CITY OF ROCK FALLS, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2015

Sikich®

CITY OF ROCK FALLS, ILLINOIS
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Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Rock Falls, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Rock Falls, Illinois (the City) as of and for the year ended April 30, 2015, and the related notes to 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. 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 City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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, each major fund and the aggregate remaining fund information of the City of Rock Falls, Illinois, as of April 30, 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.

Change in Accounting Principle

The City adopted GASB Statement No. 67, *Financial Reporting for Pension Plans*, which modified certain disclosures in the notes to financial statements and the required supplementary information. 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 required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operations, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other 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 combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Sikich LLP

Rockford, Illinois
October 19, 2015

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 3,094,441	$ 10,881,558	$ 13,975,999
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	1,236,725	-	1,236,725
Accounts	86,335	1,326,936	1,413,271
Accrued interest	54	1,036	1,090
Other	43,833	880,203	924,036
Inventory	-	955,741	955,741
Due from other governments	796,466	-	796,466
Internal balances	(235,717)	235,717	-
Restricted assets			
Restricted cash and investments	90,700	80,667	171,367
Cash held at paying agent	-	384,615	384,615
Net pension asset	317,371	-	317,371
Capital assets			
Not depreciated	831,487	1,721,438	2,552,925
Depreciated (net of accumulated depreciation)	5,696,593	51,044,826	56,741,419
Total Assets	11,958,288	67,512,737	79,471,025
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total assets and deferred outflows of resources	11,958,288	67,512,737	79,471,025

(This statement is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2015

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	$ 23,949	$ 668,254	$ 692,203
Accrued payroll	109,679	84,432	194,111
Accrued interest payable	7,870	11,157	19,027
Refundable customer deposits	-	268,884	268,884
Unearned revenue	24,995	-	24,995
Long-term liabilities			
Due within one year	225,513	1,336,172	1,561,685
Due in more than one year	1,138,637	16,825,158	17,963,795
Total liabilities	1,530,643	19,194,057	20,724,700
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	1,236,725	-	1,236,725
Total deferred inflows of resources	1,236,725	-	1,236,725
Total liabilities and deferred inflows of resources	2,767,368	19,194,057	21,961,425
NET POSITION			
Net investment in capital assets	5,573,952	34,715,962	40,289,914
Restricted for			
Maintenance of streets	289,339	-	289,339
Tourism	78,761	-	78,761
Economic development	169,708	-	169,708
Public safety	25,607	-	25,607
Retirement	170,050	-	170,050
Worker's compensation	324,270		324,270
Debt service	90,700	80,667	171,367
Unrestricted	2,468,533	13,522,051	15,990,584
TOTAL NET POSITION	$ 9,190,920	$ 48,318,680	$ 57,509,600

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF ACTIVITIES

April 30, 2015

		Program Revenues		
FUNCTIONS/PROGRAMS	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 2,024,134	$ 941,663	$ 270,114	$ -
Public safety	3,437,006	292,630	14,456	-
Street and highways	113,072	120,798	236,274	-
Public property division	923,663	-	-	-
Development	205,149	-	-	-
Interest	31,791	-	-	-
Total governmental activities	6,734,815	1,355,091	520,844	-
Business-Type Activities				
Water	1,287,588	1,566,225	-	-
Electric	9,192,531	9,431,931	-	-
Sewer	2,521,508	2,875,790	-	-
Garbage	415,055	595,417	-	-
Broadband	87,564	394,927	-	522,238
Total business-type activities	13,504,246	14,864,290	-	522,238
TOTAL PRIMARY GOVERNMENT	$ 20,239,061	$ 16,219,381	$ 520,844	$ 522,238

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	$ (812,357)	$ -	$ (812,357)
	(3,129,920)	-	(3,129,920)
	244,000	-	244,000
	(923,663)	-	(923,663)
	(205,149)	-	(205,149)
	(31,791)	-	(31,791)
	(4,858,880)	-	(4,858,880)
	-	278,637	278,637
	-	239,400	239,400
	-	354,282	354,282
	-	180,362	180,362
	-	829,601	829,601
	-	1,882,282	1,882,282
	(4,858,880)	1,882,282	(2,976,598)
General Revenues			
Taxes			
Property	1,179,118	-	1,179,118
Replacement	49,829	-	49,829
Sales and use	1,698,761	-	1,698,761
Telecommunications	215,952	-	215,952
Hotel/motel	186,770	-	186,770
Video gaming	110,719	-	110,719
Utility	145,346	-	145,346
Shared income tax	907,463	-	907,463
Investment income	5,105	33,165	38,270
Miscellaneous	30,016	-	30,016
Transfers in (out)	869,033	(869,033)	-
Total	5,398,112	(835,868)	4,562,244
SPECIAL ITEM	-	815,379	815,379
CHANGE IN NET POSITION	539,232	1,861,793	2,401,025
NET POSITION, MAY 1	8,412,045	46,881,394	55,293,439
Prior period adjustment	239,643	(424,507)	(184,864)
NET POSITION, MAY 1, RESTATED	8,651,688	46,456,887	55,108,575
NET POSITION, APRIL 30	$ 9,190,920	$ 48,318,680	$ 57,509,600

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2015

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	$ 1,674,598	$ 1,046,591	$ 2,721,189
Restricted cash		90,700	90,700
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	825,607	411,118	1,236,725
Accounts	65,936	20,399	86,335
Accrued interest	54	-	54
Other	43,778	-	43,778
Due from other governments	774,915	21,551	796,466
Due from other funds	249,302	-	249,302
Advances to other funds	150,000	-	150,000
TOTAL ASSETS	$ 3,784,190	$ 1,590,359	$ 5,374,549
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 23,665	$ 284	$ 23,949
Accrued payroll	92,509	17,170	109,679
Deposits payable			
Advances from other funds	482,075	150,000	632,075
Unearned revenue	24,523	472	24,995
Due to other funds	-	831	831
Total liabilities	622,772	168,757	791,529
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	825,607	411,118	1,236,725
Total deferred inflows of resources	825,607	411,118	1,236,725
Total liabilities and deferred inflows of resources	1,448,379	579,875	2,028,254
FUND BALANCES			
Nonspendable	150,000	-	150,000
Restricted for maintenance of streets	-	289,339	289,339
Restricted for tourism	-	78,761	78,761
Restricted for economic development	-	169,708	169,708
Restricted for public safety	-	25,607	25,607
Restricted for retirement	-	170,050	170,050
Restricted for worker's compensation	-	324,270	324,270
Restricted for debt service	-	90,700	90,700
Unrestricted			
Unassigned	2,185,811	(137,951)	2,047,860
Total fund balances	2,335,811	1,010,484	3,346,295
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 3,784,190	$ 1,590,359	$ 5,374,549

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2015

FUND BALANCES OF GOVERNMENTAL FUNDS	$ 3,346,295
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 governmental funds, net of accumulated depreciation of $4,883,570	6,528,080
Net pension assets resulting from contributions in excess of the annual required contribution are not financial resources and, therefore, are not reported in the fund financial statements	317,371
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	(430,000)
Debt certificates	(235,000)
Loans payable	(109,398)
Capital leases	(179,730)
Accrued interest payable	(7,870)
Compensated absences payable	(258,479)
Net pension obligation	(48,230)
Other postemployment benefit payable	(103,313)
The net position of the internal service fund are included in the governmental activities in the statement of net position	371,194
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 9,190,920

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

April 30, 2015

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ 3,777,971	$ 475,191	$ 4,253,162
Licenses and permits	97,563	-	97,563
Intergovernmental	330,211	349,593	679,804
Charges for services	708,644	-	708,644
Fines and fees	492,894	11,180	504,074
Investment income	3,834	1,271	5,105
Miscellaneous	100,342	18,827	119,169
Total revenues	5,511,459	856,062	6,367,521
EXPENDITURES			
Current			
General government	1,279,190	128,749	1,407,939
Public safety	3,449,180	27,779	3,476,959
Street and highways	557,005	306,365	863,370
Public property division	122,669	-	122,669
Development	-	205,149	205,149
Capital outlay	233,417	-	233,417
Debt service			
Principal	119,120	100,000	219,120
Interest and fiscal charges	17,765	13,780	31,545
Total expenditures	5,778,346	781,822	6,560,168
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(266,887)	74,240	(192,647)
OTHER FINANCING SOURCES (USES)			
Transfers in	577,802	950,762	1,528,564
Transfers (out)	(64,004)	(267,763)	(331,767)
Total other financing sources (uses)	513,798	682,999	1,196,797
NET CHANGE IN FUND BALANCES	246,911	757,239	1,004,150
FUND BALANCES, MAY 1	1,778,686	210,631	1,989,317
Prior period adjustment	310,214	42,614	352,828
FUND BALANCES, MAY 1, RESTATED	2,088,900	253,245	2,342,145
FUND BALANCES, APRIL 30	$ 2,335,811	$ 1,010,484	$ 3,346,295

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

April 30, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ 1,004,150
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities. This is the amount by which depreciation expense differs from capital outlay in the current year.	(79,631)
Capital assets contributed to proprietary fund/ business-type activity are recorded as expenditures in the statement of activities	(522,238)
Sales and disposals of capital assets are reported as proceeds from the sale of capital assets in governmental funds but as loss from sale or disposal on the statement of activities	(7,302)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in compensated absences	114,501
Change in net pension asset	66,688
Change in net pension obligation	(1,010)
Change in other postemployment benefit obligation	(23,683)
The decrease in interest payable is reported as a decrease of expense on the statement of activities	(246)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal	256,613
The addition (reduction) in net position of certain activities of internal service funds is included in governmental funds	(268,610)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 539,232

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2015

	Business-Type Activities						Governmental Activities
	Municipal Water	Municipal Electric	Municipal Sanitary Sewerage	Municipal Garbage	Municipal Broadband	Total	Internal Service
CURRENT ASSETS							
Cash and investments	$ 1,405,211	$ 4,389,890	$ 4,795,578	$ 290,879	$ -	$ 10,881,558	$ 373,252
Receivables							
Property taxes	-	-	-	-	-	-	-
Accounts	159,947	799,111	298,906	68,972	-	1,326,936	-
Accrued interest	-	941	95	-	-	1,036	-
Other	-	64,824	815,379	-	-	880,203	55
Inventory	41,996	913,745	-	-	-	955,741	-
Due from other funds	-	45,159	-	-	-	45,159	-
Cash held with paying agent	-	-	384,615	-	-	384,615	-
Restricted assets							
Cash and investments	-	80,667	-	-	-	80,667	-
Total current assets	1,607,154	6,294,337	6,294,573	359,851	-	14,555,915	373,307
NONCURRENT ASSETS							
Advance to other funds	30,000	534,965	90,050	10,000	-	665,015	-
Total noncurrent assets	30,000	534,965	90,050	10,000	-	665,015	-
CAPITAL ASSETS							
Nondepreciable	54,599	-	980,000	-	686,839	1,721,438	-
Depreciable	10,292,035	36,722,458	40,463,316	-	-	87,477,809	-
Accumulated depreciation	(5,477,179)	(20,658,696)	(10,297,108)	-	-	(36,432,983)	-
Net capital assets	4,869,455	16,063,762	31,146,208	-	686,839	52,766,264	-
Total assets	6,506,609	22,893,064	37,530,831	369,851	686,839	67,987,194	373,307

(This statement is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2015

	Business-Type Activities						Governmental Activities
	Municipal Water	Municipal Electric	Municipal Sanitary Sewerage	Municipal Garbage	Municipal Broadband	Total	Internal Service
CURRENT LIABILITIES							
Accounts payable	$ 2,794	$ 533,308	$ 52,984	$ 32,193	$ 46,975	$ 668,254	$ -
Accrued payroll	14,793	54,392	14,877	370	-	84,432	-
Accrued interest payable	1,419	2,572	7,166	-	-	11,157	-
Compensated absences, current	5,193	14,016	3,018	20	-	22,247	-
Capital lease, current	393	2,946	33,694	196	-	37,229	-
Bonds payable, current	-	225,000	-	-	-	225,000	-
Loan payable, current	88,485	-	963,211	-	-	1,051,696	-
Due to other funds	45,159	-	-	-	246,358	291,517	2,113
Total current liabilities	158,236	832,234	1,074,950	32,779	293,333	2,391,532	2,113
LONG-TERM LIABILITIES							
Refundable customer deposits	35,204	193,969	39,711	-	-	268,884	-
Advance from other funds	90,050	-	-	11,748	81,142	182,940	-
Compensated absences, noncurrent	30,263	79,421	17,106	397	-	127,187	-
Net pension obligation	25,553	82,778	26,139	476	-	134,946	-
Net other postemployment benefit obligation	12,079	39,093	12,346	234	-	63,752	
Capital lease, noncurrent	-	-	70,641	-	-	70,641	-
Bonds payable, noncurrent	-	475,000	-	-	-	475,000	-
Loan payable, noncurrent	588,009	-	15,365,623	-	-	15,953,632	-
Total long-term liabilities	781,158	870,261	15,531,566	12,855	81,142	17,276,982	-
Total liabilities	939,394	1,702,495	16,606,516	45,634	374,475	19,668,514	2,113
DEFERRED INFLOWS OF RESOURCES							
Deferred property taxes	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	939,394	1,702,495	16,606,516	45,634	374,475	19,668,514	2,113
NET POSITION							
Net investment in capital assets	4,192,568	15,139,422	14,697,133	-	686,839	34,715,962	-
Restricted for debt service	-	80,667	-	-	-	80,667	-
Unrestricted (deficit)	1,374,647	5,970,480	6,227,182	324,217	(374,475)	13,522,051	371,194
TOTAL NET POSITION	$ 5,567,215	$ 21,190,569	$ 20,924,315	$ 324,217	$ 312,364	$ 48,318,680	$ 371,194

