable the City and Pension Funds to meet all operating requirements as they come due.

The City will minimize interest risk that the market value of securities in the portfolio will fall due to changes in general interest rates by: (1) structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and (2) investing operating funds primarily in short term securities or investment pools.

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 Pension Funds' investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

The City's general investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The City's investment policy minimizes credit risk by: (1) limiting investments to the safest type of securities, (2) pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business, and (3) diversifying the investment portfolio so that potential losses on individual securities will be minimized.

The Police and Firefighters' Pension Funds' policies require all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality; that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's. The Boards, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit Risk: The City's and Pension Funds' 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 Fund'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. In this internal investment pool there were no investments which are subject to concentration of credit risk that represent more than 50% of the portfolio as of December 31, 2015.

Per the investment policy, no financial institution shall have more than 75% of the City's investment portfolio. No more than 10% of the City's investment portfolio may be commercial paper, no more than 50% of the City's portfolio may be invested in U.S. Government Agencies, and no more than 25% of the investment portfolio may be invested in the obligations of a single agency. As of December 31, 2015, the City's had 47% invested in cash, 33% invested in Illinois Funds, 5% invested in certificates of deposit, 11% invested in IMET and 4% in fixed income securities.

The Police Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 35% on equities. As of December 31, 2015, the Police Pension Trust Fund had 7% invested in cash, 33% invested in fixed income securities, 35% in mutual funds, 0% in foreign equities and 25% in equities.

The Firefighter Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 40% on equities. As of December 31, 2015, the Firefighter Pension Trust Fund had 4% invested in cash, 34% invested in fixed income securities, 34% in mutual funds, 0% in foreign equities and 28% in equities.

Custodial Credit Risk – Deposits: The City's and Pension Funds' investment policies limit 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 105% of the value of the deposit for the City and 100% if the value of the deposit for Pension Funds'.

Custodial Credit Risk – Investments: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City and Pension Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's and Pension Funds' investment policies require that all amounts in excess of any insurance limits be collateralized by securities eligible for City and Pension Funds investment or any other high quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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.

See Note 3 for further information.

Receivables: Property taxes for levy year 2015 attach 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).

Tax bills are prepared by the County and issued on or about February 1, 2015 and August 1, 2015, and are payable in two installments, on or about March 1, 2015 and September 1, 2015 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2015 property tax levy is recognized as a receivable and deferred inflow of resources in fiscal year 2015, net the allowance for uncollectible. 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 of resources consisted of the estimated amount collectible from the 2015 levy.

The property tax receivable is shown net of an allowance for uncollectibles. The allowance is equal to 1% of outstanding property taxes at December 31, 2015.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Inventories and Prepaid Items: Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases 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 weighted average, 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.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred loss on refunding of debt, change in pension assumptions and loss on pension investments. It is the deferred loss on debt refunding reported in the government-wide statement of net position. A deferred loss on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Changes in pension plan assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension plan. Loss on pension investments are deferred and amortized over five years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports resources associated with imposed nonexchange revenue transactions that are received or reported as a receivable before the period for which property taxes are levied as deferred inflows of resources. Additionally, certain amounts related to pensions must be deferred. Differences between expected and actual experience and change in pension assumptions are deferred and amortized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan. The City also has another type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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 \$25,000 for general capital assets and \$25,000 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.

Additions to and replacements of capital assets of business type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No net interest was capitalized during the current year. The cost of renewals betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Included with the City's *Equipment* capital assets, the City has capitalized an intangible asset, computer software. The City follows the same capitalization policy and estimated useful life for its intangible asset as it does for its *Equipment* capital assets. The City also amortizes the intangible asset utilizing the straight-line method.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 of depreciation. The range of estimated useful lives by type of asset is as follows:

Building, improvements and infrastructure	30 - 50 Years
Equipment	5 - 25 Years
Vehicles	5 - 20 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.

Compensated Absences: The liability for vested or accumulated vacation leave of the City (primary government), at December 31, 2015 of \$2,507,805, is recorded in the government-wide financial statements.

For governmental fund financial statements, the portion of the liability which has matured and is currently due and payable, such as a result of employee resignations and retirements, is recorded as a liability in the appropriate fund. The government-wide financial statements record unused vacation and sick leave as expenses and liabilities when earned by employees. The long term portion of compensated absences will be paid from the fund which the employee is paid.

The accumulated vacation and sick leave time liability of employees charged to the proprietary funds types is reported as an expense and as a liability of those funds as the benefits accrue to the employees.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement.

Long-Term Obligations: 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 effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for gains/losses is shown as a deferred inflow/outflow of resources on the statement of net position. Debt issuance costs are expensed when incurred.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Claims and Judgments: 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. Refer to Note 12 on commitments and contingencies.

Equity Classifications: *Government-wide Statements* – Equity is classified as net position and displayed in three components:

- 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 bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- 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.
- Unrestricted Net Position – All other net position 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.

Governmental Funds Statements – The components of the fund balance section of the balance sheet of the governmental funds include the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation. Restricted fund balances reported on the City's Governmental Funds Balance Sheet mainly include restricted property tax levies, bond proceeds, and grant awards.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the City, the City Council is the highest level of decision making. As of December 31, 2015, the City does not have any commitments of fund balance.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the City Council designated for that purpose. The intent of funds would be determined by a City official (Finance Director and approved by the City Manager, per the City's Fund Balance Policy) that the City Council has delegated the authority to assign amounts to be used for a specific purpose. GASB 54 has also outlined that fund balance outside of the general fund is to fall in this category if there is not a deficit fund balance for the fund.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, if there is a deficit balance in another governmental fund, it will be reported as a negative amount in that fund's unassigned classification.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

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

Fiduciary fund equity is classified as held in trust for agency funds on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the City believes it is in compliance with all significant restrictions.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information: Annual budgets are adopted. Budget amounts are as originally adopted by the City Council. All annual appropriations lapse at fiscal year end.

Prior to December 31, the City Director of Finance 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 March 31, the budget is legally enacted through passage of an ordinance. 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 Director of Finance 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.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and modified accrual basis of accounting for all governmental funds and accrual basis of accounting for all proprietary funds, except the Asset Seizure and Foreign Fire Insurance Tax funds which are not budgeted.

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Excess Expenses/Expenditures Over Appropriations:

<u>Funds</u>	<u>Budgeted Expenses/ Expenditures</u>	<u>Actual Expenses/ Expenditures</u>	<u>Excess Expenses/ Expenditures Over Budget</u>
Gaming Tax	\$ 15,400,000	\$ 15,862,826	\$ (462,826)
TIF #5 (Perry/Lee)	111,042	111,814	(772)
Emergency Telephone System	2,165,458	2,463,516	(298,058)
Parking System	190,289	194,958	(4,669)

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

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:

<u>Fund</u>	<u>Amount</u>
TIF #3 (Wille Road)	\$ 3,274,489
TIF #6 (Mannheim/Higgins)	9,179,285
TIF #7 (Mannheim/Higgins)	171,951
Grant Funded Projects	1,097,619

T.I.F. District deficits are anticipated to be funded with future incremental taxes levied over the life of the districts. The Grant Funded Projects will be funded by grant money receivable from the state.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 3 – DEPOSITS AND INVESTMENTS

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

	<u>Carrying</u> <u>Value</u>	<u>Statement</u> <u>Balance</u>	<u>Associated Risks</u>
Petty cash	\$ 1,800	\$ 1,800	N/A
Deposits	45,071,818	47,455,891	Custodial
Illinois funds	27,696,959	27,687,583	Credit, interest rate
U.S. government and agency obligations	21,750,050	21,750,050	Custodial, credit, interest rate concentration of credit
State and local obligations	4,378,937	4,378,937	Custodial, interest rate, concentration of credit
Money market mutual funds	16,387,034	16,387,034	Credit, interest rate
Mutual funds	44,488,727	44,488,727	Credit
Corporate bonds	20,044,302	20,044,302	Custodial, credit, interest rate concentration of credit
Common and preferred stock	34,225,522	34,225,522	Custodial, concentration of credit
Insurance contracts	<u>1,484</u>	<u>1,484</u>	Custodial, credit, concentration of credit
Total deposits and investments	<u>\$ 214,046,633</u>	<u>\$ 216,421,330</u>	

Reconciliation To Financial Statements:

Per statement of net position	
Cash and investments	\$ 84,764,550
Per statement of fiduciary net position - fiduciary funds	
Cash - agency	514,996
Cash - pension	6,971,647
U.S. government and agency obligations	21,750,050
Mutual funds	44,488,727
Corporate bonds	20,044,302
Stocks	34,225,522
Insurance contracts	1,484
State and local obligations	<u>1,285,355</u>
Total deposits and investments	<u>\$ 214,046,633</u>

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 City does not have any investments exposed to custodial credit risk.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

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, credit ratings for the City, Police Pension, and Fire Pension investments in debt securities are as follows:

<u>City</u>		<u>Standard and Poor's Ratings</u>				<u>Total</u>
<u>Investment Type</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>		
Illinois municipal bonds	\$ -	\$ 1,040,717	\$ 1,927,865	\$ 125,000	\$ 3,093,582	
Illinois funds	27,696,959	-	-	-	27,696,959	

<u>Police Pension</u>		<u>Standard and Poor's Ratings</u>				<u>Moody's Ratings (if S&P not available)</u>			<u>Total</u>
<u>Investment Type</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>AAA</u>	<u>AA</u>	<u>NR</u>		
U.S. Treasuries	\$ -	\$ -	\$ -	\$ -	\$ 8,186,180	\$ -	\$ -	\$ 8,186,180	
State and Local Obligations	-	539,696	-	-	-	-	222,727	762,423	
U.S. Government Agencies	-	1,332,485	-	-	-	-	524,238	1,856,723	
Corporate Bonds	315,261	1,387,286	4,663,340	2,263,763	-	-	486,686	9,116,336	

<u>Fire Pension</u>		<u>Standard and Poor's Ratings</u>				<u>Moody's Ratings (if S&P not available)</u>			<u>Total</u>
<u>Investment Type</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>AAA</u>	<u>AA</u>	<u>NR</u>		
U.S. Treasuries	\$ -	\$ -	\$ -	\$ -	\$ 9,612,300	\$ -	\$ -	\$ 9,612,300	
State and Local Obligations	-	-	290,381	-	-	-	232,551	522,932	
U.S. Government Agencies	-	1,570,127	-	-	-	-	524,720	2,094,847	
Corporate Bonds	525,435	2,078,546	5,388,030	2,820,970	-	-	114,985	10,927,966	

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 (other than investments in United States Government and United States Government Guaranteed Obligations, investment pools, and mutual funds) in a single issuer that exceeded 5%.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

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

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

<u>Investment Type</u>	<u>Maturity (in years)</u>			
	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>One to Five Years</u>	<u>Over Five Years</u>
City				
Illinois municipal bonds	\$ 3,093,582	\$ 2,582,143	\$ 511,439	\$ -
Money market mutual fund	9,421,877	9,421,877	-	-
Illinois funds	27,696,959	27,696,959	-	-
Corporate bonds	-	-	-	-
City investment total	<u>40,212,418</u>	<u>39,700,979</u>	<u>511,439</u>	<u>-</u>
Police Pension				
U.S. Treasuries	8,186,180	-	4,797,667	3,388,513
State and local obligations	762,423	-	762,423	-
Money market mutual funds	4,198,048	4,198,048	-	-
Mortgage-backed securities	1,332,486	-	983,843	348,643
Other U.S. government agencies	524,237	-	10,838	513,399
Corporate bonds	9,116,336	-	5,225,715	3,890,621
Police pension investment total	<u>24,119,710</u>	<u>4,198,048</u>	<u>11,780,486</u>	<u>8,141,176</u>
Fire Pension				
U.S. Treasuries	9,612,300	-	5,356,012	4,256,288
State and local obligations	522,932	-	522,932	-
Money market mutual funds	2,767,109	2,767,109	-	-
Mortgage-backed securities	1,570,127	-	1,272,012	298,115
Other U.S. government agencies	524,720	-	-	524,720
Corporate bonds	10,927,966	-	5,996,971	4,930,995
Fire pension investment total	<u>25,925,154</u>	<u>2,767,109</u>	<u>13,147,927</u>	<u>10,010,118</u>
Totals	<u>\$ 90,257,282</u>	<u>\$ 46,666,136</u>	<u>\$ 25,439,852</u>	<u>\$ 18,151,294</u>

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 4 – DETAILS OF RECEIVABLES – UNAVAILABLE/DEFERRED/UNEARNED

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

Governmental funds report deferred inflows of resources 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 delay 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 deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	<u>Deferred Inflows of Resources</u>			
	<u>Unavailable</u>	<u>Deferred</u>	<u>Unearned</u>	<u>Totals</u>
Property taxes receivable for subsequent year	\$ -	\$ 28,381,831	\$ -	\$ 28,381,831
Other receivables	1,730,378	-	168,026	1,898,404
Grant receivables	<u>5,467,021</u>	<u>-</u>	<u>-</u>	<u>5,467,021</u>
Total deferred inflows/unearned revenue for governmental funds	<u>\$ 7,197,399</u>	<u>\$ 28,381,831</u>	<u>\$ 168,026</u>	<u>\$ 35,747,256</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 5 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital assets not being depreciated				
Land	\$ 22,009,852	\$ 1,645,315	\$ -	\$ 23,655,167
Construction in progress	579,294	6,737,990	-	7,317,284
Land right of way	<u>53,299,649</u>	<u>-</u>	<u>-</u>	<u>53,299,649</u>
Total capital assets not being depreciated	<u>75,888,795</u>	<u>8,383,305</u>	<u>-</u>	<u>84,272,100</u>
Capital assets being depreciated				
Buildings	21,792,634	-	-	21,792,634
Improvements	45,537,645	54,400	-	45,592,045
Equipment	4,519,706	340,100	183,474	4,676,332
Vehicles	9,001,239	670,634	219,405	9,452,468
Infrastructure	<u>148,319,283</u>	<u>4,673,618</u>	<u>186,749</u>	<u>152,806,152</u>
Total capital assets being depreciated	<u>229,170,507</u>	<u>5,738,752</u>	<u>589,628</u>	<u>234,319,631</u>
Total capital assets	<u>305,059,302</u>	<u>14,122,057</u>	<u>589,628</u>	<u>318,591,731</u>
Less accumulated depreciation for				
Buildings	(9,670,654)	(445,931)	-	(10,116,585)
Improvements	(18,705,667)	(1,265,879)	-	(19,971,546)
Equipment	(2,597,118)	(300,160)	(171,317)	(2,725,961)
Vehicles	(4,826,764)	(450,522)	(219,405)	(5,057,881)
Infrastructure	<u>(72,012,651)</u>	<u>(4,462,755)</u>	<u>(185,328)</u>	<u>(76,290,078)</u>
Total accumulated depreciation	<u>(107,812,854)</u>	<u>(6,925,247)</u>	<u>(576,050)</u>	<u>(114,162,051)</u>
Net capital assets being depreciated	<u>121,357,653</u>	<u>(1,186,495)</u>	<u>13,578</u>	<u>120,157,580</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 197,246,448</u>	<u>\$ 7,196,810</u>	<u>\$ 13,578</u>	<u>\$ 204,429,680</u>

Depreciation expense was charged to functions as follows:

Governmental activities

General government	\$ 188,558
Public safety	451,691
Public works	1,383,760
Streets and highways	4,685,291
Economic development	<u>215,947</u>

Total \$ 6,925,247

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 5 – CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Ending Balance</u>
<u>Business-type Activities</u>				
Capital assets not being depreciated				
Land	\$ 1,891,770	\$ -	\$ -	\$ 1,891,770
Total capital assets not being depreciated	<u>1,891,770</u>	<u>-</u>	<u>-</u>	<u>1,891,770</u>
Capital assets being depreciated				
Buildings	18,966,509	-	-	18,966,509
Improvements	34,130,058	5,816,601	-	39,946,659
Equipment	713,950	-	-	713,950
Vehicles	1,485,942	-	26,532	1,459,410
Total capital assets being depreciated	<u>55,296,459</u>	<u>5,816,601</u>	<u>26,532</u>	<u>61,086,528</u>
Total capital assets	<u>57,188,229</u>	<u>5,816,601</u>	<u>26,532</u>	<u>62,978,298</u>
Less accumulated depreciation for				
Buildings	(9,566,141)	(673,278)	-	(10,239,419)
Improvements	(16,268,460)	(1,005,304)	-	(17,273,764)
Equipment	(470,069)	(34,988)	-	(505,057)
Vehicles	(1,246,623)	(63,645)	(26,532)	(1,283,736)
Total accumulated depreciation	<u>(27,551,293)</u>	<u>(1,777,215)</u>	<u>(26,532)</u>	<u>(29,301,976)</u>
Net capital assets being depreciated	<u>27,745,166</u>	<u>4,039,386</u>	<u>-</u>	<u>31,784,552</u>
Total business-type activities capital assets, net of accumulated depreciation	<u>\$ 29,636,936</u>	<u>\$ 4,039,386</u>	<u>\$ -</u>	<u>\$ 33,676,322</u>

Depreciation expense was charged to functions as follows:

<u>Business-type Activities</u>	
Parking	\$ 653,621
Water/Sewer	<u>1,123,594</u>
Total	<u>\$ 1,777,215</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 6 – INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables and Advances: The following is a schedule of interfund receivables, payables, and advances including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Advances To/From Amount Not Due Within One Year</u>	<u>Due To/From Amount Due Within One Year</u>
General	TIF #6 (Mannheim/Higgins)	\$ 9,179,285	\$ 9,179,285	\$ -
General	Non-major governmental	3,419,982	3,419,982	-
General	Water/Sewer	<u>3,102,849</u>	<u>3,102,849</u>	<u>-</u>
Total - fund financial statements		<u>15,702,116</u>	<u>\$ 15,702,116</u>	<u>\$ -</u>
Less: Fund eliminations		(12,599,267)		
Less: Interfund receivables created with internal service fund eliminations		<u>(552,946)</u>		
Total internal balances - government-wide statement of net position		<u>\$ 2,549,903</u>		

\$9,179,285 due from TIF #6 (Mannheim/Higgins) to the General Fund is for cash overdrafts in the TIF #6 (Mannheim/Higgins) Fund.

\$3,419,982 due from nonmajor Governmental Funds to the General Fund is for cash overdrafts in nonmajor Governmental Funds.

\$3,102,849 due from Water Fund to the General Fund is for cash overdrafts in Water Fund.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 6 – INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (Continued)

The following is a schedule of interfund transfers:

<u>Transferred To</u>	<u>Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
<u>Fund financial statements</u>			
General	Non-major governmental	124,348	To reimburse general operating expenditures of the fund
General	Parking system	15,758	To reimburse general operating expenditures of the fund
General	Capital projects	25,000	To reimburse for capital outlay purchases
General	DPECC fund	188,971	To closeout DPECC fund
Capital Projects	Gaming Tax	4,300,000	To reimburse for infrastructure improvements
Grant Funded Projects	Capital projects	290,493	To reimburse the City's share of grant expenses
Grant Funded Projects	Non-major governmental	7,200	To reimburse general operating expenditures of the fund
Non-major governmental	General	1,500,000	Transfer per budget for future equipment and depreciation
Non-major governmental	General	500,000	Transfer per budget for future IT equipment and depreciation
Non-major governmental	General	1,698,392	To reimburse for dispatch services
General	Non-major governmental	38,229	To reimburse general operating expenditures of the fund
Water	Capital projects	597,389	To reimburse for alternate water supply improvements
Water	Gaming Tax	5,508,628	To reimburse for infrastructure improvements
Water	Parking system	20,758	To reimburse general operating expenditures of the fund
Total - fund financial statements		14,815,166	
<u>Statement of Activities</u>			
Governmental Activities	Business-type Activities	708,814	Noncurrent financial resources transfer due to closeout of the DPECC fund
Less: Fund eliminations		(8,535,936)	
Total - government-wide statement of activities		\$ 6,988,044	

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 7 – DEBT ACTIVITY

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities</u>					
Bonds and loans payable					
General obligation debt	\$ 40,678,625	\$ 577,063	\$ 4,385,000	\$ 36,870,688	\$ 3,905,000
Tax increment financing revenue bonds	423,590	-	61,885	361,705	65,133
Loans payable	187,500	-	12,500	175,000	12,500
Add/(subtract) unamortized (Discounts)/premiums	<u>386,636</u>	<u>-</u>	<u>99,399</u>	<u>287,237</u>	<u>-</u>
Total bonds and loans payable	41,676,351	577,063	4,558,784	37,694,630	3,982,633
<u>Other liabilities</u>					
Vested compensated absences	2,364,367	1,549,831	1,657,190	2,257,008	1,591,664
Net pension liability - Police Pension*	69,192,635	6,490,767	-	75,683,402	-
Net pension liability - Fire Pension*	54,559,461	11,246,867	-	65,806,328	-
Net pension liability - IMRF*	3,239,698	4,072,467	-	7,312,165	-
Net other post-retirement benefit liability	<u>2,084,329</u>	<u>395,579</u>	<u>-</u>	<u>2,479,908</u>	<u>-</u>
Total other liabilities	<u>131,440,490</u>	<u>23,755,511</u>	<u>1,657,190</u>	<u>153,538,811</u>	<u>1,591,664</u>
Total governmental activities long-term liabilities	<u>\$ 173,116,841</u>	<u>\$ 24,332,574</u>	<u>\$ 6,215,974</u>	<u>\$ 191,233,441</u>	<u>\$ 5,574,297</u>

*Beginning balance was restated due to a change in accounting principle. See Note 10.

Governmental activities general obligation debt increases includes \$185,098 of accretion of the 2009A capital appreciation bonds and \$391,965 of accretion of the 2010B capital appreciation bonds.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Business-Type Activities</u>					
Vested compensated absences	\$ 311,720	\$ 190,700	\$ 251,623	\$ 250,797	\$ 145,080
Net pension liability - IMRF*	1,872,304	734,759	-	2,607,063	-
Net other post-retirement benefit liability	<u>203,513</u>	<u>-</u>	<u>102,936</u>	<u>100,577</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 2,387,537</u>	<u>\$ 925,459</u>	<u>\$ 354,559</u>	<u>\$ 2,958,437</u>	<u>\$ 145,080</u>

*Beginning balance was restated due to a change in accounting principle. See Note 10.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 7 – DEBT ACTIVITY (Continued)

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 future property tax levies or tax increments accumulated by the debt service fund. Business type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2015</u>
Governmental Activities					
<u>General Obligation Debt</u>					
Series 2007A GO Refunding Bonds, due in annual installments of \$45,000 to \$700,000					
• debt retired from capital project fund	October 23, 2007	December 1, 2021	3.80%	\$ 6,065,000	\$ 1,995,000
Series 2007B GO Refunding Bonds, due in annual installments of \$85,000 to \$150,000					
• debt retired from debt service fund	October 23, 2007	December 1, 2021	3.80%	1,660,000	560,000
• debt retired from TIF #1 fund					65,000
Series 2008A Taxable GO Refunding Bonds, due in annual installments of \$125,000 to \$275,000					
• debt retired from TIF #1 fund	April 1, 2008	December 1, 2021	3.25%	2,575,000	178,000
• debt retired from the TIF #3 fund			to 5.25%		647,000
Series 2009A Taxable GO Refunding (Capital Appreciation) Bonds, due in annual installments of \$170,000 to \$1,575,000					
• debt retired from TIF #6 fund	November 3, 2009	December 1, 2023	3.00%	5,430,000	3,343,489*
			to 5.80%		
Series 2009B GO Refunding Bonds, due in annual installments of \$200,000 to \$865,000					
• debt retired from capital projects fund	November 3, 2009	December 1, 2018	3.00%	4,175,000	600,000
			to 3.75%		
Series 2010A GO Refunding Bonds, due in annual installments of \$295,000 to \$435,000					
• debt retired from TIF #3 fund	January 6, 2010	December 1, 2028	3.625%	3,945,000	3,945,000
			to 4.25%		
Series 2010B GO Refunding Bonds, due in annual installments of \$266,906 to \$807,030					
• debt retired from TIF #3 fund	January 6, 2010	December 1, 2026	4.0%	6,110,760	8,167,199*
			to 5.35%		
Series 2011A GO Refunding Bonds, due in annual installments of \$275,000 to \$465,000					
• debt retired from TIF #1 fund	December 22, 2011	December 1, 2021	2.0%	3,540,000	895,000
• debt retired from TIF #3 fund			to 2.50%		740,000
• debt retired from TIF #5 fund					610,000
• debt retired from TIF #6 fund					150,000

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 7 – DEBT ACTIVITY (Continued)

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2015</u>
Series 2012A GO Refunding Bonds, due in annual installments of \$455,000 to \$495,000					
• debt retired from TIF #1 fund	December 18, 2012	December 1, 2020	1.0% to 2.0%	\$ 3,765,000	\$ 2,395,000
Series 2013 Taxable GO Refunding Bonds, due in annual installments of \$690,000 to \$1,140,000					
• debt retired from TIF #1 fund	December 17, 2013	December 1, 2021	3.0% to 3.30%	7,945,000	2,210,000
• debt retired from TIF #3 fund					435,000
• debt retired from TIF #6 fund					3,390,000
Series 2014A Taxable GO Refunding Bonds, due in annual installments of \$140,000 to \$355,000					
• debt retired from TIF #6 fund	September 4, 2014	December 1, 2021	1.00% to 2.60%	2,020,000	1,680,000
Series 2014B GO Refunding Bonds, due in annual installments of \$440,000 to \$1,165,000					
• debt retired from TIF #3 fund	September 4, 2014	December 1, 2022	0.75% to 3.0%	5,600,000	2,685,000
• debt retired from capital projects fund					<u>2,180,000</u>
Total governmental activities general obligation debt					<u>\$ 36,870,688</u>

*A portion of the December 31, 2015 balance for the 2010B and 2009A bonds represents accretion on debt from the date of issuance until December 31, 2015.

Debt service requirements to maturity are as follows (Principal Totals for Governmental Activities differs from the outstanding balance noted above in the amount of \$5,009,312, due to the future accretion on the 2009A and 2010A Capital Appreciation Bonds):

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 3,905,000	\$ 725,391
2017	4,760,000	629,116
2018	5,575,000	529,193
2019	4,740,000	412,528
2020	4,970,000	312,574
2021-2025	14,710,000	574,907
2026-2028	<u>3,220,000</u>	<u>107,236</u>
Totals	<u>\$ 41,880,000</u>	<u>\$ 3,290,945</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

NOTE 7 – DEBT ACTIVITY (Continued)

Tax Increment Financing Notes: Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

The City has issued notes where the City pledges incremental taxes derived from a separately created tax increment financing district. These notes are not a general obligation of the City and are secured only by the incremental revenues generated by the TIF district. During 2015, TIF #1 generated a tax increment of \$4,758,567. The City has pledged future incremental tax revenues, net of specified operating expenses, to repay \$423,590 in revenue notes issued in 2002 - 2003. Proceeds from the notes provided financing for capital development within the tax increment financing district. The notes are payable solely from incremental tax revenues and are payable through 2020. Annual principal and interest payments on the notes are expected to require 1.75% of net revenues. The total principal and interest remaining to be paid on the notes is \$420,615. Principal and interest paid for the current year were \$61,885 and \$22,239, respectively.

On August 20, 2007 the City entered into a TIF #1 redevelopment agreement that re-pays the developer a maximum amount of \$1,657,277 for eligible project costs to the extent sufficient incremental tax revenues are generated from this project. As of December 31, 2015, the development has incurred \$1,535,448 in eligible certified project costs. In 2015, the City paid \$418,199 from the 2014 tax increment generated by the development. The total amount paid on the note to date is \$1,612,120, which includes note interest.

Tax Increment Financing Notes at December 31, 2015, consists of the following:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2015</u>
Series 2002 Tax Increment Revenue Note, due in annual installments of \$14,547 to \$38,840					
• debt retired by TIF #1 fund	May 1, 2002	June 1, 2020	5.25%	\$ 462,389	\$ 175,768
Series 2003 Tax Increment Revenue Note, due in annual installments of \$12,096 to \$41,087					
• debt retired by TIF #1 fund	October 6, 2003	June 1, 2020	5.25%	471,000	<u>185,937</u>
Total governmental activities tax Increment financing notes					<u>\$ 361,705</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Tax Increment Financing Notes</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 65,133	\$ 18,990
2017	68,553	15,570
2018	72,152	11,971
2019	75,940	8,183
2020	<u>79,927</u>	<u>4,196</u>
Totals	<u>\$ 361,705</u>	<u>\$ 58,910</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 7 – DEBT ACTIVITY (Continued)

Loans Payable: Loans Payable at December 31, 2015 consist of the following:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2015</u>
Series 2009 equipment loan (fire engine), due in annual installments of \$12,500					
<ul style="list-style-type: none"> • debt retired by equipment replacement fund 	April 7, 2009	November 1, 2029	0.00%	\$ 250,000	\$ 175,000

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Loans Payable Principal</u>
2016	\$ 12,500
2017	12,500
2018	12,500
2019	12,500
2020	12,500
2021-2025	62,500
2026-2029	<u>50,000</u>
Totals	\$ <u>175,000</u>

Other Debt Information - Conduit Debt: The City has issued Industrial Development bonds for the benefit of various organizations. The issuance of Industrial Development Revenue Bonds by the City is to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment or extension of any economic development project in order to encourage economic development within or near the City. Industrial Development Revenue Bonds are not a debt of the City and the City is not obligated in any manner for the repayment. The entity using the bond proceeds to finance a construction or improvement project is liable for the bonds. Since the City does not act as an agent for Industrial Revenue Bonds, the transactions relating to the bonds and property do not appear in the City's financial statements. In 2006, the City issued \$7.7 million of Industrial Revenue Bonds for the Science and Arts Academy expansion. The bonds were refinanced in 2011 and the outstanding balance as of December 31, 2015 is \$5,889,049.

The City cash flow requirements on the refunded 2003C series bonds prior to the current refunding was \$2,467,738 from 2014 through 2021. The cash flow requirements on the 2014A series refunding bonds are \$2,285,647 from 2014 through 2021. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$163,200.

The City cash flow requirements on the refunded 2005A and 2005D series bonds prior to the current refunding was \$3,472,654 from 2014 through 2021 and \$3,885,163 from 2014 through 2018, respectively. The cash flow requirements on the 2014B series refunding bonds are \$6,930,212 from 2014 through 2022. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$399,424.

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

NOTE 7 – DEBT ACTIVITY (Continued)

Legal Debt Margin: The City 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 if its population is more than 25,000 and less than 500,000 an aggregate of one percent; indebtedness which is outstanding effective date (July 1, 1971) of this constitution or which is thereafter approval by referendum shall not be included in the foregoing percentage amounts."

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

Net Pension Liability and Other Postemployment Benefit Obligations: The fund where salary is paid from for an employee has typically been used to liquidate the net pension liability and other postemployment benefit obligations. See notes 9 and 13 for more information.

NOTE 8 – COMPONENT UNIT

Component Unit:

Des Plaines Public Library – This report contains the Des Plaines Public Library (the "Library"), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position, statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Basis of Accounting/Measurement Focus: The Library follows the modified accrual basis of accounting and the flow of current financial resources measurement focus.

Deposits and Investments:

	<u>Carrying Value</u>	<u>Statement Balance</u>	<u>Associated Risks</u>
Deposits	\$ 798,531	\$ 868,949	Custodial
Illinois funds	5,039,554	5,039,554	Credit, interest rate
Petty cash	<u>500</u>	<u>-</u>	N/A
 Total deposits and investments	 <u>\$ 5,838,585</u>	 <u>\$ 5,908,503</u>	

Deposits: Statutes authorize the Des Plaines Public Library (the "Library") to make deposits/invest 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 agreements 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.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 8 – COMPONENT UNIT (Continued)

Cash: The carrying amount of deposits was \$5,838,585 at December 31, 2015, while the bank balances were \$5,908,503. All deposits were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Library's name by financial institutions acting as the Library's agent.

Investments: Illinois Statutes authorize the Library 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. As of December 31, 2015, the Library held \$5,039,554 in the Illinois Funds Investment Pool.

Interest Rate Risk. The Library does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At year end, the Illinois Funds balance of \$5,039,554 was due upon demand.

Credit Risk. The Library's general investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Library investment or any other high quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

Concentration of Credit Risk. The Library places no limit on the amount that may be invested in any one issuer.

Receivables and Deferred Inflows of Resources: Property taxes for 2015 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2015 and August 1, 2015 and are payable in two installments, on or about March 1, 2015 and September 1, 2015. The County collects such taxes and remits them periodically.

The Library recognizes property tax revenues when they become both measurable and available in the fiscal year that the tax levy is intended to finance. Therefore, the entire 2015 tax levy has been recorded as a deferred inflow of resources on the balance sheet.

Prepaid Items: 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.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 8 – COMPONENT UNIT (Continued)

Capital Assets:

<u>Component Unit</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Improvements	\$ 235,874	\$ 370,615	\$ -	\$ 606,489
Equipment	970,742	147,199	-	1,117,941
Vehicles	<u>67,163</u>	<u>-</u>	<u>-</u>	<u>67,163</u>
Total capital assets being depreciated	<u>1,273,779</u>	<u>517,814</u>	<u>-</u>	<u>1,791,593</u>
Less accumulated depreciation for				
Improvements	(45,973)	(14,040)	-	(60,013)
Equipment	(357,027)	(61,895)	-	(418,922)
Vehicles	<u>(49,695)</u>	<u>(2,495)</u>	<u>-</u>	<u>(52,190)</u>
Total accumulated depreciation	<u>(452,695)</u>	<u>(78,430)</u>	<u>-</u>	<u>(531,125)</u>
Total component unit capital assets, net of accumulated depreciation	<u>\$ 821,084</u>	<u>\$ 439,384</u>	<u>\$ -</u>	<u>\$ 1,260,468</u>

The title to the Library land and building is in the name of the City and is reported in the City's capital assets used in governmental activities.

