



# City of Des Plaines

## Comprehensive Annual Financial Report

**2013**

City of Des Plaines, IL • 1420 Miner Street Des Plaines, IL, 60016 • [www.desplaines.org](http://www.desplaines.org)

**THE CITY OF DES PLAINES, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Fiscal Year Ended  
December 31, 2013

Prepared by the Finance Department

Dorothy Wisniewski  
Director of Finance

CITY OF DES PLAINES, ILLINOIS  
December 31, 2013

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## **INTRODUCTORY SECTION**



**City of Des Plaines**  
1420 Miner Street  
Des Plaines, IL 60016  
Tel: 847-391-5300  
Fax: 847-391-5402

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June 18, 2014

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

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2013.

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

The City's financial statements have been audited by Crowe Horwath LLP, a firm of independent certified public accountants. The independent auditor concluded that there was a reasonable basis for rendering an unmodified ("clean") opinion on the City of Des Plaines' financial statements for the year ended December 31, 2013. The independent auditor's report is located at the front of the financial section of this report.

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

### **Profile of the City of Des Plaines**

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

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



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

The City's governing body is the City Council, consisting of the Mayor and eight Aldermen. This governing body is responsible for passing ordinances, adopting the budget, appointing committees, and other related duties. The Mayor, upon the advice and consent of City Council, appoints the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the City's department heads. The Mayor and the City Clerk are elected at large for four-year terms, while the Aldermen are elected from eight wards for staggered four-year terms.

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

### **Local Economy**

Major employers located within the City's boundaries or in close proximity include Universal Oil Products, a chemical engineering company, Sysco Food Systems, Rivers Casino, Holy Family Medical Center and Oakton Community College. Des Plaines is home to over 1,400 licensed commercial establishments of which 225 are retail. Des Plaines is comprised of 38,106 jobs (2013, IDES, Where Workers Work); of them, 16 percent are in the manufacturing sector, 16 percent are in the wholesale and retail trade and 15 percent are in the healthcare and social assistance.

Des Plaines' current not seasonally adjusted unemployment rate is 8.0 percent (IDES, December, 2013). The rate generally decreased between 2003 through 2007, from 6.9 to 4.5 percent, respectively. However, it experienced a spike between 2008 and 2010, from 5.8 to 10.3 percent, respectively due to the economic recession. Between 2003 and 2012, the average annual unemployment rate was 7.1 percent with a high of 10.3 percent (2010) and a low of 4.2 percent (2006).

Des Plaines' declared valuation totals indicate a positive development trend from 2012 to 2013 at \$30 million to \$40 million, respectively. Building permits showed a 15 percent increase during the same time frame.

### **Long-term Financial Planning**

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

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

1. **Financial Stability:** Our resources are in optimal balance with City needs and desires, and a stable financial condition endures.
2. **Thriving Economic Development:** Focused, steady growth and creative investment stimulate an increasingly attractive and vital economic climate.
3. **World Class Infrastructure:** Effective storm water management, transportation and water distribution system upgrades inspire community confidence.

4. Sense of Community: The value, beauty and feel of the City result in community pride, ownership and well-being.

5. High Performance: We are clear, focused, strategic and best-in-class in leadership and service delivery.

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

Maintaining a healthy fund balance to insure the City's financial strength remains one of the City Council's long-term financial goals. At the close of the fiscal year 2013, the City's total General Fund balance was \$43.6 million, of which the unassigned fund balance was \$20.1 million or 35.1% of the General Fund expenditures.

The Water and Sewer fund is the City's major enterprise fund that accounts for revenues and expenses associated with the sale of water and the sanitary sewer system. The fund has been operating in an unbalanced position for the past several years and, as a result, expenses began outpacing revenues. At the end of 2013, the unrestricted net assets were \$1.4 million or 9.3% of the operating expenses. In response, the City commissioned a water rate study in an effort to reverse the operating spending deficit, preserve the enterprise fund reserves, provide funding for investment in equipment and infrastructure renewal and improve quality of water and sewer service for the long term. As a result the City Council approved an automatic annual adjustment that matches the City of Chicago annual water rate increase and ensures that the cost of water is covered by the user's fees.

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

On June 5, 2013, the Illinois Commerce Commission (ICC) granted approval for the dissolution of the Joint Emergency Telephone System Board, which oversaw the 9-1-1 and emergency responder dispatching services for the City of Des Plaines and three other municipalities. Associated with this dissolution, 9-1-1 and emergency dispatching operations were transferred to the City of Des Plaines, with oversight by the Des Plaines Emergency Telephone System Board (ETSB). The ETSB is also providing 9-1-1 and emergency dispatching services to the City of Park Ridge under an intergovernmental agreement.

### **Relevant Financial Policies**

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

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

- A gaming tax policy, restricting use of funds primarily for infrastructure improvements and debt repayment.

## Major Initiatives

The collaboration between elected leaders and City staff identified a challenge to deliver smart, efficient service to the taxpayers of Des Plaines. During 2013 some of the City's accomplishments included:

- Financial Stability:
  - ✓ The Finance Department orchestrated the early pay-off of over \$6.16 million of bonded debt with over \$1.1 million in interest savings.
  - ✓ Additional steps were taken to meet the long-term employee pension obligations.
  - ✓ The past several years have been marked by minimal tax increases to residents, and the City Council continues to place an emphasis on keeping City services affordable to the taxpayers.
- Economic Development:
  - ✓ The City made downtown Des Plaines a more attractive place for businesses with the completion of Phase I of the Streetscape and Roadway Improvements Project.
  - ✓ Phase II of the downtown streetscape project was initiated and the City has established an action plan to attract and retain businesses to the city.
- Infrastructure:
  - ✓ The Public Works and Engineering Department oversaw the construction of the newly beautified US-14/Miner Street downtown corridor with the newly planted trees and brick-paved sidewalks.
  - ✓ The rejuvenated train station will be enjoyed by residents of all ages, as well as by non-residents seeking Des Plaines' dining, entertainment and retail offerings.
  - ✓ The City completed construction of all 2013 Capital Improvement Projects including alley, street, water/sewer and drainage system improvements as well as scheduled Storm Water Master Plan improvements.
  - ✓ Nearly \$22 million will be invested in roads, sewers, sidewalks, and flood control in 2014 without any new debt. This is more than the amount the City spent on capital projects in the last two years combined and more than four times the amount spent in 2011.
- Community:
  - ✓ The volunteer-led Special Events Commission was reestablished to identify and execute events that highlight the community and give people a reason to come together.
  - ✓ The entire City staff responded admirably during the extreme weather conditions, both by going above and beyond to keep Des Plaines residents safe, and by simply maintaining business as usual so everyday services continued to be available without interruption.
- High Performance:
  - ✓ The Community & Economic Development Department has taken Council's direction to dramatically change the business licensing process, thus reducing the barriers to entry for new stores in Des Plaines.
  - ✓ The new business licensing initiatives have already started to pay off, as the last few months of 2013 saw the Tap House Grill and Elite Training and Fitness open their doors for business in Metropolitan Square.
- The Finance Department for the first time submitted a Popular Annual Financial Report (PAFR) to the certification program and received its first award for outstanding achievement in popular annual financial reporting for its 2012 PAFR. The PAFR Award Program encourages state and local governments to extract information from their CAFR and produce a report specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

## Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Des Plaines for its comprehensive annual financial report for the fiscal year ended December 31, 2012. This was the thirty- third consecutive year the City has achieved this prestigious award. This award is nationally recognized and represents a significant accomplishment for the City and its management. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

## Acknowledgments

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

Respectfully submitted,



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Michael G. Bartholomew  
City Manager



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Dorothy Wisniewski  
Director of Finance



Government Finance Officers Association

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

Presented to

**City of Des Plaines  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO



## **Legislative**

Matthew J. Bogusz, Mayor

Gloria J. Ludwig, City Clerk

### City Council

Patricia Haugeberg – First Ward

James Brookman – Fifth Ward

John Robinson – Second Ward

Mark Walsten – Sixth Ward

Denise Rodd – Third Ward

Joanna Sojka – Seventh Ward

Dick Sayad – Fourth Ward

Mike Charewicz – Eighth Ward

## **Administration**

City Manager .....Michael G. Bartholomew

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

Director of Finance ..... Dorothy Wisniewski

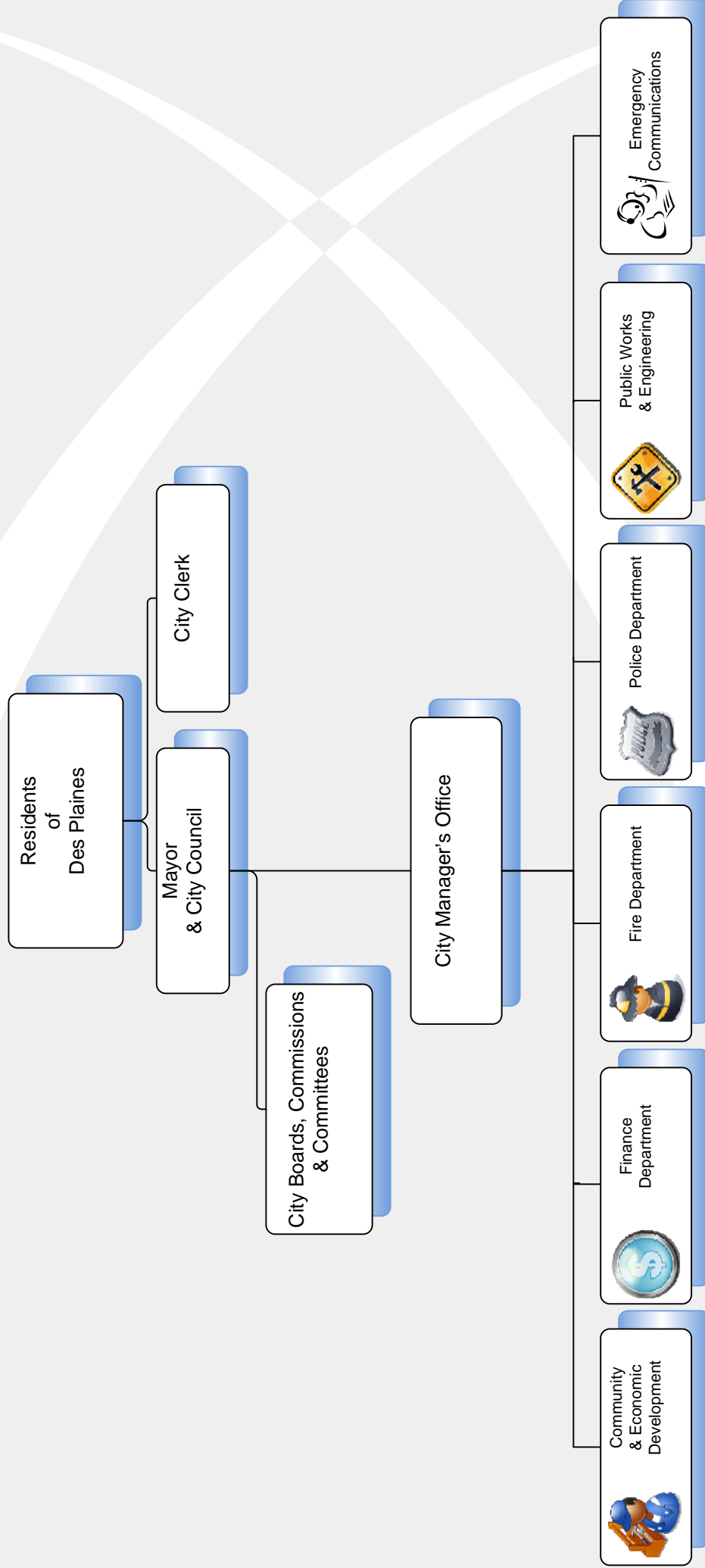
Chief of Police ..... William Kushner

Fire Chief ..... Alan Wax

Director of Public Works & Engineering ..... Timothy Oakley

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

# City of Des Plaines



**FINANCIAL SECTION**



**INDEPENDENT AUDITOR'S REPORT**

## INDEPENDENT AUDITOR'S REPORT

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Des Plaines, Illinois ("City"), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 12, the Des Plaines Emergency Communication Center (DPECC) began operations on June 6, 2013, and was formed from the merger of the Joint Emergency Telephone System (JETS) with the City. The initial opening balances of DPECC's assets, liabilities, and net position, as of the beginning of the period, were determined on the basis of the carrying values reported in separate financial statements of JETS as of June 5, 2013. At the date of the merger, JETS is dissolved and the City will account for the operations of DPECC in a newly established enterprise fund. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 and the schedules of revenues, expenditures and changes in fund balance – budget and actual for the General fund, TIF #6 (Mannheim/Higgins) fund, and Gaming Tax fund, schedules of funding progress and schedules of employer contributions on pages 73 through 82 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The accompanying introductory section, combining and individual fund financial statements and schedules, other supplementary schedules, statistical section, and other information are presented for purposes of additional analysis and are not a required part of the financial statements.

The accompanying 2013 combining and individual fund financial statements and schedules and other supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 2013 combining and individual fund financial statements and schedules and other supplementary schedules have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally

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accepted in the United States of America. In our opinion, the 2013 combining and individual fund financial statements and schedules and other supplementary schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section, 2012 combining and individual fund financial statements and schedules, statistical section, and other information have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2014 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Crowe Horwath LLP*

Crowe Horwath LLP

Oak Brook, Illinois  
June 18, 2014

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF DES PLAINES, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2013

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The City of Des Plaines (the "City") Management Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter and the City's financial statements.

### **FINANCIAL HIGHLIGHTS**

- The City's General Fund ended the year with total revenues exceeding total expenditures by \$9.8 million. Combined with other financing net uses of (\$1.9) million, the December 31, 2013 fund balance increased by \$7.9 million.
- Economy sensitive revenues, i.e. sales, income, real estate transfer tax as well as hotel/motel taxes continue to rebound; however food and beverage tax, auto rental tax and telecommunication tax declined slightly when comparing to last year's revenues.
- Permit revenue improved by almost \$67 thousand from prior year's revenue due to the increase in real estate sales. Revenue from charges for services reported in general fund declined by \$444 thousand due to the E-911 fees now reported in DPECC (Des Plaines Emergency Communication Center), which replaced the 9-1-1 and emergency responder dispatching services center operations in June 2013. Revenue from nonresident ambulance fees and refuse collection as well as fines and fees continue to improve.
- The City received \$24.7 million in taxes generated from the revenues at Rivers Casino, \$3.7 million in admission tax (\$1 per admission), and \$20.9 million in wagering tax (5% of all wagering activities). Pursuant to the contractual agreement with Midwest Gaming, the City is required and has distributed \$10 million of the total gaming tax revenue to the State of Illinois with an additional \$5.9 million (40% of the total revenue over \$10 million) amongst the 10 benefiting communities named in the agreement. The remaining amount of \$8.8 million in gaming tax revenue will be utilized by the City in the 2015 Budget for early debt payoff and capital infrastructure projects.
- The City paid off \$9.725 million of general obligation debt from governmental activities (\$4.17 million was due to the early pay off of 2005E general obligation bonds) and \$365 thousand of business-type activities during the year. The City issued \$7.945 million of new general obligation refunding debt for interest rate savings to refund \$8.03 million of 2004B and 2005F general obligation TIF bonds that were paid off in January of 2014. The total balance of general obligation debt outstanding as of December 31, 2013 was \$56.1 million from governmental activities. The business-type activities do not have any outstanding general obligation debt.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what is available for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government. Both perspectives (government-wide and major fund) allow the user to address relevant

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questions, broaden a basis for comparison (year to year or government to government), and enhance the City's accountability.

### **Reporting the City as a Whole**

#### ***The Statement of Net Position and the Statement of Activities***

Our analysis of the City as a whole begins with the *Statement of Net Position*. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The *Statement of Net Position* and the *Statement of Activities* report information about the City as a whole and about its activities in a way that helps answer this question.

The focus of the *Statement of Net Position* (the "Unrestricted Net Position") is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the City is improving.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the City's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

These two statements report the City's *Total Net Position* and changes in them. You can think of the City's net position, the difference between assets and liabilities, as one way to measure the City's financial health, or *financial position*. Over time, increases or decreases in the City's net position are one indicator of whether its *financial* health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base or the condition of the City's roads, to assess the *overall health* of the City.

In the *Statement of Net Position* and the *Statement of Activities* we divide the City into three kinds of activities:

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

### **Reporting the City's Most Significant Funds**

#### ***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The *Fund Financial Statements* allow the demonstration of

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sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the *Fund Financial Statements* presentation more familiar. The focus is now on major funds, rather than fund types. All of the funds of the City can be divided into three categories: *governmental funds, proprietary funds, and fiduciary funds.*

- *Governmental Funds*

The Major Governmental Funds (General, TIF #6, Gaming Tax, and Capital Projects) are presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. The focus of governmental funds is narrower than that of the Government-Wide Financial Statements. The *Governmental Funds Balance Sheet* and the *Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. The *Total Governmental Funds* column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources), which is reflected. The inflow of current financial resources reflects bond proceeds and inter-fund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligation (bond and others) into the Governmental Activities column (in the Government-Wide Statements).

The City maintains multiple individual governmental funds. Information is presented separately in the *Governmental Funds Balance Sheet* and in the *Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances* for the General Fund, TIF #6 Fund, Gaming Tax Fund, and Capital Projects Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

- *Proprietary Funds*

The City maintains two different types of proprietary funds. *Enterprise Funds* are used to report the same functions presented in *Business-type Activities* in the government-wide financial statements. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses *Internal Service Funds* to account for its risk management and health benefits. Each *Internal Service Fund* uses governmental rather than business-type functions and has been included with *Governmental Activities* in the government-wide financial statements.

*Proprietary Funds* financial statements provide the same type of information as the government-wide financial statements, only in more detail. The two proprietary funds (Water/Sewer and Parking System) are considered major funds of the City and are presented in separate columns in the fund financial statements. This year, the City added a non-major proprietary fund, to account for the activities of the Des Plaines Emergency Communications Center (DPECC). The internal service funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the *Internal Service Funds* is presented elsewhere in the report.

- *Fiduciary Funds*

The fund financial statements also allow the government to address its *Fiduciary Funds* (*Police Pension Fund, Firefighters Pension Fund, and agency funds*). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide statements.

- *Notes to the financial statements*

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



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• *Other information.*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

**THE CITY AS A WHOLE**

**Statement of Net Position**

The *Statement of Net Position* serves as a useful indicator of a government's financial position. In the case of the City of Des Plaines, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$240.2 million as of December 31, 2013. The following table reflects the condensed *Statement of Net Position*:

**Table 1: Statement of Net Position As of December 31, 2013**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013*</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Assets</b>						
Current & Other Assets	\$ 129,903,344	\$ 111,143,293	\$ 5,299,409	\$ 6,126,318	\$ 135,202,753	\$ 117,269,611
Capital Assets	190,802,919	185,152,027	29,853,240	30,072,545	220,656,159	215,224,572
<b>Total Assets</b>	<u>320,706,263</u>	<u>296,295,320</u>	<u>35,152,649</u>	<u>36,198,863</u>	<u>355,858,912</u>	<u>332,494,183</u>
<b>Deferred Outflows of Resources</b>						
Deferred Amounts from Refunding of Debt	523,867	693,335	-	7,243	523,867	700,578
<b>Liabilities</b>						
Current Liabilities	23,573,175	20,846,062	2,118,706	1,354,128	25,691,881	22,200,190
Long-term Liabilities	61,399,493	63,214,825	724,478	759,468	62,123,971	63,974,293
<b>Total Liabilities</b>	<u>84,972,668</u>	<u>84,060,887</u>	<u>2,843,184</u>	<u>2,113,596</u>	<u>87,815,852</u>	<u>86,174,483</u>
<b>Deferred Inflows of Resources</b>						
Deferred Property Tax Revenue	28,359,634	27,493,679	-	-	28,359,634	27,493,679
<b>Net Position</b>						
Net Investment in Capital Assets	141,973,412	127,408,625	29,853,240	29,713,208	171,826,652	157,121,833
Restricted	14,869,706	10,266,294	-	-	14,869,706	10,266,294
Unrestricted	51,054,710	47,759,170	2,456,225	4,379,302	53,510,935	52,138,472
<b>Total Net Position</b>	<u>\$ 207,897,828</u>	<u>\$ 185,434,089</u>	<u>\$ 32,309,465</u>	<u>\$ 34,092,510</u>	<u>\$ 240,207,293</u>	<u>\$ 219,526,599</u>

\*Beginning assets, liabilities, and net position were restated due to the merger of the Joint Emergency Telephone System with the City. See Note 12 to 2013 CAFR.

The City's combined *Net Position* was \$240.2 million up from \$219.5 million; this represents an increase of \$20.7 million from the prior year. The City's *Total Net Position* from *Governmental Activities* increased by \$22.5 million due to \$14.6 million increased investment in Capital Assets and \$3.3 million increase in unrestricted net assets mostly from the additional tax revenues. As a result the City's total assets increased by \$24.4 million while the liabilities remained relatively consistent from last year.

The City's *Business-type Activities Total Net Position* decreased by \$1.8 million since the revenues generated from user fees are not able to cover the operational and capital expenditures of the water/sewer, parking system, and Des Plaines Emergency Communication Center funds.

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By far the largest portion of the City's *Total Net Position* \$171.8 million, or 71.5% reflects its investment in capital assets (e.g. land, buildings, equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. For more detailed information see the *Statement of Net Position*.

**Changes in Net Position**

The *Statement of Activities* presents information showing how the City's net position changed during the fiscal year. The following chart shows the revenue and expenses of the City's activities and their impact on the change in net position:

**Table 2: Changes in Net Position for the Fiscal Year Ended December 31, 2013**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013*</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 15,414,910	\$ 16,004,310	\$ 16,236,017	\$ 14,532,257	\$ 31,650,927	\$ 30,536,567
Operating Grants	2,996,521	2,762,161	8,237	2,039	3,004,758	2,764,200
Capital Grants	576,573	3,267,066	-	-	576,573	3,267,066
General Revenues						
Property Taxes	28,575,125	28,841,683	-	-	28,575,125	28,841,683
Other Taxes	63,389,184	59,542,567	-	-	63,389,184	59,542,567
Investment Income	89,626	160,289	1,776	5,228	91,402	165,517
Miscellaneous Revenue	899,031	1,280,897	5,388	2,756	904,419	1,283,653
<b>Total Revenues</b>	<u>111,940,970</u>	<u>111,858,973</u>	<u>16,251,418</u>	<u>14,542,280</u>	<u>128,192,388</u>	<u>126,401,253</u>
<b>Expenses</b>						
General Government	26,119,801	26,776,957	-	-	26,119,801	26,776,957
Public Safety	38,792,971	37,899,640	-	-	38,792,971	37,899,640
Public Works	8,448,448	7,637,527	-	-	8,448,448	7,637,527
Streets and Highways	11,450,291	10,686,981	-	-	11,450,291	10,686,981
Economic Development	1,906,584	1,553,448	-	-	1,906,584	1,553,448
Interest	2,709,144	3,046,102	-	-	2,709,144	3,046,102
Water/Sewer	-	-	15,412,364	14,161,409	15,412,364	14,161,409
Parking System	-	-	808,793	783,586	808,793	783,586
Emergency Comm. Center	-	-	2,247,933	-	2,247,933	-
<b>Total Expenses</b>	<u>89,427,239</u>	<u>87,600,655</u>	<u>18,469,090</u>	<u>14,944,995</u>	<u>107,896,329</u>	<u>102,545,650</u>
<b>Excess (Deficiency)</b>						
<b>Before Transfers</b>	22,513,731	24,258,318	(2,217,672)	(402,715)	20,296,059	23,855,603
<b>Transfers</b>	<u>(49,992)</u>	<u>15,758</u>	<u>49,992</u>	<u>(15,758)</u>	<u>-</u>	<u>-</u>
<b>Changes in Net Position</b>	22,463,739	24,274,076	(2,167,680)	(418,473)	20,296,059	23,855,603
<b>Net Position,</b>						
<b>Beginning (Restated)</b>	<u>185,434,089</u>	<u>161,160,013</u>	<u>34,477,145</u>	<u>34,510,983</u>	<u>219,911,234</u>	<u>195,670,996</u>
<b>Net Position, Ending</b>	<u>\$ 207,897,828</u>	<u>\$ 185,434,089</u>	<u>\$ 32,309,465</u>	<u>\$ 34,092,510</u>	<u>\$ 240,207,293</u>	<u>\$ 219,526,599</u>

\*Beginning net position was restated due to the merger of the Joint Emergency Telephone System with the City. See Note 12 to 2013 CAFR.

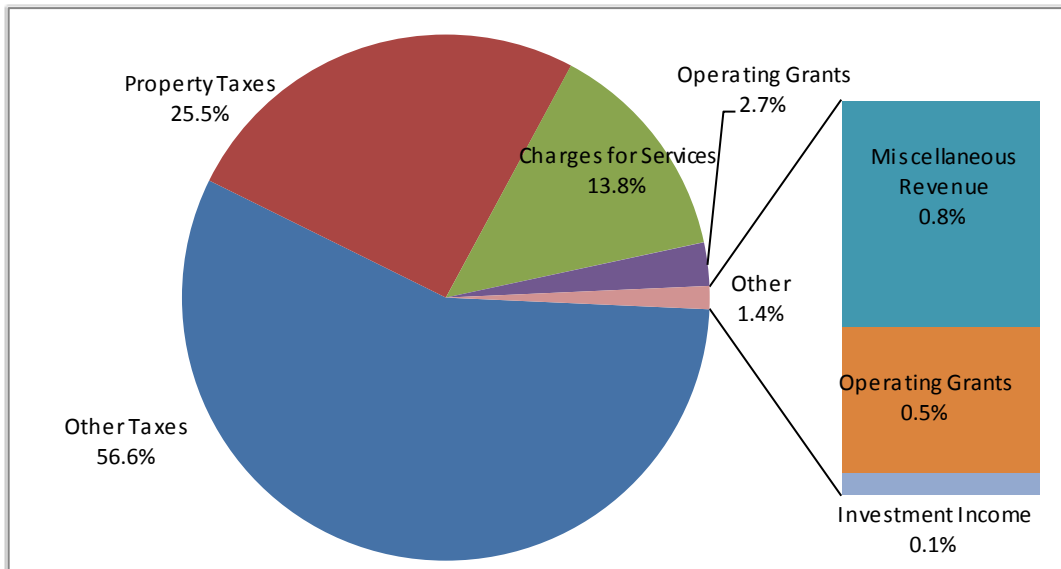
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**Current Year Impact - Governmental Activities**

**Revenues:**

For the fiscal year ended December 31, 2013, revenues from Governmental Activities totaled \$111.9 million. During the fiscal year *property taxes* continue to be the City's single largest yearly revenue source coming in at \$28.6 million, a 0.9% decrease due to no increase in the property tax levy over the prior year. The revenue from *other taxes* increased by \$3.8 million due to higher than expected municipal sales tax for taxes owed from prior years.

**2013 Primary Governmental Activities Revenue by Source**



The 2012 equalized assessed value (EAV) was reduced by (6.61%) from the 2013 EAV following the decline in market value of property in Cook County, IL.

**Equalized Assessed Valuation**

Levy Year	2012	2011	Increase (Decrease)	% of Change
<b>EAV</b>	\$2,039,939,367	\$2,184,333,304	(\$144,393,937)	-6.61%

The *General Fund* state-per-capita shared revenues from *income tax* and *use tax* increased by 13.4%.

State-Shared Tax	Fiscal Year 2013	Fiscal Year 2012	Increase / (Decrease)	Percent Change
State Income Tax	\$ 5,863,537	\$ 5,128,011	\$ 735,526	14.3%
Use Tax	987,175	911,425	75,750	8.3%
Total	\$ 6,850,712	\$ 6,039,436	\$ 811,276	13.4%

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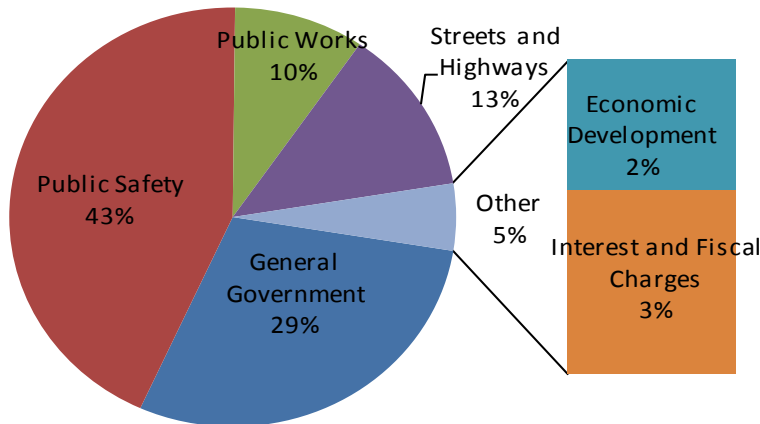
The City's *municipal sales tax* revenue (one percent share of the State collected tax, not including home rule tax) increased 28.7% during the fiscal year. This is largely due to \$3 million worth of collections resulting from an audit conducted by the Illinois Department of Revenue in which sales tax was due to the City for prior years.

<u>Fiscal Year</u>	<u>Amount Received</u>	<u>Amount of Change</u>	<u>% of Change</u>
2012	\$9,695,640	\$1,004,812	11.6%
2013	\$12,481,071	\$2,785,431	28.7%

**Expenses:**

For the fiscal year ended December 31, 2013, expenses from *Government Activities* totaled \$89.4 million; a \$1.8 million increase from last year. The general government expenses decreased by \$0.7 million and the interest and fiscal charges related to the debt service activities declined by \$0.3 million due to the early debt payoff. The Public Works expenses increased by \$0.8 million and economic development expenses increased by \$0.4 million due to an increase in routine infrastructure maintenance projects that were not capitalized. The streets and highways expenses increased by \$0.8 million due to increase in capital spending while public safety expenses went up by \$0.9 million due to an increase in personnel and benefits costs.

**2013 Primary Government Expenses by Activities**



**Current Year Impact - Business-type Activities**

- In 2013 the City had a 6.9% water rate increase to offset the water purchase price increase from the City of Chicago, but a 10% drop in consumption resulted in a \$352 thousand or 2.5% decline in revenue. The Water/Sewer operating expenses increased by \$1.2 million or (8.8%) primarily due to increase in contractual service costs and a 15% increase in wholesale purchase rate of water from the City of Chicago.
- The Parking System revenues declined by \$34 thousand due to the reduced maintenance charges of the Library parking deck and higher revenue from parking fees. Operating expenses increased by \$25 thousand from last year.

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- The Emergency Communications Center fund was created in 2013 after the dissolution of the Joint Emergency Telephone System on June 5, 2013. Charges for services were at \$2.1 million while the expenses came in at \$2.2 million.

## **FINANCIAL HIGHLIGHTS**

### ***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. For the fiscal year ended December 31, 2013; the Governmental Funds reported a combined fund balance of approximately \$70.5 million. This was an increase of \$15.0 million, or 27.1% due to the increase in General fund (\$7.9 million), TIF #6 (\$3.3 million), Gaming Tax fund (\$1.7 million), Capital Projects fund (\$1 million) and Non-major Governmental funds (\$1.2 million).

The General fund is the main operating fund of the City. At the end of the current fiscal year the General fund balance increased by \$7.9 million or 22.1%. \$9.9 million of the General fund balance was classified as nonspendable to cover the advances to TIF #3 and TIF #6 funds that had negative fund balances. The unassigned \$20.1 million balance of the General fund can be used to cover the day-to-day service delivery and was at 35.1% of total 2013 General fund expenditures.

General fund revenues increased by \$4.3 million or 6.8% over 2012 mostly due to the prior year's sales tax revenue of \$3.3 million as well as additional receipts from other state shared tax revenue sources. Total General fund expenditures increased by \$2.2 million or 3.9% mostly as a result of contractual increases in salaries and benefits as well as higher cost of contractual services and commodities.

The Gaming Tax fund is classified as a major governmental fund and was created to account for the revenues and contractual obligation expenditures related to Rivers Casino which opened in 2011. The fund balance at the end of 2013 was \$14.3 million, or 13.3% increase from 2012. This fund balance represents the City's portion of the gaming tax revenue after payments were made to the State of Illinois and other benefiting communities based on a contractual obligation.

The City maintains five separate funds created to account for the revenues and expenditures related to the City's tax increment financing (TIF) redevelopment areas. The negative impact on the City's 2013 total governmental fund balance is primarily due to a deficit fund balances in TIF #3 (Wille Road) of \$2.5 million and TIF #6 (Mannheim/Higgins) of \$2.4 million related to an outstanding debt burden as well as a reduced property tax revenue.

The TIF #6 is classified as a major governmental fund in 2013 due to the timing difference resulted from the \$4.4 million in bond proceeds received by the City in December, 2013 to redeem the refunded bonds in January, 2014.

The three Capital Projects funds maintained by the City include Capital Projects, Equipment Replacement and I.T. Replacement funds. The Capital Projects fund was created to account for the acquisition and construction of major capital facilities and improvements and is classified as a major governmental fund of the City. The Capital Projects fund balance increased by \$1.0 million primarily due to the \$7.155 million transfer from the Gaming Tax fund.

### ***Proprietary Funds***

The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the Water/Sewer and Parking System funds as Major Enterprise funds. The Des Plaines Emergency Communications Center Fund (DPECC) is reported

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as a non-major enterprise fund. At December 31, 2013 the Enterprise funds reported a total net position of \$31.9 million, a drop of \$2.1 million or 6.3%.

The Water/Sewer fund *Net Position* decreased by \$1.5 million from the prior year as the fees received from the sale of water did not generate enough revenue to offset the water wholesale purchase price increase charged by the City of Chicago as well as operating expenses of the fund.

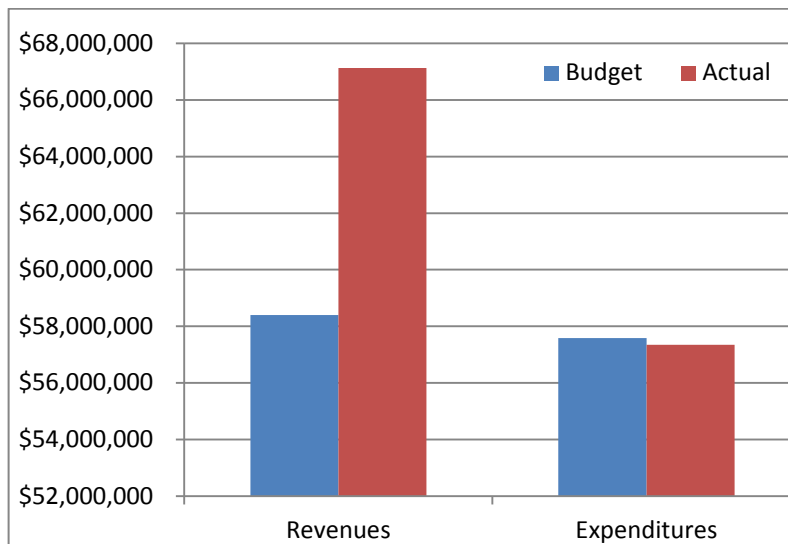
The Parking System fund reported *Net Position* of \$12.1 million, a decrease of (\$0.4) million since the revenue from charges for services continues to outweigh the operating expenses and the depreciation.

The DPECC fund created in 2013 to replace operations of the Joint Emergency Telephone System reported *Net Position* of \$226 thousand a \$158 thousand decrease from the originally transferred *Net Position*.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

**Table 3: 2013 General Fund Budgetary Highlights**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance from Fund Budget Positive (Negative)</b>
Revenues	\$ 58,396,635	\$ 67,123,998	\$ 8,727,363
Expenditures	<u>57,657,347</u>	<u>57,347,965</u>	<u>309,382</u>
Excess of Revenues Over Expenditures	<u>739,288</u>	<u>9,776,033</u>	<u>9,036,745</u>
Other Financing Sources (Uses)	(2,352,354)	(1,870,189)	482,165
Net Changes in Fund Balance	<u><u>\$ (1,613,066)</u></u>	<u><u>\$ 7,905,844</u></u>	<u><u>\$ 9,518,910</u></u>



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General fund actual revenues were \$8.7 million or 14.9% greater than the budgeted amount while General fund actual expenditures were (\$0.2) million or 0.5% lower than the budgeted amount. The revenues from local taxes, intergovernmental payments as well as charges for services, fines and fees were higher than anticipated. The expenditures remained within the budget expectations based on the City's conservative approach to spending.

### **CAPITAL ASSETS**

The City's investment in capital assets net of the accumulated depreciation from the Governmental Activities was \$190.8 million and from the Business-Type Activities \$29.9 million as of December 31, 2013. The investment in capital assets includes land, buildings, intangible assets, equipment, improvements, vehicles and infrastructure. Major capital projects are completed based on the City's Capital Improvement Program (CIP) that is a multi-year plan that prioritizes the City's street, utility, and drainage infrastructure project needs for the next five years given current financial resources. The capital improvements during 2013 fiscal year included streets and alley reconstruction, water, sewer and drainage system improvements as well as construction and remodeling of the train station.

The Business-type capital assets activities included reconstruction of the water mains and sanitary sewer improvements. Detailed information regarding the change in capital assets for Governmental and Business-Type activities is included in the Capital Assets Note 5 to 2013 CAFR.

### **DEBT OUTSTANDING**

The City, under its home rule authority, does not have a legal debt limit. The City's outstanding general obligation debt rating of "Aa2" has been reaffirmed in 2013 by Moody's Investors Service. The City continues to look for the opportunities to pay debt off early or refinance debt at lower interest rates.

#### ***Existing Debt***

The City had \$56.1 million in principal outstanding general obligation debt from governmental activities and no principle outstanding from business-type activities for the year ended December 31, 2013. The majority of the City's debt burden is supported by TIF revenues, sales and utility taxes, sewer fees and other fees and only \$0.725 million is supported by property tax revenue.

During the current fiscal year, the City issued \$7.9 million in Series 2013 General Obligation (G.O.) Refunding Bonds to take the advantage of the interest rate savings. Additionally, the City paid off the Series 2005E bonds. The City used the TIF #1 balance to pay off \$0.6 million and gaming tax revenue to pay off \$3.555 million. The City's net direct debt ratio to equalized assessed value (EAV) continues to be less than 1%. Additional information of the City's long-term debt can be found in Note 7 – Debt Activity to 2013 CAFR.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The soft economy and stagnant revenues remain the City's single biggest challenge. The City Council continues to be sensitive to the precarious financial circumstances of residents and businesses by significantly reducing its operating expenditures and limiting tax increases. The most significant challenges that were considered during the development of the 2014 budget were:

- *Pension liabilities:* Recent changes in pension legislation allowed the municipalities some relief in funding the pension obligations at 90% by 2040. The City continues to calculate and fund at the 100% actuarial funding level. The City recently changed the actuarial rate of return assumption from 7.75% to 7% to calculate the estimated Police and Fire pension investment return.

CITY OF DES PLAINES, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2013

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- *Revenue sources at risk:* State legislation has not allowed for increases in local municipal revenues and reductions have even been proposed. Reductions to the Local Government Distributive Fund are being discussed and revenue has already been partially diverted for the Corporate Personal Property Replacement tax.
- *Underperforming TIF Districts:* The City has five Tax Increment Financing (TIF) districts and two (TIF #3, Wille Road and TIF #6, Mannheim/Higgins) have negative fund balances. Given the significant decreases in equalized assessed values over the past few years, the incremental property taxes typically generated within TIFs have measurably declined in these cases. These circumstances were the cause of the negative fund balances in these TIFs, which are currently being offset by advances from the City's General fund with the hope of future repayments.
- *Funding of significant capital equipment purchases:* The funding for the vehicle and equipment purchases is provided on a pay-as-you-go basis. This is an essential step in the long-term financial planning as it allows the City to fund the capital equipment purchases on an ongoing basis rather than incur high costs of borrowing.

Total operating revenues budgeted for 2014 are \$127.6 million, a 9.2% increase from the 2013 Budget, mostly due to more accurate estimates of the gaming tax revenues from the Rivers Casino and an increase in the water rate. The General fund revenues are budgeted at \$58.1 million, a \$316 thousand, or 0.5% decrease from 2013 due to a reduction in business license fees and moving rent from cell tower leases to the water and sewer fund. The City's total 2013 property tax levy payable in 2014 is \$23.1 million, a slight increase over the prior year's tax levy.

Total City spending for the 2014 Budget is \$142.8 million, a \$17 million, or 13.5% increase over the 2013 budget amount. This increase can be attributed to increased investment in infrastructure projects in the Capital Projects fund and Water/Sewer fund. The General fund expenditures of \$59.6 million, a \$2 million, or 7.2% increase over 2013 budget is a result of an increase in personnel related costs (wages, insurance, etc.) as well as the funding of the public safety pensions and benefits. Other significant General fund budgeted expenditures include a modernization of the elevators in the City Hall.

#### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

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



## **BASIC FINANCIAL STATEMENTS**

CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF NET POSITION  
December 31, 2013

	Primary Government			Component Unit (Library)
	Governmental Activities	Business-type Activities	Total Primary Government	
<b>ASSETS</b>				
Cash and Investments	\$ 75,050,932	\$ 1,171,966	\$ 76,222,898	\$ 5,918,494
Restricted Cash and Investments	8,087,311	-	8,087,311	-
Receivables (Net)				
Property Taxes	28,563,366	-	28,563,366	6,123,263
Accounts	4,612,787	3,878,343	8,491,130	-
Accrued Interest	3,156	-	3,156	-
Other Taxes	1,382,230	-	1,382,230	-
Other	313,809	284,537	598,346	-
Prepaid Items	3,116,909	6,053	3,122,962	64,397
Inventories	-	280,322	280,322	-
Due from Other Governmental Units	6,940,345	-	6,940,345	-
Internal Balances	321,812	(321,812)	-	-
Net Pension Asset	1,510,687	-	1,510,687	-
Capital Assets Not Being Depreciated	73,029,456	1,891,770	74,921,226	-
Capital Assets Being Depreciated, Net	<u>117,773,463</u>	<u>27,961,470</u>	<u>145,734,933</u>	<u>862,543</u>
<b>TOTAL ASSETS</b>	<u>320,706,263</u>	<u>35,152,649</u>	<u>355,858,912</u>	<u>12,968,697</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Amounts from Refunding of Debt	<u>523,867</u>	<u>-</u>	<u>523,867</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts Payable	21,202,698	1,403,036	22,605,734	265,573
Accrued Payroll	1,583,289	262,868	1,846,157	69,334
Accrued Liabilities	122,264	275,644	397,908	-
Accrued Interest Payable	183,205	-	183,205	-
Unearned Revenue	430,032	177,158	607,190	-
Deposits Payable	51,687	-	51,687	-
Long-term Obligations				
Due Within One Year	14,436,802	267,848	14,704,650	97,855
Due in More Than One Year	<u>46,962,691</u>	<u>456,630</u>	<u>47,419,321</u>	<u>309,831</u>
<b>TOTAL LIABILITIES</b>	<u>84,972,668</u>	<u>2,843,184</u>	<u>87,815,852</u>	<u>742,593</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Tax Revenue	<u>28,359,634</u>	<u>-</u>	<u>28,359,634</u>	<u>6,108,056</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	141,973,412	29,853,240	171,826,652	862,543
Restricted for				
Streets and Highways	454,201	-	454,201	-
Public Safety	2,104,739	-	2,104,739	-
Economic Development	3,941,385	-	3,941,385	-
Culture and Recreation	-	-	-	5,255,505
Debt Service	8,369,381	-	8,369,381	-
Unrestricted	<u>51,054,710</u>	<u>2,456,225</u>	<u>53,510,935</u>	<u>-</u>
<b>TOTAL NET POSITION</b>	<u>\$ 207,897,828</u>	<u>\$ 32,309,465</u>	<u>\$ 240,207,293</u>	<u>\$ 6,118,048</u>

CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF ACTIVITIES  
Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines & Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities				
General Government	\$ 26,119,801	\$ 5,774,206	\$ 260,253	\$ -
Public Safety	38,792,971	3,259,941	248,935	-
Public Works	8,448,448	4,092,464	804,342	-
Streets and Highways	11,450,291	2,288,299	1,682,991	576,573
Economic Development	1,906,584	-	-	-
Interest and Fiscal Charges	2,709,144	-	-	-
<b>Total Governmental Activities</b>	<b>89,427,239</b>	<b>15,414,910</b>	<b>2,996,521</b>	<b>576,573</b>
Business-type Activities				
Water	15,412,364	13,810,387	8,237	-
Parking System	808,793	336,051	-	-
Emergency Communications	2,247,933	2,089,579	-	-
<b>Total Business-type Activities</b>	<b>18,469,090</b>	<b>16,236,017</b>	<b>8,237</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 107,896,329</b>	<b>\$ 31,650,927</b>	<b>\$ 3,004,758</b>	<b>\$ 576,573</b>
<b>Component Unit:</b>				
Library	\$ 6,073,379	\$ 164,584	\$ 63,977	\$ -

General Revenues
Taxes
Property Taxes
Replacement Taxes
Sales Taxes
Utility Taxes
Income Taxes
Home Rule Sales Taxes
Food and Beverage Taxes
Hotel/Motel Taxes
Real Estate Transfer Taxes
Local Option Motor Fuel Taxes
Gaming Taxes
Other Taxes
Investment Income
Miscellaneous
Transfers
<b>Total General Revenues and Transfers</b>
Change in Net Position
Net Position, January 1, 2013 (as Restated)
Net Position, December 31, 2013

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total Primary Government	Library
\$ (20,085,342)		\$ (20,085,342)	\$ -
(35,284,095)		(35,284,095)	-
(3,551,642)		(3,551,642)	-
(6,902,428)		(6,902,428)	-
(1,906,584)		(1,906,584)	-
(2,709,144)		(2,709,144)	-
<u>(70,439,235)</u>		<u>(70,439,235)</u>	<u>-</u>
	\$ (1,593,740)	(1,593,740)	-
	(472,742)	(472,742)	-
	<u>(158,354)</u>	<u>(158,354)</u>	<u>-</u>
	<u>(2,224,836)</u>	<u>(2,224,836)</u>	<u>-</u>
<u>(70,439,235)</u>	<u>(2,224,836)</u>	<u>(72,664,071)</u>	<u>-</u>
-	-	-	(5,844,818)
28,575,125	-	28,575,125	6,289,369
1,341,936	-	1,341,936	92,988
13,486,496	-	13,486,496	-
3,264,076	-	3,264,076	-
5,643,512	-	5,643,512	-
5,640,304	-	5,640,304	-
1,177,511	-	1,177,511	-
1,752,342	-	1,752,342	-
436,309	-	436,309	-
1,707,152	-	1,707,152	-
24,662,123	-	24,662,123	-
4,277,423	-	4,277,423	-
89,626	1,776	91,402	1,945
899,031	5,388	904,419	23,173
(49,992)	49,992	-	-
<u>92,902,974</u>	<u>57,156</u>	<u>92,960,130</u>	<u>6,407,475</u>
22,463,739	(2,167,680)	20,296,059	562,657
<u>185,434,089</u>	<u>34,477,145</u>	<u>219,911,234</u>	<u>5,555,391</u>
<u>\$ 207,897,828</u>	<u>\$ 32,309,465</u>	<u>\$ 240,207,293</u>	<u>\$ 6,118,048</u>

CITY OF DES PLAINES, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2013

	Major Governmental Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Capital Projects		
<b>ASSETS</b>						
Cash and Investments	\$ 30,801,407	\$ -	\$ 27,538,259	\$ 2,974,779	\$ 12,275,733	\$ 73,590,178
Restricted Cash and Investments	-	4,460,206	-	-	3,627,105	8,087,311
Receivables (net)						
Property Tax Receivable	22,830,537	49,638	-	32,981	5,650,210	28,563,366
Other Taxes	1,233,717	-	-	148,513	-	1,382,230
Accounts Receivable	1,383,991	-	-	628,568	-	2,012,559
Accrued Interest	1,990	-	992	-	174	3,156
Other	310,559	-	2,600,228	-	2,462	2,913,249
Prepaid Items	3,265	-	-	-	-	3,265
Due from Other Governments	5,165,574	-	-	1,057,959	716,812	6,940,345
Due from Other Funds	777,873	-	-	-	-	777,873
Advances to Other Funds	9,897,031	-	-	-	-	9,897,031
<b>TOTAL ASSETS</b>	<b>\$ 72,405,944</b>	<b>\$ 4,509,844</b>	<b>\$ 30,139,479</b>	<b>\$ 4,842,800</b>	<b>\$ 22,272,496</b>	<b>\$ 134,170,563</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 2,337,847	\$ 1,448	\$ 15,864,849	\$ 1,266,981	\$ 1,615,438	\$ 21,086,563
Accrued Payroll	1,567,700	-	-	12,900	2,689	1,583,289
Accrued Liabilities	99,074	-	-	-	-	99,074
Deposits Payable	-	-	-	1,150	50,537	51,687
Advances from Other Funds	-	6,843,003	-	-	3,054,028	9,897,031
Unearned Revenue	430,032	-	-	-	-	430,032
<b>Total Liabilities</b>	<b>4,434,653</b>	<b>6,844,451</b>	<b>15,864,849</b>	<b>1,281,031</b>	<b>4,722,692</b>	<b>33,147,676</b>
<b>Deferred Inflows of Resources</b>						
Deferred Property Tax Revenue	22,745,844	49,638	-	32,695	5,531,457	28,359,634
Unavailable Other Revenue	1,584,834	-	-	-	550,095	2,134,929
<b>Total Deferred Inflows of Resources</b>	<b>24,330,678</b>	<b>49,638</b>	<b>-</b>	<b>32,695</b>	<b>6,081,552</b>	<b>30,494,563</b>
<b>Fund Balances</b>						
<b>Nonspendable</b>						
Long-term Interfund Advances	9,897,031	-	-	-	-	9,897,031
Prepaid Items	3,265	-	-	-	-	3,265
<b>Restricted</b>						
Economic Development	-	-	-	-	3,941,385	3,941,385
Debt Retirement/Infrastructure	-	-	14,274,630	-	-	14,274,630
Streets & Highways	-	-	-	-	454,201	454,201
Public Safety	-	-	-	-	2,104,739	2,104,739
Debt Service	-	4,460,206	-	-	4,092,380	8,552,586
<b>Assigned</b>						
Infrastructure	4,100,000	-	-	3,529,074	-	7,629,074
Capital Acquisitions	3,970,000	-	-	-	3,929,699	7,899,699
Streets & Highways	250,000	-	-	-	-	250,000
Pension Funding	1,313,108	-	-	-	-	1,313,108
Debt Service	4,000,000	-	-	-	-	4,000,000
Unassigned	20,107,209	(6,844,451)	-	-	(3,054,152)	10,208,606
<b>Total Fund Balances</b>	<b>43,640,613</b>	<b>(2,384,245)</b>	<b>14,274,630</b>	<b>3,529,074</b>	<b>11,468,252</b>	<b>70,528,324</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 72,405,944</b>	<b>\$ 4,509,844</b>	<b>\$ 30,139,479</b>	<b>\$ 4,842,800</b>	<b>\$ 22,272,496</b>	<b>\$ 134,170,563</b>

CITY OF DES PLAINES, ILLINOIS  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
December 31, 2013

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Total Fund Balances - Governmental Funds \$ 70,528,324

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

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

Capital Assets	\$ 293,097,237	
Accumulated Depreciation	<u>(102,294,318)</u>	
Net Capital Assets		190,802,919

Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 2,134,929

Gains/Losses related to the refunding of long-term debt are deferred and amortized over the life of the debt issue in the statement of net position. 523,867

Generally, interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. (183,205)

The net pension assets of the police and firefighters pension funds are included in the governmental activities in the statement of net position. 1,510,687

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

Compensated Absences Payable	(2,091,627)	
General Obligation Bonds Payable	(12,470,000)	
TIF General Obligation Bonds Payable	(43,604,315)	
TIF Revenue Bonds Payable	(482,387)	
Unamortized Bond Premiums & Discounts	(541,672)	
Installment Notes Payable	(200,000)	
Other Post Employment Benefits (OPEB)	(1,717,972)	
Net Pension Obligation - IMRF	<u>(272,287)</u>	
Total Long-term Liabilities		(61,380,260)

Internal service funds are reported in the Statement of Net Position as Governmental Activities. 3,960,567

Net Position of Governmental Activities \$ 207,897,828

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CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended December 31, 2013

	Major Governmental Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Capital Projects		
<b>Revenues</b>						
Property Taxes	\$ 23,043,431	\$ 7,104	\$ -	\$ 33,453	\$ 5,491,137	\$ 28,575,125
Other Taxes	12,030,631	-	24,662,123	5,937,380	98,828	42,728,962
Licenses and Permits	2,924,191	-	-	-	-	2,924,191
Intergovernmental	20,992,728	-	-	-	2,329,989	23,322,717
Public Charges for Services	6,245,773	-	-	2,288,299	-	8,534,072
Fines, Forfeitures and Penalties	1,312,001	-	-	-	126,876	1,438,877
Investment Income	25,188	148	36,938	3,487	23,831	89,592
Miscellaneous	550,055	3,147	-	45,463	32,304	630,969
<b>Total Revenues</b>	<u>67,123,998</u>	<u>10,399</u>	<u>24,699,061</u>	<u>8,308,082</u>	<u>8,102,965</u>	<u>108,244,505</u>
<b>Expenditures</b>						
Current						
General Government	7,272,417	-	15,864,849	-	269,010	23,406,276
Public Safety	38,138,909	-	-	-	191,455	38,330,364
Public Works	6,225,488	-	-	786,579	-	7,012,067
Streets and Highways	5,210,461	-	-	-	1,153,091	6,363,552
Economic Development	500,690	27,692	-	-	1,326,744	1,855,126
Debt Service						
Principal	-	725,000	-	6,795,000	2,273,365	9,793,365
Interest and Fiscal Charges	-	436,782	-	776,892	822,935	2,036,609
Capital Outlay	-	-	-	5,801,860	6,631,857	12,433,717
<b>Total Expenditures</b>	<u>57,347,965</u>	<u>1,189,474</u>	<u>15,864,849</u>	<u>14,160,331</u>	<u>12,668,457</u>	<u>101,231,076</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>9,776,033</u>	<u>(1,179,075)</u>	<u>8,834,212</u>	<u>(5,852,249)</u>	<u>(4,565,492)</u>	<u>7,013,429</u>
<b>Other Financing Sources (Uses)</b>						
Transfer In	347,013	-	-	7,155,000	2,533,386	10,035,399
Transfer Out	(2,217,202)	(62,515)	(7,155,000)	(297,004)	(445,872)	(10,177,593)
Issuance of Debt	-	4,390,000	-	-	3,555,000	7,945,000
Premium on Bond Issuance	-	110,395	-	-	104,650	215,045
<b>Total Other Financing Sources (Uses)</b>	<u>(1,870,189)</u>	<u>4,437,880</u>	<u>(7,155,000)</u>	<u>6,857,996</u>	<u>5,747,164</u>	<u>8,017,851</u>
<b>Net Change in Fund Balances</b>	7,905,844	3,258,805	1,679,212	1,005,747	1,181,672	15,031,280
<b>Fund Balances at Beginning of Year</b>	<u>35,734,769</u>	<u>(5,643,050)</u>	<u>12,595,418</u>	<u>2,523,327</u>	<u>10,286,580</u>	<u>55,497,044</u>
<b>Fund Balances at End of Year</b>	<u>\$ 43,640,613</u>	<u>\$ (2,384,245)</u>	<u>\$ 14,274,630</u>	<u>\$ 3,529,074</u>	<u>\$ 11,468,252</u>	<u>\$ 70,528,324</u>

CITY OF DES PLAINES, ILLINOIS  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2013

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Net Change in Fund Balances - Total Governmental Funds \$ 15,031,280

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

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

Capital Expenditures	\$ 11,307,014	
Contributed Assets	467,295	
Depreciation	<u>(6,123,417)</u>	
Capital Expenditures in Excess of Depreciation		5,650,892

Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. 330,829

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

Decrease in Compensated Absences Liability	144,990	
Accretion of Interest on Capital Appreciation Bonds	(537,437)	
Increase in Accrued Interest Payable	(8,110)	
Increase in Net Pension Obligation - IMRF	(39,389)	
Decrease in Other Post Employment Benefits (OPEB)	204,436	
Increase in Net Pension Asset	<u>67,817</u>	
Total Expenses of Non-current Resources		(167,693)

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

Bonds Issued	(7,945,000)	
Premium on Bonds Issued	(215,045)	
Repayments:		
General Obligation Bonds Payable	6,870,000	
TIF General Obligation Bonds Payable	2,855,000	
TIF Revenue Bonds Payable	55,865	
Installment Notes Payable	12,500	
Amortization of Premiums, Discounts, & Loss on Refunding	<u>(126,988)</u>	
Net Adjustment		1,506,332

Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund (net of current look back adjustment) reported with the governmental activities. 112,099

Change in Net Position of Governmental Activities \$ 22,463,739

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CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Water/Sewer	Parking System	Des Plaines Emergency Communication Center	Total Enterprise Funds	
<b>ASSETS</b>					
Current Assets					
Cash and Investments	\$ -	\$ 533,440	\$ 638,526	\$ 1,171,966	\$ 1,460,754
Receivables (Net)					
Accounts	3,878,343	-	-	3,878,343	-
Other	10,531	70,258	203,748	284,537	788
Prepaid Items	-	-	6,053	6,053	3,113,644
Inventories	280,322	-	-	280,322	-
Total Current Assets	<u>4,169,196</u>	<u>603,698</u>	<u>848,327</u>	<u>5,621,221</u>	<u>4,575,186</u>
Noncurrent Assets					
Capital Assets					
Capital Assets Not Being Depreciated	233,828	1,657,942	-	1,891,770	-
Capital Assets Being Depreciated, Net	17,823,453	9,932,822	205,195	27,961,470	-
Total Noncurrent Assets	<u>18,057,281</u>	<u>11,590,764</u>	<u>205,195</u>	<u>29,853,240</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>22,226,477</u>	<u>12,194,462</u>	<u>1,053,522</u>	<u>35,474,461</u>	<u>4,575,186</u>
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	1,335,444	46,537	21,055	1,403,036	116,135
Accrued Liabilities	206,689	-	331,823	538,512	23,190
Due to Other Funds	777,873	-	-	777,873	-
Unearned Revenue	-	-	177,158	177,158	-
Long-term Obligations, Due Within One Year					
Compensated Absences	173,190	-	94,658	267,848	-
Early Retirement Incentive Program Payable	-	-	-	-	19,233
Total Current Liabilities	<u>2,493,196</u>	<u>46,537</u>	<u>624,694</u>	<u>3,164,427</u>	<u>158,558</u>
Noncurrent Liabilities					
Long-term Obligations, Due in More Than One Year					
Net OPEB Obligation	68,288	-	109,783	178,071	-
Net IMRF Obligation	109,645	-	43,262	152,907	-
Compensated Absences	76,215	-	49,437	125,652	-
Total Noncurrent Liabilities	<u>254,148</u>	<u>-</u>	<u>202,482</u>	<u>456,630</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>2,747,344</u>	<u>46,537</u>	<u>827,176</u>	<u>3,621,057</u>	<u>158,558</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	18,057,281	11,590,764	205,195	29,853,240	-
Unrestricted	1,421,852	557,161	21,151	2,000,164	4,416,628
<b>TOTAL NET POSITION</b>	<u>\$ 19,479,133</u>	<u>\$ 12,147,925</u>	<u>\$ 226,346</u>	<u>31,853,404</u>	<u>\$ 4,416,628</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities					
Related to Enterprise Funds				456,061	
Net Position of Business-type Activities				<u>\$ 32,309,465</u>	

CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Water/Sewer	Parking System	Des Plaines Emergency Communication Center	Total Enterprise Funds	
<b>Operating Revenues</b>					
Charges for Services	\$ 13,810,387	\$ 336,051	\$ 2,089,579	\$ 16,236,017	\$ 11,343,544
Miscellaneous	5,388	-	-	5,388	247,490
<b>Total Operating Revenues</b>	<u>13,815,775</u>	<u>336,051</u>	<u>2,089,579</u>	<u>16,241,405</u>	<u>11,591,034</u>
<b>Operating Expenses</b>					
Salaries	3,239,433	-	1,184,796	4,424,229	-
Benefits	1,688,501	-	535,188	2,223,689	-
Contractual Services	1,252,729	16,686	224,590	1,494,005	-
Commodities	8,148,506	141,846	123,019	8,413,371	-
Capital Outlay	87,453	-	900	88,353	-
Claims Expense	-	-	-	-	8,055,172
Insurance and Processing Fees	-	-	-	-	3,110,266
Miscellaneous	-	-	-	-	433,842
Depreciation	948,579	649,879	179,440	1,777,898	-
<b>Total Operating Expenses</b>	<u>15,365,201</u>	<u>808,411</u>	<u>2,247,933</u>	<u>18,421,545</u>	<u>11,599,280</u>
<b>Operating Income (Loss)</b>	<u>(1,549,426)</u>	<u>(472,360)</u>	<u>(158,354)</u>	<u>(2,180,140)</u>	<u>(8,246)</u>
<b>Nonoperating Revenues and (Expenses)</b>					
Intergovernmental	8,237	-	-	8,237	-
Investment Income	1,711	-	65	1,776	34
Interest Expense	(19,436)	-	-	(19,436)	-
<b>Total Nonoperating Revenues and (Expenses)</b>	<u>(9,488)</u>	<u>-</u>	<u>65</u>	<u>(9,423)</u>	<u>34</u>
<b>Income (Loss) Before Transfers</b>	<u>(1,558,914)</u>	<u>(472,360)</u>	<u>(158,289)</u>	<u>(2,189,563)</u>	<u>(8,212)</u>
<b>Transfers</b>					
Transfers In	20,758	65,750	-	86,508	92,202
Transfers Out	-	(36,516)	-	(36,516)	-
<b>Total Transfers</b>	<u>20,758</u>	<u>29,234</u>	<u>-</u>	<u>49,992</u>	<u>92,202</u>
<b>Change in Net Position</b>	(1,538,156)	(443,126)	(158,289)	(2,139,571)	83,990
<b>Net Position at Beginning of Year (as Restated)</b>	<u>21,017,289</u>	<u>12,591,051</u>	<u>384,635</u>	<u>33,992,975</u>	<u>4,332,638</u>
<b>Net Position at End of Year</b>	<u>\$ 19,479,133</u>	<u>\$ 12,147,925</u>	<u>\$ 226,346</u>	<u>\$ 31,853,404</u>	<u>\$ 4,416,628</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Funds				<u>(28,109)</u>	
Change in Net Position of Business-type Activities				<u>\$ (2,167,680)</u>	

CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Water/Sewer	Parking System	Des Plaines Emergency Communication Center	Total Enterprise Funds	
<b>Cash Flows from Operating Activities</b>					
Cash Received from Customers	\$ 13,613,603	\$ 373,492	\$ 2,062,989	\$ 16,050,084	\$ 11,343,544
Receipts from Miscellaneous Revenues	5,388	-	-	5,388	247,490
Cash Payments to Suppliers for Good and Services	(9,407,730)	(148,124)	(333,507)	(9,889,361)	(11,794,719)
Cash Payments to Employees for Services	(4,852,071)	-	(1,466,280)	(6,318,351)	-
<b>Net Cash Provided/(Used) by Operating Activities</b>	<u>(640,810)</u>	<u>225,368</u>	<u>263,202</u>	<u>(152,240)</u>	<u>(203,685)</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers In	20,758	65,750	-	86,508	92,202
Transfers Out	-	(36,516)	-	(36,516)	-
Interfund Advances	777,873	-	-	777,873	-
Loan Repayments Received	13,405	-	-	13,405	-
Proceeds from Operating Grants	8,237	-	-	8,237	-
<b>Net Cash Provided/(Used) by Noncapital Financing Activities</b>	<u>820,273</u>	<u>29,234</u>	<u>-</u>	<u>849,507</u>	<u>92,202</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Principal Payments - Bonds	(365,000)	-	-	(365,000)	-
Acquisition and Construction of Capital Assets	(1,099,108)	(74,850)	-	(1,173,958)	-
Interest Paid	(14,990)	-	-	(14,990)	-
<b>Net Cash Provided/(Used) by Capital and Related Financing Activities</b>	<u>(1,479,098)</u>	<u>(74,850)</u>	<u>-</u>	<u>(1,553,948)</u>	<u>-</u>
<b>Cash Flows from Investing Activities</b>					
Investment Income	1,711	-	65	1,776	34
<b>Net Cash Provided/(Used) by Investing Activities</b>	<u>1,711</u>	<u>-</u>	<u>65</u>	<u>1,776</u>	<u>34</u>
<b>Net Increase (Decrease) in Cash &amp; Investments</b>	(1,297,924)	179,752	263,267	(854,905)	(111,449)
<b>Cash &amp; Investments, Beginning of Year (Restated)</b>	1,297,924	353,688	375,259	2,026,871	1,572,203
<b>Cash &amp; Investments, End of Year</b>	<u>\$ -</u>	<u>\$ 533,440</u>	<u>\$ 638,526</u>	<u>\$ 1,171,966</u>	<u>\$ 1,460,754</u>
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities</b>					
Operating Income/(Loss)	\$ (1,549,426)	\$ (472,360)	\$ (158,354)	\$ (2,180,140)	\$ (8,246)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities					
Depreciation	948,579	649,879	179,440	1,777,898	-
Decrease (Increase) in Receivables	(196,784)	37,441	(203,748)	(363,091)	(788)
Decrease (Increase) in Prepaid Items	-	-	(6,053)	(6,053)	69,583
Decrease (Increase) in Inventories	(102,980)	-	-	(102,980)	-
(Decrease) Increase in Accounts Payable	183,938	10,408	21,055	215,401	93,665
(Decrease) Increase in Accrued Liabilities	41,413	-	331,823	373,236	9,033
(Decrease) Increase in Unearned Revenue	-	-	177,158	177,158	-
(Decrease) Increase in Net OPEB Obligation	(8,126)	-	2,275	(5,851)	-
(Decrease) Increase in Net IMRF Obligation	22,508	-	(51,200)	(28,692)	-
(Decrease) Increase in Compensated Absences Payable	20,068	-	(29,194)	(9,126)	-
(Decrease) Increase in Early Retirement Incentive Program Payable	-	-	-	-	(366,932)
Total Adjustments	<u>908,616</u>	<u>697,728</u>	<u>421,556</u>	<u>2,027,900</u>	<u>(195,439)</u>
<b>Net Cash Provided/(Used) by Operating Activities</b>	<u>\$ (640,810)</u>	<u>\$ 225,368</u>	<u>\$ 263,202</u>	<u>\$ (152,240)</u>	<u>\$ (203,685)</u>

CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
December 31, 2013

	Pension Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 7,061,864	\$ 1,487,110
Investments		
U.S. Government and Agency Obligations	18,962,914	-
Mutual Funds	42,463,054	-
Corporate Bonds	22,841,740	-
Stocks	35,529,302	-
State and Local Obligations	2,197,508	-
Insurance Contracts	1,455	-
Receivables (Net)		
Accrued Interest	403,789	-
Other	-	472,765
Prepaid Items	11,552	-
<b>TOTAL ASSETS</b>	<b>\$ 129,473,178</b>	<b>\$ 1,959,875</b>
 <b>LIABILITIES AND NET POSITION</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 81,797	\$ 26,874
Accrued Liabilities	-	1,406,494
Deposits Payable	-	526,507
<b>Total Liabilities</b>	<b>81,797</b>	<b>\$ 1,959,875</b>
 <b>Net Position</b>		
Held in Trust for Pension Benefits	129,391,381	
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 129,473,178</b>	

CITY OF DES PLAINES, ILLINOIS  
STATEMENT OF CHANGES IN PLAN NET POSITION  
PENSION TRUST FUNDS  
Year Ended December 31, 2013

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	<u>Pension Trust Funds</u>
<b>Additions</b>	
Contributions	
Employer	\$ 7,866,477
Plan Members	<u>1,573,960</u>
Total Contributions	<u>9,440,437</u>
Investment Income	15,433,952
Less Investment Expense	<u>(496,509)</u>
Net Investment Income	<u>14,937,443</u>
<b>Total Additions</b>	<u>24,377,880</u>
<b>Deductions</b>	
Administration	184,027
Benefits and Refunds	<u>12,205,288</u>
<b>Total Deductions</b>	<u>12,389,315</u>
<b>Change in Plan Net Position</b>	11,988,565
<b>Plan Net Position at Beginning of Year</b>	<u>117,402,816</u>
<b>Plan Net Position at End of Year</b>	<u>\$ 129,391,381</u>

CITY OF DES PLAINES, ILLINOIS  
INDEX TO NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

Reporting Entity: This report includes all of the funds of the City of Des Plaines. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement Nos. 14, 39, and 61.

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

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

*Fiduciary Component Units – Police and Firefighters' Pension Funds* - The Police Pension Employees Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The City and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. No separate annual financial report is issued for the PPERS.

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

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

Government-Wide and Fund Financial Statements:

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

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

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

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(Continued)



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

The City reports the following major governmental funds:

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

The City reports the following major enterprise funds:

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

The City reports the following nonmajor governmental funds:

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

Motor Fuel Tax  
Asset Seizure  
TIF #1 (Downtown)  
TIF #4 (Five Corners)  
Grant Funded Projects

Community Development Block Grant  
Foreign Fire Insurance Tax  
TIF #3 (Wille Road)  
TIF #5 (Perry/Lee)

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Debt Service

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

Equipment Replacement  
I.T. Replacement

The City reports the following nonmajor enterprise fund:

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

In addition, the City reports the following fund types:

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

Risk Management  
Health Benefits

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

Firefighters' Pension  
Police Pension

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

Compliance Bond  
Section 125 Plan  
Joint Emergency Telephone System

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

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

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

*Fund Financial Statements* – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of sales taxes, which the City considers revenues to be available if they are collected within 90 days. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

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

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

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

The proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water/Sewer and Parking System funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

Pension Funds may also invest in certain non U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds and equity securities. The Police Pension Fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The Firefighters' Pension Fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

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

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

*Interest Rate Risk:* The City's and Pension Funds' investment policies seek to ensure preservation of capital in the City's and Pension Funds' overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The City's and Pension Funds' policy does not limit investment maturities except as part of statutory requirements, as a means of managing its exposure to fair value losses arising from increasing interest rates. However, all of the policies require the City's and Pension Funds' investment portfolio to be sufficiently liquid to enable the City and Pension Funds to meet all operating requirements as they come due.

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

*Credit Risk:* State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The City's and Pension Funds' investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

*Concentration of Credit Risk:* The City's and Pension Funds' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over concentration in a particular type of security, risk factor, issuer, or maturity. The City's and Police Pension Fund's policy further states that no financial institution shall hold more than 50% of the City's investment portfolio at the current time of investment placement. The City operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the City. In this internal investment pool there were no investments which are subject to concentration of credit risk that represent more than 50% of the portfolio as of December 31, 2013.

Per the investment policy, no financial institution shall have more than 50% of the City's investment portfolio. No more than 33% of the City's investments may be commercial paper. No more than 25% of the City's investment portfolio may be brokered in certificates of deposit. Illinois funds and money market mutual funds shall not exceed 25% and IMET 15% of the City's investment portfolio. As of December 31, 2013, the City's investment in Illinois Funds and money market mutual funds was 40%, certificates of deposit was 9%, and IMET was 11% of total investments.

The Police Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 35% on equities. As of December 31, 2013, the Police Pension Trust Fund had 6% invested in cash, 33% invested in fixed income securities, 36% in mutual funds, 0% in foreign equities and 25% in equities.

The Firefighter Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 40% on equities. As of December 31, 2013, the Firefighter Pension Trust Fund had 5% invested in cash, 35% invested in fixed income securities, 30% in mutual funds, 0% in foreign equities and 30% in equities.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Custodial Credit Risk – Deposits:* The City's and Pension Funds' investment policies limit the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 100% of the value of the deposit. The Firefighters' Pension Fund's investment policy limits exposure to deposit custodial credit risk by requiring deposits in excess of FDIC insurable limits to be collateralized.

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

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

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

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

See Note 3 for further information.

Receivables: Property taxes for levy year 2013 attach as an enforceable lien on January 1, 2013, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Tax bills are prepared by the County and issued on or about February 1, 2013 and September 1, 2013, and are payable in two installments, on or about March 1, 2013 and October 1, 2013 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2013 property tax levy is recognized as a receivable and deferred inflow of resources in fiscal year 2013, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2013, the property taxes receivable and deferred inflow of resources consisted of the estimated amount collectible from the 2013 levy.

The property tax receivable is shown net of an allowance for uncollectibles. The allowance is equal to 1% of outstanding property taxes at December 31, 2013.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on debt refunding reported in the government-wide statement of net position. A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports resources associated with imposed nonexchange revenue transactions that are received or reported as a receivable before the period for which property taxes are levied as deferred inflows of resources. The City also has another type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets:

*Government-wide Statements* – Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$25,000 for general capital assets and \$25,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Additions to and replacements of capital assets of business type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No net interest was capitalized during the current year. The cost of renewals and

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CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

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

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

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

Compensated Absences: The liability for vested or accumulated vacation leave of the City (primary government), including related Social Security and Medicare, at December 31, 2013 of \$2,485,127, is recorded in the government-wide financial statements.

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

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

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

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

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Claims and Judgments: Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. Refer to Note 11 on commitments and contingencies.

Equity Classifications:

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

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

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

*Governmental Funds Statements* – In order to comply with the Governmental Accounting Standard Board's (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, the components of the fund balance section of the balance sheet of the governmental funds include the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation. Restricted fund balances reported on the City's Governmental Funds Balance Sheet mainly include restricted property tax levies, bond proceeds, and grant awards.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the City, the City Council is the highest level of decision making. As of December 31, 2013, the City does not have any commitments of fund balance.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the City Council designated for that purpose. The intended use is established by an official designated for that purpose. The City has designated the City Director of Finance for this purpose. GASB 54 has also outlined that fund balance outside of the general fund is to fall in this category if there is not a deficit fund balance for the fund.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, if there is a deficit balance in another governmental fund, it will be reported as a negative amount in that fund's unassigned classification.

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

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

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

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

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

Prior to December 31, the City Director of Finance submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

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

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

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)**

Excess Expenses/Expenditures Over Appropriations:

<u>Funds</u>	<u>Budgeted Expenses/ Expenditures</u>	<u>Actual Expenses/ Expenditures</u>	<u>Excess Expenses/ Expenditures Over Budget</u>
Gaming Tax	\$ 13,604,000	\$ 15,864,849	\$ 2,260,849
Capital Projects	11,825,605	14,160,331	2,334,726
TIF #1 (Downtown)	6,368,294	6,402,142	33,848
TIF #3 (Willie Road)	579,603	581,427	1,824
TIF #5 (Perry/Lee)	109,712	111,154	1,442
Equipment Replacement	775,773	1,661,107	885,334
I.T. Replacement	191,015	193,870	2,855
Water/Sewer	13,891,374	15,365,201	1,473,827
Parking System	185,636	808,411	622,775
Risk Management	2,839,400	2,880,941	41,541

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

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

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

<u>Fund</u>	<u>Amount</u>
TIF #3 (Wille Road)	\$ 2,479,793
TIF #6 (Mannheim/Higgins)	2,384,245

T.I.F. District deficits are anticipated to be funded with future incremental taxes levied over the life of the districts.

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 – DEPOSITS AND INVESTMENTS**

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

	<u>Carrying</u> <u>Value</u>	<u>Statement</u> <u>Balance</u>	<u>Associated Risks</u>
Petty cash	\$ 2,800	\$ 2,800	N/A
Deposits	38,888,938	39,484,965	Custodial
Illinois funds	33,961,625	33,936,647	Credit, interest rate
U.S. government and agency obligations	18,962,914	18,962,914	Custodial, credit, interest rate concentration of credit
State and local obligations	4,760,505	4,760,505	Custodial, interest rate, concentration of credit
Money market mutual funds	16,827,883	16,827,883	Credit, interest rate
Mutual funds	42,463,054	42,463,054	Credit
			Custodial, credit, interest rate
Corporate bonds	23,456,680	23,456,680	concentration of credit
Common and preferred stock	35,529,302	35,529,302	Custodial, concentration of credit
			Custodial, credit,
Insurance contracts	<u>1,455</u>	<u>1,455</u>	concentration of credit
Total deposits and investments	<u>\$ 214,855,156</u>	<u>\$ 215,426,205</u>	

Reconciliation To Financial Statements:

Per statement of net position	
Cash and investments	\$ 76,222,898
Restricted cash and investments	8,087,311
Per statement of fiduciary net position - fiduciary funds	
Cash - agency	1,487,110
Cash - pension	7,061,864
U.S. government and agency obligations	18,962,914
Mutual funds	42,463,054
Corporate bonds	22,841,740
Stocks	35,529,302
Insurance contracts	1,455
State and local obligations	<u>2,197,508</u>
Total deposits and investments	<u>\$214,855,156</u>

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

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

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CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

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

As of December 31, 2013, credit ratings for the City, Police Pension, and Fire Pension investments in debt securities are as follows:

City

<u>Investment Type</u>	<u>Standard and Poor's Ratings</u>			<u>Total</u>
	<u>AAA</u>	<u>A-</u>	<u>BBB</u>	
Illinois municipal bonds	\$ -	\$ 2,562,997	\$ -	\$ 2,562,997
Illinois funds	33,961,625	-	-	33,961,625
Corporate Bonds	-	409,690	205,250	614,940

Police Pension

<u>Investment Type</u>	<u>Standard and Poor's Ratings</u>							
	<u>AAA</u>	<u>AA+</u>	<u>AA</u>	<u>AA-</u>	<u>A+</u>	<u>A</u>	<u>A-</u>	<u>BBB+</u>
U.S. Treasuries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and Local Obligations	343,189	-	-	573,782	-	-	-	-
U.S. Government Agencies	-	1,330,348	-	-	-	-	-	-
Corporate Bonds	300,468	623,734	660,892	367,442	1,538,727	2,108,027	2,336,231	1,727,486

<u>Investment Type</u>	<u>Standard and Poor's Ratings</u>			<u>Moody's Ratings (if S&amp;P not available)</u>				<u>Total</u>
	<u>BBB</u>	<u>BBB-</u>	<u>AAA</u>	<u>AA1</u>	<u>AA2</u>	<u>AA3</u>	<u>NR</u>	
U.S. Treasuries	\$ -	\$ -	\$ 6,679,321	\$ -	\$ -	\$ -	\$ -	\$ 6,679,321
State and Local Obligations	-	-	-	53,400	80,865	136,099	-	1,187,335
U.S. Government Agencies	-	-	-	-	-	-	282,968	1,613,316
Corporate Bonds	921,564	213,004	-	-	-	-	-	10,797,575

Fire Pension

<u>Investment Type</u>	<u>Standard and Poor's Ratings</u>							
	<u>AAA</u>	<u>AA+</u>	<u>AA</u>	<u>AA-</u>	<u>A+</u>	<u>A</u>	<u>A-</u>	<u>BBB+</u>
U.S. Treasuries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and Local Obligations	396,942	196,787	-	292,287	-	-	-	-
U.S. Government Agencies	-	1,467,219	-	-	-	-	-	-
Corporate Bonds	500,780	514,471	852,641	735,435	1,398,434	2,383,886	2,610,430	1,246,599

<u>Investment Type</u>	<u>Standard and Poor's Ratings</u>			<u>Moody's Ratings (if S&amp;P not available)</u>				<u>Total</u>
	<u>BBB</u>	<u>BBB-</u>	<u>AAA</u>	<u>AA1</u>	<u>AA2</u>	<u>AA3</u>	<u>NR</u>	
U.S. Treasuries	\$ -	\$ -	\$ 8,757,316	\$ -	\$ -	\$ -	\$ -	\$ 8,757,316
State and Local Obligations	-	-	-	53,400	70,757	-	-	1,010,173
U.S. Government Agencies	-	-	-	-	-	-	445,742	1,912,961
Corporate Bonds	1,520,727	280,762	-	-	-	-	-	12,044,165

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

At December 31, 2013, there were no investments (other than investments in United States Government and United States Government Guaranteed Obligations, investment pools, and mutual funds) in a single issuer that exceeded 5%.