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

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

April 30, 2015

	Business-Type Activities		
	Municipal Water	**Municipal Electric**	**Municipal Sanitary Sewerage**
OPERATING REVENUES			
Billed services	$ 1,563,512	$ 8,894,926	$ 2,815,116
Utility taxes	-	225,963	-
Penalties collected	-	-	32,111
Connection fees	-	31,855	475
Miscellaneous	2,713	279,187	28,088
Total operating revenues	1,566,225	9,431,931	2,875,790
OPERATING EXPENSES			
Personnel			
Salaries	325,184	1,053,163	332,659
Payroll taxes	27,938	87,844	26,240
Payroll benefits	107,552	321,070	122,402
Total personnel	460,674	1,462,077	481,301
Utility expense	75,169	5,075,616	243,461
Commodities	315,844	1,067,141	526,380
Contractual services	13,723	191,669	104,977
Miscellaneous	72,689	169,665	154,802
Depreciation and amortization	328,066	1,210,454	957,084
Total operating expenses	1,266,165	9,176,622	2,468,005
OPERATING INCOME	300,060	255,309	407,785
NON-OPERATING REVENUES (EXPENSES)			
Taxes	-	-	-
Investment income	2,688	18,513	11,331
Interest expense	(21,423)	(15,909)	(53,503)
Total non-operating revenues (expenses)	(18,735)	2,604	(42,172)
NET INCOME BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS	281,325	257,913	365,613
TRANSFERS			
Transfers in	51,880	419,475	89,742
Transfers (out)	(121,979)	(518,750)	(119,509)
Total transfers	(70,099)	(99,275)	(29,767)
CAPITAL GRANTS AND CONTRIBUTIONS	-	-	-
SPECIAL ITEM	-	-	815,379
CHANGE IN NET POSITION	211,226	158,638	1,151,225
NET POSITION, MAY 1	5,433,139	21,231,314	19,907,224
Prior period adjustment	(77,150)	(199,383)	(134,134)
NET POSITION, MAY 1, RESTATED	5,355,989	21,031,931	19,773,090
NET POSITION, APRIL 30	$ 5,567,215	$ 21,190,569	$ 20,924,315

Business-Type Activities			Governmental Activities
Municipal Garbage	Municipal Broadband	Total	Internal Service
$ 595,417	$ 377,901	$ 14,246,872	$ 1,235,070
-	-	225,963	-
-	-	32,111	-
-	-	32,330	-
-	17,026	327,014	-
595,417	394,927	14,864,290	1,235,070
6,715	-	1,717,721	-
503	-	142,525	-
3,301	-	554,325	1,176,920
10,519	-	2,414,571	1,176,920
388,121	-	5,782,367	-
7,060	-	1,916,425	-
4,075	83,889	398,333	-
5,243	3,675	406,074	-
-	-	2,495,604	-
415,018	87,564	13,413,374	1,176,920
180,399	307,363	1,450,916	58,150
-	-	-	-
633	-	33,165	1,004
(37)	-	(90,872)	-
596	-	(57,707)	1,004
180,995	307,363	1,393,209	59,154
22,866	-	583,963	-
(175,521)	(517,237)	(1,452,996)	(327,764)
(152,655)	(517,237)	(869,033)	(327,764)
-	522,238	522,238	-
-	-	815,379	-
28,340	312,364	1,861,793	(268,610)
309,717	-	46,881,394	639,804
(13,840)	-	(424,507)	-
295,877	-	46,456,887	639,804
$ 324,217	$ 312,364	$ 48,318,680	$ 371,194

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

April 30, 2015

	Business-Type Activities		
	Municipal Water	**Municipal Electric**	**Municipal Sanitary Sewerage**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 1,553,154	$ 9,485,526	$ 2,856,711
Receipts from interfund services transactions	-	-	-
Payments to suppliers	(517,530)	(6,254,365)	(1,045,938)
Payments to employees	(433,238)	(1,448,162)	(466,539)
Net cash from operating activities	602,386	1,782,999	1,344,234
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Receipts of loans from other funds	45,159	(31,379)	-
Repayment of loans from other funds	(108,705)	-	(39,931)
Loans made to other funds	(30,000)	-	-
Repayment of loans made to other funds	42,501	180,239	18,000
Transfers in	51,880	419,475	89,742
Transfers (out)	(121,979)	(518,750)	(119,509)
Net cash from noncapital financing activities	(121,144)	49,585	(51,698)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital assets purchased	(387,166)	(1,037,723)	(49,764)
Principal payments on long-term debt	(86,706)	(225,528)	(993,569)
Interest payments on long-term debt	(21,604)	(19,727)	(52,624)
Net cash from capital and related financing activities	(495,476)	(1,282,978)	(1,095,957)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on investments	2,688	17,572	11,236
Net cash from investing activities	2,688	17,572	11,236
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,546)	567,178	207,815
CASH AND CASH EQUIVALENTS, MAY 1	1,416,757	3,903,379	4,587,763
CASH AND CASH EQUIVALENTS, APRIL 30	$ 1,405,211	$ 4,470,557	$ 4,795,578

Business-Type Activities			Governmental Activities
Municipal Garbage	**Municipal Broadband**	**Total**	**Internal Service**
$ 589,971	$ 394,927	$ 14,880,289	$ -
-	-	-	1,235,070
(405,417)	(83,847)	(8,307,097)	(55,268)
(9,922)	-	(2,357,861)	(1,126,295)
174,632	311,080	4,215,331	53,507
-	-	13,780	2,113
(12,876)	(137,599)	(299,111)	(327,764)
(10,000)	-	(40,000)	-
85,533	26,700	352,973	-
22,866	-	583,963	-
(175,521)	(35,580)	(971,339)	-
(89,998)	(146,479)	(359,734)	(325,651)
-	(164,601)	(1,639,254)	-
(368)	-	(1,306,171)	-
(25)	-	(93,980)	-
(393)	(164,601)	(3,039,405)	-
633	-	32,129	949
633	-	32,129	949
84,874	-	848,321	(271,195)
206,005	-	10,113,904	644,447
$ 290,879	$ -	$ 10,962,225	$ 373,252

(This statement is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

April 30, 2015

	Business-Type Activities		
	Municipal Water	**Municipal Electric**	**Municipal Sanitary Sewerage**
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	$ 300,060	$ 255,309	$ 407,785
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation and amortization	328,066	1,210,454	957,084
Changes in assets and liabilities			
Accounts receivable	(13,071)	47,773	(11,475)
Other receivables	-	5,822	-
Prepaid expenses	897	2,341	(1,153)
Inventory	(8,629)	46,548	-
Accounts payable	(12,885)	159,740	(15,035)
Accrued payroll	1,088	10,454	2,675
Refundable customer deposits	7,416	41,097	-
Unearned revenue	-	-	(7,604)
Compensated absences	(3,860)	(7,235)	8,580
Net pension obligation	535	1,734	547
Net other postemployment benefit obligation	2,769	8,962	2,830
NET CASH FROM OPERATING ACTIVITIES	$ 602,386	$ 1,782,999	$ 1,344,234
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	$ 1,405,211	$ 4,389,890	$ 4,795,578
Restricted cash and cash equivalents	-	80,667	-
TOTAL CASH AND CASH EQUIVALENTS	$ 1,405,211	$ 4,470,557	$ 4,795,578
NONCASH TRANSACTIONS			
Transfer of deficit from special revenue fund	$ -	$ -	$ -
Contributions	-	-	-
TOTAL NONCASH TRANSACTIONS	$ -	$ -	$ -

Business-Type Activities			Governmental Activities
Municipal Garbage	**Municipal Broadband**	**Total**	**Internal Service**
$ 180,399	$ 307,363	$ 1,450,916	$ 58,150
-	-	2,495,604	-
(5,446)	-	17,781	-
-	-	5,822	-
(239)	-	1,846	-
-	-	37,919	-
(679)	3,717	134,858	(4,643)
77	-	14,294	-
-	-	48,513	-
-	-	(7,604)	-
(190)	-	(2,705)	-
476	-	3,292	-
234	-	14,795	
$ 174,632	$ 311,080	$ 4,215,331	$ 53,507
$ 290,879	$ -	$ 10,881,558	$ 373,252
-	-	80,667	-
$ 290,879	$ -	$ 10,962,225	$ 373,252
$ -	$ (481,657)	$ (481,657)	$ -
-	522,238	522,238	-
$ -	$ 40,581	$ 40,581	$ -

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

April 30, 2015

ASSETS	
Cash and short-term investments	$ 182,692
Investments	
U.S. Government agency obligations	1,043,324
U.S. Treasuries	2,246,081
Common stock	2,950,651
Mutual funds	4,483,537
Corporate bonds	517,573
Municipal bonds	226554
Mortgage pools	105,847
Annuities	507,755
Negotiable certificates of deposit	1,707,952
Receivables	
Accrued interest	38,188
Prepaid expenses	4,786
Total assets	14,014,940
LIABILITIES	
Accounts payable	4,866
Total liabilities	4,866
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	$ 14,010,074

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

April 30, 2015

ADDITIONS	
Contributions	
Employer contributions	$ 422,772
Employee contributions	175,954
Total contributions	598,726
Investment income	
Net appreciation in fair value of investments	355,634
Interest	439,348
Total investment income	794,982
Less investment expense	(41,801)
Net investment income	753,181
Total additions	1,351,907
DEDUCTIONS	
Benefits and refunds	983,898
Administrative expenses	51,972
Total deductions	1,035,870
NET INCREASE	316,037
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	
May 1	13,694,037
April 30	$ 14,010,074

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Rock Falls, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

a. Reporting Entity

The City is a municipal corporation governed by an elected council under the mayor/council form of government. The City is considered to be a primary government as defined by GASB Statement No. 14, *The Financial Reporting Entity,* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statement No. 14 and 34*, since its council is separately elected and fiscally independent. In accordance with these pronouncements, the basic financial statements include all funds for which the City is financially accountable. No other government is a component unit of the City based on GASB Statement Nos. 14, 39 and61.

Pension Trust Funds

The City's financial statements include the Police Pension and Firefighters' Pension as pension trust funds. The City's sworn police and firefighter employees participate in these pension trust funds which function for the benefit of those employees and are governed by a five-member Pension Board. Two members appointed by the Mayor, one elected pension beneficiary and two elected police officers constitute the Pension Boards. The City and the pension plan participants are obligated to fund all pension plan 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 the contribution levels. The pension plans are reported as pension trust funds because of the City's fiduciary responsibility. Separate financial statements are not available for the Police Pension and Firefighters' Pension Plans.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Blended Component Unit

These component units are legally separate entities from the City, but are so intertwined with the City because they exclusively benefit the primary government. Although a separate legal entity, the Foreign Fire Insurance Board is a component unit and is blended in the City's financial statements because of the significance of its operational or financial relationships with the City. This component unit does not issue a stand alone report.

b. Fund Accounting

The City uses funds to report on its financial position and changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the City not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City utilizes pension trust funds which are generally used to account for assets that the City holds in a fiduciary capacity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The City reports the following major proprietary funds:

The Municipal Water Fund accounts for the costs related to operations associated with water service. Funding is provided by user fees.

The Municipal Electric Fund accounts for the costs related to operations associated with electric service. Funding is provided by user fees.

The Municipal Sanitary Sewer Fund accounts for the costs related to operations associated with sewer service. Funding is provided by user fees.

The Municipal Garbage Fund accounts for the costs related to operations associated with garbage service. Funding is provided by user fees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Municipal Broadband Fund accounts for the costs related to operations associated with broadband internet service. Funding is provided by user fees.

Additionally, the City reports the following proprietary fund type:

Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost reimbursement basis. These are reported as part of the governmental activities on the government-wide financial statements as they provide services to the City's governmental funds/activities.

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due, unless due the first day of the following fiscal year.

Property taxes, sales taxes and telecommunication taxes owed to the state at year end, utility taxes, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the available and measurable criteria (deferred) for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the City before it has a legal claim to them or prior to the provision of services, 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, the liability and deferred inflows of resources or liability for unearned revenue or deferred inflow of resources for unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity less than one year when purchased are stated at cost or amortized cost. Investments with a maturity of one year or greater when purchased are reported at fair value. All investments of the pension trust funds are reported at fair value. Fair value has been based on quoted market prices at April 30, 2015 for debt and equity securities and contract values for mutual funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Property Taxes

Property taxes for 2014 are levied in December 2014 and attach as an enforceable lien on the property on January 1, 2014. Tax bills are prepared by the County and issued on or about May 1, 2015 and August 1, 2015, and are due and collectible on or about June 1, 2015 and September 1, 2015. The County collects the taxes and remits them periodically to the City. Those 2014 taxes are intended to finance the 2016 fiscal year and are not considered available or earned for current operations and are, therefore, reported as deferred/unavailable revenue. The 2015 tax levy has not been recorded as a receivable at April 30, 2015, as the tax attached as a lien on property as of January 1, 2015; however, the tax will not be levied until December 2015 and, accordingly, is not measurable at April 30, 2015.

g. Inventory

Inventory is valued at average cost on a first-in/first-out (FIFO) method.

h. Restricted Assets

Certain cash and investments in the Municipal Electric Fund are restricted in accordance with the ordinances authorizing the issuance of the revenue bonds. These assets are reflected as restricted cash and investments and restrictions of net position.

i. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are accounted for using the consumption method.

j. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, storm water and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of $2,500 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings, infrastructure and improvements	20-50
Vehicles and other equipment	5-20

k. Compensated Absences

City employees are granted sick leave and vacation days. Vacation days vary by employee and accumulation of vacation days is ordinarily not allowed. However, vacation days are earned in the year prior to their eligibility for use. Upon termination of employment, City employees are paid for any earned, unused vacation days and any accumulated unused sick leave at the rate of two days pay for each ten accumulated unused sick days. The employees receive ten sick days per calendar year. Police employees are allowed to accumulate a maximum of 1,200 hours of sick leave. Upon retirement, the City agrees to provide continued health insurance coverage on behalf of the retired employee equal to the cash value of the accumulated unused sick leave then held by the employee. Firefighter employees are allowed to accumulate a maximum of 1,680 hours of sick leave. Upon retirement, the City agrees to provide continued health insurance coverage on behalf of the retired employee equal to the cash value of the accumulated unused sick leave then held by the employee.