Compensated Absences: The liability balance at January 1, 2015 was \$262,345. During 2015, there were additions of \$114,924 and reductions of \$98,502 leaving the liability balance as of December 31, 2015 at \$278,767. The current portion of this liability is \$99,309.

Net Other Postemployment Benefits Obligation: The liability balance at January 1, 2015 was \$86,643. During 2015, there were annual OPEB costs of \$4,874 and contributions of \$5,095 leaving the liability balance as of December 31, 2015 at \$86,622. See Note 13 for further details on the plan.

Illinois Municipal Retirement Fund: The net pension liability for the Library's portion at January 1, 2015 was \$913,344. During 2015, there were additions of \$1,139,731 leaving the liability balance as of December 31, 2015 at \$2,053,075. See Note 9 for further details on the plan.

(Continued)

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM

Illinois Municipal Retirement Fund

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

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

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

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms: As of December 31, 2015 the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	472
Active Plan Members	<u>202</u>
Total	<u><u>674</u></u>

Contributions: As set by statute, the City’s Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City’s annual required contribution rate for calendar year 2015 was 12.83%. For the fiscal year ended December 31, 2015, the

(Continued)

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

City contributed \$1,796,025 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City’s net pension liability for IMRF was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.48%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013
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.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2015 Illinois Municipal Retirement Fund annual actuarial valuation. There were no benefit changes during the year.

Expected return on pension plan investments: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38.00%	7.39%
International Equity	17.00%	7.59%
Fixed Income	27.00%	3.00%
Real Estate	8.00%	6.00%
Alternative Investments	9.00%	2.75%-8.15%
Cash Equivalents	1.00%	2.25%
	<u>100.00%</u>	

Discount rate: A single discount rate of 7.48% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members’ contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rates reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits and (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Based on those assumptions, the fiduciary net position was projected to not be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was blended with the AA rated general obligation bond index at December 31, 2015 to arrive at the discount rates used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56%, and the resulting single discount rate is 7.48%.

Changes in the Net Pension Liability for the IMRF plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 12/31/14	\$ 106,586,417	\$ 100,561,071	\$ 6,025,346
Changes for the year:			
Service Cost	1,655,441	-	1,655,441
Interest	7,847,845	-	7,847,845
Actuarial Experience	(300,852)	-	(300,852)
Assumption Changes	128,456	-	128,456
Contributions - Employer	-	1,796,025	(1,796,025)
Contributions - Employee	-	718,234	(718,234)
Net Investment Income	-	495,909	(495,909)
Benefit payments, including refunds	(5,273,001)	(5,273,001)	-
Administrative Expense	-	373,765	(373,765)
Net Changes	<u>4,057,889</u>	<u>(1,889,068)</u>	<u>5,946,957</u>
Balances at 12/31/15	<u>\$ 110,644,306</u>	<u>\$ 98,672,003</u>	<u>\$ 11,972,303</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

As reported in

City's governmental activities	\$ 7,312,165
City's business-type activities	2,607,063
Library	2,053,075
	\$ 11,972,303

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.48%, as well as what the City's net pension liability for IMRF plan would be if it were calculated using a discount rate that is 1-percentage-point lower (6.48%) or 1-percentage-point higher (8.48%) than the current rate:

	1% Decrease 6.48%	Current Discount Rate 7.48%	1% Increase 8.48%
City's Net Pension Liability for IMRF's plan	\$25,954,828	\$ 11,972,303	\$ 517,536

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 \$3,202,065 for the IMRF plan. At December 31, 2015, the City reported deferred inflows or resources and deferred outflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 828,500
Changes of Assumptions	1,517,016	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6,366,890	-
Total	\$ 7,883,906	\$ 828,500

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2016	\$ 2,243,422
2017	1,769,502
2018	1,651,135
2019	1,391,347
Total	\$ 7,055,406

Police Pension Plan

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. Administrative costs are financed with current investment income. The City accounts for the plan as a pension trust fund.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

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

Inactive plan members or beneficiaries currently receiving benefits	113
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	<u>90</u>
Total	<u>205</u>

The following is a summary of the Police Pension Plan as provided for in Illinois Compiled Statutes. The police pension fund provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit 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 eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly benefit 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 be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers’ salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit 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 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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 has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan. For the year ended December 31, 2015, the City’s contribution was 50.87% of covered payroll.

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

(Continued)

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

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

Net Pension Liability

The City’s net pension liability for the Police Pension plan was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (Economic)

Discount Rate used for the Total Pension Liability	7.00%
Long-Term Expected Rate of Return on Plan Assets	7.00%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.57%
Projected Individual Salary Increases	3.50% - 11.50%
Projected Increase in Total Payroll	3.50%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%

Actuarial Assumptions (Demographic)

Mortality Table	L&A 2016 Illinois Police Mortality Rates
Retirement Rates	L&A 2016 Illinois Police Retirement Rates Capped at age 65
Disability Rates	L&A 2016 Illinois Police Disability Rates
Termination Rates	L&A 2016 Illinois Police Termination Rates
Percent Married	80.00%

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2016. The table combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date. Other demographic assumption rates are based on a review of assumptions in the L&A 2016 study for Illinois Police Officers.

Assumption changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.56% to 3.57% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index as discussed in more detail later in this section. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index. The change was made to reflect the actuaries understanding of the requirements of GASB under Statement 67 and Statement 68. The demographic assumptions formerly used RP 2000 Mortality Table for mortality, uniform distribution from ages 50-62 (100% by age 62) for retirement rates, and a department of insurance study for disability.

Postemployment benefit changes: Eligibility for postemployment benefit increases is determined based on the Illinois Pension code. Tier 1 Police retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Police retirees are provided postemployment benefit increases

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

based on one-half of the Consumer Price Index (Urban) for the prior September. The CPI-U for September, 1 985 was 108.3. The CPI-U for September, 2015 was 237.9. The average increase in the CPI-U for September, 1985 through September, 2015 was 2.66% (on a compounded basis).

Expected return on pension plan investments: The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by the investment professionals that work with the Pension Fund. The best estimate of future real rates of return are developed for each of the major asset classes. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large Cap Equity	19.00%	6.50%
US Mid Cap Equity	7.00%	7.10%
US Small Cap Equity	7.00%	7.70%
REITS	3.00%	5.60%
Non US Developed Equity	16.00%	6.40%
Emerging Markets	8.00%	2.30%
Fixed Income	38.00%	1.60%
Cash	2.00%	0.70%
	100.00%	

Long-term expected real returns under GASB are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided above are intended to estimate those figures. The expected inflation rate is 2.00% and is not included in the long-term rate of return on investments presented above. The inflation rate is from the same source as the long-term real rates of return, and is not necessarily reflective of the inflation measures used for other purposes. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the December 30, 2015 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The discount rate used is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

are not covered by the plan’s projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the City’s net pension liability for Police Pension plan would be if it were 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 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's Net Pension Liability for Police Pension	\$94,139,137	\$ 75,683,402	\$ 60,462,679

Changes in the Net Pension Liability for the Police Pension plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/14	\$ 133,010,739	\$ 63,818,104	\$ 69,192,635
Changes for the year:			
Service Cost	1,493,985	-	1,493,985
Interest	9,073,872	-	9,073,872
Actuarial Experience	2,089,866	-	2,089,866
Assumption Changes	(2,109,469)	-	(2,109,469)
Contributions - Employer	-	4,304,873	(4,304,873)
Contributions - Employee	-	904,527	(904,527)
Net Investment Income	-	(1,057,767)	1,057,767
Benefit payments, including refunds	(6,767,978)	(6,767,978)	-
Administrative Expense	-	(94,146)	94,146
Net Changes	3,780,276	(2,710,491)	6,490,767
Balances at 12/31/15	\$ 136,791,015	\$ 61,107,613	\$ 75,683,402

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

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 \$6,437,750 for the Police Pension plan. At December 31, 2015, the City reported deferred inflows or resources and deferred outflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,691,036	\$ -
Changes of Assumptions	-	1,706,898
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,373,751	-
Total	\$ 6,064,787	\$ 1,706,898

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2016	\$ 1,089,697
2017	1,089,697
2018	1,089,697
2019	1,089,697
2020	(899)
Total	\$ 4,357,889

Rate of return: For the year ended December 31, 2015, the annual money-weighted rate of return on the Pension Plans’ assets, net of pension plan investment expense, was -1.57%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighter’s 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. Administrative costs are financed with current investment income. The City accounts for the plan as a pension trust fund.

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

Inactive plan members or beneficiaries currently receiving benefits	104
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	87
Total	192

The following is a summary of the Firefighters’ Pension Plan as provided for in Illinois Compiled Statutes.

(Continued)

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

The Firefighters’ Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit 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 ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly benefit of a covered employee 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 be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters’ salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit 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 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2015, the contribution percentage was 9.46%. 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 has until the year 2040 to fund 90% of the past service costs for the Firefighters’ Pension Plan. For the year ended December 31, 2015, the City’s contribution was 50.75% of covered payroll.

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

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

Net Pension Liability

The City’s net pension liability for the Firefighters’ Pension plan was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

Actuarial assumptions: The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (Economic)

Discount Rate used for the Total Pension Liability	7.00%
Long-Term Expected Rate of Return on Plan Assets	7.00%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.57%
Projected Individual Salary Increases	3.50% - 8.24%
Projected Increase in Total Payroll	3.50%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%

Actuarial Assumptions (Demographic)

Mortality Table	L&A 2016 Illinois Firefighters Mortality Rates
Retirement Rates	L&A 2016 Illinois Firefighters Retirement Rates Capped at age 65
Disability Rates	L&A 2016 Illinois Firefighters Disability Rates
Termination Rates	L&A 2016 Illinois Firefighters Termination Rates
Percent Married	80.00%

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on rates developed in the L&A 2016 Mortality Table for Illinois Firefighters. Other demographic assumption rates are based on a review of assumptions in the L&A 2016 study for Illinois Firefighters.

Assumption changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.56% to 3.57% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index as discussed in more detail later in this section. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index. The change was made to reflect the actuaries understanding of the requirements of GASB under Statement 67 and Statement 68. The demographic assumptions formerly used RP 2000 Mortality Table for mortality, uniform distribution from ages 50-62 (100% by age 62) for retirement rates, and a department of insurance study for disability.

Postemployment benefit changes: Eligibility for postemployment benefit increases is determined based on the Illinois Pension code. Tier 1 Firefighter retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Firefighter retirees are provided postemployment benefit increases based on one-half of the Consumer Price Index (Urban) for the prior September. The CPI-U for September, 1985 was 108.3. The CPI-U for September, 2015 was 237.9. The average increase in the CPI-U for September, 1985 through September, 2015 was 2.66% (on a compounded basis).

Expected return on pension plan investments: The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by the investment professionals that work with the Pension Fund. The best estimate of future real rates of return are developed for each of the major asset classes. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Large Cap Equity	27.00%	6.50%
US Mid Cap Equity	3.00%	7.10%
US Small Cap Equity	3.00%	7.70%
International Equity	16.00%	6.40%
REITS	3.00%	5.60%
Emerging Markets	8.00%	2.30%
Fixed Income	38.00%	1.60%
Cash	2.00%	0.70%
	<u>100.00%</u>	

Long-term expected real returns under GASB are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided above are intended to estimate those figures. The expected inflation rate is 2.00% and is not included in the long-term rate of return on investments presented above. The inflation rate is from the same source as the long-term real rates of return, and is not necessarily reflective of the inflation measures used for other purposes. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the December 30, 2015 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The discount rate used is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability for the Firefighters' Pension plan would be if it were 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 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's Net Pension Liability for Firefighters' Pension	\$83,265,433	\$ 65,806,328	\$ 51,332,173

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

Changes in the Net Pension Liability for the Firefighters' Pension plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 12/31/14	\$ 124,946,658	\$ 70,387,197	\$ 54,559,461
Changes for the year:			
Service Cost	1,693,381	-	1,693,381
Interest	8,520,291	-	8,520,291
Actuarial Experience	4,451,348	-	4,451,348
Assumption Changes	596,180	-	596,180
Contributions - Employer	-	4,304,044	(4,304,044)
Contributions - Employee	-	836,027	(836,027)
Net Investment Income	-	(1,048,749)	1,048,749
Benefit payments, including refunds	(6,456,438)	(6,456,438)	-
Administrative Expense	-	(76,989)	76,989
Net Changes	<u>8,804,762</u>	<u>(2,442,105)</u>	<u>11,246,867</u>
Balances at 12/31/15	<u>\$ 133,751,420</u>	<u>\$ 67,945,092</u>	<u>\$ 65,806,328</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 \$6,591,901 for the Firefighters’ Pension plan. At December 31, 2015, the City reported deferred inflows or resources and deferred outflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 3,719,218	\$ -
Changes of Assumptions	498,124	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,741,668	-
Total	<u>\$ 8,959,010</u>	<u>\$ -</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:		
2016	\$	2,015,603
2017		2,015,603
2018		2,015,603
2019		2,015,603
2020		830,186
Thereafter		<u>66,412</u>
Total	\$	<u><u>8,959,010</u></u>

Rate of return: For the year ended December 31, 2015, the annual money-weighted rate of return on Plans’ assets, net of pension plan investment expense, was -1.36%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Information:

Fiduciary Net Position:

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Firefighters’ Pension</u>	<u>Police Pension</u>	
Assets			
Cash and cash equivalents	\$ 2,771,308	\$ 4,200,339	\$ 6,971,647
Investments			
U.S. government and agency obligations	11,707,147	10,042,903	21,750,050
Mutual funds	23,127,808	21,360,919	44,488,727
Corporate bonds	10,927,966	9,116,336	20,044,302
Stocks	18,711,654	15,513,868	34,225,522
State and local obligations	522,932	762,423	1,285,355
Insurance contracts	-	1,484	1,484
Accrued interest	212,507	177,505	390,012
Prepaid items	<u>5,881</u>	<u>5,353</u>	<u>11,234</u>
Total assets	<u><u>67,987,203</u></u>	<u><u>61,181,130</u></u>	<u><u>129,168,333</u></u>
Liabilities			
Accounts payable	<u>42,111</u>	<u>73,517</u>	<u>115,628</u>
Total liabilities	<u><u>42,111</u></u>	<u><u>73,517</u></u>	<u><u>115,628</u></u>
Net position	<u><u>\$ 67,945,092</u></u>	<u><u>\$ 61,107,613</u></u>	<u><u>\$ 129,052,705</u></u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

Changes in Plan Net Position:

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Firefighters’ Pension</u>	<u>Police Pension</u>	
Additions			
Contributions			
Employer	\$ 4,304,044	\$ 4,304,873	\$ 8,608,917
Plan members	<u>836,027</u>	<u>904,527</u>	<u>1,740,554</u>
Total contributions	<u>5,140,071</u>	<u>5,209,400</u>	<u>10,349,471</u>
Investment Income	(775,395)	(803,863)	(1,579,258)
Less investment expense	<u>(273,354)</u>	<u>(253,904)</u>	<u>(527,258)</u>
Net investment income	<u>(1,048,749)</u>	<u>(1,057,767)</u>	<u>(2,106,516)</u>
Total additions	<u>4,091,322</u>	<u>4,151,633</u>	<u>8,242,955</u>
Deductions			
Administration	76,989	94,146	171,135
Benefits and refunds	<u>6,456,438</u>	<u>6,767,978</u>	<u>13,224,416</u>
Total deductions	<u>6,533,427</u>	<u>6,862,124</u>	<u>13,395,551</u>
Change in plan net position	(2,442,105)	(2,710,491)	(5,152,596)
Plan net position, beginning of year	<u>70,387,197</u>	<u>63,818,104</u>	<u>134,205,301</u>
Plan net position, end of year	<u>\$ 67,945,092</u>	<u>\$ 61,107,613</u>	<u>\$ 129,052,705</u>

Summary:

	<u>IMRF</u>	<u>Police</u>	<u>Firefighters’</u>	<u>Total</u>
Net Pension Liability	\$ 11,972,303	\$ 75,683,402	\$ 65,806,328	\$ 153,462,033
Deferred Outflows of Resources	7,883,906	6,064,787	8,959,010	22,907,703
Deferred Inflows of Resources	828,500	1,706,898	-	2,535,398

	<u>Primary Government</u>	<u>Component Unit</u>	<u>Total</u>
Deferred Pension Outflows	\$ 21,508,123	\$ 1,399,580	\$ 22,907,703
Deferred Pension Inflows	2,415,589	119,809	2,535,398

NOTE 10 – RESTATEMENT OF BEGINNING NET POSITION

During the year ended December 31, 2015, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The effect of the change in accounting principle resulted in a decrease of \$128,759,105 in the governmental activities net position, a decrease of \$1,749,006 in the business-type activities net position, and a decrease of \$845,781 in the component unit net position.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 10 – RESTATEMENT OF BEGINNING NET POSITION (Continued)

Governmental Activities:	
Net Position, January 1, 2015, as previously reported	\$ 230,172,135
Change in Accounting Principle, GASB Statement No. 68	<u>(127,407,119)</u>
Net Position, January 1, 2015, as restated	<u>\$ 102,765,016</u>
Business-type Activities:	
Net Position, January 1, 2015, as previously reported	\$ 29,951,136
Change in Accounting Principle, GASB Statement No. 68	<u>(967,659)</u>
Net Position, January 1, 2015, as restated	<u>\$ 28,983,477</u>
Component Unit:	
Net Position, January 1, 2015, as previously reported	\$ 6,263,299
Change in Accounting Principle, GASB Statement No. 68	<u>(464,625)</u>
Net Position, January 1, 2015, as restated	<u>\$ 5,798,674</u>

The DPECC fund's Net Pension Liability was reported as \$367,869 at January 1, 2015 due to the change in accounting principle from GASB 68. The DPECC fund was financially closed out during the year ended December 31, 2015 and the Net Pension Liability was absorbed by Governmental Activities. This activity is recorded as a special item on the Proprietary Funds - Statement of Revenues, Expenses, and Changes in Net Position for the DPECC fund and as a transfer on the Statement of Activities.

NOTE 11 – RISK MANAGEMENT

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 participates in a public entity risk pool to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation and health insurance. The City is self-insured for Dental. These risks are accounted for and financed by the City in its internal service funds – the Risk Management Fund and Health Benefits Fund. Settled claims have not exceeded coverage for the past 3 years. There was no significant reduction in coverage from the prior year.

Self-Insurance: For dental claims, the City offers optional dental insurance to all of its employees and any dependents. Employees opting for this coverage pay 10% of the premium. The annual maximum benefit is \$1,500 per employee.

All funds of the City participate in the risk management program. Amounts payable to the 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.

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 non-incremental costs to the claims liability.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 11 – RISK MANAGEMENT (Continued)

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims - beginning of year	\$ 23,190	\$ 18,267
Current year claims and changes in estimates	417,006	442,915
Claim payments	<u>(421,929)</u>	<u>(448,154)</u>
Unpaid claims - end of year	<u>\$ 18,267</u>	<u>\$ 13,028</u>

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illness of employees; and natural disasters.

Intergovernmental Personnel Benefit Cooperative: The Health Benefits Fund was established to account for the financial transactions of self-insured employee and retiree health benefits. In 2003 the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC), a self-insured governmental insurance pool consisting of 68 municipalities located primarily in the Chicago area. The IPBC provides the City with consulting, legal, and auditing services for its health (i.e., PPO and HMO) and life insurance programs. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Management consists of a Board of Directors comprised of one appointed representative from each member.

The City continues to be self-insured for dental benefits on an individual contract basis outside of the IPBC.

Municipal Insurance Cooperative Agency: The City Participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. MICA also has a third party administrator that works on behalf of the MICA members to administer claims. MICA provides \$2,000,000 of coverage after a \$1,000 deductible. The City pays an annual contribution to MICA based upon the City's share of liability exposure and prior experience within the pool to cover potential claims to the total loss aggregate. Amounts paid into the pool in excess of claims for any coverage year can be returned to the members in the form of a dividend in subsequent periods. The City records such dividends as miscellaneous revenue in the Risk Management Fund in the year in which they are received.

High Level Excess Liability Pool: The City participates in the High Level Excess Liability Pool (HELP). HELP is a public entity risk pool established by certain municipalities (the Members) in Illinois to provide excess liability coverage (\$13,000,000 of coverage after the \$2,000,000 coverage provided by MICA). It consists of 13 municipalities. HELP provides a \$4,000,000 self-insured limit above the member's \$2,000,000 primary coverage and re-insures an additional \$9,000,000 through Genesis Underwriting Managers.

HELP was organized on April 1, 1987. The Village of Elk Grove, Illinois (the initial Host Member) issued \$5,000,000 of general obligation bonds in 1987 to provide initial funding for HELP. The bond proceeds were put into escrow with LaSalle National Bank as escrow agent. An intergovernmental agreement among HELP, the Village of Elk Grove, and the members provides that HELP and its members are obligated to the Village of Elk Grove for payment of principal and interest on the bonds until such bond have been retired. The bonds were retired December 1, 1995. The purpose of HELP is to act as a joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions made against the Members and other parties included within the scope of coverage of HELP.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 11 – RISK MANAGEMENT (Continued)

HELP is governed by a Board of Directors, which consists of one appointed representative from each member municipality. Each director has an equal vote. The officers of HELP are appointed by the Board of Directors. The Board of Directors determines the general policy of HELP; makes all appropriations; approves contracts; adopts resolutions providing for the issuance of debt by HELP; adopts bylaws; rules and regulations; and exercises such powers and preforms such duties as may be prescribed in the Agency Agreement or the bylaws.

The City has committed to purchase excess liability insurance from the pool through the term of the Agreement. Annual premiums are calculated based on a formula which specifies the following four criteria: (1) miles of streets, (2) full time equivalent employees, (3) number of motor vehicles, and (4) operating revenues.

Based upon the allocations for the year ended April 30, the City expects to pay a minimum of \$90,000 per year over the remaining term of the agreement.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Construction Contracts

The City has entered into various contracts for construction within the City. Below is a schedule outlining the various projects that are currently under contract:

<u>Project Description</u>	<u>Expended To Date</u>	<u>Remaining Commitment</u>
Lee & Perry Const MFT 10-00213-00-CH	\$ 236,496	\$ 48,798
Lee & Perry Traffic Signal Impr-Construction	-	22,863
2014 CIP Concrete Improvements	357,276	58,741
Downtown Streetscape Phase II	1,551,458	516,129
Contractor 2015 CIP Street & Utility Improvements Contract	3,781,125	139,344
Upgrade Traffic Signal LED-Cost Share	7,868	17,264
Contractor-2015 CIP Concrete Improvements	399,718	55,254
Contractor-DP River Rd Recon Ph 2	9,460,400	3,994,593
21 Home Demolitions - Grant FEMA 1935	357,072	392,728
Construction 2015 CIP Street & Utility Contract A	2,905,545	872,142
Central Rd Bike Lane Construction	205,005	112,719
Contractor-2014 Rear Yard Drainage Contract D	219,599	78,879
875 Seegers Excavation, Removal of Fill & Grading	649,069	931
Central Road Generator and ATS	-	526,950
Central Road & Holy Family Pumps	-	192,270
Central Rd Pump Station Facility Improvements	977,752	1,516,249
NWC Valve Purchase	77,257	41,420
NWC Conveyance Line Project	-	3,046,440
Reimbursement for SCADA Services	-	45,000
Oakton Tank Mixer Electric Installation	-	16,200
Total	<u>\$ 21,185,639</u>	<u>\$ 11,694,915</u>

(Continued)

NOTE 12 – COMMITMENTS AND CONTINGENCIES (Continued)

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's General Counsel 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.

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS

Other Postemployment Benefits: The City administers a single employer defined benefit healthcare plan "the Retiree Health Plan". The plan provides health insurance contributions for eligible retirees and their spouses through the City's group health insurance plan which covers both active and retired members. A retiree is eligible to receive benefits if they fall into any one of four categories. IMRF participants are eligible at age 55 with at least 8 years of service, or if they are totally and permanently disabled. Police officers and firefighters are eligible at age 50 with 20 years of service, or if they are medically disabled and unable to perform the duties as a police officer or firefighter. Police officers are eligible for a reduced benefit at age 60 with at least 10 years of service, but less than 20 years. Police officers and firefighters that terminate with a vested benefit are eligible for post-retirement healthcare benefits commencing at the time of separation. Spouses and dependents of retirees are eligible to continue healthcare coverage while the retiree is alive if they were enrolled at the time of retirement. Surviving spouses of employees are eligible for COBRA coverage. Surviving spouses and dependent children of police officers and firefighters that were injured in the line of duty, during an emergency, and surviving spouses of all retirees are eligible to continue healthcare coverage. Retirees, spouses, and dependents opting out of the retiree health program cannot re-enter into the program.

Contribution requirements are established through personnel policy guidelines and may be amended by the action of the governing body. The City makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year. Plan members receiving benefits contribute 100% of their premium costs. The City pays 100% of the healthcare premiums for police officers and firefighters, their dependents and their surviving spouses and dependent children if they were injured or killed in the line of duty during an emergency. Healthcare premiums for surviving spouses are payable by the City until remarriage. Any amounts payable under the City's health plan will be reduced by the amounts payable under Medicare for those expenses which are covered by Medicare. For fiscal year 2015, total member contributions were \$1,225,144. Administrative costs of the plan are paid by the City.

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:

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

	<u>City</u>	<u>Library</u>
Annual required contribution	\$ 887,867	\$ 4,751
Interest on net OPEB obligation	91,514	3,466
Adjustment to annual required contribution	<u>(88,443)</u>	<u>(3,343)</u>
Annual OPEB cost	890,938	4,874
Contributions made	<u>(478,490)</u>	<u>(5,095)</u>
Change in net OPEB obligation	412,448	(221)
Net OPEB obligation, beginning of year	2,287,842	86,643
Portion related to dissolved business-type fund	<u>(119,804)</u>	<u>-</u>
Net OPEB obligation, end of year	<u><u>\$ 2,580,486</u></u>	<u><u>\$ 86,422</u></u>

As reported in

City's governmental activities	\$ 2,479,909
City's business-type activities	<u>100,577</u>
	<u><u>\$ 2,580,486</u></u>

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

	<u>Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
<u>City:</u>	2015	\$ 890,938	53.71%	\$ 2,580,486
	2014	883,518	55.65%	2,287,842
	2013	634,778	133.13%	1,896,043
<u>Library:</u>	2015	4,874	104.53%	86,422
	2014	4,735	83.62%	86,643
	2013	5,157	0.00%	85,867

The funded status of the plan as of January 1, 2014, the most recent actuarial valuation date, was as follows:

	<u>City</u>	<u>Library</u>
Actuarial accrued liability (AAL)	\$ 9,914,534	\$ 57,720
Actuarial value of plan assets	<u>-</u>	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 9,914,534</u></u>	<u><u>\$ 57,720</u></u>
Funded ratio (actuarial value of plan assets/AAL)	0.00%	0.00%
Covered payroll (active plan members)	\$ 32,389,697	\$ 1,990,727
UAAL as a percentage of covered payroll	30.61%	2.90%

(Continued)

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

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 includes 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.

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.00 percent investment rate of return and an annual healthcare cost trend rate of 7.00 percent initially, reduced by decrements to an ultimate rate of 4.00 percent after 20 years. Both rates include a 2.50 percent inflation assumption. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll 30-year open amortization period for all employee groups.

NOTE 14 – TAX INCREMENT FINANCING DISTRICT

Tax Increment Financing District: The City of Des Plaines 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.

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.

NOTE 15 - NEW ACCOUNTING PRONOUNCEMENTS

In February 2015, the GASB issued Statement No. 72, "Fair Value Measurement and Application". This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for the City's financial year ending December 31, 2016. Management has not determined what impact this statement will have on its financial statements.

(Continued)

NOTE 15 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

In June 2015, the GASB issued 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." The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The requirements of this Statement are effective for the City's financial year ending December 31, 2016. Management has not determined what impact this statement will have on its financial statements.

In June 2015, the GASB issued Statement No. 74 "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The requirements of this Statement are effective for the City's financial year ending December 31, 2017. Management has not determined what impact this statement will have on its financial statements.

In June 2015, the GASB issued Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The requirements of this Statement are effective for the City's financial year ending December 31, 2018. Management has not determined what impact this statement will have on its financial statements.

In June 2015, the GASB issued Statement No. 76 "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments." The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The requirements of this Statement are effective for the City's fiscal year ending December 31, 2016, and should be applied retroactively. Management has not determined what impact this statement will have on its financial statements.

In August 2015, the GASB issued Statement 77, *Tax Abatement Disclosures*. This Statement is intended to improve financial reporting by requiring disclosure of tax abatement information about a reporting government's own tax abatement agreements and those that are entered into by other governments and that reduce the reporting government's tax revenues. This Statement is effective for the City's fiscal year ended December 31, 2016. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local government employers whose employees are provided with such pensions. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employees through a cost-sharing multiple-employer defined benefit pension plan that is not a state or local governmental pension plan, is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and has no

(Continued)

NOTE 15 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pension through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This Statement is effective for the City's fiscal year ended December 31, 2016. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. This Statement is effective for the City's fiscal year ended December 31, 2016. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This Statement is effective for the City's fiscal year ended December 31, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In March 2016, the GASB issued Statement 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. This Statement is effective for the City's fiscal year ended December 31, 2016. Management has not determined what impact, if any, this statement will have on its financial statements.