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

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

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

<u>Investment Type</u>	<u>Maturity (in years)</u>			
	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>One to Five Years</u>	<u>Over Five Years</u>
<b>City</b>				
Illinois municipal bonds	\$ 2,562,997	\$ 510,122	\$ 2,052,875	\$ -
Money market mutual fund	9,793,818	9,793,818	-	-
Illinois funds	33,961,625	33,961,625	-	-
Corporate bonds	<u>614,940</u>	<u>614,940</u>	-	-
City investment total	<u>46,933,380</u>	<u>44,880,505</u>	<u>2,052,875</u>	<u>-</u>
<b>Police Pension</b>				
U.S. Treasuries	6,679,321	915,957	2,874,498	2,888,866
State and local obligations	1,187,335	-	355,130	832,205
Money market mutual funds	4,012,569	4,012,569	-	-
Mortgage-backed securities	540,870	-	28,636	512,234
Other U.S. government agencies	1,072,446	455,874	616,572	-
Corporate bonds	<u>10,797,575</u>	<u>444,070</u>	<u>6,295,677</u>	<u>4,057,828</u>
Police pension investment total	<u>24,290,116</u>	<u>5,828,470</u>	<u>10,170,513</u>	<u>8,291,133</u>
<b>Fire Pension</b>				
U.S. Treasuries	8,757,316	2,296,377	3,964,632	2,496,307
State and local obligations	1,010,173	-	292,287	717,886
Money market mutual funds	3,021,496	3,021,496	-	-
Mortgage-backed securities	1,396,316	-	950,574	445,742
Other U.S. government agencies	516,645	516,645	-	-
Corporate bonds	<u>12,044,165</u>	<u>256,445</u>	<u>5,633,015</u>	<u>6,154,705</u>
Fire pension investment total	<u>26,746,111</u>	<u>6,090,963</u>	<u>10,840,508</u>	<u>9,814,640</u>
<b>Totals</b>	<u>\$ 97,969,607</u>	<u>\$ 56,799,938</u>	<u>\$ 23,063,896</u>	<u>\$ 18,105,773</u>

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

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 4 - RECEIVABLES**

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

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

	<u>Deferred Inflows of Resources</u>			
	<u>Unavailable</u>	<u>Deferred</u>	<u>Unearned</u>	<u>Totals</u>
Property taxes receivable for subsequent year	\$ -	\$ 28,359,634	\$ -	\$ 28,359,634
Other receivables	1,584,834	-	430,032	2,014,866
Grant receivables	<u>550,095</u>	<u>-</u>	<u>-</u>	<u>550,095</u>
Total deferred inflows/unearned revenue for governmental funds	<u>\$ 2,134,929</u>	<u>\$ 28,359,634</u>	<u>\$ 430,032</u>	<u>\$ 30,924,595</u>

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 5 – CAPITAL ASSETS**

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

	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital assets not being depreciated				
Land	\$ 19,561,015	\$ 168,792	\$ -	\$ 19,729,807
Land right of way	<u>53,299,649</u>	<u>-</u>	<u>-</u>	<u>53,299,649</u>
Total capital assets not being depreciated	<u>72,860,664</u>	<u>168,792</u>	<u>-</u>	<u>73,029,456</u>
Capital assets being depreciated				
Buildings	21,792,634	-	-	21,792,634
Improvements	44,690,106	703,364	-	45,393,470
Equipment	3,482,063	89,880	127,023	3,444,920
Vehicles	6,865,467	1,593,163	44,838	8,413,792
Infrastructure	<u>131,803,855</u>	<u>9,219,110</u>	<u>-</u>	<u>141,022,965</u>
Total capital assets being depreciated	<u>208,634,125</u>	<u>11,605,517</u>	<u>171,861</u>	<u>220,067,781</u>
Total capital assets	<u>281,494,789</u>	<u>11,774,309</u>	<u>171,861</u>	<u>293,097,237</u>
Less accumulated depreciation for				
Buildings	(8,778,792)	(445,931)	-	(9,224,723)
Improvements	(16,199,253)	(1,242,381)	-	(17,441,634)
Equipment	(2,224,559)	(227,739)	(127,023)	(2,325,275)
Vehicles	(4,286,117)	(336,586)	(44,838)	(4,577,865)
Infrastructure	<u>(64,854,041)</u>	<u>(3,870,780)</u>	<u>-</u>	<u>(68,724,821)</u>
Total accumulated depreciation	<u>(96,342,762)</u>	<u>(6,123,417)</u>	<u>(171,861)</u>	<u>(102,294,318)</u>
Net capital assets being depreciated	<u>112,291,363</u>	<u>5,482,100</u>	<u>-</u>	<u>117,773,463</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 185,152,027</u>	<u>\$ 5,650,892</u>	<u>\$ -</u>	<u>\$ 190,802,919</u>

Depreciation expense was charged to functions as follows:

<u>Governmental activities</u>	
General government	\$ 114,920
Public safety	305,700
Public works	1,393,790
Streets and highways	4,095,395
Economic development	<u>213,612</u>
Total	<u>\$ 6,123,417</u>

(Continued)



CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 5 – CAPITAL ASSETS (Continued)**

	<u>Beginning Balance*</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Ending Balance</u>
<u>Business-type Activities</u>				
Capital assets not being depreciated				
Land	\$ 1,891,770	\$ -	\$ -	\$ 1,891,770
Total capital assets not being depreciated	<u>1,891,770</u>	<u>-</u>	<u>-</u>	<u>1,891,770</u>
Capital assets being depreciated				
Buildings	18,966,509	-	-	18,966,509
Improvements	31,646,778	971,258	-	32,618,036
Equipment	899,421	202,700	34,349	1,067,772
Vehicles	1,490,016	-	-	1,490,016
Total capital assets being depreciated	<u>53,002,724</u>	<u>1,173,958</u>	<u>34,349</u>	<u>54,142,333</u>
Total capital assets	<u>54,894,494</u>	<u>1,173,958</u>	<u>34,349</u>	<u>56,034,103</u>
Less accumulated depreciation for				
Buildings	(8,219,583)	(673,280)	-	(8,892,863)
Improvements	(14,565,781)	(834,287)	-	(15,400,068)
Equipment	(441,661)	(204,981)	(34,349)	(612,293)
Vehicles	(1,210,289)	(65,350)	-	(1,275,639)
Total accumulated depreciation	<u>(24,437,314)</u>	<u>(1,777,898)</u>	<u>(34,349)</u>	<u>(26,180,863)</u>
Net capital assets being depreciated	<u>28,565,410</u>	<u>(603,940)</u>	<u>-</u>	<u>27,961,470</u>
Total business-type activities capital assets, net of accumulated depreciation	<u>\$ 30,457,180</u>	<u>\$ (603,940)</u>	<u>\$ -</u>	<u>\$ 29,853,240</u>

\*The beginning balance was restated, see note 12.

Depreciation expense was charged to functions as follows:

<u>Business-type Activities</u>	
Parking	\$ 649,879
Water	948,579
Emergency Communications	<u>179,440</u>
Total	<u>\$ 1,777,898</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

**NOTE 6 – INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS**

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Advances To/From Amount Not Due Within One Year</u>	<u>Due To/From Amount Due Within One Year</u>
General	TIF #6 (Mannheim/Higgins)	\$ 6,843,003	\$ 6,843,003	\$ -
General	Non-major governmental	3,054,028	3,054,028	-
General	Water	<u>777,873</u>	<u>-</u>	<u>777,873</u>
Total - fund financial statements		<u>10,674,904</u>	<u>\$ 9,897,031</u>	<u>\$ 777,873</u>
Less: Fund eliminations		(9,897,031)		
Less: Interfund receivables created with internal service fund eliminations		<u>(456,061)</u>		
Total internal balances - government-wide statement of net assets		<u>\$ 321,812</u>		

\$6,843,003 due from TIF #6 (Mannheim/Higgins) to the General Fund is for cash overdrafts in the TIF #6 (Mannheim/Higgins) Fund.

\$3,054,028 due from nonmajor Governmental Funds to the General Fund is for cash overdrafts in nonmajor Governmental Funds.

\$777,873 due from Water Fund to the General Fund is for cash overdrafts in Water Fund.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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

The following is a schedule of interfund transfers:

<u>Transferred To</u>	<u>Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
<u>Fund financial statements</u>			
General	Non-major governmental	243,740	To reimburse general operating expenditures of the fund
General	TIF #6 (Mannheim/Higgins)	62,515	To reimburse general operating expenditures of the fund
General	Parking system	15,758	To reimburse general operating expenditures of the fund
General	Capital projects	25,000	To reimburse for capital outlay purchases
Non-major governmental	General	2,000,000	Transfer per budget for future equipment
Non-major governmental	Capital projects	272,004	To cover City's share of grant expenses
Non-major governmental	General	125,000	Transfer per budget for future IT equipment
Non-major governmental	Non-major governmental	136,382	To cover City's share of grant expenses
Capital Projects	Gaming Tax	7,155,000	To reimburse early debt pay off and infrastructure improvements
Internal Service	General	92,202	To reimburse for a legal settlement
Water	Parking system	20,758	To reimburse general operating expenditures of the fund
Parking system	Non-major governmental	<u>65,750</u>	To reimburse TIF costs
Total - fund financial statements		10,214,109	
Less: Fund eliminations		<u>(10,164,117)</u>	
Total - government-wide statement of activities		<u>\$ 49,992</u>	

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 7 – DEBT ACTIVITY**

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Bonds and loans payable					
General obligation debt	\$57,316,878	\$ 8,482,437	\$ 9,725,000	\$56,074,315	\$12,935,000
Tax increment financing revenue bonds	538,252	-	55,865	482,387	58,797
Loans payable	212,500	-	12,500	200,000	12,500
Add/(subtract) unamortized (Discounts)/premiums	<u>369,107</u>	<u>215,045</u>	<u>42,480</u>	<u>541,672</u>	<u>-</u>
Total bonds and loans payable	<u>58,436,737</u>	<u>8,697,482</u>	<u>9,835,845</u>	<u>57,298,374</u>	<u>13,006,297</u>
Other liabilities					
Vested compensated absences	2,236,617	1,299,380	1,444,370	2,091,627	1,411,272
Early retirement incentive program	386,165	-	366,932	19,233	19,233
Net pension obligation - IMRF	232,898	39,389	-	272,287	-
Net other post-retirement benefit liability	<u>1,922,408</u>	<u>-</u>	<u>204,436</u>	<u>1,717,972</u>	<u>-</u>
Total other liabilities	<u>4,778,088</u>	<u>1,338,769</u>	<u>2,015,738</u>	<u>4,101,119</u>	<u>1,430,505</u>
Total governmental activities long-term liabilities	<u>\$63,214,825</u>	<u>\$10,036,251</u>	<u>\$11,851,583</u>	<u>\$61,399,493</u>	<u>\$14,436,802</u>

Governmental activities general obligation debt increases includes \$182,422 of accretion of the 2009A capital appreciation bonds and \$355,015 of accretion of the 2010B capital appreciation bonds.

	Beginning Balance*	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Business-Type Activities</u>					
Bonds payable					
General obligation debt	\$ 365,000	\$ -	\$ 365,000	\$ -	\$ -
Add/(subtract) unamortized (Discounts)/premiums	<u>1,580</u>	<u>-</u>	<u>1,580</u>	<u>-</u>	<u>-</u>
Total bonds payable	<u>366,580</u>	<u>-</u>	<u>366,580</u>	<u>-</u>	<u>-</u>
Other liabilities					
Vested compensated absences	402,626	147,259	156,385	393,500	267,848
Net pension obligation - IMRF	181,599	-	28,692	152,907	-
Net other post-retirement benefit liability	<u>183,922</u>	<u>-</u>	<u>5,851</u>	<u>178,071</u>	<u>-</u>
Total other liabilities	<u>768,147</u>	<u>147,259</u>	<u>190,928</u>	<u>724,478</u>	<u>267,848</u>
Total business-type activities long-term liabilities	<u>\$ 1,134,727</u>	<u>\$ 147,259</u>	<u>\$ 557,508</u>	<u>\$ 724,478</u>	<u>\$ 267,848</u>

\*The beginning balance was restated, see note 12.

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 7 – DEBT ACTIVITY (Continued)**

General Obligation Debt: All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2013</u>
<b>Governmental Activities</b>					
<u>General Obligation Debt</u>					
Series 2003C Taxable GO Bonds, due in annual installments of \$25,000 to \$250,000					
• debt retired by TIF #6 fund	September 1, 2003	December 1, 2021	4.70% to 5.50%	\$ 2,250,000	\$ 1,940,000
Series 2004B Taxable GO Bonds, due in annual installments of \$120,000 to \$575,000					
• debt retired by TIF #3 fund	June 3, 2004	January 17, 2014	4.80% to 5.85%	8,900,000	570,000
• debt retired by TIF #6 fund					4,430,000
Series 2005A GO Bonds, due in annual installments of \$275,000 to \$500,000					
• debt retired by TIF #3 fund	January 1, 2005	December 1, 2022	3.00% to 5.25%	5,550,000	2,670,000
Series 2005D GO Refunding Bonds, due in annual installments of \$45,000 to \$1,610,000					
• debt retired by capital projects fund - sewer portion	February 1, 2005	December 1, 2018	2.25% to 5.00%	14,650,000	3,915,000
• debt retired by capital projects fund - library portion					3,450,000
Series 2005F Taxable GO Bonds, due in annual installments of \$115,000 to \$505,000					
• debt retired by TIF #1 fund	June 1, 2005	January 17, 2014	4.75%	4,725,000	3,030,000
Series 2005G GO Bonds, due in annual installments of \$25,000 to \$165,000					
• debt retired by TIF #3 fund	June 1, 2005	December 1, 2015	4.75%	500,000	325,000
Series 2007A GO Refunding Bonds, due in annual installments of \$45,000 to \$700,000					
• debt retired from capital project fund	October 23, 2007	December 1, 2021	3.80%	6,065,000	3,370,000
Series 2007B GO Refunding Bonds, due in annual installments of \$85,000 to \$150,000					
• debt retired from debt service fund	October 23, 2007	December 1, 2021	3.80%	1,660,000	725,000
• debt retired from TIF #1 fund					190,000

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 7 – DEBT ACTIVITY (Continued)**

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2013</u>
Series 2008A Taxable GO Refunding Bonds, due in annual installments of \$125,000 to \$275,000					
• debt retired from TIF #1 fund	April 1,	December 1,	3.25%	\$ 2,575,000	\$ 506,000
• debt retired from the TIF #3 fund	2008	2021	to 5.25%		829,000
Series 2009A Taxable GO Refunding (Capital Appreciation) Bonds, due in annual installments of \$170,000 to \$1,575,000					
• debt retired from TIF #6 fund	November 3,	December 1,	3.00%	5,430,000	3,527,126*
	2009	2023	to 5.80%		
Series 2009B GO Refunding Bonds, due in annual installments of \$200,000 to \$865,000					
• debt retired from capital projects fund	November 3,	December 1,	3.00%	4,175,000	1,010,000
	2009	2018	to 3.75%		
Series 2010A GO Refunding Bonds, due in annual installments of \$295,000 to \$435,000					
• debt retired from TIF #3 fund	January 6,	December 1,	3.625%	3,945,000	3,945,000
	2010	2028	to 4.25%		
Series 2010B GO Refunding Bonds, due in annual installments of \$266,906 to \$807,030					
• debt retired from TIF #3 fund	January 6,	December 1,	4.0%	6,110,760	7,402,189*
	2010	2026	to 5.35%		
Series 2011A GO Refunding Bonds, due in annual installments of \$275,000 to \$465,000					
• debt retired from TIF #1 fund	December 22,	December 1,	2.0%	3,540,000	1,235,000
• debt retired from TIF #3 fund	2011	2021	to 2.50%		750,000
• debt retired from TIF #5 fund					800,000
• debt retired from TIF #6 fund					200,000
Series 2012A GO Refunding Bonds, due in annual installments of \$455,000 to \$495,000					
• debt retired from TIF #1 fund	December 18,	December 1,	1.0%	3,765,000	3,310,000
	2012	2020	to 2.0%		
Series 2013 Taxable GO Refunding Bonds, due in annual installments of \$690,000 to \$1,140,000					
• debt retired from TIF #1 fund	December 17,	December 1,	3.0%	7,945,000	2,990,000
• debt retired from TIF #3 fund	2013	2021	to 3.30%		565,000
• debt retired from TIF #6 fund					<u>4,390,000</u>
Total governmental activities general obligation debt					<u>\$ 56,074,315</u>

\*A portion of the December 31, 2013 balance for the 2010B and 2009A bonds represents accretion on debt from the date of issuance until December 31, 2013.

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 7 – DEBT ACTIVITY (Continued)**

Debt service requirements to maturity are as follows (Principal Totals for Governmental Activities differs from the outstanding balance noted above in the amount of \$6,145,685, due to the future accretion on the 2009A and 2010A Capital Appreciation Bonds):

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 12,935,000	\$ 1,405,891
2015	5,030,000	1,210,650
2016	4,585,000	1,050,091
2017	5,515,000	887,945
2018	6,420,000	705,427
2019-2023	20,110,000	1,351,095
2024-2028	<u>7,625,000</u>	<u>258,086</u>
 Totals	 <u>\$ 62,220,000</u>	 <u>\$ 6,869,185</u>

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

The City has issued notes where the City pledges incremental taxes derived from a separately created tax increment financing district. These notes are not a general obligation of the City and are secured only by the incremental revenues generated by the TIF district. During 2013, TIF #1 generated a tax increment of \$4,797,868. The City has pledged future incremental tax revenues, net of specified operating expenses, to repay \$482,387 in revenue notes issued in 2002 - 2003. Proceeds from the notes provided financing for capital development within the tax increment financing district. The notes are payable solely from incremental tax revenues and are payable through 2020. Annual principal and interest payments on the notes are expected to require 1.75% of net revenues. The total principal and interest remaining to be paid on the notes is \$588,861. Principal and interest paid for the current year were \$55,865 and \$28,258, respectively.

On August 20, 2007 the City entered into a TIF #1 redevelopment agreement that re-pays the developer a maximum amount of \$1,657,277 for eligible project costs to the extent sufficient incremental tax revenues are generated from this project. As of December 31, 2013, the development has incurred \$1,535,448 in eligible certified project costs. In 2013, the City paid \$512,633 from the 2011 and 2012 tax increment generated by the development. The total amount paid on the note to date is \$786,491.

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 7 – DEBT ACTIVITY (Continued)**

Tax Increment Financing Notes at December 31, 2013, consists of the following:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2013</u>
Series 2002 Tax Increment Revenue Note, due in annual installments of \$14,547 to \$38,840					
• debt retired by TIF #1 fund	May 1, 2002	June 1, 2020	5.25%	\$ 462,389	\$ 234,413
Series 2003 Tax Increment Revenue Note, due in annual installments of \$12,096 to \$41,087					
• debt retired by TIF #1 fund	October 6, 2003	June 1, 2020	5.25%	471,000	<u>247,974</u>
Total governmental activities tax Increment financing notes					<u>\$ 482,387</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Tax Increment Financing Notes</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 58,797	\$ 25,326
2015	61,884	22,239
2016	65,133	18,990
2017	68,553	15,570
2018	72,152	11,971
2019-2020	<u>155,868</u>	<u>12,378</u>
Totals	<u>\$ 482,387</u>	<u>\$ 106,474</u>

Loans Payable: Loans Payable at December 31, 2013 consist of the following:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2013</u>
Series 2009 equipment loan (fire engine), due in annual installments of \$12,500					
• debt retired by equipment replacement fund	April 7, 2009	November 1, 2029	0.00%	\$ 250,000	<u>\$ 200,000</u>
Total governmental activities loans payable					<u>\$ 200,000</u>

(Continued)



CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 7 – DEBT ACTIVITY** (Continued)

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>	
	<u>Loans Payable</u>	
	<u>Principal</u>	
2014	\$	12,500
2015		12,500
2016		12,500
2017		12,500
2018		12,500
2019-2023		62,500
2024-2028		62,500
2029		<u>12,500</u>
Totals	\$	<u>200,000</u>

Other Debt Information - Conduit Debt: The City has issued Industrial Development bonds for the benefit of various organizations. The issuance of Industrial Development Revenue Bonds by the City is to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment or extension of any economic development project in order to encourage economic development within or near the City. Industrial Development Revenue Bonds are not a debt of the City and the City is not obligated in any manner for the repayment. The entity using the bond proceeds to finance a construction or improvement project is liable for the bonds. Since the City does not act as an agent for Industrial Revenue Bonds, the transactions relating to the bonds and property do not appear in the City's financial statements. In 2006, the City issued \$7.7 million of Industrial Revenue Bonds for the Science and Arts Academy expansion. The bonds were refinanced in 2011 and the outstanding balance as of December 31, 2013 is \$6,625,121.

Current Refunding: On December 17, 2013, the City issued \$7,945,000 in general obligation 2013 series bonds with interest rates of 3.0-3.30 percent to refund \$5,000,000 of outstanding 2004B series bonds with interest rates of 5.4-5.85 percent and \$3,030,000 of outstanding 2005F series bonds with interest rates of 4.75 percent. The net proceeds of the bonds, net of underwriting fees, insurance and other issuance costs, will be held on deposit in a City bank account until the refunded bonds are redeemed on January 17, 2014. As a result, the bonds are not considered to be defeased and the liability for those bonds are included in these financial statements.

The City cash flow requirements on the refunded 2004B and 2005F series bonds prior to the current refunding was \$6,388,858 from 2014 through 2021 and \$3,636,810 from 2014 through 2020, respectively. The cash flow requirements on the 2013 series refunding bonds are \$9,014,689 from 2014 through 2021. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$912,640.

Prior Year Defeasance of Debt: In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At December 31, 2013, \$1,070,000 of bonds outstanding are considered defeased.

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 7 – DEBT ACTIVITY (Continued)**

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

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

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

Net Pension and Other Postemployment Benefit Obligations: The general fund has typically been used to liquidate the net pension obligation and other postemployment benefit obligations. See notes 9 and 13 for more information.

**NOTE 8 – COMPONENT UNIT**

Component Unit:

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

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

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

Deposits and Investments:

	<u>Carrying Value</u>	<u>Statement Balance</u>	<u>Associated Risks</u>
Deposits	\$ 560,858	\$ 631,897	Custodial
Illinois funds	5,357,136	5,357,136	Credit, interest rate
Petty cash	<u>500</u>	<u>-</u>	N/A
 Total deposits and investments	 <u>\$ 5,918,494</u>	 <u>\$ 5,989,033</u>	

Deposits: Statutes authorize the Des Plaines Public Library (the "Library") to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 8 – COMPONENT UNIT (Continued)**

Cash: The carrying amount of deposits was \$560,858 at December 31, 2013, while the bank balances were \$631,897. All deposits were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Library's name by financial institutions acting as the Library's agent.

Investments: Illinois Statutes authorize the Library to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool. As of December 31, 2013, the Library held \$5,357,136 in the Illinois Funds Investment Pool.

*Interest Rate Risk.* The Library does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At year end, the Illinois Funds balance of \$5,357,136 was due upon demand.

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

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

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

Receivables and Deferred Inflows of Resources: Property taxes for 2013 attach as an enforceable lien on January 1, 2013, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2013 and August 1, 2013 and are payable in two installments, on or about March 1, 2013 and October 1, 2013. The County collects such taxes and remits them periodically.

The Library recognizes property tax revenues when they become both measurable and available in the fiscal year that the tax levy is intended to finance. Therefore, the entire 2013 tax levy has been recorded as a deferred inflow of resources on the balance sheet.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 8 – COMPONENT UNIT (Continued)**

Capital Assets:

<u>Component Unit</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Improvements	\$ 235,874	\$ -	\$ -	\$ 235,874
Equipment	869,440	101,302	-	970,742
Vehicles	<u>67,163</u>	<u>-</u>	<u>-</u>	<u>67,163</u>
Total capital assets being depreciated	<u>1,172,477</u>	<u>101,302</u>	<u>-</u>	<u>1,273,779</u>
Less accumulated depreciation for				
Improvements	(30,248)	(7,863)	-	(38,111)
Equipment	(294,825)	(31,101)	-	(325,926)
Vehicles	<u>(44,704)</u>	<u>(2,495)</u>	<u>-</u>	<u>(47,199)</u>
Total accumulated depreciation	<u>(369,777)</u>	<u>(41,459)</u>	<u>-</u>	<u>(411,236)</u>
Total component unit capital assets, net of accumulated depreciation	<u>\$ 802,700</u>	<u>\$ 59,843</u>	<u>\$ -</u>	<u>\$ 862,543</u>

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

Compensated Absences: The liability balance as of December 31, 2012 was \$218,870. During 2013, there were additions of \$112,010 and reductions of \$77,650 leaving the liability balance as of December 31, 2013 of \$253,230. The current portion of this liability is \$97,855.

Net Other Postemployment Benefits Obligation: The liability balance as of December 31, 2012 was \$80,710. During 2013, there were annual OPEB costs of \$5,157 and contributions of \$0 leaving the liability balance as of December 31, 2013 of \$85,867. See Note 13 for further details on the Retiree Health Plan.

Illinois Municipal Retirement Fund: The liability balance as of December 31, 2012 was \$67,149. During 2013, there were annual pension costs of \$348,262 and contributions of \$346,822 leaving the liability balance as of December 31, 2013 of \$68,589. See Note 9 for further details on the Illinois Municipal Retirement Fund.

(Continued)

**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM**

Plan Descriptions: The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple employer public employee retirement system; the Police Pension Plan which is a single employer pension plan; and the Firefighters' Pension Plan which is a single employer pension plan. The benefits, benefits levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained on-line at [www.imrf.org](http://www.imrf.org).

Illinois Municipal Retirement Fund: All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. 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 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 year thereafter.

Funding Policy: As set by statute, plan members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for 2013 was 14.84%. 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.

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

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

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	110
Current employees:	
Vested	65
Non vested	22
Total	197
Number of participating employers	1

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(Continued)

**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM** (Continued)

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

The police pension fund provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers’ salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

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

*Funding Policy:* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan. For the year ended December 31, 2013, the City’s contribution was 47.66% of covered payroll.

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

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM** (Continued)

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

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	100
Current employees:	
Vested	56
Non vested	<u>34</u>
Total	<u>190</u>
Number of participating employers	1

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

The Firefighters’ Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters’ salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

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

Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2013, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service costs for the Firefighters’ Pension Plan. For the year ended December 31, 2013, the City’s contribution was 44.97% of covered payroll.

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)**

Summary of Significant Accounting Policies:

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

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

Annual Pension Cost: The City annual pension cost for the current year and related information for each plan is as follows:

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>	<u>Firefighters’ Pension</u>
Actuarial valuation date	December 31, 2011	December 31, 2012	December 31, 2012
ARC is based on			
Contribution rates:			
Employer	14.84%	45.98%	44.49%
Employee	4.50%	9.91%	9.46%
Annual pension cost	\$2,394,127	\$3,646,205	\$3,652,316
Contributions made	\$2,383,786	\$3,671,403	\$3,694,935
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	30 years, open	27 years, closed	27 years, closed
Actuarial assumptions:			
Investment rate of return	7.50%	7.00%	7.00%
	Compounded annually	Compounded annually	Compounded annually
Projected salary increases	0.4 to 10.0%	5.00%	5.00%
Inflation rate included	4.00%	3.00%	3.00%
Cost of living adjustments	3.00%	3.00%	3.00%

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(Continued)



CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)**

Net Pension (Asset): The following is the net pension (asset) calculation:

<u>Net Pension Obligation (Asset)</u>	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Annual required contribution	\$ 2,383,786	\$ 3,661,515	\$ 3,671,041
Interest on net pension obligation	36,258	(45,434)	(55,567)
Adjustment to annual required contribution	<u>(25,917)</u>	<u>30,124</u>	<u>36,842</u>
Annual pension cost	2,394,127	3,646,205	3,652,316
Contributions made	<u>2,383,786</u>	<u>3,671,403</u>	<u>3,694,935</u>
Change in net pension obligation	10,341	(25,198)	(42,619)
Net pension obligation (asset)			
Beginning of year	<u>483,442</u>	<u>(649,057)</u>	<u>(793,813)</u>
End of year	<u>\$ 493,783</u>	<u>\$ (674,255)</u>	<u>\$ (836,432)</u>
 <u>As reported in</u>			
City's governmental activities	\$ 272,287	\$ (674,255)	\$ (836,432)
City's business-type activities	152,907	-	-
Library	<u>68,589</u>	<u>-</u>	<u>-</u>
	<u>\$ 493,783</u>	<u>\$ (674,255)</u>	<u>\$ (836,432)</u>

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

	<u>Year</u>	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Annual pension cost (APC)	2013	\$ 2,394,127	\$ 3,646,205	\$ 3,652,316
	2012	2,351,609	3,458,523	3,560,441
	2011	2,330,839	3,305,117	3,388,116
Contributions made	2013	\$ 2,383,786	\$ 3,671,403	\$ 3,694,935
	2012	2,250,700	3,562,231	3,655,295
	2011	1,948,306	3,755,364	3,798,156
Percentage of APC contributed	2013	99.57%	100.69%	101.17%
	2012	95.71%	103.00%	102.66%
	2011	83.59%	113.60%	112.10%
Net pension obligation (asset)	2013	\$ 493,783	\$ (674,255)	\$ (836,432)
	2012	483,442	(649,057)	(793,813)
	2011	382,533	(545,349)	(698,959)

(Continued)

CITY OF DES PLAINES, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM** (Continued)

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

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>	<u>Firefighters’ Pension</u>
Actuarial Valuation Date	December 31, 2013	December 31, 2012	December 31, 2012
Actuarial Valuation of Assets (a)	\$ 38,187,978	\$ 56,580,919	\$ 60,821,899
Actuarial Accrued Liability (AAL) Entry Age (b)	\$ 49,882,221	\$ 115,465,155	\$ 110,650,433
Unfunded AAL (UAAL) (b-a)	\$ 11,694,243	\$ 58,884,236	\$ 49,828,534
Funded Ratio (a/b)	76.56%	49.00%	54.97%
Covered Payroll (c)	\$ 15,946,135	\$ 7,703,991	\$ 8,216,028
UAAL as a percentage of Covered Payroll ((b-a)/c)	73.34%	764.33%	606.48%

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM** (Continued)

Pension Information:

Fiduciary Net Position:

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Firefighters’ Pension</u>	<u>Police Pension</u>	
<b>Assets</b>			
Cash and cash equivalents	\$ 3,029,266	\$ 4,032,598	\$ 7,061,864
<b>Investments</b>			
U.S. government and agency obligations	10,670,277	8,292,637	18,962,914
Mutual funds	20,224,228	22,238,826	42,463,054
Corporate bonds	12,044,165	10,797,575	22,841,740
Stocks	20,140,416	15,388,886	35,529,302
State and local obligations	1,010,173	1,187,335	2,197,508
Insurance contracts	-	1,455	1,455
Accrued interest	213,897	189,892	403,789
Prepaid items	<u>5,747</u>	<u>5,805</u>	<u>11,552</u>
Total assets	<u>67,338,169</u>	<u>62,135,009</u>	<u>129,473,178</u>
<b>Liabilities</b>			
Accounts payable	<u>32,971</u>	<u>48,826</u>	<u>81,797</u>
Total liabilities	<u>32,971</u>	<u>48,826</u>	<u>81,797</u>
Net position	<u>\$ 67,305,198</u>	<u>\$ 62,086,183</u>	<u>\$ 129,391,381</u>

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

**NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM** (Continued)

Changes in Plan Net Position:

	<u>Pension Trust</u>		<u>Totals</u>
	<u>Firefighters’ Pension</u>	<u>Police Pension</u>	
Additions			
Contributions			
Employer	\$ 3,945,005	\$ 3,921,472	\$ 7,866,477
Plan members	<u>797,150</u>	<u>776,810</u>	<u>1,573,960</u>
Total contributions	<u>4,742,155</u>	<u>4,698,282</u>	<u>9,440,437</u>
Investment Income	8,017,889	7,416,063	15,433,952
Less investment expense	<u>(242,993)</u>	<u>(253,516)</u>	<u>(496,509)</u>
Net investment income	<u>7,774,896</u>	<u>7,162,547</u>	<u>14,937,443</u>
Total additions	<u>12,517,051</u>	<u>11,860,829</u>	<u>24,377,880</u>
 Deductions			
Administration	90,129	93,898	184,027
Benefits and refunds	<u>5,943,621</u>	<u>6,261,667</u>	<u>12,205,288</u>
Total deductions	<u>6,033,750</u>	<u>6,355,565</u>	<u>12,389,315</u>
 Change in plan net position	6,483,301	5,505,264	11,988,565
 Plan net position, beginning of year	<u>60,821,897</u>	<u>56,580,919</u>	<u>117,402,816</u>
 Plan net position, end of year	<u>\$ 67,305,198</u>	<u>\$ 62,086,183</u>	<u>\$ 129,391,381</u>

**NOTE 10 – RISK MANAGEMENT**

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

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

All funds of the City participate in the risk management program. Amounts payable to the fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses.

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 10 – RISK MANAGEMENT (Continued)**

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

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims - beginning of year	\$ 23,810	\$ 14,157
Current year claims and changes in estimates	423,352	440,354
Claim payments	<u>(433,005)</u>	<u>(431,321)</u>
Unpaid claims - end of year	<u>\$ 14,157</u>	<u>\$ 23,190</u>

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

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

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

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

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

HELP was organized on April 1, 1987. The Village of Elk Grove, Illinois (the initial Host Member) issued \$5,000,000 of general obligation bonds in 1987 to provide initial funding for HELP. The bond proceeds were put into escrow with LaSalle National Bank as escrow agent. An intergovernmental agreement

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 10 – RISK MANAGEMENT (Continued)**

among HELP, the Village of Elk Grove, and the members provides that HELP and its members are obligated to the Village of Elk Grove for payment of principal and interest on the bonds until such bond have been retired. The bonds were retired December 1, 1995. The purpose of HELP is to act as a joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions made against the Members and other parties included within the scope of coverage of HELP.

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

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

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

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

Construction Contracts

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

<u>Project Description</u>	<u>Expended To Date</u>	<u>Remaining Commitment</u>
Des Plaines Bike Network Improvements	\$ 11,148	\$ 19,852
Lee & Perry Traffic Signal Impr-Construction	236,496	71,661
Miner Streetscape Improvements	2,295,642	213,806
Howard Water Tank Maintenance	36,517	110,077
2013 Miner Water Tank Maintenance	22,456	67,369
Contractor-2013 CIP Concrete Improvements	760,009	27,649
2013 CIP Cont.ract A St & Utility Improvements	2,149,446	1,027,211
2013 CIP Cont C St & Utility Improvements	2,650,965	187,964
Construction and Remodeling of Train Station	237,306	468,009
2013 CIP Utility Improvements Construction, Contract B	1,044,041	1,127,199
2013 CIP Rear Yard Drainage Improvements	263,487	324,783
Total	<u>\$ 9,707,513</u>	<u>\$ 3,645,580</u>

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

(Continued)

CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 12 – JOINT VENTURES**

Joint Emergency Telephone System: The City of Des Plaines, the Village of Morton Grove, the Village of Niles and the City of Park Ridge jointly operated the local dispatch center, which is called the Joint Emergency Telephone System (JETS) and provided public safety communications services.

The governing body is made up of the respective municipalities Manager's/Administrator's and Police and Fire Chiefs. Financial information of the Joint Emergency Telephone System for the period of January 1, 2013 through June 5, 2013 is available directly from the Joint Emergency Telephone System office.

The City does not have an equity interest in the Joint Emergency Telephone System.

On June 5, 2013, the Illinois Commerce Commission (ICC) granted approval for the dissolution of the JETS Board. Associated with this dissolution is the dissolution of the North Suburban Emergency Communications Dispatch Center. As a result of this dissolution, 9-1-1 and emergency dispatching operations are now conducted by the City of Des Plaines, with oversight by the Des Plaines Emergency Telephone System Board (ETSB), whose creation was also approved by the ICC on June 5, 2013. Morton Grove and Niles have obtained services elsewhere. Des Plaines is providing 911 and emergency dispatching services to the City of Park Ridge under an intergovernmental agreement.

The Des Plaines Emergency Communication Center (DPECC) began operations June 6, 2013, and was formed from the merger of a portion of JETS into the City. The City early implemented the requirements of GASB Statement No. 69 *Government Combinations and Disposals of Government Operations* during year ended December 31, 2013. The initial opening balances of DPECC's assets, liabilities, and net position, as of the beginning of the period, were determined on the basis of the carrying values reported in separate financial statements of JETS as of the merger date, as follows:

<b>Assets</b>	
Cash	\$ 375,259
Capital Assets Being Depreciated	<u>384,635</u>
<b>Total Assets</b>	<u>759,894</u>
<b>Liabilities</b>	
Current Liabilities	
Compensated Absences	<u>120,663</u>
Noncurrent Liabilities	
Compensated Absences	52,626
Net OPEB Obligation	107,508
Net IMRF Obligation	<u>94,462</u>
Total Noncurrent Liabilities	<u>254,596</u>
<b>Total Liabilities</b>	<u>375,259</u>
<b>Net Position</b>	
Net Investment in Capital Assets	<u>\$ 384,635</u>

At the date of the merger, JETS is dissolved and the City will account for the operations of DPECC in a newly established enterprise fund.

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(Continued)

CITY OF DES PLAINES, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2013

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**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS**

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

Contribution requirements are established through personnel policy guidelines and may be amended by the action of the governing body. The City makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year. Plan members receiving benefits contribute 100% of their premium costs. The City pays 100% of the healthcare premiums for police officers and firefighters, their dependents and their surviving spouses and dependent children if they were injured or killed in the line of duty during an emergency. Healthcare premiums for surviving spouses are payable by the City until remarriage. Any amounts payable under the City's health plan will be reduced by the amounts payable under Medicare for those expenses which are covered by Medicare. For fiscal year 2013, total member contributions were \$1,270,600. Administrative costs of the plan are paid by the City.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the City's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$ 621,039
Interest on net OPEB obligation	82,425
Adjustment to annual required contribution	<u>(68,686)</u>
Annual OPEB cost	634,778
Contributions made	<u>(845,065)</u>
Change in net OPEB obligation	(210,287)
 Net OPEB obligation, beginning of year*	 <u>2,106,330</u>
 Net OPEB obligation, end of year	 <u>\$ 1,896,043</u>

\*The beginning balance was restated, see note 12.

Of the total net OPEB obligation, \$1,717,972 is reported within the governmental activities and \$178,071 is reported within the business-type activities.

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(Continued)



CITY OF DES PLAINES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

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**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

<u>Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2013	\$ 634,778	133.13%	\$ 1,896,043
2012	650,798	129.35%	1,998,822
2011	1,458,629	62.81%	2,189,853

The funded status of the plan as of December 31, 2012, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 10,380,866
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 10,380,866</u>
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 32,389,697
UAAL as a percentage of covered payroll	32.05%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the December 31, 2012 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 4.00 percent investment rate of return and an annual healthcare cost trend rate of 8.00 percent initially, reduced by decrements to an ultimate rate of 6.00 percent after 10 years. Both rates include a 3.00 percent inflation assumption. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll 30-year open amortization period for all employee groups except Public Works and the cost of the ERI. For the Public Works employee group, a 10-year open level-percentage-of-pay amortization period is being used and a 5-year closed level-percentage-of pay amortization period is used for the ERI cost.

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**NOTE 14 – TERMINATION BENEFITS**

In 2009, the City offered early retirement incentives to all City workers who would agree to terminate in 2009 and 2010. Twenty two City employees accepted the City's offer. The estimated cost of the cash payments, reported in the proprietary statement of net position by function, is \$19,233. Due to the small scale of the health care benefits, unadjusted unpaid premiums as of December 31, 2013 were used to calculate liabilities.