Vested or accumulated vacation related to employees that have retired or terminated at year end but have not yet been paid is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested and accumulated vacation of governmental activities and proprietary funds is recorded as an expense and liability as the benefits accrue to employees.

l. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Interfund Transactions (Continued)

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

m. Interfund Receivables/Payables

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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

n. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as any gains/losses on refunding are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

p. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned funds and then unassigned funds.

The City has not established fund balance reserve policies for their governmental funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the City's net position is restricted as a result of enabling legislation adopted by the City Council. Net investment in capital assets, represents the City's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows 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.

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." The deposits and investments of the pension trust funds are held separately from those of other funds. The investments are governed by three separate investment policies; one policy for the City adopted by the City Council and one policy each for the Police and Firefighters' Pension Funds approved by their respective boards.

The City's investment policy authorizes the City to make deposits in the commercial banks and savings and loan institutions and to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a $1 per share value which is equal to the participants fair value).

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are safety (preservation of capital and protection of investment principal), liquidity and yield.

City Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance, evidenced by a written collateral agreement with the collateral held by an independent third party safekeeping agent of the City in the City's name.

2. CASH AND INVESTMENTS (Continued)

City Investments

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. The City's investment policy limits investments to a two-year maturity.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The City's investment policy does not address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed with the underlying investments held by a third party custodian and held in the City's name.

Concentration of the credit risk is the risk that the City has a high percentage of their investments invested in one investment. The City's investment policy requires diversification of investments to avoid unreasonable risk by limiting deposits in one institution to 50% of the City's deposits unless fully collateralized.

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at April 30, 2015:

GOVERNMENTAL ACTIVITIES	
General Fund	
Telecommunications tax	$ 49,620
Income tax	149,527
Use tax	51,075
Sales tax	258,566
Video gaming tax	33,090
Grants	4,313
Non-home rule sales tax	93,519
Fire protection	129,193
Fines	6,012
Total general fund	774,915
Nonmajor Governmental Fund	
Motor fuel tax allotments	21,551
TOTAL GOVERNMENTAL ACTIVITIES	$ 796,466

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital assets not being depreciated					
Land	$ 703,415	$ -	$ -	$ -	$ 703,415
Construction in progress	522,238	128,072	-	(522,238)	128,072
Total capital assets not being depreciated	1,225,653	128,072	-	(522,238)	831,487
Capital assets being depreciated					
Land improvements	283,723	-	-	-	283,723
Buildings	2,531,288	-	-	-	2,531,288
Equipment	3,955,265	64,419	144,732	-	3,874,952
Infrastructure	7,549,167	266,051	-	-	7,815,218
Total capital assets being depreciated	14,319,443	330,470	144,732	-	14,505,181
Less accumulated depreciation for					
Land improvements	40,725	11,379	-	-	52,104
Buildings	1,413,744	85,064	-	-	1,498,808
Equipment	3,253,535	169,466	137,430	-	3,285,571
Infrastructure	3,699,841	272,225	-	-	3,972,066
Total accumulated depreciation	8,407,845	538,134	137,430	-	8,808,549
Total capital assets being depreciated, net	5,911,598	(207,664)	7,302	-	5,696,632
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 7,137,251	$ (79,592)	$ 7,302	$ (522,238)	$ 6,528,119

Beginning capital assets were restated by $(813,062) to report the infrastructure assets at the net cost as reported in the detailed capital asset records.

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	$ 99,588
Public safety	107,423
Streets and highways	327,045
Public property division	4,078
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 538,134

4. CAPITAL ASSETS (Continued)

	Beginning Balance, as Restated	Increases	Decreases	Transfers	Ending Balance
BUSINESS-TYPE ACTIVITIES					
Capital assets not being depreciated					
Land	$ 980,000	$ -	$ -	$ -	$ 980,000
Construction in progress	70,715	230,311	-	440,412	741,438
Total capital assets not being depreciated	1,050,715	230,311	-	440,412	1,721,438
Capital assets being depreciated					
Buildings and infrastructure	69,043,580	830,027	-	81,826	69,955,433
Improvements other than buildings	12,408,811	443,792	-	-	12,852,603
Equipment	4,553,149	135,124	18,500	-	4,669,773
Total capital assets being depreciated	86,005,540	1,408,943	18,500	818,826	87,477,809
Less accumulated depreciation for					
Buildings and infrastructure	23,448,588	1,872,664	-	-	25,321,252
Improvements other than buildings	6,589,003	446,881	-	-	7,035,884
Equipment	3,918,288	176,059	18,500	-	4,075,847
Total accumulated depreciation	33,955,879	2,495,604	18,500	81,826	36,432,983
Total capital assets being depreciated, net	52,049,661	(1,086,661)	-	81,826	51,044,826
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 53,100,376	$ (856,350)	$ -	$ 522,238	$ 52,766,264

Beginning capital assets by classification by classification were restated to report each classification at the net cost as reported in the detailed capital asset records.

5. LONG-TERM DEBT

Long-term liability activity for governmental activities for the year ended April 30, 2015 was as follows:

	May 1, as Restated	Additions	Reductions/ Refundings	April 30	Current Portion
GOVERNMENTAL ACTIVITIES					
General obligation bonds	$ 530,000	$ -	$ 100,000	$ 430,000	$ 105,000
Debt certificates	258,000	-	23,000	235,000	22,000
IEPA loan payable**	183,358	-	73,960	109,398	36,466
Capital leases	239,383	-	59,653	179,730	62,047
Compensated absences*	372,980	258,479	372,980	258,479	-
Net pension obligation - IMRF	47,220	1,010	-	48,230	-
Net other postemployment benefit obligation*	79,630	23,683	-	103,313	-
TOTAL GOVERNMENTAL ACTIVITIES	$ 1,710,571	$ 283,172	$ 629,593	$ 1,364,150	$ 225,513

*These liabilities are primarily retired by the General Fund.
**$37,493 of the IEPA loan payable was forgiven during the current fiscal year.

5. LONG-TERM DEBT (Continued)

Long-term liabilities payable from governmental activities at April 30, 2015 comprise the following:

	Total	Current Portion
General Obligation Bonds		
$720,000 - General Obligation Refunding Bonds, Series 2012 Motor Fuel Tax (alternative revenue sources); due in annual installments of $100,000 to $110,000 through January 1, 2019; interest at 2.6%, payable semiannually in January and July.	$ 430,000	$ 105,000
Debt Certificates		
$280,000 Debt Certificates, Series 2012; due in annual installments of $22,000 to $30,000 through November 1, 2023; interest at 3.50% to 3.75% payable semiannually in May and November.	235,000	22,000
IEPA Loan Payable		
$258,000 stipulated loan from the Illinois Environmental Protection Agency (IEPA) for environmental site remediation and clean up due in annual installments on December 31 through 2016. During the year ended April 30, 2015, $62,513 was forgiven on the loan.	109,398	36,466
Capital Leases		
$178,243 capital lease for 2013 Elgin Pelican NP Street; Sweeper due in installments of $27,768 through April 2019; interest at 2.99%	103,242	24,681
$153,138 capital lease for four Ford Police Interceptor Utility Vehicles; due in installments of $40,961 through November 2016; interest at 4.7%	76,488	37,366
Compensated absences	258,479	-
Net pension obligation - IMRF	183,177	-
Net other postemployment benefit obligation	167,065	-
TOTAL	$ 1,562,849	$ 225,513

5. LONG-TERM DEBT (Continued)

Debt Service to Maturity

The annual requirements to amortize all debt outstanding as of April 30, 2015, are as follows:

Year Ending April 30,	Governmental Activities					
	General Obligation Debt		Debt Certificates		Illinois EPA Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 105,000	$ 11,180	$ 22,000	$ 7,903	$ 36,466	$ -
2017	105,000	8,450	23,000	7,115	72,932	-
2018	110,000	5,720	24,000	6,293	-	-
2019	110,000	2,860	26,000	5,417	-	-
2020	-	-	27,000	4,490	-	-
2021-2025	-	-	113,000	7,971	-	-
TOTAL	$ 430,000	$ 28,210	$ 235,000	$ 39,189	$ 109,398	$ -

Capital Leases

The City has capital lease obligations, with total annual payments ranging from $27,768 to $40,961, at interest rates of 2.99% to 4.70%. Future minimum lease payments under the capital leases at April 30, 2015 are as follows:

Year Ending April 30,	
2016	$ 68,729
2017	68,729
2018	27,768
2019	27,768
Subtotal	192,994
Less amount representing interest	13,264
TOTAL	$ 179,730

The cost of such equipment acquired through capital leases was $290,955 with an accumulated depreciation of $98,862 at April 30, 2015.

5. LONG-TERM DEBT (Continued)

Capital Leases

Long-term liability activity for business-type activities for the year ended April 30, 2015 was as follows:

	May 1	Additions	Reductions	April 30	Current Portion
BUSINESS-TYPE ACTIVITIES					
General obligation bonds	$ 920,000	$ -	$ 220,000	$ 700,000	$ 225,000
Capital leases	147,263	-	39,393	107,870	37,229
IEPA revolving loans	17,667,491	-	662,163	17,005,328	1,051,696
Net pension obligation - IMRF	132,120	2,826	-	134,946	-
Net other postemployment benefit obligation	49,137	14,615	-	63,752	-
Compensated Absences	160,589	-	11,155	149,434	22,247
TOTAL BUSINESS-TYPE ACTIVITIES	$ 19,076,600	$ 17,441	$ 932,711	$ 18,161,330	$ 1,336,172

	Total	Current Portion
General Obligation Bonds		
$1,555,000 - General Obligation Bonds, Series 2010 (alternate alternate revenue source); due in annual installments of $220,000 through January 1, 2018; interest at 1.4% to 2.4%, payable semiannually in January and July.	$ 700,000	$ 225,000
IEPA Loans		
$1,621,986 Illinois Environmental Protection Agency (IEPA) loan payable - water; due in semiannual installments of $53,749, including interest at 2.905% through April 2022.	676,494	88,484
$20,000,000 Illinois Environmental Protection Agency (IEPA) (IEPA) wastewater treatment works loan payable; due in semiannual installments of $394,615, no interest through May 1, 2031.	12,692,307	769,232
$5,481,335 Illinois Environmental Protection Agency (IEPA) wastewater treatment facility and watermain/liftstation loan of which $4,334,740 is required to be repaid; due in semiannual installments of $105,806, including interest at 1.25% through March 2032.	3,231,833	171,750

5. LONG-TERM DEBT (Continued)

Capital Leases

	Total	Current Portion
IEPA Loans (Continued)		
$654,443 Illinois Environmental Protection Agency (IEPA) liftstation and sewer rehabilitation loan payable of which $490,832 is required to be repaid; due in semiannual installments of $13,610 including interest of 1.25% through November 2031.	$ 404,694	$ 22,230
Capital Leases		
$32,643 capital lease for Pitney Bowes inserter folder; due in monthly installments of $676 through September 2015, including interest at 8.654%.	3,929	3,929
$224,850 capital lease for Tax-Exempt Leasing Corp. Vactor truck; due in annual installments of $37,448 through January 2018, including interest at 3.99%.	103,941	33,300
Compensated absences	149,434	22,247
TOTAL	$ 17,962,632	$ 1,336,172

Year Ending April 30,	Business-Type Activities			
	Revenue Bonds		Illinois IEPA Loans	
	Principal	Interest	Principal	Interest
2016	$ 225,000	$ 15,430	$ 1,051,696	$ 63,866
2017	235,000	10,930	1,056,716	58,845
2018	240,000	5,760	1,061,844	53,717
2019	-	-	1,067,081	48,481
2020	-	-	1,072,429	43,133
2021-2025	-	-	5,112,031	142,982
2026-2030	-	-	4,972,666	72,634
2031-2032	-	-	1,610,865	2,051
TOTAL	$ 700,000	$ 32,120	$ 17,005,328	$ 485,709

5. LONG-TERM DEBT (Continued)

Capital Leases (Continued)

The City has capital lease obligations, with total annual payments ranging from $27,768 to $40,961, at interest rates of 2.99% to 4.70%. Future minimum lease payments under the capital leases at April 30, 2015 are as follows:

Year Ending June 30,	
2016	$ 41,505
2017	37,448
2018	37,448
Subtotal	116,401
Less amount representing interest	8,531
TOTAL	$ 107,870

The cost of such equipment acquired through capital leases was $290,955 with an accumulated depreciation of $98,862 at April 30, 2015.

The City has outstanding bonds with remaining pledges of revenue outstanding. The schedule of pledged revenue is detailed below:

Debt Issue	Pledge Source	Pledge Remaining	Commitment End Date	Pledged Revenue	Principal and Interest Paid	Estimated Percent of Pledged Revenue
2010 GO Alternate Revenue Source	Electric utility revenue	$ 732,120	January 1, 2018	$ 1,239,277	$ 239,170	19.30%
2012 GO Alternate Revenue Source	Motor Fuel Tax Allotments	458,210	January 1, 2019	227,083	113,780	50.11%

6. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

a. Plan Description

Illinois Municipal Retirement Fund

The City's defined benefit pension plan for all employees (other than those covered by the Police or Firefighters' Pension Plans) provides retirement and disability benefits, postretirement increases and death benefits to plan members and beneficiaries. The City's employer plan is affiliated with IMRF, an agent multiple-employer plan. 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 financial report that includes financial statements and supplementary information. That report may be obtained online at www.imrf.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

Funding Policy

As set by statute, the City's regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2015 and 2014 was 10.91% and 12.22% of covered payroll, respectively. 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.

Investment Concentrations

Information regarding significant investment (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments is not available for IMRF.

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the board are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2015, the measurement date, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	16
Inactive plan members entitled to benefits but not yet receiving them	2
Current employees	
Vested	10
Nonvested	11
TOTAL	39

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of 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. 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% of the original pension and 3% 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 is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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 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% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by Illinois Compiled Statutes (ILCS) 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 plan and the administrative costs 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 cost for the Police Pension Plan. For the year ended April 30, 2015, the City's contribution was 27.96% of covered payroll.