In March 2016, the GASB issued Statement 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for the City's fiscal year ended December 31, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes				
Property Taxes	\$ 14,373,640	\$ 14,343,700	\$ (29,940)	\$ 14,590,163
Police Pension	4,300,000	4,304,823	4,823	4,154,084
Fire Pension	4,300,000	4,303,994	3,994	4,155,901
Total Property Taxes	<u>22,973,640</u>	<u>22,952,517</u>	<u>(21,123)</u>	<u>22,900,148</u>
Local Taxes				
Utility Taxes	3,100,000	3,033,933	(66,067)	3,358,459
Gas and Use Tax	400,000	389,187	(10,813)	429,505
Franchise Tax	700,000	823,452	123,452	740,759
Food and Beverage Tax	1,100,000	1,228,581	128,581	1,190,477
Telecommunication Tax	2,700,000	2,346,924	(353,076)	2,387,334
Hotel/Motel Tax	1,600,000	2,145,985	545,985	1,988,301
Auto Rental Tax	50,000	80,006	30,006	56,154
Parking Tax	2,000	1,399	(601)	3,133
Real Estate Transfer Tax	400,000	597,813	197,813	610,997
Home Rule Sales Tax	1,300,000	1,427,818	127,818	1,483,576
PEG Fees Tax	-	22,897	22,897	-
Total Local Taxes	<u>11,352,000</u>	<u>12,097,995</u>	<u>745,995</u>	<u>12,248,695</u>
Licenses				
Business	350,000	374,036	24,036	400,176
Liquor	250,000	221,621	(28,379)	243,495
Vehicle	1,250,000	1,370,712	120,712	1,461,240
Other Licenses	144,500	156,552	12,052	271,398
Total Licenses	<u>1,994,500</u>	<u>2,122,921</u>	<u>128,421</u>	<u>2,376,309</u>
Permits				
Building	500,000	788,097	288,097	904,048
Other Permits	80,000	10,101	(69,899)	51,476
Total Permits	<u>580,000</u>	<u>798,198</u>	<u>218,198</u>	<u>955,524</u>
Intergovernmental				
State Income Tax	4,600,000	6,210,116	1,610,116	5,587,992
Local Use Tax	900,000	1,288,847	388,847	1,120,783
Personal Property Replacement Tax	1,300,000	1,245,069	(54,931)	1,303,645
Municipal Sales Tax	8,500,000	10,744,654	2,244,654	11,214,007
Road and Bridge Tax	200,000	231,045	31,045	212,067
Federal, State, and Local Grants	115,000	60,122	(54,878)	118,047
Other State Payments	400	356	(44)	2,573
Fire Training	5,000	-	(5,000)	4,873
Total Intergovernmental	<u>15,620,400</u>	<u>19,780,209</u>	<u>4,159,809</u>	<u>19,563,987</u>
Charges for Services				
Ambulance Fees	1,375,000	1,612,526	237,526	1,547,034
Refuse Collection	3,100,000	2,927,288	(172,712)	3,225,062
Other Fees	252,000	490,315	238,315	288,557
E-911 Fees	-	-	-	-

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Total Charges for Services	\$ 4,727,000	\$ 5,030,129	\$ 303,129	\$ 5,060,653
Fines and Forfeits				
Court Costs, Fees & Charges	500,000	331,242	(168,758)	476,276
Other Fines and Forfeits	634,500	946,417	311,917	829,830
Total Fines and Forfeits	1,134,500	1,277,659	143,159	1,306,106
Investment Income				
Investment Income	45,000	84,615	39,615	11,112
Miscellaneous				
Miscellaneous	185,000	290,638	105,638	432,138
Total Revenues	58,612,040	64,434,881	5,822,841	64,854,672
Expenditures				
General Government				
Elected Office				
Salaries	229,339	218,273	11,066	193,389
Benefits	196,197	172,675	23,522	162,343
Contractual Services	220,365	187,333	33,032	202,626
Commodities	15,518	4,082	11,436	4,242
Capital Outlay	-	-	-	7,874
Total Elected Office	661,419	582,363	79,056	570,474
City Manager Division				
Salaries	260,483	262,003	(1,520)	232,150
Benefits	72,347	86,875	(14,528)	72,737
Contractual Services	44,200	7,511	36,689	5,961
Commodities	4,650	1,728	2,922	2,361
Total City Manager Division	381,680	358,117	23,563	313,209
Media Services				
Salaries	163,636	161,129	2,507	125,533
Benefits	66,066	62,418	3,648	46,770
Contractual Services	113,333	115,062	(1,729)	64,998
Commodities	43,930	39,253	4,677	36,538
Capital Outlay	56,600	18,858	37,742	10,357
Total Media Services	443,565	396,720	46,845	284,196
Legal Department				
Salaries	101,966	83,896	18,070	84,992
Benefits	40,884	39,360	1,524	40,792
Contractual Services	485,027	458,819	26,208	513,719
Commodities	1,450	556	894	766
Total Legal Department	629,327	582,631	46,696	640,269
Department of Finance - Fiscal Services				
Salaries	809,304	780,215	29,089	655,157
Benefits	353,289	329,315	23,974	297,703

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Contractual Services	\$ 103,407	\$ 122,599	\$ (19,192)	\$ 111,602
Commodities	29,400	37,568	(8,168)	28,069
Capital Outlay	24,900	15,495	9,405	5,788
Total Department of Finance - Fiscal Services	<u>1,320,300</u>	<u>1,285,192</u>	<u>35,108</u>	<u>1,098,319</u>
Information Technologies				
Salaries	398,798	399,819	(1,021)	381,141
Benefits	146,864	145,387	1,477	149,102
Contractual Services	443,158	324,952	118,206	243,202
Commodities	41,450	39,439	2,011	29,273
Capital Outlay	-	13,833	(13,833)	6,526
Total Information Technologies	<u>1,030,270</u>	<u>923,430</u>	<u>106,840</u>	<u>809,244</u>
Overhead Division - Contractual Services				
Contractual Services	544,059	465,980	78,079	662,799
Commodities	78,100	37,313	40,787	48,436
Capital Outlay	-	16,468	(16,468)	717
Total Overhead Division - Contractual Services	<u>622,159</u>	<u>519,761</u>	<u>102,398</u>	<u>711,952</u>
Building Code Enforcement				
Salaries	1,044,007	969,073	74,934	940,780
Benefits	454,897	430,478	24,419	456,937
Contractual Services	129,106	156,676	(27,570)	102,968
Commodities	13,001	11,335	1,666	9,621
Capital Outlay	1,000	814	186	1,250
Total Building Code Enforcement	<u>1,642,011</u>	<u>1,568,376</u>	<u>73,635</u>	<u>1,511,556</u>
Planning and Zoning				
Salaries	332,394	330,969	1,425	317,068
Benefits	135,379	126,803	8,576	137,536
Contractual Services	42,181	22,450	19,731	31,350
Commodities	3,315	2,630	685	3,368
Capital Outlay	1,000	400	600	1,695
Total Planning and Zoning	<u>514,269</u>	<u>483,252</u>	<u>31,017</u>	<u>491,017</u>
Human Resources				
Salaries	261,034	241,075	19,959	250,680
Benefits	81,186	72,355	8,831	93,073
Contractual Services	90,979	72,529	18,450	73,947
Commodities	14,125	8,418	5,707	9,090
Capital Outlay	-	-	-	1,566
Total Human Resources	<u>447,324</u>	<u>394,377</u>	<u>52,947</u>	<u>428,356</u>
Health and Human Services				
Salaries	156,001	155,200	801	156,307
Benefits	49,242	42,087	7,155	51,741
Contractual Services	242,256	236,790	5,466	218,600
Commodities	3,300	2,913	387	3,909
Capital Outlay	-	-	-	698
Total Health and Human Services	<u>450,799</u>	<u>436,990</u>	<u>13,809</u>	<u>431,255</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 Year Ended December 31, 2015
 With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014 Actual
	Original and Final Budget	Actual		
Geographic Information Systems (GIS)				
Contractual Services	\$ 283,714	\$ 278,599	\$ 5,115	\$ 241,611
Commodities	750	188	562	184
Capital Outlay	-	940	(940)	-
Total Geographic Information Systems (GIS)	<u>284,464</u>	<u>279,727</u>	<u>4,737</u>	<u>241,795</u>
Total General Government	<u>8,427,587</u>	<u>7,810,936</u>	<u>616,651</u>	<u>7,531,642</u>
Public Safety				
Police Department - Administration				
Salaries	386,424	383,564	2,860	377,978
Benefits	161,793	179,373	(17,580)	162,412
Contractual Services	13,410	9,458	3,952	10,442
Commodities	1,650	772	878	506
Total Police Department - Administration	<u>563,277</u>	<u>573,167</u>	<u>(9,890)</u>	<u>551,338</u>
Police Department - Uniformed Patrol				
Salaries	7,071,727	7,021,810	49,917	6,898,049
Benefits	4,775,628	4,872,082	(96,454)	4,629,471
Contractual Services	221,387	133,780	87,607	1,257,700
Commodities	26,695	21,495	5,200	19,072
Total Police Department - Uniformed Patrol	<u>12,095,437</u>	<u>12,049,167</u>	<u>46,270</u>	<u>12,804,292</u>
Police Department - Criminal Investigation				
Salaries	2,103,892	1,958,242	145,650	2,101,193
Benefits	1,350,285	1,517,904	(167,619)	1,309,343
Contractual Services	65,104	59,046	6,058	59,376
Commodities	3,030	1,133	1,897	2,591
Total Police Department - Criminal Investigation	<u>3,522,311</u>	<u>3,536,325</u>	<u>(14,014)</u>	<u>3,472,503</u>
Police Department - Supporting Services				
Salaries	2,173,408	2,031,269	142,139	1,929,689
Benefits	1,133,498	1,088,791	44,707	1,057,860
Contractual Services	203,028	167,497	35,531	137,844
Commodities	134,460	125,475	8,985	104,737
Capital Outlay	-	-	-	864
Total Police Department - Supporting Services	<u>3,644,394</u>	<u>3,413,032</u>	<u>231,362</u>	<u>3,230,994</u>
Fire Department - Administration				
Salaries	729,735	638,890	90,845	644,971
Benefits	563,483	534,364	29,119	486,643
Contractual Services	34,960	26,522	8,438	25,680
Commodities	3,200	4,407	(1,207)	2,753
Capital Outlay	-	300	(300)	2,432
Total Fire Department - Administration	<u>1,331,378</u>	<u>1,204,483</u>	<u>126,895</u>	<u>1,162,479</u>
Fire Department - Emergency Services				
Salaries	9,330,313	9,493,513	(163,200)	8,881,679
Benefits	7,567,764	7,834,068	(266,304)	6,876,542

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Contractual Services	\$ 253,775	\$ 260,626	\$ (6,851)	\$ 744,677
Commodities	158,469	119,216	39,253	127,919
Capital Outlay	7,085	10,146	(3,061)	39,071
Total Fire Department - Emergency	17,317,406	17,717,569	(400,163)	16,669,888
Fire Department - Fire Prevention Services				
Salaries	339,296	291,116	48,180	344,405
Benefits	206,850	191,998	14,852	250,996
Contractual Services	29,000	15,156	13,844	17,750
Commodities	8,205	3,940	4,265	13,169
Capital Outlay	-	-	-	-
Total Fire Department - Fire Prevention	583,351	502,210	81,141	626,320
Emergency Management Agency				
Salaries	55,633	29,614	26,019	26,195
Benefits	11,910	11,565	345	12,413
Contractual Services	45,485	28,965	16,520	43,766
Commodities	27,575	26,889	686	18,905
Capital Outlay	-	5,947	(5,947)	395
Total Emergency Management Agency	140,603	102,980	37,623	101,674
Board of Police and Fire Commission				
Contractual Services	69,250	23,227	46,023	27,772
Commodities	1,450	22,929	(21,479)	2,531
Total Board of Police and Fire Commission	70,700	46,156	24,544	30,303
Total Public Safety	39,268,857	39,145,089	123,768	38,649,791
Public Works				
Vehicle Maintenance Division				
Salaries	470,820	473,737	(2,917)	392,804
Benefits	237,106	259,261	(22,155)	204,869
Contractual Services	153,068	141,450	11,618	205,978
Commodities	789,550	552,481	237,069	904,952
Capital Outlay	25,000	35,025	(10,025)	-
Total Vehicle Maintenance Division	1,675,544	1,461,954	213,590	1,708,603
Public Works Administration				
Salaries	232,204	224,177	8,027	96,688
Benefits	100,683	100,492	191	49,229
Contractual Services	3,134,292	3,047,915	86,377	3,369,968
Commodities	9,750	2,811	6,939	2,178
Capital Outlay	31,500	-	31,500	5,562
Total Public Works Administration	3,508,429	3,375,395	133,034	3,523,625
Facilities and Grounds Division				
Salaries	352,998	312,027	40,971	-
Benefits	205,027	192,894	12,133	-
Contractual Services	1,652,420	1,465,966	186,454	-
Commodities	215,850	220,548	(4,698)	-

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014 Actual
	Original and Final Budget	Actual		
Capital Outlay	\$ -	\$ 8,738	\$ (8,738)	\$ -
Total Facilities and Grounds Division	<u>2,426,295</u>	<u>2,200,173</u>	<u>226,122</u>	<u>-</u>
Total Public Works	<u>7,610,268</u>	<u>7,037,522</u>	<u>572,746</u>	<u>5,232,228</u>
Streets and Highways				
Engineering Department				
Salaries	569,962	563,140	6,822	563,632
Benefits	210,523	216,324	(5,801)	231,454
Contractual Services	26,522	22,880	3,642	31,160
Commodities	5,150	4,277	873	4,063
Capital Outlay	-	484	(484)	-
Total Engineering Department	<u>812,157</u>	<u>807,105</u>	<u>5,052</u>	<u>830,309</u>
Street Department				
Salaries	1,655,578	1,546,636	108,942	1,831,142
Benefits	819,515	840,456	(20,941)	961,653
Contractual Services	1,036,456	912,343	124,113	1,433,434
Commodities	158,050	213,901	(55,851)	434,485
Capital Outlay	98,000	67,461	30,539	6,694
Total Street Department	<u>3,767,599</u>	<u>3,580,797</u>	<u>186,802</u>	<u>4,667,408</u>
Total Streets and Highways	<u>4,579,756</u>	<u>4,387,902</u>	<u>191,854</u>	<u>5,497,717</u>
Economic Development				
Economic Development				
Salaries	76,076	85,528	(9,452)	26,584
Benefits	35,001	18,733	16,268	6,036
Contractual Services	414,566	187,479	227,087	601,853
Commodities	41,650	12,617	29,033	7,802
Capital Outlay	-	-	-	186
Total Economic Development	<u>567,293</u>	<u>304,357</u>	<u>262,936</u>	<u>642,461</u>
Total Economic Development	<u>567,293</u>	<u>304,357</u>	<u>262,936</u>	<u>642,461</u>
Total Expenditures	<u>60,453,761</u>	<u>58,685,806</u>	<u>1,767,955</u>	<u>57,553,839</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,841,721)</u>	<u>5,749,075</u>	<u>7,590,796</u>	<u>7,300,833</u>
Other Financing Sources (Uses)				
Transfer In	244,653	203,335	(41,318)	342,257
Transfer Out	<u>(3,355,458)</u>	<u>(3,887,363)</u>	<u>(531,905)</u>	<u>(9,201,298)</u>
Total Other Financing Sources (Uses)	<u>(3,110,805)</u>	<u>(3,684,028)</u>	<u>(573,223)</u>	<u>(8,859,041)</u>
Net Change in Fund Balance	<u>\$ (4,952,526)</u>	<u>2,065,047</u>	<u>\$ 7,017,573</u>	<u>(1,558,208)</u>
Fund Balance at Beginning of Year		<u>42,082,405</u>		<u>43,640,613</u>
Fund Balance at End of Year		<u>\$ 44,147,452</u>		<u>\$ 42,082,405</u>

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #6 (MANNHEIM/HIGGINS) FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)	
Revenues				
Property Taxes	\$ 16,147	\$ 52,109	\$ 35,962	\$ 9,550
Investment Income	-	-	-	149
Total Revenues	<u>16,147</u>	<u>52,109</u>	<u>35,962</u>	<u>9,699</u>
Expenditures				
Economic Development				
Contractual Services	10,887	1,165	9,722	48,418
Commodities	52	-	52	-
Total Economic Development	<u>10,939</u>	<u>1,165</u>	<u>9,774</u>	<u>48,418</u>
Debt Service				
Principal	985,000	990,000	(5,000)	955,000
Interest and Fiscal Charges	173,361	159,259	14,102	234,697
Total Debt Service	<u>1,158,361</u>	<u>1,149,259</u>	<u>9,102</u>	<u>1,189,697</u>
Total Expenditures	<u>1,169,300</u>	<u>1,150,424</u>	<u>18,876</u>	<u>1,238,115</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,153,153)</u>	<u>(1,098,315)</u>	<u>54,838</u>	<u>(1,228,416)</u>
Other Financing Sources (Uses)				
Transfer Out	-	-	-	(49,527)
Issuance of Debt	-	-	-	2,020,000
Payment to Refunding Bond Escrow	-	-	-	(6,440,489)
Premium on Bond Issuance	-	-	-	1,707
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,468,309)</u>
Net Change in Fund Balances	<u>\$ (1,153,153)</u>	<u>(1,098,315)</u>	<u>\$ 54,838</u>	<u>(5,696,725)</u>
Fund Balances at Beginning of Year		<u>(8,080,970)</u>		<u>(2,384,245)</u>
Fund Balances at End of Year		<u>\$ (9,179,285)</u>		<u>\$ (8,080,970)</u>

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GAMING TAX FUND
 Year Ended December 31, 2015
 With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Gaming Tax	\$ 23,500,000	\$ 24,654,889	\$ 1,154,889	\$ 24,792,544
Investment Income	35,000	40,161	5,161	26,795
Total Revenues	<u>23,535,000</u>	<u>24,695,050</u>	<u>1,160,050</u>	<u>24,819,339</u>
Expenditures				
General Government				
Contractual Services	15,400,000	15,862,826	(462,826)	15,917,018
Total Expenditures	<u>15,400,000</u>	<u>15,862,826</u>	<u>(462,826)</u>	<u>15,917,018</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>8,135,000</u>	<u>8,832,224</u>	<u>697,224</u>	<u>8,902,321</u>
Other Financing Sources (Uses)				
Transfers Out	(12,300,000)	(9,808,628)	2,491,372	(1,745,000)
Total Other Financing Sources (Uses)	<u>(12,300,000)</u>	<u>(9,808,628)</u>	<u>2,491,372</u>	<u>(1,745,000)</u>
Net Change in Fund Balance	<u>\$ (4,165,000)</u>	(976,404)	<u>\$ 3,188,596</u>	7,157,321
Fund Balance at Beginning of Year		<u>21,431,951</u>		<u>14,274,630</u>
Fund Balance at End of Year		<u>\$ 20,455,547</u>		<u>\$ 21,431,951</u>

Notes to required supplementary information

Budgetary information

Budgetary information is derived from the annual operating budget and is presented using accounting principles generally accepted in the United States of America and the modified accrual basis of accounting.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN FIREFIGHTERS' PENSION FUND NET PENSION
 LIABILITY AND RELATED RATIOS
 December 31, 2015

	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 1,693,381	\$ 2,300,527
Interest	8,520,291	7,744,456
Changes of benefit terms	-	-
Differences between expected and actual experience	4,451,348	1,651,529
Changes of assumptions	596,180	5,636,351
Benefit payments, including refunds of member contributions	<u>(6,456,438)</u>	<u>(6,042,592)</u>
Net change in total pension liability	<u>8,804,762</u>	<u>11,290,271</u>
Total pension liability - beginning	<u>124,946,658</u>	<u>113,656,387</u>
Total pension liability - ending (a)	<u>\$ 133,751,420</u>	<u>\$ 124,946,658</u>
Plan fiduciary net position		
Contributions - employer	\$ 4,304,044	\$ 4,155,983
Contributions - employee	836,027	883,723
Net investment income	(1,048,749)	4,411,965
Benefit payments, including refunds of member contributions	(6,456,438)	(6,042,592)
Administrative expense	(76,989)	(327,080)
Other	-	-
Net change in plan fiduciary net position	<u>(2,442,105)</u>	<u>3,081,999</u>
Plan fiduciary net position - beginning	<u>70,387,197</u>	<u>67,305,198</u>
Plan fiduciary net position - ending (b)	<u>\$ 67,945,092</u>	<u>\$ 70,387,197</u>
City's net pension liability (a-b)	<u>\$ 65,806,328</u>	<u>\$ 54,559,461</u>
Plan fiduciary net position as a percentage of the total pension liability	50.80%	56.33%
Covered-employee payroll	\$ 8,480,084	\$ 8,694,151
Plan's net pension liability (asset) as a percentage of covered-employee payroll	776.01%	627.54%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FIREFIGHTERS' PENSION FUND CONTRIBUTIONS
 December 31, 2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 3,953,299	\$ 3,941,652	\$ 3,671,041
Contributions in relation to the actuarially determined contribution	4,304,044	4,155,983	3,945,005
Contribution deficiency (excess)	<u>\$ (350,745)</u>	<u>\$ (214,331)</u>	<u>\$ (273,964)</u>
Covered-employee payroll	\$ 8,480,084	\$ 8,694,151	\$ 8,408,155
Contributions as a percentage of covered-employee payroll	50.75%	47.80%	46.92%

Notes to Schedule

Valuation date:

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

Methods and assumptions used to determine 2015 contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	27 years, closed
Asset valuation method	Market
Salary increases	5.00%
Investment rate of return	7.00%, net of investment expenses
Inflation	3.00%
Mortality	RP 2000 Mortality Table (BCA, +1M, -4F, 2x>105), adjusted for future mortality improvement using 1-year setback after 15 years
Retirement	Uniform distribution from ages 50-62 (100% by age 62)
Marital Status	80% Married, female spouses 3 years younger

Other information:

Changes: There were no benefit changes during the year

The calculation of the 2015 contribution rate is based on valuation assumptions used in the December 31, 2013 actuarial valuation.

(Continued)

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 3,577,776	\$ 3,395,608	\$ 3,042,315	\$ 2,100,581	\$ 1,831,495	\$ 1,772,574	\$ 1,644,081
3,655,295	3,798,156	2,754,196	2,158,347	2,017,392	1,631,300	2,161,596
<u>\$ (77,519)</u>	<u>\$ (402,548)</u>	<u>\$ 288,119</u>	<u>\$ (57,766)</u>	<u>\$ (185,897)</u>	<u>\$ 141,274</u>	<u>\$ (517,515)</u>
\$ 8,216,028	\$ 8,212,634	\$ 7,985,770	\$ 8,182,297	\$ 8,296,833	\$ 7,961,049	\$ 7,152,419
44.49%	46.25%	34.49%	26.38%	24.32%	20.49%	30.22%

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FIREFIGHTERS' PENSION FUND
INVESTMENT RATE OF RETURN
December 31, 2015

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return net of investment expense	-1.36%	6.62%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
 December 31, 2015

	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 1,493,985	\$ 1,844,421
Interest	9,073,872	8,114,249
Changes of benefit terms	-	-
Differences between expected and actual experience	2,089,866	2,610,112
Changes of assumptions	(2,109,469)	7,749,079
Benefit payments, including refunds of member contributions	(6,767,978)	(6,449,930)
Net change in total pension liability	<u>3,780,276</u>	<u>13,867,931</u>
Total pension liability - beginning	<u>133,010,739</u>	<u>119,142,808</u>
Total pension liability - ending (a)	<u>\$ 136,791,015</u>	<u>\$ 133,010,739</u>
Plan fiduciary net position		
Contributions - employer	\$ 4,304,873	\$ 4,154,166
Contributions - employee	904,527	879,904
Net investment income	(1,057,767)	3,504,259
Benefit payments, including refunds of member contributions	(6,767,978)	(6,449,930)
Administrative expense	(94,146)	(356,479)
Other	-	-
Net change in plan fiduciary net position	<u>(2,710,491)</u>	<u>1,731,920</u>
Plan fiduciary net position - beginning	<u>63,818,104</u>	<u>62,086,184</u>
Plan fiduciary net position - ending (b)	<u>\$ 61,107,613</u>	<u>\$ 63,818,104</u>
City's net pension liability (a-b)	<u>\$ 75,683,402</u>	<u>\$ 69,192,635</u>
Plan fiduciary net position as a percentage of the total pension liability	44.67%	47.98%
Covered-employee payroll	\$ 8,461,825	\$ 8,532,924
Plan's net pension liability (asset) as a percentage of covered-employee payroll	894.41%	810.89%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 3,472,544	\$ 3,307,583	\$ 3,240,960	\$ 2,538,400	\$ 2,352,290	\$ 2,213,487	\$ 2,035,189
3,542,231	3,775,364	2,955,719	2,674,204	2,421,918	2,040,614	2,674,594
<u>\$ (69,687)</u>	<u>\$ (467,781)</u>	<u>\$ 285,241</u>	<u>\$ (135,804)</u>	<u>\$ (69,628)</u>	<u>\$ 172,873</u>	<u>\$ (639,405)</u>
\$ 7,703,991	\$ 8,212,634	\$ 7,985,770	\$ 8,182,297	\$ 7,965,425	\$ 7,817,392	\$ 7,557,675
45.98%	45.97%	37.01%	32.68%	30.41%	26.10%	35.39%

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND
INVESTMENT RATE OF RETURN
December 31, 2015

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return net of investment expense	-1.57%	5.73%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND NET PENSION LIABILITY
AND RELATED RATIOS
December 31, 2015

	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 1,655,441	\$ 1,838,415
Interest	7,847,845	7,396,361
Changes of benefit terms	-	-
Differences between expected and actual experience	(300,852)	(1,614,019)
Changes of assumptions	128,456	3,699,751
Benefit payments, including refunds of member contributions	(5,273,001)	(4,866,050)
Net change in total pension liability	<u>4,057,889</u>	<u>6,454,458</u>
Total pension liability - beginning	<u>106,586,417</u>	<u>100,131,959</u>
Total pension liability - ending (a)	<u>\$ 110,644,306</u>	<u>\$ 106,586,417</u>
Plan fiduciary net position		
Contributions - employer	\$ 1,796,025	\$ 2,256,489
Contributions - employee	718,234	737,722
Net investment income	495,909	5,843,461
Benefit payments, including refunds of member contributions	(5,273,001)	(4,866,050)
Other	373,765	(140,913)
Net change in plan fiduciary net position	<u>(1,889,068)</u>	<u>3,830,709</u>
Plan fiduciary net position - beginning	<u>100,561,071</u>	<u>96,730,362</u>
Plan fiduciary net position - ending (b)	<u>\$ 98,672,003</u>	<u>\$ 100,561,071</u>
City's net pension liability (a-b)	<u>\$ 11,972,303</u>	<u>\$ 6,025,346</u>
Plan fiduciary net position as a percentage of the total pension liability	89.18%	94.35%
Covered-employee payroll	\$ 14,379,703	\$ 15,440,632
Plan's net pension liability (asset) as a percentage of covered-employee payroll	83.26%	39.02%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT FUND CONTRIBUTIONS
 December 31, 2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 1,844,916	\$ 2,183,292	\$ 2,383,786
Contributions in relation to the actuarially determined contribution	1,796,025	2,256,489	2,383,786
Contribution deficiency (excess)	<u>\$ 48,891</u>	<u>\$ (73,197)</u>	<u>\$ -</u>
Covered-employee payroll	\$ 14,379,703	\$ 15,449,632	\$ 15,946,135
Contributions as a percentage of covered-employee payroll	12.49%	14.61%	14.95%

Notes to Schedule

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

Methods and assumptions used to determine 2015 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Non-Taxing bodies: 10-year rolling period Taxing bodies: 28-year closed period until remaining period reaches 15 years (then 15-year rolling period).
Asset valuation method	5-year smoothed market, 20% corridor
Wage growth	4.00%
Price inflation	3.00% - approximate; No explicit price inflation assumption is used in this valuation
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. Last updated for the 2011 valuation pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 combined health mortality table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other information:

Changes There were no benefit changes during the year

The calculation of the 2015 contribution rate is based on valuation assumptions used in the December 31, 2013 actuarial valuation.

(Continued)

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 2,343,437	\$ 2,330,839	\$ 2,148,148	\$ 1,914,683	\$ 1,792,863	\$ 1,822,744	\$ 1,822,744
2,250,700	1,948,306	2,148,148	1,914,683	1,792,863	1,822,744	1,822,744
<u>\$ 92,737</u>	<u>\$ 382,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,592,625	\$ 16,321,980	\$ 16,588,014	\$ 18,901,116	\$ 17,751,122	\$ 17,293,584	\$ 16,262,330
13.56%	11.94%	12.95%	10.13%	10.10%	10.54%	11.21%

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Property Taxes	\$ 33,328	\$ 33,798	\$ 470	\$ 32,151
Home Rule Option Sales Tax - General	2,650,000	2,855,636	205,636	2,967,153
Home Rule Option Sales Tax - Library				
Debt Service	1,300,000	1,427,818	127,818	1,483,576
Local Use	1,600,000	1,540,285	(59,715)	1,624,707
Intergovernmental	-	-	-	25,701
Storm Sewers	1,400,000	1,317,109	(82,891)	2,221,419
Investment Income	3,000	3,712	712	2,182
Miscellaneous	38,000	80,684	42,684	85,215
Total Revenues	<u>7,024,328</u>	<u>7,259,042</u>	<u>234,714</u>	<u>8,442,104</u>
Expenditures				
Public Works				
Salaries	308,249	293,812	14,437	286,964
Benefits	120,609	124,530	(3,921)	125,083
Contractual Services	1,629,531	988,426	641,105	342,455
Commodities	75,625	34,344	41,281	66,468
Capital Outlay	7,232,468	5,888,048	1,344,420	8,621,611
Total Public Works	<u>9,366,482</u>	<u>7,329,160</u>	<u>2,037,322</u>	<u>9,442,581</u>
Debt Service				
Principal	1,630,000	1,600,000	30,000	5,395,000
Interest and Fiscal Charges	166,305	180,332	(14,027)	441,522
Total Debt Service	<u>1,796,305</u>	<u>1,780,332</u>	<u>15,973</u>	<u>5,836,522</u>
Total Expenditures	<u>11,162,787</u>	<u>9,109,492</u>	<u>2,053,295</u>	<u>15,279,103</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(4,138,459)</u>	<u>(1,850,450)</u>	<u>2,288,009</u>	<u>(6,836,999)</u>
Other Financing Sources (Uses)				
Transfers In	4,300,000	4,300,000	-	6,895,000
Transfers Out	(321,326)	(912,882)	(591,556)	(74,152)
Issuance of Debt	-	-	-	2,880,000
Payment to Refunding Bond Escrow	-	-	-	(2,924,139)
Premium on Bond Issuance	-	-	-	81,567
Total Other Financing Sources (Uses)	<u>3,978,674</u>	<u>3,387,118</u>	<u>(591,556)</u>	<u>6,858,276</u>
Net Change in Fund Balance	<u>\$ (159,785)</u>	1,536,668	<u>\$ 1,696,453</u>	21,277
Fund Balance at Beginning of Year		<u>3,550,351</u>		<u>3,529,074</u>
Fund Balance at End of Year		<u>\$ 5,087,019</u>		<u>\$ 3,550,351</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GRANT FUNDED PROJECTS FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 2,659,696	\$ 8,835,076	\$ 6,175,380	\$ 2,972,817
Investment Income	-	3,129	3,129	17
Total Revenues	<u>2,659,696</u>	<u>8,838,205</u>	<u>6,178,509</u>	<u>2,972,834</u>
Expenditures				
General Government				
Salaries	67,852	60,613	7,239	70,948
Contractual Services	200,200	896,502	(696,302)	152,278
Commodities	3,740	899	2,841	6,566
Capital Outlay	13,754,230	9,203,932	4,550,298	2,875,956
Total Expenditures	<u>14,026,022</u>	<u>10,161,946</u>	<u>3,864,076</u>	<u>3,105,748</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(11,366,326)</u>	<u>(1,323,741)</u>	<u>10,042,585</u>	<u>(132,914)</u>
Other Financing Sources (Uses)				
Transfers In	366,326	297,693	(68,633)	49,152
Total Other Financing Sources (Uses)	<u>366,326</u>	<u>297,693</u>	<u>(68,633)</u>	<u>49,152</u>
Net Change in Fund Balance	<u>\$ (11,000,000)</u>	<u>(1,026,048)</u>	<u>\$ 9,973,952</u>	<u>(83,762)</u>
Fund Balance at Beginning of Year		<u>(71,571)</u>		<u>12,191</u>
Fund Balance at End of Year		<u>\$ (1,097,619)</u>		<u>\$ (71,571)</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2015

	Special Revenue Funds				
	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	TIF #1 (Downtown)
ASSETS					
Cash and Investments	\$ 640,601	\$ 102,810	\$ 1,136,009	\$ 602,292	\$ 4,800,132
Receivables (Net)					
Property Taxes	-	-	-	-	4,796,677
Accounts Receivable	-	-	-	-	-
Accrued Interest	-	-	-	-	-
Other	-	-	18,422	-	-
Due from Other Governments	131,721	-	32,850	-	-
TOTAL ASSETS	<u>\$ 772,322</u>	<u>\$ 102,810</u>	<u>\$ 1,187,281</u>	<u>\$ 602,292</u>	<u>\$ 9,596,809</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 408,049	\$ 19,804	\$ 94,312	\$ -	\$ 179,942
Accrued Liabilities	-	-	-	-	-
Deposits Payable	-	-	112,723	-	18,737
Advances from Other Funds	-	-	-	-	-
Total Liabilities	<u>408,049</u>	<u>19,804</u>	<u>207,035</u>	<u>-</u>	<u>198,679</u>
Deferred Inflows of Resources					
Deferred Property Tax Revenue	-	-	-	-	4,722,305
Unavailable Other Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,722,305</u>
Fund Balances					
Restricted					
Economic Development	-	83,006	-	-	4,675,825
Streets & Highways	364,273	-	-	-	-
Public Safety	-	-	980,246	602,292	-
Debt Service	-	-	-	-	-
Assigned					
Capital Acquisitions	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>364,273</u>	<u>83,006</u>	<u>980,246</u>	<u>602,292</u>	<u>4,675,825</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 772,322</u>	<u>\$ 102,810</u>	<u>\$ 1,187,281</u>	<u>\$ 602,292</u>	<u>\$ 9,596,809</u>

Special Revenue Funds				Debt Service Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #5 (Perry/Lee)	TIF #7 (Mannheim/ Higgins)	Emergency Telephone System	Debt Service	Equipment Replacement	I.T. Replacement	
\$ -	\$ 136,642	\$ -	\$ -	\$ 456,556	\$ 6,193,381	\$ 619,587	\$ 14,688,010
569,249	151,692	990	-	105,645	-	-	5,624,253
-	-	-	76,796	-	-	-	76,796
-	-	-	-	-	32,313	-	32,313
-	-	-	-	-	-	-	18,422
-	-	-	-	-	-	-	164,571
<u>\$ 569,249</u>	<u>\$ 288,334</u>	<u>\$ 990</u>	<u>\$ 76,796</u>	<u>\$ 562,201</u>	<u>\$ 6,225,694</u>	<u>\$ 619,587</u>	<u>\$ 20,604,365</u>
\$ -	\$ -	\$ 42,199	\$ 11,800	\$ -	\$ 210,304	\$ 51,340	\$ 1,017,750
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	131,460
3,274,489	-	129,752	15,741	-	-	-	3,419,982
<u>3,274,489</u>	<u>-</u>	<u>171,951</u>	<u>27,541</u>	<u>-</u>	<u>210,304</u>	<u>51,340</u>	<u>4,569,192</u>
569,249	151,692	990	-	105,217	-	-	5,549,453
-	-	-	49,254	-	-	-	49,254
<u>569,249</u>	<u>151,692</u>	<u>990</u>	<u>49,254</u>	<u>105,217</u>	<u>-</u>	<u>-</u>	<u>5,598,707</u>
-	136,642	-	-	-	-	-	4,895,473
-	-	-	1	-	-	-	364,274
-	-	-	-	-	-	-	1,582,538
-	-	-	-	456,984	-	-	456,984
-	-	-	-	-	6,015,390	568,247	6,583,637
(3,274,489)	-	(171,951)	-	-	-	-	(3,446,440)
<u>(3,274,489)</u>	<u>136,642</u>	<u>(171,951)</u>	<u>1</u>	<u>456,984</u>	<u>6,015,390</u>	<u>568,247</u>	<u>10,436,466</u>
<u>\$ 569,249</u>	<u>\$ 288,334</u>	<u>\$ 990</u>	<u>\$ 76,796</u>	<u>\$ 562,201</u>	<u>\$ 6,225,694</u>	<u>\$ 619,587</u>	<u>\$ 20,604,365</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended December 31, 2015

	Special Revenue Funds				
	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	TIF #1 (Downtown)
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 123,896	\$ 4,758,567
Intergovernmental	1,426,848	347,763	70,788	-	-
Public Charges for Services	-	-	-	-	-
Fines, Forfeitures and Penalties	-	-	121,451	-	-
Investment Income	251	-	1,834	3,547	913
Miscellaneous	-	-	20,264	3,685	14,335
Total Revenues	<u>1,427,099</u>	<u>347,763</u>	<u>214,337</u>	<u>131,128</u>	<u>4,773,815</u>
Expenditures					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	351,208	130,143	-
Streets and Highways	1,178,179	-	-	-	-
Economic Development	-	135,668	-	-	1,503,979
Debt Service					
Principal	-	-	-	-	1,318,885
Interest and Fiscal Charges	-	-	-	-	188,829
Capital Outlay	439,642	236,872	299,206	-	1,011,613
Total Expenditures	<u>1,617,821</u>	<u>372,540</u>	<u>650,414</u>	<u>130,143</u>	<u>4,023,306</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(190,722)</u>	<u>(24,777)</u>	<u>(436,077)</u>	<u>985</u>	<u>750,509</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	(7,200)	(118,988)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,200)</u>	<u>(118,988)</u>
Net Change in Fund Balances	(190,722)	(24,777)	(436,077)	(6,215)	631,521
Fund Balances at Beginning of Year	<u>554,995</u>	<u>107,783</u>	<u>1,416,323</u>	<u>608,507</u>	<u>4,044,304</u>
Fund Balances at End of Year	<u>\$ 364,273</u>	<u>\$ 83,006</u>	<u>\$ 980,246</u>	<u>\$ 602,292</u>	<u>\$ 4,675,825</u>