**NOTE 15 – TAX INCREMENT FINANCING DISTRICT**

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

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

**NOTE 16 - NEW ACCOUNTING PRONOUNCEMENTS**

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans*. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. The provisions of this Statement are effective for the City's Pension Funds fiscal year ending December 31, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the City's financial year ending December 31, 2015. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

**NOTE 16 - NEW ACCOUNTING PRONOUNCEMENTS** (Continued)

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This liability should be reported until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units by specifying the information required to be disclosed by governments that extend nonexchange financial guarantee as well as new information to be disclosed by governments that receive nonexchange financial guarantees. The provisions of this Statement are effective for the City's fiscal year ended December 31, 2014, with earlier application being encouraged. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In November 2013, the GASB issued Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date". The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement No. 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement No. 68 and are effective for the City's financial year ending December 31, 2015. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Property Taxes				
Property Taxes	\$ 15,645,194	\$ 15,679,097	\$ 33,903	\$ 15,983,956
Police Pension	3,661,515	3,670,675	9,160	3,522,472
Fire Pension	3,671,041	3,693,659	22,618	3,634,647
Total Property Taxes	<u>22,977,750</u>	<u>23,043,431</u>	<u>65,681</u>	<u>23,141,075</u>
Local Taxes				
Utility Taxes	3,250,000	3,264,076	14,076	3,239,299
Gas and Use Tax	450,000	401,271	(48,729)	309,184
Franchise Tax	559,000	720,517	161,517	680,920
Food and Beverage Tax	1,100,000	1,177,511	77,511	1,236,942
Telecommunication Tax	2,900,000	2,740,642	(159,358)	3,060,585
Hotel/Motel Tax	1,100,000	1,752,342	652,342	1,675,772
Auto Rental Tax	85,000	126,258	41,258	167,919
Parking Tax	50,000	1,629	(48,371)	31,359
Real Estate Transfer Tax	250,000	436,309	186,309	407,884
Home Rule Sales Tax	1,225,000	1,410,076	185,076	1,386,065
Total Local Taxes	<u>10,969,000</u>	<u>12,030,631</u>	<u>1,061,631</u>	<u>12,195,929</u>
Licenses				
Business	450,000	592,636	142,636	503,092
Liquor	225,000	221,220	(3,780)	236,329
Vehicle	1,150,000	1,279,663	129,663	1,283,772
Other Licenses	117,000	175,130	58,130	170,058
Total Licenses	<u>1,942,000</u>	<u>2,268,649</u>	<u>326,649</u>	<u>2,193,251</u>
Permits				
Building	375,000	579,242	204,242	422,264
Other Permits	196,500	76,300	(120,200)	165,814
Total Permits	<u>571,500</u>	<u>655,542</u>	<u>84,042</u>	<u>588,078</u>
Intergovernmental				
State Income Tax	4,100,000	5,863,537	1,763,537	5,128,011
Local Use Tax	765,000	987,175	222,175	911,425
Personal Property Replacement Tax	1,249,539	1,341,936	92,397	1,143,050
Municipal Sales Tax	7,800,000	12,481,071	4,681,071	8,777,034
Road and Bridge Tax	175,000	203,546	28,546	199,419
Federal, State, and Local Grants	114,250	115,119	869	85,957
Other State Payments	-	344	344	320
Total Intergovernmental	<u>14,203,789</u>	<u>20,992,728</u>	<u>6,788,939</u>	<u>16,245,216</u>
Charges for Services				
Ambulance Fees	1,125,000	1,512,262	387,262	1,510,858
Refuse Collection	3,850,000	4,092,464	242,464	3,955,349
Other Fees	357,296	364,952	7,656	358,861
E-911 Fees	735,000	276,095	(458,905)	864,462
Total Charges for Services	<u>6,067,296</u>	<u>6,245,773</u>	<u>178,477</u>	<u>6,689,530</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
Fines and Forfeits				
Court Costs, Fees & Charges	\$ 520,000	\$ 593,629	\$ 73,629	\$ 490,994
Other Fines and Forfeits	<u>682,500</u>	<u>718,372</u>	<u>35,872</u>	<u>667,722</u>
Total Fines and Forfeits	<u>1,202,500</u>	<u>1,312,001</u>	<u>109,501</u>	<u>1,158,716</u>
Investment Income				
Investment Income	<u>50,000</u>	<u>25,188</u>	<u>(24,812)</u>	<u>85,646</u>
Miscellaneous				
Miscellaneous	<u>412,800</u>	<u>550,055</u>	<u>137,255</u>	<u>543,494</u>
<b>Total Revenues</b>	<u>58,396,635</u>	<u>67,123,998</u>	<u>8,727,363</u>	<u>62,840,935</u>
<b>Expenditures</b>				
General Government				
Elected Office				
Salaries	246,100	179,209	66,891	221,642
Benefits	192,041	161,393	30,648	182,230
Contractual Services	198,425	205,944	(7,519)	166,172
Commodities	15,250	21,762	(6,512)	8,146
Capital Outlay	-	243	(243)	329
Total Elected Office	<u>651,816</u>	<u>568,551</u>	<u>83,265</u>	<u>578,519</u>
City Manager Division				
Salaries	253,464	231,582	21,882	224,211
Benefits	74,652	70,673	3,979	71,951
Contractual Services	67,251	44,605	22,646	11,626
Commodities	4,050	4,066	(16)	2,423
Total City Manager Division	<u>399,417</u>	<u>350,926</u>	<u>48,491</u>	<u>310,211</u>
Media Services				
Salaries	158,809	165,409	(6,600)	150,113
Benefits	68,049	84,900	(16,851)	63,831
Contractual Services	50,015	48,673	1,342	45,266
Commodities	40,375	46,377	(6,002)	33,414
Capital Outlay	-	-	-	6,980
Total Media Services	<u>317,248</u>	<u>345,359</u>	<u>(28,111)</u>	<u>299,604</u>
Legal Department				
Salaries	104,633	77,044	27,589	174,744
Benefits	39,966	39,412	554	146,105
Contractual Services	469,550	726,027	(256,477)	524,345
Commodities	1,650	868	782	7,620
Total Legal Department	<u>615,799</u>	<u>843,351</u>	<u>(227,552)</u>	<u>852,814</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
Department of Finance - Fiscal Services				
Salaries	\$ 634,858	\$ 610,296	\$ 24,562	\$ 627,259
Benefits	286,430	302,542	(16,112)	279,357
Contractual Services	102,049	106,222	(4,173)	88,082
Commodities	33,150	29,690	3,460	31,442
Capital Outlay	-	1,249	(1,249)	580
Total Department of Finance - Fiscal Services	<u>1,056,487</u>	<u>1,049,999</u>	<u>6,488</u>	<u>1,026,720</u>
Information Technologies				
Salaries	390,650	295,403	95,247	355,915
Benefits	180,793	126,634	54,159	163,086
Contractual Services	291,021	219,885	71,136	270,060
Commodities	47,025	57,413	(10,388)	48,351
Capital Outlay	-	55,229	(55,229)	2,246
Total Information Technologies	<u>909,489</u>	<u>754,564</u>	<u>154,925</u>	<u>839,658</u>
Overhead Division - Contractual Services				
Contractual Services	443,217	406,417	36,800	472,417
Commodities	53,650	73,061	(19,411)	38,788
Total Overhead Division - Contractual Services	<u>496,867</u>	<u>479,478</u>	<u>17,389</u>	<u>511,205</u>
Building Code Enforcement				
Salaries	928,226	922,356	5,870	891,222
Benefits	468,905	436,969	31,936	430,675
Contractual Services	81,603	81,888	(285)	78,913
Commodities	13,350	10,277	3,073	13,792
Capital Outlay	1,000	813	187	2,470
Total Building Code Enforcement	<u>1,493,084</u>	<u>1,452,303</u>	<u>40,781</u>	<u>1,417,072</u>
Planning and Zoning				
Salaries	316,195	252,713	63,482	268,815
Benefits	132,622	100,946	31,676	106,074
Contractual Services	51,884	18,260	33,624	15,768
Commodities	3,865	6,471	(2,606)	2,036
Capital Outlay	1,000	782	218	2,825
Total Planning and Zoning	<u>505,566</u>	<u>379,172</u>	<u>126,394</u>	<u>395,518</u>
Human Resources				
Salaries	275,507	231,784	43,723	261,152
Benefits	105,370	82,707	22,663	92,264
Contractual Services	57,294	94,255	(36,961)	54,679
Commodities	4,350	3,257	1,093	3,737
Total Human Resources	<u>442,521</u>	<u>412,003</u>	<u>30,518</u>	<u>411,832</u>
Health and Human Services				
Salaries	139,533	151,824	(12,291)	148,908
Benefits	48,578	50,792	(2,214)	47,995
Contractual Services	206,098	206,144	(46)	205,347
Commodities	6,500	5,457	1,043	6,004
Capital Outlay	-	182	(182)	-
Total Health and Human Services	<u>400,709</u>	<u>414,399</u>	<u>(13,690)</u>	<u>408,254</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012
	Original and Final Budget	Actual		Actual
Geographic Information Systems (GIS)				
Contractual Services	\$ 228,700	\$ 222,115	\$ 6,585	\$ 252,806
Commodities	750	197	553	226
Total Geographic Information Systems (GIS)	<u>229,450</u>	<u>222,312</u>	<u>7,138</u>	<u>253,032</u>
Total General Government	<u>7,518,453</u>	<u>7,272,417</u>	<u>246,036</u>	<u>7,304,439</u>
Public Safety				
Police Department - Administration				
Salaries	207,740	201,103	6,637	348,571
Benefits	75,838	76,302	(464)	276,337
Contractual Services	12,417	11,130	1,287	15,862
Commodities	1,650	261	1,389	12,824
Total Police Department - Administration	<u>297,645</u>	<u>288,796</u>	<u>8,849</u>	<u>653,594</u>
Police Department - Uniformed Patrol				
Salaries	6,807,429	6,852,097	(44,668)	6,502,406
Benefits	4,133,168	4,494,127	(360,959)	4,015,055
Contractual Services	1,843,517	1,508,382	335,135	1,762,777
Commodities	83,415	27,100	56,315	16,462
Total Police Department - Uniformed Patrol	<u>12,867,529</u>	<u>12,881,706</u>	<u>(14,177)</u>	<u>12,296,700</u>
Police Department - Criminal Investigation				
Salaries	2,153,122	1,873,440	279,682	1,851,048
Benefits	1,265,416	1,223,512	41,904	1,238,243
Contractual Services	51,585	53,827	(2,242)	48,678
Commodities	3,030	1,166	1,864	5,396
Total Police Department - Criminal Investigation	<u>3,473,153</u>	<u>3,151,945</u>	<u>321,208</u>	<u>3,143,365</u>
Police Department - Supporting Services				
Salaries	2,325,730	2,031,029	294,701	1,812,253
Benefits	1,157,879	1,120,570	37,309	1,052,857
Contractual Services	182,846	142,916	39,930	135,591
Commodities	146,250	108,261	37,989	114,580
Capital Outlay	-	-	-	300
Total Police Department - Supporting Services	<u>3,812,705</u>	<u>3,402,776</u>	<u>409,929</u>	<u>3,115,581</u>
Fire Department - Administration				
Salaries	674,655	643,777	30,878	608,393
Benefits	412,964	424,981	(12,017)	462,579
Contractual Services	31,865	33,437	(1,572)	28,679
Commodities	8,900	12,080	(3,180)	3,257
Capital Outlay	-	1,456	(1,456)	-
Total Fire Department - Administration	<u>1,128,384</u>	<u>1,115,731</u>	<u>12,653</u>	<u>1,102,908</u>

(Continued)



CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
Fire Department - Emergency Services				
Salaries	\$ 8,894,032	\$ 8,864,094	\$ 29,938	\$ 8,777,144
Benefits	6,552,247	6,993,998	(441,751)	6,679,701
Contractual Services	578,061	562,706	15,355	548,791
Commodities	176,860	154,144	22,716	161,491
Capital Outlay	12,000	9,792	2,208	1,571
Total Fire Department - Emergency	<u>16,213,200</u>	<u>16,584,734</u>	<u>(371,534)</u>	<u>16,168,698</u>
Fire Department - Fire Prevention Services				
Salaries	355,675	354,674	1,001	337,046
Benefits	212,817	210,111	2,706	247,143
Contractual Services	21,187	17,055	4,132	16,582
Commodities	6,930	8,204	(1,274)	6,284
Capital Outlay	-	208	(208)	1,059
Total Fire Department - Fire Prevention	<u>596,609</u>	<u>590,252</u>	<u>6,357</u>	<u>608,114</u>
Emergency Management Agency				
Salaries	51,402	31,064	20,338	19,047
Benefits	11,677	12,261	(584)	12,190
Contractual Services	68,383	32,038	36,345	33,764
Commodities	16,725	15,043	1,682	20,378
Total Emergency Management Agency	<u>148,187</u>	<u>90,406</u>	<u>57,781</u>	<u>85,379</u>
Board of Police and Fire Commission				
Contractual Services	64,800	32,563	32,237	53,901
Commodities	850	-	850	2,239
Total Board of Police and Fire Commission	<u>65,650</u>	<u>32,563</u>	<u>33,087</u>	<u>56,140</u>
Total Public Safety	<u>38,603,062</u>	<u>38,138,909</u>	<u>464,153</u>	<u>37,230,479</u>
Public Works				
Vehicle Maintenance Division				
Salaries	475,994	469,246	6,748	453,909
Benefits	233,470	259,032	(25,562)	237,079
Contractual Services	97,855	144,955	(47,100)	88,619
Commodities	713,550	911,905	(198,355)	736,562
Total Vehicle Maintenance Division	<u>1,520,869</u>	<u>1,785,138</u>	<u>(264,269)</u>	<u>1,516,169</u>
Public Works Administration				
Salaries	132,569	117,017	15,552	127,685
Benefits	49,146	41,064	8,082	45,543
Contractual Services	4,034,882	4,265,454	(230,572)	3,986,764
Commodities	24,500	16,815	7,685	21,186
Capital Outlay	31,500	-	31,500	363
Total Public Works Administration	<u>4,272,597</u>	<u>4,440,350</u>	<u>(167,753)</u>	<u>4,181,541</u>
Total Public Works	<u>5,793,466</u>	<u>6,225,488</u>	<u>(432,022)</u>	<u>5,697,710</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts for the Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012
	Original and Final Budget	Actual		Actual
Streets and Highways				
Engineering Department				
Salaries	\$ 543,592	\$ 548,372	\$ (4,780)	\$ 526,874
Benefits	216,448	209,578	6,870	206,944
Contractual Services	22,091	20,988	1,103	20,398
Commodities	5,560	7,327	(1,767)	4,658
Total Engineering Department	<u>787,691</u>	<u>786,265</u>	<u>1,426</u>	<u>758,874</u>
Street Department				
Salaries	1,892,176	1,748,524	143,652	1,642,266
Benefits	887,922	895,204	(7,282)	875,474
Contractual Services	1,343,257	1,369,845	(26,588)	929,892
Commodities	368,900	410,623	(41,723)	333,265
Total Street Department	<u>4,492,255</u>	<u>4,424,196</u>	<u>68,059</u>	<u>3,780,897</u>
Total Streets and Highways	<u>5,279,946</u>	<u>5,210,461</u>	<u>69,485</u>	<u>4,539,771</u>
Economic Development				
Economic Development				
Contractual Services	458,770	500,389	(41,619)	410,209
Commodities	3,650	301	3,349	116
Total Economic Development	<u>462,420</u>	<u>500,690</u>	<u>(38,270)</u>	<u>410,325</u>
Total Economic Development	<u>462,420</u>	<u>500,690</u>	<u>(38,270)</u>	<u>410,325</u>
<b>Total Expenditures</b>	<u>57,657,347</u>	<u>57,347,965</u>	<u>309,382</u>	<u>55,182,724</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>739,288</u>	<u>9,776,033</u>	<u>9,036,745</u>	<u>7,658,211</u>
<b>Other Financing Sources (Uses)</b>				
Transfer In	347,013	347,013	-	334,345
Transfer Out	(2,625,000)	(2,217,202)	407,798	(1,501,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(2,277,987)</u>	<u>(1,870,189)</u>	<u>407,798</u>	<u>(1,166,655)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (1,538,699)</u>	<u>7,905,844</u>	<u>\$ 9,444,543</u>	<u>6,491,556</u>
<b>Fund Balances at Beginning of Year</b>		<u>35,734,769</u>		<u>29,243,213</u>
<b>Fund Balances at End of Year</b>		<u>\$ 43,640,613</u>		<u>\$ 35,734,769</u>

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 TIF #6 (MANHEIM/HIGGINS) FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Property Taxes	\$ 27,283	\$ 7,104	\$ (20,179)	\$ 60,122
Investment Income	-	148	148	2
Miscellaneous	-	3,147	3,147	-
<b>Total Revenues</b>	<u>27,283</u>	<u>10,399</u>	<u>(16,884)</u>	<u>60,124</u>
<b>Expenditures</b>				
Economic Development				
Contractual Services	153,209	27,554	125,655	28,418
Commodities	52	138	(86)	51
Capital Outlay	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>
Total Economic Development	<u>2,153,261</u>	<u>27,692</u>	<u>2,125,569</u>	<u>28,469</u>
Debt Service				
Principal	725,000	725,000	-	280,000
Interest and Fiscal Charges	<u>396,682</u>	<u>436,782</u>	<u>(40,100)</u>	<u>124,119</u>
Total Debt Service	<u>1,121,682</u>	<u>1,161,782</u>	<u>(40,100)</u>	<u>404,119</u>
<b>Total Expenditures</b>	<u>3,274,943</u>	<u>1,189,474</u>	<u>2,085,469</u>	<u>432,588</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(3,247,660)</u>	<u>(1,179,075)</u>	<u>2,068,585</u>	<u>(372,464)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer Out	(62,515)	(62,515)	-	(55,483)
Issuance of Debt	-	4,390,000	4,390,000	-
Premium on Bond Issuance	-	110,395	110,395	-
<b>Total Other Financing Sources (Uses)</b>	<u>(62,515)</u>	<u>4,437,880</u>	<u>4,500,395</u>	<u>(55,483)</u>
<b>Net Change in Fund Balances</b>	<u>\$ (3,310,175)</u>	3,258,805	<u>\$ 6,568,980</u>	(427,947)
<b>Fund Balances at Beginning of Year</b>		<u>(5,643,050)</u>		<u>(5,215,103)</u>
<b>Fund Balances at End of Year</b>		<u>\$ (2,384,245)</u>		<u>\$ (5,643,050)</u>

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 GAMING TAX FUND  
 Year Ended December 31, 2013  
 With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Gaming Tax	\$ 19,000,000	\$ 24,662,123	\$ 5,662,123	\$ 24,802,456
Investment Income	10,000	36,938	26,938	15,861
<b>Total Revenues</b>	<u>19,010,000</u>	<u>24,699,061</u>	<u>5,689,061</u>	<u>24,818,317</u>
<b>Expenditures</b>				
General Government				
Contractual Services	<u>13,604,000</u>	<u>15,864,849</u>	<u>(2,260,849)</u>	<u>15,920,983</u>
<b>Total Expenditures</b>	<u>13,604,000</u>	<u>15,864,849</u>	<u>(2,260,849)</u>	<u>15,920,983</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>5,406,000</u>	<u>8,834,212</u>	<u>3,428,212</u>	<u>8,897,334</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(3,600,000)</u>	<u>(7,155,000)</u>	<u>(3,555,000)</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>				
<b>Net Change in Fund Balance</b>	<u>\$ 1,806,000</u>	1,679,212	<u>\$ (126,788)</u>	8,897,334
<b>Fund Balance at Beginning of Year</b>		<u>12,595,418</u>		<u>3,698,084</u>
<b>Fund Balance at End of Year</b>		<u>\$ 14,274,630</u>		<u>\$ 12,595,418</u>

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS  
 December 31, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<b>IMRF</b>						
12/31/2013	\$ 38,187,978	\$ 49,882,221	\$ 11,694,243	76.56 %	\$ 15,946,135	73.34 %
12/31/2012	34,663,713	49,248,165	14,584,452	70.39	16,592,625	87.90
12/31/2011	33,063,104	48,680,023	15,616,919	67.92	16,321,980	95.68
12/31/2010	33,164,350	46,681,007	13,516,657	71.04	16,588,014	81.48
12/31/2009	34,585,843	47,271,673	12,685,830	73.16	18,901,116	67.12
12/31/2008	35,165,730	47,594,270	12,428,540	73.89	17,751,122	70.02
<b>Police Pension</b>						
12/31/2012	\$ 56,580,919	\$ 115,465,155	\$ 58,884,236	49.00 %	\$ 7,703,991	764.33 %
12/31/2011	52,473,135	110,745,285	58,272,150	47.38	8,212,634	709.54
12/31/2010	52,803,116	105,556,583	52,753,467	50.02	7,985,770	660.59
12/31/2009	48,909,486	92,023,460	43,113,974	53.15	8,182,297	526.92
12/31/2008	43,143,575	86,979,445	43,835,870	49.60	7,965,425	550.33
12/31/2007	50,160,219	82,869,248	32,709,029	60.53	7,817,392	418.41
<b>Firefighters' Pension</b>						
12/31/2012	\$ 60,821,899	\$ 110,650,433	\$ 49,828,534	54.97 %	\$ 8,216,028	606.48 %
12/31/2011	55,810,599	105,346,182	49,535,583	52.98	8,209,659	603.38
12/31/2010	55,010,846	101,349,056	46,338,210	54.28	8,190,774	565.74
12/31/2009	51,578,742	90,690,929	39,112,187	56.87	7,952,536	491.82
12/31/2008	47,701,104	82,859,995	35,158,891	57.57	8,296,833	423.76
12/31/2007	56,500,713	77,492,079	20,991,366	72.91	7,961,049	263.68
<b>Retiree's Health Plan</b>						
12/31/2012	\$ -	\$ 10,380,866	\$ 10,380,866	0.00 %	\$ 32,389,697	32.05 %
12/31/2010	-	13,581,821	13,581,821	0.00	26,176,392	51.89
12/31/2008	-	12,898,052	12,898,052	0.00	31,327,381	41.17

CITY OF DES PLAINES, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF EMPLOYER CONTRIBUTIONS  
 December 31, 2013

Fiscal Year Ended	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
<b>IMRF</b>			
12/31/2013	\$ 2,383,786	\$ 2,383,786	100%
12/31/2012	2,250,700	2,343,437	96%
12/31/2011	1,948,306	2,330,839	84%
12/31/2010	2,148,148	2,148,148	100%
12/31/2009	1,914,683	1,914,683	100%
12/31/2008	1,792,863	1,792,863	100%
<b>Police Pension</b>			
12/31/2013	\$ 3,671,403	\$ 3,661,515	100%
12/31/2012	3,562,231	3,472,544	103%
12/31/2011	3,755,364	3,307,583	114%
12/31/2010	2,955,719	3,240,960	91%
12/31/2009	2,674,204	2,538,400	105%
12/31/2008	2,421,918	2,352,290	103%
<b>Firefighters' Pension</b>			
12/31/2013	\$ 3,694,935	\$ 3,671,041	101%
12/31/2012	3,655,295	3,577,776	102%
12/31/2011	3,798,156	3,395,608	112%
12/31/2010	2,754,196	3,042,315	91%
12/31/2009	2,158,347	2,100,581	103%
12/31/2008	2,017,392	1,831,495	110%
<b>Retiree's Health Plan</b>			
12/31/2013	\$ 845,065	\$ 621,039	136%
12/31/2012	841,829	636,199	132%
12/31/2011	916,213	1,481,391	62%
12/31/2010	819,804	1,420,390	58%
12/31/2009	599,828	1,120,637	54%
12/31/2008	572,023	1,142,333	50%

**BUDGETARY INFORMATION**

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

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**



CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Property Taxes	\$ 33,026	\$ 33,453	\$ 427	\$ 32,721
Home Rule Option Sales Tax - General	2,500,000	2,820,152	320,152	2,772,131
Home Rule Option Sales Tax - Library				
Debt Service	1,250,000	1,410,076	160,076	1,386,065
Local Use	1,550,000	1,707,152	157,152	1,685,069
Intergovernmental	-	-	-	849,154
Storm Sewers	2,250,000	2,288,299	38,299	2,434,345
Developer Contributions	-	-	-	96,019
Investment Income	3,600	3,487	(113)	5,485
Miscellaneous	2,500	45,463	42,963	34,874
<b>Total Revenues</b>	<u>7,589,126</u>	<u>8,308,082</u>	<u>718,956</u>	<u>9,295,863</u>
<b>Expenditures</b>				
Public Works				
Salaries	290,717	281,433	9,284	273,674
Benefits	130,547	127,402	3,145	125,905
Contractual Services	315,281	374,803	(59,522)	186,761
Commodities	75,400	2,941	72,459	69,063
Capital Outlay	5,750,699	5,801,860	(51,161)	3,677,503
Total Public Works	<u>6,562,644</u>	<u>6,588,439</u>	<u>(25,795)</u>	<u>4,332,906</u>
Debt Service				
Principal	4,440,000	6,795,000	(2,355,000)	3,225,000
Interest and Fiscal Charges	822,961	776,892	46,069	953,616
Payment to Refunding Bond Escrow	-	-	-	1,171,690
Total Debt Service	<u>5,262,961</u>	<u>7,571,892</u>	<u>(2,308,931)</u>	<u>5,350,306</u>
<b>Total Expenditures</b>	<u>11,825,605</u>	<u>14,160,331</u>	<u>(2,334,726)</u>	<u>9,683,212</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(4,236,479)</u>	<u>(5,852,249)</u>	<u>(1,615,770)</u>	<u>(387,349)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	3,600,000	7,155,000	3,555,000	-
Transfers Out	(297,004)	(297,004)	-	(183,777)
<b>Total Other Financing Sources (Uses)</b>	<u>3,302,996</u>	<u>6,857,996</u>	<u>3,555,000</u>	<u>(183,777)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (933,483)</u>	1,005,747	<u>\$ 1,939,230</u>	(571,126)
<b>Fund Balance at Beginning of Year</b>		<u>2,523,327</u>		<u>3,094,453</u>
<b>Fund Balance at End of Year</b>		<u>\$ 3,529,074</u>		<u>\$ 2,523,327</u>

## NONMAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds** are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for particular purposes.

- Motor Fuel Tax Fund – to account for the City's share of restricted state gasoline taxes. All projects require the advance approval of the Illinois Department of Transportation.
- Community Development Block Grant Fund - to account for the disbursement of the restricted Federal Community Block Grant. Financing is provided by the Federal Government.
- Asset Seizure Fund – to account for the restricted monies received from the federal, state, and county related to the seizure of assets by the Des Plaines Police Department.
- Foreign Fire Insurance Tax Fund – to account for restricted monies received from the foreign fire insurance tax, and disbursements by the Foreign Fire Insurance Tax Board.
- TIF Tax Allocation #1 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located downtown.
- TIF Tax Allocation #3 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Wille Road.
- TIF Tax Allocation #4 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Five Corners.
- TIF Tax Allocation #5 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Lee and Perry Streets in downtown Des Plaines.
- Grant Funded Projects Fund – to account for restricted revenues and expenditures related to the Public Safety, Capital and other miscellaneous grants.

**Debt Service Funds** are governmental funds used to account for the accumulation of resources and the payment of general long-term debt principal, interest, and related costs.

- Debt Service Fund – to accumulate monies for payment of principal and interest on long-term general obligation debt of governmental funds.

**Capital Project Funds** are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- Equipment Replacement Fund – to account for the acquisition of major capital equipment (rolling stock).
- IT Replacement Fund – to account for the replacement of the City's computer and copier equipment.

CITY OF DES PLAINES, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2013

	Special Revenue Funds				
	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	TIF #1 (Downtown)
<b>ASSETS</b>					
Cash and Investments	\$ 445,361	\$ 112,035	\$ 1,588,258	\$ 577,795	\$ 3,907,840
Restricted Cash and Investments	-	-	-	-	3,052,746
Receivables (Net)					
Property Taxes	-	-	-	-	4,779,687
Accrued Interest	-	-	174	-	-
Other	-	-	2,462	-	-
Due from Other Governments	146,047	24,719	4,397	-	-
<b>TOTAL ASSETS</b>	<b>\$ 591,408</b>	<b>\$ 136,754</b>	<b>\$ 1,595,291</b>	<b>\$ 577,795</b>	<b>\$ 11,740,273</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 149,398	\$ 23,920	\$ 36,547	\$ -	\$ 714,874
Accrued Liabilities	-	2,689	-	-	-
Deposits Payable	-	-	31,800	-	18,737
Advances from Other Funds	-	-	-	-	-
<b>Total Liabilities</b>	<b>149,398</b>	<b>26,609</b>	<b>68,347</b>	<b>-</b>	<b>733,611</b>
<b>Deferred Inflows of Resources</b>					
Deferred Property Tax Revenue	-	-	-	-	4,686,065
Unavailable Other Revenue	-	8,446	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>8,446</b>	<b>-</b>	<b>-</b>	<b>4,686,065</b>
<b>Fund Balances</b>					
Restricted					
Economic Development	-	101,699	-	-	3,267,851
Streets & Highways	442,010	-	-	-	-
Public Safety	-	-	1,526,944	577,795	-
Debt Service	-	-	-	-	3,052,746
Assigned					
Capital Acquisitions	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>442,010</b>	<b>101,699</b>	<b>1,526,944</b>	<b>577,795</b>	<b>6,320,597</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 591,408</b>	<b>\$ 136,754</b>	<b>\$ 1,595,291</b>	<b>\$ 577,795</b>	<b>\$ 11,740,273</b>

Special Revenue Funds				Debt Service Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #4 (Five Corners)	TIF #5 (Perry/Lee)	Grant Funded Projects	Debt Service	Equipment Replacement	I.T. Replacement	
\$ -	\$ 485,936	\$ 87,353	\$ 293,647	\$ 464,693	\$ 3,831,158	\$ 481,657	\$ 12,275,733
574,359	-	-	-	-	-	-	3,627,105
624,634	24,549	114,284	-	107,056	-	-	5,650,210
-	-	-	-	-	-	-	174
-	-	-	-	-	-	-	2,462
-	-	-	541,649	-	-	-	716,812
<u>\$ 1,198,993</u>	<u>\$ 510,485</u>	<u>\$ 201,637</u>	<u>\$ 835,296</u>	<u>\$ 571,749</u>	<u>\$ 3,831,158</u>	<u>\$ 481,657</u>	<u>\$ 22,272,496</u>
\$ 124	\$ 25,879	\$ 124	\$ 281,456	\$ -	\$ 346,702	\$ 36,414	\$ 1,615,438
-	-	-	-	-	-	-	2,689
-	-	-	-	-	-	-	50,537
3,054,028	-	-	-	-	-	-	3,054,028
<u>3,054,152</u>	<u>25,879</u>	<u>124</u>	<u>281,456</u>	<u>-</u>	<u>346,702</u>	<u>36,414</u>	<u>4,722,692</u>
624,634	-	114,284	-	106,474	-	-	5,531,457
-	-	-	541,649	-	-	-	550,095
<u>624,634</u>	<u>-</u>	<u>114,284</u>	<u>541,649</u>	<u>106,474</u>	<u>-</u>	<u>-</u>	<u>6,081,552</u>
-	484,606	87,229	-	-	-	-	3,941,385
-	-	-	12,191	-	-	-	454,201
-	-	-	-	-	-	-	2,104,739
574,359	-	-	-	465,275	-	-	4,092,380
-	-	-	-	-	3,484,456	445,243	3,929,699
(3,054,152)	-	-	-	-	-	-	(3,054,152)
<u>(2,479,793)</u>	<u>484,606</u>	<u>87,229</u>	<u>12,191</u>	<u>465,275</u>	<u>3,484,456</u>	<u>445,243</u>	<u>11,468,252</u>
<u>\$ 1,198,993</u>	<u>\$ 510,485</u>	<u>\$ 201,637</u>	<u>\$ 835,296</u>	<u>\$ 571,749</u>	<u>\$ 3,831,158</u>	<u>\$ 481,657</u>	<u>\$ 22,272,496</u>

CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 Year Ended December 31, 2013

	Special Revenue Funds				
	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	TIF #1 (Downtown)
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ 98,828	\$ 4,797,868
Intergovernmental	1,682,991	260,353	-	-	-
Fines, Forfeitures and Penalties	-	-	126,876	-	-
Investment Income	248	-	1,095	3,330	1,071
Miscellaneous	-	-	-	-	2,144
<b>Total Revenues</b>	<u>1,683,239</u>	<u>260,353</u>	<u>127,971</u>	<u>102,158</u>	<u>4,801,083</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	44	-	-
Public Safety	-	-	123,521	67,934	-
Streets and Highways	1,153,091	-	-	-	-
Economic Development	-	206,897	-	-	1,093,611
Debt Service					
Principal	-	-	-	-	1,930,865
Interest and Fiscal Charges	-	-	-	-	362,765
Capital Outlay	<u>774,216</u>	<u>54,722</u>	<u>281,408</u>	<u>-</u>	<u>3,014,901</u>
<b>Total Expenditures</b>	<u>1,927,307</u>	<u>261,619</u>	<u>404,973</u>	<u>67,934</u>	<u>6,402,142</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(244,068)</u>	<u>(1,266)</u>	<u>(277,002)</u>	<u>34,224</u>	<u>(1,601,059)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(394,232)
Issuance of Debt	-	-	-	-	2,990,000
Premium on Bond Issuance	-	-	-	-	90,118
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,685,886</u>
<b>Net Change in Fund Balances</b>	(244,068)	(1,266)	(277,002)	34,224	1,084,827
<b>Fund Balances at Beginning of Year</b>	<u>686,078</u>	<u>102,965</u>	<u>1,803,946</u>	<u>543,571</u>	<u>5,235,770</u>
<b>Fund Balances at End of Year</b>	<u>\$ 442,010</u>	<u>\$ 101,699</u>	<u>\$ 1,526,944</u>	<u>\$ 577,795</u>	<u>\$ 6,320,597</u>

Special Revenue Funds				Debt Service Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #4 (Five Corners)	TIF #5 (Perry/Lee)	Grant Funded Projects	Debt Service	Equipment Replacement	I.T. Replacement	
\$ 489,100	\$ 1,901	\$ 94,586	\$ -	\$ 107,682	\$ -	\$ -	\$ 5,589,965
-	-	-	386,645	-	-	-	2,329,989
-	-	-	-	-	-	-	126,876
30	1	36	-	-	17,994	26	23,831
405	-	-	-	-	29,755	-	32,304
<u>489,535</u>	<u>1,902</u>	<u>94,622</u>	<u>386,645</u>	<u>107,682</u>	<u>47,749</u>	<u>26</u>	<u>8,102,965</u>
-	-	-	113,909	-	112,169	42,888	269,010
-	-	-	-	-	-	-	191,455
-	-	-	-	-	-	-	1,153,091
6,683	18,135	1,418	-	-	-	-	1,326,744
165,000	-	90,000	-	75,000	12,500	-	2,273,365
409,744	-	19,736	-	30,690	-	-	822,935
-	<u>45,482</u>	-	<u>773,708</u>	-	<u>1,536,438</u>	<u>150,982</u>	<u>6,631,857</u>
<u>581,427</u>	<u>63,617</u>	<u>111,154</u>	<u>887,617</u>	<u>105,690</u>	<u>1,661,107</u>	<u>193,870</u>	<u>12,668,457</u>
<u>(91,892)</u>	<u>(61,715)</u>	<u>(16,532)</u>	<u>(500,972)</u>	<u>1,992</u>	<u>(1,613,358)</u>	<u>(193,844)</u>	<u>(4,565,492)</u>
-	-	-	408,386	-	2,000,000	125,000	2,533,386
(6,260)	(45,380)	-	-	-	-	-	(445,872)
565,000	-	-	-	-	-	-	3,555,000
14,532	-	-	-	-	-	-	104,650
<u>573,272</u>	<u>(45,380)</u>	<u>-</u>	<u>408,386</u>	<u>-</u>	<u>2,000,000</u>	<u>125,000</u>	<u>5,747,164</u>
481,380	(107,095)	(16,532)	(92,586)	1,992	386,642	(68,844)	1,181,672
<u>(2,961,173)</u>	<u>591,701</u>	<u>103,761</u>	<u>104,777</u>	<u>463,283</u>	<u>3,097,814</u>	<u>514,087</u>	<u>10,286,580</u>
<u>\$ (2,479,793)</u>	<u>\$ 484,606</u>	<u>\$ 87,229</u>	<u>\$ 12,191</u>	<u>\$ 465,275</u>	<u>\$ 3,484,456</u>	<u>\$ 445,243</u>	<u>\$ 11,468,252</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
MOTOR FUEL TAX FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Intergovernmental	\$ 1,700,441	\$ 1,682,991	\$ (17,450)	\$ 1,719,224
Investment Income	500	248	(252)	847
<b>Total Revenues</b>	<u>1,700,941</u>	<u>1,683,239</u>	<u>(17,702)</u>	<u>1,720,071</u>
<b>Expenditures</b>				
Streets and Highways				
Contractual Services	347,500	686,400	(338,900)	106,053
Commodities	482,000	466,691	15,309	475,707
Capital Outlay	<u>1,099,409</u>	<u>774,216</u>	<u>325,193</u>	<u>912,246</u>
<b>Total Expenditures</b>	<u>1,928,909</u>	<u>1,927,307</u>	<u>1,602</u>	<u>1,494,006</u>
<b>Net Change in Fund Balance</b>	<u>\$ (227,968)</u>	(244,068)	<u>\$ (19,304)</u>	226,065
<b>Fund Balance at Beginning of Year</b>		<u>686,078</u>		<u>460,013</u>
<b>Fund Balance at End of Year</b>		<u>\$ 442,010</u>		<u>\$ 686,078</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Intergovernmental	\$ 283,171	\$ 260,353	\$ (22,818)	\$ 378,442
Miscellaneous	-	-	-	17,023
<b>Total Revenues</b>	<u>283,171</u>	<u>260,353</u>	<u>(22,818)</u>	<u>395,465</u>
<b>Expenditures</b>				
Economic Development				
Salaries	40,727	50,604	(9,877)	33,104
Benefits	13,229	17,533	(4,304)	9,426
Contractual Services	148,942	138,760	10,182	160,560
Capital Outlay	80,273	54,722	25,551	200,271
<b>Total Expenditures</b>	<u>283,171</u>	<u>261,619</u>	<u>21,552</u>	<u>403,361</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	(1,266)	<u>\$ (1,266)</u>	(7,896)
<b>Fund Balance at Beginning of Year</b>		<u>102,965</u>		<u>110,861</u>
<b>Fund Balance at End of Year</b>		<u>\$ 101,699</u>		<u>\$ 102,965</u>



CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
TIF #1 (DOWNTOWN) FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Property Taxes	\$ 4,023,412	\$ 4,797,868	\$ 774,456	\$ 4,706,774
Investment Income	1,000	1,071	71	2,632
Miscellaneous	-	2,144	2,144	-
<b>Total Revenues</b>	<u>4,024,412</u>	<u>4,801,083</u>	<u>776,671</u>	<u>4,709,406</u>
<b>Expenditures</b>				
Economic Development				
Salaries	5,000	6,469	(1,469)	4,050
Benefits	553	992	(439)	447
Contractual Services	1,157,376	535,673	621,703	516,242
Commodities	341,650	550,477	(208,827)	246,995
Capital Outlay	3,039,000	3,014,901	24,099	45,094
Total Economic Development	<u>4,543,579</u>	<u>4,108,512</u>	<u>435,067</u>	<u>812,828</u>
Debt Service				
Principal	1,380,865	1,930,865	(550,000)	1,207,078
Interest and Fiscal Charges	443,850	362,765	81,085	544,715
Total Debt Service	<u>1,824,715</u>	<u>2,293,630</u>	<u>(468,915)</u>	<u>1,751,793</u>
<b>Total Expenditures</b>	<u>6,368,294</u>	<u>6,402,142</u>	<u>(33,848)</u>	<u>2,564,621</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(2,343,882)</u>	<u>(1,601,059)</u>	<u>742,823</u>	<u>2,144,785</u>
<b>Other Financing Sources (Uses)</b>				
Transfer Out	(192,100)	(394,232)	(202,132)	(474,826)
Issuance of Debt	-	2,990,000	2,990,000	3,765,000
Payment to Refunding Bond Escrow	-	-	-	(3,746,382)
Premium on Bond Issuance	-	90,118	90,118	41,230
<b>Total Other Financing Sources (Uses)</b>	<u>(192,100)</u>	<u>2,685,886</u>	<u>2,877,986</u>	<u>(414,978)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (2,535,982)</u>	1,084,827	<u>\$ 3,620,809</u>	1,729,807
<b>Fund Balances at Beginning of Year</b>		<u>5,235,770</u>		<u>3,505,963</u>
<b>Fund Balances at End of Year</b>		<u>\$ 6,320,597</u>		<u>\$ 5,235,770</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
TIF #3 (WILLE ROAD) FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Taxes	\$ 505,679	\$ 489,100	\$ (16,579)	\$ 561,730
Investment Income	10	30	20	7
Miscellaneous	-	405	405	-
<b>Total Revenues</b>	<u>505,689</u>	<u>489,535</u>	<u>(16,154)</u>	<u>561,737</u>
<b>Expenditures</b>				
Economic Development				
Contractual Services	10,006	6,683	3,323	3,444
Total Economic Development	<u>10,006</u>	<u>6,683</u>	<u>3,323</u>	<u>3,444</u>
Debt Service				
Principal	165,000	165,000	-	161,000
Interest and Fiscal Charges	404,597	409,744	(5,147)	410,664
Total Debt Service	<u>569,597</u>	<u>574,744</u>	<u>(5,147)</u>	<u>571,664</u>
<b>Total Expenditures</b>	<u>579,603</u>	<u>581,427</u>	<u>(1,824)</u>	<u>575,108</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(73,914)</u>	<u>(91,892)</u>	<u>(17,978)</u>	<u>(13,371)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(6,260)	(6,260)	-	(8,759)
Issuance of Debt	-	565,000	565,000	-
Premium on Bond Issuance	-	14,532	14,532	-
<b>Total Other Financing Sources (Uses)</b>	<u>(6,260)</u>	<u>573,272</u>	<u>579,532</u>	<u>(8,759)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (80,174)</u>	481,380	<u>\$ 561,554</u>	(22,130)
<b>Fund Balance at Beginning of Year</b>		<u>(2,961,173)</u>		<u>(2,939,043)</u>
<b>Fund Balance at End of Year</b>		<u>\$ (2,479,793)</u>		<u>\$ (2,961,173)</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
TIF #4 (FIVE CORNERS) FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Taxes	\$ -	\$ 1,901	\$ 1,901	\$ 70,881
Investment Income	-	1	1	17
<b>Total Revenues</b>	<u>-</u>	<u>1,902</u>	<u>1,902</u>	<u>70,898</u>
<b>Expenditures</b>				
Economic Development				
Contractual Services	70,896	18,135	52,761	15,228
Commodities	5,000	-	5,000	4,215
Capital Outlay	450,000	45,482	404,518	454,383
<b>Total Expenditures</b>	<u>525,896</u>	<u>63,617</u>	<u>462,279</u>	<u>473,826</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(525,896)</u>	<u>(61,715)</u>	<u>464,181</u>	<u>(402,928)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(45,380)	(45,380)	-	(45,202)
<b>Total Other Financing Sources (Uses)</b>	<u>(45,380)</u>	<u>(45,380)</u>	<u>-</u>	<u>(45,202)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (571,276)</u>	<u>(107,095)</u>	<u>\$ 464,181</u>	<u>(448,130)</u>
<b>Fund Balance at Beginning of Year</b>		<u>591,701</u>		<u>1,039,831</u>
<b>Fund Balance at End of Year</b>		<u>\$ 484,606</u>		<u>\$ 591,701</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
TIF #5 (PERRY/LEE) FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Taxes	\$ 105,655	\$ 94,586	\$ (11,069)	\$ 117,260
Investment Income	-	36	36	26
<b>Total Revenues</b>	<u>105,655</u>	<u>94,622</u>	<u>(11,033)</u>	<u>117,286</u>
<b>Expenditures</b>				
Economic Development				
Contractual Services	-	1,418	(1,418)	3,108
Total Economic Development	-	1,418	(1,418)	3,108
Debt Service				
Principal	90,000	90,000	-	90,000
Interest and Fiscal Charges	19,712	19,736	(24)	20,349
Total Debt Service	109,712	109,736	(24)	110,349
<b>Total Expenditures</b>	<u>109,712</u>	<u>111,154</u>	<u>(1,442)</u>	<u>113,457</u>
<b>Net Change in Fund Balance</b>	<u>\$ (4,057)</u>	(16,532)	<u>\$ (12,475)</u>	3,829
<b>Fund Balance at Beginning of Year</b>		<u>103,761</u>		<u>99,932</u>
<b>Fund Balance at End of Year</b>		<u>\$ 87,229</u>		<u>\$ 103,761</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GRANT FUNDED PROJECTS FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Intergovernmental	\$ 1,547,186	\$ 386,645	\$ (1,160,541)	\$ 1,706,900
<b>Total Revenues</b>	<u>1,547,186</u>	<u>386,645</u>	<u>(1,160,541)</u>	<u>1,706,900</u>
<b>Expenditures</b>				
General Government				
Salaries	36,000	73,887	(37,887)	57,196
Contractual Services	124,000	36,193	87,807	208,638
Commodities	-	3,829	(3,829)	13,079
Capital Outlay	<u>1,659,190</u>	<u>773,708</u>	<u>885,482</u>	<u>1,454,112</u>
<b>Total Expenditures</b>	<u>1,819,190</u>	<u>887,617</u>	<u>931,573</u>	<u>1,733,025</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(272,004)</u>	<u>(500,972)</u>	<u>(228,968)</u>	<u>(26,125)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	<u>272,004</u>	<u>408,386</u>	<u>136,382</u>	<u>450,460</u>
<b>Total Other Financing Sources (Uses)</b>	<u>272,004</u>	<u>408,386</u>	<u>136,382</u>	<u>450,460</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>(92,586)</u>	<u>\$ (92,586)</u>	<u>424,335</u>
<b>Fund Balance at Beginning of Year</b>		<u>104,777</u>		<u>(319,558)</u>
<b>Fund Balance at End of Year</b>		<u>\$ 12,191</u>		<u>\$ 104,777</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
DEBT SERVICE FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Taxes	\$ 105,400	\$ 107,682	\$ 2,282	\$ 151,120
<b>Total Revenues</b>	<u>105,400</u>	<u>107,682</u>	<u>2,282</u>	<u>151,120</u>
<b>Expenditures</b>				
Debt Service				
Principal	75,000	75,000	-	75,000
Interest and Fiscal Charges	<u>30,900</u>	<u>30,690</u>	<u>210</u>	<u>33,538</u>
<b>Total Expenditures</b>	<u>105,900</u>	<u>105,690</u>	<u>210</u>	<u>108,538</u>
<b>Net Change in Fund Balance</b>	<u>\$ (500)</u>	1,992	<u>\$ 2,492</u>	42,582
<b>Fund Balance at Beginning of Year</b>		<u>463,283</u>		<u>420,701</u>
<b>Fund Balance at End of Year</b>		<u>\$ 465,275</u>		<u>\$ 463,283</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
EQUIPMENT REPLACEMENT FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Investment Income	\$ 25,000	\$ 17,994	\$ (7,006)	\$ 44,043
Miscellaneous	75,000	29,755	(45,245)	50,778
<b>Total Revenues</b>	<u>100,000</u>	<u>47,749</u>	<u>(52,251)</u>	<u>94,821</u>
<b>Expenditures</b>				
General Government				
Contractual Services	-	48,335	(48,335)	30,939
Commodities	73,100	63,834	9,266	4,596
Capital Outlay	690,173	1,536,438	(846,265)	295,825
Total General Government	<u>763,273</u>	<u>1,648,607</u>	<u>(885,334)</u>	<u>331,360</u>
Debt Service				
Principal	12,500	12,500	-	56,151
Interest and Fiscal Charges	-	-	-	674
Total Debt Service	<u>12,500</u>	<u>12,500</u>	<u>-</u>	<u>56,825</u>
<b>Total Expenditures</b>	<u>775,773</u>	<u>1,661,107</u>	<u>(885,334)</u>	<u>388,185</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(675,773)</u>	<u>(1,613,358)</u>	<u>(937,585)</u>	<u>(293,364)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,000,000	2,000,000	-	1,375,000
<b>Total Other Financing Sources (Uses)</b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>1,375,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ 1,324,227</u>	386,642	<u>\$ (937,585)</u>	1,081,636
<b>Fund Balance at Beginning of Year</b>		<u>3,097,814</u>		<u>2,016,178</u>
<b>Fund Balance at End of Year</b>		<u>\$ 3,484,456</u>		<u>\$ 3,097,814</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
I.T. REPLACEMENT FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Investment Income	\$ -	\$ 26	\$ 26	\$ 119
<b>Total Revenues</b>	<u>-</u>	<u>26</u>	<u>26</u>	<u>119</u>
<b>Expenditures</b>				
General Government				
Contractual Services	36,300	36,672	(372)	36,672
Commodities	2,900	6,216	(3,316)	5,448
Capital Outlay	<u>151,815</u>	<u>150,982</u>	<u>833</u>	<u>43,160</u>
<b>Total Expenditures</b>	<u>191,015</u>	<u>193,870</u>	<u>(2,855)</u>	<u>85,280</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(191,015)</u>	<u>(193,844)</u>	<u>(2,829)</u>	<u>(85,161)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	<u>125,000</u>	<u>125,000</u>	-	<u>125,000</u>
<b>Total Other Financing Sources (Uses)</b>	<u>125,000</u>	<u>125,000</u>	-	<u>125,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ (66,015)</u>	<u>(68,844)</u>	<u>\$ (2,829)</u>	<u>39,839</u>
<b>Fund Balance at Beginning of Year</b>		<u>514,087</u>		<u>474,248</u>
<b>Fund Balance at End of Year</b>		<u>\$ 445,243</u>		<u>\$ 514,087</u>



## ENTERPRISE FUNDS

**Enterprise Funds** are established to account for the financing of self-supporting activities of the City that render services on a user-charge basis.