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund 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 Government 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, investment grade corporate bonds and Illinois Funds. The Fund 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, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	24%	7.70%
Small Cap Domestic Equity	9%	9.20%
Real Estate	4%	6.10%
International Equity	12%	8.70%
Fixed Income	51%	2.60%

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds and contract values for insurance contracts. Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a $1 per share value.

Investment Concentrations

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

The long-term expected rate of return was developed using the Dimensional Matrix Book 2015 Historical Returns Data.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

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

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2015:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	$ 330,732	$ -	$ 50,040	$ 225,288	$ 55,404
U.S. agency obligations	91,338	-	-	16,690	74,648
Municipal bonds	226,554	-	226,554	-	-
Negotiable certificates of deposit	1,707,952	100,352	1,607,600	-	-
TOTAL	$ 2,356,576	$ 100,352	$ 1,884,194	$ 241,978	$ 130,052

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Fund's investment policy does not address credit risk. The Fund's investment in municipal bonds is rated at A by Standard and Poor's. The Fund's investment in mutual funds and annuities are not rated.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name.

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of April 30, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	$	12,035,496
Plan fiduciary net position		7,234,124
City's net pension liability		4,801,372
Plan fiduciary net position as a percentage of the total pension liability		60.11%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015 using the following actuarial methods and assumptions.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	April 30, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	5.00%
Interest rate	7.50%, net of investment expenses
Cost of living adjustments	Tier 1 - 3%, compounded
	Tier 2 - 2%, simple
Asset valuation method	Market

Mortality rates were based on the RP-2000 Mortality Table (CHBCA). The actuarial assumptions used in the April 30, 2014 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance and the Fund.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	$ 6,255,527	$ 4,801,372	$ 3,586,992

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the board are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

At April 30, 2015, the measurement date, the Firefighters' Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	14
Inactive plan members entitled to benefits but not yet receiving them	-
Current employees	
Vested	8
Nonvested	6
TOTAL	28

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of 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 ½ of the salary attached to the rank held at the date of retirement. 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% of the original pension and 3% 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

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

or 3% 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% 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% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' 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 finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2015, the City's contribution was 15.03% of covered payroll.

Investment Policy

Permitted Deposits and Investments - Statutes and the Firefighter's Pension Fund's (the Fund) investment policy authorize the Fund 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 Government 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, investment grade corporate bonds and Illinois Funds. The Fund 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, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Equity	25% - 45%	2.23%
Fixed Income	45% - 100%	5.83%
Cash and Cash Equivalents	0% - 5%	0.10%

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds and contract values for insurance contracts.

Investment Concentrations

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investment.

Investment Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.64%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Interest Rate Risk

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

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2015:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	$ 1,915,349	$ 180,141	$ 1,296,797	$ 438,411	$ -
U.S. agency obligations	951,986	284,040	667,946	-	-
Corporate bonds	517,573	60,059	421,603	35,911	-
Mortgage pools	105,847	-	10,299	12,511	83,037
TOTAL	$ 3,490,755	$ 524,240	$ 2,396,647	$ 486,833	$ 83,037

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Fund's investment policy does not address credit risk. The Fund's investment in corporate bonds is rated at or above BBB+ by Standard and Poor's. The Fund's investment in agency securities is rated at AA+ by Standard and Poor's. The Fund's investment in U.S. treasury obligations, mutual funds, common stocks and mortgage pools is not rated.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund's investment policy requires investments to be held by a third party custodian in a custodian trust account designated by the Treasurer or authorized depository. All individual security transactions are required to be conducted on a delivery versus payment (DVP) basis.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Net Pension Liability

The components of the net pension liability of the City as of April 30, 2015 were as follows:

Total pension liability	$	9,484,630
Plan fiduciary net position		6,775,949
City's net pension liability		2,708,681
Plan fiduciary net position as a percentage of the total pension liability		71.44%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	5.00%
Interest rate	6.00%
Cost of living adjustments	Tier 1 - 3%, compounded Tier 2 - 2%, simple
Asset valuation method	Market

Mortality rates were based on the RP-2000 Mortality Table. There is no margin for future mortality improvement beyond the valuation date.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5%) or 1 percentage point higher (7%) than the current rate:

	1% Decrease (5%)	Current Discount Rate (6%)	1% Increase (7%)
Net pension liability	$ 3,907,348	$ 2,708,681	$ 1,705,805

6. DEFINED BENEFIT PENSION PLANS (Continued)

b. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2012	April 30, 2015	April 30, 2015
Actuarial cost method	Entry-Age Normal	Entry-Age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	29 Years, Open	26 Years, Closed	26 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.50% Compounded Annually	6.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.00% Compounded Annually	5.00% Compounded Annually
c) Additional projected salary increases - seniority/merit	0.40% to 10.00%	Not Available	Not Available

6. DEFINED BENEFIT PENSION PLANS (Continued)

b. Annual Pension Costs (Continued)

Employer annual pension costs (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Year Ended April 30,	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2013	$ 288,306	$ 227,156	$ 62,082
	2014	311,772	233,884	82,276
	2015	297,173	264,377	91,707
Actual contributions	2013	$ 252,625	$ 220,341	$ 44,202
	2014	294,954	246,003	92,017
	2015	293,336	308,239	114,533
Percentage of APC contributed	2013	87.62%	97.00%	71.20%
	2014	94.61%	105,.20%	111.80%
	2015	98.71%	116.60%	124.90%
NPO (NPA)	2013	$ 162,522	$ (98,234)	$ (130,588)
	2014	179,340	(110,354)	(140,329)
	2015	183,176	(154,216)	(163,155)

The net pension obligation at April 30, 2015 has been calculated as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual required contribution	$ 293,336	$ 267,066	$ 95,127
Interest on net pension obligation	13,450	(8,277)	(10,525)
Adjustment to annual required contribution	(9,614)	5,588	7,105
Annual pension cost	297,172	264,377	91,707
Contributions made	293,336	308,239	114,533
Increase (decrease) in net pension obligation	3,836	(43,862)	(22,826)
Net pension obligation (asset), beginning of year, restated	179,340	(110,354)	(140,329)
NET PENSION OBLIGATION (ASSET), END OF YEAR	$ 183,176	$ (154,216)	$ (163,155)

6. DEFINED BENEFIT PENSION PLANS (Continued)

b. Annual Pension Costs (Continued)

The NPO is reported as a liability in the City's governmental activities, proprietary fund and business-type activities columns in the government-wide financial statements at April 30, 2015.

c. Funded Status

The funded status of the plans based on actuarial valuations. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 6b:

	Illinois Municipal Retirement as of December 31, 2014	Police Pension as of April 30, 2015	Firefighters' Pension as of April 30, 2015
Actuarial accrued liability (AAL)	$ 6,932,394	$ 12,035,496	$ 9,484,630
Actuarial value of plan assets	5,371,239	7,234,124	6,775,949
Unfunded actuarial accrued liability (UAAL)	1,561,155	4,801,372	2,708,681
Funded ratio (actuarial value of plan assets/AAL)	77.48%	60.10%	71.40%
Covered payroll (active plan members)	$ 2,562,661	$ 1,102,613	$ 762,207
UAAL as a percentage of covered payroll	60.92%	435.50%	355.40%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

6. DEFINED BENEFIT PENSION PLANS (Continued)

d. Pension Segment Information

Plan Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash	$ 110,556	$ 72,136	$ 182,692
Investments			
U.S. government agency obligations	91,338	951,986	1,043,324
U.S. Treasuries	330,732	1,915,349	2,246,081
Common stock	2,096,824	853,827	2,950,651
Mutual funds	2,151,150	2,332,387	4,483,537
Negotiable certificates of deposit	1.707.952	517,573	2,225,525
Municipal bonds	226,554	-	226,554
Mortgage pools	-	105,847	105,847
Annuities	507,755	-	507,755
Accrued interest receivable	10,680	27,508	38,188
Prepaid items	2,637	2,149	4,786
Total assets	7,236,178	6,778,762	14,014,940
LIABILITIES			
Accounts payable	2,053	2,813	4,866
Total liabilities	2,053	2,813	4,866
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	$ 7,234,125	$ 6,775,949	$ 14,010,074

6. DEFINED BENEFIT PENSION PLANS (Continued)

d. Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer contributions	$ 308,239	$ 114,533	$ 422,772
Employee contributions	104,929	71,025	175,954
Total contributions	413,168	185,558	598,726
Investment income			
Net appreciation in fair value investments	177,703	177,931	355,634
Interest	221,934	217,414	439,348
Total investment income	399,637	395,345	794,982
Less investment expense	(18,401)	(23,400)	(41,801)
Net investment income	381,236	371,945	753,181
Total additions	794,404	557,503	1,351,907
DEDUCTIONS			
Benefits and refunds	557,595	426,303	983,898
Other	34,233	17,739	51,972
Total deductions	591,828	444,042	1,035,870
NET INCREASE	202,576	113,461	316,037
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
May 1	7,031,549	6,662,488	13,694,037
April 30	$ 7,234,125	$ 6,775,949	$ 14,010,074

7. RISK MANAGEMENT

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; illnesses of employees; and natural disasters.

Intergovernmental Personnel Benefit Cooperative (IPBC)

The City participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities.

The IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers, a Benefit Administrator and a Treasurer. The City does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

Municipal Insurance Cooperative Agency (MICA)

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 provides $2,000,000 of coverage after a $1,000 deductible. The City's payments to MICA are displayed on the financial statements as expenditures/expenses in appropriate funds.

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are three officers, a Risk Manager and a Treasurer. The City does not exercise any control over activities of MICA beyond its representation on the Board of Directors. MICA functions solely as an administrative agent for each member.

8. CONTRACTS, COMMITMENTS AND CONTINGENCIES

a. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City.

8. CONTRACTS, COMMITMENTS AND CONTINGENCIES (Continued)

b. Grants

Amounts received and receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

9. INDIVIDUAL FUND DISCLOSURES

a. Due from/to other funds at April 30, 2015 consisted of the following:

	Due From	Due To
General Fund	$ 249,302	$ -
Nonmajor Governmental Funds	-	831
Municipal Water Fund	-	45,159
Municipal Electric Fund	45,159	-
Municipal Broadband Fund	-	246,358
Internal Service Funds	-	2,113
TOTAL	$ 294,461	$ 294,461

The purpose of the significant due to/from other funds are as follows:

$246,358 is due from the Municipal Broadband Fund to the General Fund to fund temporary cash shortfalls in this fund.

$45,159 is due to the Municipal Water Fund from the Municipal Electric Fund to repay for the utility office remodel and the purchase of meter reading equipment.

9. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Advances from/to other funds at April 30, 2015 consisted of the following:

	Advance To	Advance From
General Fund	$ 150,000	$ 482,075
Nonmajor Governmental Funds	-	150,000
Municipal Water Fund	30,000	90,050
Municipal Electric Fund	534,965	-
Municipal Sewer Fund	90,050	-
Municipal Garbage	10,000	11,748
Nonmajor Enterprise Funds	-	81,142
TOTAL	$ 815,015	$ 815,015

The purposes of significant advances from/to other funds are as follows:

$150,000 was advanced from the General Fund to nonmajor governmental funds to advance grant expenditures pending reimbursement. This grant has been put on hold by the Illinois Governor's office. Repayment is not expected within one year.

$349,988 was advanced from the Municipal Electric Fund to the General Fund to fund the East 2nd Street road along the riverfront. Repayment is not expected within one year.

$90,050 was advanced from the Municipal Sewer Fund to the Municipal Water Fund to fund the costs of the watermain extension. Repayment is not expected within one year.

$92,087 was advanced from the Municipal Electric Fund to the General Fund to fund the costs to hire a new City Administrator. Repayment is not expected within one year.

$81,142 was advanced from the Municipal Electric Fund to the Municipal Broadband Fund to fund the start-up costs of this fund. Repayment is not expected within one year.

$30,000 was advanced from the Water Fund to the General Fund to fund cash flow shortages. Repayment is not expected within one year.

$11,748 was advanced from the Municipal Electric Fund to the Garbage Fund to fund the costs of the Utility Office Remodel. Repayment is not expected within one year.

$10,000 was advanced from the Municipal Garbage Fund to the General Fund to fund cash flow shortages in this fund. Repayment is not expected within one year.

9. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund transfers during the year ended April 30, 2015 consisted of the following:

	Transfer In	Transfer Out
General Fund	$ 577,802	$ 64,004
Nonmajor Governmental Funds	923,610	240,611
Municipal Water Fund	51,880	121,979
Municipal Electric Fund	419,475	518,750
Municipal Sewer Fund	89,742	119,509
Municipal Garbage Fund	22,866	175,521
Municipal Broadband Fund	-	517,237
Internal Service Funds	-	327,764
TOTAL	$ 2,085,375	$ 2,085,375

Transfers were used to (a) move revenues collected in enterprise and internal service funds to fund the General Fund for expenditures; (b) move revenues to the debt service fund for debt service; (c) transfer the residual balances of funds closed; and (d) fund the enterprise fund for expenditures fund.

d. Fund Balance/Net Position Deficits

As of April 30, 2015, the following funds had deficit balances:

Brownsfield Fund	$ 831
Downtown Redevelopment Fund	137,120

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

The City provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The activity of the plan is reported in the City's governmental activities, proprietary fund and business-type activities columns in the government-wide financial statements at April 30, 2015.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided

The City provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through IMRF.