Special Revenue Funds				Debt Service Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #5 (Perry/Lee)	TIF #7 (Mannheim/ Higgins)	Emergency Telephone System	Debt Service	Equipment Replacement	I.T. Replacement	
\$ 547,683	\$ 153,224	\$ 904	\$ -	\$ 109,287	\$ -	\$ -	\$ 5,693,561
-	-	-	-	-	-	-	1,845,399
-	-	-	765,125	-	-	-	765,125
-	-	-	-	-	-	-	121,451
9	2	-	-	-	51,442	34	58,032
-	-	-	-	-	199,177	-	237,461
<u>547,692</u>	<u>153,226</u>	<u>904</u>	<u>765,125</u>	<u>109,287</u>	<u>250,619</u>	<u>34</u>	<u>8,721,029</u>
-	-	-	-	-	58,907	61,520	120,427
-	-	-	2,463,516	-	-	-	2,944,867
-	-	-	-	-	-	-	1,178,179
835	783	134,626	-	-	-	-	1,775,891
358,000	95,000	-	-	85,000	12,500	-	1,869,385
298,713	16,031	-	-	24,780	-	-	528,353
-	-	-	-	-	792,761	334,554	3,114,648
<u>657,548</u>	<u>111,814</u>	<u>134,626</u>	<u>2,463,516</u>	<u>109,780</u>	<u>864,168</u>	<u>396,074</u>	<u>11,531,750</u>
<u>(109,856)</u>	<u>41,412</u>	<u>(133,722)</u>	<u>(1,698,391)</u>	<u>(493)</u>	<u>(613,549)</u>	<u>(396,040)</u>	<u>(2,810,721)</u>
-	-	-	1,698,392	-	1,500,000	500,000	3,698,392
<u>(5,360)</u>	<u>-</u>	<u>(38,229)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(169,777)</u>
<u>(5,360)</u>	<u>-</u>	<u>(38,229)</u>	<u>1,698,392</u>	<u>-</u>	<u>1,500,000</u>	<u>500,000</u>	<u>3,528,615</u>
(115,216)	41,412	(171,951)	1	(493)	886,451	103,960	717,894
<u>(3,159,273)</u>	<u>95,230</u>	<u>-</u>	<u>-</u>	<u>457,477</u>	<u>5,128,939</u>	<u>464,287</u>	<u>9,718,572</u>
<u>\$ (3,274,489)</u>	<u>\$ 136,642</u>	<u>\$ (171,951)</u>	<u>\$ 1</u>	<u>\$ 456,984</u>	<u>\$ 6,015,390</u>	<u>\$ 568,247</u>	<u>\$ 10,436,466</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MOTOR FUEL TAX FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 1,704,959	\$ 1,426,848	\$ (278,111)	\$ 1,955,759
Investment Income	100	251	151	89
Total Revenues	<u>1,705,059</u>	<u>1,427,099</u>	<u>(277,960)</u>	<u>1,955,848</u>
Expenditures				
Streets and Highways				
Contractual Services	664,000	583,411	80,589	700,391
Commodities	582,000	594,768	(12,768)	775,357
Capital Outlay	454,972	439,642	15,330	367,115
Total Expenditures	<u>1,700,972</u>	<u>1,617,821</u>	<u>83,151</u>	<u>1,842,863</u>
Net Change in Fund Balance	<u>\$ 4,087</u>	(190,722)	<u>\$ (194,809)</u>	112,985
Fund Balance at Beginning of Year		<u>554,995</u>		<u>442,010</u>
Fund Balance at End of Year		<u>\$ 364,273</u>		<u>\$ 554,995</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 521,896	\$ 347,763	\$ (174,133)	\$ 153,317
Total Revenues	<u>521,896</u>	<u>347,763</u>	<u>(174,133)</u>	<u>153,317</u>
Expenditures				
Economic Development				
Salaries	40,485	41,875	(1,390)	31,509
Benefits	16,297	11,629	4,668	13,082
Contractual Services	142,562	82,164	60,398	100,975
Capital Outlay	434,212	236,872	197,340	1,667
Total Expenditures	<u>633,556</u>	<u>372,540</u>	<u>261,016</u>	<u>147,233</u>
Net Change in Fund Balance	<u>\$ (111,660)</u>	(24,777)	<u>\$ 86,883</u>	6,084
Fund Balance at Beginning of Year		<u>107,783</u>		<u>101,699</u>
Fund Balance at End of Year		<u>\$ 83,006</u>		<u>\$ 107,783</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #1 (DOWNTOWN) FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Property Taxes	\$ 4,351,233	\$ 4,758,567	\$ 407,334	\$ 4,779,373
Investment Income	600	913	313	564
Miscellaneous	-	14,335	14,335	-
Total Revenues	<u>4,351,833</u>	<u>4,773,815</u>	<u>421,982</u>	<u>4,779,937</u>
Expenditures				
Economic Development				
Salaries	6,300	-	6,300	2,530
Benefits	481	-	481	532
Contractual Services	1,036,801	1,022,256	14,545	906,134
Commodities	256,650	481,723	(225,073)	477,289
Capital Outlay	3,015,000	1,011,613	2,003,387	909,643
Total Economic Development	<u>4,315,232</u>	<u>2,515,592</u>	<u>1,799,640</u>	<u>2,296,128</u>
Debt Service				
Principal	1,725,484	1,318,885	406,599	1,289,798
Interest and Fiscal Charges	188,893	188,829	64	216,704
Total Debt Service	<u>1,914,377</u>	<u>1,507,714</u>	<u>406,663</u>	<u>1,506,502</u>
Total Expenditures	<u>6,229,609</u>	<u>4,023,306</u>	<u>2,206,303</u>	<u>3,802,630</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,877,776)</u>	<u>750,509</u>	<u>2,628,285</u>	<u>977,307</u>
Other Financing Sources (Uses)				
Transfer Out	(118,988)	(118,988)	-	(205,210)
Payment to Refunding Bond Escrow	-	-	-	(3,048,390)
Total Other Financing Sources (Uses)	<u>(118,988)</u>	<u>(118,988)</u>	<u>-</u>	<u>(3,253,600)</u>
Net Change in Fund Balance	<u>\$ (1,996,764)</u>	<u>631,521</u>	<u>\$ 2,628,285</u>	<u>(2,276,293)</u>
Fund Balance at Beginning of Year		<u>4,044,304</u>		<u>6,320,597</u>
Fund Balance at End of Year		<u>\$ 4,675,825</u>		<u>\$ 4,044,304</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #3 (WILLE ROAD) FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 550,070	\$ 547,683	\$ (2,387)	\$ 551,258
Investment Income	10	9	(1)	34
Total Revenues	<u>550,080</u>	<u>547,692</u>	<u>(2,388)</u>	<u>551,292</u>
Expenditures				
Economic Development				
Contractual Services	10,059	835	9,224	512
Total Economic Development	10,059	835	9,224	512
Debt Service				
Principal	363,000	358,000	5,000	324,000
Interest and Fiscal Charges	296,934	298,713	(1,779)	386,439
Total Debt Service	659,934	656,713	3,221	710,439
Total Expenditures	<u>669,993</u>	<u>657,548</u>	<u>12,445</u>	<u>710,951</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(119,913)</u>	<u>(109,856)</u>	<u>10,057</u>	<u>(159,659)</u>
Other Financing Sources (Uses)				
Transfers Out	(5,360)	(5,360)	-	(6,275)
Issuance of Debt	-	-	-	2,720,000
Payment to Refunding Bond Escrow	-	-	-	(3,310,581)
Premium on Bond Issuance	-	-	-	77,035
Total Other Financing Sources (Uses)	<u>(5,360)</u>	<u>(5,360)</u>	<u>-</u>	<u>(519,821)</u>
Net Change in Fund Balance	<u>\$ (125,273)</u>	(115,216)	<u>\$ 10,057</u>	(679,480)
Fund Balance at Beginning of Year		<u>(3,159,273)</u>		<u>(2,479,793)</u>
Fund Balance at End of Year		<u>\$ (3,274,489)</u>		<u>\$ (3,159,273)</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #4 (FIVE CORNERS) FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 24,797	\$ -	\$ (24,797)	\$ (51,251)
Total Revenues	<u>24,797</u>	<u>-</u>	<u>(24,797)</u>	<u>(51,251)</u>
Expenditures				
Economic Development				
Contractual Services	47,940	-	47,940	13,624
Commodities	5,000	-	5,000	1,740
Capital Outlay	-	-	-	592,700
Total Expenditures	<u>52,940</u>	<u>-</u>	<u>52,940</u>	<u>608,064</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(28,143)</u>	<u>-</u>	<u>28,143</u>	<u>(659,315)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	215,196
Transfers Out	(41,318)	-	41,318	(40,487)
Total Other Financing Sources (Uses)	<u>(41,318)</u>	<u>-</u>	<u>41,318</u>	<u>174,709</u>
Net Change in Fund Balance	<u>\$ (69,461)</u>	<u>-</u>	<u>\$ 69,461</u>	<u>(484,606)</u>
Fund Balance at Beginning of Year		<u>-</u>		<u>484,606</u>
Fund Balance at End of Year		<u>\$ -</u>		<u>\$ -</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #5 (PERRY/LEE) FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 120,982	\$ 153,224	\$ 32,242	\$ 120,982
Investment Income	30	2	(28)	1
Total Revenues	<u>121,012</u>	<u>153,226</u>	<u>32,214</u>	<u>120,983</u>
Expenditures				
Economic Development				
Contractual Services	5	783	(778)	45
Total Economic Development	5	783	(778)	45
Debt Service				
Principal	95,000	95,000	-	95,000
Interest and Fiscal Charges	16,037	16,031	6	17,937
Total Debt Service	111,037	111,031	6	112,937
Total Expenditures	<u>111,042</u>	<u>111,814</u>	<u>(772)</u>	<u>112,982</u>
Net Change in Fund Balance	<u>\$ 9,970</u>	41,412	<u>\$ 31,442</u>	8,001
Fund Balance at Beginning of Year		<u>95,230</u>		<u>87,229</u>
Fund Balance at End of Year		<u>\$ 136,642</u>		<u>\$ 95,230</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #7 (MANNHEIM/HIGGINS) FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ -	\$ 904	\$ 904	\$ -
Total Revenues	<u>-</u>	<u>904</u>	<u>904</u>	<u>-</u>
Expenditures				
Economic Development				
Contractual Services	153,000	134,525	18,475	-
Commodities	-	101	(101)	-
Capital Outlay	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>
Total Expenditures	<u>2,153,000</u>	<u>134,626</u>	<u>2,018,374</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(2,153,000)</u>	<u>(133,722)</u>	<u>2,019,278</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(38,229)</u>	<u>(38,229)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(38,229)</u>	<u>(38,229)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (2,191,229)</u>	<u>(171,951)</u>	<u>\$ 2,019,278</u>	<u>-</u>
Fund Balance at Beginning of Year		<u>-</u>		<u>-</u>
Fund Balance at End of Year		<u>\$ (171,951)</u>		<u>\$ -</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EMERGENCY TELEPHONE SYSTEM FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014 Actual
	Original and Final Budget	Actual		
Revenues				
Public Charges for Services	\$ 810,000	\$ 765,125	\$ (44,875)	\$ -
Total Revenues	<u>810,000</u>	<u>765,125</u>	<u>(44,875)</u>	<u>-</u>
Expenditures				
Public Safety				
Contractual Services	2,165,458	2,321,283	(155,825)	-
Capital Outlay	-	142,233	(142,233)	-
Total Expenditures	<u>2,165,458</u>	<u>2,463,516</u>	<u>(298,058)</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,355,458)</u>	<u>(1,698,391)</u>	<u>(342,933)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers In	1,355,458	1,698,392	342,934	-
Total Other Financing Sources (Uses)	<u>1,355,458</u>	<u>1,698,392</u>	<u>342,934</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	1	<u>\$ 1</u>	-
Fund Balance at Beginning of Year		-		-
Fund Balance at End of Year		<u>\$ 1</u>		<u>\$ -</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 109,510	\$ 109,287	\$ (223)	\$ 100,042
Total Revenues	<u>109,510</u>	<u>109,287</u>	<u>(223)</u>	<u>100,042</u>
Expenditures				
Debt Service				
Principal	85,000	85,000	-	80,000
Interest and Fiscal Charges	<u>24,800</u>	<u>24,780</u>	<u>20</u>	<u>27,840</u>
Total Expenditures	<u>109,800</u>	<u>109,780</u>	<u>20</u>	<u>107,840</u>
Net Change in Fund Balance	<u>\$ (290)</u>	(493)	<u>\$ (203)</u>	(7,798)
Fund Balance at Beginning of Year		<u>457,477</u>		<u>465,275</u>
Fund Balance at End of Year		<u>\$ 456,984</u>		<u>\$ 457,477</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EQUIPMENT REPLACEMENT FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Investment Income	\$ 15,000	\$ 51,442	\$ 36,442	\$ 26,769
Miscellaneous	25,000	199,177	174,177	-
Total Revenues	<u>40,000</u>	<u>250,619</u>	<u>210,619</u>	<u>26,769</u>
Expenditures				
General Government				
Commodities	79,750	58,907	20,843	9,626
Capital Outlay	2,146,564	792,761	1,353,803	892,960
Total General Government	<u>2,226,314</u>	<u>851,668</u>	<u>1,374,646</u>	<u>902,586</u>
Debt Service				
Principal	12,500	12,500	-	12,500
Total Debt Service	<u>12,500</u>	<u>12,500</u>	<u>-</u>	<u>12,500</u>
Total Expenditures	<u>2,238,814</u>	<u>864,168</u>	<u>1,374,646</u>	<u>915,086</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(2,198,814)</u>	<u>(613,549)</u>	<u>1,585,265</u>	<u>(888,317)</u>
Other Financing Sources (Uses)				
Transfers In	1,500,000	1,500,000	-	2,532,800
Transfers Out	(70,000)	-	70,000	-
Total Other Financing Sources (Uses)	<u>1,430,000</u>	<u>1,500,000</u>	<u>70,000</u>	<u>2,532,800</u>
Net Change in Fund Balance	<u>\$ (768,814)</u>	886,451	<u>\$ 1,655,265</u>	1,644,483
Fund Balance at Beginning of Year		<u>5,128,939</u>		<u>3,484,456</u>
Fund Balance at End of Year		<u>\$ 6,015,390</u>		<u>\$ 5,128,939</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
I.T. REPLACEMENT FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Investment Income	\$ 20	\$ 34	\$ 14	\$ 12
Total Revenues	<u>20</u>	<u>34</u>	<u>14</u>	<u>12</u>
Expenditures				
General Government				
Contractual Services	64,296	61,416	2,880	43,110
Commodities	-	104	(104)	508
Capital Outlay	376,675	334,554	42,121	973,452
Total Expenditures	<u>440,971</u>	<u>396,074</u>	<u>44,897</u>	<u>1,017,070</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(440,951)</u>	<u>(396,040)</u>	<u>44,911</u>	<u>(1,017,058)</u>
Other Financing Sources (Uses)				
Transfers In	500,000	500,000	-	1,036,102
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>1,036,102</u>
Net Change in Fund Balance	<u>\$ 59,049</u>	103,960	<u>\$ 44,911</u>	19,044
Fund Balance at Beginning of Year		<u>464,287</u>		<u>445,243</u>
Fund Balance at End of Year		<u>\$ 568,247</u>		<u>\$ 464,287</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
WATER/SEWER FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014 Actual
	Original and Final Budget	Actual		
Operating Revenues				
Charges for Services				
Water Sales	\$ 12,107,500	\$ 12,263,564	\$ 156,064	\$ 12,199,316
Sewer Sales	2,100,000	1,982,894	(117,106)	2,145,108
Sales of Water Meters	1,000	13	(987)	238
Water Permit Fees	2,500	-	(2,500)	1,380
Service Charges, Cut Off and Connector Fees	110,000	196,376	86,376	199,133
Other Charges for Services	1,500	11,500	10,000	5,809
Total Charges for Services	<u>14,322,500</u>	<u>14,454,347</u>	<u>131,847</u>	<u>14,550,984</u>
Miscellaneous	238,890	202,635	(36,255)	204,201
Total Operating Revenues	<u>14,561,390</u>	<u>14,656,982</u>	<u>95,592</u>	<u>14,755,185</u>
Operating Expenses				
Salaries	3,218,590	3,047,809	170,781	3,178,563
Benefits	1,657,481	1,908,072	(250,591)	1,616,171
Contractual Services	1,892,978	1,652,810	240,168	1,296,171
Commodities	9,755,400	10,285,089	(529,689)	9,661,004
Capital Outlay	7,738,651	41,570	7,697,081	30,807
Depreciation	-	1,123,594	(1,123,594)	992,538
Total Operating Expenses	<u>24,263,100</u>	<u>18,058,944</u>	<u>6,204,156</u>	<u>16,775,254</u>
Operating Income (Loss)	<u>(9,701,710)</u>	<u>(3,401,962)</u>	<u>6,299,748</u>	<u>(2,020,069)</u>
Nonoperating Revenues and (Expenses)				
Intergovernmental	7,000	3,471	(3,529)	5,804
Investment Income	-	1,328	1,328	1,321
Total Nonoperating Revenues and (Expenses)	<u>7,000</u>	<u>4,799</u>	<u>(2,201)</u>	<u>7,125</u>
Income (Loss) Before Transfers	<u>(9,694,710)</u>	<u>(3,397,163)</u>	<u>6,297,547</u>	<u>(2,012,944)</u>
Transfers				
Transfers In	8,020,758	6,126,775	(1,893,983)	320,758
Total Transfers	<u>8,020,758</u>	<u>6,126,775</u>	<u>(1,893,983)</u>	<u>320,758</u>
Change in Net Position	<u>\$ (1,673,952)</u>	2,729,612	<u>\$ 4,403,564</u>	(1,692,186)
Net Position at Beginning of Year		17,786,947		19,479,133
Change in Accounting Principle (See Note 10)		(584,803)		-
Net Position at Beginning of Year, as restated		<u>17,202,144</u>		<u>19,479,133</u>
Net Position at End of Year		<u>\$ 19,931,756</u>		<u>\$ 17,786,947</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
PARKING SYSTEM FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services				
Parking Lots, Garages, Permits, and Other	\$ 329,500	\$ 333,908	\$ 4,408	\$ 365,811
Total Operating Revenues	<u>329,500</u>	<u>333,908</u>	<u>4,408</u>	<u>365,811</u>
Operating Expenses				
Contractual Services	39,689	43,197	(3,508)	26,297
Commodities	150,600	151,761	(1,161)	152,992
Total Operating Expenses	<u>190,289</u>	<u>194,958</u>	<u>(4,669)</u>	<u>179,289</u>
Income (Loss) Before Transfers - budgetary	<u>139,211</u>	<u>138,950</u>	<u>(261)</u>	<u>186,522</u>
Transfers				
Transfers Out	(36,516)	(36,516)	-	(36,516)
Total Transfers	<u>(36,516)</u>	<u>(36,516)</u>	<u>-</u>	<u>(36,516)</u>
Adjustments to GAAP basis - depreciation	-	(653,621)	-	(653,621)
Change in Net Position	<u>\$ 102,695</u>	(551,187)	<u>\$ (261)</u>	(503,615)
Net Position at Beginning of Year		<u>11,644,310</u>		<u>12,147,925</u>
Net Position at End of Year		<u>\$ 11,093,123</u>		<u>\$ 11,644,310</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
DPECC FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 856,791	\$ -	\$ (856,791)	\$ 3,136,798
Total Operating Revenues	<u>856,791</u>	<u>-</u>	<u>(856,791)</u>	<u>3,136,798</u>
Operating Expenses				
Salaries	521,580	189,352	332,228	1,858,759
Benefits	198,490	2,706	195,784	838,636
Contractual Services	135,971	42,069	93,902	1,124,984
Commodities	750	-	750	6,680
Capital Outlay	-	-	-	22,779
Depreciation	-	-	-	97,751
Total Operating Expenses	<u>856,791</u>	<u>234,127</u>	<u>622,664</u>	<u>3,949,589</u>
Operating Income (Loss)	<u>-</u>	<u>(234,127)</u>	<u>(234,127)</u>	<u>(812,791)</u>
Nonoperating Revenues and (Expenses)				
Investment Income	-	12	12	71
Loss on Disposal of Assets	-	-	-	(107,444)
Proceeds from Disolution of Joint Venture	-	-	-	708,805
Total Nonoperating Revenues and (Expenses)	<u>-</u>	<u>12</u>	<u>12</u>	<u>601,432</u>
Income (Loss) before Transfers and Special Item	<u>-</u>	<u>(234,115)</u>	<u>(234,115)</u>	<u>(211,359)</u>
Transfers				
Transfers In	-	188,971	188,971	-
Total Transfers	<u>-</u>	<u>188,971</u>	<u>188,971</u>	<u>-</u>
Income (Loss) before Special Item	<u>-</u>	<u>(45,144)</u>	<u>(45,144)</u>	<u>(211,359)</u>
Special Item	<u>-</u>	<u>413,013</u>	<u>413,013</u>	<u>-</u>
Change in Net Position	<u>\$ -</u>	<u>367,869</u>	<u>\$ 367,869</u>	<u>(211,359)</u>
Net Position at Beginning of Year		14,987		226,346
Change in Accounting Principle (See Note 10)		<u>(382,856)</u>		<u>-</u>
Net Position at Beginning of Year, as restated		<u>(367,869)</u>		<u>226,346</u>
Net Position at End of Year		<u>\$ -</u>		<u>\$ 14,987</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 December 31, 2015

	Risk Management	Health Benefits	Total Internal Service Funds
ASSETS			
Current Assets			
Cash and Investments	\$ 893,780	\$ 675,840	\$ 1,569,620
Prepaid Items	932,350	3,831,239	4,763,589
Other Receivables	-	1,450	1,450
Total Current Assets	1,826,130	4,508,529	6,334,659
TOTAL ASSETS	1,826,130	4,508,529	6,334,659
LIABILITIES			
Current Liabilities			
Accounts Payable	14,795	4,665	19,460
Accrued Liabilities	344	13,028	13,372
Total Current Liabilities	15,139	17,693	32,832
TOTAL LIABILITIES	15,139	17,693	32,832
NET POSITION			
Unrestricted	1,810,991	4,490,836	6,301,827
TOTAL NET POSITION	\$ 1,810,991	\$ 4,490,836	\$ 6,301,827

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 Year Ended December 31, 2015

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
Operating Revenues			
Charges for Services	\$ 3,246,041	\$ 8,340,949	\$ 11,586,990
Miscellaneous	384,488	-	384,488
Total Operating Revenues	<u>3,630,529</u>	<u>8,340,949</u>	<u>11,971,478</u>
Operating Expenses			
Salaries	1,870	-	1,870
Benefits	151	-	151
Claims Expense	102,758	7,415,677	7,518,435
Insurance and Processing Fees	2,902,502	575,241	3,477,743
Miscellaneous	80,132	99,361	179,493
Total Operating Expenses	<u>3,087,413</u>	<u>8,090,279</u>	<u>11,177,692</u>
Operating Income (Loss)	<u>543,116</u>	<u>250,670</u>	<u>793,786</u>
Nonoperating Revenues and (Expenses)			
Investment Income	-	42	42
Total Nonoperating Revenues and (Expenses)	<u>-</u>	<u>42</u>	<u>42</u>
Change in Net Position	543,116	250,712	793,828
Net Position at Beginning of Year	<u>1,267,875</u>	<u>4,240,124</u>	<u>5,507,999</u>
Net Position at End of Year	<u>\$ 1,810,991</u>	<u>\$ 4,490,836</u>	<u>\$ 6,301,827</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year Ended December 31, 2015

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 3,246,041	\$ 8,340,949	\$ 11,586,990
Receipts from Miscellaneous Revenues	384,488	-	384,488
Cash Payments to Suppliers for Good and Services	<u>(3,163,341)</u>	<u>(8,353,235)</u>	<u>(11,516,576)</u>
Net Cash Provided/(Used) by Operating Activities	<u>467,188</u>	<u>(12,286)</u>	<u>454,902</u>
Cash Flows from Investing Activities			
Investment Income	-	42	42
Net Cash Provided/(Used) by Investing Activities	<u>-</u>	<u>42</u>	<u>42</u>
Net Increase (Decrease) in Cash & Investments	467,188	(12,244)	454,944
Cash & Investments, Beginning of Year	<u>426,592</u>	<u>688,084</u>	<u>1,114,676</u>
Cash & Investments, End of Year	<u>\$ 893,780</u>	<u>\$ 675,840</u>	<u>\$ 1,569,620</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Operating Income/(Loss)	\$ 543,116	\$ 250,670	\$ 793,786
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Decrease (Increase) in Prepaid Items	(61,268)	(245,307)	(306,575)
Decrease (Increase) in Other Receivables	-	(39)	(39)
(Decrease) Increase in Accounts Payable	(15,004)	(12,371)	(27,375)
(Decrease) Increase in Accrued Liabilities	<u>344</u>	<u>(5,239)</u>	<u>(4,895)</u>
Total Adjustments	<u>(75,928)</u>	<u>(262,956)</u>	<u>(338,884)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 467,188</u>	<u>\$ (12,286)</u>	<u>\$ 454,902</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
RISK MANAGEMENT FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 3,044,077	\$ 3,246,041	\$ 201,964	\$ 2,024,162
Miscellaneous	228,500	384,488	155,988	389,855
Total Operating Revenues	<u>3,272,577</u>	<u>3,630,529</u>	<u>357,952</u>	<u>2,414,017</u>
Operating Expenses				
Salaries	12,000	1,870	10,130	-
Benefits	919	151	768	-
Claims Expense				
Unemployment Claims	40,000	74,478	(34,478)	29,399
Workers' Compensation Claims	41,000	28,280	12,720	23,806
Total Claims Expense	<u>81,000</u>	<u>102,758</u>	<u>(21,758)</u>	<u>53,205</u>
Insurance and Processing Fees				
Claims Administrative Fees	3,400	2,200	1,200	3,038
Insurance Premiums	150,000	150,053	(53)	118,448
MICA Loss Fund	2,750,000	2,735,784	14,216	2,544,666
MICA Deductible	30,000	14,465	15,535	26,545
Total Insurance and Processing Fees	<u>2,933,400</u>	<u>2,902,502</u>	<u>30,898</u>	<u>2,692,697</u>
Miscellaneous				
City-wide Substance Abuse Program	5,000	1,756	3,244	1,815
Self-insurance Losses	75,000	48,002	26,998	64,891
Miscellaneous Contractual Services	90,452	30,374	60,078	28,139
Total Miscellaneous	<u>170,452</u>	<u>80,132</u>	<u>90,320</u>	<u>94,845</u>
Total Operating Expenses	<u>3,197,771</u>	<u>3,087,413</u>	<u>110,358</u>	<u>2,840,747</u>
Operating Income (Loss)	<u>74,806</u>	<u>543,116</u>	<u>468,310</u>	<u>(426,730)</u>
Nonoperating Revenues and (Expenses)				
Investment Income	100	-	(100)	-
Total Nonoperating Revenues and (Expenses)	<u>100</u>	<u>-</u>	<u>(100)</u>	<u>-</u>
Income (Loss) Before Transfers	<u>74,906</u>	<u>543,116</u>	<u>468,210</u>	<u>(426,730)</u>
Transfers				
Transfers Out	-	-	-	(32,800)
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,800)</u>
Change in Net Position	<u>\$ 74,906</u>	<u>543,116</u>	<u>\$ 468,210</u>	<u>(459,530)</u>
Net Position at Beginning of Year		<u>1,267,875</u>		<u>1,727,405</u>
Net Position at End of Year		<u>\$ 1,810,991</u>		<u>\$ 1,267,875</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
HEALTH BENEFITS FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 8,730,423	\$ 8,340,949	\$ (389,474)	\$ 8,715,367
Total Operating Revenues	<u>8,730,423</u>	<u>8,340,949</u>	<u>(389,474)</u>	<u>8,715,367</u>
Operating Expenses				
Claims Expense				
Claims Paid - City - PPO	6,594,339	5,802,562	791,777	4,764,305
Claims Paid - City - HMO	<u>1,671,517</u>	<u>1,613,115</u>	<u>58,402</u>	<u>1,632,305</u>
Total Claims Expense	<u>8,265,856</u>	<u>7,415,677</u>	<u>850,179</u>	<u>6,396,610</u>
Insurance and Processing Fees				
Dental Claims and Administration Fee	466,927	448,154	18,773	421,929
Life Insurance Premium	<u>147,164</u>	<u>127,087</u>	<u>20,077</u>	<u>141,933</u>
Total Insurance and Processing Fees	<u>614,091</u>	<u>575,241</u>	<u>38,850</u>	<u>563,862</u>
Miscellaneous	<u>55,000</u>	<u>99,361</u>	<u>(44,361)</u>	<u>204,010</u>
Total Operating Expenses	<u>8,934,947</u>	<u>8,090,279</u>	<u>844,668</u>	<u>7,164,482</u>
Operating Income (Loss)	<u>(204,524)</u>	<u>250,670</u>	<u>455,194</u>	<u>1,550,885</u>
Nonoperating Revenues and (Expenses)				
Investment Income	<u>250</u>	<u>42</u>	<u>(208)</u>	<u>16</u>
Total Nonoperating Revenues and (Expenses)	<u>250</u>	<u>42</u>	<u>(208)</u>	<u>16</u>
Change in Net Position	<u>\$ (204,274)</u>	<u>250,712</u>	<u>\$ 454,986</u>	<u>1,550,901</u>
Net Position at Beginning of Year		<u>4,240,124</u>		<u>2,689,223</u>
Net Position at End of Year		<u>\$ 4,490,836</u>		<u>\$ 4,240,124</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 December 31, 2015

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
ASSETS			
Cash and Cash Equivalents	\$ 2,771,308	\$ 4,200,339	\$ 6,971,647
Investments			
U.S. Government and Agency Obligations	11,707,147	10,042,903	21,750,050
State and Local Obligations	522,932	762,423	1,285,355
Corporate Bonds	10,927,966	9,116,336	20,044,302
Mutual Funds	23,127,808	21,360,919	44,488,727
Stocks	18,711,654	15,513,868	34,225,522
Insurance Contracts	-	1,484	1,484
Receivables (Net)			
Accrued Interest	212,507	177,505	390,012
Prepaid Items	5,881	5,353	11,234
TOTAL ASSETS	<u>67,987,203</u>	<u>61,181,130</u>	<u>129,168,333</u>
LIABILITIES AND NET POSITION			
Liabilities			
Accounts Payable	42,111	73,517	115,628
Total Liabilities	<u>42,111</u>	<u>73,517</u>	<u>115,628</u>
Net Position			
Held in Trust for Pension Benefits	<u>\$ 67,945,092</u>	<u>\$ 61,107,613</u>	<u>\$ 129,052,705</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 Year Ended December 31, 2015

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
Additions			
Contributions			
Employer	\$ 4,304,044	\$ 4,304,873	\$ 8,608,917
Plan Members	<u>836,027</u>	<u>904,527</u>	<u>1,740,554</u>
Total Contributions	<u>5,140,071</u>	<u>5,209,400</u>	<u>10,349,471</u>
Investment Income	(775,395)	(803,863)	(1,579,258)
Less Investment Expense	<u>(273,354)</u>	<u>(253,904)</u>	<u>(527,258)</u>
Net Investment Income	<u>(1,048,749)</u>	<u>(1,057,767)</u>	<u>(2,106,516)</u>
Total Additions	<u>4,091,322</u>	<u>4,151,633</u>	<u>8,242,955</u>
Deductions			
Administration	76,989	94,146	171,135
Benefits and Refunds	<u>6,456,438</u>	<u>6,767,978</u>	<u>13,224,416</u>
Total Deductions	<u>6,533,427</u>	<u>6,862,124</u>	<u>13,395,551</u>
Change in Plan Net Position	(2,442,105)	(2,710,491)	(5,152,596)
Plan Net Position at Beginning of Year	<u>70,387,197</u>	<u>63,818,104</u>	<u>134,205,301</u>
Plan Net Position at End of Year	<u>\$ 67,945,092</u>	<u>\$ 61,107,613</u>	<u>\$ 129,052,705</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 December 31, 2015

	Compliance Bond	Section 125 Plan	Total Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ 514,996	\$ -	\$ 514,996
Other Receivable	8,327	-	8,327
TOTAL ASSETS	\$ 523,323	\$ -	\$ 523,323
 LIABILITIES			
Accounts Payable	\$ 92,878	\$ -	\$ 92,878
Deposits Payable	430,445	-	430,445
TOTAL LIABILITIES	\$ 523,323	\$ -	\$ 523,323

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended December 31, 2015

	Balances January 1	Additions	Deductions	Balances December 31
Compliance Bond Fund				
ASSETS				
Cash and Cash Equivalents	\$ 555,819	\$ 732,549	\$ 773,372	\$ 514,996
Other Receivable	3,644	355,352	350,669	8,327
TOTAL ASSETS	\$ 559,463	\$ 1,087,901	\$ 1,124,041	\$ 523,323
LIABILITIES				
Accounts Payable	\$ 9,993	\$ 271,879	\$ 188,994	\$ 92,878
Accrued Liabilities	-	13,062	13,062	-
Deposits Payable	549,470	563,922	682,947	430,445
TOTAL LIABILITIES	\$ 559,463	\$ 848,863	\$ 885,003	\$ 523,323
Section 125 Plan Fund				
ASSETS				
Cash and Cash Equivalents	\$ 64,564	\$ 52,405	\$ 116,969	\$ -
TOTAL ASSETS	\$ 64,564	\$ 52,405	\$ 116,969	\$ -
LIABILITIES				
Accrued Liabilities	\$ 64,564	\$ 27,402	\$ 91,966	\$ -
TOTAL LIABILITIES	\$ 64,564	\$ 27,402	\$ 91,966	\$ -
All Funds				
ASSETS				
Cash and Cash Equivalents	\$ 620,383	\$ 784,954	\$ 890,341	\$ 514,996
Other Receivable	3,644	355,352	350,669	8,327
TOTAL ASSETS	\$ 624,027	\$ 1,140,306	\$ 1,241,010	\$ 523,323
LIABILITIES				
Accounts Payable	\$ 9,993	\$ 271,879	\$ 188,994	\$ 92,878
Accrued Liabilities	64,564	40,464	105,028	-
Deposits Payable	549,470	563,922	682,947	430,445
TOTAL LIABILITIES	\$ 624,027	\$ 876,265	\$ 976,969	\$ 523,323

CITY OF DES PLAINES, ILLINOIS
 COMPONENT UNIT - LIBRARY
 STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 December 31, 2015

	General	Capital Projects	Total
ASSETS AND DEFERRED INFLOWS OF RESOURCES			
Assets			
Cash	\$ 4,858,035	\$ 980,550	\$ 5,838,585
Property Tax Receivable	5,989,010	-	5,989,010
Due from Other Funds	-	-	-
Capital Assets, Net	-	-	-
Total Assets	<u>10,847,045</u>	<u>980,550</u>	<u>11,827,595</u>
Deferred Inflows of Resources			
Deferred Pension Inflows	-	-	-
TOTAL ASSETS AND DEFERRED INFLOWS OF RESOURCES	<u>\$ 10,847,045</u>	<u>\$ 980,550</u>	<u>\$ 11,827,595</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION			
Liabilities			
Accounts Payable	\$ 311,456	\$ 407,257	\$ 718,713
Accrued Payroll	86,234	-	86,234
Due to Other Funds	278,767	-	278,767
Noncurrent Liabilities			
Due within One Year	-	-	-
Due in More than One Year	-	-	-
Total Liabilities	<u>676,457</u>	<u>407,257</u>	<u>1,083,714</u>
Deferred Inflows of Resources			
Deferred Property Tax Revenue	5,986,354	-	5,986,354
Deferred Pension Inflows	-	-	-
Total Deferred Inflows of Resources	<u>5,986,354</u>	<u>-</u>	<u>5,986,354</u>
Fund Balances/Net Position			
Net Investment in Capital Assets	-	-	-
Restricted for Culture and Recreation	4,184,234	573,293	4,757,527
Total Fund Balances/Net Position	<u>4,184,234</u>	<u>573,293</u>	<u>4,757,527</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION	<u>\$ 10,847,045</u>	<u>\$ 980,550</u>	<u>\$ 11,827,595</u>

The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.

Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.

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

Adjustments					
Internal Service Fund Compensated Absences	Internal Balances	Net OPEB Obligation	Net Pension Liability	Long-term Assets	Statement of Net Position
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,838,585
-	-	-	-	-	5,989,010
278,767	(278,767)	-	-	-	-
-	-	-	-	1,260,468	1,260,468
<u>278,767</u>	<u>(278,767)</u>	<u>-</u>	<u>-</u>	<u>1,260,468</u>	<u>13,088,063</u>
-	-	-	1,399,580	-	1,399,580
<u>\$ 278,767</u>	<u>\$ (278,767)</u>	<u>\$ -</u>	<u>\$ 1,399,580</u>	<u>\$ 1,260,468</u>	<u>\$ 14,487,643</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 718,713
-	-	-	-	-	86,234
-	(278,767)	-	-	-	-
99,309	-	-	-	-	99,309
179,458	-	86,422	2,053,075	-	2,318,955
<u>278,767</u>	<u>(278,767)</u>	<u>86,422</u>	<u>2,053,075</u>	<u>-</u>	<u>3,223,211</u>
-	-	-	-	-	5,986,354
-	-	-	119,809	-	119,809
-	-	-	119,809	-	6,106,163
-	-	-	-	1,260,468	1,260,468
-	-	(86,422)	(773,304)	-	3,897,801
-	-	(86,422)	(773,304)	1,260,468	5,158,269
<u>\$ 278,767</u>	<u>\$ (278,767)</u>	<u>\$ -</u>	<u>\$ 1,399,580</u>	<u>\$ 1,260,468</u>	<u>\$ 14,487,643</u>
<u>\$ 278,767</u>	<u>\$ (278,767)</u>				
		<u>\$ 86,422</u>	<u>\$ 2,053,075</u>		
				<u>\$ 1,260,468</u>	

CITY OF DES PLAINES, ILLINOIS
 COMPONENT UNIT - LIBRARY
 STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/NET POSITION
 Year Ended December 31, 2015

	General	Capital Projects	Total
Revenues			
Property Taxes	\$ 6,072,634	\$ -	\$ 6,072,634
Intergovernmental	165,943	-	165,943
Charges for Services	20,733	-	20,733
Fines	137,169	-	137,169
Investment Income	2,303	251	2,554
Miscellaneous	13,918	-	13,918
Total Revenues	<u>6,412,700</u>	<u>251</u>	<u>6,412,951</u>
Expenditures			
Civic and Cultural	5,802,258	-	5,802,258
Capital Outlay	130,628	1,318,959	1,449,587
Total Expenditures	<u>5,932,886</u>	<u>1,318,959</u>	<u>7,251,845</u>
Excess (Deficiency) of Revenues over (under) Expenditures	479,814	(1,318,708)	(838,894)
Other Financing Sources (Uses)			
Transfers in	-	1,600,000	1,600,000
Transfers out	(1,600,000)	-	(1,600,000)
Total Other Financing Sources (Uses)	<u>(1,600,000)</u>	<u>1,600,000</u>	<u>-</u>
Net Change in Fund Balance/Net Position	(1,120,186)	281,292	(838,894)
Fund Balance/Net Position, Beginning of Year	5,304,420	292,001	5,596,421
Change in Accounting Principle (See Note 10)	-	-	-
Fund Balance/Net Position, Beginning of Year, as restated	<u>5,304,420</u>	<u>292,001</u>	<u>5,596,421</u>
Fund Balance/Net Position, End of Year	<u>\$ 4,184,234</u>	<u>\$ 573,293</u>	<u>\$ 4,757,527</u>

Governmental funds report capital outlays as expenditures. However, in the statement of net position the costs of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. Adjustment necessary to record depreciation, to reclassify capital asset additions to the statement of net position, and to reclassify capital outlay that did not have an initial cost of \$25,000 to civic and cultural expense function.

In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources.

Adjustments				
Capital-related Items	Internal Balances	Net OPEB Obligation	Net Pension Liability	Statement of Activities
\$ -	\$ -	\$ -	\$ -	\$ 6,072,634
-	-	-	-	165,943
-	-	-	-	20,733
-	-	-	-	137,169
-	-	-	-	2,554
-	-	-	-	13,918
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,412,951</u>
1,010,203	-	(221)	241,116	7,053,356
<u>(1,449,587)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(439,384)</u>	<u>-</u>	<u>(221)</u>	<u>241,116</u>	<u>7,053,356</u>
439,384	-	221	(241,116)	(640,405)
-	(1,600,000)	-	-	-
<u>-</u>	<u>1,600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
439,384	-	221	(241,116)	(640,405)
821,084	-	(86,643)	(67,563)	6,263,299
<u>-</u>	<u>-</u>	<u>-</u>	<u>(464,625)</u>	<u>(464,625)</u>
<u>821,084</u>	<u>-</u>	<u>(86,643)</u>	<u>(532,188)</u>	<u>5,798,674</u>
<u>\$ 1,260,468</u>	<u>\$ -</u>	<u>\$ (86,422)</u>	<u>\$ (773,304)</u>	<u>\$ 5,158,269</u>

\$ 439,384

\$ 221 \$ (241,116)

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY - GENERAL FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Property Taxes	\$ 6,077,208	\$ 6,072,634	\$ (4,574)	\$ 6,144,530
Replacement Taxes	92,988	92,988	-	92,988
State Grants	70,000	72,955	2,955	72,955
Charges for Services	21,750	20,733	(1,017)	16,781
Fines	147,000	137,169	(9,831)	134,907
Investment Income	1,199	2,303	1,104	1,073
Miscellaneous	29,000	13,918	(15,082)	44,221
Total Revenues	<u>6,439,145</u>	<u>6,412,700</u>	<u>(26,445)</u>	<u>6,507,455</u>
Expenditures				
Civic and Cultural				
Salaries	2,916,296	2,846,916	69,380	2,728,991
Benefits	968,532	916,734	51,798	928,972
Contractual Services	1,085,644	1,103,015	(17,371)	1,152,767
Commodities	1,003,700	935,593	68,107	968,944
Total Civic and Cultural	<u>5,974,172</u>	<u>5,802,258</u>	<u>171,914</u>	<u>5,779,674</u>
Capital Outlay	190,380	130,628	59,752	145,279
Total Expenditures	<u>6,164,552</u>	<u>5,932,886</u>	<u>231,666</u>	<u>5,924,953</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>274,593</u>	<u>479,814</u>	<u>205,221</u>	<u>582,502</u>
Other Financing Sources (Uses)				
Transfers Out	(1,698,857)	(1,600,000)	98,857	(300,000)
Total Other Financing Sources (Uses)	<u>(1,698,857)</u>	<u>(1,600,000)</u>	<u>98,857</u>	<u>(300,000)</u>
Net Change in Fund Balance	<u>\$ (1,424,264)</u>	(1,120,186)	<u>\$ 304,078</u>	282,502
Fund Balance at Beginning of Year		<u>5,304,420</u>		<u>5,021,918</u>
Fund Balance at End of Year		<u>\$ 4,184,234</u>		<u>\$ 5,304,420</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY - CAPITAL PROJECTS FUND
Year Ended December 31, 2015
With Comparative Actual Amounts for the Year Ended December 31, 2014

	2015		Variance from Final Budget Positive (Negative)	2014
	Original and Final Budget	Actual		Actual
Revenues				
Investment Income	\$ 50	\$ 251	\$ 201	\$ 31
Total Revenues	<u>50</u>	<u>251</u>	<u>201</u>	<u>31</u>
Expenditures				
Capital Outlay	1,744,550	1,318,959	425,591	396,073
Total Expenditures	<u>1,744,550</u>	<u>1,318,959</u>	<u>425,591</u>	<u>396,073</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,744,500)</u>	<u>(1,318,708)</u>	<u>425,792</u>	<u>(396,042)</u>
Other Financing Sources (Uses)				
Transfers In	1,673,857	1,600,000	(73,857)	300,000
Total Other Financing Sources (Uses)	<u>1,673,857</u>	<u>1,600,000</u>	<u>(73,857)</u>	<u>300,000</u>
Net Change in Fund Balance	<u>\$ (70,643)</u>	281,292	<u>\$ 351,935</u>	(96,042)
Fund Balance at Beginning of Year		<u>292,001</u>		<u>388,043</u>
Fund Balance at End of Year		<u>\$ 573,293</u>		<u>\$ 292,001</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (TOTAL ISSUE)
December 31, 2015

Date of issue	October 23, 2007
Date of maturity	December 1, 2021
Authorized issue	\$ 6,065,000
Denomination of bonds	\$ 5,000
Interest rates	3.80%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 305,000	\$ 75,810	\$ 380,810	2016	\$ 37,905	2016	\$ 37,905
2017	310,000	64,220	374,220	2017	32,110	2017	32,110
2018	325,000	52,440	377,440	2018	26,220	2018	26,220
2019	340,000	40,090	380,090	2019	20,045	2019	20,045
2020	350,000	27,170	377,170	2020	13,585	2020	13,585
2021	365,000	13,870	378,870	2021	6,935	2021	6,935
	\$ 1,995,000	\$ 273,600	\$ 2,268,600		\$ 136,800		\$ 136,800

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (STREETS PORTION)
December 31, 2015

Date of issue	October 23, 2007
Date of maturity	December 1, 2021
Authorized issue	\$ 3,395,000
Denomination of bonds	\$ 5,000
Interest rates	3.80%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 305,000	\$ 75,810	\$ 380,810	2016	\$ 37,905	2016	\$ 37,905
2017	310,000	64,220	374,220	2017	32,110	2017	32,110
2018	325,000	52,440	377,440	2018	26,220	2018	26,220
2019	340,000	40,090	380,090	2019	20,045	2019	20,045
2020	350,000	27,170	377,170	2020	13,585	2020	13,585
2021	365,000	13,870	378,870	2021	6,935	2021	6,935
	\$ 1,995,000	\$ 273,600	\$ 2,268,600		\$ 136,800		\$ 136,800

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007B (TOTAL ISSUE)
December 31, 2015

Date of issue	October 23, 2007
Date of maturity	December 1, 2021
Authorized issue	\$ 1,660,000
Denomination of bonds	\$ 5,000
Interest rates	3.80%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 150,000	\$ 23,750	\$ 173,750	2016	\$ 11,875	2016	\$ 11,875
2017	85,000	18,050	103,050	2017	9,025	2017	9,025
2018	90,000	14,820	104,820	2018	7,410	2018	7,410
2019	95,000	11,400	106,400	2019	5,700	2019	5,700
2020	100,000	7,790	107,790	2020	3,895	2020	3,895
2021	105,000	3,990	108,990	2021	1,995	2021	1,995
	\$ 625,000	\$ 79,800	\$ 704,800		\$ 39,900		\$ 39,900

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007B (TIF#1 PORTION)
December 31, 2015

Date of issue	October 23, 2007
Date of maturity	December 1, 2016
Authorized issue	\$ 510,000
Denomination of bonds	\$ 5,000
Interest rates	3.80%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 65,000	\$ 2,470	\$ 67,470	2016	\$ 1,235	2016	\$ 1,235
	\$ 65,000	\$ 2,470	\$ 67,470		\$ 1,235		\$ 1,235

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007B (FIRE STATION PORTION)
December 31, 2015

Date of issue	October 23, 2007
Date of maturity	December 1, 2021
Authorized issue	\$ 1,150,000
Denomination of bonds	\$ 5,000
Interest rates	3.80%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 85,000	\$ 21,280	\$ 106,280	2016	\$ 10,640	2016	\$ 10,640
2017	85,000	18,050	103,050	2017	9,025	2017	9,025
2018	90,000	14,820	104,820	2018	7,410	2018	7,410
2019	95,000	11,400	106,400	2019	5,700	2019	5,700
2020	100,000	7,790	107,790	2020	3,895	2020	3,895
2021	105,000	3,990	108,990	2021	1,995	2021	1,995
	\$ 560,000	\$ 77,330	\$ 637,330		\$ 38,665		\$ 38,665

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A (TOTAL ISSUE)
December 31, 2015

Date of issue	April 1, 2008
Date of maturity	December 1, 2021
Authorized issue	\$ 2,575,000
Denomination of bonds	\$ 5,000
Interest rates	3.25% to 5.25%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2016	\$ 275,000	\$ 40,920	\$ 315,920	2016	\$ 20,460	2016	\$ 20,460
2017	100,000	27,996	127,996	2017	13,998	2017	13,998
2018	100,000	23,094	123,094	2018	11,547	2018	11,547
2019	110,000	18,096	128,096	2019	9,048	2019	9,048
2020	115,000	12,486	127,486	2020	6,243	2020	6,243
2021	125,000	6,562	131,562	2021	3,281	2021	3,281
	<u>\$ 825,000</u>	<u>\$ 129,154</u>	<u>\$ 954,154</u>		<u>\$ 64,577</u>		<u>\$ 64,577</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A (TIF#1 PORTION)
December 31, 2015

Date of issue	April 1, 2008
Date of maturity	December 1, 2016
Authorized issue	\$ 1,334,000
Denomination of bonds	\$ 5,000
Interest rates	3.25% to 4.70%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 178,000	\$ 8,366	\$ 186,366	2016	\$ 4,183	2016	\$ 4,183
	\$ 178,000	\$ 8,366	\$ 186,366		\$ 4,183		\$ 4,183

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A (TIF#3 PORTION)
December 31, 2015

Date of issue April 1, 2008
Date of maturity December 1, 2021
Authorized issue \$ 1,241,000
Denomination of bonds \$ 5,000
Interest rates 3.25% to 5.25%

Interest dates June 1 and December 1
Principal maturity date December 1
Payable at Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 97,000	\$ 32,554	\$ 129,554	2016	\$ 16,277	2016	\$ 16,277
2017	100,000	27,996	127,996	2017	13,998	2017	13,998
2018	100,000	23,094	123,094	2018	11,547	2018	11,547
2019	110,000	18,096	128,096	2019	9,048	2019	9,048
2020	115,000	12,486	127,486	2020	6,243	2020	6,243
2021	125,000	6,562	131,562	2021	3,281	2021	3,281
	<u>\$ 647,000</u>	<u>\$ 120,788</u>	<u>\$ 767,788</u>		<u>\$ 60,394</u>		<u>\$ 60,394</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009A (TIF #6, CAPITAL APPRECIATION)
December 31, 2015

Date of issue	November 3, 2009
Date of maturity	December 1, 2023
Authorized issue	\$ 5,430,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 5.80%

Interest dates	December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Capital Appreciation Bonds				Total Principal Requirement
	<u>Original Amount</u>	<u>Accretion to Date</u>	<u>Current Payable</u>	<u>Future Accretion</u>	
2016	\$ 175,154	\$ 54,399	\$ 229,553	\$ 10,447	\$ 240,000
2017	256,650	84,743	341,393	33,607	375,000
2018	223,545	78,258	301,803	48,197	350,000
2019	192,780	71,373	264,153	60,847	325,000
2020	257,668	100,657	358,325	111,675	470,000
2021	225,713	91,907	317,620	127,380	445,000
2022	750,424	308,687	1,059,111	515,889	1,575,000
2023	333,114	138,417	471,531	273,469	745,000
	\$ 2,415,048	\$ 928,441	\$ 3,343,489	\$ 1,181,511	\$ 4,525,000

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009B (STREETS)
December 31, 2015

Date of issue	November 3, 2009
Date of maturity	December 1, 2018
Authorized issue	\$ 4,175,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 3.75%

Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2016	\$ 200,000	\$ 21,500	\$ 221,500	2016	\$ 10,750	2016	\$ 10,750
2017	200,000	14,500	214,500	2017	7,250	2017	7,250
2018	200,000	7,500	207,500	2018	3,750	2018	3,750
	\$ 600,000	\$ 43,500	\$ 643,500		\$ 21,750		\$ 21,750

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010A (TIF #3)
December 31, 2015

Date of issue	January 6, 2010
Date of maturity	December 1, 2028
Authorized issue	\$ 3,945,000
Denomination of bonds	\$ 5,000
Interest rates	3.625% to 4.25%

Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ -	\$ 156,004	\$ 156,004	2016	\$ 78,002	2016	\$ 78,002
2017	-	156,004	156,004	2017	78,002	2017	78,002
2018	295,000	156,004	451,004	2018	78,002	2018	78,002
2019	305,000	145,310	450,310	2019	72,655	2019	72,655
2020	315,000	134,254	449,254	2020	67,127	2020	67,127
2021	330,000	122,834	452,834	2021	61,417	2021	61,417
2022	340,000	110,624	450,624	2022	55,312	2022	55,312
2023	355,000	97,026	452,026	2023	48,513	2023	48,513
2024	370,000	82,824	452,824	2024	41,412	2024	41,412
2025	385,000	68,026	453,026	2025	34,013	2025	34,013
2026	400,000	52,624	452,624	2026	26,312	2026	26,312
2027	415,000	36,124	451,124	2027	18,062	2027	18,062
2028	435,000	18,488	453,488	2028	9,244	2028	9,244
	\$ 3,945,000	\$ 1,336,146	\$ 5,281,146		\$ 668,073		\$ 668,073

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010B (TIF #3, CAPITAL APPRECIATION)
December 31, 2015

Date of issue	January 6, 2010
Date of maturity	December 1, 2026
Authorized issue	\$ 6,110,760
Denomination of bonds	\$ 5,000
Interest rates	4.00% to 5.35%

Interest dates	December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Capital Appreciation Bonds				Total Principal Requirement
	<u>Original Amount</u>	<u>Accretion to Date</u>	<u>Current Payable</u>	<u>Future Accretion</u>	
2017	\$ 266,906	\$ 70,297	\$ 337,203	\$ 27,797	\$ 365,000
2018	545,653	151,731	697,384	92,616	790,000
2019	513,382	150,387	663,769	126,231	790,000
2020	457,968	144,498	602,466	157,534	760,000
2021	416,648	141,016	557,664	192,336	750,000
2022	574,365	198,834	773,199	326,801	1,100,000
2023	891,472	315,537	1,207,009	612,991	1,820,000
2024	843,041	301,683	1,144,724	680,276	1,825,000
2025	794,295	287,342	1,081,637	743,363	1,825,000
2026	807,030	295,114	1,102,144	867,856	1,970,000
	<u>\$ 6,110,760</u>	<u>\$ 2,056,439</u>	<u>\$ 8,167,199</u>	<u>\$ 3,827,801</u>	<u>\$ 11,995,000</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TOTAL ISSUE)
December 31, 2015

Date of issue	December 22, 2011
Date of maturity	December 1, 2021
Authorized issue	\$ 3,540,000
Denomination of bonds	\$ 5,000
Interest rates	2.00% to 2.50%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 295,000	\$ 55,062	\$ 350,062	2016	\$ 27,531	2016	\$ 27,531
2017	440,000	49,163	489,163	2017	24,581	2017	24,582
2018	455,000	40,362	495,362	2018	20,180	2018	20,182
2019	455,000	30,124	485,124	2019	15,062	2019	15,062
2020	465,000	18,751	483,751	2020	9,376	2020	9,375
2021	285,000	7,126	292,126	2021	3,563	2021	3,563
	\$ 2,395,000	\$ 200,588	\$ 2,595,588		\$ 100,293		\$ 100,295

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #1 PORTION)
December 31, 2015

Date of issue	December 22, 2011
Date of maturity	December 1, 2020
Authorized issue	\$ 1,555,000
Denomination of bonds	\$ 5,000
Interest rates	2.00% to 2.50%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2016	\$ 170,000	\$ 20,200	\$ 190,200	2016	\$ 10,100	2016	\$ 10,100
2017	175,000	16,800	191,800	2017	8,400	2017	8,400
2018	180,000	13,300	193,300	2018	6,650	2018	6,650
2019	185,000	9,250	194,250	2019	4,625	2019	4,625
2020	185,000	4,625	189,625	2020	2,313	2020	2,312
	<u>\$ 895,000</u>	<u>\$ 64,175</u>	<u>\$ 959,175</u>		<u>\$ 32,088</u>		<u>\$ 32,087</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #3 PORTION)
December 31, 2015

Date of issue	December 22, 2011
Date of maturity	December 1, 2021
Authorized issue	\$ 755,000
Denomination of bonds	\$ 5,000
Interest rates	2.00% to 2.50%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 5,000	\$ 17,412	\$ 22,412	2016	\$ 8,706	2016	\$ 8,706
2017	140,000	17,312	157,312	2017	8,656	2017	8,656
2018	145,000	14,513	159,513	2018	7,256	2018	7,257
2019	145,000	11,250	156,250	2019	5,625	2019	5,625
2020	150,000	7,626	157,626	2020	3,813	2020	3,813
2021	155,000	3,876	158,876	2021	1,938	2021	1,938
	\$ 740,000	\$ 71,989	\$ 811,989		\$ 35,994		\$ 35,995

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #5 PORTION)
December 31, 2015

Date of issue	December 22, 2011
Date of maturity	December 1, 2021
Authorized issue	\$ 980,000
Denomination of bonds	\$ 5,000
Interest rates	2.00% to 2.50%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 95,000	\$ 14,012	\$ 109,012	2016	\$ 7,006	2016	\$ 7,006
2017	100,000	12,113	112,113	2017	6,056	2017	6,057
2018	105,000	10,112	115,112	2018	5,056	2018	5,056
2019	100,000	7,750	107,750	2019	3,875	2019	3,875
2020	105,000	5,250	110,250	2020	2,625	2020	2,625
2021	105,000	2,626	107,626	2021	1,313	2021	1,313
	\$ 610,000	\$ 51,863	\$ 661,863		\$ 25,931		\$ 25,932

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #6 PORTION)
December 31, 2015

Date of issue	December 22, 2011
Date of maturity	December 1, 2021
Authorized issue	\$ 250,000
Denomination of bonds	\$ 5,000
Interest rates	2.00% to 2.50%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 25,000	\$ 3,438	\$ 28,438	2016	\$ 1,719	2016	\$ 1,719
2017	25,000	2,938	27,938	2017	1,469	2017	1,469
2018	25,000	2,437	27,437	2018	1,218	2018	1,219
2019	25,000	1,874	26,874	2019	937	2019	937
2020	25,000	1,250	26,250	2020	625	2020	625
2021	25,000	624	25,624	2021	312	2021	312
	\$ 150,000	\$ 12,561	\$ 162,561		\$ 6,280		\$ 6,281

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012A (TIF #1)
December 31, 2015

Date of issue	December 18, 2012
Date of maturity	December 1, 2020
Authorized issue	\$ 3,765,000
Denomination of bonds	\$ 5,000
Interest rates	1.00% to 2.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 465,000	\$ 37,238	\$ 502,238	2016	\$ 18,619	2016	\$ 18,619
2017	470,000	31,424	501,424	2017	15,712	2017	15,712
2018	475,000	24,374	499,374	2018	12,187	2018	12,187
2019	490,000	17,250	507,250	2019	8,625	2019	8,625
2020	495,000	9,900	504,900	2020	4,950	2020	4,950
	\$ 2,395,000	\$ 120,186	\$ 2,515,186		\$ 60,093		\$ 60,093

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 (TOTAL ISSUE)
December 31, 2015

Date of issue	December 17, 2013
Date of maturity	December 1, 2021
Authorized issue	\$ 7,945,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 3.30%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2016	\$ 1,005,000	\$ 183,122	\$ 1,188,122	2016	\$ 91,561	2016	\$ 91,561
2017	1,030,000	152,972	1,182,972	2017	76,486	2017	76,486
2018	1,070,000	122,072	1,192,072	2018	61,036	2018	61,036
2019	1,100,000	89,972	1,189,972	2019	44,986	2019	44,986
2020	1,140,000	56,972	1,196,972	2020	28,486	2020	28,486
2021	690,000	22,772	712,772	2021	11,386	2021	11,386
	<u>\$ 6,035,000</u>	<u>\$ 627,882</u>	<u>\$ 6,662,882</u>		<u>\$ 313,941</u>		<u>\$ 313,941</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 (TIF #1 PORTION)
December 31, 2015

Date of issue	December 17, 2013
Date of maturity	December 1, 2020
Authorized issue	\$ 2,990,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 3.30%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 410,000	\$ 66,300	\$ 476,300	2016	\$ 33,150	2016	\$ 33,150
2017	425,000	54,000	479,000	2017	27,000	2017	27,000
2018	440,000	41,250	481,250	2018	20,625	2018	20,625
2019	460,000	28,050	488,050	2019	14,025	2019	14,025
2020	475,000	14,250	489,250	2020	7,125	2020	7,125
	\$ 2,210,000	\$ 203,850	\$ 2,413,850		\$ 101,925		\$ 101,925

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 (TIF #3 PORTION)
December 31, 2015

Date of issue	December 17, 2013
Date of maturity	December 1, 2021
Authorized issue	\$ 565,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 3.30%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2016	\$ 70,000	\$ 13,276	\$ 83,276	2016	\$ 6,638	2016	\$ 6,638
2017	70,000	11,176	81,176	2017	5,588	2017	5,588
2018	75,000	9,076	84,076	2018	4,538	2018	4,538
2019	70,000	6,826	76,826	2019	3,413	2019	3,413
2020	75,000	4,726	79,726	2020	2,363	2020	2,363
2021	75,000	2,476	77,476	2021	1,238	2021	1,238
	<u>\$ 435,000</u>	<u>\$ 47,556</u>	<u>\$ 482,556</u>		<u>\$ 23,778</u>		<u>\$ 23,778</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 (TIF #6 PORTION)
December 31, 2015

Date of issue	December 17, 2013
Date of maturity	December 1, 2021
Authorized issue	\$ 4,390,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 3.30%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 525,000	\$ 103,546	\$ 628,546	2016	\$ 51,773	2016	\$ 51,773
2017	535,000	87,796	622,796	2017	43,898	2017	43,898
2018	555,000	71,746	626,746	2018	35,873	2018	35,873
2019	570,000	55,096	625,096	2019	27,548	2019	27,548
2020	590,000	37,996	627,996	2020	18,998	2020	18,998
2021	615,000	20,296	635,296	2021	10,148	2021	10,148
	\$ 3,390,000	\$ 376,476	\$ 3,766,476		\$ 188,238		\$ 188,238

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2014A (TIF #6)
December 31, 2015

Date of issue	September 4, 2014
Date of maturity	December 1, 2021
Authorized issue	\$ 2,020,000
Denomination of bonds	\$ 5,000
Interest rates	1.00% to 2.60%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 220,000	\$ 33,525	\$ 253,525	2016	\$ 16,762	2016	\$ 16,763
2017	240,000	31,325	271,325	2017	15,663	2017	15,662
2018	260,000	27,965	287,965	2018	13,982	2018	13,983
2019	290,000	23,026	313,026	2019	11,513	2019	11,513
2020	315,000	16,790	331,790	2020	8,395	2020	8,395
2021	355,000	9,230	364,230	2021	4,615	2021	4,615
	\$ 1,680,000	\$ 141,861	\$ 1,821,861		\$ 70,930		\$ 70,931

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2014B (TOTAL ISSUE)
December 31, 2015

Date of issue	September 4, 2014
Date of maturity	December 1, 2022
Authorized issue	\$ 5,600,000
Denomination of bonds	\$ 5,000
Interest rates	0.75% to 3.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 750,000	\$ 98,462	\$ 848,462	2016	\$ 49,231	2016	\$ 49,231
2017	1,145,000	83,462	1,228,462	2017	41,731	2017	41,731
2018	1,165,000	60,562	1,225,562	2018	30,281	2018	30,281
2019	440,000	37,262	477,262	2019	18,631	2019	18,631
2020	445,000	28,462	473,462	2020	14,231	2020	14,231
2021	455,000	19,562	474,562	2021	9,781	2021	9,781
2022	465,000	10,466	475,466	2022	5,233	2022	5,233
	\$ 4,865,000	\$ 338,238	\$ 5,203,238		\$ 169,119		\$ 169,119

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2014B (TIF #3)
December 31, 2015

Date of issue	September 4, 2014
Date of maturity	December 1, 2022
Authorized issue	\$ 2,720,000
Denomination of bonds	\$ 5,000
Interest rates	0.75% to 3.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 30,000	\$ 54,862	\$ 84,862	2016	\$ 27,431	2016	\$ 27,431
2017	420,000	54,262	474,262	2017	27,131	2017	27,131
2018	430,000	45,862	475,862	2018	22,931	2018	22,931
2019	440,000	37,262	477,262	2019	18,631	2019	18,631
2020	445,000	28,462	473,462	2020	14,231	2020	14,231
2021	455,000	19,562	474,562	2021	9,781	2021	9,781
2022	465,000	10,466	475,466	2022	5,233	2022	5,233
	\$ 2,685,000	\$ 250,738	\$ 2,935,738		\$ 125,369		\$ 125,369

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2014B (CAPITAL PROJECTS - LIBRARY)
December 31, 2015

Date of issue	September 4, 2014
Date of maturity	December 1, 2018
Authorized issue	\$ 2,880,000
Denomination of bonds	\$ 5,000
Interest rates	0.75% to 1.65%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2016	\$ 720,000	\$ 43,600	\$ 763,600	2016	\$ 21,800	2016	\$ 21,800
2017	725,000	29,200	754,200	2017	14,600	2017	14,600
2018	735,000	14,700	749,700	2018	7,350	2018	7,350
	\$ 2,180,000	\$ 87,500	\$ 2,267,500		\$ 43,750		\$ 43,750

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAX INCREMENT REVENUE NOTE, SERIES 2002 - NORWOOD PARTNERSHIP LLC
December 31, 2015

Date of issue	May 1, 2002
Date of maturity	June 1, 2020
Authorized issue	\$ 462,389
Interest rates	5.25%
Interest dates	June 1
Principal maturity date	June 1
Payable at	Norwood Partnership LLC

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 31,651	\$ 9,228	\$ 40,879
2017	33,313	7,566	40,879
2018	35,062	5,817	40,879
2019	36,902	3,976	40,878
2020	38,840	2,039	40,879
	<u>\$ 175,768</u>	<u>\$ 28,626</u>	<u>\$ 204,394</u>

CITY OF DES PLAINES, ILLINOIS
LONG TERM DEBT REQUIREMENTS
TAX INCREMENT REVENUE NOTE, SERIES 2003 - LAB GRACELAND
December 31, 2015

Date of issue	October 6, 2003
Date of maturity	June 1, 2020
Authorized issue	\$ 471,000
Interest rates	5.25%
Interest dates	June 1
Principal maturity date	June 1
Payable at	LAB Graceland Development Ltd.