- Water/Sewer Fund – to account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.
- Parking System Fund – to account for the operation of the City's parking lots, garages and monies received from permit sales. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.
- Des Plaines Emergency Communication Center Fund – to account for the 9-1-1 and emergency dispatching operations provided by the City to the City of Des Plaines and the City of Park Ridge under an intergovernmental agreement between the two communities. This fund did not have a legally adopted budget in 2013.

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL  
WATER/SEWER FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012
	Original and Final Budget	Actual		Actual
<b>Operating Revenues</b>				
Charges for Services				
Water Sales	\$ 9,707,500	\$ 11,402,267	\$ 1,694,767	\$ 11,652,248
Sewer Sales	1,700,000	2,214,960	514,960	2,394,975
Sales of Water Meters	7,500	6,705	(795)	5,275
Water Permit Fees	5,500	8,610	3,110	6,130
Service Charges, Cut Off and Connector Fees	50,000	175,342	125,342	93,928
Other Charges for Services	8,200	2,503	(5,697)	9,663
Total Charges for Services	<u>11,478,700</u>	<u>13,810,387</u>	<u>2,331,687</u>	<u>14,162,219</u>
Miscellaneous	1,000	5,388	4,388	2,756
<b>Total Operating Revenues</b>	<u>11,479,700</u>	<u>13,815,775</u>	<u>2,336,075</u>	<u>14,164,975</u>
<b>Operating Expenses</b>				
Salaries	3,105,199	3,239,433	(134,234)	3,039,934
Benefits	1,587,635	1,688,501	(100,866)	1,628,127
Contractual Services	910,098	1,252,729	(342,631)	847,360
Commodities	7,014,150	8,148,506	(1,134,356)	7,402,520
Capital Outlay	1,274,292	87,453	1,186,839	299,867
Depreciation	-	948,579	(948,579)	916,189
<b>Total Operating Expenses</b>	<u>13,891,374</u>	<u>15,365,201</u>	<u>(1,473,827)</u>	<u>14,133,997</u>
<b>Operating Income (Loss)</b>	<u>(2,411,674)</u>	<u>(1,549,426)</u>	<u>862,248</u>	<u>30,978</u>
<b>Nonoperating Revenues and (Expenses)</b>				
Intergovernmental	-	8,237	8,237	2,039
Investment Income	2,000	1,711	(289)	5,228
Interest Expense	(15,050)	(19,436)	(4,386)	(34,059)
<b>Total Nonoperating Revenues and (Expenses)</b>	<u>(13,050)</u>	<u>(9,488)</u>	<u>3,562</u>	<u>(26,792)</u>
<b>Income (Loss) Before Transfers</b>	<u>(2,424,724)</u>	<u>(1,558,914)</u>	<u>865,810</u>	<u>4,186</u>
<b>Transfers</b>				
Transfers In	20,758	20,758	-	20,758
<b>Total Transfers</b>	<u>20,758</u>	<u>20,758</u>	<u>-</u>	<u>20,758</u>
<b>Change in Net Position</b>	<u>\$ (2,403,966)</u>	<u>(1,538,156)</u>	<u>\$ 865,810</u>	<u>24,944</u>
<b>Net Position at Beginning of Year</b>		<u>21,017,289</u>		<u>20,992,345</u>
<b>Net Position at End of Year</b>		<u>\$ 19,479,133</u>		<u>\$ 21,017,289</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL  
PARKING SYSTEM FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012
	Original and Final Budget	Actual		Actual
<b>Operating Revenues</b>				
Charges for Services				
Parking Lots, Garages, Permits, and Other	\$ 302,500	\$ 336,051	\$ 33,551	\$ 370,038
<b>Total Operating Revenues</b>	<u>302,500</u>	<u>336,051</u>	<u>33,551</u>	<u>370,038</u>
<b>Operating Expenses</b>				
Contractual Services	40,786	16,686	24,100	16,481
Commodities	144,850	141,846	3,004	120,930
Depreciation	-	649,879	(649,879)	646,136
<b>Total Operating Expenses</b>	<u>185,636</u>	<u>808,411</u>	<u>(622,775)</u>	<u>783,547</u>
<b>Operating Income (Loss)</b>	<u>116,864</u>	<u>(472,360)</u>	<u>(589,224)</u>	<u>(413,509)</u>
<b>Transfers</b>				
Transfers In	-	65,750	65,750	-
Transfers Out	(36,516)	(36,516)	-	(36,516)
<b>Total Transfers</b>	<u>(36,516)</u>	<u>29,234</u>	<u>65,750</u>	<u>(36,516)</u>
<b>Change in Net Position</b>	<u>\$ 80,348</u>	<u>(443,126)</u>	<u>\$ (523,474)</u>	<u>(450,025)</u>
<b>Net Position at Beginning of Year</b>		<u>12,591,051</u>		<u>13,041,076</u>
<b>Net Position at End of Year</b>		<u>\$ 12,147,925</u>		<u>\$ 12,591,051</u>

## INTERNAL SERVICE FUNDS

**Internal Service Funds** are used to account for the financing of goods and services provided by one department or agency of a government to other departments or agencies on a cost- reimbursement basis.

- Risk Management Fund – to account for the servicing and payment of claims for liability and workmen's compensation. Financing is provided via self-imposed premiums and investment earnings.
- Health Benefits Fund – to account for the operations of the City's self-insured medical plan. Financing is provided via self-imposed premiums and investment earnings.

CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 December 31, 2013

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 1,040,009	\$ 420,745	\$ 1,460,754
Prepaid Items	802,502	2,311,142	3,113,644
Other Receivables	-	788	788
Total Current Assets	<u>1,842,511</u>	<u>2,732,675</u>	<u>4,575,186</u>
<b>TOTAL ASSETS</b>	<u>1,842,511</u>	<u>2,732,675</u>	<u>4,575,186</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	115,106	1,029	116,135
Accrued Liabilities	-	23,190	23,190
Long-term Obligations, Due Within One Year			
Early Retirement Incentive Program Payable	<u>-</u>	<u>19,233</u>	<u>19,233</u>
Total Current Liabilities	<u>115,106</u>	<u>43,452</u>	<u>158,558</u>
<b>TOTAL LIABILITIES</b>	<u>115,106</u>	<u>43,452</u>	<u>158,558</u>
<b>NET POSITION</b>			
Unrestricted	<u>1,727,405</u>	<u>2,689,223</u>	<u>4,416,628</u>
<b>TOTAL NET POSITION</b>	<u>\$ 1,727,405</u>	<u>\$ 2,689,223</u>	<u>\$ 4,416,628</u>

CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET POSITION  
 INTERNAL SERVICE FUNDS  
 Year Ended December 31, 2013

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
<b>Operating Revenues</b>			
Charges for Services	\$ 2,515,469	\$ 8,828,075	\$ 11,343,544
Miscellaneous	247,490	-	247,490
<b>Total Operating Revenues</b>	<u>2,762,959</u>	<u>8,828,075</u>	<u>11,591,034</u>
<b>Operating Expenses</b>			
Claims Expense	74,282	7,980,890	8,055,172
Insurance and Processing Fees	2,536,427	573,839	3,110,266
Miscellaneous	270,232	163,610	433,842
<b>Total Operating Expenses</b>	<u>2,880,941</u>	<u>8,718,339</u>	<u>11,599,280</u>
<b>Operating Income (Loss)</b>	<u>(117,982)</u>	<u>109,736</u>	<u>(8,246)</u>
<b>Nonoperating Revenues and (Expenses)</b>			
Investment Income	-	34	34
<b>Total Nonoperating Revenues and (Expenses)</b>	<u>-</u>	<u>34</u>	<u>34</u>
<b>Income (Loss) Before Transfers</b>	<u>(117,982)</u>	<u>109,770</u>	<u>(8,212)</u>
<b>Transfers</b>			
Transfers In	92,202	-	92,202
<b>Total Transfers</b>	<u>92,202</u>	<u>-</u>	<u>92,202</u>
<b>Change in Net Position</b>	(25,780)	109,770	83,990
<b>Net Position at Beginning of Year</b>	<u>1,753,185</u>	<u>2,579,453</u>	<u>4,332,638</u>
<b>Net Position at End of Year</b>	<u>\$ 1,727,405</u>	<u>\$ 2,689,223</u>	<u>\$ 4,416,628</u>

CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 Year Ended December 31, 2013

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$ 2,515,469	\$ 8,828,075	\$ 11,343,544
Receipts from Miscellaneous Revenues	247,490	-	247,490
Cash Payments to Suppliers for Good and Services	<u>(2,791,953)</u>	<u>(9,002,766)</u>	<u>(11,794,719)</u>
<b>Net Cash Provided/(Used) by Operating Activities</b>	<u>(28,994)</u>	<u>(174,691)</u>	<u>(203,685)</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers In	<u>92,202</u>	<u>-</u>	<u>92,202</u>
<b>Net Cash Provided/(Used) by Noncapital Financing Activities</b>	<u>92,202</u>	<u>-</u>	<u>92,202</u>
<b>Cash Flows from Investing Activities</b>			
Investment Income	<u>-</u>	<u>34</u>	<u>34</u>
<b>Net Cash Provided/(Used) by Investing Activities</b>	<u>-</u>	<u>34</u>	<u>34</u>
<b>Net Increase (Decrease) in Cash &amp; Investments</b>	63,208	(174,657)	(111,449)
<b>Cash &amp; Investments, Beginning of Year</b>	<u>976,801</u>	<u>595,402</u>	<u>1,572,203</u>
<b>Cash &amp; Investments, End of Year</b>	<u>\$ 1,040,009</u>	<u>\$ 420,745</u>	<u>\$ 1,460,754</u>
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities</b>			
Operating Income/(Loss)	\$ (117,982)	\$ 109,736	\$ (8,246)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Decrease (Increase) in Prepaid Items	(7,365)	76,948	69,583
Decrease (Increase) in Other Receivables	-	(788)	(788)
(Decrease) Increase in Accounts Payable	96,353	(2,688)	93,665
(Decrease) Increase in Accrued Liabilities	<u>-</u>	<u>9,033</u>	<u>9,033</u>
Total Adjustments	<u>88,988</u>	<u>(284,427)</u>	<u>(195,439)</u>
<b>Net Cash Provided/(Used) by Operating Activities</b>	<u>\$ (28,994)</u>	<u>\$ (174,691)</u>	<u>\$ (203,685)</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL  
RISK MANAGEMENT FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012
	Original and Final Budget	Actual		Actual
<b>Operating Revenues</b>				
Charges for Services	\$ 2,250,000	\$ 2,515,469	\$ 265,469	\$ 2,558,204
Miscellaneous	140,000	247,490	107,490	556,132
<b>Total Operating Revenues</b>	<u>2,390,000</u>	<u>2,762,959</u>	<u>372,959</u>	<u>3,114,336</u>
<b>Operating Expenses</b>				
Claims Expense				
Unemployment Claims	50,000	42,693	7,307	17,468
Workers' Compensation Claims	41,000	31,589	9,411	31,113
Total Claims Expense	<u>91,000</u>	<u>74,282</u>	<u>16,718</u>	<u>48,581</u>
Insurance and Processing Fees				
Claims Administrative Fees	3,400	3,588	(188)	1,938
Insurance Premiums	125,000	111,411	13,589	103,151
MICA Loss Fund	2,500,000	2,400,141	99,859	2,374,593
MICA Deductible	30,000	21,287	8,713	19,817
Total Insurance and Processing Fees	<u>2,658,400</u>	<u>2,536,427</u>	<u>121,973</u>	<u>2,499,499</u>
Miscellaneous				
City-wide Substance Abuse Program	5,000	2,185	2,815	2,415
Self-insurance Losses	75,000	49,476	25,524	34,406
Miscellaneous Contractual Services	10,000	218,571	(208,571)	9,892
Total Miscellaneous	<u>90,000</u>	<u>270,232</u>	<u>(180,232)</u>	<u>46,713</u>
<b>Total Operating Expenses</b>	<u>2,839,400</u>	<u>2,880,941</u>	<u>(41,541)</u>	<u>2,594,793</u>
<b>Operating Income (Loss)</b>	<u>(449,400)</u>	<u>(117,982)</u>	<u>331,418</u>	<u>519,543</u>
<b>Nonoperating Revenues and (Expenses)</b>				
Investment Income	350	-	(350)	274
<b>Total Nonoperating Revenues and (Expenses)</b>	<u>350</u>	<u>-</u>	<u>(350)</u>	<u>274</u>
<b>Income (Loss) Before Transfers</b>	<u>(449,050)</u>	<u>(117,982)</u>	<u>331,068</u>	<u>519,817</u>
<b>Transfers</b>				
Transfers In	-	92,202	92,202	-
<b>Total Transfers</b>	<u>-</u>	<u>92,202</u>	<u>92,202</u>	<u>-</u>
<b>Change in Net Position</b>	<u>\$ (449,050)</u>	<u>(25,780)</u>	<u>\$ 423,270</u>	<u>519,817</u>
<b>Net Position at Beginning of Year</b>		<u>1,753,185</u>		<u>1,233,368</u>
<b>Net Position at End of Year</b>		<u>\$ 1,727,405</u>		<u>\$ 1,753,185</u>



CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL  
HEALTH BENEFITS FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Operating Revenues</b>				
Charges for Services	\$ 9,288,311	\$ 8,828,075	\$ (460,236)	\$ 8,823,375
<b>Total Operating Revenues</b>	<u>9,288,311</u>	<u>8,828,075</u>	<u>(460,236)</u>	<u>8,823,375</u>
<b>Operating Expenses</b>				
Claims Expense				
Claims Paid - City - PPO	6,831,583	6,351,280	480,303	6,312,400
Claims Paid - City - HMO	<u>1,699,184</u>	<u>1,629,610</u>	<u>69,574</u>	<u>1,628,275</u>
Total Claims Expense	<u>8,530,767</u>	<u>7,980,890</u>	<u>549,877</u>	<u>7,940,675</u>
Insurance and Processing Fees				
Dental Claims and Administration Fee	476,791	431,321	45,470	433,005
Life Insurance Premium	<u>141,340</u>	<u>142,518</u>	<u>(1,178)</u>	<u>142,426</u>
Total Insurance and Processing Fees	<u>618,131</u>	<u>573,839</u>	<u>44,292</u>	<u>575,431</u>
Miscellaneous	<u>424,641</u>	<u>163,610</u>	<u>261,031</u>	<u>175,160</u>
<b>Total Operating Expenses</b>	<u>9,573,539</u>	<u>8,718,339</u>	<u>855,200</u>	<u>8,691,266</u>
<b>Operating Income (Loss)</b>	<u>(285,228)</u>	<u>109,736</u>	<u>394,964</u>	<u>132,109</u>
<b>Nonoperating Revenues and (Expenses)</b>				
Investment Income	250	34	(216)	259
<b>Total Nonoperating Revenues and (Expenses)</b>	<u>250</u>	<u>34</u>	<u>(216)</u>	<u>259</u>
<b>Change in Net Position</b>	<u>\$ (284,978)</u>	109,770	<u>\$ 394,748</u>	132,368
<b>Net Position at Beginning of Year</b>		<u>2,579,453</u>		<u>2,447,085</u>
<b>Net Position at End of Year</b>		<u>\$ 2,689,223</u>		<u>\$ 2,579,453</u>

## FIDUCIARY FUNDS

**Fiduciary Funds** are used to account for assets held by the City in a trustee capacity for individuals, governmental entities and non-public organizations.

### Pension Trust

- Firefighters' and Police Pension Funds – Pension Trust Funds used to account for the accumulation of resources and administration costs to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

### Agency

- Compliance Bond Fund – an agency fund used to account for the collection and repayment of deposits made in conformance with local ordinances to ensure that work performed meets local code requirements. Fund also includes other smaller miscellaneous agency funds related to the City.
- Section 125 Plan Fund – an agency fund used to account for a Section 125 Benefit Plan administered by the City.
- Joint Emergency Telephone System Fund – an agency fund used to account for the remaining assets and liabilities of JETS after its dissolution on June 5, 2013. After all outstanding obligations are satisfied, the remaining cash balances subsequent to the realization of any additional expenses will be distributed between the four participating communities (the City of Des Plaines, City of Park Ridge, Village of Morton Grove, and Village of Niles). 9-1-1 and emergency dispatching operations are now conducted by the City of Des Plaines.

CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 PENSION TRUST FUNDS  
 December 31, 2013

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 3,029,266	\$ 4,032,598	\$ 7,061,864
Investments			
U.S. Government and Agency Obligations	10,670,277	8,292,637	18,962,914
Mutual Funds	20,224,228	22,238,826	42,463,054
Corporate Bonds	12,044,165	10,797,575	22,841,740
Stocks	20,140,416	15,388,886	35,529,302
State and Local Obligations	1,010,173	1,187,335	2,197,508
Insurance Contracts	-	1,455	1,455
Receivables (Net)			
Accrued Interest	213,897	189,892	403,789
Prepaid Items	5,747	5,805	11,552
<b>TOTAL ASSETS</b>	<u>\$ 67,338,169</u>	<u>\$ 62,135,009</u>	<u>\$ 129,473,178</u>
<b>LIABILITIES AND NET POSITION</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 32,971	\$ 48,826	\$ 81,797
<b>Total Liabilities</b>	<u>32,971</u>	<u>48,826</u>	<u>81,797</u>
<b>Net Position</b>			
Held in Trust for Pension Benefits	<u>67,305,198</u>	<u>62,086,183</u>	<u>129,391,381</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 67,338,169</u>	<u>\$ 62,135,009</u>	<u>\$ 129,473,178</u>

CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 PENSION TRUST FUNDS  
 Year Ended December 31, 2013

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
<b>Additions</b>			
Contributions			
Employer	\$ 3,945,005	\$ 3,921,472	\$ 7,866,477
Plan Members	797,150	776,810	1,573,960
Total Contributions	<u>4,742,155</u>	<u>4,698,282</u>	<u>9,440,437</u>
Investment Income	8,017,889	7,416,063	15,433,952
Less Investment Expense	<u>(242,993)</u>	<u>(253,516)</u>	<u>(496,509)</u>
Net Investment Income	<u>7,774,896</u>	<u>7,162,547</u>	<u>14,937,443</u>
<b>Total Additions</b>	<u>12,517,051</u>	<u>11,860,829</u>	<u>24,377,880</u>
<b>Deductions</b>			
Administration	90,129	93,898	184,027
Benefits and Refunds	<u>5,943,621</u>	<u>6,261,667</u>	<u>12,205,288</u>
<b>Total Deductions</b>	<u>6,033,750</u>	<u>6,355,565</u>	<u>12,389,315</u>
<b>Change in Plan Net Position</b>	6,483,301	5,505,264	11,988,565
<b>Plan Net Position at Beginning of Year</b>	<u>60,821,897</u>	<u>56,580,919</u>	<u>117,402,816</u>
<b>Plan Net Position at End of Year</b>	<u>\$ 67,305,198</u>	<u>\$ 62,086,183</u>	<u>\$ 129,391,381</u>

CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 December 31, 2013

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	Compliance Bond	Section 125 Plan	Joint Emergency Telephone System	Total Agency Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 475,342	\$ 60,426	\$ 951,342	\$ 1,487,110
Other Receivable	15,408	-	457,357	472,765
<b>TOTAL ASSETS</b>	<b>\$ 490,750</b>	<b>\$ 60,426</b>	<b>\$ 1,408,699</b>	<b>\$ 1,959,875</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 14,292	\$ -	\$ 12,582	\$ 26,874
Accrued Liabilities	9,109	60,426	1,336,959	1,406,494
Deposits Payable	467,349	-	59,158	526,507
<b>TOTAL LIABILITIES</b>	<b>\$ 490,750</b>	<b>\$ 60,426</b>	<b>\$ 1,408,699</b>	<b>\$ 1,959,875</b>

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CITY OF DES PLAINES, ILLINOIS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 Year Ended December 31, 2013

	<u>Balances January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances December 31</u>
<b>Compliance Bond Fund</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 441,454	\$ 748,971	\$ 715,083	\$ 475,342
Other Receivable	26,580	-	11,172	15,408
<b>TOTAL ASSETS</b>	<u>\$ 468,034</u>	<u>\$ 748,971</u>	<u>\$ 726,255</u>	<u>\$ 490,750</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 48,120	\$ 173,167	\$ 206,995	\$ 14,292
Accrued Liabilities	6,346	9,109	6,346	9,109
Deposits Payable	413,568	566,943	513,162	467,349
<b>TOTAL LIABILITIES</b>	<u>\$ 468,034</u>	<u>\$ 749,219</u>	<u>\$ 726,503</u>	<u>\$ 490,750</u>
<b>Section 125 Plan Fund</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 68,964	\$ 176,454	\$ 184,992	\$ 60,426
<b>TOTAL ASSETS</b>	<u>\$ 68,964</u>	<u>\$ 176,454</u>	<u>\$ 184,992</u>	<u>\$ 60,426</u>
<b>LIABILITIES</b>				
Accrued Liabilities	\$ 68,964	\$ 204,212	\$ 212,750	\$ 60,426
<b>TOTAL LIABILITIES</b>	<u>\$ 68,964</u>	<u>\$ 204,212</u>	<u>\$ 212,750</u>	<u>\$ 60,426</u>
<b>Joint Emergency Telephone System Fund</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ 1,528,836	\$ 577,494	\$ 951,342
Other Receivable	-	553,105	95,748	457,357
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 2,081,941</u>	<u>\$ 673,242</u>	<u>\$ 1,408,699</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ 33,013	\$ 20,431	\$ 12,582
Accrued Liabilities	-	1,676,321	339,362	1,336,959
Deposits Payable	-	59,181	23	59,158
<b>TOTAL LIABILITIES</b>	<u>\$ -</u>	<u>\$ 1,768,515</u>	<u>\$ 359,816</u>	<u>\$ 1,408,699</u>
<b>All Funds</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 510,418	\$ 2,454,261	\$ 1,477,569	\$ 1,487,110
Other Receivable	26,580	553,105	106,920	472,765
<b>TOTAL ASSETS</b>	<u>\$ 536,998</u>	<u>\$ 3,007,366</u>	<u>\$ 1,584,489</u>	<u>\$ 1,959,875</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 48,120	\$ 206,180	\$ 227,426	\$ 26,874
Accrued Liabilities	75,310	1,889,642	558,458	1,406,494
Deposits Payable	413,568	626,124	513,185	526,507
<b>TOTAL LIABILITIES</b>	<u>\$ 536,998</u>	<u>\$ 2,721,946</u>	<u>\$ 1,299,069</u>	<u>\$ 1,959,875</u>

## COMPONENT UNIT

**The Component Unit** operates and maintains the public library within the governmental unit.

CITY OF DES PLAINES, ILLINOIS  
 COMPONENT UNIT - LIBRARY  
 STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 2013

	General	Capital Projects	Total
<b>ASSETS</b>			
Cash	\$ 5,478,694	\$ 439,800	\$ 5,918,494
Property Tax Receivable	6,123,263	-	6,123,263
Prepaid Items	64,397	-	64,397
Due from Other Funds	-	-	-
Capital Assets, Net	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 11,666,354</b>	<b>\$ 439,800</b>	<b>\$ 12,106,154</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 213,816	\$ 51,757	\$ 265,573
Accrued Payroll	69,334	-	69,334
Due to Other Funds	253,230	-	253,230
Noncurrent Liabilities			
Due within One Year	-	-	-
Due in More than One Year	-	-	-
<b>Total Liabilities</b>	<b>536,380</b>	<b>51,757</b>	<b>588,137</b>
<b>Deferred Inflows of Resources</b>			
Deferred Property Tax Revenue	6,108,056	-	6,108,056
<b>Fund Balances/Net Position</b>			
Net Investment in Capital Assets	-	-	-
Nonspendable - Prepaid Items	64,397	-	64,397
Restricted for Culture and Recreation	4,957,521	388,043	5,345,564
<b>Total Fund Balances/Net Position</b>	<b>5,021,918</b>	<b>388,043</b>	<b>5,409,961</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION</b>	<b>\$ 11,666,354</b>	<b>\$ 439,800</b>	<b>\$ 12,106,154</b>

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

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

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



Adjustments					
Internal Service Fund Compensated Absences	Internal Balances	Net OPEB Obligation	Net IMRF Obligation	Long-term Assets	Statement of Net Position
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,918,494
-	-	-	-	-	6,123,263
-	-	-	-	-	64,397
253,230	(253,230)	-	-	-	-
-	-	-	-	862,543	862,543
<u>\$ 253,230</u>	<u>\$ (253,230)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 862,543</u>	<u>\$ 12,968,697</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265,573
-	-	-	-	-	69,334
-	(253,230)	-	-	-	-
97,855	-	-	-	-	97,855
<u>155,375</u>	<u>-</u>	<u>85,867</u>	<u>68,589</u>	<u>-</u>	<u>309,831</u>
<u>253,230</u>	<u>(253,230)</u>	<u>85,867</u>	<u>68,589</u>	<u>-</u>	<u>742,593</u>
-	-	-	-	-	6,108,056
-	-	-	-	862,543	862,543
-	-	-	-	(64,397)	-
-	-	(85,867)	(68,589)	64,397	5,255,505
-	-	(85,867)	(68,589)	862,543	6,118,048
<u>\$ 253,230</u>	<u>\$ (253,230)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 862,543</u>	<u>\$ 12,968,697</u>
<u>\$ 253,230</u>	<u>\$ (253,230)</u>				
		<u>\$ 85,867</u>	<u>\$ 68,589</u>		
				<u>\$ 862,543</u>	

CITY OF DES PLAINES, ILLINOIS  
 COMPONENT UNIT - LIBRARY  
 STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/NET POSITION  
 Year Ended December 31, 2013

	General	Capital Projects	Total
<b>Revenues</b>			
Property Taxes	\$ 6,289,369	\$ -	\$ 6,289,369
Intergovernmental	156,965	-	156,965
Charges for Services	20,002	-	20,002
Fines	144,582	-	144,582
Investment Income	1,892	53	1,945
Miscellaneous	23,173	-	23,173
<b>Total Revenues</b>	<u>6,635,983</u>	<u>53</u>	<u>6,636,036</u>
<b>Expenditures</b>			
Civic and Cultural	5,630,096	-	5,630,096
Capital Outlay	155,846	340,683	496,529
<b>Total Expenditures</b>	<u>5,785,942</u>	<u>340,683</u>	<u>6,126,625</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	850,041	(340,630)	509,411
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	300,000	300,000
Transfers out	(300,000)	-	(300,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(300,000)</u>	<u>300,000</u>	<u>-</u>
<b>Net Change in Fund Balance/Net Position</b>	550,041	(40,630)	509,411
<b>Fund Balance/Net Position, Beginning of Year</b>	<u>4,471,877</u>	<u>428,673</u>	<u>4,900,550</u>
<b>Fund Balance/Net Position, End of Year</b>	<u>\$ 5,021,918</u>	<u>\$ 388,043</u>	<u>\$ 5,409,961</u>

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

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

Capital-related Items	Adjustments			Statement of Activities
	Internal Balances	Net OPEB Obligation	Net IMRF Obligation	
\$ -	\$ -	\$ -	\$ -	\$ 6,289,369
-	-	-	-	156,965
-	-	-	-	20,002
-	-	-	-	144,582
-	-	-	-	1,945
-	-	-	-	23,173
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,636,036</u>
436,686	-	5,157	1,440	6,073,379
(496,529)	-	-	-	-
<u>(59,843)</u>	<u>-</u>	<u>5,157</u>	<u>1,440</u>	<u>6,073,379</u>
59,843	-	(5,157)	(1,440)	562,657
-	(300,000)	-	-	-
<u>-</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
59,843	-	(5,157)	(1,440)	562,657
802,700	-	(80,710)	(67,149)	5,555,391
<u>\$ 862,543</u>	<u>\$ -</u>	<u>\$ (85,867)</u>	<u>\$ (68,589)</u>	<u>\$ 6,118,048</u>

\$ 59,843

\$ (5,157)    \$ (1,440)

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
LIBRARY - GENERAL FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Property Taxes	\$ 6,263,710	\$ 6,289,369	\$ 25,659	\$ 6,398,159
Replacement Taxes	92,988	92,988	-	92,988
State Grants	59,000	63,977	4,977	59,852
Charges for Services	10,950	20,002	9,052	11,211
Fines	151,000	144,582	(6,418)	145,541
Investment Income	4,000	1,892	(2,108)	5,153
Miscellaneous	21,000	23,173	2,173	22,323
<b>Total Revenues</b>	<u>6,602,648</u>	<u>6,635,983</u>	<u>33,335</u>	<u>6,735,227</u>
<b>Expenditures</b>				
Civic and Cultural				
Salaries	2,875,901	2,712,899	163,002	2,691,909
Benefits	1,077,824	913,484	164,340	904,598
Contractual Services	1,012,250	1,017,649	(5,399)	928,841
Commodities	1,013,300	986,064	27,236	867,919
Total Civic and Cultural	<u>5,979,275</u>	<u>5,630,096</u>	<u>349,179</u>	<u>5,393,267</u>
Capital Outlay	195,270	155,846	39,424	141,122
<b>Total Expenditures</b>	<u>6,174,545</u>	<u>5,785,942</u>	<u>388,603</u>	<u>5,534,389</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>428,103</u>	<u>850,041</u>	<u>421,938</u>	<u>1,200,838</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	-	-	-	14,250
Transfers Out	(300,000)	(300,000)	-	(200,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>	<u>(185,750)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 128,103</u>	550,041	<u>\$ 421,938</u>	1,015,088
<b>Fund Balance at Beginning of Year</b>		<u>4,471,877</u>		<u>3,456,789</u>
<b>Fund Balance at End of Year</b>		<u>\$ 5,021,918</u>		<u>\$ 4,471,877</u>

CITY OF DES PLAINES, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
LIBRARY - CAPITAL PROJECTS FUND  
Year Ended December 31, 2013  
With Comparative Actual Amounts from Year Ended December 31, 2012

	2013		Variance from Final Budget Positive (Negative)	2012 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Investment Income	\$ -	\$ 53	\$ 53	\$ 211
<b>Total Revenues</b>	<u>-</u>	<u>53</u>	<u>53</u>	<u>211</u>
<b>Expenditures</b>				
Capital Outlay	353,000	340,683	12,317	83,045
<b>Total Expenditures</b>	<u>353,000</u>	<u>340,683</u>	<u>12,317</u>	<u>83,045</u>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<u>(353,000)</u>	<u>(340,630)</u>	<u>12,370</u>	<u>(82,834)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	300,000	300,000	-	200,000
<b>Total Other Financing Sources (Uses)</b>	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>200,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ (53,000)</u>	(40,630)	<u>\$ 12,370</u>	117,166
<b>Fund Balance at Beginning of Year</b>		<u>428,673</u>		<u>311,507</u>
<b>Fund Balance at End of Year</b>		<u>\$ 388,043</u>		<u>\$ 428,673</u>

**OTHER SUPPLEMENTARY SCHEDULES**

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2003C (TIF #6)  
December 31, 2013

Date of issue September 1, 2003  
Date of maturity December 1, 2021  
Authorized issue \$ 2,250,000  
Denomination of bonds \$ 5,000  
Interest rates 4.70% to 5.50%

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 125,000	\$ 108,818	\$ 233,818	2014	\$ 54,409	2014	\$ 54,409
2015	165,000	102,442	267,442	2015	51,221	2015	51,221
2016	190,000	93,862	283,862	2016	46,931	2016	46,931
2017	220,000	83,792	303,792	2017	41,896	2017	41,896
2018	250,000	71,912	321,912	2018	35,956	2018	35,956
2019	290,000	58,162	348,162	2019	29,081	2019	29,081
2020	325,000	41,126	366,126	2020	20,563	2020	20,563
2021	375,000	22,032	397,032	2021	11,016	2021	11,016
	<u>\$ 1,940,000</u>	<u>\$ 582,146</u>	<u>\$ 2,522,146</u>		<u>\$ 291,073</u>		<u>\$ 291,073</u>

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004B (TOTAL ISSUE)  
December 31, 2013

Date of issue	June 3, 2004
Date of maturity	January 17, 2014
Authorized issue	\$ 8,900,000
Denomination of bonds	\$ 5,000
Interest rates	4.80% to 5.85%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements		
	Principal	Interest	Total
2014	\$ 5,000,000	\$ 36,571	\$ 5,036,571
	\$ 5,000,000	\$ 36,571	\$ 5,036,571

\*These bonds will be redeemed on January 17, 2014.



CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004B (TIF #3 LEASE BUYOUT PORTION)  
December 31, 2013

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Date of issue	June 3, 2004
Date of maturity	January 17, 2014
Authorized issue	\$ 900,000
Denomination of bonds	\$ 5,000
Interest rates	4.80% to 5.85%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	<u>Requirements*</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 570,000	\$ 4,168	\$ 574,168
	<u>\$ 570,000</u>	<u>\$ 4,168</u>	<u>\$ 574,168</u>

\*These bonds will be redeemed on January 17, 2014.

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004B (TIF #6 PORTION)  
December 31, 2013

Date of issue	June 3, 2004
Date of maturity	January 17, 2014
Authorized issue	\$ 7,500,000
Denomination of bonds	\$ 5,000
Interest rates	4.80% to 5.85%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements*		
	Principal	Interest	Total
2014	\$ 4,430,000	\$ 32,403	\$ 4,462,403
	\$ 4,430,000	\$ 32,403	\$ 4,462,403

\*These bonds will be redeemed on January 17, 2014.

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BONDS, SERIES 2005A (TIF #3)  
December 31, 2013

Date of issue	January 1, 2005
Date of maturity	December 1, 2022
Authorized issue	\$ 5,550,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 5.25%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ -	\$ 132,825	\$ 132,825	2014	\$ 66,413	2014	\$ 66,412
2015	-	132,825	132,825	2015	66,413	2015	66,412
2016	-	132,825	132,825	2016	66,413	2016	66,412
2017	390,000	132,825	522,825	2017	66,413	2017	66,412
2018	410,000	112,350	522,350	2018	56,175	2018	56,175
2019	435,000	90,824	525,824	2019	45,412	2019	45,412
2020	455,000	67,988	522,988	2020	33,994	2020	33,994
2021	480,000	44,100	524,100	2021	22,050	2021	22,050
2022	500,000	22,500	522,500	2022	11,250	2022	11,250
	\$ 2,670,000	\$ 869,062	\$ 3,539,062		\$ 434,533		\$ 434,529

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005D (TOTAL ISSUE)  
December 31, 2013

Date of issue	February 1, 2005
Date of maturity	December 1, 2018
Authorized issue	\$ 14,650,000
Denomination of bonds	\$ 5,000
Interest rates	2.25% to 5.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 1,360,000	\$ 333,710	\$ 1,693,710	2014	\$ 166,855	2014	\$ 166,855
2015	1,405,000	283,390	1,688,390	2015	141,695	2015	141,695
2016	1,460,000	230,000	1,690,000	2016	115,000	2016	115,000
2017	1,530,000	157,000	1,687,000	2017	78,500	2017	78,500
2018	1,610,000	80,500	1,690,500	2018	40,250	2018	40,250
	\$ 7,365,000	\$ 1,084,600	\$ 8,449,600		\$ 542,300		\$ 542,300

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005D (SEWER PORTION)  
December 31, 2013

Date of issue	February 1, 2005
Date of maturity	December 1, 2018
Authorized issue	\$ 6,985,000
Denomination of bonds	\$ 5,000
Interest rates	2.25% to 5.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 765,000	\$ 176,924	\$ 941,924	2014	\$ 88,462	2014	\$ 88,462
2015	740,000	148,620	888,620	2015	74,310	2015	74,310
2016	760,000	120,500	880,500	2016	60,250	2016	60,250
2017	800,000	82,500	882,500	2017	41,250	2017	41,250
2018	850,000	42,500	892,500	2018	21,250	2018	21,250
	\$ 3,915,000	\$ 571,044	\$ 4,486,044		\$ 285,522		\$ 285,522

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005D (LIBRARY PORTION)  
December 31, 2013

Date of issue	February 1, 2005
Date of maturity	December 1, 2018
Authorized issue	\$ 3,575,000
Denomination of bonds	\$ 5,000
Interest rates	2.25% to 5.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	<u>June 1</u>	Amount	<u>December 1</u>	Amount
2014	\$ 595,000	\$ 156,786	\$ 751,786	2014	\$ 78,393	2014	\$ 78,393
2015	665,000	134,770	799,770	2015	67,385	2015	67,385
2016	700,000	109,500	809,500	2016	54,750	2016	54,750
2017	730,000	74,500	804,500	2017	37,250	2017	37,250
2018	760,000	38,000	798,000	2018	19,000	2018	19,000
	\$ 3,450,000	\$ 513,556	\$ 3,963,556		\$ 256,778		\$ 256,778

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2005F (TIF #1)  
December 31, 2013

Date of issue	June 1, 2005
Date of maturity	January 17, 2014
Authorized issue	\$ 4,725,000
Denomination of bonds	\$ 5,000
Interest rates	4.75%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements*		
	Principal	Interest	Total
2014	\$ 3,030,000	\$ 18,390	\$ 3,048,390
	\$ 3,030,000	\$ 18,390	\$ 3,048,390

\*These bonds will be redeemed on January 17, 2014.