The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

c. Membership

At April 30, 2013 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	6
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	85
TOTAL	91
Participating employers	1

d. Funding Policy

The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. Active employees do not contribute to the plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2013, 2014 and 2015 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2013	$ 41,125	$ 26,182	63.66%	$ 111,327
April 30, 2014	43,622	26,182	60.02%	128,767
April 30, 2015	43,838	5,541	12.64%	167,065

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation (NOPEBO) as April 30, 2015 was calculated as follows:

Annual required contribution	$	42,980
Interest on net OPEB obligation		5,151
Adjustment to annual required contribution		(4,292)
Annual OPEB cost		43,838
Contributions made		5,541
Increase in net OPEB obligation		38,928
Net OPEB obligation, beginning of year		128,767
NET OPEB OBLIGATION, END OF YEAR	$	167,065

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2013 (most recent information available) was as follows:

Actuarial accrued liability (AAL)	$	531,227
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)		531,227
Funded ratio (actuarial value of plan assets/AAL)		0.00%
Covered payroll (active plan members)	$	4,512,449
UAAL as a percentage of covered payroll		11.77%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year 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.

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

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

In the April 30, 2013 (most recent information available) actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included 4% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 8% reduced to an ultimate healthcare cost trend rate of 6%. Both rates include a 3% inflation assumption. The actuarial value of assets was not determined as the City has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30-year basis.

11. RESTATEMENT

Governmental Activities

	Governmental Activities	General Fund	Nonmajor Funds
Fund balance has been restated to properly classify compensated absences as a long-term liability rather than a fund liability.	$ -	$ 227,109	$ -
Fund balance/net position has been restated to recognize health insurance expense in the proper accounting period.	(59,112)	(59,112)	-
Fund balance/net position has been restated to correct revenue recognition for state tax revenue, local use tax, non-home rule sales tax, sales tax, income tax, telecommunication tax, video gaming tax, unavailable property taxes and federal and state grants..	168,992	142,217	26,775
Fund balance/net position has been restated to include the Foreign Fire Insurance Fund as a blended component unit of the City.	15,839	-	15,839
Net position has been restated to properly reflect the net pension asset for the Police and Firefighters' Pension Funds and the IMRF net pension obligation.	64,787	-	-
Net position has been restated to reflect a portion of the net other postemployment benefit obligation in the proprietary funds	49,137	-	-
TOTAL RESTATEMENT	$ (573,419)	$ 310,214	$ 42,614

11. RESTATEMENT (Continued)

Business-Type Activities

	Business-Type Activities	Municipal Water Fund	Municipal Sewer Fund	Municipal Electric Fund	Municipal Garbage Funds
Net position has been restated to adjust customer deposits to agree with the detail provided.	$ 63,637	$ 8,273	$ 9,546	$ 45,818	$ -
Net position has been restated to recognize health insurance expense in the proper accounting period.	(31,137)	(6,273)	(8,323)	(16,541)	-
Net position has been restated to properly reflect allowance for doubtful accounts	(276,396)	(44,822)	(100,249)	(117,485)	(13,840)
Net position has been restated to record beginning IMRF net pension obligation	(131,654)	(25,018)	(25,592)	(81,044)	-
Net position has been restated to reflect a portion of the net other postemployment benefit obligation in the proprietary funds	(48,957)	(9,310)	(9,516)	(30,131)	-
TOTAL RESTATEMENT	$ (424,507)	$ (77,150)	$ (134,134)	$ (199,383)	$ (13,840)

12. SUBSEQUENT EVENTS

Effective April 30, 2015, the Rock Falls Convention and Visitor's Bureau closed its offices and all operations ceased. On May 1, 2015, the Rock Falls Convention and Visitor's Bureau transferred $584,148 to the City to be used in accordance with the Hotel Tax Ordinance of 2008.

13. SPECIAL ITEM

The Municipal Sanitary Sewerage Fund and business-type activities report a special item of $815,739 resulting from a settlement agreement due to design flaws in the waste water treatment plant main lift station

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes	$ 3,577,343	$ 3,777,971	$ 200,628
Licenses and permits	80,775	97,563	16,788
Intergovernmental	511,409	330,211	(181,198)
Fines and fees	472,900	492,894	19,994
Charges for services	745,286	708,644	(36,642)
Investment income	5,000	3,834	(1,166)
Miscellaneous	37,900	100,342	62,442
Total revenues	5,430,613	5,511,459	80,846
EXPENDITURES			
Current			
General government	1,549,954	1,279,190	(270,764)
Public safety	3,285,470	3,449,180	163,710
Street and highways	870,065	557,005	(313,060)
Public property division	119,100	122,669	3,569
Capital outlay	114,661	233,417	118,756
Debt service			
Principal	50,769	119,120	68,351
Interest and fiscal charges	9,093	17,765	8,672
Total expenditures	5,999,112	5,778,346	(220,766)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(568,499)	(266,887)	301,612
OTHER FINANCING SOURCES (USES)			
Transfers in	484,357	577,802	93,445
Transfers (out)	-	(64,004)	-
Total other financing sources (uses)	484,357	513,798	93,445
NET CHANGE IN FUND BALANCE	$ (84,142)	246,911	$ 395,057
FUND BALANCES, MAY 1, AS PREVIOUSLY REPORTED		1,778,686	
Prior period adjustment		310,214	
FUND BALANCES, MAY 1, RESTATED		2,088,900	
FUND BALANCE, APRIL 30		$ 2,335,811	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2015

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	$ 5,190,259	$ 6,649,531	78.05%	$ 1,459,272	$ 2,418,065	60.35%
2010	5,184,134	6,653,731	77.91%	1,469,597	2,386,519	61.58%
2011	5,374,820	7,039,677	76.35%	1,664,857	2,378,254	70.00%
2012	5,410,387	7,017,547	77.10%	1,607,160	2,342,443	68.61%
2013	6,248,831	7,434,216	84.06%	1,185,385	2,428,071	48.82%
2014	5,371,239	6,932,394	77.48%	1,561,155	2,562,661	60.92%

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2015

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2010	$ 6,149,748	$ 8,348,232	73.67%	$ 2,198,484	$ 933,785	235.44%
2011	6,566,335	9,299,212	70.61%	2,732,877	876,021	311.96%
2012	6,435,553	9,501,387	67.73%	3,065,834	939,411	326.36%
2013	6,753,256	10,136,492	66.62%	3,383,236	1,005,792	336.38%
2014	7,031,549	10,537,846	66.73%	3,506,297	989,133	354.48%
2015	7,234,124	12,035,496	60.11%	4,801,372	1,102,613	435.45%

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND

April 30, 2015

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2010	$ 5,638,392	$ 5,941,064	94.91%	$ 302,672	$ 657,565	46.03%
2011	6,183,392	6,131,031	100.85%	(52,361)	611,494	-8.56%
2012	6,222,050	6,539,101	95.15%	317,051	712,047	44.53%
2013	6,464,606	6,777,462	95.38%	312,856	721,717	43.35%
2014	6,662,488	7,453,599	89.39%	791,111	700,443	112.94%
2015	6,775,949	9,484,630	71.44%	2,708,681	762,207	355.37%

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2015

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	$ -	$ 470,129	0.00%	$ 470,129	$ 4,120,056	11.41%
2013	-	531,227	0.00%	531,227	4,333,183	12.26%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Not available

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	$ 280,396	$ 280,396	100.00%
2011	266,174	209,334	127.15%
2012	276,026	224,604	122.89%
2013	285,593	252,625	113.05%
2014	308,296	294,954	104.52%
2015	293,336	293,336	100.00%

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2015

	2015
Actuarially determined contribution	$ 267,066
Contributions in relation to the actuarially determined contribution	308,239
CONTRIBUTION DEFICIENCY (Excess)	$ (41,173)
Covered-employee payroll	$ 1,102,613
Contributions as a percentage of covered-employee payroll	27.96%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67. The information presented was determined as part of the actuarial valuations as ofApril 30, 2015. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 5% compounded annually and postretirement benefit increases of 3% for Tier 1 and 2% for Tier 2 compounded annually.

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	$ 185,277	$ 180,260	102.78%
2011	266,537	250,264	106.50%
2012	208,291	231,997	89.78%
2013	220,341	229,976	95.81%
2014	246,003	276,314	89.03%
2015	308,239	267,066	115.42%

Notes to the Required Supplementary Information:

This information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of April 30, 2015. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 5% compounded annually and postretirement benefit increases of 3% for Tier 1 and 2% for Tier 2 compounded annually.

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2015

	2015
Actuarially determined contribution	$ 95,127
Contributions in relation to the actuarially determined contribution	114,533
CONTRIBUTION DEFICIENCY (Excess)	$ (19,406)
Covered-employee payroll	$ 762,207
Contributions as a percentage of covered-employee payroll	15.03%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67. The information presented was determined as part of the actuarial valuations as of April 30, 2015. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value and the significant actuarial assumptions were an investment rate of return at 6% annually, projected salary increases assumption of 5% compounded annually and postretirement benefit increases of 3% for Tier 1 and 2% for Tier 2 compounded annually.

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	$ 39,130	$ 60,014	65.20%
2011	143,358	125,568	114.17%
2012	88,695	94,713	93.65%
2013	44,182	66,071	66.87%
2014	92,017	85,627	107.46%
2015	114,533	95,127	120.40%

Notes to the Required Supplementary Information

This information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of April 30, 2015 Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 6% annually, projected salary increases assumption of 5% compounded annually and postretirement benefit increases of 3% for Tier 1 and 2% for Tier 2 compounded annually.

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	$ 16,079	$ 23,160	69.43%
2011	16,079	23,160	69.43%
2012	16,079	23,160	69.43%
2013	18,973	26,182	72.47%
2014	18,973	26,182	72.47%
2015	5,541	42,980	12.89%

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

April 30, 2015

TOTAL PENSION LIABILITY	
Service cost	$ 216,465
Interest	769,429
Changes of benefit terms	-
Differences between expected and actual experience	369,331
Changes of assumptions	700,021
Benefit payments, including refunds of member contributions	(557,596)
Net change in total pension liability	1,497,650
Total pension liability - beginning	10,537,846
TOTAL PENSION LIABILITY - ENDING	$ 12,035,496
PLAN FIDUCIARY NET POSITION	
Contributions - employer	$ 308,239
Contributions - member	104,929
Net investment income	381,236
Benefit payments, including refunds of member contributions	(557,595)
Administrative expense	(34,233)
Net change in plan fiduciary net position	202,576
Plan fiduciary net position - beginning	7,031,549
PLAN FIDUCIARY NET POSITION - ENDING	$ 7,234,125
EMPLOYER'S NET PENSION LIABILITY	$ 4,801,372
Plan fiduciary net position as a percentage of the total pension liability	60.11%
Covered-employee payroll	$ 1,102,613
Employer's net pension liability as a percentage of covered-employee payroll	435.45%

Notes to Schedule:

There was a change with respect to Actuarial Assumptions from the prior year to reflect revised expectations with respect to future interest rates, mortality rates, disability rates, turnover rates and retirement rates. The mortality rates, disability rates, turnover rates and retirement rates have been changed to the new rates most recently published by the Illinois Department of Insurance.

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND

April 30, 2015

TOTAL PENSION LIABILITY	
Service cost	$ 167,256
Interest	434,427
Changes of benefit terms	-
Differences between expected and actual experience	74,024
Changes of assumptions	1,781,627
Benefit payments, including refunds of member contributions	(426,303)
Net change in total pension liability	2,031,031
Total pension liability - beginning	7,453,599
TOTAL PENSION LIABILITY - ENDING	$ 9,484,630
PLAN FIDUCIARY NET POSITION	
Contributions - employer	$ 114,533
Contributions - member	71,025
Net investment income	371,945
Benefit payments, including refunds of member contributions	(426,303)
Administrative expense	(17,739)
Net change in plan fiduciary net position	113,461
Plan fiduciary net position - beginning	6,662,488
PLAN FIDUCIARY NET POSITION - ENDING	$ 6,775,949
EMPLOYER'S NET PENSION LIABILITY	$ 2,708,681
Plan fiduciary net position as a percentage of the total pension liability	71.44%
Covered-employee payroll	$ 762,207
Employer's net pension liability as a percentage of covered-employee payroll	355.37%

Notes to Schedule:

There was a change with respect to Actuarial Assumptions from the prior year to reflect revised expectations with respect to future interest rates, mortality rates, disability rates, turnover rates and retirement rates. The interest rate assumption has been reduced to 6.00% from 7.5%. The mortality rates, disability rates, turnover rates and retirement rates have been changed to the new rates most recently published by the Illinois Department of Insurance.

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

April 30, 2015

	2015
Annual money-weighted rate of return, net of investment expense	5.75%

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

April 30, 2015

	2015
Annual money-weighted rate of return, net of investment expense	5.64%

(See independent auditor's report.)

1. BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for the General, Special Revenue and Enterprise Funds, except for the Motor Fuel Tax Bond Fund, Tourism Fund, Brownfield Fund, Centennial Fund, Municipal Broadband, Foreign Fire Insurance and Building Code Demolition Fund. The appropriation ordinance represents the legal spending limits for the City. The budget is used to control those limits. The appropriation ordinance and budget was passed on July 15, 2014. All annual appropriations lapse at fiscal year end. No supplemental appropriations were made for the current fiscal year.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted by the City to obtain taxpayer comments.

Subsequently, the budget is legally enacted through passage of an ordinance.

The legal level of budgetary control is at the fund level. The City Council can transfer budgeted amounts between line items; however, any revision altering both revenues and budgeted expenditures for any fund must be approved by a two-thirds council action.

Budgetary authority lapses at year end.