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 33,482	\$ 9,762	\$ 43,244
2017	35,240	8,004	43,244
2018	37,090	6,154	43,244
2019	39,038	4,206	43,244
2020	41,087	2,157	43,244
	\$ 185,937	\$ 30,283	\$ 216,220

CITY OF DES PLAINES, ILLINOIS
 SHORT TERM DEBT REQUIREMENTS
 EQUIPMENT LOAN (FIRE ENGINE)
 December 31, 2015

Date of issue	April 7, 2009
Date of maturity	November 1, 2029
Authorized amount	\$ 250,000
Interest rates	0.00%

Principal maturity date	November 1
Payable at	Illinois Finance Authority

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	<u>Requirements</u> <u>Principal</u>
2016	\$ 12,500
2017	12,500
2018	12,500
2019	12,500
2020	12,500
2021	12,500
2022	12,500
2023	12,500
2024	12,500
2025	12,500
2026	12,500
2027	12,500
2028	12,500
2029	12,500
	\$ 175,000

CITY OF DES PLAINES

CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) 12/31/2015

	2006	2007	2008	2009
Expenses				
Governmental activities				
General government	\$ 6,752,529	\$ 6,267,556	\$ 5,268,048	\$ 8,913,451
Public safety	34,102,357	31,161,886	36,126,401	36,457,403
Public works	8,730,946	10,282,409	10,520,898	9,608,620
Streets and highways	9,692,117	6,902,837	11,260,079	10,807,891
Economic development	2,885,691	1,780,760	3,504,617	2,184,724
Interest	<u>4,049,875</u>	<u>4,172,033</u>	<u>4,031,768</u>	<u>3,984,468</u>
Total governmental activities expenses	<u>66,213,515</u>	<u>60,567,481</u>	<u>70,711,811</u>	<u>71,956,557</u>
Business-type activities				
Water	8,706,183	8,693,595	11,038,869	11,831,289
Parking system	1,206,169	1,015,561	1,034,814	888,277
Emergency communications	<u>4,816,445</u>	<u>4,724,236</u>	<u>5,005,419</u>	<u>-</u>
Total business-type activities	<u>14,728,797</u>	<u>14,433,392</u>	<u>17,079,102</u>	<u>12,719,566</u>
Total primary government expenses	<u>\$ 80,942,312</u>	<u>\$ 75,000,873</u>	<u>\$ 87,790,913</u>	<u>\$ 84,676,123</u>
Component unit - public library	<u>\$ 5,696,530</u>	<u>\$ 6,041,020</u>	<u>\$ 6,393,149</u>	<u>\$ 6,482,277</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 3,150,016	\$ 3,417,462	\$ 4,319,510	\$ 8,182,538
Public safety	3,398,632	3,135,477	2,600,306	2,450,209
Public works	2,673,882	3,187,494	3,408,346	3,537,886
Streets and highways	1,717,115	1,752,532	1,664,099	1,531,176
Economic development	-	-	-	-
Operating grants and contributions	599,948	1,483,651	3,212,671	1,970,206
Capital grants and contributions	<u>945,493</u>	<u>1,823,040</u>	<u>232,175</u>	<u>438,582</u>
Total governmental activities program Revenues	<u>12,485,086</u>	<u>14,799,656</u>	<u>15,437,107</u>	<u>18,110,597</u>
Business-type activities				
Charges for services				
Water	9,639,028	9,736,135	11,759,644	10,965,188
Parking system	261,747	329,478	315,071	267,699
Emergency communications	4,581,164	5,089,957	6,251,670	-
Operating grants and contributions	309,784	25,546	153,853	-
Capital grants and contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities program Revenues	<u>14,791,723</u>	<u>15,181,116</u>	<u>18,480,238</u>	<u>11,232,887</u>
Total primary government program	<u>\$ 27,276,809</u>	<u>\$ 29,980,772</u>	<u>\$ 33,917,345</u>	<u>\$ 29,343,484</u>
Component unit - public library				
Charges for services	\$ 154,056	\$ 152,787	\$ 142,245	\$ 147,700
Operating grants	137,227	108,801	157,151	78,014
Capital grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total component unit - public library Revenues	<u>\$ 291,283</u>	<u>\$ 261,588</u>	<u>\$ 299,396</u>	<u>\$ 225,714</u>
Net (expense)/revenue				
Governmental activities	\$ (53,728,429)	\$ (45,767,825)	\$ (55,274,704)	\$ (53,845,960)
Business-type activities	<u>62,926</u>	<u>747,724</u>	<u>1,401,136</u>	<u>(1,486,679)</u>
Total primary government net expense	<u>\$ (53,665,503)</u>	<u>\$ (45,020,101)</u>	<u>\$ (53,873,568)</u>	<u>\$ (55,332,639)</u>
Component unit - public library net Expense	<u>\$ (5,405,247)</u>	<u>\$ (5,779,432)</u>	<u>\$ (6,093,753)</u>	<u>\$ (6,256,563)</u>

	2010	2011	2012	2013	2014	2015
\$	8,939,465	\$ 18,270,898	\$ 26,776,957	\$ 26,119,801	\$ 25,998,813	\$ 26,508,887
	35,365,323	38,529,145	37,899,640	38,792,971	38,962,218	47,386,563
	7,550,803	8,537,753	7,637,527	8,448,448	7,632,615	9,687,304
	9,499,575	10,341,746	10,686,981	11,450,291	13,643,574	15,713,911
	1,487,301	1,161,997	1,553,448	1,906,584	2,346,862	1,980,456
	3,631,361	3,274,304	3,046,102	2,709,144	1,679,828	1,459,709
	<u>66,473,828</u>	<u>80,115,843</u>	<u>87,600,655</u>	<u>89,427,239</u>	<u>90,263,910</u>	<u>102,736,830</u>
	11,912,298	12,528,325	14,161,409	15,412,364	16,528,659	17,830,764
	803,475	802,934	783,586	808,793	833,974	834,894
	-	-	-	2,247,933	4,057,033	234,127
	<u>12,715,773</u>	<u>13,331,259</u>	<u>14,944,995</u>	<u>18,469,090</u>	<u>21,419,666</u>	<u>18,899,785</u>
\$	<u>79,189,601</u>	<u>\$ 93,447,102</u>	<u>\$ 102,545,650</u>	<u>\$ 107,896,329</u>	<u>\$ 111,683,576</u>	<u>\$ 121,636,615</u>
\$	<u>5,994,030</u>	<u>\$ 5,798,824</u>	<u>\$ 5,648,933</u>	<u>\$ 6,073,379</u>	<u>\$ 6,362,235</u>	<u>\$ 7,053,356</u>
\$	8,546,887	\$ 6,223,077	\$ 5,869,247	\$ 5,774,206	\$ 5,828,028	\$ 5,343,730
	3,293,616	3,740,733	3,745,369	3,259,941	3,003,477	3,889,312
	3,694,457	3,826,957	3,955,349	4,092,464	3,225,062	2,927,288
	2,376,318	2,323,567	2,434,345	2,288,299	2,221,419	1,317,109
	-	-	-	-	-	-
	3,322,252	3,797,791	2,762,161	2,996,521	2,307,571	2,759,817
	11,294,273	4,851,117	3,267,066	576,573	4,109,373	11,967,751
	<u>32,527,803</u>	<u>24,763,242</u>	<u>22,033,537</u>	<u>18,988,004</u>	<u>20,694,930</u>	<u>28,205,007</u>
	11,509,315	11,286,580	14,162,219	13,810,387	14,550,984	14,454,347
	309,312	283,554	370,038	336,051	365,811	333,908
	-	-	-	2,089,579	3,136,798	-
	132,274	4,691	2,039	8,237	5,804	3,471
	235,119	-	-	-	-	-
	<u>12,186,020</u>	<u>11,574,825</u>	<u>14,534,296</u>	<u>16,244,254</u>	<u>18,059,397</u>	<u>14,791,726</u>
\$	<u>44,713,823</u>	<u>\$ 36,338,067</u>	<u>\$ 36,567,833</u>	<u>\$ 35,232,258</u>	<u>\$ 38,754,327</u>	<u>\$ 42,996,733</u>
\$	166,497	\$ 147,023	\$ 156,752	\$ 164,584	\$ 151,688	\$ 157,902
	65,969	64,080	59,852	63,977	72,955	72,955
	-	-	-	-	-	-
\$	<u>232,466</u>	<u>\$ 211,103</u>	<u>\$ 216,604</u>	<u>\$ 228,561</u>	<u>\$ 224,643</u>	<u>\$ 230,857</u>
\$	(33,946,025)	\$ (55,352,601)	\$ (65,567,118)	\$ (70,439,235)	\$ (69,568,980)	\$ (74,531,823)
	(529,753)	(1,756,434)	(410,699)	(2,224,836)	(3,360,269)	(4,108,059)
\$	<u>(34,475,778)</u>	<u>\$ (57,109,035)</u>	<u>\$ (65,977,817)</u>	<u>\$ (72,664,071)</u>	<u>\$ (72,929,249)</u>	<u>\$ (78,639,882)</u>
\$	<u>(5,761,564)</u>	<u>\$ (5,587,721)</u>	<u>\$ (5,432,329)</u>	<u>\$ (5,844,818)</u>	<u>\$ (6,137,592)</u>	<u>\$ (6,822,499)</u>

CITY OF DES PLAINES

CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) 12/31/2015

	2006	2007	2008	2009
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property	\$ 22,115,583	\$ 23,773,249	\$ 26,700,637	\$ 27,934,060
Home rule sales	4,887,837	5,735,928	5,559,673	4,775,264
Utility	2,579,105	2,510,644	2,583,405	2,184,785
Food and beverage	933,162	964,590	953,597	897,541
Hotel/motel	1,242,613	1,298,403	1,621,451	1,243,395
Real estate transfer	1,186,212	975,339	525,343	341,949
Local option motor fuel	1,527,438	1,687,130	857,659	828,082
Gaming	-	-	-	-
Other	2,541,496	3,454,589	3,802,103	4,799,937
Unrestricted intergovernmental				
Sales	9,220,053	9,265,270	9,147,989	8,271,828
Income	5,197,409	5,296,209	5,446,073	4,686,475
Replacement	1,238,962	1,530,070	1,408,713	1,229,867
Investment income	1,445,882	816,908	420,479	98,711
Miscellaneous	246,840	296,990	1,095,228	1,422,497
Gain (loss) on sale of capital assets	3,479,486	(6,108,598)	100,853	35,221
Contributions	-	-	-	-
Transfers	(45,809)	210,074	156,211	(94,340)
Total governmental activities	<u>57,796,269</u>	<u>51,706,795</u>	<u>60,379,414</u>	<u>58,655,272</u>
Business-type activities				
Investment income	76,614	223,390	61,239	5,560
Miscellaneous	6,626	161,232	-	20,097
Contributions	-	-	-	-
Transfers	45,809	(210,074)	(156,211)	94,340
Total business-type activities	<u>129,049</u>	<u>174,548</u>	<u>(94,972)</u>	<u>119,997</u>
Total primary government	<u>\$ 57,925,318</u>	<u>\$ 51,881,343</u>	<u>\$ 60,284,442</u>	<u>\$ 58,775,269</u>
Component unit - public library				
Taxes				
Property	\$ 5,696,408	\$ 5,970,175	\$ 6,478,587	\$ 6,618,324
Unrestricted intergovernmental				
Replacement	92,988	92,988	92,988	92,988
Investment income	29,406	52,417	46,892	6,838
Other general revenues	36,001	25,675	48,461	24,978
Total component unit - public library	<u>\$ 5,854,803</u>	<u>\$ 6,141,255</u>	<u>\$ 6,666,928</u>	<u>\$ 6,743,128</u>
Changes in Net Position				
Governmental activities	\$ 4,067,840	\$ 5,938,970	\$ 5,104,710	\$ 4,809,312
Business-type activities	191,975	922,272	1,306,164	(1,366,682)
Total primary government	<u>\$ 4,259,815</u>	<u>\$ 6,861,242</u>	<u>\$ 6,410,874</u>	<u>\$ 3,442,630</u>
Total component unit - public library	<u>\$ 449,556</u>	<u>\$ 361,823</u>	<u>\$ 573,175</u>	<u>\$ 486,565</u>

	2010	2011	2012	2013	2014	2015
\$	29,117,259	\$ 29,671,822	\$ 28,841,683	\$ 28,575,125	\$ 28,442,253	\$ 28,607,185
	4,834,624	5,034,311	5,544,261	5,640,304	3,358,459	5,711,272
	3,353,950	3,401,735	3,239,299	3,264,076	5,934,305	3,033,933
	911,865	1,059,647	1,236,942	1,177,511	1,190,477	1,228,581
	1,387,872	1,440,269	1,675,772	1,752,342	1,988,301	2,145,985
	399,853	393,417	407,884	436,309	610,997	597,813
	1,683,503	1,719,941	1,685,069	1,707,152	1,624,707	1,540,285
	-	10,819,591	24,802,456	24,662,123	24,792,544	24,654,889
	4,364,047	4,541,664	4,735,420	4,277,423	3,923,909	4,081,651
	8,589,981	8,690,828	9,695,640	13,486,496	12,354,237	12,042,780
	4,580,927	4,515,411	5,376,774	5,643,512	5,667,460	6,232,000
	1,296,063	1,207,737	1,143,050	1,341,936	1,303,645	1,245,069
	74,585	82,369	160,289	89,626	73,812	189,691
	965,645	783,626	1,280,897	899,031	862,423	982,019
	87,960	-	-	-	-	-
	-	-	-	-	-	-
	262,432	(236,313)	15,758	(49,992)	(284,242)	(6,692,243)
	<u>61,910,566</u>	<u>73,126,055</u>	<u>89,841,194</u>	<u>92,902,974</u>	<u>91,843,287</u>	<u>85,600,910</u>
	2,649	1,519	5,228	1,776	1,392	1,340
	27,568	845	2,756	5,388	716,306	8,824
	-	-	-	-	-	-
	(262,432)	236,313	(15,758)	49,992	284,242	6,692,243
	<u>(232,215)</u>	<u>238,677</u>	<u>(7,774)</u>	<u>57,156</u>	<u>1,001,940</u>	<u>6,702,407</u>
\$	<u>61,678,351</u>	<u>\$ 73,364,732</u>	<u>\$ 89,833,420</u>	<u>\$ 92,960,130</u>	<u>\$ 92,845,227</u>	<u>\$ 92,303,317</u>
\$	6,352,938	\$ 6,625,483	\$ 6,398,159	\$ 6,289,369	\$ 6,144,530	\$ 6,072,634
	46,494	92,988	92,988	92,988	92,988	92,988
	4,167	2,434	5,364	1,945	1,104	2,554
	31,748	32,010	36,573	23,173	44,221	13,918
\$	<u>6,435,347</u>	<u>\$ 6,752,915</u>	<u>\$ 6,533,084</u>	<u>\$ 6,407,475</u>	<u>\$ 6,282,843</u>	<u>\$ 6,182,094</u>
\$	27,964,541	\$ 17,773,454	\$ 24,274,076	\$ 22,463,739	\$ 22,274,307	\$ 11,069,087
	(761,968)	(1,517,757)	(418,473)	(2,167,680)	(2,358,329)	2,594,348
\$	<u>27,202,573</u>	<u>\$ 16,255,697</u>	<u>\$ 23,855,603</u>	<u>\$ 20,296,059</u>	<u>\$ 19,915,978</u>	<u>\$ 13,663,435</u>
\$	<u>673,783</u>	<u>\$ 1,165,194</u>	<u>\$ 1,100,755</u>	<u>\$ 562,657</u>	<u>\$ 145,251</u>	<u>\$ (640,405)</u>

CITY OF DES PLAINES

NET POSITION BY COMPONENT
Last Ten Calendar Years
(accrual basis of accounting)
December 31, 2015

	2006	2007	2008	2009
Governmental Activities				
Net Investment in Capital Assets	\$ 84,159,240	\$ 94,992,957	\$ 100,771,214	\$ 106,143,382
Restricted	5,730,529	4,848,350	2,049,450	3,610,610
Unrestricted	10,394,451	4,594,811	6,720,164	4,596,148
Total Governmental Activities Net Position	<u>\$ 100,284,220</u>	<u>\$ 104,436,118</u>	<u>\$ 109,540,828</u>	<u>\$ 114,350,140</u>
Business-type Activities				
Net Investment in Capital Assets	\$ 32,091,486	\$ 31,379,369	\$ 31,610,951	\$ 30,743,586
Unrestricted	5,479,796	7,328,004	8,402,586	6,052,456
Total Business-type Activities Net Position	<u>\$ 37,571,282</u>	<u>\$ 38,707,373</u>	<u>\$ 40,013,537</u>	<u>\$ 36,796,042</u>
Primary Government				
Net Investment in Capital Assets	\$ 116,250,726	\$ 126,372,326	\$ 132,382,165	\$ 136,886,968
Restricted	5,730,529	4,848,350	2,049,450	3,610,610
Unrestricted	15,874,247	11,922,815	15,122,750	10,648,604
Total Primary Government Net Position	<u>\$ 137,855,502</u>	<u>\$ 143,143,491</u>	<u>\$ 149,554,365</u>	<u>\$ 151,146,182</u>
Component Unit - Public Library				
Net Investment in Capital Assets	\$ 289,865	\$ 254,678	\$ 934,174	\$ 894,053
Restricted	802,869	1,301,241	1,194,920	1,721,606
Total Component Unit Net Position	<u>\$ 1,092,734</u>	<u>\$ 1,555,919</u>	<u>\$ 2,129,094</u>	<u>\$ 2,615,659</u>

2010	2011	2012	2013	2014	2015
\$ 120,440,844	\$ 116,287,802	\$ 127,408,625	\$ 141,973,412	\$ 156,111,648	\$ 167,177,408
6,995,311	9,031,827	10,266,294	14,869,706	7,201,606	7,229,324
16,645,504	36,535,484	47,759,170	51,054,710	66,858,881	(60,572,629)
<u>\$ 144,081,659</u>	<u>\$ 161,855,113</u>	<u>\$ 185,434,089</u>	<u>\$ 207,897,828</u>	<u>\$ 230,172,135</u>	<u>\$ 113,834,103</u>
\$ 30,365,465	\$ 30,336,201	\$ 29,713,208	\$ 29,853,240	\$ 29,636,936	\$ 33,676,322
5,668,609	4,180,116	4,379,302	2,456,225	314,200	(2,098,497)
<u>\$ 36,034,074</u>	<u>\$ 34,516,317</u>	<u>\$ 34,092,510</u>	<u>\$ 32,309,465</u>	<u>\$ 29,951,136</u>	<u>\$ 31,577,825</u>
\$ 150,806,309	\$ 146,624,003	\$ 157,121,833	\$ 171,826,652	\$ 185,748,584	\$ 200,853,730
6,995,311	9,031,827	10,266,294	14,869,706	7,201,606	7,229,324
22,314,113	40,715,600	52,138,472	53,510,935	67,173,081	(62,671,126)
<u>\$ 180,115,733</u>	<u>\$ 196,371,430</u>	<u>\$ 219,526,599</u>	<u>\$ 240,207,293</u>	<u>\$ 260,123,271</u>	<u>\$ 145,411,928</u>
\$ 853,306	\$ 814,501	\$ 802,700	\$ 862,543	\$ 821,084	\$ 1,260,468
2,436,136	3,640,135	4,752,691	5,255,505	5,442,215	3,897,801
<u>\$ 3,289,442</u>	<u>\$ 4,454,636</u>	<u>\$ 5,555,391</u>	<u>\$ 6,118,048</u>	<u>\$ 6,263,299</u>	<u>\$ 5,158,269</u>

CITY OF DES PLAINES

FUND BALANCES, GOVERNMENTAL FUNDS Last Ten Calendar Years (modified accrual basis of accounting) December 31, 2015

	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund			
Reserved	\$ 3,853,331	\$ 6,881,187	\$ 8,140,055
Unreserved	<u>3,929,509</u>	<u>1,075,635</u>	<u>1,230,256</u>
Nonspendable			
Assigned			
Unassigned			
Total general fund	<u>7,782,840</u>	<u>7,956,822</u>	<u>9,370,311</u>
All Other Governmental Funds			
Restricted	9,056,602	5,148,408	3,967,977
Unassigned, reported in			
Special revenue funds	(4,143,559)	(6,416,203)	323,048
Capital projects funds	<u>5,399,856</u>	<u>4,424,994</u>	<u>(4,648,291)</u>
Restricted			
Assigned			
Unassigned			
Total all other governmental funds	<u>10,312,899</u>	<u>3,157,199</u>	<u>(357,266)</u>
Total Fund Balances	<u>\$ 18,095,739</u>	<u>\$ 11,114,021</u>	<u>\$ 9,013,045</u>

Note: The change in the classifications of fund balance amounts in 2011 are discussed in Footnote 1 of the Financial Statements. Amounts prior to 2011 have not been restated for the implementation of Statement 54.

2009	2010	2011	2012	2013	2014	2015
\$ 8,811,994	\$ 7,980,992					
4,174,231	15,413,074					
		\$ 8,162,664	\$ 8,606,709	\$ 9,900,296	\$ 13,885,051	\$ 15,702,116
		-	4,161,818	13,633,108	9,150,000	6,455,851
		21,080,549	22,966,242	20,107,209	19,047,354	21,989,485
12,986,225	23,394,066	29,243,213	35,734,769	43,640,613	42,082,405	44,147,452
3,804,011	7,372,378					
(5,103,056)	(8,172,234)					
159,406	9,715,559					
		12,910,496	23,036,807	29,327,541	28,716,570	27,582,864
		4,276,184	5,329,691	7,458,773	9,143,577	11,670,656
		(8,473,704)	(8,604,223)	(9,898,603)	(11,311,814)	(13,551,392)
(1,139,639)	8,915,703	8,712,976	19,762,275	26,887,711	26,548,333	25,702,128
\$ 11,846,586	\$ 32,309,769	\$ 37,956,189	\$ 55,497,044	\$ 70,528,324	\$ 68,630,738	\$ 69,849,580

CITY OF DES PLAINES

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS Last Ten Calendar Years (modified accrual basis of accounting) December 31, 2015

	2006	2007	2008
Revenues			
Taxes	\$ 35,327,688	\$ 38,408,908	\$ 42,454,384
Licenses and permits	4,087,868	3,837,256	3,228,153
Intergovernmental	17,506,403	19,744,856	19,669,690
Charges for services	5,217,844	6,115,781	6,830,049
Fines and forfeits	1,369,000	1,431,591	1,676,088
Investment income	1,445,831	816,908	361,361
Contributions	-	-	-
Miscellaneous	1,004,746	463,875	512,978
Total revenues	65,959,380	70,819,175	74,732,703
Expenditures			
General government	7,244,757	7,585,644	7,545,984
Public safety	31,076,746	30,618,015	34,734,218
Public works	9,737,407	7,831,725	12,093,814
Streets and highways	927,067	5,259,528	1,267,168
Economic development	2,653,204	1,962,384	4,450,756
Capital outlay	15,015,630	17,051,160	6,151,506
Debt service			
Principal retirement	6,055,440	6,649,830	7,225,135
Interest and fiscal charges	4,801,392	4,135,049	3,841,376
Payment to Refunding Bond Escrow	-	-	-
Total expenditures	77,511,643	81,093,335	77,309,957
Excess (deficiency) of revenues over expenditures	(11,552,263)	(10,274,160)	(2,577,254)
Other financing sources (uses)			
Proceeds from issuance of debt	-	8,125,000	2,575,000
Premium on bond issuance	-	-	-
Discount on bond issuance	-	-	-
Proceeds from sale of capital assets	5,232,723	2,292,098	242,678
Payments to escrow agent	-	(7,634,233)	(2,517,611)
Transfers in	3,854,740	2,604,792	1,325,839
Transfers (out)	(3,435,000)	(1,790,143)	(1,169,628)
Total other financing sources (uses)	5,652,463	3,597,514	456,278
Special Items	-	-	-
Net Changes in Fund Balance	\$ (5,899,800)	\$ (6,676,646)	\$ (2,120,976)
Debt service as a percentage of noncapital expenditures	17.4%	16.8%	15.6%

	2009	2010	2011	2012	2013	2014	2015
\$	42,739,121	\$ 46,081,248	\$ 57,820,338	\$ 71,792,893	\$ 71,304,087	\$ 71,718,684	\$ 71,308,608
	3,011,551	4,054,683	3,086,311	2,781,329	2,924,191	3,331,833	2,921,119
	17,142,000	29,252,026	21,250,400	20,898,936	23,322,717	24,709,609	30,460,684
	7,908,810	8,622,603	8,668,091	9,123,875	8,534,072	7,286,945	7,112,363
	1,764,036	1,852,008	1,605,620	1,385,406	1,438,877	1,339,069	1,399,110
	79,339	71,106	81,711	159,756	-	-	-
	-	654,060	848,601	96,019	89,592	73,796	189,649
	<u>1,320,926</u>	<u>586,682</u>	<u>653,854</u>	<u>655,432</u>	<u>630,969</u>	<u>521,110</u>	<u>608,783</u>
	<u>73,965,783</u>	<u>91,174,416</u>	<u>94,014,926</u>	<u>106,893,646</u>	<u>108,244,505</u>	<u>108,981,046</u>	<u>114,000,316</u>
	7,464,278	7,074,551	14,294,213	23,581,990	23,406,276	23,731,696	23,872,798
	35,684,024	34,559,879	37,181,399	37,425,172	38,330,364	38,839,128	42,089,956
	6,680,294	5,526,605	7,365,744	6,353,113	7,012,067	6,205,746	8,478,634
	5,069,135	4,236,133	5,042,655	5,121,531	6,363,552	6,973,465	14,377,215
	3,292,776	1,761,408	1,195,611	1,435,613	1,855,126	2,238,851	3,353,616
	5,231,568	10,008,489	15,060,979	7,157,384	12,433,717	15,218,577	9,002,696
	7,128,545	6,801,692	7,152,599	5,094,229	9,793,365	8,151,298	4,459,385
	3,381,316	2,936,858	2,362,196	2,087,675	2,036,609	1,325,139	867,944
	-	-	815,034	1,171,690	-	-	-
	<u>73,931,936</u>	<u>72,905,615</u>	<u>90,470,430</u>	<u>89,428,397</u>	<u>101,231,076</u>	<u>102,683,900</u>	<u>106,502,244</u>
	<u>33,847</u>	<u>18,268,801</u>	<u>3,544,496</u>	<u>17,465,249</u>	<u>7,013,429</u>	<u>6,297,146</u>	<u>7,498,072</u>
	7,598,084	10,055,760	3,540,000	3,765,000	7,945,000	7,620,000	-
	131,220	-	40,452	41,230	-	160,309	-
	-	-	-	-	215,045	-	-
	-	-	-	-	-	-	-
	(7,315,260)	(9,123,820)	(3,541,973)	(3,746,382)	-	(15,723,599)	-
	4,670,374	2,860,136	3,800,215	2,284,805	10,035,399	11,070,507	8,499,420
	<u>(2,264,714)</u>	<u>(1,597,704)</u>	<u>(3,637,516)</u>	<u>(2,269,047)</u>	<u>(10,177,593)</u>	<u>(11,321,949)</u>	<u>(14,778,650)</u>
	<u>2,819,704</u>	<u>2,194,372</u>	<u>201,178</u>	<u>75,606</u>	<u>8,017,851</u>	<u>(8,194,732)</u>	<u>(6,279,230)</u>
	-	-	1,900,746	-	-	-	-
\$	<u>2,853,551</u>	<u>20,463,173</u>	<u>5,646,420</u>	<u>17,540,855</u>	<u>15,031,280</u>	<u>(1,897,586)</u>	<u>1,218,842</u>
	15.3%	15.3%	12.1%	8.5%	13.2%	10.6%	5.8%

CITY OF DES PLAINES

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Levy Years December 31, 2015

Levy Year	Equalized Assessed Value				Total Equalized Assessed Value	Total Direct Rate	Total Actual Value
	Residential Property	Commercial Property	Industrial Property	Railroad Property			
2005	\$ 1,048,729,126	\$ 486,965,767	\$ 562,477,260	\$ 1,277,551	\$2,099,449,704	0.865	\$6,298,412,096
2006	1,098,297,899	456,777,248	553,576,732	1,417,627	2,110,069,506	0.928	6,330,208,518

Levy Year	Equalized Assessed Value			Total Equalized Assessed Value	Total Direct Rate	Total Actual Value
	Real Estate Property	Air Pollution Control District	Railroad Property			
2007	\$ 2,465,848,831	\$ 1,042	\$ 1,613,955	\$2,467,463,828	0.850	\$7,402,465,509
2008	2,626,756,979	858	1,831,615	2,628,588,594	0.831	7,885,844,640
2009	2,526,387,003	845	2,037,298	2,528,425,146	0.917	7,585,351,292
2010	2,392,169,028	825	2,507,411	2,394,677,264	0.999	7,184,103,633
2011	2,181,773,562	1,131	2,558,611	2,184,333,304	1.089	6,553,065,443
2012	2,037,389,908	797	2,548,662	2,039,939,367	1.166	6,119,879,300
2013	1,694,234,225	799	3,052,320	1,697,287,344	1.401	5,091,912,951
2014	1,714,411,339	799	3,244,878	1,717,657,016	1.385	5,153,022,578

Source: Cook County Clerk's Office (new categories beginning with the 2007 Levy)

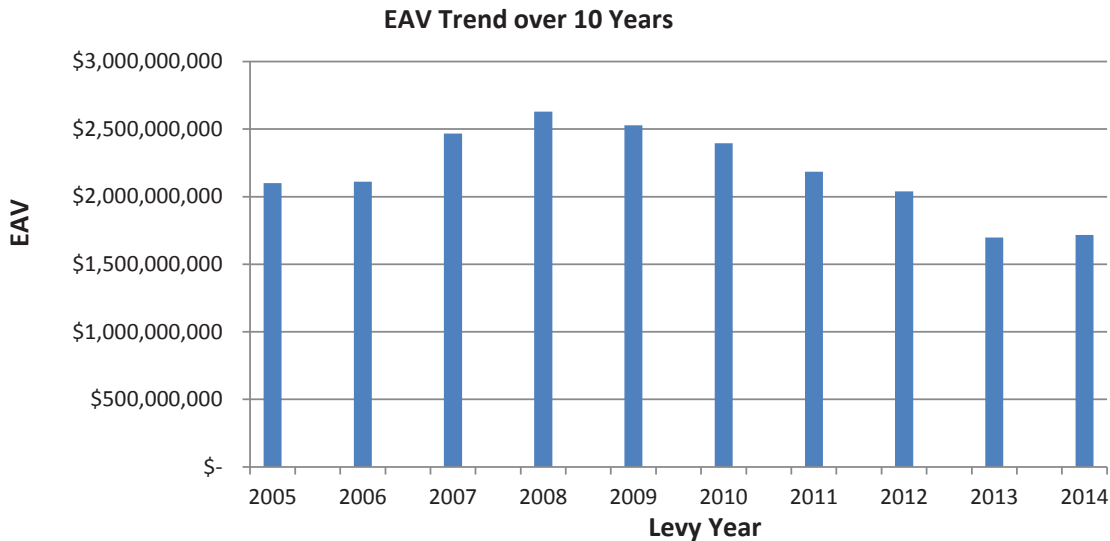
Note: Property is reassessed once every three years. Property is assessed at 1/3 actual value. Tax rates are per \$100 of assessed value. Fiscal year data is based on the previous calendar year's (levy year) assessed value (i.e. data presented for the Fiscal Year ended December 31, 2015 is based on the 2014 assessed value.)

CITY OF DES PLAINES

TREND OF EQUALIZED ASSESSED VALUATIONS Last Ten Levy Years December 31, 2015

Levy Year	Equalized Assessed Value	Percentage Increase (Decrease)	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
2005	\$ 2,099,449,704	6.33%	\$ 6,298,349,112	33.33%
2006	2,110,069,506	0.51%	6,330,208,518	33.33%
2007	2,467,463,828	16.94%	7,402,391,484	33.33%
2008	2,628,588,594	6.53%	7,885,765,782	33.33%
2009	2,528,425,146	(3.81%)	7,585,275,438	33.33%
2010	2,394,677,264	(5.29%)	7,184,031,792	33.33%
2011	2,184,333,304	(8.78%)	6,552,999,912	33.33%
2012	2,039,939,367	(6.61%)	6,119,818,101	33.33%
2013	1,697,287,344	(16.80%)	5,091,862,032	33.33%
2014	1,717,657,016	1.20%	5,152,971,048	33.33%

Source: Cook County Clerk's office



CITY OF DES PLAINES

MAINE TOWNSHIP TYPICAL TAX RATES PER \$100 OF EQUALIZED ASSESSED VALUATION Last Ten Calendar Years

Tax Levy Year	City							Cook County
	Total	Total City	Corporate	Bonds & Interest	Police Pension	Fire Pension	Library	
2005	6.966	0.865	0.6071	0.0766	0.0998	0.0807	0.278	0.547
2006	7.179	0.928	0.6657	0.0657	0.1099	0.0865	0.294	0.500
2007	6.417	0.850	0.6149	0.0539	0.1023	0.0783	0.266	0.446
2008	6.275	0.831	0.5945	0.0502	0.1023	0.0833	0.260	0.415
2009	6.590	0.917	0.6102	0.0507	0.1320	0.1239	0.257	0.415
2010	7.188	0.999	0.6569	0.0515	0.1436	0.1461	0.280	0.423
2011	8.090	1.089	0.7509	0.0052	0.1637	0.1687	0.300	0.462
2012	8.975	1.166	0.7900	0.0054	0.1849	0.1854	0.317	0.531
2013	10.840	1.401	0.8906	0.0067	0.2518	0.2518	0.375	0.560
2014	10.858	1.384	0.8619	0.0067	0.2579	0.2579	0.365	0.568

Notes:

(1) School District No. 62, High School District No. 207, and Community College District No. 535.