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BONDS, SERIES 2005G (TIF #3)  
December 31, 2013

Date of issue	June 1, 2005
Date of maturity	December 1, 2015
Authorized issue	\$ 500,000
Denomination of bonds	\$ 5,000
Interest rates	4.75%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 160,000	\$ 15,438	\$ 175,438	2014	\$ 7,719	2014	\$ 7,719
2015	165,000	7,838	172,838	2015	3,919	2015	3,919
	\$ 325,000	\$ 23,276	\$ 348,276		\$ 11,638		\$ 11,638



CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (TOTAL ISSUE)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 675,000	\$ 128,060	\$ 803,060	2014	\$ 64,030	2014	\$ 64,030
2015	700,000	102,410	802,410	2015	51,205	2015	51,205
2016	305,000	75,810	380,810	2016	37,905	2016	37,905
2017	310,000	64,220	374,220	2017	32,110	2017	32,110
2018	325,000	52,440	377,440	2018	26,220	2018	26,220
2019	340,000	40,090	380,090	2019	20,045	2019	20,045
2020	350,000	27,170	377,170	2020	13,585	2020	13,585
2021	365,000	13,870	378,870	2021	6,935	2021	6,935
	\$ 3,370,000	\$ 504,070	\$ 3,874,070		\$ 252,035		\$ 252,035

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (REFUNDING 2000 PORTION, STREETS PORTION)  
December 31, 2013

Date of issue	October 23, 2007
Date of maturity	December 1, 2015
Authorized issue	\$ 2,570,000
Denomination of bonds	\$ 5,000
Interest rates	3.80%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 395,000	\$ 30,590	\$ 425,590	2014	\$ 15,295	2014	\$ 15,295
2015	410,000	15,580	425,580	2015	7,790	2015	7,790
	\$ 805,000	\$ 46,170	\$ 851,170		\$ 23,085		\$ 23,085

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007A (STREETS PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 280,000	\$ 97,470	\$ 377,470	2014	\$ 48,735	2014	\$ 48,735
2015	290,000	86,830	376,830	2015	43,415	2015	43,415
2016	305,000	75,810	380,810	2016	37,905	2016	37,905
2017	310,000	64,220	374,220	2017	32,110	2017	32,110
2018	325,000	52,440	377,440	2018	26,220	2018	26,220
2019	340,000	40,090	380,090	2019	20,045	2019	20,045
2020	350,000	27,170	377,170	2020	13,585	2020	13,585
2021	365,000	13,870	378,870	2021	6,935	2021	6,935
	\$ 2,565,000	\$ 457,900	\$ 3,022,900		\$ 228,950		\$ 228,950

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007B (TOTAL ISSUE)  
December 31, 2013

Date of issue	October 23, 2007
Date of maturity	December 1, 2021
Authorized issue	\$ 1,660,000
Denomination of bonds	\$ 5,000
Interest rates	3.80%

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 140,000	\$ 34,770	\$ 174,770	2014	\$ 17,385	2014	\$ 17,385
2015	150,000	29,450	179,450	2015	14,725	2015	14,725
2016	150,000	23,750	173,750	2016	11,875	2016	11,875
2017	85,000	18,050	103,050	2017	9,025	2017	9,025
2018	90,000	14,820	104,820	2018	7,410	2018	7,410
2019	95,000	11,400	106,400	2019	5,700	2019	5,700
2020	100,000	7,790	107,790	2020	3,895	2020	3,895
2021	105,000	3,990	108,990	2021	1,995	2021	1,995
	\$ 915,000	\$ 144,020	\$ 1,059,020		\$ 72,010		\$ 72,010

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007B (TIF#1 PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2014	\$ 60,000	\$ 7,220	\$ 67,220	2014	\$ 3,610	2014	\$ 3,610
2015	65,000	4,940	69,940	2015	2,470	2015	2,470
2016	65,000	2,470	67,470	2016	1,235	2016	1,235
	\$ 190,000	\$ 14,630	\$ 204,630		\$ 7,315		\$ 7,315

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007B (FIRE STATION PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 80,000	\$ 27,550	\$ 107,550	2014	\$ 13,775	2014	\$ 13,775
2015	85,000	24,510	109,510	2015	12,255	2015	12,255
2016	85,000	21,280	106,280	2016	10,640	2016	10,640
2017	85,000	18,050	103,050	2017	9,025	2017	9,025
2018	90,000	14,820	104,820	2018	7,410	2018	7,410
2019	95,000	11,400	106,400	2019	5,700	2019	5,700
2020	100,000	7,790	107,790	2020	3,895	2020	3,895
2021	105,000	3,990	108,990	2021	1,995	2021	1,995
	\$ 725,000	\$ 129,390	\$ 854,390		\$ 64,695		\$ 64,695

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A (TOTAL ISSUE)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 250,000	\$ 63,370	\$ 313,370	2014	\$ 31,685	2014	\$ 31,685
2015	260,000	52,621	312,621	2015	26,311	2015	26,311
2016	275,000	40,920	315,920	2016	20,460	2016	20,460
2017	100,000	27,996	127,996	2017	13,998	2017	13,998
2018	100,000	23,094	123,094	2018	11,547	2018	11,547
2019	110,000	18,096	128,096	2019	9,048	2019	9,048
2020	115,000	12,486	127,486	2020	6,243	2020	6,243
2021	125,000	6,562	131,562	2021	3,281	2021	3,281
	\$ 1,335,000	\$ 245,145	\$ 1,580,145		\$ 122,573		\$ 122,573

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A (TIF#1 PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 161,000	\$ 22,804	\$ 183,804	2014	\$ 11,402	2014	\$ 11,402
2015	167,000	15,881	182,881	2015	7,941	2015	7,941
2016	178,000	8,366	186,366	2016	4,183	2016	4,183
	\$ 506,000	\$ 47,051	\$ 553,051		\$ 23,526		\$ 23,526



CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A (TIF#3 PORTION)  
December 31, 2013

Date of issue	April 1, 2008
Date of maturity	December 1, 2021
Authorized issue	\$ 1,241,000
Denomination of bonds	\$ 5,000
Interest rates	3.25% to 5.25%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 89,000	\$ 40,566	\$ 129,566	2014	\$ 20,283	2014	\$ 20,283
2015	93,000	36,740	129,740	2015	18,370	2015	18,370
2016	97,000	32,554	129,554	2016	16,277	2016	16,277
2017	100,000	27,996	127,996	2017	13,998	2017	13,998
2018	100,000	23,094	123,094	2018	11,547	2018	11,547
2019	110,000	18,096	128,096	2019	9,048	2019	9,048
2020	115,000	12,486	127,486	2020	6,243	2020	6,243
2021	125,000	6,562	131,562	2021	3,281	2021	3,281
	\$ 829,000	\$ 198,094	\$ 1,027,094		\$ 99,047		\$ 99,047

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009A (TIF #6, CAPITAL APPRECIATION)  
December 31, 2013

Date of issue	November 3, 2009
Date of maturity	December 1, 2023
Authorized issue	\$ 5,430,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 5.80%
Interest dates	December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Capital Appreciation Bonds					Total Principal Requirement
	Original Amount	Accretion to Date	Current Payable	Future Accretion		
2014	\$ 244,281	\$ 39,960	\$ 284,241	\$ 10,759	\$ 295,000	
2015	201,357	37,669	239,026	20,974	260,000	
2016	175,154	34,852	210,006	29,994	240,000	
2017	256,650	54,148	310,798	64,202	375,000	
2018	223,545	49,873	273,418	76,582	350,000	
2019	192,780	45,365	238,145	86,855	325,000	
2020	257,668	63,809	321,477	148,523	470,000	
2021	225,713	58,138	283,851	161,149	445,000	
2022	750,424	195,162	945,586	629,414	1,575,000	
2023	333,112	87,466	420,578	324,422	745,000	
	\$ 2,860,684	\$ 666,442	\$ 3,527,126	\$ 1,552,874	\$ 5,080,000	

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009B (STREETS)  
December 31, 2013

Date of issue	November 3, 2009
Date of maturity	December 1, 2018
Authorized issue	\$ 4,175,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 3.75%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	<u>Requirements</u>			<u>Interest Due</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2014	\$ 205,000	\$ 33,800	\$ 238,800	2014	\$ 16,900	2014	\$ 16,900
2015	205,000	27,650	232,650	2015	13,825	2015	13,825
2016	200,000	21,500	221,500	2016	10,750	2016	10,750
2017	200,000	14,500	214,500	2017	7,250	2017	7,250
2018	200,000	7,500	207,500	2018	3,750	2018	3,750
	<u>\$ 1,010,000</u>	<u>\$ 104,950</u>	<u>\$ 1,114,950</u>		<u>\$ 52,475</u>		<u>\$ 52,475</u>

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010A (TIF #3)  
December 31, 2013

Date of issue	January 6, 2010
Date of maturity	December 1, 2028
Authorized issue	\$ 3,945,000
Denomination of bonds	\$ 5,000
Interest rates	3.625% to 4.25%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ -	\$ 156,004	\$ 156,004	2014	\$ 78,002	2014	\$ 78,002
2015	-	156,004	156,004	2015	78,002	2015	78,002
2016	-	156,004	156,004	2016	78,002	2016	78,002
2017	-	156,004	156,004	2017	78,002	2017	78,002
2018	295,000	156,004	451,004	2018	78,002	2018	78,002
2019	305,000	145,310	450,310	2019	72,655	2019	72,655
2020	315,000	134,254	449,254	2020	67,127	2020	67,127
2021	330,000	122,834	452,834	2021	61,417	2021	61,417
2022	340,000	110,624	450,624	2022	55,312	2022	55,312
2023	355,000	97,026	452,026	2023	48,513	2023	48,513
2024	370,000	82,824	452,824	2024	41,412	2024	41,412
2025	385,000	68,026	453,026	2025	34,013	2025	34,013
2026	400,000	52,624	452,624	2026	26,312	2026	26,312
2027	415,000	36,124	451,124	2027	18,062	2027	18,062
2028	435,000	18,488	453,488	2028	9,244	2028	9,244
	\$ 3,945,000	\$ 1,648,154	\$ 5,593,154		\$ 824,077		\$ 824,077

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010B (TIF #3, CAPITAL APPRECIATION)  
December 31, 2013

Date of issue	January 6, 2010
Date of maturity	December 1, 2026
Authorized issue	\$ 6,110,760
Denomination of bonds	\$ 5,000
Interest rates	4.00% to 5.35%
Interest dates	December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Capital Appreciation Bonds				Total Principal Requirement
	Original Amount	Accretion to Date	Current Payable	Future Accretion	
2017	\$ 266,906	\$ 44,616	\$ 311,522	\$ 53,478	\$ 365,000
2018	545,653	96,100	641,753	148,247	790,000
2019	513,382	95,051	608,433	181,567	790,000
2020	457,968	91,040	549,008	210,992	760,000
2021	416,648	88,567	505,215	244,785	750,000
2022	574,365	124,749	699,114	400,886	1,100,000
2023	891,472	197,761	1,089,233	730,767	1,820,000
2024	843,041	188,979	1,032,020	792,980	1,825,000
2025	794,295	179,898	974,193	850,807	1,825,000
2026	807,030	184,668	991,698	978,302	1,970,000
	\$ 6,110,760	\$ 1,291,429	\$ 7,402,189	\$ 4,592,811	\$ 11,995,000

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TOTAL ISSUE)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 295,000	\$ 66,863	\$ 361,863	2014	\$ 33,431	2014	\$ 33,432
2015	295,000	60,962	355,962	2015	30,481	2015	30,481
2016	295,000	55,062	350,062	2016	27,531	2016	27,531
2017	440,000	49,163	489,163	2017	24,581	2017	24,582
2018	455,000	40,362	495,362	2018	20,180	2018	20,182
2019	455,000	30,124	485,124	2019	15,062	2019	15,062
2020	465,000	18,751	483,751	2020	9,376	2020	9,375
2021	285,000	7,126	292,126	2021	3,563	2021	3,563
	\$ 2,985,000	\$ 328,413	\$ 3,313,413		\$ 164,205		\$ 164,208

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #1 PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2014	\$ 170,000	\$ 27,000	\$ 197,000	2014	\$ 13,500	2014	\$ 13,500
2015	170,000	23,600	193,600	2015	11,800	2015	11,800
2016	170,000	20,200	190,200	2016	10,100	2016	10,100
2017	175,000	16,800	191,800	2017	8,400	2017	8,400
2018	180,000	13,300	193,300	2018	6,650	2018	6,650
2019	185,000	9,250	194,250	2019	4,625	2019	4,625
2020	185,000	4,625	189,625	2020	2,313	2020	2,312
	\$ 1,235,000	\$ 114,775	\$ 1,349,775		\$ 57,388		\$ 57,387

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #3 PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 5,000	\$ 17,612	\$ 22,612	2014	\$ 8,806	2014	\$ 8,806
2015	5,000	17,512	22,512	2015	8,756	2015	8,756
2016	5,000	17,412	22,412	2016	8,706	2016	8,706
2017	140,000	17,312	157,312	2017	8,656	2017	8,656
2018	145,000	14,513	159,513	2018	7,256	2018	7,257
2019	145,000	11,250	156,250	2019	5,625	2019	5,625
2020	150,000	7,626	157,626	2020	3,813	2020	3,813
2021	155,000	3,876	158,876	2021	1,938	2021	1,938
	\$ 750,000	\$ 107,113	\$ 857,113		\$ 53,556		\$ 53,557



CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #5 PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 95,000	\$ 17,813	\$ 112,813	2014	\$ 8,906	2014	\$ 8,907
2015	95,000	15,912	110,912	2015	7,956	2015	7,956
2016	95,000	14,012	109,012	2016	7,006	2016	7,006
2017	100,000	12,113	112,113	2017	6,056	2017	6,057
2018	105,000	10,112	115,112	2018	5,056	2018	5,056
2019	100,000	7,750	107,750	2019	3,875	2019	3,875
2020	105,000	5,250	110,250	2020	2,625	2020	2,625
2021	105,000	2,626	107,626	2021	1,313	2021	1,313
	\$ 800,000	\$ 85,588	\$ 885,588		\$ 42,793		\$ 42,795

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #6 PORTION)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 25,000	\$ 4,438	\$ 29,438	2014	\$ 2,219	2014	\$ 2,219
2015	25,000	3,938	28,938	2015	1,969	2015	1,969
2016	25,000	3,438	28,438	2016	1,719	2016	1,719
2017	25,000	2,938	27,938	2017	1,469	2017	1,469
2018	25,000	2,437	27,437	2018	1,218	2018	1,219
2019	25,000	1,874	26,874	2019	937	2019	937
2020	25,000	1,250	26,250	2020	625	2020	625
2021	25,000	624	25,624	2021	312	2021	312
	\$ 200,000	\$ 20,937	\$ 220,937		\$ 10,468		\$ 10,469

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012A (TIF #1)  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	<u>June 1</u>	Amount	<u>December 1</u>	Amount
2014	\$ 455,000	\$ 47,538	\$ 502,538	2014	\$ 23,769	2014	\$ 23,769
2015	460,000	42,988	502,988	2015	21,494	2015	21,494
2016	465,000	37,238	502,238	2016	18,619	2016	18,619
2017	470,000	31,424	501,424	2017	15,712	2017	15,712
2018	475,000	24,374	499,374	2018	12,187	2018	12,187
2019	490,000	17,250	507,250	2019	8,625	2019	8,625
2020	495,000	9,900	504,900	2020	4,950	2020	4,950
	\$ 3,310,000	\$ 210,712	\$ 3,520,712		\$ 105,356		\$ 105,356

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

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 945,000	\$ 229,735	\$ 1,174,735	2014	\$ 109,524	2014	\$ 120,211
2015	965,000	212,072	1,177,072	2015	106,036	2015	106,036
2016	1,005,000	183,122	1,188,122	2016	91,561	2016	91,561
2017	1,030,000	152,972	1,182,972	2017	76,486	2017	76,486
2018	1,070,000	122,072	1,192,072	2018	61,036	2018	61,036
2019	1,100,000	89,972	1,189,972	2019	44,986	2019	44,986
2020	1,140,000	56,972	1,196,972	2020	28,486	2020	28,486
2021	690,000	22,772	712,772	2021	11,386	2021	11,386
	\$ 7,945,000	\$ 1,069,689	\$ 9,014,689		\$ 529,501		\$ 540,188

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

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 385,000	\$ 85,713	\$ 470,713	2014	\$ 40,863	2014	\$ 44,850
2015	395,000	78,150	473,150	2015	39,075	2015	39,075
2016	410,000	66,300	476,300	2016	33,150	2016	33,150
2017	425,000	54,000	479,000	2017	27,000	2017	27,000
2018	440,000	41,250	481,250	2018	20,625	2018	20,625
2019	460,000	28,050	488,050	2019	14,025	2019	14,025
2020	475,000	14,250	489,250	2020	7,125	2020	7,125
	\$ 2,990,000	\$ 367,713	\$ 3,357,713		\$ 181,863		\$ 185,850

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

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 65,000	\$ 16,412	\$ 81,412	2014	\$ 7,824	2014	\$ 8,588
2015	65,000	15,226	80,226	2015	7,613	2015	7,613
2016	70,000	13,276	83,276	2016	6,638	2016	6,638
2017	70,000	11,176	81,176	2017	5,588	2017	5,588
2018	75,000	9,076	84,076	2018	4,538	2018	4,538
2019	70,000	6,826	76,826	2019	3,413	2019	3,413
2020	75,000	4,726	79,726	2020	2,363	2020	2,363
2021	75,000	2,476	77,476	2021	1,238	2021	1,238
	\$ 565,000	\$ 79,194	\$ 644,194		\$ 39,215		\$ 39,979

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

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Requirements			Interest Due			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ 495,000	\$ 127,610	\$ 622,610	2014	\$ 60,837	2014	\$ 66,773
2015	505,000	118,696	623,696	2015	59,348	2015	59,348
2016	525,000	103,546	628,546	2016	51,773	2016	51,773
2017	535,000	87,796	622,796	2017	43,898	2017	43,898
2018	555,000	71,746	626,746	2018	35,873	2018	35,873
2019	570,000	55,096	625,096	2019	27,548	2019	27,548
2020	590,000	37,996	627,996	2020	18,998	2020	18,998
2021	615,000	20,296	635,296	2021	10,148	2021	10,148
	\$ 4,390,000	\$ 622,782	\$ 5,012,782		\$ 308,423		\$ 314,359

CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAX INCREMENT REVENUE NOTE, SERIES 2002 - NORWOOD PARTNERSHIP LLC  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements		
	Principal	Interest	Total
2014	\$ 28,572	\$ 12,307	\$ 40,879
2015	30,072	10,807	40,879
2016	31,651	9,228	40,879
2017	33,313	7,566	40,879
2018	35,062	5,817	40,879
2019	36,903	3,976	40,879
2020	38,840	2,039	40,879
	\$ 234,413	\$ 51,740	\$ 286,153



CITY OF DES PLAINES, ILLINOIS  
LONG TERM DEBT REQUIREMENTS  
TAX INCREMENT REVENUE NOTE, SERIES 2003 - LAB GRACELAND  
December 31, 2013

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

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	Requirements		
	Principal	Interest	Total
2014	\$ 30,225	\$ 13,019	\$ 43,244
2015	31,812	11,432	43,244
2016	33,482	9,762	43,244
2017	35,240	8,004	43,244
2018	37,090	6,154	43,244
2019	39,038	4,206	43,244
2020	41,087	2,157	43,244
	\$ 247,974	\$ 54,734	\$ 302,708

CITY OF DES PLAINES, ILLINOIS  
SHORT TERM DEBT REQUIREMENTS  
EQUIPMENT LOAN (FIRE ENGINE)  
December 31, 2013

Date of issue	April 7, 2009
Date of maturity	November 1, 2029
Authorized amount	\$ 250,000
Interest rates	0.00%
Principal maturity date	November 1
Payable at	Illinois Finance Authority

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending <u>December 31</u>	<u>Requirements</u> <u>Principal</u>
2014	\$ 12,500
2015	12,500
2016	12,500
2017	12,500
2018	12,500
2019	12,500
2020	12,500
2021	12,500
2022	12,500
2023	12,500
2024	12,500
2025	12,500
2026	12,500
2027	12,500
2028	12,500
2029	12,500
	\$ 200,000

## STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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#### **Debt Capacity**

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# CITY OF DES PLAINES

## CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) December 31, 2013

	2004	2005	2006	2007
<b>Expenses</b>				
Governmental activities				
General government	\$ 9,700,124	\$ 5,905,963	\$ 6,752,529	\$ 6,267,556
Public safety	28,066,656	28,982,520	34,102,357	31,161,886
Public works	10,519,422	10,957,745	8,730,946	10,282,409
Streets and highways	2,836,098	8,522,062	9,692,117	6,902,837
Economic development	12,009,233	7,695,464	2,885,691	1,780,760
Interest	3,337,330	4,610,023	4,049,875	4,172,033
Total governmental activities expenses	<u>66,468,863</u>	<u>66,673,777</u>	<u>66,213,515</u>	<u>60,567,481</u>
Business-type activities				
Water	8,123,930	8,924,500	8,706,183	8,693,595
Parking system	593,148	781,808	1,206,169	1,015,561
Emergency communications	3,994,408	4,172,076	4,816,445	4,724,236
Total business-type activities	<u>12,711,486</u>	<u>13,878,384</u>	<u>14,728,797</u>	<u>14,433,392</u>
Total primary government expenses	<u>\$ 79,180,349</u>	<u>\$ 80,552,161</u>	<u>\$ 80,942,312</u>	<u>\$ 75,000,873</u>
Component unit - public library	<u>\$ 5,282,629</u>	<u>\$ 5,493,487</u>	<u>\$ 5,696,530</u>	<u>\$ 6,041,020</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
General government	\$ 3,644,050	\$ 4,293,840	\$ 3,150,016	\$ 3,417,462
Public safety	1,196,534	1,189,971	3,398,632	3,135,477
Public works	4,230,909	4,486,652	2,673,882	3,187,494
Streets and highways	1,610,978	1,377,833	1,717,115	1,752,532
Economic development	87,200	187,626	-	-
Operating grants and contributions	2,563,445	2,159,872	599,948	1,483,651
Capital grants and contributions	613,719	222,311	945,493	1,823,040
Total governmental activities program Revenues	<u>13,946,835</u>	<u>13,918,105</u>	<u>12,485,086</u>	<u>14,799,656</u>
Business-type activities				
Charges for services				
Water	9,666,082	10,301,213	9,639,028	9,736,135
Parking system	174,123	209,090	261,747	329,478
Emergency communications	3,974,111	4,450,986	4,581,164	5,089,957
Operating grants and contributions	-	-	309,784	25,546
Capital grants and contributions	-	-	-	-
Total business-type activities program Revenues	<u>13,814,316</u>	<u>14,961,289</u>	<u>14,791,723</u>	<u>15,181,116</u>
Total primary government program	<u>\$ 27,761,151</u>	<u>\$ 28,879,394</u>	<u>\$ 27,276,809</u>	<u>\$ 29,980,772</u>
Component unit - public library				
Charges for services	\$ 148,898	\$ 147,392	\$ 154,056	\$ 152,787
Operating grants	112,598	148,902	137,227	108,801
Capital grants	-	-	-	-
Total component unit - public library Revenues	<u>\$ 261,496</u>	<u>\$ 296,294</u>	<u>\$ 291,283</u>	<u>\$ 261,588</u>
Net (expense)/revenue				
Governmental activities	\$ (52,522,028)	\$ (52,755,672)	\$ (53,728,429)	\$ (45,767,825)
Business-type activities	1,102,830	1,082,905	62,926	747,724
Total primary government net expense	<u>\$ (51,419,198)</u>	<u>\$ (51,672,767)</u>	<u>\$ (53,665,503)</u>	<u>\$ (45,020,101)</u>
Component unit - public library net Expense	<u>\$ (5,021,133)</u>	<u>\$ (5,197,193)</u>	<u>\$ (5,405,247)</u>	<u>\$ (5,779,432)</u>

2008	2009	2010	2011	2012	2013
\$ 5,268,048	\$ 8,913,451	\$ 8,939,465	\$ 18,270,898	\$ 26,776,957	\$ 26,119,801
36,126,401	36,457,403	35,365,323	38,529,145	37,899,640	38,792,971
10,520,898	9,608,620	7,550,803	8,537,753	7,637,527	8,448,448
11,260,079	10,807,891	9,499,575	10,341,746	10,686,981	11,450,291
3,504,617	2,184,724	1,487,301	1,161,997	1,553,448	1,906,584
4,031,768	3,984,468	3,631,361	3,274,304	3,046,102	2,709,144
<u>70,711,811</u>	<u>71,956,557</u>	<u>66,473,828</u>	<u>80,115,843</u>	<u>87,600,655</u>	<u>89,427,239</u>
11,038,869	11,831,289	11,912,298	12,528,325	14,161,409	15,412,364
1,034,814	888,277	803,475	802,934	783,586	808,793
5,005,419	-	-	-	-	2,247,933
<u>17,079,102</u>	<u>12,719,566</u>	<u>12,715,773</u>	<u>13,331,259</u>	<u>14,944,995</u>	<u>18,469,090</u>
<u>\$ 87,790,913</u>	<u>\$ 84,676,123</u>	<u>\$ 79,189,601</u>	<u>\$ 93,447,102</u>	<u>\$ 102,545,650</u>	<u>\$ 107,896,329</u>
<u>\$ 6,393,149</u>	<u>\$ 6,482,277</u>	<u>\$ 5,994,030</u>	<u>\$ 5,798,824</u>	<u>\$ 5,648,933</u>	<u>\$ 6,073,379</u>
\$ 4,319,510	\$ 8,182,538	\$ 8,546,887	\$ 6,223,077	\$ 5,869,247	\$ 5,774,206
2,600,306	2,450,209	3,293,616	3,740,733	3,745,369	3,259,941
3,408,346	3,537,886	3,694,457	3,826,957	3,955,349	4,092,464
1,664,099	1,531,176	2,376,318	2,323,567	2,434,345	2,288,299
-	-	-	-	-	-
3,212,671	1,970,206	3,322,252	3,797,791	2,762,161	2,996,521
<u>232,175</u>	<u>438,582</u>	<u>11,294,273</u>	<u>4,851,117</u>	<u>3,267,066</u>	<u>576,573</u>
<u>15,437,107</u>	<u>18,110,597</u>	<u>32,527,803</u>	<u>24,763,242</u>	<u>22,033,537</u>	<u>18,988,004</u>
11,759,644	10,965,188	11,509,315	11,286,580	14,162,219	13,810,387
315,071	267,699	309,312	283,554	370,038	336,051
6,251,670	-	-	-	-	2,089,579
153,853	-	132,274	4,691	2,039	8,237
-	-	235,119	-	-	-
<u>18,480,238</u>	<u>11,232,887</u>	<u>12,186,020</u>	<u>11,574,825</u>	<u>14,534,296</u>	<u>16,244,254</u>
<u>\$ 33,917,345</u>	<u>\$ 29,343,484</u>	<u>\$ 44,713,823</u>	<u>\$ 36,338,067</u>	<u>\$ 36,567,833</u>	<u>\$ 35,232,258</u>
\$ 142,245	\$ 147,700	\$ 166,497	\$ 147,023	\$ 156,752	\$ 164,584
157,151	78,014	65,969	64,080	59,852	63,977
-	-	-	-	-	-
<u>\$ 299,396</u>	<u>\$ 225,714</u>	<u>\$ 232,466</u>	<u>\$ 211,103</u>	<u>\$ 216,604</u>	<u>\$ 228,561</u>
\$ (55,274,704)	\$ (53,845,960)	\$ (33,946,025)	\$ (55,352,601)	\$ (65,567,118)	\$ (70,439,235)
1,401,136	(1,486,679)	(529,753)	(1,756,434)	(410,699)	(2,224,836)
<u>\$ (53,873,568)</u>	<u>\$ (55,332,639)</u>	<u>\$ (34,475,778)</u>	<u>\$ (57,109,035)</u>	<u>\$ (65,977,817)</u>	<u>\$ (72,664,071)</u>
\$ (6,093,753)	\$ (6,256,563)	\$ (5,761,564)	\$ (5,587,721)	\$ (5,432,329)	\$ (5,844,818)

# CITY OF DES PLAINES

## CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) December 31, 2013

	2004	2005	2006	2007
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities				
Taxes				
Property	\$ 17,828,162	\$ 19,949,024	\$ 22,115,583	\$ 23,773,249
Replacement	821,910	1,193,354	1,238,962	1,530,070
Sales	7,806,132	8,104,425	9,220,053	9,265,270
Utility	3,644,821	2,594,534	2,579,105	2,510,644
Income	3,644,821	4,284,621	5,197,409	5,296,209
Home rule sales	3,952,935	4,119,582	4,887,837	5,735,928
Food and beverage	769,662	807,421	933,162	964,590
Hotel/motel	706,308	789,748	1,242,613	1,298,403
Real estate transfer	1,004,785	1,114,479	1,186,212	975,339
Local option motor fuel	1,052,946	929,005	1,527,438	1,687,130
Gaming	-	-	-	-
Other	1,967,450	1,982,000	2,541,496	3,454,589
Investment income	569,439	895,113	1,445,882	816,908
Miscellaneous	130,091	181,237	246,840	296,990
Gain (loss) on sale of capital assets	81,816	45,300	3,479,486	(6,108,598)
Contributions	-	-	-	-
Transfers	(4,746,515)	(847,230)	(45,809)	210,074
Total governmental activities	<u>37,948,124</u>	<u>46,142,613</u>	<u>57,796,269</u>	<u>51,706,795</u>
Business-type activities				
Investment income	11,039	29,041	76,614	223,390
Miscellaneous	47,345	13,651	6,626	161,232
Contributions	-	-	-	-
Transfers	4,746,515	847,230	45,809	(210,074)
Total business-type activities	<u>4,804,899</u>	<u>889,922</u>	<u>129,049</u>	<u>174,548</u>
Total primary government	<u>\$ 42,753,023</u>	<u>\$ 47,032,535</u>	<u>\$ 57,925,318</u>	<u>\$ 51,881,343</u>
Component unit - public library				
Taxes				
Property	\$ 4,657,586	\$ 5,129,546	\$ 5,696,408	\$ 5,970,175
Replacement	92,988	92,988	92,988	92,988
Investment income	3,771	8,526	29,406	52,417
Other general revenues	17,905	53,423	36,001	25,675
Total component unit - public library	<u>\$ 4,772,250</u>	<u>\$ 5,284,483</u>	<u>\$ 5,854,803</u>	<u>\$ 6,141,255</u>
<b>Changes in Net Position</b>				
Governmental activities	\$ (14,573,904)	\$ (6,613,059)	\$ 4,067,840	\$ 5,938,970
Business-type activities	5,907,729	1,972,827	191,975	922,272
Total primary government	<u>\$ (8,666,175)</u>	<u>\$ (4,640,232)</u>	<u>\$ 4,259,815</u>	<u>\$ 6,861,242</u>
Total component unit - public library	<u>\$ (248,883)</u>	<u>\$ 87,290</u>	<u>\$ 449,556</u>	<u>\$ 361,823</u>

2008	2009	2010	2011	2012	2013
\$ 26,700,637	\$ 27,934,060	\$ 29,117,259	\$ 29,671,822	\$ 28,841,683	\$ 28,575,125
1,408,713	1,229,867	1,296,063	1,207,737	1,143,050	1,341,936
9,147,989	8,271,828	8,589,981	8,690,828	9,695,640	13,486,496
2,583,405	2,184,785	3,353,950	3,401,735	3,239,299	3,264,076
5,446,073	4,686,475	4,580,927	4,515,411	5,376,774	5,643,512
5,559,673	4,775,264	4,834,624	5,034,311	5,544,261	5,640,304
953,597	897,541	911,865	1,059,647	1,236,942	1,177,511
1,621,451	1,243,395	1,387,872	1,440,269	1,675,772	1,752,342
525,343	341,949	399,853	393,417	407,884	436,309
857,659	828,082	1,683,503	1,719,941	1,685,069	1,707,152
-	-	-	10,819,591	24,802,456	24,662,123
3,802,103	4,799,937	4,364,047	4,541,664	4,735,420	4,277,423
420,479	98,711	74,585	82,369	160,289	89,626
1,095,228	1,422,497	965,645	783,626	1,280,897	899,031
100,853	35,221	87,960	-	-	-
-	-	-	-	-	-
156,211	(94,340)	262,432	(236,313)	15,758	(49,992)
<u>60,379,414</u>	<u>58,655,272</u>	<u>61,910,566</u>	<u>73,126,055</u>	<u>89,841,194</u>	<u>92,902,974</u>
61,239	5,560	2,649	1,519	5,228	1,776
-	20,097	27,568	845	2,756	5,388
-	-	-	-	-	-
(156,211)	94,340	(262,432)	236,313	(15,758)	49,992
(94,972)	119,997	(232,215)	238,677	(7,774)	57,156
<u>\$ 60,284,442</u>	<u>\$ 58,775,269</u>	<u>\$ 61,678,351</u>	<u>\$ 73,364,732</u>	<u>\$ 89,833,420</u>	<u>\$ 92,960,130</u>
\$ 6,478,587	\$ 6,618,324	\$ 6,352,938	\$ 6,625,483	\$ 6,398,159	\$ 6,289,369
92,988	92,988	46,494	92,988	92,988	92,988
46,892	6,838	4,167	2,434	5,364	1,945
48,461	24,978	31,748	32,010	36,573	23,173
<u>\$ 6,666,928</u>	<u>\$ 6,743,128</u>	<u>\$ 6,435,347</u>	<u>\$ 6,752,915</u>	<u>\$ 6,533,084</u>	<u>\$ 6,407,475</u>
\$ 5,104,710	\$ 4,809,312	\$ 27,964,541	\$ 17,773,454	\$ 24,274,076	\$ 22,463,739
1,306,164	(1,366,682)	(761,968)	(1,517,757)	(418,473)	(2,167,680)
<u>\$ 6,410,874</u>	<u>\$ 3,442,630</u>	<u>\$ 27,202,573</u>	<u>\$ 16,255,697</u>	<u>\$ 23,855,603</u>	<u>\$ 20,296,059</u>
<u>\$ 573,175</u>	<u>\$ 486,565</u>	<u>\$ 673,783</u>	<u>\$ 1,165,194</u>	<u>\$ 1,100,755</u>	<u>\$ 562,657</u>

## CITY OF DES PLAINES

NET POSITION BY COMPONENT  
Last Ten Calendar Years  
(accrual basis of accounting)  
December 31, 2013

	2004	2005	2006	2007
Governmental Activities				
Net Investment in Capital Assets	\$ 92,567,545	\$ 80,553,806	\$ 84,159,240	\$ 94,992,957
Restricted	12,681,078	9,879,543	5,730,529	4,848,350
Unrestricted	330,345	5,783,030	10,394,451	4,594,811
Total Governmental Activities Net Position	<u>\$ 105,578,968</u>	<u>\$ 96,216,379</u>	<u>\$ 100,284,220</u>	<u>\$ 104,436,118</u>
Business-type Activities				
Net Investment in Capital Assets	\$ 28,369,911	\$ 31,767,374	\$ 32,091,486	\$ 31,379,369
Unrestricted	4,382,465	5,611,933	5,479,796	7,328,004
Total Business-type Activities Net Position	<u>\$ 32,752,376</u>	<u>\$ 37,379,307</u>	<u>\$ 37,571,282</u>	<u>\$ 38,707,373</u>
Primary Government				
Net Investment in Capital Assets	\$ 120,937,456	\$ 112,321,180	\$ 116,250,726	\$ 126,372,326
Restricted	12,681,078	9,879,543	5,730,529	4,848,350
Unrestricted	4,712,810	11,394,963	15,874,247	11,922,815
Total Primary Government Net Position	<u>\$ 138,331,344</u>	<u>\$ 133,595,686</u>	<u>\$ 137,855,502</u>	<u>\$ 143,143,491</u>
Component Unit - Public Library				
Net Investment in Capital Assets	\$ 358,776	\$ 324,570	\$ 289,865	\$ 254,678
Restricted	197,112	318,608	802,869	1,301,241
Total Component Unit Net Position	<u>\$ 555,888</u>	<u>\$ 643,178</u>	<u>\$ 1,092,734</u>	<u>\$ 1,555,919</u>



2008	2009	2010	2011	2012	2013
\$ 100,771,214	\$ 106,143,382	\$ 120,440,844	\$ 116,287,802	\$ 127,408,625	\$ 141,973,412
2,049,450	3,610,610	6,995,311	9,031,827	10,266,294	14,869,706
6,720,164	4,596,148	16,645,504	36,535,484	47,759,170	51,054,710
<u>\$ 109,540,828</u>	<u>\$ 114,350,140</u>	<u>\$ 144,081,659</u>	<u>\$ 161,855,113</u>	<u>\$ 185,434,089</u>	<u>\$ 207,897,828</u>
\$ 31,610,951	\$ 30,743,586	\$ 30,365,465	\$ 30,336,201	\$ 29,713,208	\$ 29,853,240
8,402,586	6,052,456	5,668,609	4,180,116	4,379,302	2,456,225
<u>\$ 40,013,537</u>	<u>\$ 36,796,042</u>	<u>\$ 36,034,074</u>	<u>\$ 34,516,317</u>	<u>\$ 34,092,510</u>	<u>\$ 32,309,465</u>
\$ 132,382,165	\$ 136,886,968	\$ 150,806,309	\$ 146,624,003	\$ 157,121,833	\$ 171,826,652
2,049,450	3,610,610	6,995,311	9,031,827	10,266,294	14,869,706
15,122,750	10,648,604	22,314,113	40,715,600	52,138,472	53,510,935
<u>\$ 149,554,365</u>	<u>\$ 151,146,182</u>	<u>\$ 180,115,733</u>	<u>\$ 196,371,430</u>	<u>\$ 219,526,599</u>	<u>\$ 240,207,293</u>
\$ 934,174	\$ 894,053	\$ 853,306	\$ 814,501	\$ 802,700	\$ 862,543
1,194,920	1,721,606	2,436,136	3,640,135	4,752,691	5,255,505
<u>\$ 2,129,094</u>	<u>\$ 2,615,659</u>	<u>\$ 3,289,442</u>	<u>\$ 4,454,636</u>	<u>\$ 5,555,391</u>	<u>\$ 6,118,048</u>

## CITY OF DES PLAINES

FUND BALANCES, GOVERNMENTAL FUNDS  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund				
Reserved	\$ 14,104	\$ 12,159	\$ 3,853,331	\$ 6,881,187
Unreserved	<u>8,127,664</u>	<u>7,208,910</u>	<u>3,929,509</u>	<u>1,075,635</u>
Nonspendable				
Assigned				
Unassigned				
Total general fund	<u>8,141,768</u>	<u>7,221,069</u>	<u>7,782,840</u>	<u>7,956,822</u>
All Other Governmental Funds				
Restricted	12,476,268	9,732,766	9,056,602	5,148,408
Unassigned, reported in				
Special revenue funds	(3,806,028)	(811,113)	(4,143,559)	(6,416,203)
Capital projects funds	<u>5,834,777</u>	<u>7,852,816</u>	<u>5,399,856</u>	<u>4,424,994</u>
Restricted				
Assigned				
Unassigned				
Total all other governmental funds	<u>14,505,017</u>	<u>16,774,469</u>	<u>10,312,899</u>	<u>3,157,199</u>
Total Fund Balances	<u>\$ 22,646,785</u>	<u>\$ 23,995,538</u>	<u>\$ 18,095,739</u>	<u>\$ 11,114,021</u>