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures/expenses in excess of budget:

Fund	Excess
Motor Fuel Tax	$ 97,995
IMRF	10,319
Downtown Development	136,487
DUI	3,908
Drug	3,533

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Property taxes			
General	$ 188,150	$ 186,933	$ (1,217)
Police protection	56,445	56,080	(365)
Fire protection	56,445	56,080	(365)
Police pension	298,034	297,221	(813)
Fire pension	-	100,570	100,570
Road and bridge	45,000	55,086	10,086
Audit	24,836	24,824	(12)
Emergency vehicle	26,092	26,021	(71)
School crossing guards	15,052	14,955	(97)
Total property taxes	710,054	817,770	107,716
State income/use/photo tax	906,215	907,463	1,248
Non-home rule sales tax	409,600	405,635	(3,965)
State sales tax	1,090,939	1,102,042	11,103
State use tax	164,935	191,084	26,149
Hotel/motel tax	150,000	72,931	(77,069)
Video gaming	52,000	110,719	58,719
Utility	93,600	145,346	51,746
Other taxes	-	24,981	24,981
Total taxes	3,577,343	3,777,971	200,628
License and permits			
Liquor	38,000	61,200	23,200
Other	42,775	36,363	(6,412)
Total licenses	80,775	97,563	16,788
Intergovernmental			
Police grant	-	619	619
Fire grant	12,000	18,000	6,000
Grant funds	421,000	233,460	(187,540)
Intergovernmental charges	78,409	78,132	(277)
Total intergovernmental	511,409	330,211	(181,198)

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Fines and fees			
Circuit court	$ 77,900	$ 104,386	$ 26,486
Other fines	-	4,035	4,035
Building permits	20,000	23,945	3,945
Nicor franchise fee	20,000	15,906	(4,094)
Telecommunication maintenance	250,000	215,952	(34,048)
Cablevision	105,000	128,670	23,670
Total fines and fees	472,900	492,894	19,994
Charges for services			
Street excavation/sidewalk repair	19,000	20,808	1,808
Rent	60,786	53,786	(7,000)
Capital cost recovery	520,000	469,654	(50,346)
Wireless tower rental	-	11,550	11,550
Fire protection	7,500	9,733	2,233
Fire protection	138,000	143,113	5,113
Total charges for services	745,286	708,644	(36,642)
Investment income	5,000	3,834	(1,166)
Miscellaneous	37,900	100,342	62,442
TOTAL REVENUES	$ 5,430,613	$ 5,511,459	$ 80,846

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT			
Legislative expense			
Elected officials salaries	$ 44,400	$ 44,100	$ (300)
Mayor's expenses	600	432	(168)
Printing and publishing ordinances	600	171	(429)
Codification or ordinances	13,200	7,787	(5,413)
Dues and subscriptions	1,284	931	(353)
Consultants fee	100,000	100,000	-
GIS/IT technician expense	17,110	17,115	5
Meetings and seminars	20,000	13,917	(6,083)
Telephone	16,329	16,206	(123)
Office expenses	850	3,355	2,505
Miscellaneous	8,500	8,688	
Total legislative expense	222,873	212,702	(10,171)
City Clerk			
Salaries	81,885	83,275	1,390
Elected officials' salaries	32,782	33,836	1,054
Insurance expense	31,975	26,751	(5,224)
Dues and subscriptions	1,755	1,784	29
Office expense	11,630	13,695	2,065
Meetings and seminars	5,050	5,191	141
Telephone	1,200	803	(397)
Repair and maintenance equipment	-	275	275
Miscellaneous charges	250	521	271
Total City Clerk	166,527	166,131	(396)
City Administrator			
Salaries	66,300	68,728	2,428
Health insurance	16,500	15,106	(1,394)
Dues and subscriptions	205	205	-
Telephone	1,000	770	(230)
Meetings and seminars	1,000	449	(551)
Fellowship allowance	100	-	(100)
Vehicle allowance	1,200	1,200	-
Miscellaneous	250	16	(234)
Office supplies	3,000	4,944	1,944
Total City Administrator	89,555	91,418	1,863
Planning Commission			
Printing/publishing ordinances	100	-	(100)
Dues and subscriptions	150	264	114
Postage and office supplies	500	15	(485)
Legal expenses	1,000	324	(676)
Meetings/seminars	450	-	(450)
Miscellaneous	50	41	(9)
Total Planning Commission	2,250	644	(1,606)

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)			
Building Inspector			
Salary	$ 130,260	$ 116,536	$ (13,724)
Insurance expense	25,497	24,114	(1,383)
Vehicle, gas, oil and maintenance	5,000	2,740	(2,260)
Dues and subscriptions	1,300	527	(773)
Postage and office supplies	-	765	765
Telephone expense	1,400	1,049	(351)
Office expense	7,839	6,318	(1,521)
Meetings and seminars	3,500	6,012	2,512
Legal expense	15,000	10,273	(4,727)
Public awareness	500	-	(500)
Commercial lien expenses	700	-	(700)
Emergency code enforecement	500	-	(500)
Miscellaneous	500	9,611	9,111
Total Building Inspector	191,996	177,945	(14,051)
Code hearing			
Software	3,600	3,900	300
MSI commission	5,500	6,436	936
Legal expenses	1,000	162	(838)
Professional expense	8,800	3,510	(5,290)
Office supplies	800	2,686	1,886
Miscellaneous	1,250	872	(378)
Total code hearing	20,950	17,566	(3,384)
Other expenses			
Legal and professional	73,560	109,399	35,839
Auditing	30,000	22,199	(7,801)
Home grant expense	430,000	200,781	(229,219)
Property acquisition - south	-	50	50
Grant matching funds	-	20,000	20,000
Union drainage tax	5,000	5,000	-
Insurance (general liability)	140,000	142,241	2,241
Insurance (employee)	19,743	31,535	11,792
Chamber general office expense	6,000	6,000	-
Tourism	150,000	74,079	(75,921)
Tax incentive expense	1,500	1,500	-
Total other expenses	855,803	612,784	(243,019)
Total general government	1,549,954	1,279,190	(270,764)
PUBLIC SAFETY			
Police department			
Salaries	1,396,912	1,334,926	(61,986)
Health insurance	296,026	284,556	(11,470)
ICMA contribution	4,660	4,779	119
Pension contribution	298,034	308,239	10,205

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Police department (Continued)			
Commissioners secretary	$ 100	$ -	$ (100)
Commissioner expense	7,550	12,221	4,671
Uniform allowance	17,900	17,756	(144)
Postage	7,500	3,525	(3,975)
Printing	3,000	1,950	(1,050)
Photographic expense	500	199	(301)
Legal expense	5,140	12,452	7,312
Repairs and maintenance	4,750	2,203	(2,547)
Telephone	22,036	18,540	(3,496)
Service contracts	9,480	1,924	(7,556)
Dues	4,000	3,485	(515)
Investigation	5,500	3,262	(2,238)
Training	21,400	23,354	1,954
Police supplies	1,000	880	(120)
Janitor supplies	1,000	1,036	36
Animal control	7,000	6,116	(884)
Radio expense	6,300	4,526	(1,774.0)
Electric expense	-	10,856	10,856
Physicals	330	791	461
Safety	2,560	2,080	(480)
Towing	200	125	(75)
Gas and oil	55,000	33,529	(21,471)
Vehicle operations and maintenance	20,000	17,741	(2,259)
Maintenance (building)	5,500	886	(4,614)
Heating gas	3,000	1,089	(1,911)
Community policing	150	487	337
Miscellaneous	13,150	21,209	8,059
Total police department	2,219,678	2,134,722	(84,956)
Fire department			
Salaries	736,360	812,611	76,251
Health insurance	119,542	118,990	(552)
ICMA contributions	4,769	4,581	(188)
Pension contribution	-	114,533	114,533
Fire investigation	50	-	(50)
Dues and subscriptions	3,180	2,814	(366)
Postage and office supplies	1,200	1,032	(168)
Maintenance (building)	90,000	86,508	(3,492)
Maintenance (equipment)	9,300	11,000	1,700
Maintenance (vehicles)	20,600	69,122	48,522
Commissioner's secretary	100	-	(100)
Commissioner expense	4,000	5,548	1,548
Telephone	14,832	16,093	1,261
Meetings and seminars	5,000	5,132	132
Legal expense	5,000	1,871	(3,129)
Uniform allowance	3,736	4,573	837
Grant funded equipment	12,000	17,782	5,782
Electric	-	10,856	10,856

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Fire department (Continued)			
Heating	$ 5,000	$ 3,267	$ (1,733)
Physicals	3,500	140	(3,360)
Supplies (equipment)	9,000	8,511	(489)
Radio expense	2,648	2,595	(53)
Safety expense	125	146	21
Operating supplies	2,000	1,358	(642)
Janitorial supplies	800	1,220	420
Gas and oil	12,100	10,886	(1,214)
Miscellaneous	950	3,289	2,339
Total fire department	1,065,792	1,314,458	248,666
Total public safety	3,285,470	3,449,180	163,710
PUBLIC WORKS			
Streets and highways			
Salaries	247,372	260,710	13,338
Health insurance	78,144	69,474	(8,670)
Maintenance (building)	5,000	3,787	(1,213)
Maintenance (streets)	2,500	6,202	3,702
Maintenance (snow removal)	1,500	-	(1,500)
Maintenance (service vehicles)	25,000	16,183	(8,817)
Information technology	1,000	-	(1,000)
Alarm expense	2,000	2,122	122
Vehicle gas and oil	30,000	25,172	(4,828)
Materials	500	356	(144)
Small tools and supplies	2,000	2,275	275
Radio expense	1,500	-	(1,500)
Equipment rental	5,000	107	(4,893)
Telephone	1,500	9,155	7,655
Vehicle operation and maintenance	22,000	44,859	22,859
Sign material	7,500	7,389	(111)
Legal expenses	2,000	648	(1,352)
Uniform allowance	1,500	1,884	384
Janitor supplies	4,500	8,710	4,210
Physicals	500	264	(236)
Postage and office supplies	500	1,369	869
Construction	-	1,975	1,975
Engineering	10,000	13,292	3,292
RB&W development	50,000	-	(50,000)
Barricade expose	500	70	(430)
Tree and stump removal	2,000	-	(2,000)
Paint and painting supplies	12,000	6,932	(5,068)
Heating gas expense	10,000	5,977	(4,023)
Sales tax project - infrastructure	334,149	55,610	(278,539)
Meetings and seminars	2,500	-	(2,500)
Municipal signs	500	-	(500)
Equipment - gas and oil	150	-	(150)

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC WORKS (Continued)			
Streets and highways (Continued)			
Safety expense	$ 1,750	$ 1,206	$ (544)
Miscellaneous	5,000	11,277	6,277
Total streets and highways	870,065	557,005	(313,060)
Public property division			
New equipment	8,700	878	(7,822)
Maintenance (equipment)	1,000	891	(109)
Maintenance (grounds)	1,000	2,283	1,283
Maintenance (building)	33,000	7,990	(25,010)
RB&W redevelopment	-	1,746	1,746
Boat ramp expense	3,000	8,459	5,459
Limestone building expenses	-	6,615	6,615
Janitor supplies	1,000	557	(443)
Miscellaneous	9,000	72,864	63,864
Heating and air conditioning repairs	3,000	984	(2,016)
Public address system	250	164	(86)
Stipulated loan/Reliant	25,000	-	(25,000)
Engineering - ITEP grant	30,000	14,800	(15,200)
Fire alarm service expense	2,000	2,786	786
Safety expense	150	-	(150)
Heating gas expense	2,000	1,652	(348)
Total public property division	119,100	122,669	3,569
CAPITAL OUTLAY			
Public works			
Sidewalk repairs	60,000	53,687	(6,313)
New equipment	2,500	7,993	5,493
Sales tax project - infrastructure	-	78,150	78,150
Engineering - sales tax project	-	30,861	30,861
New equipment	-	15,056	15,056
Police department			
New equipment and vehicles	52,161	47,670	(4,491)
Total capital outlay	114,661	233,417	118,756
DEBT SERVICE			
Principal	50,769	119,120	68,351
Interest	9,093	17,765	8,672
Total debt service	59,862	136,885	77,023
TOTAL EXPENDITURES	$ 5,999,112	$ 5,778,346	$ (220,766)

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF ROCK FALLS, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2015

	Special Revenue			
	Tourism	Brownfield	Industrial Development	Centennial
ASSETS				
Cash and investments	$ 58,645	$ -	$ 27,551	$ 3,218
Restricted cash	-	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	-	-	-	-
Due from other governments	-	-	-	-
Accounts	20,116	-	-	-
TOTAL ASSETS	$ 78,761	$ -	$ 27,551	$ 3,218
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Accrued payroll	-	-	-	-
Due to other funds	-	831	-	-
Advances from other funds	-	-	-	-
Total liabilities	-	831	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable property taxes	-	-	-	-
Unavailable grant revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	-	831	-	-
FUND BALANCES				
Restricted for maintenance of streets	-	-	-	-
Restricted for tourism	78,761	-	-	
Restricted for economic development	-		27,551	3,218
Restricted for public safety	-	-	-	-
Restricted for retirement	-	-	-	-
Restricted for worker's compensation				
Restricted for debt service	-	-	-	-
Unrestricted				
Unassigned (deficit)	-	(831)	-	-
Total fund balances (deficit)	78,761	(831)	27,551	3,218
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 78,761	$ -	$ 27,551	$ 3,218

Special Revenue							
Motor Fuel Fuel Tax	IMRF	Riverfront Redevelopment	Downtown Redevelopment	ESDA	DUI	Drug	Tobacco Grant
$ 268,022	$ 187,220	$ 73,765	$ 12,880	$ 697	$ 5,544	$ 7,585	$ 730
-	-	-	-	-	-	-	-
-	190,581	34,656	6,839	2,352	-	-	-
21,551	-	-	-	-	-	-	-
-	-	-	-	-	251	32	-
$ 289,573	$ 377,801	$ 108,421	$ 19,719	$ 3,049	$ 5,795	$ 7,617	$ 730
$ 234	$ -	$ -	$ -	$ -	$ -	$ 50	$ -
-	17,170	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	150,000	-	-	-	-
234	17,170	-	150,000	-	-	50	-
-	190,581	34,656	6,839	2,352	-	-	-
-	-	-	-	-	-	-	472
-	190,581	34,656	6,839	2,352	-	-	472
234	207,751	34,656	156,839	2,352	-	50	472
289,339	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	73,765	-	-	-	-	-
-	-	-	-	697	5,795	7,567	258
-	170,050	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(137,120)	-	-	-	-
289,339	170,050	73,765	(137,120)	697	5,795	7,567	258
$ 289,573	$ 377,801	$ 108,421	$ 19,719	$ 3,049	$ 5,795	$ 7,617	$ 730