(2) Suburban T.B. Sanitarium, Northwest Mosquito Abatement District, Maine Township, Road & Bridge, General Assistance, Consolidated General Elections, & Forest Preserve

Source: Cook County Clerk

<u>Water Reclamation District</u>	<u>Park District</u>	<u>School (1)</u>	<u>Other (2)</u>
0.315	0.350	4.416	0.195
0.284	0.356	4.619	0.198
0.263	0.312	4.093	0.187
0.252	0.300	4.046	0.171
0.261	0.317	4.249	0.174
0.274	0.338	4.683	0.191
0.320	0.379	5.298	0.242
0.370	0.425	5.924	0.242
0.417	0.531	7.233	0.323
0.430	0.529	7.290	0.292

CITY OF DES PLAINES

MAINE TOWNSHIP
 ALLOCATION OF THE 2014 PROPERTY TAX LEVY COLLECTED IN 2015
 December 31, 2015

	2005		2006		2007		2008		2009	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 0.865	0.124 %	\$ 0.928	0.129 %	\$ 0.850	0.132 %	\$ 0.831	0.132 %	\$ 0.917	0.139 %
Des Plaines Library	0.278	0.040	0.294	0.041	0.266	0.041	0.260	0.041	0.257	0.039
High School District 207	1.757	0.252	1.826	0.254	1.602	0.250	1.577	0.251	1.617	0.245
Oakton College District	0.158	0.023	0.166	0.023	0.141	0.022	0.140	0.022	0.140	0.021
School District 62	2.501	0.359	2.627	0.366	2.350	0.366	2.329	0.371	2.492	0.378
Des Plaines Park District	0.350	0.050	0.356	0.050	0.312	0.049	0.300	0.048	0.317	0.048
Cook County	0.547	0.079	0.500	0.070	0.458	0.071	0.415	0.066	0.415	0.063
Metro Water Reclamation Dist	0.315	0.045	0.284	0.040	0.263	0.041	0.252	0.040	0.261	0.040
N.W. Mosquito Abatement Dist	0.009	0.001	0.009	0.001	0.008	0.001	0.008	0.001	0.008	0.001
Suburban T.B. Sanitarium	0.005	0.001	0.005	0.001	-	-	-	-	-	-
Maine Township	0.121	0.017	0.127	0.018	0.114	0.018	0.112	0.018	0.117	0.018
Cook County Forest Preserve	0.060	0.009	0.057	0.008	0.053	0.008	0.051	0.008	0.049	0.007
TOTAL	\$ 6.966	100.00 %	\$ 7.179	100.00 %	\$ 6.417	100.00 %	\$ 6.275	100.00 %	\$ 6.590	100.00 %

Source: Cook County Clerk

2010		2011		2012		2013		2014	
Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
\$ 0.999	0.139 %	\$ 1.089	0.135 %	\$ 1.166	0.130 %	\$ 1.401	0.129 %	\$ 1.385	0.128 %
0.280	0.039	0.300	0.037	0.317	0.035	0.375	0.035	0.365	0.034
1.782	0.248	1.995	0.247	2.215	0.247	2.722	0.251	2.739	0.252
0.160	0.022	0.196	0.024	0.219	0.024	0.256	0.024	0.258	0.024
2.741	0.381	3.107	0.384	3.490	0.389	4.255	0.393	4.293	0.395
0.338	0.047	0.379	0.047	0.425	0.047	0.531	0.049	0.529	0.049
0.423	0.059	0.462	0.057	0.531	0.059	0.560	0.052	0.568	0.052
0.274	0.038	0.320	0.040	0.370	0.041	0.417	0.038	0.430	0.040
0.009	0.001	0.010	0.001	0.011	0.001	0.013	0.001	0.013	0.001
-	-	-	-	-	-	-	-	-	-
0.131	0.018	0.174	0.022	0.168	0.019	0.241	0.022	0.210	0.019
0.051	0.007	0.058	0.007	0.063	0.007	0.069	0.006	0.069	0.006
<u>\$ 7.188</u>	<u>100.00 %</u>	<u>\$ 8.090</u>	<u>100.00 %</u>	<u>\$ 8.975</u>	<u>100.00 %</u>	<u>\$ 10.840</u>	<u>100.00 %</u>	<u>\$ 10.859</u>	<u>100.00 %</u>

CITY OF DES PLAINES

ELK GROVE TOWNSHIP TYPICAL TAX RATES PER \$100 OF EQUALIZED ASSESSED VALUATION Last Ten Calendar Years

Tax Levy Year	Total	City					Library	Cook County
		Total City	Corporate	Bonds & Interest	Police Pension	Fire Pension		
2005	6.573	0.865	0.6071	0.0766	0.0998	0.0807	0.278	0.593
2006	6.737	0.928	0.6657	0.0657	0.1099	0.0865	0.294	0.500
2007	6.038	0.850	0.6149	0.0539	0.1023	0.0783	0.266	0.446
2008	5.936	0.831	0.5945	0.0502	0.1023	0.0833	0.260	0.415
2009	6.221	0.917	0.6102	0.0507	0.1320	0.1239	0.257	0.394
2010	6.823	0.999	0.6569	0.0515	0.1436	0.1461	0.280	0.423
2011	7.670	1.089	0.7509	0.0052	0.1637	0.1687	0.300	0.462
2012	8.477	1.166	0.7900	0.0054	0.1849	0.1854	0.317	0.531
2013	10.018	1.401	0.8906	0.0067	0.2518	0.2518	0.375	0.560
2014	9.997	1.384	0.8619	0.0067	0.2579	0.2579	0.365	0.568

Notes:

(1) School District No. 59, High School District No. 214, and Community College District No. 512

*(2) Suburban T.B. Sanitarium, Northwest Mosquito Abatement District, Elk Grove Township,
Road & Bridge, General Assistance, Consolidated General Elections and Forest Preserve.*

Source: Cook County Clerk

Water Reclamation <u>District</u>	Park <u>District</u>	<u>School (1)</u>	<u>Other (2)</u>
0.315	0.459	3.973	0.090
0.284	0.474	4.124	0.133
0.263	0.411	3.672	0.130
0.252	0.407	3.653	0.118
0.261	0.411	3.839	0.142
0.274	0.453	4.263	0.131
0.320	0.502	4.823	0.174
0.370	0.557	5.370	0.166
0.417	0.657	6.384	0.224
0.430	0.654	6.403	0.193

CITY OF DES PLAINES

ELK GROVE TOWNSHIP
 ALLOCATION OF THE 2014 PROPERTY TAX LEVY COLLECTED IN 2015
 December 31, 2015

	2005		2006		2007		2008		2009	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 0.865	0.132 %	\$ 0.928	0.138 %	\$ 0.850	0.141 %	\$ 0.831	0.140 %	\$ 0.917	0.149 %
Des Plaines Library	0.278	0.042	0.294	0.044	0.266	0.044	0.260	0.044	0.257	0.042
High School District 214	1.759	0.268	1.823	0.271	1.621	0.268	1.587	0.267	1.636	0.266
Harper College District 512	0.281	0.043	0.288	0.043	0.260	0.043	0.256	0.043	0.258	0.042
School District 59	1.933	0.294	2.013	0.299	1.791	0.297	1.810	0.305	1.945	0.317
Mt. Prospect Park District	0.459	0.070	0.474	0.070	0.411	0.068	0.407	0.069	0.411	0.067
Cook County	0.607	0.092	0.557	0.083	0.511	0.085	0.466	0.079	0.394	0.064
Metro Water Reclamation District	0.315	0.048	0.284	0.042	0.263	0.044	0.252	0.042	0.261	0.043
N.W. Mosquito Abatement District	0.009	0.001	0.009	0.001	0.008	0.001	0.008	0.001	0.008	0.001
Elk Grove Township	0.062	0.009	0.062	0.009	0.057	0.009	0.059	0.010	0.044	0.007
Forest Preserve District	0.005	0.001	0.005	0.001	-	-	-	-	0.009	0.001
TOTAL	\$ 6.573	\$ 1.000	\$ 6.737	\$ 1.000	\$ 6.038	\$ 1.000	\$ 5.936	\$ 1.000	\$ 6.140	\$ 1.000

Source: Cook County Clerk

2010		2011		2012		2013		2014	
Tax per \$100		Tax per \$100		Tax per \$100		Tax per \$100		Tax per \$100	
of Equalized		of Equalized		of Equalized		of Equalized		of Equalized	
Assessed		Assessed		Assessed		Assessed		Assessed	
Valuation	Percentage	Valuation	Percentage	Valuation	Percentage	Valuation	Percentage	Valuation	Percentage
\$ 0.999	0.146 %	\$ 1.089	0.142 %	\$ 1.166	0.138 %	\$ 1.401	0.140 %	\$ 1.385	0.139 %
0.280	0.041	0.300	0.039	0.317	0.037	0.375	0.037	0.365	0.037
1.839	0.270	2.067	0.269	2.324	0.274	2.768	0.276	2.776	0.278
0.295	0.043	0.334	0.044	0.373	0.044	0.444	0.044	0.451	0.045
2.129	0.312	2.422	0.316	2.673	0.315	3.172	0.317	3.176	0.318
0.453	0.066	0.502	0.065	0.557	0.066	0.657	0.066	0.654	0.065
0.423	0.062	0.462	0.060	0.531	0.063	0.560	0.056	0.568	0.057
0.274	0.040	0.320	0.042	0.370	0.044	0.417	0.042	0.430	0.043
0.009	0.001	0.010	0.001	0.011	0.001	0.013	0.001	0.013	0.001
0.071	0.010	0.106	0.014	0.092	0.011	0.142	0.014	0.111	0.011
0.051	0.007	0.058	0.008	0.063	0.007	0.069	0.007	0.069	0.007
<u>\$ 6.823</u>	<u>\$ 1.000</u>	<u>\$ 7.670</u>	<u>\$ 1.000</u>	<u>\$ 8.477</u>	<u>\$ 1.000</u>	<u>\$ 10.018</u>	<u>\$ 1.000</u>	<u>\$ 9.998</u>	<u>\$ 1.000</u>

CITY OF DES PLAINES

PROPERTY TAX RATES AND EXTENSIONS Last Ten Calendar Years

Property Tax Levy Year	2005	2006	2007	2008
Property tax rates (1)				
General corporate	0.6071	0.6657	0.6149	0.5945
Police pension	0.0998	0.1099	0.1023	0.1023
Firefighters' pension	0.0807	0.0865	0.0783	0.0833
General bond retirement	<u>0.0766</u>	<u>0.0657</u>	<u>0.0539</u>	<u>0.0502</u>
Total property tax rates	<u>0.8642</u>	<u>0.9278</u>	<u>0.8494</u>	<u>0.8303</u>
Property tax extensions (2)				
General corporate	\$ 12,745,221	\$ 14,046,349	\$ 15,171,900	\$ 15,627,057
Police pension	2,096,245	2,318,002	2,523,500	2,690,360
Firefighters' pension	1,693,403	1,825,751	1,931,250	2,188,750
General bond retirement	<u>1,607,211</u>	<u>1,385,507</u>	<u>1,331,066</u>	<u>1,320,689</u>
Total property tax extensions	<u>\$ 18,142,080</u>	<u>\$ 19,575,609</u>	<u>\$ 20,957,716</u>	<u>\$ 21,826,856</u>

Notes:

(1) Property tax rates are per \$100 of equalized assessed valuation.

(2) Property tax extensions include 3% "loss levy" for general corporate purposes and 5% for debt service.

Source: Cook County Clerk

2009	2010	2011	2012	2013	2014
0.6102	0.6569	0.7509	0.7900	0.8906	0.8619
0.1320	0.1436	0.1637	0.1849	0.2518	0.2579
0.1239	0.1461	0.1687	0.1854	0.2518	0.2579
<u>0.0507</u>	<u>0.0515</u>	<u>0.0052</u>	<u>0.0054</u>	<u>0.0067</u>	<u>0.0067</u>
<u>0.9168</u>	<u>0.9981</u>	<u>1.0885</u>	<u>1.1657</u>	<u>1.4009</u>	<u>1.3844</u>
\$ 15,428,429	\$ 15,731,420	\$ 16,402,317	\$ 16,114,550	\$ 15,115,868	\$ 14,804,849
3,338,189	3,438,335	3,576,720	3,771,360	4,274,500	4,429,000
3,133,584	3,497,476	3,685,109	3,781,172	4,274,500	4,429,000
<u>1,281,557</u>	<u>1,233,477</u>	<u>113,663</u>	<u>110,670</u>	<u>112,928</u>	<u>114,986</u>
<u>\$ 23,181,759</u>	<u>\$ 23,900,708</u>	<u>\$ 23,777,809</u>	<u>\$ 23,777,752</u>	<u>\$ 23,777,796</u>	<u>\$ 23,777,835</u>

CITY OF DES PLAINES

PRINCIPAL PROPERTY TAX PAYERS Current Calendar Year and Nine Years Ago

December 31, 2015

<u>Taxpayer</u>	<u>Type of Business/Property</u>	<u>2014 Equalized Assessed Valuation</u>	<u>Percentage of Total Taxable Assessed Value</u>
Midwest Gaming	Real Property	\$ 60,246,117	3.51%
Universal Oil Products Tax Department	Chemicals	25,039,931	1.46%
O'Hare Lakes Office Plaza LLC	Office Complex	21,744,446	1.27%
Crane and Norcross	Real Estate	16,574,656	0.96%
MLRP Messenger LLC	Real Property	13,872,957	0.81%
Juno Lighting Inc	Lighting Products	13,851,217	0.81%
Abbott Labs	Medical Laboratories	11,144,558	0.65%
Individual	Real Property	10,329,884	0.60%
Apple Reit Ten	Real Property	9,912,153	0.58%
Michael Alesia and Associates	Law Firm	8,528,854	0.50%
First Washington Mgmt	Real Estate		
Marriot Corp	Real Property		
SBC Ameritech	Real Property		
Met Life Escrow Dept	Office Complex		
Great Lakes Reit Inc	Real Estate		
Total		<u>\$ 191,244,773</u>	<u>11.13%</u>

Data Sources

(1) Cook County Clerk

2005 Equalized Assessed Valuation	Percentage of Total Taxable Assessed Value
\$ 36,004,073	1.71%
12,386,342	0.59%
17,067,536	0.81%
16,082,604	0.76%
12,038,334	0.57%
11,474,395	0.54%
11,776,275	0.56%
19,725,040	0.93%
17,787,667	0.84%
<u>\$ 164,653,670</u>	<u>7.80%</u>

CITY OF DES PLAINES

PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Calendar Years December 31, 2015

Year of Collections	Tax Levy Year	Tax Levy	Loss Levy	Total Tax Levy	Collections of Current Years' Taxes During Fiscal Period	Percentage of Levy Collected Fiscal Period	Collections in Subsequent Fiscal Periods
2006	2005	\$ 17,583,947	\$ 558,133	\$ 18,142,080	\$ 17,619,047	97.12%	\$ (169,760)
2007	2006	18,979,823	595,786	19,575,609	18,807,403	96.08%	117,974
2008	2007	20,322,682	635,034	20,957,716	20,312,823	96.92%	136,680
2009	2008	21,166,699	660,157	21,826,856	20,281,220	92.92%	1,135,951
2010	2009	22,482,862	698,897	23,181,759	19,900,679	85.85%	2,622,739
2011	2010	23,181,760	718,948	23,900,708	23,930,344	100.12%	(678,510)
2012	2011	23,083,150	694,659	23,777,809	23,423,462	98.51%	(244,178)
2013	2012	23,083,150	694,602	23,777,752	23,119,146	97.23%	277,694
2014	2013	23,083,150	694,646	23,777,796	23,285,158	97.93%	250,913
2015	2014	23,083,150	694,685	23,777,835	23,169,971	97.44%	-

Notes:

(1) Negative amount indicates that refunds made in subsequent years for tax payments exceeded the additional amount collected.

(2) Levy amount and collections refer only to City, and not the Library Component Unit.

Source: Cook County Clerk

<u>Total Collections</u>	<u>Ratio of Total Collections to Tax Levy</u>
\$ 17,449,287	96.18%
18,925,377	96.68%
20,449,503	97.58%
21,417,171	98.12%
22,523,418	97.16%
23,251,834	97.29%
23,179,284	97.48%
23,396,839	98.40%
23,536,072	98.98%
23,169,971	97.44%

CITY OF DES PLAINES

PROPERTY VALUE AND CONSTRUCTION Last Ten Calendar Years December 31, 2015

Calendar Year	Property Value (2)	<u>Construction (1)</u>				Total Value of All Construction (including Commercial)
		<u>Single Family</u>		<u>Multi Family</u>		
		Number of Permits	Value	Number of Permits	Value	
2006	\$ 6,298,412	36	\$ 14,519	10	\$ 20,081	\$ 115,998
2007	6,330,209	19	7,159	5	26,617	114,259
2008	7,402,465	3	1,077	7	4,874	69,112
2009	7,885,844	4	1,840	8	7,043	39,675
2010	7,585,351	4	1,342	5	5,234	189,135
2011	7,184,104	2	1,002	9	6,022	50,293
2012	6,553,065	2	1,153	4	2,860	29,994
2013	6,119,879	3	1,424	7	5,459	39,964
2014	5,091,913	4	2,312	0	-	92,500
2015	5,152,971	9	5,384	0	-	56,344

Source:

(1) Based on City's Municipal Development Department records and estimated construction costs declared by applicants at time of application.

(2) Source: Cook County Clerk, Total estimated value presented in thousands of dollars

Property Values in Thousands.

CITY OF DES PLAINES

TAXABLE SALES BY CATEGORY Last Ten Calendar Years December 31, 2015

Taxable Sales

	2006	2007	2008	2009	2010
General merchandise	\$ 67,575,860	\$ 72,349,187	\$ 71,506,904	\$ 68,245,197	\$ 77,133,600
Food stores	107,634,554	111,530,323	115,184,430	110,595,806	109,545,800
Drinking & eating places	81,943,708	81,685,374	75,402,995	69,952,773	72,412,500
Apparel	3,461,525	3,337,621	4,060,854	3,667,463	3,651,200
Furniture, household & radio	7,685,148	8,003,659	5,203,117	3,309,420	3,140,400
Lumber, building & hardware	39,117,507	36,036,504	33,272,081	22,639,578	26,054,600
Automotive & filling stations	212,204,995	216,995,152	208,453,378	171,775,263	162,573,900
Drugs and miscellaneous retail	92,275,196	95,113,803	96,353,652	90,516,552	125,128,400
Agriculture & all others	146,835,031	138,711,660	134,998,089	142,402,854	143,730,700
Manufacturers	79,989,845	84,243,953	84,953,341	69,486,089	61,629,100
Total	\$ 838,723,369	\$ 848,007,236	\$ 829,388,841	\$ 752,590,995	\$ 785,000,200
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%

Municipal Tax Receipts

General merchandise	\$ 675,759	\$ 723,492	\$ 715,069	\$ 682,452	\$ 771,336
Food stores	1,076,346	1,115,303	1,151,844	1,105,958	1,095,458
Drinking & eating places	819,437	816,854	754,030	699,528	724,125
Apparel	34,615	33,376	40,609	36,675	36,512
Furniture, household & radio	76,851	80,037	52,031	33,094	31,404
Lumber, building & hardware	391,175	360,365	332,721	226,396	260,546
Automotive & filling stations	2,122,050	2,169,952	2,084,534	1,717,753	1,625,739
Drugs and miscellaneous retail	922,752	951,138	963,537	905,166	1,251,284
Agriculture & all others	1,468,350	1,387,117	1,349,981	1,424,029	1,437,307
Manufacturers	799,898	842,440	849,533	694,861	616,291
Total	\$ 8,387,234	\$ 8,480,072	\$ 8,293,888	\$ 7,525,910	\$ 7,850,002
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%

Source: Illinois Department of Revenue

Notes:

- (1) Effective July 1, 2006 the Home Rule Tax is one percent.
- (2) Distribution of 1% municipal tax used to estimate taxable sales.
- (3) In 2013 the City received in excess of \$3 million as the result of an Illinois Department of Revenue audit on a local business.

	2011	2012	2013	2014	2015
\$	65,039,100	\$ 82,451,794	\$ 84,312,307	\$ 93,275,606	\$ 100,099,051
	125,744,900	127,806,151	124,996,898	120,614,055	108,321,547
	72,985,400	74,194,121	73,037,730	72,325,651	76,909,780
	19,819,600	2,996,674	2,642,396	2,862,560	2,716,360
	3,258,200	2,632,102	3,223,992	3,601,935	4,973,366
	26,991,600	31,747,475	32,356,025	40,960,823	38,800,644
	182,879,100	211,968,095	199,656,247	200,108,721	198,372,235
	76,114,400	106,200,248	495,625,797	316,973,432	245,409,242
	161,674,000	213,750,496	224,023,628	236,368,575	269,355,814
	<u>46,963,600</u>	<u>23,956,283</u>	<u>8,232,122</u>	<u>34,309,375</u>	<u>29,507,385</u>
\$	<u>781,469,900</u>	<u>877,703,439</u>	<u>1,248,107,142</u>	<u>1,121,400,733</u>	<u>1,074,465,424</u>
	1.00%	1.00%	1.00%	1.00%	1.00%

\$	650,391	\$ 824,518	\$ 843,123	\$ 932,756	\$ 1,000,991
	1,257,449	1,278,062	1,249,969	1,206,141	1,083,215
	729,854	741,941	730,377	723,257	769,098
	198,196	29,967	26,424	28,626	27,164
	32,582	26,321	32,240	36,019	49,734
	269,916	317,475	323,560	409,608	388,006
	1,828,791	2,119,681	1,996,562	2,001,087	1,983,722
	761,144	1,062,002	4,956,258	3,169,734	2,454,092
	1,616,740	2,137,505	2,240,236	2,363,686	2,693,558
	<u>469,636</u>	<u>239,563</u>	<u>82,321</u>	<u>343,094</u>	<u>295,074</u>
\$	<u>7,814,699</u>	<u>8,777,034</u>	<u>12,481,071</u>	<u>11,214,007</u>	<u>10,744,654</u>
	1.00%	1.00%	1.00%	1.00%	1.00%

CITY OF DES PLAINES

RATIO OF OUTSTANDING DEBT BY TYPE (1) Last Ten Calendar Years December 31, 2015

Fiscal Year	Governmental Activities						
	Debt Service General Obligation Bonds	Tax Increment Financing General Obligation Bonds	Tax Increment Financing Capital Appreciation Bonds (2)	Capital Projects General Obligation Bonds	Equipment Replacement Installment Notes Payable	Tax Increment Revenue Note Incentive Agreement	Short Term Note Payable
2006	\$ 7,843,230	\$ 42,205,000	\$ -	\$ 43,070,000	\$ 300,000	\$ 768,876	\$ -
2007	6,621,986	45,950,000	-	34,495,000	512,511	778,445	5,500,000
2008	5,340,000	43,140,000	-	31,750,000	287,617	735,201	-
2009	4,125,000	38,540,000	3,185,285	28,900,000	459,597	689,675	6,500,000
2010	2,905,000	31,545,000	9,734,245	26,030,000	365,820	641,760	-
2011	875,000	28,880,000	10,225,477	22,930,000	268,651	591,330	-
2012	800,000	27,415,000	10,561,878	18,540,000	212,500	538,252	-
2013	725,000	32,675,000	10,929,315	11,745,000	200,000	482,387	-
2014	645,000	22,465,000	11,193,625	6,375,000	187,500	423,590	-
2015	560,000	20,025,000	11,510,688	4,775,000	175,000	361,705	-

Note: (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) The Tax Increment Capital Appreciation Bond value represents the principal outstanding which includes the appreciated

Source: Audited financial statements

Business-type Activities

<u>Water General Obligation Bonds</u>	<u>Water Installment Notes Payable</u>	<u>Unamortized Bond (Discounts)/ Premiums</u>	<u>Total Primary Government</u>	<u>Outstanding Debt as Percentage of Personal Income</u>	<u>Outstanding Debt Per Capita</u>	<u>Personal Income (thousands) of dollars</u>	<u>Population</u>
\$ 2,826,770	\$ 205,000	\$ 521,201	\$ 97,740,077	3.20%	\$ 1,716	\$ 3,054,416	56,945
2,313,014	-	470,399	96,641,355	3.07%	1,646	3,149,087	58,710
1,790,000	-	421,564	83,464,382	2.65%	1,422	3,149,087	58,710
1,455,000	-	511,408	84,365,965	2.68%	1,437	3,149,087	58,710
1,100,000	-	429,628	72,751,453	2.19%	1,247	3,319,219	58,364
730,000	-	409,325	64,909,783	1.96%	1,112	3,319,219	58,364
365,000	-	370,687	58,803,317	1.77%	1,008	3,319,219	58,364
-	-	541,672	57,298,374	1.73%	982	3,319,219	58,364
-	-	386,636	41,676,351	1.26%	714	3,319,219	58,364
-	-	287,237	37,694,630	1.14%	646	3,319,219	58,364

CITY OF DES PLAINES

RATIO NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA Last Ten Calendar Years

Fiscal Year	Population (1)	Equalized Assessed Value (2)	Net General Obligation Bonded Debt (3)	Ratio of Bonded Debt to Equalized Assessed Value	Bonded Debt Per Capita
2006	56,945	\$ 2,099,449,704	\$ 95,945,000	4.57	\$ 1,685
2007	58,710	2,110,069,506	89,380,000	4.24	1,522.40
2008	58,710	2,467,463,828	82,020,000	3.32	1,397.04
2009	58,710	2,628,588,594	76,205,285	2.90	1,297.99
2010	58,364	2,526,387,003	71,314,245	2.82	1,221.89
2011	58,364	2,392,169,028	63,640,477	2.66	1,090.41
2012	58,364	2,184,333,304	57,681,878	2.64	988.31
2013	58,364	2,039,939,367	48,044,315	2.36	823.18
2014	58,364	1,697,287,344	40,678,625	2.40	696.98
2015	58,364	1,717,657,016	36,870,688	2.15	631.74

Data Source

(1) U.S. Census Bureau/City of Des Plaines' Community Development Department.

(2) Cook County Clerk

(3) City of Des Plaines' Annual Financial Reports.

CITY OF DES PLAINES

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES Last Ten Calendar Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to Total General Expenditures
2006	\$ 4,064,047	\$ 3,099,818	\$ 7,163,865	\$ 68,969,875	10.39
2007	6,421,244	3,987,525	10,408,769	75,245,127	13.83
2008	7,225,134	3,801,758	11,026,892	74,928,477	14.72
2009	7,128,546	3,249,905	10,378,451	71,446,854	14.53
2010	6,801,692	2,588,960	9,390,652	66,340,077	14.16
2011	7,152,599	2,362,196	9,514,795	79,447,160	11.98
2012	6,259,229	2,055,352	8,314,581	85,029,226	9.78
2013	9,181,565	2,032,855	11,214,420	90,440,682	12.40
2014	8,151,298	1,325,139	9,476,437	91,752,984	10.33
2015	4,459,385	867,944	5,327,329	93,056,764	5.72

Notes :

(1) Includes General, Special Revenue, Debt Service Funds and Component Unit - Library Funds

Data Source

City of Des Plaines Annual Financial Reports

CITY OF DES PLAINES

SCHEDULE FOR DIRECT AND OVERLAPPING DEBT December 31, 2015

Governmental Unit	Outstanding Bonds (1)	Applicable to the City Percent (2)	Amount
City of Des Plaines	\$ 37,694,630	100.00%	\$ 37,694,630
Cook County	\$ 3,361,910,000	1.34%	\$ 45,049,594
Cook County Forest Preserve	165,330,000	1.34%	2,215,422
Water Reclamation District	2,543,400,740	1.36%	34,590,250
Des Plaines Park District	4,020,000	94.71%	3,807,342
Elk Grove Park District	6,510,000	0.70%	45,570
Mt. Prospect Park District	17,407,000	18.89%	3,288,182
School District No. 26	10,000,000	7.78%	778,000
School District No. 57	6,675,000	1.40%	93,450
School District No. 59	18,005,000	11.19%	2,014,760
School District No. 62	89,125,000	90.81%	80,934,413
School District No. 64	11,405,000	0.00%	68
High School District 207	2,855,000	35.08%	1,001,534
High School District 214	53,830,000	3.79%	2,040,157
Community College District 512	158,810,000	1.70%	2,699,770
Subtotal - Overlapping Debt	<u>6,449,282,740</u>		<u>178,558,512</u>
Total Direct and Overlapping Debt	<u>\$ 6,486,977,370</u>		<u>\$ 216,253,142</u>

Notes:

(1) Outstanding principal of general obligation bonds as of March 28, 2016. 100% of the principal of outstanding general obligation bonds of overlapping taxing district have been displayed in this schedule.

(2) Applicable percentages are based on 2014 assessed valuations and 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.

(3) Percentage equals .0006%

Data Sources

Assessed Valuation - Cook County Clerk

Outstanding bonds - Cook County Clerk

CITY OF DES PLAINES

DEMOGRAPHIC STATISTICS Last Ten Calendar Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands) (1)</u>	<u>Median Household Income (1)</u>	<u>Per Capita Income (1)</u>
2006	56,945	\$ 3,054,416	\$ 53,638	\$ 24,146
2007	58,710	3,149,087	53,638	24,146
2008	58,710	3,149,087	53,638	24,146
2009	58,710	3,149,087	53,638	24,146
2010	58,364	3,319,219	56,871	27,562
2011	58,364	3,319,219	56,871	27,562
2012	58,364	3,319,219	56,871	27,562
2013	58,364	3,319,219	56,871	27,562
2014	58,364	3,319,219	56,871	27,562
2015	58,364	3,319,219	56,871	27,562

Data Sources

(1) U.S. Census Bureau.

(2) This includes only the public schools located within the City.

(3) Bureau of Labor Statistics

<u>Median Age (1)</u>	<u>Education Level in Years of Schooling</u>	<u>School Enrollment (2)</u>	<u>Unemploy- ment Rate (3)</u>
39.7	12+	8,451	4.2
39.7	12+	8,384	4.5
39.7	12+	8,394	5.8
39.7	12+	8,414	10.1
42.0	12+	8,540	10.3
42.0	12+	8,000	9.2
42.0	12+	8,490	8.4
42.0	12+	7,836	8.0
42.0	12+	8,516	4.9
42.0	12+	8,465	5.1

CITY OF DES PLAINES

PRINCIPAL EMPLOYERS Current Year and Nine Years Ago December 31, 2015

Employer	2015			2006		
	Employees (1)	Rank	Percentage City Total Employment	Employees	Rank	Percentage City Total Employment
Universal Oil Products	1,500	1	3.8%	2,000	1	4.8%
Rivers Casino	1,462	2	3.7%			
Swissport USA	1,000	3	2.6%			
Holy Family	1,036	4	2.6%	560	7	1.3%
Oakton Community College	990	5	2.5%	1,490	2	3.5%
LSG SkyChefs	900	6	2.3%			
Sysco Food Services	650	7	1.7%	600	6	1.4%
Wheels Inc.	650	8	1.7%	600	5	1.4%
W-Diamond Group	550	9	1.4%			
Abbot Molecular	500	10	1.3%			
Juno Lighting	-		0.0%	647	4	1.5%
Littel Fuse	-		0.0%	797	3	1.9%
Lawson Products	-		0.0%	525	8	1.2%
Ciba Vision	-		0.0%	400	9	1.0%
Total	9,238		23.6%	7,619		18.1%
City Total Employment (2)	39,128		23.6%	42,034		18.1%

(1) 2014 Illinois Manufacturer's Directory, 2014 Illinois Services Directory, and Individual Employers Approximations

(2) Illinois Department of Employment Security, Where Workers Work Table 2A

CITY OF DES PLAINES

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Calendar Years December 31, 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Function/Program	<i>Note</i>										
Legislative (merged in 2009)	(1)	1.00	1.00	1.00	-	-	-	-	-	-	-
City Clerk (merged in 2009)	(1)	4.00	3.00	3.00	-	-	-	-	-	-	-
Elected Office (new dept. in 2009)	(1)	-	-	-	3.00	3.00	2.75	3.00	3.00	3.00	3.25
General Government											
Manager's Department		16.00	17.00	20.00	20.50	16.50	16.75	16.75	14.75	14.75	15.50
Finance		16.25	15.75	14.50	14.00	14.00	14.00	14.00	14.00	15.75	16.25
Police											
Officers		105.00	105.00	105.00	105.00	96.00	95.00	95.00	95.00	96.00	97.00
Civilians		25.75	27.25	25.75	25.00	22.00	21.00	21.00	21.00	21.00	21.00
Fire											
Firefighters and officers		88.00	97.00	98.00	98.00	96.00	96.00	96.00	96.00	96.00	96.00
Civilians		5.50	6.50	6.50	6.50	2.50	2.50	2.50	2.50	2.50	2.50
Public Works and Engineering											
Engineering (merged in 2009)	(1)	13.00	13.50	9.75	-	-	-	-	-	-	-
Public works (merged in 2009)	(1)	88.00	90.50	94.75	-	-	-	-	-	-	-
Public Works & Engineering (new)	(1)	-	-	-	96.25	82.25	79.25	79.25	79.50	80.00	81.00
Community Development											
		18.50	18.75	22.00	20.00	18.00	16.00	16.00	16.00	16.00	18.25
EMA											
		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
DPECC (new dept. in 2013)											
	(2)	-	-	-	-	-	-	-	22.75	23.00	21.00
Subtotal											
		382.00	396.25	401.25	389.25	351.25	344.25	344.50	365.50	369.00	372.75
Library											
		90.00	90.00	90.00	75.80	72.40	66.50	64.80	64.80	64.80	64.60
Total											
		472.00	486.25	491.25	465.05	423.65	410.75	409.30	430.30	433.80	437.35

Source: Finance Department Budget documents

Notes:

(1) In 2009, the City merged the Legislative Dept. and City Clerk Dept into the Elected Office Dept. In addition, the City merged the Engineering Dept. and Public Works Dept. into the Public Works & Engineering Dept.

(2) In 2013, the Des Plaines Emergency Communications Center (DPECC) was formed and it was disbanded in January 2015.

CITY OF DES PLAINES

OPERATING INDICATORS BY FUNCTION / PROGRAMS Last Ten Calendar Years December 31, 2015

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Police				
Physical arrests (1)	2,013	2,679	2,726	2,783
Compliance and Parking Violations	17,818	15,290	18,250	18,823
Traffic violations	11,214	16,119	12,756	12,688
Fire				
Emergency Medical Calls	5,167	5,038	5,209	4,718
Fires/Reports of Fires	2,276	2,610	2,502	2,123
Inspections	6,138	7,226	6,878	7,137
Engineering				
Street resurfacing (square yards)	6,600	37,000	76,000	49,000
Sidewalks removed & replaced (sq ft)	78,000	21,000	50,000	84,000
Snow and ice control (tons of salt)	1,676	5,026	8,427	4,292
Community Development				
Building permits issued	3,582	3,267	2,988	2,756
Overall inspection totals	19,191	14,463	14,632	13,871
Health				
Home health visits	55	90	134	111
Library				
Volumes in collection (3)	312,469	313,696	305,471	355,095
Total volumes borrowed	1,100,133	1,088,404	1,111,558	1,261,249
Total annual attendance	577,554	509,668	500,618	542,092
Total resident library cards still active	35,765	35,427	35,266	35,728
Water				
Water Main Breaks	74	128	101	89
New Connections	70	65	13	30
Number of Consumers	17,086	16,983	17,387	17,399
Miles of Water Mains	237	241	245	247
Average daily consumption (gallons)	7,702,836	7,639,118	7,913,061	6,894,000
Daily average consumption per Capita (gallons)	135	130	135	117
Number of Fire Hydrants	2,597	2,615	2,628	2,609
Sewer				
Sanitary sewer replaced (linear feet)	300	300	154	1,022
Sanitary sewer televised (linear feet)	26,446	5,187	14,270	24,951
Sanitary sewer cleaned (linear feet)	403,483	267,301	93,679	177,439
Sanitary sewer lined (linear feet)	4,954	-	6,635	-
Municipal Parking Lots				
Metra (2)	50,815	47,225	50,563	47,794
City Owned (2)	19,618	34,714	33,612	25,581
Transit				
Taxi Cab cards issued (4)	420	324	305	296
Number of participants in the Subsidized Taxi Voucher Program (4)	-	-	-	-
Handicapped Placards issued	40	67	62	66

Source: Various City departments

(1) Physical arrest made regardless of the number of charges associated with an arrest.