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

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 8,140,055	\$ 8,811,994	\$ 7,980,992			
<u>1,230,256</u>	<u>4,174,231</u>	<u>15,413,074</u>			
			\$ 8,162,664	\$ 8,606,709	\$ 9,900,296
			-	4,161,818	13,633,108
			<u>21,080,549</u>	<u>22,966,242</u>	<u>20,107,209</u>
<u>9,370,311</u>	<u>12,986,225</u>	<u>23,394,066</u>	<u>29,243,213</u>	<u>35,734,769</u>	<u>43,640,613</u>
3,967,977	3,804,011	7,372,378			
323,048	(5,103,056)	(8,172,234)			
<u>(4,648,291)</u>	<u>159,406</u>	<u>9,715,559</u>			
			12,910,496	23,036,807	29,327,541
			4,276,184	5,329,691	7,458,773
			<u>(8,473,704)</u>	<u>(8,604,223)</u>	<u>(9,898,603)</u>
<u>(357,266)</u>	<u>(1,139,639)</u>	<u>8,915,703</u>	<u>8,712,976</u>	<u>19,762,275</u>	<u>26,887,711</u>
<u>\$ 9,013,045</u>	<u>\$ 11,846,586</u>	<u>\$ 32,309,769</u>	<u>\$ 37,956,189</u>	<u>\$ 55,497,044</u>	<u>\$ 70,528,324</u>

## CITY OF DES PLAINES

### CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Calendar Years

(modified accrual basis of accounting)

December 31, 2013

	2004	2005	2006	2007
<b>Revenues</b>				
Taxes	\$ 29,421,135	\$ 31,999,844	\$ 35,327,688	\$ 38,408,908
Licenses and permits	4,649,570	5,035,156	4,087,868	3,837,256
Intergovernmental	15,686,591	16,490,108	17,506,403	19,744,856
Charges for services	4,775,440	5,270,418	5,217,844	6,115,781
Fines and forfeits	1,147,014	952,933	1,369,000	1,431,591
Investment income	569,439	895,080	1,445,831	816,908
Contributions	-	-	-	-
Miscellaneous	<u>2,672,277</u>	<u>191,419</u>	<u>1,004,746</u>	<u>463,875</u>
Total revenues	<u>58,921,466</u>	<u>60,834,958</u>	<u>65,959,380</u>	<u>70,819,175</u>
<b>Expenditures</b>				
General government	5,751,293	6,561,256	7,244,757	7,585,644
Public safety	28,003,280	28,697,511	31,076,746	30,618,015
Public works	9,450,181	10,205,911	9,737,407	7,831,725
Streets and highways	5,120,479	1,688,099	927,067	5,259,528
Economic development	11,854,692	7,126,888	2,653,204	1,962,384
Capital outlay	9,277,240	20,361,771	15,015,630	17,051,160
Debt service				
Principal retirement	4,847,212	5,607,651	6,055,440	6,649,830
Interest and fiscal charges	3,263,697	4,392,379	4,801,392	4,135,049
Payment to Refunding Bond Escrow	-	-	-	-
Total expenditures	<u>77,568,074</u>	<u>84,641,466</u>	<u>77,511,643</u>	<u>81,093,335</u>
Excess (deficiency) of revenues over expenditures	<u>(18,646,608)</u>	<u>(23,806,508)</u>	<u>(11,552,263)</u>	<u>(10,274,160)</u>
<b>Other financing sources (uses)</b>				
Proceeds from issuance of debt	18,050,000	39,255,000	-	8,125,000
Premium on bond issuance	11,365	1,042,125	-	-
Discount on bond issuance	(88,961)	(296,416)	-	-
Proceeds from sale of capital assets	81,816	845,300	5,232,723	2,292,098
Payments to escrow agent	-	(16,263,176)	-	(7,634,233)
Transfers in	954,933	2,344,347	3,854,740	2,604,792
Transfers (out)	<u>(680,000)</u>	<u>(1,935,000)</u>	<u>(3,435,000)</u>	<u>(1,790,143)</u>
Total other financing sources (uses)	<u>18,329,153</u>	<u>24,992,180</u>	<u>5,652,463</u>	<u>3,597,514</u>
<b>Special Items</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Changes in Fund Balance</b>	<u>\$ (317,455)</u>	<u>\$ 1,185,672</u>	<u>\$ (5,899,800)</u>	<u>\$ (6,676,646)</u>
Debt service as a percentage of noncapital expenditures	11.9%	15.6%	17.4%	16.8%

2008	2009	2010	2011	2012	2013
\$ 42,454,384	\$ 42,739,121	\$ 46,081,248	\$ 57,820,338	\$ 71,792,893	\$ 71,304,087
3,228,153	3,011,551	4,054,683	3,086,311	2,781,329	2,924,191
19,669,690	17,142,000	29,252,026	21,250,400	20,898,936	23,322,717
6,830,049	7,908,810	8,622,603	8,668,091	9,123,875	8,534,072
1,676,088	1,764,036	1,852,008	1,605,620	1,385,406	1,438,877
361,361	79,339	71,106	81,711	159,756	89,592
-	-	654,060	848,601	96,019	-
512,978	1,320,926	586,682	653,854	655,432	630,969
<u>74,732,703</u>	<u>73,965,783</u>	<u>91,174,416</u>	<u>94,014,926</u>	<u>106,893,646</u>	<u>108,244,505</u>
7,545,984	7,464,278	7,074,551	14,294,213	23,581,990	23,406,276
34,734,218	35,684,024	34,559,879	37,181,399	37,425,172	38,330,364
12,093,814	6,680,294	5,526,605	7,365,744	6,353,113	7,012,067
1,267,168	5,069,135	4,236,133	5,042,655	5,121,531	6,363,552
4,450,756	3,292,776	1,761,408	1,195,611	1,435,613	1,855,126
6,151,506	5,231,568	10,008,489	15,060,979	7,157,384	12,433,717
7,225,135	7,128,545	6,801,692	7,152,599	5,094,229	9,793,365
3,841,376	3,381,316	2,936,858	2,362,196	2,087,675	2,036,609
-	-	-	815,034	1,171,690	-
<u>77,309,957</u>	<u>73,931,936</u>	<u>72,905,615</u>	<u>90,470,430</u>	<u>89,428,397</u>	<u>101,231,076</u>
(2,577,254)	33,847	18,268,801	3,544,496	17,465,249	7,013,429
2,575,000	7,598,084	10,055,760	3,540,000	3,765,000	7,945,000
-	131,220	-	40,452	41,230	215,045
-	-	-	-	-	-
242,678	-	-	-	-	-
(2,517,611)	(7,315,260)	(9,123,820)	(3,541,973)	(3,746,382)	-
1,325,839	4,670,374	2,860,136	3,800,215	2,284,805	10,035,399
<u>(1,169,628)</u>	<u>(2,264,714)</u>	<u>(1,597,704)</u>	<u>(3,637,516)</u>	<u>(2,269,047)</u>	<u>(10,177,593)</u>
<u>456,278</u>	<u>2,819,704</u>	<u>2,194,372</u>	<u>201,178</u>	<u>75,606</u>	<u>8,017,851</u>
-	-	-	1,900,746	-	-
<u>\$ (2,120,976)</u>	<u>\$ 2,853,551</u>	<u>\$ 20,463,173</u>	<u>\$ 5,646,420</u>	<u>\$ 17,540,855</u>	<u>\$ 15,031,280</u>
15.6%	15.3%	15.3%	13.2%	9.9%	13.2%

## CITY OF DES PLAINES

### ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Levy Years December 31, 2013

Levy Year	Equalized Assessed Value				Total Equalized Assessed Value	Total Direct Rate	Total Actual Value
	Residential Property	Commercial Property	Industrial Property	Railroad Property			
2003	\$ 820,152,717	\$ 435,374,304	\$ 504,398,708	\$ 1,008,971	\$ 1,760,934,700	0.895	\$ 5,282,856,929
2004	968,894,536	466,225,897	538,079,254	1,254,325	1,974,454,012	0.852	5,923,421,270
2005	1,048,729,126	486,965,767	562,477,260	1,277,551	2,099,449,704	0.865	6,298,412,096
2006	1,098,297,899	456,777,248	553,576,732	1,417,627	2,110,069,506	0.928	6,330,208,518

Levy Year	Equalized Assessed Value			Total Equalized Assessed Value	Total Direct Rate	Total Actual Value
	Real Estate Property	Air Pollution Control District	Railroad Property			
2007	\$ 2,465,848,831	\$ 1,042	\$ 1,613,955	\$ 2,467,463,828	0.850	\$ 7,402,465,509
2008	2,626,756,979	858	1,831,615	2,628,588,594	0.831	7,885,844,640
2009	2,526,387,003	845	2,037,298	2,528,425,146	0.917	7,585,351,292
2010	2,392,169,028	825	2,507,411	2,394,677,264	0.999	7,184,103,633
2011	2,181,773,562	1,131	2,558,611	2,184,333,304	1.089	6,553,065,443
2012	2,037,389,908	797	2,548,662	2,039,939,367	1.166	6,119,879,300

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

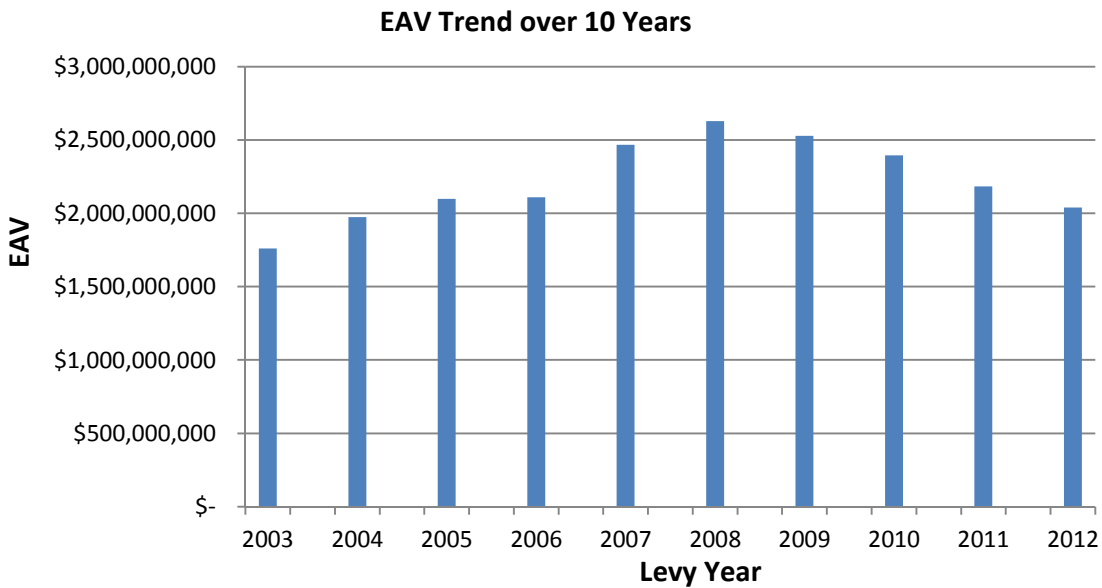
Note: Property is reassessed once every three years. Property is assessed at 1/3 actual value. Tax rates are per \$100 of assessed value. Fiscal year data is based on the previous calendar year's (levy year) assessed value (i.e. data presented for the Fiscal Year ended December 31, 2013 is based on the 2012 assessed value.)

# CITY OF DES PLAINES

## TREND OF EQUALIZED ASSESSED VALUATIONS Last Ten Levy Years December 31, 2013

Levy Year	Equalized Assessed Value	Percentage Increase (Decrease)	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
2003	\$ 1,760,934,700	(0.92%)	\$ 5,282,804,100	33.33%
2004	1,974,454,012	12.13%	5,923,362,036	33.33%
2005	2,099,449,704	6.33%	6,298,349,112	33.33%
2006	2,110,069,506	0.51%	6,330,208,518	33.33%
2007	2,467,463,828	16.94%	7,402,391,484	33.33%
2008	2,628,588,594	6.53%	7,885,765,782	33.33%
2009	2,528,425,146	(3.81%)	7,585,275,438	33.33%
2010	2,394,677,264	(5.29%)	7,184,031,792	33.33%
2011	2,184,333,304	(8.78%)	6,552,999,912	33.33%
2012	2,039,939,367	(6.61%)	6,119,818,101	33.33%

Source: Cook County Clerk's office



## CITY OF DES PLAINES

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

Tax Levy Year	City							
	Total	Total City	Corporate	Bonds & Interest	Police Pension	Fire Pension	Library	Cook County
2003	7.266	0.895	0.5852	0.0885	0.1138	0.1069	0.273	0.718
2004	7.110	0.852	0.5893	0.0740	0.1041	0.0843	0.268	0.653
2005	6.966	0.865	0.6071	0.0766	0.0998	0.0807	0.278	0.547
2006	7.179	0.928	0.6657	0.0657	0.1099	0.0865	0.294	0.500
2007	6.417	0.850	0.6149	0.0539	0.1023	0.0783	0.266	0.446
2008	6.275	0.831	0.5945	0.0502	0.1023	0.0833	0.260	0.415
2009	6.590	0.917	0.6102	0.0507	0.1320	0.1239	0.257	0.415
2010	7.188	0.999	0.6569	0.0515	0.1436	0.1461	0.280	0.423
2011	8.090	1.089	0.7509	0.0052	0.1637	0.1687	0.300	0.462
2012	8.975	1.166	0.7900	0.0054	0.1849	0.1854	0.317	0.531

**Notes:**

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

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

Source: Cook County Clerk



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Water Reclamation <u>District</u>	Park <u>District</u>	<u>School (1)</u>	<u>Other (2)</u>
0.361	0.444	4.426	0.149
0.347	0.427	4.431	0.132
0.315	0.350	4.416	0.195
0.284	0.356	4.619	0.198
0.263	0.312	4.093	0.187
0.252	0.300	4.046	0.171
0.261	0.317	4.249	0.174
0.274	0.338	4.683	0.191
0.320	0.379	5.298	0.242
0.370	0.425	5.924	0.242

**CITY OF DES PLAINES**

MAINE TOWNSHIP  
 ALLOCATION OF THE 2012 PROPERTY TAX LEVY COLLECTED IN 2013  
 December 31, 2013

	2003		2004		2005		2006		2007	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 0.895	0.124 %	\$ 0.852	0.120 %	\$ 0.865	0.124 %	\$ 0.928	0.129 %	\$ 0.850	0.132 %
Des Plaines Library	0.273	0.038	0.268	0.038	0.278	0.040	0.294	0.041	0.266	0.041
High School District 207	2.012	0.278	1.795	0.252	1.757	0.252	1.826	0.254	1.602	0.250
Oakton College District	0.186	0.026	0.161	0.023	0.158	0.023	0.166	0.023	0.141	0.022
School District 62	2.228	0.308	2.475	0.348	2.501	0.359	2.627	0.366	2.350	0.366
Des Plaines Park District	0.444	0.061	0.427	0.060	0.350	0.050	0.356	0.050	0.312	0.049
Cook County	0.718	0.099	0.653	0.092	0.547	0.079	0.500	0.070	0.458	0.071
Metro Water Reclamation District	0.361	0.050	0.347	0.049	0.315	0.045	0.284	0.040	0.263	0.041
N.W. Mosquito Abatement District	0.010	0.001	0.009	0.001	0.009	0.001	0.009	0.001	0.008	0.001
Suburban T.B. Sanitarium	0.004	0.001	0.001	0.000	0.005	0.001	0.005	0.001	-	-
Maine Township	0.095	0.013	0.122	0.017	0.121	0.017	0.127	0.018	0.114	0.018
Cook County Forest Preserve	-	-	-	-	0.060	0.009	0.057	0.008	0.053	0.008
<b>TOTAL</b>	<u>\$ 7.226</u>	<u>100.00 %</u>	<u>\$ 7.110</u>	<u>100.00 %</u>	<u>\$ 6.966</u>	<u>100.00 %</u>	<u>\$ 7.179</u>	<u>100.00 %</u>	<u>\$ 6.417</u>	<u>100.00</u>

Source: Cook County Clerk

2008		2009		2010		2011		2012	
Tax per \$100		Tax per \$100		Tax per \$100		Tax per \$100		Tax per \$100	
of Equalized		of Equalized		of Equalized		of Equalized		of Equalized	
Assessed		Assessed		Assessed		Assessed		Assessed	
Valuation	Percentage	Valuation	Percentage	Valuation	Percentage	Valuation	Percentage	Valuation	Percentage
\$ 0.831	0.132 %	\$ 0.917	0.139 %	\$ 0.999	0.139 %	\$ 1.089	0.135 %	\$ 1.166	0.130 %
0.260	0.041	0.257	0.039	0.280	0.039	0.300	0.037	0.317	0.035
1.577	0.251	1.617	0.245	1.782	0.248	1.995	0.247	2.215	0.247
0.140	0.022	0.140	0.021	0.160	0.022	0.196	0.024	0.219	0.024
2.329	0.371	2.492	0.378	2.741	0.381	3.107	0.384	3.490	0.389
0.300	0.048	0.317	0.048	0.338	0.047	0.379	0.047	0.425	0.047
0.415	0.066	0.415	0.063	0.423	0.059	0.462	0.057	0.531	0.059
0.252	0.040	0.261	0.040	0.274	0.038	0.320	0.040	0.370	0.041
0.008	0.001	0.008	0.001	0.009	0.001	0.010	0.001	0.011	0.001
-	-	-	-	-	-	-	-	-	-
0.112	0.018	0.117	0.018	0.131	0.018	0.174	0.022	0.168	0.019
<u>0.051</u>	<u>0.008</u>	<u>0.049</u>	<u>0.007</u>	<u>0.051</u>	<u>0.007</u>	<u>0.058</u>	<u>0.007</u>	<u>0.063</u>	<u>0.007</u>
<u>\$ 6.275</u>	<u>100.00 %</u>	<u>\$ 6.590</u>	<u>100.00 %</u>	<u>\$ 7.188</u>	<u>100.00 %</u>	<u>\$ 8.090</u>	<u>100.00 %</u>	<u>\$ 8.975</u>	<u>100.00 %</u>

## CITY OF DES PLAINES

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

Tax Levy Year	Total	City					Library	Cook County
		Total City	Corporate	Bonds & Interest	Police Pension	Fire Pension		
2003	7.250	0.895	0.5852	0.0885	0.1138	0.1069	0.273	0.718
2004	6.716	0.852	0.5893	0.0740	0.1041	0.0843	0.268	0.653
2005	6.573	0.865	0.6071	0.0766	0.0998	0.0807	0.278	0.593
2006	6.737	0.928	0.6657	0.0657	0.1099	0.0865	0.294	0.500
2007	6.038	0.850	0.6149	0.0539	0.1023	0.0783	0.266	0.446
2008	5.936	0.831	0.5945	0.0502	0.1023	0.0833	0.260	0.415
2009	6.221	0.917	0.6102	0.0507	0.1320	0.1239	0.257	0.394
2010	6.823	0.999	0.6569	0.0515	0.1436	0.1461	0.280	0.423
2011	7.670	1.089	0.7509	0.0052	0.1637	0.1687	0.300	0.462
2012	8.477	1.166	0.7900	0.0054	0.1849	0.1854	0.317	0.531

**Notes:**

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

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

Source: Cook County Clerk

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<u>Water Reclamation District</u>	<u>Park District</u>	<u>School (1)</u>	<u>Other (2)</u>
0.361	0.498	4.419	0.086
0.347	0.455	4.069	0.072
0.315	0.459	3.973	0.090
0.284	0.474	4.124	0.133
0.263	0.411	3.672	0.130
0.252	0.407	3.653	0.118
0.261	0.411	3.839	0.142
0.274	0.453	4.263	0.131
0.320	0.502	4.823	0.174
0.370	0.557	5.370	0.166

**CITY OF DES PLAINES**

ELK GROVE TOWNSHIP  
 ALLOCATION OF THE 2012 PROPERTY TAX LEVY COLLECTED IN 2013  
 December 31, 2013

	2003		2004		2005		2006		2007	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 0.895	0.124 %	\$ 0.852	0.127 %	\$ 0.865	0.132 %	\$ 0.928	0.138 %	\$ 0.850	0.141 %
Des Plaines Library	0.273	0.038	0.268	0.040	0.278	0.042	0.294	0.044	0.266	0.044
High School District 214	1.982	0.274	1.818	0.271	1.759	0.268	1.823	0.271	1.621	0.268
Harper College District 512	0.310	0.043	0.279	0.042	0.281	0.043	0.288	0.043	0.260	0.043
School District 59	2.127	0.294	1.972	0.294	1.933	0.294	2.013	0.299	1.791	0.297
Mt. Prospect Park District	0.473	0.065	0.455	0.068	0.459	0.070	0.474	0.070	0.411	0.068
Cook County	0.718	0.099	0.653	0.097	0.607	0.092	0.557	0.083	0.511	0.085
Metro Water Reclamation District	0.361	0.050	0.347	0.052	0.315	0.048	0.284	0.042	0.263	0.044
N.W. Mosquito Abatement District	0.010	0.001	0.009	0.001	0.009	0.001	0.009	0.001	0.008	0.001
Elk Grove Township	0.072	0.010	0.062	0.009	0.062	0.009	0.062	0.009	0.057	0.009
Forest Preserve District	0.004	0.001	0.001	0.000	0.005	0.001	0.005	0.001	-	-
<b>TOTAL</b>	<b>\$ 7.225</b>	<b>\$ 1.000</b>	<b>\$ 6.716</b>	<b>\$ 1.000</b>	<b>\$ 6.573</b>	<b>\$ 1.000</b>	<b>\$ 6.737</b>	<b>\$ 1.000</b>	<b>\$ 6.038</b>	<b>\$ 1.000</b>

Source: Cook County Clerk

2008		2009		2010		2011		2012	
Tax per \$100 of Equalized Assessed Valuation		Tax per \$100 of Equalized Assessed Valuation		Tax per \$100 of Equalized Assessed Valuation		Tax per \$100 of Equalized Assessed Valuation		Tax per \$100 of Equalized Assessed Valuation	
Valuation	Percentage	Valuation	Percentage	Valuation	Percentage	Valuation	Percentage	Valuation	Percentage
\$ 0.831	0.140 %	\$ 0.917	0.149 %	\$ 0.999	0.146 %	\$ 1.089	0.142 %	\$ 1.166	0.138 %
0.260	0.044	0.257	0.042	0.280	0.041	0.300	0.039	0.317	0.037
1.587	0.267	1.636	0.266	1.839	0.270	2.067	0.269	2.324	0.274
0.256	0.043	0.258	0.042	0.295	0.043	0.334	0.044	0.373	0.044
1.810	0.305	1.945	0.317	2.129	0.312	2.422	0.316	2.673	0.315
0.407	0.069	0.411	0.067	0.453	0.066	0.502	0.065	0.557	0.066
0.466	0.079	0.394	0.064	0.423	0.062	0.462	0.060	0.531	0.063
0.252	0.042	0.261	0.043	0.274	0.040	0.320	0.042	0.370	0.044
0.008	0.001	0.008	0.001	0.009	0.001	0.010	0.001	0.011	0.001
0.059	0.010	0.044	0.007	0.071	0.010	0.106	0.014	0.092	0.011
-	-	0.009	0.001	0.051	0.007	0.058	0.008	0.063	0.007
<u>\$ 5.936</u>	<u>\$ 1.000</u>	<u>\$ 6.140</u>	<u>\$ 1.000</u>	<u>\$ 6.823</u>	<u>\$ 1.000</u>	<u>\$ 7.670</u>	<u>\$ 1.000</u>	<u>\$ 8.477</u>	<u>\$ 1.000</u>

## CITY OF DES PLAINES

### PROPERTY TAX RATES AND EXTENSIONS Last Ten Calendar Years

<u>Property Tax Levy Year</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Property tax rates (1)</b>				
General corporate	0.5856	0.5896	0.6071	0.6657
Police pension	0.1139	0.1041	0.0998	0.1099
Firefighters' pension	0.1070	0.0843	0.0807	0.0865
General bond retirement	<u>0.0885</u>	<u>0.0740</u>	<u>0.0766</u>	<u>0.0657</u>
<b>Total property tax rates</b>	<u><u>0.8950</u></u>	<u><u>0.8520</u></u>	<u><u>0.8642</u></u>	<u><u>0.9278</u></u>
<b>Property tax extensions (2)</b>				
General corporate	\$ 10,304,439	\$ 11,641,985	\$ 12,745,221	\$ 14,046,349
Police pension	2,004,048	2,054,752	2,096,245	2,318,002
Firefighters' pension	1,881,800	1,663,764	1,693,403	1,825,751
General bond retirement	<u>1,557,566</u>	<u>1,461,847</u>	<u>1,607,211</u>	<u>1,385,507</u>
<b>Total property tax extensions</b>	<u><u>\$ 15,747,853</u></u>	<u><u>\$ 16,822,348</u></u>	<u><u>\$ 18,142,080</u></u>	<u><u>\$ 19,575,609</u></u>

**Notes:**

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

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

Source: Cook County Clerk



<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
0.6149	0.5945	0.6102	0.6569	0.7509	0.7900
0.1023	0.1023	0.1320	0.1436	0.1637	0.1849
0.0783	0.0833	0.1239	0.1461	0.1687	0.1854
<u>0.0539</u>	<u>0.0502</u>	<u>0.0507</u>	<u>0.0515</u>	<u>0.0052</u>	<u>0.0054</u>
<u>0.8494</u>	<u>0.8303</u>	<u>0.9168</u>	<u>0.9981</u>	<u>1.0885</u>	<u>1.1657</u>
\$ 15,171,900	\$ 15,627,057	\$ 15,428,429	\$ 15,731,420	\$ 16,402,317	\$ 16,114,550
2,523,500	2,690,360	3,338,189	3,438,335	3,576,720	3,771,360
1,931,250	2,188,750	3,133,584	3,497,476	3,685,109	3,781,172
<u>1,331,066</u>	<u>1,320,689</u>	<u>1,281,557</u>	<u>1,233,477</u>	<u>113,663</u>	<u>110,670</u>
<u>\$ 20,957,716</u>	<u>\$ 21,826,856</u>	<u>\$ 23,181,759</u>	<u>\$ 23,900,708</u>	<u>\$ 23,777,809</u>	<u>\$ 23,777,752</u>

## CITY OF DES PLAINES

### PRINCIPAL PROPERTY TAX PAYERS Current Calendar Year and Nine Years Ago

December 31, 2013

<u>Taxpayer</u>	<u>Type of Business/Property</u>	<u>2012 Equalized Assessed Valuation</u>	<u>Percentage of Total Taxable Assessed Value</u>
Universal Oil Products Tax Department	Chemicals	\$ 29,327,706	1.44%
Individual	Real Property	13,340,005	0.65%
MLRP Messenger LLC	Real Property	18,263,853	0.90%
O'Hare Lakes Office Plaza LLC	Office Complex	21,810,925	1.07%
Juno Lighting Inc	Lighting Products	14,259,341	0.70%
Crane and Norcross	Real Estate	18,588,233	0.91%
Abbott Labs	Medical Laboratories	11,919,909	0.58%
First Washington Mgmt	Real Estate		
Sysco Food Services	Food Wholesalers		
SBC Ameritech	Real Property	8,996,069	0.44%
Midwest Gaming	Real Property	62,021,247	3.04%
Apple Reit Ten	Real Property	8,800,326	0.43%
Met Life Escrow Dept	Office Complex		
Great Lakes Reit Inc	Real Estate		
Trammel Crow Co	Real Estate		
Total		<u>\$ 207,327,614</u>	<u>10.16%</u>

Data Sources

(1) Cook County Clerk

2003 Equalized Assessed Valuation	Percentage of Total Taxable Assessed Value
\$ 36,192,649	2.06%
12,494,379	0.71%
30,731,243	1.75%
10,870,353	0.62%
10,414,173	0.59%
10,580,161	0.60%
10,369,735	0.59%
16,909,546	0.96%
16,113,358	0.92%
12,523,597	0.71%
<u>\$ 167,199,194</u>	<u>9.49%</u>

# CITY OF DES PLAINES

## PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Calendar Years December 31, 2013

Year of Collections	Tax Levy Year	Total Tax Levy (1)	Collections of Current Years' Taxes During Fiscal Period	Percentage of Levy Collected Fiscal Period (1)	Collections in Subsequent Fiscal Periods (2)
2004	2003	\$ 15,260,373	\$ 15,078,645	98.34%	\$ 269,029
2005	2004	16,299,049	16,336,965	100.23%	(293,477)
2006	2005	17,583,947	17,619,047	100.20%	(169,893)
2007	2006	18,979,823	18,807,403	99.09%	118,222
2008	2007	20,322,682	20,312,823	99.95%	168,399
2009	2008	21,166,699	20,281,220	95.82%	1,164,169
2010	2009	22,482,862	19,900,679	88.51%	2,709,233
2011	2010	23,181,760	23,930,344	103.23%	(418,741)
2012	2011	23,181,760	23,423,462	101.04%	133,365
2013	2012	23,083,150	23,119,146	100.16%	-

**Notes:**

(1) Total tax levy does not include the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs. The City may receive a portion of this "loss levy," and therefore, the percentage of levy collected may exceed 100%.

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

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

Source: Cook County Clerk

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	<u>Total Collections</u>	<u>Ratio of Total Collections to Tax Levy</u>
\$	15,347,674	100.57%
	16,043,488	98.43%
	17,449,154	99.23%
	18,925,625	99.71%
	20,481,222	100.78%
	21,445,389	101.32%
	22,609,912	100.57%
	23,511,603	101.42%
	23,556,827	101.62%
	23,119,146	100.16%

## CITY OF DES PLAINES

### PROPERTY VALUE AND CONSTRUCTION Last Ten Calendar Years December 31, 2013

Calendar Year	<u>Construction (1)</u>						Total Value of All Construction (including Commercial)
	Property Value (2)	<u>Single Family</u>		<u>Multi Family</u>			
		Number of Permits	Value	Number of Permits	Value		
2004	\$ 5,282,857	48	\$ 17,166	29	\$ 63,455	\$ 174,657	
2005	5,923,421	47	18,994	153	67,714	136,586	
2006	6,298,412	36	14,519	10	20,081	115,998	
2007	6,330,209	19	7,159	5	26,617	114,259	
2008	7,402,465	3	1,077	7	4,874	69,112	
2009	7,885,844	4	1,840	8	7,043	39,675	
2010	7,585,351	4	1,342	5	5,234	189,135	
2011	7,184,104	2	1,002	9	6,022	50,293	
2012	6,553,065	2	1,153	4	2,860	29,994	
2013	6,119,879	3	1,424	7	5,459	39,964	

*Source:*

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

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

*Property Values in Thousands.*

## CITY OF DES PLAINES

### TAXABLE SALES BY CATEGORY Last Ten Calendar Years December 31, 2013

#### Taxable Sales

	2004	2005	2006	2007	2008
General merchandise	\$ 75,693,674	\$ 72,371,754	\$ 67,575,860	\$ 72,349,187	\$ 71,506,904
Food stores	97,536,943	105,023,780	107,634,554	111,530,323	115,184,430
Drinking & eating places	67,689,011	72,432,529	81,943,708	81,685,374	75,402,995
Apparel	2,027,145	2,638,151	3,461,525	3,337,621	4,060,854
Furniture, household & radio	9,072,989	10,806,660	7,685,148	8,003,659	5,203,117
Lumber, building & hardware	32,004,002	36,796,001	39,117,507	36,036,504	33,272,081
Automotive & filling stations	188,702,457	206,285,264	212,204,995	216,995,152	208,453,378
Drugs and miscellaneous retail	96,348,194	86,526,477	92,275,196	95,113,803	96,353,652
Agriculture & all others	136,163,547	135,355,631	146,835,031	138,711,660	134,998,089
Manufacturers	<u>75,375,283</u>	<u>82,206,231</u>	<u>79,989,845</u>	<u>84,243,953</u>	<u>84,953,341</u>
<b>Total</b>	<b>\$ 780,613,245</b>	<b>\$ 810,442,478</b>	<b>\$ 838,723,369</b>	<b>\$ 848,007,236</b>	<b>\$ 829,388,841</b>
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%

#### Municipal Tax Receipts

General merchandise	\$ 756,937	\$ 723,718	\$ 675,759	\$ 723,492	\$ 715,069
Food stores	975,369	1,050,238	1,076,346	1,115,303	1,151,844
Drinking & eating places	676,890	724,325	819,437	816,854	754,030
Apparel	20,271	26,382	34,615	33,376	40,609
Furniture, household & radio	90,730	108,067	76,851	80,037	52,031
Lumber, building & hardware	320,040	367,960	391,175	360,365	332,721
Automotive & filling stations	1,887,025	2,062,853	2,122,050	2,169,952	2,084,534
Drugs and miscellaneous retail	963,482	865,265	922,752	951,138	963,537
Agriculture & all others	1,361,635	1,353,556	1,468,350	1,387,117	1,349,981
Manufacturers	<u>753,753</u>	<u>822,062</u>	<u>799,898</u>	<u>842,440</u>	<u>849,533</u>
<b>Total</b>	<b>\$ 7,806,132</b>	<b>\$ 8,104,425</b>	<b>\$ 8,387,234</b>	<b>\$ 8,480,072</b>	<b>\$ 8,293,888</b>
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%

Source: Illinois Department of Revenue

Notes:

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

	2009	2010	2011	2012	2013
\$	68,245,197	\$ 77,133,600	\$ 65,039,100	\$ 82,451,794	\$ 84,312,307
	110,595,806	109,545,800	125,744,900	127,806,151	124,996,898
	69,952,773	72,412,500	72,985,400	74,194,121	73,037,730
	3,667,463	3,651,200	19,819,600	2,996,674	2,642,396
	3,309,420	3,140,400	3,258,200	2,632,102	3,223,992
	22,639,578	26,054,600	26,991,600	31,747,475	32,356,025
	171,775,263	162,573,900	182,879,100	211,968,095	199,656,247
	90,516,552	125,128,400	76,114,400	106,200,248	495,625,797
	142,402,854	143,730,700	161,674,000	213,750,496	224,023,628
	<u>69,486,089</u>	<u>61,629,100</u>	<u>46,963,600</u>	<u>23,956,283</u>	<u>8,232,122</u>
\$	<u>752,590,995</u>	<u>785,000,200</u>	<u>781,469,900</u>	<u>877,703,439</u>	<u>1,248,107,142</u>
	1.00%	1.00%	1.00%	1.00%	1.00%

\$	682,452	\$ 771,336	\$ 650,391	\$ 824,518	\$ 843,123
	1,105,958	1,095,458	1,257,449	1,278,062	1,249,969
	699,528	724,125	729,854	741,941	730,377
	36,675	36,512	198,196	29,967	26,424
	33,094	31,404	32,582	26,321	32,240
	226,396	260,546	269,916	317,475	323,560
	1,717,753	1,625,739	1,828,791	2,119,681	1,996,562
	905,166	1,251,284	761,144	1,062,002	4,956,258
	1,424,029	1,437,307	1,616,740	2,137,505	2,240,236
	<u>694,861</u>	<u>616,291</u>	<u>469,636</u>	<u>239,563</u>	<u>82,321</u>
\$	<u>7,525,910</u>	<u>7,850,002</u>	<u>7,814,699</u>	<u>8,777,034</u>	<u>12,481,071</u>
	1.00%	1.00%	1.00%	1.00%	1.00%



## CITY OF DES PLAINES

### RATIO OF OUTSTANDING DEBT BY TYPE (1) Last Ten Calendar Years December 31, 2013

Fiscal Year	Governmental Activities						
	Debt Service General Obligation Bonds	Tax Increment Financing General Obligation Bonds	Tax Increment Financing Capital Appreciation Bonds (2)	Capital Projects General Obligation Bonds	Equipment Replacement Installment Notes Payable	Tax Increment Revenue Note Incentive Agreement	Short Term Note Payable
2004	\$ 10,527,469	\$ 35,545,000	\$ -	\$ 34,545,000	\$ 600,000	\$ 840,313	\$ -
2005	9,109,623	50,755,000	-	39,120,000	450,000	805,508	-
2006	7,843,230	42,205,000	-	43,070,000	300,000	768,876	-
2007	6,621,986	45,950,000	-	34,495,000	512,511	778,445	5,500,000
2008	5,340,000	43,140,000	-	31,750,000	287,617	735,201	-
2009	4,125,000	38,540,000	3,185,285	28,900,000	459,597	689,675	6,500,000
2010	2,905,000	31,545,000	9,734,245	26,030,000	365,820	641,760	-
2011	875,000	28,880,000	10,225,477	22,930,000	268,651	591,330	-
2012	800,000	27,415,000	10,561,878	18,540,000	212,500	538,252	-
2013	725,000	32,675,000	10,929,315	11,745,000	200,000	482,387	-

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

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

Source: Audited financial statements

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Business-type Activities

<u>Water General Obligation Bonds</u>	<u>Water Installment Notes Payable</u>	<u>Total Primary Government</u>	<u>Outstanding Debt as Percentage of Personal Income</u>	<u>Outstanding Debt Per Capita</u>	<u>Personal Income (thousands) of dollars</u>	<u>Population</u>
\$ 3,767,531	\$ 605,000	\$ 86,430,313	2.83%	\$ 1,518	\$ 3,054,416	56,945
3,335,377	405,000	103,980,508	3.40%	1,826	3,054,416	56,945
2,826,770	205,000	97,218,876	3.18%	1,707	3,054,416	56,945
2,313,014	-	96,170,956	3.05%	1,638	3,149,087	58,710
1,790,000	-	83,042,818	2.64%	1,414	3,149,087	58,710
1,455,000	-	83,854,557	2.66%	1,428	3,149,087	58,710
1,100,000	-	72,321,825	2.18%	1,239	3,319,219	58,364
730,000	-	64,500,458	1.94%	1,105	3,319,219	58,364
365,000	-	58,432,630	1.76%	1,001	3,319,219	58,364
-	-	56,756,702	1.71%	972	3,319,219	58,364

## CITY OF DES PLAINES

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

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Fiscal Year	Population (1)	Equalized Assessed Value (2)	Net General Obligation Bonded Debt (3)	Ratio of Bonded Debt to Equalized Assessed Value	Bonded Debt Per Capita
2004	56,945	\$ 1,760,934,700	\$ 84,385,000	4.79	\$ 1,481.87
2005	56,945	1,974,454,012	102,320,000	5.18	1,796.82
2006	56,945	2,099,449,704	95,945,000	4.57	1,684.87
2007	58,710	2,110,069,506	89,380,000	4.24	1,522.40
2008	58,710	2,467,463,828	82,020,000	3.32	1,397.04
2009	58,710	2,628,588,594	76,205,285	2.90	1,297.99
2010	58,364	2,526,387,003	71,314,245	2.82	1,221.89
2011	58,364	2,392,169,028	63,640,477	2.66	1,090.41
2012	58,364	2,184,333,304	57,681,878	2.64	988.31
2013	58,364	2,039,939,367	56,074,315	2.75	960.77

Data Source

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

(2) Cook County Clerk

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

## CITY OF DES PLAINES

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

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to Total General Expenditures
2004	\$ 2,888,295	\$ 1,508,762	\$ 4,397,057	\$ 60,894,727	7.22
2005	3,347,651	2,657,519	6,005,170	68,650,154	8.75
2006	4,064,047	3,099,818	7,163,865	68,969,875	10.39
2007	6,421,244	3,987,525	10,408,769	75,245,127	13.83
2008	7,225,134	3,801,758	11,026,892	74,928,477	14.72
2009	7,128,546	3,249,905	10,378,451	71,446,854	14.53
2010	6,801,692	2,588,960	9,390,652	66,340,077	14.16
2011	7,152,599	2,362,196	9,514,795	79,447,160	11.98
2012	6,259,229	2,055,352	8,314,581	85,029,226	9.78
2013	9,793,365	2,036,609	11,829,974	91,016,074	13.00

*Notes :*

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

Data Source

*City of Des Plaines Annual Financial Reports*

# CITY OF DES PLAINES

## SCHEDULE FOR DIRECT AND OVERLAPPING DEBT December 31, 2013

<u>Governmental Unit</u>	<u>Outstanding Bonds (1)</u>	<u>Applicable to the City Percent (2)</u>	<u>Amount</u>
City of Des Plaines	\$ 56,074,315	100.00%	\$ 56,074,315
Cook County	\$ 3,706,435,000	1.50%	\$ 55,596,525
Cook County Forest Preserve	187,950,000	1.50%	2,819,250
Water Reclamation District	2,238,816,507	1.53%	34,253,893
Des Plaines Park District	7,158,960	92.99%	6,657,117
Elk Grove Park District	15,305,000	0.69%	105,605
Mt. Prospect Park District	14,070,000	19.77%	2,781,639
School District No. 26	13,440,000	8.01%	1,076,544
School District No. 57	10,600,000	1.44%	152,640
School District No. 59	13,455,000	11.71%	1,575,581
School District No. 62	103,215,000	91.08%	94,008,222
School District No. 64	10,780,000	0.00%	(3) 140
High School District 207	5,870,000	34.83%	2,044,521
High School District 214	71,550,000	3.95%	2,826,225
Community College District 512	182,990,000	1.80%	3,293,820
Subtotal - Overlapping Debt	<u>6,581,635,467</u>		<u>207,191,721</u>
Total Direct and Overlapping Debt	<u>\$ 6,637,709,782</u>		<u>\$ 263,266,036</u>

*Notes:*

*(1) Outstanding principal of general obligation bonds as of December 31, 2013. 100% of the principal of outstanding general obligation bonds of overlapping taxing district have been displayed in this schedule.*

*(2) Applicable percentages are based on 2012 assessed valuations and were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.*

*(3) Percentage equals .0013%*

Data Sources

Assessed Valuation - Cook County Clerk  
Outstanding bonds - Cook County Clerk

# CITY OF DES PLAINES

## DEMOGRAPHIC STATISTICS Last Ten Calendar Years

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Fiscal Year	Population (1)	Personal Income (thousands) (1)	Median Household Income (1)	Per Capita Income (1)
2004	56,945	\$ 3,054,416	\$ 53,638	\$ 24,146
2005	56,945	3,054,416	53,638	24,146
2006	56,945	3,054,416	53,638	24,146
2007	58,710	3,149,087	53,638	24,146
2008	58,710	3,149,087	53,638	24,146
2009	58,710	3,149,087	53,638	24,146
2010	58,364	3,319,219	56,871	27,562
2011	58,364	3,319,219	56,871	27,562
2012	58,364	3,319,219	56,871	27,562
2013	58,364	3,319,219	56,871	27,562

Data Sources

(1) U.S. Census Bureau.