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2015

	Special Revenue			Debt Service	
	Building Code Demolition	Foreign Fire Insurance	Worker's Compensation	MFT Bond	Total
ASSETS					
Cash and investments	$ 65,174	$ 11,290	$ 324,270	$ -	$ 1,046,591
Restricted cash	-	-	-	90,700	90,700
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	-	-	176,690	-	411,118
Due from other governments	-	-	-	-	21,551
Accounts	-	-	-	-	20,399
TOTAL ASSETS	$ 65,174	$ 11,290	$ 500,960	$ 90,700	$ 1,590,359
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ 284
Accrued payroll	-	-	-	-	17,170
Due to other funds	-	-	-	-	831
Advances from other funds	-	-	-	-	150,000
Total liabilities	-	-	-	-	168,285
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	-	-	176,690	-	411,118
Unavailable grant revenue	-	-	-	-	472
Total deferred inflows of resources	-	-	176,690	-	411,590
Total liablities and deferred inflows of resources	-	-	176,690	-	579,875
FUND BALANCES					
Restricted for maintenance of streets	-	-	-	-	289,339
Restricted for tourism	-	-	-	-	78,761
Restricted for economic development	65,174	-	-		169,708
Restricted for public safety	-	11,290	-	-	25,607
Restricted for retirement	-	-	-	-	170,050
Restricted for worker's compensation			324,270	-	324,270
Restricted for debt service	-	-	-	90,700	90,700
Unrestricted					
Unassigned (deficit)	-	-	-	-	(137,951)
Total fund balances (deficit)	65,174	11,290	324,270	90,700	1,010,484
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 65,174	$ 11,290	$ 500,960	$ 90,700	$ 1,590,359

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

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

April 30, 2015

	Special Revenue			
	Tourism	Brownfield	Industrial Development	Centennial
REVENUES				
Taxes	$ 113,839	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Fines and fees	-	-	-	-
Investment income	-	-	60	-
Miscellaneous	-	-	11,425	6
Total revenues	113,839	-	11,485	6
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Streets and highways	-	-	-	-
Development	35,078	-	12,506	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	35,078	-	12,506	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	78,761	-	(1,021)	6
OTHER FINANCING SOURCES (USES)				
Transfers in	24	-	-	-
Transfers (out)	-	(8,705)	(500)	-
Total other financing sources (uses)	24	(8,705)	(500)	-
NET CHANGE IN FUND BALANCES	78,785	(8,705)	(1,521)	6
FUND BALANCES (DEFICIT), MAY 1, AS PREVIOUSLY REPORTED	(24)	7,874	29,072	3,212
Prior period adjustment	-	-	-	-
FUND BALANCES (DEFICIT), MAY 1, AS RESTATED	(24)	7,874	29,072	3,212
FUND BALANCES (DEFICIT), APRIL 30	$ 78,761	$ (831)	$ 27,551	$ 3,218

Special Revenue							
Motor Fuel Tax	IMRF	Riverfront Redevelopment	Downtown Redevelopment	ESDA	DUI	Drug	Tobacco Grant
$ -	$ 179,454	$ 39,635	$ 567	$ 2,318	$ -	$ -	$ -
310,289	24,848	-	-	-	-	-	958
-	-	-	-	-	6,505	4,675	-
357	323	13	-	-	-	-	-
-	-	-	-	-	-	-	-
310,646	204,625	39,648	567	2,318	6,505	4,675	958
-	114,485	-	-	-	-	-	958
-	-	-	-	-	4,608	5,033	-
220,000	86,365	-	-	-	-	-	-
-	-	20,078	137,487	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
220,000	200,850	20,078	137,487	-	4,608	5,033	958
90,646	3,775	19,570	(136,920)	2,318	1,897	(358)	-
-	-	26,577	-	-	-	-	-
(114,740)	-	-	(575)	-	-	-	-
(114,740)	-	26,577	(575)	-	-	-	-
(24,094)	3,775	46,147	(137,495)	2,318	1,897	(358)	-
313,433	166,275	27,618	375	(1,621)	3,898	7,925	258
-	-	-	-	-	-	-	-
313,433	166,275	27,618	375	(1,621)	3,898	7,925	258
$ 289,339	$ 170,050	$ 73,765	$ (137,120)	$ 697	$ 5,795	$ 7,567	$ 258

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2015

	Special Revenue				Debt Service	
	Broadband	Building Code Demolition	Foreign Fire Insurance	Worker's Compensation	MFT Bond	Total
REVENUES						
Taxes	$ -	$ -	$ -	139,378	$ -	$ 475,191
Intergovernmental	-	-	13,498	-	-	349,593
Fines and fees	-	-	-	-	-	11,180
Investment income	-	77	22	371	48	1,271
Miscellaneous	-	7,327	69	-	-	18,827
Total revenues	-	7,404	13,589	139,749	48	856,062
EXPENDITURES						
Current				-		
General government	-	13,306	-	-	-	128,749
Public safety	-	-	18,138	-	-	27,779
Streets and highways	-	-	-	-	-	306,365
Development	-	-	-	-	-	205,149
Debt service				-		
Principal	-	-	-	-	100,000	100,000
Interest and fiscal charges	-	-	-	-	13,780	13,780
Total expenditures	-	13,306	18,138	-	113,780	781,822
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(5,902)	(4,549)	139,749	(113,732)	74,240
OTHER FINANCING SOURCES (USES)						
Transfers in	481,657	-	-	327,764	114,740	950,762
Transfers (out)	-	-	-	(143,243)	-	(267,763)
Total other financing sources (uses)	481,657	-	-	184,521	114,740	682,999
NET CHANGE IN FUND BALANCES	481,657	(5,902)	(4,549)	324,270	1,008	757,239
FUND BALANCES (DEFICIT), MAY 1, AS PREVIOUSLY REPORTED	(481,657)	44,301	-	-	89,692	210,631
Prior period adjustment	-	26,775	15,839	-	-	42,614
FUND BALANCES (DEFICIT), MAY 1, AS RESTATED	(481,657)	71,076	15,839	-	89,692	253,245
FUND BALANCES (DEFICIT), APRIL 30	$ -	$ 65,174	$ 11,290	$ 324,270	$ 90,700	$ 1,010,484

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INDUSTRIAL DEVELOPMENT FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	$ 200	$ 60	$ (140)
Miscellaneous	11,357	11,425	68
Total revenues	11,557	11,485	(72)
EXPENDITURES			
Current			
Development			
Commodities	100	-	(100)
Contractual services	4,000	936	(3,064)
Other services	11,176	10,130	(1,046)
Miscellaneous	1,000	1,440	440
Total expenditures	16,276	12,506	(3,770)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,719)	(1,021)	3,698
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(500)	(500)	-
Total other financing sources (uses)	(500)	(500)	-
NET CHANGE IN FUND BALANCE	$ (5,219)	(1,521)	$ 3,698
FUND BALANCE, MAY 1		29,072	
FUND BALANCE, APRIL 30		$ 27,551	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental			
Motor fuel tax allotments	$ 225,164	$ 310,289	$ 85,125
Investment income	1,000	357	(643)
Total revenues	226,164	310,646	84,482
EXPENDITURES			
Current			
Streets and highways			
Contractual services	350	-	(350)
Maintenance	121,655	220,000	98,345
Total expenditures	122,005	220,000	97,995
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	104,159	90,646	(13,513)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	(114,740)	(114,740)
Total other financing sources (uses)	-	(114,740)	(114,740)
NET CHANGE IN FUND BALANCE	$ 104,159	(24,094)	$ (128,253)
FUND BALANCE, MAY 1		313,433	
FUND BALANCE, APRIL 30		$ 289,339	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Property taxes	$ 179,902	$ 179,454	$ (448)
Replacement taxes	15,000	24,848	9,848
Investment income	1,000	323	(677)
Total revenues	195,902	204,625	8,723
EXPENDITURES			
Current			
General government			
IMRF contributions	108,603	114,485	(5,882)
Streets and highways			
IMRF contributions	81,928	86,365	(4,437)
Total expenditures	190,531	200,850	10,319
NET CHANGE IN FUND BALANCE	$ 5,371	3,775	$ (1,596)
FUND BALANCE, MAY 1		166,275	
FUND BALANCE, APRIL 30		$ 170,050	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RIVERFRONT REDEVELOPMENT FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Property taxes	$ 36,000	$ 39,635	$ 3,635
Investment income	50	13	(37)
Total revenues	36,050	39,648	3,598
EXPENDITURES			
Current			
Development			
Contractual services	1,600	1,941	341
Other services	36,000	18,137	(17,863)
Total expenditures	36,000	20,078	(17,522)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	50	19,570	21,120
OTHER FINANCING SOURCES (USES)			
Transfers in	-	26,577	26,577
Total other financing sources (uses)	-	26,577	26,577
NET CHANGE IN FUND BALANCE	$ 50	46,147	$ 47,697
FUND BALANCE, MAY 1		27,618	
FUND BALANCE, APRIL 30		$ 73,765	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN REDEVELOPMENT FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Property taxes	$ 1,500	$ 567	$ (933)
Total revenues	1,500	567	(933)
EXPENDITURES			
Current			
Development			
Contractual services	1,000	137,487	136,487
Total expenditures	1,000	137,487	136,487
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	500	(136,920)	(137,420)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	(575)	(575)
Total other financing sources (uses)	-	(575)	(575)
NET CHANGE IN FUND BALANCE	$ 500	(137,495)	$ (137,995)
FUND BALANCE, MAY 1		375	
FUND BALANCE (DEFICIT), APRIL 30		$ (137,120)	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ESDA FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Property taxes	$ 2,317	$ 2,318	$ 1
Total revenues	2,317	2,318	1
EXPENDITURES			
Current			
Public safety			
Other	2,000	-	(2,000)
Total expenditures	2,000	-	(2,000)
NET CHANGE IN FUND BALANCE	$ 317	2,318	$ 2,001
FUND BALANCE (DEFICIT), MAY 1		(1,621)	
FUND BALANCE, APRIL 30		$ 697	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DUI FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Fines and fees	$ 1,500	$ 6,505	$ 5,005
Total revenues	1,500	6,505	5,005
EXPENDITURES			
Current			
Public safety			
Other services	700	4,608	3,908
Total expenditures	700	4,608	3,908
NET CHANGE IN FUND BALANCE	$ 800	1,897	$ 1,097
FUND BALANCE, MAY 1		3,898	
FUND BALANCE, APRIL 30		$ 5,795	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DRUG FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Fines and fees	$ 500	$ 4,675	$ 4,175
Total revenues	500	4,675	4,175
EXPENDITURES			
Current			
Public safety			
Other services	1,500	5,033	3,533
Total expenditures	1,500	5,033	3,533
NET CHANGE IN FUND BALANCE	$ (1,000)	(358)	$ 642
FUND BALANCE, MAY 1		7,925	
FUND BALANCE, APRIL 30		$ 7,567	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TOBACCO GRANT FUND

April 30, 2015

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Grants	$ 1,445	$ 958	$ (487)
Total revenues	1,445	958	(487)
EXPENDITURES			
Current			
General government	1,445	958	(487)
Total expenditures	1,445	958	(487)
NET CHANGE IN FUND BALANCE	$ -	-	$ -
FUND BALANCE, MAY 1		258	
FUND BALANCE, APRIL 30		$ 258	

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

April 30, 2015

	Health Insurance	Workers' Compensation	GIS IT	Total
CURRENT ASSETS				
Cash and investments	$ 277,575	$ -	$ 95,677	$ 373,252
Receivables				
Taxes	-	-	-	-
Other	55	-	-	55
Total current assets	277,630	-	95,677	373,307
Total assets	277,630	-	95,677	373,307
CURRENT LIABILITIES				
Due to other funds	2,113	-	-	2,113
Total liabilities	2,113	-	-	2,113
DEFERRED OUTFLOWS OF RESOURCES				
Deferred income	-	-	-	-
Total deferred outflows of resources	-	-	-	-
NET POSITION				
Unrestricted	275,517	-	95,677	371,194
TOTAL NET POSITION	$ 275,517	$ -	$ 95,677	$ 371,194

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

April 30, 2015

	Health Insurance	Workers' Compensation	GIS IT	Total
OPERATING REVENUES				
Charges for services				
Contributions	$ 1,121,004	$ -	$ 114,066	$ 1,235,070
Total operating revenues	1,121,004	-	114,066	1,235,070
OPERATING EXPENSES				
Administration				
Personnel				
Employee benefits	1,126,157	-	-	1,126,157
Contractual services	-	-	50,568	50,568
Other	138	-	57	195
Total operating expenses	1,126,295	-	50,625	1,176,920
OPERATING INCOME (LOSS)	(5,291)	-	63,441	58,150
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	-	-	-	-
Investment income	1,004	-	-	1,004
Total non-operating revenues (expenses)	1,004	-	-	1,004
INCOME (LOSS) BEFORE TRANSFERS	(4,287)	-	63,441	59,154
OPERATING TRANSFERS				
Transfers (out)	-	(327,764)	-	(327,764)
CHANGE IN NET POSITION	(4,287)	(327,764)	63,441	(268,610)
NET POSITION, MAY 1	279,804	327,764	32,236	639,804
NET POSITION, APRIL 30	$ 275,517	$ -	$ 95,677	$ 371,194

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

April 30, 2015

	Health Insurance	Workers' Compensation	GIS IT	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from employer contributions	$ 1,121,004	$ -	$ 114,066	$ 1,235,070
Payments to suppliers	-	-	(55,268)	(55,268)
Payments to employees	(1,126,295)	-	-	(1,126,295)
Net cash from operating activities	(5,291)	-	58,798	53,507
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes	-	-	-	-
Receipts of loans from other funds	2,113	-	-	2,113
Repayment of loans from other funds	-	(327,764)	-	(327,764)
Net cash from noncapital financing activities	2,113	(327,764)	-	(325,651)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
None	-	-	-	-
Net cash from capital financing activities	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on investments	949	-	-	949
Net cash from investing activities	949	-	-	949
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,229)	(327,764)	58,798	(271,195)
CASH AND CASH EQUIVALENTS, MAY 1	279,804	327,764	36,879	644,447
CASH AND CASH EQUIVALENTS, APRIL 30	$ 277,575	$ -	$ 95,677	$ 373,252
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	$ (5,291)	$ -	$ 63,441	$ 58,150
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Changes in assets and liabilities				
Accounts payable	-	-	(4,643)	(4,643)
NET CASH FROM OPERATING ACTIVITIES	$ (5,291)	$ -	$ 58,798	$ 53,507
CASH AND INVESTMENTS				
Cash and cash equivalents	$ 277,575	$ -	$ 95,677	$ 373,252
TOTAL CASH AND INVESTMENTS	$ 277,575	$ -	$ 95,677	$ 373,252

(See independent auditor's report.)