(2) Consumers are approximately calculated by revenue divided by the daily rate.

(3) Volumes in Collection includes Books, Audio, Video, Magazines and Newspapers Print and Microfilm, Subscriptions, Online Databases.

(4) In 2011 the structure of the Taxi Voucher Program changed. The program now tracks total participants regardless of the number of voucher booklets obtained.

2010	2011	2012	2013	2014	2015
1,629	1,279	2,208	1,150	892	812
14,926	16,228	13,656	12,871	10,973	7,234
11,461	7,309	6,643	5,506	4,590	3,188
4,943	5,244	5,451	5,487	5,647	5,842
2,041	2,439	2,144	2,046	2,256	4,942
1,534	4,962	4,304	4,312	4,177	3,534
55,400	51,500	29,700	60,903	167,781	113,115
43,500	37,000	69,300	141,162	173,959	101,456
3,782	1,781	1,143	6,350	4,290	5,600
8,229	3,366	2,679	2,956	2,758	2,766
16,010	15,804	15,804	12,760	13,079	11,400
121	119	91	79	73	87
257,661	263,736	257,406	255,559	251,361	310,678
1,171,013	1,176,477	1,173,113	1,133,142	1,106,219	1,022,448
582,096	598,389	575,017	564,257	549,244	590,284
33,135	33,784	34,440	34,347	34,845	33,270
110	96	170	141	105	80
65	40	20	19	36	8
17,441	17,036	17,033	17,058	17,072	17,068
247	221	221	221	221	225
6,761,000	6,752,000	7,188,000	6,718,635	6,349,202	6,528,887
115	116	123	115	109	112
2,679	2,681	2,350	2,350	2,350	2,350
88	65	341	1,164	470	372
42,322	43,406	37,310	27,733	15,187	21,035
204,470	131,496	179,998	98,777	91,738	121,331
12,037	3,420	10,045	-	3,102	174
54,294	43,257	49,669	48,591	44,105	52,965
17,275	17,283	20,173	36,218	54,513	37,908
275	-	-	-	-	-
-	780	938	1,076	1,124	1,112
75	66	40	45	23	18

CITY OF DES PLAINES

CAPITAL ASSETS STATISTICS BY FUNCTION Last Ten Calendar Years December 31, 2015

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Police				
Station	1	1	1	1
Sworn Police Officers	105	105	105	105
Fire Stations				
Station	3	3	3	3
Sworn Firefighters	92	102	102	98
Other Public Works				
Streets (miles)**	145	145	145	145
Streetlights*	576	680	680	732
Traffic Signals	1	1	2	2
Water				
Water mains (miles)	237	237	245	247
Fire hydrants	2,597	2,615	2,628	2,609
Storage capacity (millions of gallons)	19	19	19	19

* These items were not tracked previous to 2006.

** The City of Des Plaines also maintains an additional 95 miles of state and county highways and roads.

Source: Various City departments

2010	2011	2012	2013	2014	2015
1	1	1	1	1	1
94	93	93	93	93	92
3	3	3	3	3	3
95	92	92	92	92	92
145	145	145	145	145	145
738	722	723	723	787	787
2	2	2	2	1	4
247	221	221	221	221	225
2,679	2,681	2,350	2,350	2,350	2,350
19	19	19	19	19	19

CITY OF DES PLAINES

WATER SOLD
Last Ten Calendar Years
(in thousands)
December 31, 2015

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<u>Gallons sold</u>				
Residential	1,852,194	1,435,498	1,357,309	1,332,430
Commercial	597,343	710,984	598,489	495,175
Industrial	<u>333,270</u>	<u>241,646</u>	<u>253,998</u>	<u>144,665</u>
Totals	<u>2,782,807</u>	<u>2,388,128</u>	<u>2,209,796</u>	<u>1,972,270</u>
Water rate per 1,000 gallons	\$3.88	\$3.88	\$4.08	\$4.32
Storm Sewer rate per 1,000 gallons	\$0.76	\$0.76	\$0.76	\$0.76

Source: *City of Des Plaines Water Consumption Report*

2010	2011	2012	2013	2014	2015
1,280,062	1,274,242	1,448,567	1,258,528	1,252,771	1,224,260
516,464	494,478	486,179	470,197	493,685	535,931
128,891	131,321	112,454	113,281	119,147	102,580
<u>1,925,417</u>	<u>1,900,041</u>	<u>2,047,200</u>	<u>1,842,006</u>	<u>1,865,603</u>	<u>1,862,771</u>
\$4.56	\$4.56	\$5.45	\$5.82	\$6.25	\$6.75
\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$0.76

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS

December 31, 2015

Date of incorporation (Town of Rand)	1857
Form of government	City Manager
Building permits:	
Permits issued	2,766
Estimated value	\$56,344,957
Fire protection:	
Number of stations	3
Number of sworn firefighters	92
Police protection:	
Number of stations	1
Number of sworn police officers	92
Municipal water plant	
Number of consumers	17,068
Daily average consumption (gallons)	6,528,887
Daily average consumption per capita (gallons)	112
Miles of water mains	225
Number of fire hydrants	2,350
Employees as of December 31	
Full time	357.00
Part time	15.75
Total	372.75 (1)
Population	
1880	818
1890	986
1900	1,666
1910	2,348
1920	3,451
1930	8,798
1940	9,518
1950	14,994
1960	34,886
1970	57,237
1980	53,568
1990	53,414
2000	56,945
2007	58,710
2010	58,364

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS

December 31, 2015

Area and land use - City of Des Plaines

Total area December 31, 2015 - 9,198.54 acres or 14.3 square miles (Based on municipal boundary data.)

Distribution of land uses

	<u>Acres</u>	<u>Percent of Total</u>
Residential	3,952	43.3%
Manufacturing	1,431	15.7%
Wholesale and retail Commercial services	713	7.8%
Combined with Commercial Services		
Education and recreation	1,447	15.9%
Streets, alleys, and railroads	1,143	12.5%
 Total developed	 <u>8,686</u>	 95.3%
 Vacant land	 <u>433</u>	 4.7%
 Total	 <u>9,119</u>	 <u>100.0%</u>

Data Sources

U.S. Census Bureau and Various City Departments.

(1) Full-Time Equivalent Employees, not including the Library.

2016 DISCLOSURE

Relating to

**CITY OF DES PLAINES
Cook County, Illinois**

CUSIP NUMBER 250217

\$6,065,000 General Obligation Refunding Bonds, Series 2007A
\$1,660,000 General Obligation Refunding Bonds, Series 2007B
\$2,575,000 Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A
\$3,173,084 Taxable General Obligation Refunding Bonds, Series 2009A (Capital Appreciation)
\$4,175,000 General Obligation Refunding Bonds, Series 2009B
\$3,945,000 General Obligation Refunding Bonds, Series 2010A
\$6,110,760 General Obligation Refunding Bonds, Series 2010B (Capital Appreciation)
\$3,540,000 General Obligation Refunding Bonds, Series 2011
\$3,765,000 General Obligation Refunding Bonds, Series 2012
\$7,945,000 Taxable General Obligation Refunding Bonds, Series 2013
\$2,020,000 Taxable General Obligation Refunding Bonds, Series 2014A
and
\$5,600,000 General Obligation Refunding Bonds, Series 2014B

For further information please contact:

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Des Plaines, Illinois 60016-4498**

**Telephone Number: (847) 391-5317
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Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 30	State Sales Tax Distributions(2)	Home Rule Sales Tax Distributions	Total Distributions	Percentage Change + (-)
2006	\$8,377,712	\$4,223,008	\$12,600,721	6.88%(3)
2007	8,333,032	5,517,995	13,851,027	9.92%
2008	8,590,038	5,739,317	14,329,355	3.45%
2009	7,940,514	5,200,163	13,140,676	(8.30%)
2010	7,654,977	4,850,113	12,505,090	(4.84%)
2011	7,846,363	4,882,813	12,729,177	1.79%
2012	8,040,265	5,191,286	13,231,552	3.95%
2013	8,881,733	5,550,747	14,432,481	9.08%
2014	12,653,049	5,693,658	18,346,707	27.12%
2015	11,416,347	5,878,898	17,295,245	(5.73%)
Growth from 2006 to 2015				37.26%

- Notes: (1) Source: Illinois Department of Revenue.
(2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Taxes, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
(3) The 2006 percentage is based on a 2005 sales tax receipts of \$11,790,058.

DEBT INFORMATION

General Obligation Debt – By Issue(1)

<u>Issue Date</u>	<u>Issue Name</u>	<u>Principal Outstanding</u>	<u>Supported By</u>
10/23/2007	General Obligation Refunding Bonds, Series 2007A.....	1,995,000	Property Taxes/ Sales & Utility Taxes/Fees
10/23/2007	General Obligation Refunding Bonds, Series 2007B.....	625,000	Property Taxes/TIF Revenues
4/1/2008	Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A.....	825,000	TIF Revenues
11/3/2009	Taxable General Obligation Refunding Bonds, Series 2009A.....	2,415,047	TIF Revenues
11/3/2009	General Obligation Refunding Bonds, Series 2009B.....	600,000	Sales & Utility Taxes/Fees
1/6/2010	General Obligation Refunding Bonds, Series 2010A.....	3,945,000	TIF Revenues
1/6/2010	General Obligation Refunding Bonds, Series 2010B.....	6,110,760	TIF Revenues
12/22/2011	General Obligation Refunding Bonds, Series 2011	2,395,000	TIF Revenues
12/18/2012	General Obligation Refunding Bonds, Series 2012	2,395,000	TIF Revenues
12/17/2013	Taxable General Obligation Refunding Bonds, Series 2013	6,035,000	TIF Revenues
9/4/2014	Taxable General Obligation Refunding Bonds, Series 2014A.....	1,680,000	TIF Revenues
9/4/2014	General Obligation Refunding Bonds, Series 2014B.....	4,865,000	TIF Revenues, Sales and Utility Taxes/Fees
	Total	<u>\$33,885,807</u>	
Less Self Supporting		<u>(33,325,807)</u>	
Tax Supported Debt		\$ 560,000	

Note: (1) Source: the City.

General Obligation Bonded Debt(1)
(Principal Only)

Calendar Year	Total	Self- Supporting	Tax Supported	Cumulative Retirement	
				Amount	Percent
2016	\$ 3,840,154	\$ 3,755,154	\$ 85,000	\$ 85,000	15.18%
2017	4,543,556	4,458,556	85,000	170,000	30.36%
2018	5,204,198	5,114,198	90,000	260,000	46.43%
2019	4,331,162	4,236,162	95,000	355,000	63.39%
2020	4,455,637	4,355,637	100,000	455,000	81.25%
2021	3,352,360	3,247,360	105,000	560,000	100.00%
2022	2,129,790	2,129,790	0		
2023	1,579,584	1,579,584	0		
2024	1,213,041	1,213,041	0		
2025	1,179,295	1,179,295	0		
2026	1,207,030	1,207,030	0		
2027	415,000	415,000	0		
2028	435,000	435,000	0		
Total	\$33,885,807	\$33,325,807	\$560,000		

Note: (1) Source: the City.

Detailed Overlapping Bonded Debt(1)

	Total Debt(2)	Applicable to the City	
		Percent(3)	Amount
Schools:			
School District No. 26	\$ 10,000,000	7.78%	\$ 778,000
School District No. 57	6,675,000	1.40%	93,450
School District No. 59	18,005,000	11.19%	2,014,760
School District No. 62	89,125,000	90.81%	80,934,413
School District No. 64	11,405,000	0.00%	68
High School District No. 207	2,855,000	35.08%	1,001,534
High School District No. 214	53,830,000	3.79%	2,040,157
Harper Community College District No. 512	158,810,000	1.70%	2,699,770
Total Schools			\$ 89,562,151
Other:			
Cook County	\$3,361,910,000	1.34%	\$ 45,049,594
Cook County Forest Preserve District	165,330,000	1.34%	2,215,422
Metropolitan Water Reclamation District	2,543,400,740	1.36%	34,590,250
Elk Grove Park District	6,510,000	0.70%	45,570
Des Plaines Park District	4,020,000	94.71%	3,807,342
Mt. Prospect Park District	17,407,000	18.89%	3,288,182
Total Others			\$ 88,996,360
Total Overlapping Debt			\$178,558,511

- Notes: (1) Source: Cook County Clerk.
(2) As of March 28, 2016.
(3) Percentage based on 2014 EAV's, the most current available.
(4) Percentage equals 0.0006%.

Statement of Bonded Indebtedness(I)

	Amount <u>Applicable</u>	Ratio To		Per Capita (2010 Census <u>58,364</u>)
		<u>Equalized Assessed</u>	<u>Estimated Actual</u>	
City EAV of Taxable Property, 2014	\$1,717,657,016	100.00%	33.33%	\$29,430.08
Estimated Actual Value, 2014	\$5,152,971,048	300.00%	100.00%	\$88,290.23
Total Direct Bonded Debt.....	\$ 33,885,807	1.97%	0.66%	\$ 580.59
Less: Self Supporting	<u>(33,325,807)</u>	<u>(1.94%)</u>	<u>(0.65%)</u>	<u>(571.00)</u>
Net Direct Debt	\$ 560,000	0.03%	0.01%	\$ 9.59
Overlapping Bonded Debt:(2)				
Schools	\$ 89,562,151	5.21%	1.74%	\$ 1,534.54
Other	<u>88,996,360</u>	<u>5.18%</u>	<u>1.73%</u>	<u>1,524.85</u>
Total Overlapping Bonded Debt.....	\$ <u>178,558,511</u>	<u>10.40%</u>	<u>3.47%</u>	<u>\$ 3,059.39</u>
Total Direct and Overlapping Bonded Debt	\$ 179,118,511	10.43%	3.48%	\$ 3,068.99

Notes: (1) Source: Cook County Clerk.
(2) As of March 28, 2016.

PROPERTY ASSESSMENT AND TAX INFORMATION

City Equalized Assessed Valuation(I)

Property Class	Levy Years				
	<u>2010(2)</u>	<u>2011</u>	<u>2012</u>	<u>2013(2)</u>	<u>2014</u>
Residential	\$1,414,639,043	\$1,320,637,690	\$1,219,894,729	\$ 942,676,584	\$ 961,581,004
Farm	0	0	0	0	106,965
Commercial	451,436,196	378,063,481	347,645,864	331,963,949	453,409,003
Industrial.....	526,094,614	483,073,522	469,850,112	419,594,491	299,315,166
Railroad.....	<u>2,507,411</u>	<u>2,558,611</u>	<u>2,548,662</u>	<u>3,052,320</u>	<u>3,244,878</u>
Total	\$2,394,677,264	\$2,184,333,304	\$2,039,939,367	\$1,697,287,344	\$1,717,657,016
Percent Change +(-)...	(5.29%)(3)	(8.78%)	(6.61%)	(16.80%)	1.20%

Notes: (1) Source: Cook County Clerk.
(2) Levy year was a triennial reassessment year.
(3) Percentage change based on 2009 EAV of \$2,528,425,146.

Equalized Assessed Valuation by Township(I)

	2014			
	<u>Elk Grove</u>	<u>Maine</u>	<u>Wheeling</u>	<u>Total</u>
Real Estate Property	\$285,354,722	\$1,392,111,923	\$36,944,694	\$1,714,411,339
Pollution Control District	0	799	0	799
Railroad Property	0	<u>3,244,878</u>	0	<u>3,244,878</u>
Total	\$285,354,722	\$1,395,357,600	\$36,944,694	\$1,717,657,016

Note: (1) Source: Cook County Clerk.

Representative Tax Rates(I)
(Per \$100 EAV)

City Rates:	Levy Years				
	2010	2011	2012	2013	2014
General Corporate(2)	\$0.9466	\$1.0833	\$1.1603	\$ 1.3942	\$ 1.3777
Public Library	0.2800	0.3000	0.3170	0.3750	0.3650
Bonds and Interest	<u>0.0515</u>	<u>0.0052</u>	<u>0.0054</u>	<u>0.0067</u>	<u>0.0067</u>
Total City Rates(3)	\$1.2790	\$1.3890	\$1.4830	\$ 1.7760	\$ 1.7494
Cook County	0.4230	0.4620	0.5310	0.5600	0.5680
Cook County Forest Preserve	0.0510	0.0580	0.0630	0.0690	0.0690
Metropolitan Water Reclamation District	0.2740	0.3200	0.3700	0.4170	0.4300
Maine Township	0.1310	0.1490	0.1680	0.2100	0.2100
School District Number 62	2.7410	3.1070	3.4900	4.2550	4.2930
High School District Number 207	1.7820	1.9950	2.2150	2.7220	2.7390
Community College Number 535	0.1600	0.1960	0.2190	0.2560	0.2580
Des Plaines Park District	0.3380	0.3790	0.4250	0.5310	0.5290
Other Districts	<u>0.0090</u>	<u>0.0350</u>	<u>0.0110</u>	<u>0.0440</u>	<u>0.0130</u>
Total Tax Rates(4)	\$7.1880	\$8.0900	\$8.9750	\$10.8400	\$10.8584

- Notes: (1) Source: Cook County Clerk.
(2) Includes Police and Firemen's Pension.
(3) As a home rule municipality, the City has no statutory tax rate limits.
(4) Representative tax rates for other government units are from Maine Township tax code 22028, which represents 63.2% of the City's 2014 EAV, the most recent available.

City Tax Levies and Collections(I)

Levy Year	Coll. Year	Taxes Levied(3)(4)	Total Collections(2)	
			Amount(4)	Percent
2009	2010	\$22,482,862	\$23,296,564	103.62%
2010	2011	23,181,760	23,950,011	103.31%
2011	2012	23,181,760	23,779,830	102.58%
2012	2013	23,083,150	23,797,784	103.10%
2013	2014	23,083,150	23,527,150	101.92%
2014	2015(5)	23,083,150	23,469,246	101.67%

- Notes: (1) Source: Cook County Clerk and the City.
(2) Total Collections reflect gross taxes distributed and are not adjusted for refunds.
(3) Total tax levy does not include the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs. The City may receive a portion of this "loss levy", and therefore the percentage of levy collected may exceed 100%.
(4) Levy amount and collections refer only to City, and not the Library Component Unit.
(5) As of March 31, 2016.

Large City Taxpayers(I)

Taxpayer Name	Product/Business	2014 EAV(2)
Midwest Gaming	Real Property	\$ 60,246,117
Universal Oil Products	Chemicals Manufacturer, Catalysts Research and Development	25,039,931
Ohare Lake Office Park LLC	Office Complex	21,744,446
Crane and Norcross	Attorneys at Law	16,574,656
MLRP Messenger LLC	Real Property	13,872,957
Juno Lighting	Lighting Products	13,851,217
Abbott Labs	Medical Laboratories	11,144,558
Individual	Real Property	10,329,884
Apple Reit Ten	Real Property	9,912,153
Michael Alesia & Associates, P.C.	Real Property	<u>8,528,854</u>
Total		\$191,244,773
Ten largest as a percent of the City's 2014 EAV (\$1,717,657,016)		11.13%

- Notes: (1) Source: Cook County Clerk.
(2) Every effort has been made to reach and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2014 EAV is the most current available.

FINANCIAL INFORMATION

Statement of Net Position Primary Government Governmental Activities

Audited As of December 31

	2010	2011	2012	2013	2014
ASSETS:					
Cash and Investments	\$ 28,509,566	\$ 39,425,620	\$ 65,799,739	\$ 75,050,932	\$ 77,184,331
Restricted Cash and Investments	0	0	0	8,087,311	0
Receivables, Net of Allowances for Uncollectibles:					
Property Taxes	33,290,779	29,847,630	27,673,960	28,563,366	28,055,169
Accounts	1,691,423	4,596,737	4,736,908	4,612,787	4,406,573
Accrued Interest	666	1,057	7,530	3,156	271,403
Other Taxes	1,314,919	1,402,193	1,336,337	1,382,230	1,321,120
Other	982,477	956,093	561,986	313,809	210,625
Prepaid Expenses	3,372,295	3,261,796	3,183,227	3,116,909	4,457,014
Due from Other Governments	6,595,058	6,817,175	6,884,906	6,940,345	8,797,909
Internal Balances	(464,648)	(477,562)	(484,170)	321,812	2,140,123
Deferred Charges	765,713	695,100	0	0	0
Net Pension Asset	937,828	1,244,308	1,442,870	1,510,687	2,017,516
Capital Assets Not Being Depreciated	78,625,349	72,860,664	72,860,664	73,029,456	75,888,795
Capital Assets, Being Depreciated	98,457,758	111,326,234	112,291,363	117,773,463	121,357,653
Total Assets	<u>\$254,079,183</u>	<u>\$271,957,045</u>	<u>\$296,295,320</u>	<u>\$320,706,263</u>	<u>\$326,108,231</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred Amounts from Refunding of Debt	0	0	693,335	523,867	541,551
LIABILITIES:					
Accounts Payable	\$ 3,781,440	\$ 10,757,252	\$ 18,982,994	\$ 21,202,698	\$ 20,048,298
Accrued Liabilities	1,117,785	135,308	99,888	122,264	128,938
Accrued Payroll	208,333	1,236,079	1,277,237	1,583,289	1,596,331
Accrued Interest Payable	210,205	180,585	175,095	183,205	83,013
Unearned Revenue	30,054,362	29,845,858	264,466	430,032	229,379
Deposits Payable	69,042	47,754	46,382	51,687	143,074
Non Current Liabilities:					
Due Within One Year	8,491,794	6,416,581	7,435,057	14,436,802	6,116,575
Due in More Than One Year	66,064,563	61,482,515	55,779,769	46,962,691	40,258,677
Total Liabilities	<u>\$109,997,524</u>	<u>\$110,101,932</u>	<u>\$ 84,060,888</u>	<u>\$ 84,972,668</u>	<u>\$ 68,604,285</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred Property Tax Revenue	0	0	27,493,679	28,359,634	27,873,362
NET POSITION:					
Investment in Capital Assets, Net of Related Debt	\$120,440,844	\$116,287,802	\$127,408,625	\$141,973,412	\$156,111,648
Restricted For:					
Streets and Highways	624,128	1,768,708	1,596,392	454,201	554,995
Public Safety	2,951,948	2,266,416	2,347,517	2,104,739	2,024,830
Economic Development	3,419,235	4,756,587	6,034,197	3,941,385	4,247,317
Debt Service	0	240,116	288,188	8,369,381	374,464
Unrestricted	16,645,504	36,535,484	47,759,170	51,054,710	66,858,881
Total Net Position	<u>\$144,081,659</u>	<u>\$161,855,113</u>	<u>\$185,434,089</u>	<u>\$207,897,828</u>	<u>\$230,172,135</u>

Statement of Activities
Governmental Activities
Net (Expense) Revenue and Changes in Net Assets

	Audited Year Ended December 31				
	2010	2011	2012	2013	2014
FUNCTIONS/PROGRAMS					
PRIMARY GOVERNMENT:					
General Government.....	\$ 515,329	\$(10,479,088)	\$(20,102,402)	\$(20,085,342)	\$(20,017,468)
Public Safety	(32,071,707)	(33,959,029)	(33,760,877)	(35,284,095)	(35,760,246)
Public Works	(3,856,346)	(4,465,290)	(3,644,680)	(3,551,642)	(4,407,553)
Streets and Highways	6,585,361	(2,012,893)	(3,459,609)	(6,902,428)	(8,874,819)
Economic Development	(1,487,301)	(1,161,997)	(1,553,448)	(1,906,584)	1,170,934
Interest	(3,631,361)	(3,274,304)	(3,046,102)	(2,709,144)	(1,679,828)
Total Governmental Activities(1)	<u>\$(33,946,025)</u>	<u>\$(55,352,601)</u>	<u>\$(65,567,118)</u>	<u>\$(70,439,235)</u>	<u>\$(69,568,980)</u>
GENERAL REVENUES:					
Taxes:					
Property.....	\$ 29,117,255	\$ 29,671,822	\$ 28,841,683	\$ 28,575,125	\$ 28,442,253
Replacement	1,296,063	1,207,737	1,143,050	1,341,936	1,303,645
Sales	8,589,981	8,690,828	9,695,640	13,486,496	12,354,237
Utility	3,353,950	3,401,735	3,239,299	3,264,076	3,358,459
Income	4,580,927	4,515,411	5,376,774	5,643,512	5,667,460
Home Rule Sales	4,834,624	5,034,311	5,544,261	5,640,304	5,934,305
Food and Beverage Tax.....	911,865	1,059,647	1,236,942	1,177,511	1,190,477
Hotel/Motel	1,387,872	1,440,269	1,675,772	1,752,342	1,988,301
Real Estate Transfer	399,853	393,417	407,884	436,309	610,997
Local Option Motor Fuel.....	1,683,503	1,719,941	1,685,069	1,707,152	1,624,707
Gaming Taxes	0	10,819,591	24,802,456	24,662,123	24,792,544
Other Taxes	4,364,047	4,541,664	4,735,420	4,277,423	3,923,909
Intergovernmental	574,467	0	0	0	0
Investment Income	74,589	82,369	160,289	89,626	73,812
Miscellaneous	479,138	783,626	1,280,897	899,031	862,423
Transfers	262,432	(236,313)	15,758	(49,992)	(284,242)
Total General Revenues	<u>\$ 61,910,566</u>	<u>\$ 73,126,055</u>	<u>\$ 89,841,194</u>	<u>\$ 92,902,974</u>	<u>\$ 91,843,287</u>
Change in Net Position	27,964,541	17,773,454	24,274,076	22,463,739	22,274,307
Net Position, January 1	116,117,118(2)	144,081,659	161,160,013(2)	185,434,089	207,897,828
Net Position, December 31	<u>\$144,081,659</u>	<u>\$161,855,113</u>	<u>\$185,434,089</u>	<u>\$207,897,828</u>	<u>\$230,172,135</u>

Notes: (1) Expenses less Charges for Services, Operating Grants and Capital Grants.
(2) As restated.

General Fund Balance Sheet

Audited as of December 31

ASSETS:	2010	2012	2013	2014	2015
Cash and Equivalents	\$10,607,174	\$17,109,909	\$23,740,541	\$30,801,407	\$23,982,499
Receivables:					
Accounts	1,060,691	1,404,139	1,405,087	1,383,991	1,174,419
Property Taxes	25,086,119	23,006,473	22,800,930	22,830,537	22,789,813
Other Taxes	1,183,355	1,256,378	1,196,399	1,233,717	1,179,672
Other Receivables.....	472,269	439,754	561,804	310,559	204,076
Accrued Interest	0	451	7,051	1,990	265,331
Due From Other Governments.....	5,471,825	5,055,974	5,342,762	5,165,574	6,267,850
Due From Other Funds	8,189,209	421,135	2,481	777,873	0
Advances From/To Other Funds.....	0	8,162,664	8,606,709	9,897,031	13,885,051
Prepaid Items	3,000	0	0	3,265	0
Total Assets	<u>\$52,073,642</u>	<u>\$56,856,877</u>	<u>\$63,663,764</u>	<u>\$72,405,944</u>	<u>\$69,748,711</u>
 LIABILITIES AND FUND EQUITY:					
Liabilities:					
Accounts Payable	\$ 1,333,639	\$ 1,649,263	\$ 1,774,441	\$ 2,337,847	\$ 1,412,518
Accrued Payroll	0	1,220,715	1,268,564	1,567,700	1,580,295
Accrued Liabilities	1,191,531	111,498	85,731	99,074	110,671
Deferred Revenue	24,288,549	24,632,188	264,466	430,032	229,379
Short-term Notes Payable.....	1,865,857	0	0	0	0
Total Liabilities	<u>\$28,679,576</u>	<u>\$27,613,664</u>	<u>\$ 3,393,202</u>	<u>\$ 4,434,653</u>	<u>\$ 3,332,863</u>
Deferred Inflows of Resources:					
Deferred Property Tax Revenue	\$ 0	\$ 0	\$22,747,973	\$22,745,844	\$22,743,904
Unavailable Other Revenue	0	0	1,787,820	1,584,834	1,589,539
Total Deferred Inflows of Resources.....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$24,535,793</u>	<u>\$24,330,678</u>	<u>\$24,333,443</u>
Non Spendable:					
Long-term Interfund Advances.....	\$ 0	\$ 8,162,664	\$ 8,606,709	\$ 9,897,031	\$13,885,051
Prepaid Items	0	0	0	3,265	0
Reserved for Long-Term Receivable	7,977,992	0	0	0	0
Reserved for Prepaid Items	3,000	0	0	0	0
Assigned:					
Infrastructure	0	0	500,000	4,100,000	5,950,000
Capital Acquisitions.....	0	0	152,500	3,970,000	2,300,000
Streets and Highways	0	0	0	250,000	200,000
Pension Funding	0	0	1,009,318	1,313,108	700,000
Public Safety	0	0	2,500,000	0	0
Debt Service.....	0	0	0	4,000,000	0
Unreserved.....	15,413,074	0	0	0	0
Unassigned	0	21,080,549	22,966,242	20,107,209	19,047,354
Total Fund Equity	<u>\$23,394,066</u>	<u>\$29,243,213</u>	<u>\$35,734,769</u>	<u>\$43,640,613</u>	<u>\$42,082,405</u>
Total Liabilities, Deferred Inflows of Resources and Fund Equity.....	<u>\$52,073,642</u>	<u>\$56,856,877</u>	<u>\$63,663,764</u>	<u>\$72,405,944</u>	<u>\$69,748,711</u>

**General Fund
Revenues and Expenditures**

	Audited Years Ending December 31				
	2010	2011	2012	2013	2014
REVENUES:					
Taxes	\$21,461,924	\$22,356,628	\$23,141,075	\$23,043,431	\$22,900,148
Other Taxes	11,556,651	11,743,198	12,195,929	12,030,631	12,248,695
Licenses and Permits	4,054,683	3,086,311	2,781,329	2,924,191	3,331,833
Intergovernmental	14,680,433	15,010,880	16,245,216	20,992,728	19,559,114
Charges for Services.....	6,246,285	6,344,524	6,689,530	6,245,773	5,065,526
Fines and Forfeits	921,328	1,370,186	1,158,716	1,312,001	1,306,106
Investment Income.....	23,469	41,617	85,646	25,188	11,112
Miscellaneous	363,613	559,964	543,494	550,055	432,138
Total Revenues	<u>\$59,308,386</u>	<u>\$60,513,308</u>	<u>\$62,840,935</u>	<u>\$67,123,998</u>	<u>\$64,854,672</u>
EXPENDITURES:					
Current:					
General Government.....	\$ 6,742,596	\$ 6,821,598	\$ 7,304,439	\$ 7,272,417	\$ 7,531,642
Public Safety	34,078,950	36,561,253	37,230,479	38,138,909	38,649,791
Public Works	4,872,193	5,943,764	5,697,710	6,225,488	5,232,228
Streets and Highways	4,236,133	4,412,015	4,539,771	5,210,461	5,497,717
Economic Development	374,321	371,346	410,325	500,690	642,461
Interest and Fiscal Charges	36,026	0	0	0	0
Capital Outlay.....	28,403	0	0	0	0
Total Expenditures	<u>\$50,368,622</u>	<u>\$54,109,976</u>	<u>\$55,182,724</u>	<u>\$57,347,965</u>	<u>\$57,553,839</u>
Excess (Deficiency) of Revenues Over Expenditures.....	\$ 8,939,764	\$ 6,403,332	\$ 7,658,211	\$ 9,776,033	\$ 7,300,833
Other Financing Sources (Uses), Net	1,468,077	(2,420,042)	(1,166,655)	(1,870,189)	(8,859,041)
Special Items.....	0	1,865,857	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$10,407,841	\$ 5,849,147	\$ 6,491,556	\$ 7,905,844	\$ (1,558,208)
Balance, January 1	<u>\$12,986,225</u>	<u>\$23,394,066</u>	<u>\$29,243,213</u>	<u>\$35,734,769</u>	<u>\$43,640,613</u>
Balance, December 31.....	\$23,394,066	\$29,243,213	\$35,734,769	\$43,640,613	\$42,082,405

**General Fund
Unaudited Budget and Interim Information(1)**

	Budget Fiscal Year 2015	Budget Fiscal Year 2016
REVENUES:		
Taxes	\$34,325,640	\$34,441,870
Licenses & Permits	2,574,500	2,658,500
Intergovernmental	15,620,400	16,215,300
Charges for Services	4,727,000	4,801,000
Fines and Forfeits	1,134,500	1,025,000
Investment Income	45,000	50,000
Other	429,653	408,658
Total Revenue	<u>\$58,856,693</u>	<u>\$59,600,328</u>
EXPENDITURES:		
General Government	\$10,143,123	\$ 9,051,308
Public Safety	40,624,315	41,740,343
Economic Development.....	567,293	479,905
Public Works	8,706,889	8,707,947
Streets & Highways	3,767,599	3,542,769
Total Expenditures	<u>\$63,809,219</u>	<u>\$63,522,272</u>

Note: (1) Source: the City.

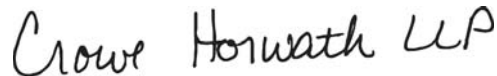
INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

To the Honorable Mayor
And Members of the City Council
City of Des Plaines, Illinois
Des Plaines, Illinois 60016

We have examined the City of Des Plaines, Illinois', (City's) compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended December 31, 2015. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the City's compliance with specified requirements.

In our opinion, the City complied in all material respects, with the aforementioned requirements for the year ended December 31, 2015.



Crowe Horwath LLP

Oak Brook, Illinois
June 15, 2016