FIDUCIARY FUNDS

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF PLAN NET POSITION
PENSION TRUST FUNDS

April 30, 2015

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	$ 110,556	$ 72,136	$ 182,692
Investments			
U.S. government agency obligations	91,338	951,986	1,043,324
U.S. Treasuries	330,732	1,915,349	2,246,081
Common stock	2,096,824	853,827	2,950,651
Mutual funds	2,151,150	2,332,387	4,483,537
Corporate bonds	-	517,573	517,573
Municipal bonds	226,554	-	226,554
Mortgage pools	-	105,847	105,847
Annuities	507,755	-	507,755
Negotiable certificates of deposit	1,707,952	-	1,707,952
Receivables			
Accrued interest	10,680	27,508	38,188
Prepaid items	2,637	2,149	4,786
Total assets	7,236,178	6,778,762	14,014,940
LIABILITIES			
Accounts payable	2,053	2,813	4,866
Total liabilities	2,053	2,813	4,866
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	$ 7,234,125	$ 6,775,949	$ 14,010,074

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUNDS

April 30, 2015

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer contributions	$ 308,239	$ 114,533	$ 422,772
Employee contributions	104,929	71,025	175,954
Total contributions	413,168	185,558	598,726
Investment income			
Net appreciation in fair value of investments	177,703	177,931	355,634
Interest	221,934	217,414	439,348
Total investment income	399,637	395,345	794,982
Less investment expense	(18,401)	(23,400)	(41,801)
Net investment income	381,236	371,945	753,181
Total additions	794,404	557,503	1,351,907
DEDUCTIONS			
Benefits and refunds	557,595	426,303	983,898
Administrative expenses	34,233	17,739	51,972
Total deductions	591,828	444,042	1,035,870
NET INCREASE	202,576	113,461	316,037
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
May 1	7,031,549	6,662,488	13,694,037
April 30	$ 7,234,125	$ 6,775,949	$ 14,010,074

(See independent auditor's report.)

STATISTICAL SECTION

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CAPITAL ASSETS
MUNICIPAL WATER FUND

April 30, 2015

Construction in progress	$	54,599
Water plant and system improvements		9,622,360
Equipment		669,675
Total capital assets		10,346,634
Less accumulated depreciation		5,477,179
TOTAL CAPITAL ASSETS	$	4,869,455

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CAPITAL ASSETS
MUNICIPAL ELECTRIC FUND

April 30, 2015

Land and buildings		
Buildings and substations	$	7,074,669
Hydro plant		14,301,795
Total land and buildings		21,376,464
Improvements, other than buildings		
South 14th generators		3,296,458
New services/metering		565,234
Underground/conductors/fixtures		2,427,574
Poles, cross arms and fixtures		4,975,058
Rout 30 project		19,042
Riverside trailer court project		4,962
Fiber upgrades		98,274
Engineering		63,066
SCADA		418,942
GIS mapping		141,022
Generator upgrades		381,212
Centennial Park risers		53,360
Telecomm engineering		109,376
Telecomm legal		2,604
Telecommunications maintenance		6,587
Telecomm project		289,830
Total improvements, other than buildings		12,852,601
Equipment		
Utility office computer		57,053
Equipment		2,340,421
Computer software		81,077
Computer software - labor		14,842
Total equipment		2,493,393
Total capital assets		36,722,458
Less accumulated depreciation		20,658,696
TOTAL CAPITAL ASSETS	$	16,063,762

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CAPITAL ASSETS
MUNICIPAL SANITARY SEWERAGE FUND

April 30, 2015

New sewer plant	$	26,182,434
Disposal plant		10,343,342
Sewer extensions		3,410,834
Equipment		1,506,706
Total capital assets		41,443,316
Less accumulated depreciation		10,297,108
TOTAL CAPITAL ASSETS	$	31,146,208

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF LONG-TERM DEBT
GENERAL OBLIGATION REFUNDING BONDS SERIES 2012
(MOTOR FUEL TAX ALTERNATIVE REVENUE SOURCE)

April 30, 2015

Date of Issue	October 1, 2012
Authorized Issue	$ 720,000
Interest Rates	2.60%
Interst Dates	January 1 and July 1
Principal Maturity Date	January 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30,	Due Serially January 1	January 1 and July 1	Total
2016	$ 105,000	$ 11,180	$ 116,180
2017	105,000	8,450	113,450
2018	110,000	5,720	115,720
2019	110,000	2,860	112,860
	$ 430,000	$ 28,210	$ 458,210

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF LONG-TERM DEBT
DEBT CERTIFICATES SERIES 2012

April 30, 2015

Date of Issue	October 1, 2012
Authorized Issue	$ 280,000
Interest Rates	3.50%
Interst Dates	November 1 and May 1
Principal Maturity Date	January 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending April 30,	Due Serially November 1	November 1 and May 1	Total
2016	$ 22,000	$ 7,903	$ 29,903
2017	23,000	7,115	30,115
2018	24,000	6,293	30,293
2019	26,000	5,418	31,418
2020	27,000	4,490	31,490
2021 - 2024	113,000	7,971	120,971
	$ 235,000	$ 39,190	$ 274,190

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS AND LOANS PAYABLE OUTSTANDING
MUNICIPAL WATER, ELECTRIC AND SANITARY SEWERAGE FUND

April 30, 2015

Date of Issue	July 20, 2010
Authorized Issue	$ 1,555,000
Interest Rates	1.40% to 2.40%
Interst Dates	January 1 and July 1
Principal Maturity Date	January 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

General Obligation Bonds
(Electric System Alternate Revenue Source) - Series 2010

Fiscal Year Ending April 30,	Due Serially January 1	January 1 and July 1	Total
2016	$ 225,000	$ 15,430	$ 240,430
2017	235,000	10,930	245,930
2018	240,000	5,760	245,760
	$ 700,000	$ 32,120	$ 732,120

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS AND LOANS PAYABLE OUTSTANDING
MUNICIPAL WATER, ELECTRIC AND SANITARY SEWERAGE FUND (Continued)

April 30, 2015

Date of Issue	August 4, 2009
Authorized Issue	$ 15,000,000
Interest Rates	0.00%
Interst Dates	May 1 and November 1
Principal Maturity Date	May 1 and November 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

	Loans Payable Illinois EPA - Treatment Plant Loan		
Fiscal Year Ending April 30,	**May 1 and November 1**	**May 1 and November 1**	**Total**
2016	$ 769,232	$ -	$ 769,232
2017	769,231	-	769,231
2018	769,231	-	769,231
2019	769,231	-	769,231
2020	769,231	-	769,231
After 2020	8,461,536	-	8,461,536
	$ 12,307,692	$ -	$ 12,307,692

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS AND LOANS PAYABLE OUTSTANDING
MUNICIPAL WATER, ELECTRIC AND SANITARY SEWERAGE FUND (Continued)

April 30, 2015

Date of Issue	August 10, 2011
Authorized Issue	$ 4,111,016
Interest Rates	1.25%
Interst Dates	March 19 and September 19
Principal Maturity Date	March 19 and September 19

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

	Loans Payable Illinois EPA - Treatment Plant Loan		
Fiscal Year Ending April 30,	**March 19 and September 19**	**March 19 and September 19**	**Total**
2016	$ 171,750	$ 39,863	$ 211,613
2017	173,904	37,709	211,613
2018	176,084	35,529	211,613
2019	178,292	33,321	211,613
2020	180,528	31,085	211,613
After 2020	2,351,275	188,079	2,539,354
	$ 3,231,833	$ 365,586	$ 3,597,419

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS AND LOANS PAYABLE OUTSTANDING
MUNICIPAL WATER, ELECTRIC AND SANITARY SEWERAGE FUND (Continued)

April 30, 2015

Date of Issue	October 3, 2000
Authorized Issue	$ 1,621,986
Interest Rates	2.905%
Interst Dates	April 4 and October 4
Principal Maturity Date	April 4 and October 4

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

	Loans Payable Illinois EPA - Drinking Water Loan		
Fiscal Year Ending April 30,	**April 4 and October 4**	**April 4 and October 4**	**Total**
2016	$ 88,484	$ 19,014	$ 107,498
2017	91,074	16,425	107,499
2018	93,739	13,760	107,499
2019	96,481	11,017	107,498
2020	99,305	8,194	107,499
After 2020	207,411	7,286	214,697
	$ 676,494	$ 75,696	$ 752,190

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS AND LOANS PAYABLE OUTSTANDING
MUNICIPAL WATER, ELECTRIC AND SANITARY SEWERAGE FUND (Continued)

April 30, 2015

Date of Issue	April 5, 2014
Authorized Issue	$ 654,443
Interest Rates	1.250%
Interst Dates	May 19 and November 19
Principal Maturity Date	May 19 and November 19

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Loans Payable
Illinois EPA - Lift Station Rehabilitation Loan

Fiscal Year Ending April 30,	May 19 and November 19	May 19 and November 19	Total
2016	$ 22,230	$ 4,989	$ 27,219
2017	22,509	4,711	27,220
2018	22,791	4,428	27,219
2019	23,077	4,143	27,220
2020	23,366	3,853	27,219
After 2020	290,721	22,302	313,023
	$ 404,694	$ 44,426	$ 449,120

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF ASSESSED VALUATIONS, RATES, EXTENSIONS,
AND COLLECTIONS

2014, 2013, 2012, and 2011 Tax Levies
(Unaudited)

	2014 Levy			2013 Levy		
	Equalized Assessed Valuation - $73,498,310			Equalized Assessed Valuation - $74,977,533		
	Rate per $100	Taxes Extended	Collections	Rate per $100	Taxes Extended	Collections
General	0.2500	$ 183,746	$ -	0.2500	$ 187,444	$ 186,933
IMRF/Social Security	0.2593	190,581	-	0.2400	179,946	179,454
Road and bridge	-	-	-	-	55,258	55,086
Police protection	0.0750	55,124	-	0.0750	56,233	56,080
Fire protection	0.0750	55,124	-	0.0750	56,233	56,080
Police pension	0.3825	281,131	-	0.3975	298,036	297,221
Firefighters' pension	0.1754	128,916	-	0.1345	100,845	100,570
School crossing guard	0.0200	14,700	-	0.0200	14,996	14,955
ESDA	0.0032	2,352	-	0.0031	2,324	2,318
Audit	0.0338	24,842	-	0.0332	24,893	24,824
Liability insurance (tort)	0.2404	176,690	-	0.1864	139,758	139,376
Emergency vehicle	0.0331	24,328	-	0.0348	26,092	26,021
	1.5477	$ 1,137,534	$ -	1.4495	$ 1,142,058	$ 1,138,918

2012 Levy			2011 Levy		
Equalized Assessed Valuation - $77,248,264			Equalized Assessed Valuation - $79,374,692		
Rate per $100	Taxes Extended	Collections	Rate per $100	Taxes Extended	Collections
0.2498	$ 192,966	$ 193,287	0.2500	$ 198,437	$ 199,242
0.2012	155,424	155,682	0.2199	174,545	175,254
-	52,297	52,334	-	49,689	49,812
0.0750	57,936	58,032	0.0750	59,531	59,773
0.0750	57,936	58,032	0.0750	59,531	59,773
0.3009	232,440	232,828	0.2626	208,438	209,284
0.1057	81,651	81,787	0.0415	32,941	33,074
0.0200	15,450	15,475	0.0200	15,875	15,939
0.0030	2,317	2,322	0.0030	2,381	2,391
0.0331	25,569	25,611	0.0322	25,559	25,662
0.2453	189,490	189,806	0.2336	185,419	186,172
0.0346	26,728	$ 26,773	0.0367	29,131	$ 29,249
1.3436	$ 1,090,204	$ 1,091,969	1.2495	$ 1,041,477	$ 1,045,625

CITY OF ROCK FALLS, ILLINOIS

OPERATING STATISTICS
MUNICIPAL WATER FUND

April 30, 2015
(Unaudited)

The following is a schedule of gallons of water billed, pumped and meters connected to the system for the past five fiscal years:

Fiscal Year Ending April 30	Total Gallons (Thousands) Pumped	Total Gallons (Thousands) Billed	Meters Connected
2011	306,350	222,344	3,786
2012	284,660	210,796	3,915
2013	296,290	210,589	3,877
2014	315,715	212,484	4,055
2015	287,607	206,196	4,067

CITY OF ROCK FALLS, ILLINOIS

OPERATING STATISTICS
MUNICIPAL ELECTRIC FUND

April 30, 2015
(Unaudited)

Operating statistics for the last three fiscal years are as follows:

	2014-2015	2013-2014	2012-2013
Meters in service	5,262	5,468	5,383
Kilowatt hours billed	66,709,596	74,593,147	75,874,674
Kilowatt hours purchased and generated	67,750,342	80,218,926	81,557,290
Percent of loss	1.54%	7.01%	6.97%

CITY OF ROCK FALLS, ILLINOIS

OPERATING STATISTICS
MUNICIPAL SANITARY SEWERAGE FUND

April 30, 2015
(Unaudited)

The number of customers served by the system for the last three fiscal years are as follows:

	2014-2015	2013-2014	2012-2013
Residential	3,712	3,615	3,985
Commercial/industrial	343	347	347
	4,055	3,962	4,332