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

(3) Bureau of Labor Statistics

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<u>Median Age (1)</u>	<u>Education Level in Years of Schooling</u>	<u>School Enrollment (2)</u>	<u>Unemploy- ment Rate (3)</u>
39.7	12+	8,808	6.0
39.7	12+	8,759	5.9
39.7	12+	8,451	4.2
39.7	12+	8,384	4.5
39.7	12+	8,394	5.8
39.7	12+	8,414	10.1
42.0	12+	8,540	10.3
42.0	12+	8,000	9.2
42.0	12+	8,490	8.4
42.0	12+	7,836	8.0

# CITY OF DES PLAINES

## PRINCIPAL EMPLOYERS Current Year and Nine Years Ago December 31, 2013

Employer	2013		Percentage City Total Employment
	Employees (1)	Rank	
Universal Oil Products	1500	1	3.9%
Rivers Casino	1449	2	3.8%
Swissport USA	1000	3	2.6%
Holy Family	1036	4	2.7%
Oakton Community College	990	5	2.6%
Sysco Food Services	650	6	1.7%
Wheels Inc.	650	6	1.7%
Hart Schaffner & Marx	550	7	1.4%
Abbot Molecular	500	9	1.3%
Juno Lighting	400	10	1.0%
Symons Corp			
Littel Fuse			
Ciba Vision			
United Stationers			
Merkle-Korff Industries			
<b>Total</b>	<b>8,725</b>		<b>22.9%</b>
<b>City Total Employment (2)</b>	<b>38,106</b>		<b>22.9%</b>

(1) 2013 Illinois Manufacturer's Directory, 2013 Illinois Services Directory,  
and Individual Employers Approximations

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



<u>2004</u>		
Employees	Rank	Percentage City Total Employment
2,000	1	4.7%
1,036	2	2.5%
990	4	2.3%
750	7	1.8%
725	8	1.7%
1,000	3	2.4%
900	5	2.1%
800	6	1.9%
700	9	1.7%
675	10	1.6%
<u>9,576</u>		<u>22.7%</u>
<u>42,252</u>		<u>22.7%</u>

**CITY OF DES PLAINES**

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
Last Ten Calendar Years  
December 31, 2013

		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Function/Program</b>	<i>Note</i>										
Legislative (merged in 2009)	(1)	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
City Clerk (merged in 2009)	(1)	4.00	5.00	4.00	3.00	3.00	-	-	-	-	-
Elected Office (new dept. in 2009)	(1)	-	-	-	-	-	3.00	3.00	2.75	3.00	3.00
General Government											
Manager's Department		15.00	16.50	16.00	17.00	20.00	20.50	16.50	16.75	16.75	14.75
Finance		10.50	17.25	16.25	15.75	14.50	14.00	14.00	14.00	14.00	14.00
Police											
Officers		106.00	103.00	105.00	105.00	105.00	105.00	96.00	95.00	95.00	95.00
Civilians		39.50	26.75	25.75	27.25	25.75	25.00	22.00	21.00	21.00	21.00
Fire											
Firefighters and officers		88.00	88.00	88.00	97.00	98.00	98.00	96.00	96.00	96.00	96.00
Civilians		5.50	5.50	5.50	6.50	6.50	6.50	2.50	2.50	2.50	2.50
Public Works and Engineering											
Engineering (merged in 2009)	(1)	11.75	13.00	13.00	13.50	9.75	-	-	-	-	-
Public works (merged in 2009)	(1)	94.63	88.00	88.00	90.50	94.75	-	-	-	-	-
Public Works & Engineering (new)	(1)	-	-	-	-	-	96.25	82.25	79.25	79.25	79.50
Community Development		17.50	18.50	18.50	18.75	22.00	20.00	18.00	16.00	16.00	16.00
EMA		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
DPECC (new dept. in 2013)		-	-	-	-	-	-	-	-	-	22.75
Subtotal		394.38	383.50	382.00	396.25	401.25	389.25	351.25	344.25	344.50	365.50
Library		87.00	90.00	90.00	90.00	90.00	75.80	72.40	66.50	64.80	64.80
Total		481.38	473.50	472.00	486.25	491.25	465.05	423.65	410.75	409.30	430.30

Source: Finance Department Budget documents

Notes:

- (1) In 2009, the City merged the Legislative Dept. and City Clerk Dept into the Elected Office Dept. In addition, the City merged the Engineering Dept. and Public Works Dept. into the Public Works & Engineering Dept.  
 (2) In 2013, the Des Plaines Emergency Communications Center (DPECC) was formed.

## CITY OF DES PLAINES

### OPERATING INDICATORS BY FUNCTION / PROGRAMS Last Ten Calendar Years December 31, 2013

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Police</b>				
Physical arrests (1)	738	1,236	2,013	2,679
Compliance and Parking Violations	15,330	16,421	17,818	15,290
Traffic violations	10,800	11,728	11,214	16,119
<b>Fire</b>				
Emergency Medical Calls	4,606	4,969	5,167	5,038
Fires/Reports of Fires	2,156	2,298	2,276	2,610
Inspections	925	963	6,138	7,226
<b>Engineering</b>				
Street resurfacing (square yards)	8,000	7,500	6,600	37,000
Sidewalks removed & replaced (sq ft)	80,000	50,000	78,000	21,000
Snow and ice control (tons of salt)	3,467	4,359	1,676	5,026
<b>Community Development</b>				
Building permits issued	3,890	3,895	3,582	3,267
Overall inspection totals	19,514	21,380	19,191	14,463
<b>Health</b>				
Home health visits	83	58	55	90
<b>Library</b>				
Volumes in collection (3)	301,437	301,546	312,469	313,696
Total volumes borrowed	1,083,691	1,077,145	1,100,133	1,088,404
Total annual attendance	550,517	521,881	577,554	509,668
Total resident library cards still active	34,727	35,205	35,765	35,427
<b>Water</b>				
Water Main Breaks	96	169	74	128
New Connections	26	76	70	65
Number of Consumers	16,303	16,497	17,086	16,983
Miles of Water Mains	235	235	237	241
Average daily consumption (gallons)	7,768,744	8,458,430	7,702,836	7,639,118
Daily average consumption per Capita (gallons)	136	136	135	130
Number of Fire Hydrants	2,583	2,583	2,597	2,615
<b>Sewer</b>				
Sanitary sewer replaced (linear feet)	1,500	1,500	300	300
Sanitary sewer televised (linear feet)	28,900	59,782	26,446	5,187
Sanitary sewer cleaned (linear feet)	186,333	364,360	403,483	267,301
Sanitary sewer lined (linear feet)	-	-	4,954	-
<b>Municipal Parking Lots</b>				
Metra (2)	38,283	54,435	50,815	47,225
City Owned (2)	21,027	10,384	19,618	34,714
<b>Transit</b>				
Taxi Cab cards issued (4)	244	481	420	324
Number of participants in the Subsidized Taxi Voucher Program (4)	-	-	-	-
Handicapped Placards issued	43	59	40	67

Source: Various City departments

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

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

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

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

2008	2009	2010	2011	2012	2013
2,726	2,783	1,629	1,279	2,208	1,150
18,250	18,823	14,926	16,228	13,656	12,871
12,756	12,688	11,461	7,309	6,643	5,506
5,209	4,718	4,943	5,244	5,451	5,487
2,502	2,123	2,041	2,439	2,144	2,046
6,878	7,137	1,534	4,962	4,304	4,312
76,000	49,000	55,400	51,500	29,700	60,903
50,000	84,000	43,500	37,000	69,300	141,162
8,427	4,292	3,782	1,781	1,143	6,350
2,988	2,756	8,229	3,366	2,679	2,956
14,632	13,871	16,010	15,804	15,804	12,760
134	111	121	119	91	79
305,471	355,095	257,661	263,736	257,406	255,559
1,111,558	1,261,249	1,171,013	1,176,477	1,173,113	1,133,142
500,618	542,092	582,096	598,389	575,017	564,257
35,266	35,728	33,135	33,784	34,440	34,347
101	89	110	96	170	141
13	30	65	40	20	30
17,387	17,399	17,441	17,036	17,218	17,248
245	247	247	221	221	221
7,913,061	6,894,000	6,761,000	6,752,000	7,188,000	6,718,635
135	117	115	116	123	115
2,628	2,609	2,679	2,681	2,350	2,350
154	1,022	88	65	341	1,164
14,270	24,951	42,322	43,406	37,310	27,733
93,679	177,439	204,470	131,496	179,998	98,777
6,635	-	12,037	3,420	10,045	-
50,563	47,794	54,294	43,257	49,669	48,591
33,612	25,581	17,275	17,283	20,173	34,885
305	296	275	-	-	-
-	-	-	780	938	1,076
62	66	75	66	40	45

# CITY OF DES PLAINES

## CAPITAL ASSETS STATISTICS BY FUNCTION Last Ten Calendar Years December 31, 2013

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Police			
Station	1	1	1
Sworn Police Officers	103	103	105
Fire Stations			
Station	3	3	3
Sworn Firefighters	92	92	92
Other Public Works			
Streets (miles)**	145	145	145
Streetlights*			576
Traffic Signals	1	1	1
Water			
Water mains (miles)	235	235	237
Fire hydrants	2,583	2,583	2,597
Storage capacity (millions of gallons)	19	19	19

\* These items were not tracked previous to 2006.

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

Source: Various City departments

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
1	1	1	1	1	1	1
105	105	105	94	93	93	93
3	3	3	3	3	3	3
102	102	98	95	92	92	92
145	145	145	145	145	145	145
680	680	732	738	722	723	723
1	2	2	2	2	2	2
237	245	247	247	221	221	221
2,615	2,628	2,609	2,679	2,681	2,350	2,350
19	19	19	19	19	19	19

## CITY OF DES PLAINES

WATER SOLD  
Last Ten Calendar Years  
(in thousands)  
December 31, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Gallons sold</u>				
Residential	1,340,980	1,341,733	1,852,194	1,435,498
Commercial	626,560	627,368	597,343	710,984
Industrial	<u>343,278</u>	<u>461,071</u>	<u>333,270</u>	<u>241,646</u>
Totals	<u>2,310,818</u>	<u>2,430,172</u>	<u>2,782,807</u>	<u>2,388,128</u>
Water rate per 1,000 gallons	\$3.61	\$3.79	\$3.88	\$3.88
Storm Sewer rate per 1,000 gallons	\$0.76	\$0.76	\$0.76	\$0.76

*Source: City of Des Plaines Water Consumption Report*

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
1,357,309	1,332,430	1,280,062	1,274,242	1,448,567	1,258,528
598,489	495,175	516,464	494,478	486,179	470,197
<u>253,998</u>	<u>144,665</u>	<u>128,891</u>	<u>131,321</u>	<u>112,454</u>	<u>113,281</u>
<u>2,209,796</u>	<u>1,972,270</u>	<u>1,925,417</u>	<u>1,900,041</u>	<u>2,047,200</u>	<u>1,842,006</u>
\$4.08	\$4.32	\$4.56	\$4.56	\$5.45	\$5.82
\$0.76	\$0.76	\$1.20	\$1.20	\$1.20	\$1.20



# CITY OF DES PLAINES

## MISCELLANEOUS STATISTICS

December 31, 2013

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Date of incorporation (Town of Rand)	1857
Form of government	City Manager
Building permits:	
Permits issued	2,956
Estimated value	\$39,963,650
Fire protection:	
Number of stations	3
Number of sworn firefighters	92
Police protection:	
Number of stations	1
Number of sworn police officers	93
Municipal water plant	
Number of consumers	17,248
Daily average consumption (gallons)	7,188,000
Daily average consumption per capita (gallons)	123
Miles of water mains	221
Number of fire hydrants	2,350
Employees as of December 31	
Full time	352.00
Part time	13.50
Total	365.50 (1)
Population	
1880	818
1890	986
1900	1,666
1910	2,348
1920	3,451
1930	8,798
1940	9,518
1950	14,994
1960	34,886
1970	57,237
1980	53,568
1990	53,414
2000	56,945
2007	58,710
2010	58,364

# CITY OF DES PLAINES

## MISCELLANEOUS STATISTICS

December 31, 2013

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### Area and land use - City of Des Plaines

Total area December 31, 2013 - 9,198.54 acres or 14.3 square miles (Based on municipal boundary data.)

### Distribution of land uses

	<u>Acres</u>	<u>Percent of Total</u>
Residential	3,952	43.3%
Manufacturing	1,431	15.7%
Wholesale and retail Commercial services	Combined with Commercial Services 713	7.8%
Education and recreation	1,447	15.9%
Streets, alleys, and railroads	<u>1,143</u>	<u>12.5%</u>
 Total developed	 8,686	 95.3%
 Vacant land	 <u>433</u>	 <u>4.7%</u>
 Total	 <u><u>9,119</u></u>	 <u><u>100.0%</u></u>

### Data Sources

*U.S. Census Bureau and Various City Departments.*

*(1) Full-Time Equivalent Employees, not including the Library.*

**OTHER INFORMATION**

**CONTINUING DISCLOSURE- ANNUAL FINANCIAL INFORMATION**

**2014 DISCLOSURE**

**Relating to**

**CITY OF DES PLAINES**

**Cook County, Illinois**

**CUSIP NUMBER 250217**

**\$2,250,000 General Obligation Taxable General Obligation Bonds, Series 2003C**

**\$5,550,000 General Obligation Bonds, Series 2005A**

**\$2,330,000 General Obligation Refunding Bonds, Series 2005C**

**\$14,650,000 General Obligation Refunding Bonds, Series 2005D**

**\$500,000 Taxable General Obligation Bonds, Series 2005G**

**\$6,065,000 General Obligation Refunding Bonds, Series 2007A**

**\$1,660,000 General Obligation Refunding Bonds, Series 2007B**

**\$2,575,000 Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A**

**\$3,173,084 Taxable General Obligation Refunding Bonds, Series 2009A (Capital Appreciation)**

**\$4,175,000 General Obligation Refunding Bonds, Series 2009B**

**\$3,945,000 General Obligation Refunding Bonds, Series 2010A**

**\$6,110,760 General Obligation Refunding Bonds, Series 2010B (Capital Appreciation)**

**\$3,540,000 General Obligation Refunding Bonds, Series 2011**

**\$3,765,000 General Obligation Refunding Bonds, Series 2012**

**and**

**\$7,945,000 Taxable General Obligation Refunding Bonds, Series 2013**

**For further information please contact:**

**Ms. Dorothy Wisniewski**

**Director of Finance**

**City of Des Plaines**

**1420 Miner Street**

**Des Plaines, Illinois 60016-4498**

**Telephone Number: (847) 391-5317**

**Fax Number: (847) 391-5402**

**Email: [dwisniewski@desplaines.org](mailto:dwisniewski@desplaines.org)**

**4/14/14**

## Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 30	State Sales Tax Distributions(2)	Home Rule Sales Tax Distributions	Total Distributions	Percentage Change + (-)
2004 .....	\$7,869,504	\$3,881,000	\$11,750,504	2.12%(3)
2005 .....	7,819,815	3,970,243	11,790,058	0.34%
2006 .....	8,377,712	4,223,008	12,600,721	6.88%
2007 .....	8,333,032	5,517,995	13,851,027	9.92%
2008 .....	8,590,038	5,739,317	14,329,355	3.45%
2009 .....	7,940,514	5,200,163	13,140,676	(8.30%)
2010 .....	7,654,977	4,850,113	12,505,090	(4.84%)
2011 .....	7,846,363	4,882,813	12,729,177	1.79%
2012 .....	8,040,265	5,191,286	13,231,552	3.95%
2013 .....	8,881,733	5,550,747	14,432,481	9.08%
Growth from 2004 to 2013 .....				22.82%

- Notes: (1) Source: Illinois Department of Revenue.  
(2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Taxes, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.  
(3) The 2004 percentage is based on a 2003 sales tax receipts of \$11,506,141.

## DEBT INFORMATION

### General Obligation Debt – By Issue(1)

<u>Issue Date</u>	<u>Issue Name</u>	<u>Principal Outstanding</u>	<u>Supported By</u>
9/3/2003 .....	Taxable General Obligation Bonds, Series 2003C .....	\$ 1,940,000	TIF Revenues
1/3/2005 .....	General Obligation Bonds, Series 2005A .....	2,670,000	TIF Revenues
2/1/2005 .....	General Obligation Refunding Bonds, Series 2005D .....	7,365,000	Sales & Utility Taxes/Fees
6/1/2005 .....	General Obligation Bonds, Series 2005G .....	325,000	TIF Revenues
10/23/2007 .....	General Obligation Refunding Bonds, Series 2007A.....	3,370,000	Property Taxes/ Sales & Utility Taxes/Fees
10/23/2007 .....	General Obligation Refunding Bonds, Series 2007B.....	915,000	Property Taxes/TIF Revenues
4/1/2008 .....	Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A .....	1,335,000	TIF Revenues
11/3/2009 .....	Taxable General Obligation Refunding Bonds, Series 2009A.....	2,860,685	TIF Revenues
11/3/2009 .....	General Obligation Refunding Bonds, Series 2009B.....	1,010,000	Sales & Utility Taxes/Fees
1/6/2010 .....	General Obligation Refunding Bonds, Series 2010A.....	3,945,000	TIF Revenues
1/6/2010 .....	General Obligation Refunding Bonds, Series 2010B.....	6,110,760	TIF Revenues
12/22/2011 .....	General Obligation Refunding Bonds, Series 2011 .....	2,985,000	TIF Revenues
12/18/2012 .....	General Obligation Refunding Bonds, Series 2012 Bonds.....	3,310,000	TIF Revenues
12/17/2013 .....	Taxable General Obligation Refunding Bonds, Series 2013 .....	<u>7,945,000</u>	TIF Revenues
Total .....		\$46,086,444	
Less Self Supporting .....		<u>(45,361,444)</u>	
Tax Supported Debt .....		\$ 725,000	

Note: (1) Source: the City.

**General Obligation Bonded Debt(1)**  
(Principal Only)

Calendar Year	Total	Self- Supporting	Tax Supported	Cumulative Retirement	
				Amount	Percent
2014	\$ 4,854,281	\$ 4,774,281	\$ 80,000	\$ 80,000	11.03%
2015	4,971,357	4,886,357	85,000	165,000	22.76%
2016	4,520,154	4,435,154	85,000	250,000	34.48%
2017	5,298,556	5,213,556	85,000	335,000	46.21%
2018	6,049,198	5,959,198	90,000	425,000	58.62%
2019	4,326,162	4,231,162	95,000	520,000	71.72%
2020	4,475,637	4,375,637	100,000	620,000	85.52%
2021	3,397,360	3,292,360	105,000	725,000	100.00%
2022	2,164,790	2,164,790	0		
2023	1,579,584	1,579,584	0		
2024	1,213,041	1,213,041	0		
2025	1,179,295	1,179,295	0		
2026	1,207,030	1,207,030	0		
2027	415,000	415,000	0		
2028	435,000	435,000	0		
Total	\$46,086,444	\$45,361,444	\$725,000		

Note: (1) Source: the City.

**Detailed Overlapping Bonded Debt(1)**

	Total Debt(2)	Applicable to the City	
		Percent(3)	Amount
<b>Schools:</b>			
School District 26	\$ 13,440,000	8.01%	\$ 1,076,544
School District No. 57	10,600,000	1.44%	152,640
School District No. 59	13,455,000	11.71%	1,575,581
School District No. 62	103,215,000	91.08%	94,008,222
School District No. 64	10,780,000	0.00%(4)	140
High School District No. 207	5,870,000	34.83%	2,044,521
High School District No. 214	71,550,000	3.95%	2,826,225
Harper Community College District No. 512	182,990,000	1.80%	3,293,820
Total Schools			\$104,977,693
<b>Other:</b>			
Cook County	3,706,435,000	1.50%	\$ 55,596,525
Cook County Forest Preserve District	187,950,000	1.50%	2,819,250
Metropolitan Water Reclamation District	2,238,816,507	1.53%	34,253,893
Elk Grove Park District	15,305,000	0.69%	105,605
Des Plaines Park District	7,158,960	92.99%	6,657,117
Mt. Prospect Park District	14,070,000	19.77%	2,781,639
Total Others			\$102,214,028
Total Overlapping Debt			\$207,191,721

- Notes: (1) Source: Cook County Clerk.  
(2) As of October 17, 2013.  
(3) Percentage based on 2012 EAV's, the most current available.  
(4) Percentage equals 0.0013%.

**Statement of Bonded Indebtedness(I)**  
(As of February 12, 2014)

	Amount Applicable	Ratio To		Per Capita (2010 Census 58,364)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2012 .....	\$2,039,939,367	100.00%	33.33%	\$ 34,952.01
Estimated Actual Value, 2012 .....	\$6,119,818,101	300.00%	100.00%	\$104,856.04
Total Direct Bonded Debt.....	\$ 46,086,444	2.26%	0.75%	\$ 789.64
Less: Self Supporting .....	(45,361,444)	(2.22%)	(0.74%)	(777.22)
Net Direct Debt .....	\$ 725,000	0.04%	0.01%	\$ 12.42
Overlapping Bonded Debt(2):				
Schools .....	\$ 104,977,693	5.15%	1.72%	\$ 1,798.67
Other .....	102,214,028	5.01%	1.67%	1,751.32
Total Overlapping Bonded Debt.....	\$ 207,191,721	10.16%	3.39%	\$ 3,549.99
Total Direct and Overlapping Bonded Debt .....	\$ 207,916,721	10.19%	3.40%	\$ 3,562.41

Note: (1) Source: Cook County Clerk.  
(2) As of October 17, 2014.

**PROPERTY ASSESSMENT AND TAX INFORMATION**

**City Equalized Assessed Valuation(I)**

Property Class	Levy Years				
	2008	2009	2010(2)	2011	2012
Residential .....	\$1,445,674,164	\$1,511,280,909	\$1,414,639,043	\$1,320,637,690	\$1,219,894,729
Farm .....	0	0	0	0	0
Commercial .....	539,653,907	474,846,756	451,436,196	378,063,481	347,645,864
Industrial.....	641,428,908	540,260,183	526,094,614	483,073,522	469,850,112
Railroad.....	1,831,615	2,037,298	2,507,411	2,558,611	2,548,662
Total .....	\$2,628,588,594	\$2,528,425,146	\$2,394,677,264	\$2,184,333,304	\$2,039,939,367
Percent Change +/-...	6.53%	(3.81%)	(5.29%)	(8.78%)	(6.61%)

Notes: (1) Source: Cook County Clerk.  
(2) Levy year was a triennial reassessment year.  
(3) Percentage change based on 2007 EAV of \$2,467,463,828.

**Equalized Assessed Valuation by Township(I)**

	2012			
	Elk Grove	Maine	Wheeling	Total
Real Estate Property.....	\$340,543,871	\$1,653,678,938	\$43,167,099	\$2,037,389,908
Pollution Control District.....	0	797	0	797
Railroad Property .....	0	2,548,662	0	2,548,662
Total .....	\$340,543,871	\$1,656,228,397	\$43,167,099	\$2,039,939,367

Note: (1) Source: Cook County Clerk.

**Representative Tax Rates(1)**  
(Per \$100 EAV)

City Rates:	Levy Years				
	2008	2009	2010	2011	2012
General Corporate(2)	\$0.7801	\$0.8661	\$0.9466	\$1.0833	\$1.1603
Public Library	0.2595	0.2570	0.2800	0.3000	0.3170
Bonds and Interest	0.0502	0.0507	0.0515	0.0052	0.0054
Total City Rates(3)	\$1.0910	\$1.1740	\$1.2790	\$1.3890	\$1.4827
Cook County	0.4150	0.4150	0.4230	0.4620	0.5310
Cook County Forest Preserve	0.0510	0.0490	0.0510	0.0580	0.0630
Metropolitan Water Reclamation District	0.2520	0.2610	0.2740	0.3200	0.3700
Maine Township	0.1120	0.1170	0.1310	0.1490	0.1680
School District Number 62	2.3290	2.4920	2.7410	3.1070	3.4900
High School District Number 207	1.5770	1.6170	1.7820	1.9950	2.2150
Community College Number 535	0.1400	0.1400	0.1600	0.1960	0.2190
Des Plaines Park District	0.3000	0.3170	0.3380	0.3790	0.4250
Other Districts	0.0080	0.0080	0.0090	0.0350	0.0110
Total Tax Rates(4)	\$6.2750	\$6.5900	\$7.1880	\$8.0900	\$8.9747

- Notes: (1) Source: Cook County Clerk.  
(2) Includes Police and Firemen's Pension.  
(3) As a home rule municipality, the City has no statutory tax rate limits.  
(4) Representative tax rates for other government units are from Maine Township tax code 22028, which represents 64.3% of the City's 2012 EAV, the most recent available.

**City Tax Levies and Collections(1)**

Levy Year	Coll. Year	Taxes Levied(3)(4)	Total Collections(2)	
			Amount(4)	Percent
2008	2009	\$21,166,699	\$21,492,547	101.54%
2009	2010	22,482,862	22,774,391	101.30%
2010	2011	23,181,760	23,750,110	102.45%
2011	2012	23,181,760	23,423,462	101.04%
2012	2013(5)	23,083,150	23,525,932	101.92%

- Notes: (1) Source: Cook County Clerk and the City.  
(2) Total Collections reflect all monies attributable to the specific tax but distributed to the taxing body over a period of time. This is updated annually by the County Treasurer and therefore is subject to revision as the treasurer makes allocations in the future. Excludes refunds and includes taxes held in reserve and interest earnings.  
(3) Total tax levy does not include the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs. The City may receive a portion of this "loss levy", and therefore the percentage of levy collected may exceed 100%.  
(4) Levy amount and collections refer only to City, and not the Library Component Unit.  
(5) As of February 28, 2014.

**Large City Taxpayers(1)**

Taxpayer Name	Product/Business	2012 EAV(2)
Midwest Gaming	Casino Complex	\$ 62,021,247
Universal Oil Products	Chemicals Manufacturer, Catalysts Research and Development	29,327,706
O'Hare Lake Office Park LLC	Office Complex	21,810,925
Crane and Norcross	Attorneys at Law	18,588,233
MLRP Messenger LLC	Real Property	18,263,853
Juno Lighting	Lighting Products	14,259,341
Individual	Real Property	13,340,005
Abbott Labs	Medical Laboratories	11,919,909
SBC Ameritech	Real Property	8,996,069
Apple Reit Ten	Real Property	8,800,326
Total		\$207,327,614
Ten largest as a percent of the City's 2012 EAV (\$2,039,939,367)		10.16%

- Notes: (1) Source: Cook County Clerk.  
(2) Every effort has been made to reach and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2012 EAV is the most current available.



## FINANCIAL INFORMATION

### Statement of Net Assets Primary Government Governmental Activities

Audited As of December 31

	2008	2009	2010	2011	2012
<b>ASSETS:</b>					
Cash and Investments .....	\$ 11,680,473	\$ 21,048,313	\$ 28,509,566	\$ 39,425,620	\$ 65,799,739
Receivables, Net of Allowances For Uncollectibles .....	0	0	0	0	0
Property Taxes .....	29,209,787	29,476,448	33,290,779	29,847,630	27,673,960
Accounts .....	1,375,841	1,394,480	1,691,423	4,596,737	4,736,908
Accrued Interest .....	8,207	4,348	666	1,057	7,530
Other Taxes .....	1,365,222	1,202,916	1,314,919	1,402,193	1,336,337
Other .....	301,052	753,507	982,477	956,093	561,986
Prepaid Expenses .....	592,810	697,787	3,372,295	3,261,796	3,183,227
Due from Other Governments .....	6,645,889	6,441,978	6,595,058	6,817,175	6,884,906
Internal Balances .....	(92,634)	(428,758)	(464,648)	(477,562)	(484,170)
Deferred Charges .....	485,185	546,690	765,713	695,100	0
Net Pension Asset .....	460,128	727,227	937,828	1,244,308	1,442,870
Capital Assets Not Being Depreciated .....	73,123,073	73,373,128	78,625,349	72,860,664	72,860,664
Capital Assets, Being Depreciated .....	<u>102,226,176</u>	<u>100,171,379</u>	<u>98,457,758</u>	<u>111,326,234</u>	<u>112,291,363</u>
Total Assets .....	<u>\$227,381,209</u>	<u>\$235,409,443</u>	<u>\$254,079,183</u>	<u>\$271,957,045</u>	<u>\$296,295,320</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Deferred Amounts from Refunding of Debt .....	0	0	0	0	693,335
<b>LIABILITIES:</b>					
Accounts Payable .....	\$ 2,558,724	\$ 4,118,591	\$ 3,781,440	\$ 10,757,252	\$ 18,982,994
Accrued Liabilities .....	1,667,497	884,324	1,117,785	135,308	99,888
Accrued Payroll .....	0	204,987	208,333	1,236,079	1,277,237
Other Payables .....	0	269,137	0	0	0
Accrued Interest Payable .....	300,336	313,575	210,205	180,585	175,095
Unearned Revenue .....	28,907,128	29,144,543	30,054,362	29,845,858	264,466
Deposits Payable .....	162,669	286,308	69,042	47,754	46,382
Short Term Notes Payable .....	0	7,112,000	0	0	0
Accrued Pension Contributions .....	314,461	0	0	0	0
Long-Term Obligations:					
Due Within One Year .....	8,611,399	8,705,663	8,491,794	6,416,581	7,435,057
Due in More Than One Year .....	<u>75,318,167</u>	<u>70,020,175</u>	<u>66,064,563</u>	<u>61,482,515</u>	<u>55,779,769</u>
Total Liabilities .....	<u>\$117,840,381</u>	<u>\$121,059,303</u>	<u>\$109,997,524</u>	<u>\$110,101,932</u>	<u>\$ 84,060,888</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Deferred Property Tax Revenue .....	0	0	0	0	27,493,679
<b>NET ASSETS:</b>					
Investment in Capital Assets, Net of Related Debt .....	\$100,771,214	\$106,143,382	\$120,440,844	\$116,287,802	\$127,408,625
Restricted For:					
Streets and Highways .....	0	152,202	624,128	1,768,708	1,596,392
Public Safety .....	2,049,450	2,362,852	2,951,948	2,266,416	2,347,517
Economic Development .....	0	1,095,556	3,419,235	4,756,587	6,034,197
Debt Service .....	0	0	0	240,116	288,188
Unrestricted .....	<u>6,720,164</u>	<u>4,596,148</u>	<u>16,645,504</u>	<u>36,535,484</u>	<u>47,759,170</u>
Total Net Assets .....	<u>\$109,540,828</u>	<u>\$114,350,140</u>	<u>\$144,081,659</u>	<u>\$161,855,113</u>	<u>\$185,434,089</u>

**Statement of Activities  
Governmental Activities  
Net (Expense) Revenue and Changes in Net Assets**

	Audited Year Ended December 31				
	2008	2009	2010	2011	2012
<b>FUNCTIONS/PROGRAMS</b>					
<b>PRIMARY GOVERNMENT:</b>					
General Government.....	\$ (664,629)	\$ (289,549)	\$ 515,329	\$(10,479,088)	\$(20,102,402)
Public Safety .....	(32,170,577)	(34,007,194)	(32,071,707)	(33,959,029)	(33,760,877)
Public Works .....	(7,112,552)	(6,070,734)	(3,856,346)	(4,465,290)	(3,644,680)
Streets and Highways .....	(7,790,561)	(7,309,291)	6,585,361	(2,012,893)	(3,459,609)
Economic Development .....	(3,504,617)	(2,184,724)	(1,487,301)	(1,161,997)	(1,553,448)
Interest .....	(4,031,768)	(3,984,468)	(3,631,361)	(3,274,304)	(3,046,102)
Total Governmental Activities(1) .....	<u>\$(55,274,704)</u>	<u>\$(53,845,960)</u>	<u>\$(33,946,025)</u>	<u>\$(55,352,601)</u>	<u>\$(65,567,118)</u>
<b>GENERAL REVENUES:</b>					
Taxes:					
Property.....	\$ 26,700,637	\$ 27,934,060	\$ 29,117,255	\$ 29,671,822	\$ 28,841,683
Replacement .....	1,408,713	1,229,867	1,296,063	1,207,737	1,143,050
Sales .....	9,147,989	8,271,828	8,589,981	8,690,828	9,695,640
Utility .....	2,583,405	2,184,785	3,353,950	3,401,735	3,239,299
Income .....	5,446,073	4,686,475	4,580,927	4,515,411	5,376,774
Home Rule Sales .....	5,559,673	4,775,264	4,834,624	5,034,311	5,544,261
Food and Beverage Tax.....	953,597	897,541	911,865	1,059,647	1,236,942
Hotel/Motel .....	1,621,451	1,243,395	1,387,872	1,440,269	1,675,772
Real Estate Transfer .....	525,343	341,949	399,853	393,417	407,884
Local Option Motor Fuel.....	0	0	1,683,503	1,719,941	1,685,069
Gaming Taxes .....	0	0	0	10,819,591	24,802,456
Other Taxes .....	4,659,762	5,628,019	4,364,047	4,541,664	4,735,420
Intergovernmental .....	0	128,581	574,467	0	0
Investment Income .....	420,479	98,711	74,589	82,369	160,289
Miscellaneous .....	1,196,081	1,329,137	479,138	783,626	1,280,897
Transfers .....	156,211	(94,340)	262,432	(236,313)	15,758
Total General Revenues .....	<u>\$ 60,379,414</u>	<u>\$ 58,655,272</u>	<u>\$ 61,910,566</u>	<u>\$ 73,126,055</u>	<u>\$ 89,841,194</u>
Change in Net Assets .....	5,104,710	4,809,312	27,964,541	17,773,454	24,274,076
Net Assets, January 1 .....	<u>104,436,118</u>	<u>109,540,828</u>	<u>116,117,118(2)</u>	<u>144,081,659</u>	<u>161,160,013(2)</u>
Net Assets, December 31 .....	<u>\$109,540,828</u>	<u>\$114,350,140</u>	<u>\$144,081,659</u>	<u>\$161,855,113</u>	<u>\$185,434,089</u>

Notes: (1) Expenses less Charges for Services, Operating Grants and Capital Grants.  
(2) As restated.

**General Fund  
Balance Sheet**

Audited as of December 31

<b>ASSETS:</b>	2008	2009	2010	2011	2012
Cash and Equivalents .....	\$ 1,166,324	\$ 9,957,253	\$10,607,174	\$17,109,909	\$23,740,541
Receivables:					
Accounts .....	950,389	982,339	1,060,691	1,404,139	1,405,087
Property Taxes .....	20,841,443	22,179,165	25,086,119	23,006,473	22,800,930
Other Taxes .....	1,291,735	1,125,325	1,183,355	1,256,378	1,196,399
Other Receivables .....	239,481	708,758	472,269	439,754	561,804
Accrued Interest .....	214	190	0	451	7,051
Due From Other Governments .....	4,821,305	4,822,972	5,471,825	5,055,974	5,342,762
Due From Other Funds .....	8,542,906	8,813,767	8,189,209	421,135	2,481
Advances From Other Funds .....	0	0	0	8,162,664	8,606,709
Prepaid Items .....	1,980	4,536	3,000	0	0
Total Assets .....	\$37,855,777	\$48,594,305	\$52,073,642	\$56,856,877	\$63,663,764
 <b>LIABILITIES AND FUND EQUITY:</b>					
Liabilities:					
Accounts Payable .....	\$ 1,710,985	\$ 1,617,404	\$ 1,333,639	\$ 1,649,263	\$ 1,774,441
Accrued Payroll .....	0	0	0	1,220,715	1,268,564
Accrued Liabilities .....	1,624,786	1,057,244	1,191,531	111,498	85,731
Other Payables .....	100,000	0	0	0	0
Due to other government units .....	0	269,137	0	0	0
Deferred Revenue .....	22,235,804	23,729,102	24,288,549	24,632,188	264,466
Due to Other Funds .....	2,499,430	2,435,193	1,865,857	0	0
Short-term Notes Payable .....	0	6,500,000	0	0	0
Accrued Pension Contributions .....	314,461	0	0	0	0
Total Liabilities .....	\$28,485,466	\$35,608,080	\$28,679,576	\$27,613,664	\$ 3,393,202
Deferred Inflows of Resources:					
Deferred Property Tax Revenue .....	\$ 0	\$ 0	\$ 0	\$ 0	\$22,747,973
Unavailable Other Revenue .....	0	0	0	0	1,787,820
Total Deferred Inflows of Resources .....	\$ 0	\$ 0	\$ 0	\$ 0	\$24,535,793
Non Spendable:					
Long-term Interfund Advances .....	\$ 0	\$ 0	\$ 0	\$ 8,162,664	\$ 8,606,709
Reserved .....	8,140,055	0	0	0	0
Reserved for Long-Term Receivable .....	0	8,807,458	7,977,992	0	0
Reserved for Prepaid Items .....	0	4,536	3,000	0	0
Assigned:					
Infrastructure .....	0	0	0	0	500,000
Capital Acquisitions .....	0	0	0	0	152,500
Pension Funding .....	0	0	0	0	1,009,318
Public Safety .....	0	0	0	0	2,500,000
Unreserved .....	1,230,256	4,174,231	15,413,074	0	0
Unassigned .....	0	0	0	21,080,549	22,966,242
Total Fund Equity .....	\$ 9,370,311	\$12,986,225	\$23,394,066	\$29,243,213	\$35,734,769
Total Liabilities, Deferred Inflows of Resources and Fund Equity .....	\$37,855,777	\$48,594,305	\$52,073,642	\$56,856,877	\$63,663,764

**General Fund  
Revenues and Expenditures**

	Audited Years Ending December 31				
	2008	2009	2010	2011	2012
<b>REVENUES:</b>					
Taxes .....	\$19,382,014	\$19,888,602	\$21,461,924	\$22,356,628	\$23,141,075
Other Taxes .....	10,649,402	10,298,486	11,556,651	11,743,198	12,195,929
Licenses and Permits .....	3,228,153	3,011,551	4,054,683	3,086,311	2,781,329
Intergovernmental .....	17,626,764	14,430,178	14,680,433	15,010,880	16,245,216
Charges for Services.....	5,152,550	6,377,634	6,246,285	6,344,524	6,689,530
Fines and Forfeits .....	1,079,532	1,118,464	921,328	1,370,186	1,158,716
Investment Income.....	111,718	15,497	23,469	41,617	85,646
Miscellaneous .....	314,927	1,111,874	363,613	559,964	543,494
Total Revenues .....	<u>\$57,545,060</u>	<u>\$56,252,286</u>	<u>\$59,308,386</u>	<u>\$60,513,308</u>	<u>\$62,840,935</u>
<b>EXPENDITURES:</b>					
Current:					
General Government.....	\$ 7,037,168	\$ 7,093,003	\$ 6,742,596	\$ 6,821,598	\$ 7,304,439
Public Safety .....	34,439,819	35,460,313	34,078,950	36,561,253	37,230,479
Public Works .....	11,351,114	5,855,521	4,872,193	5,943,764	5,697,710
Streets and Highways .....	1,267,168	5,069,135	4,236,133	4,412,015	4,539,771
Economic Development .....	681,762	329,564	374,321	371,346	410,325
Interest and Fiscal Charges .....	32,885	0	36,026	0	0
Capital Outlay.....	183,735	16,836	28,403	0	0
Total Expenditures .....	<u>\$54,993,651</u>	<u>\$53,824,372</u>	<u>\$50,368,622</u>	<u>\$54,109,976</u>	<u>\$55,182,724</u>
Excess (Deficiency) of Revenues Over Expenditures.....	\$ 2,551,409	\$ 2,427,914	\$ 8,939,764	\$ 6,403,332	\$ 7,658,211
Other Financing Sources (Uses), Net .....	(1,137,920)	1,190,000	1,468,077	(2,420,042)	(1,166,655)
Special Items.....	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,865,857</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses .....	\$ 1,413,489	\$ 3,617,914	\$10,407,841	\$ 5,849,147	\$ 6,491,556
Balance, January 1 .....	<u>\$ 7,956,822</u>	<u>\$ 9,370,311</u>	<u>\$12,986,225</u>	<u>\$23,394,066</u>	<u>\$29,243,213</u>
Balance, December 31.....	<u>\$ 9,370,311</u>	<u>\$12,988,225</u>	<u>\$23,394,066</u>	<u>\$29,243,213</u>	<u>\$35,734,769</u>

**General Fund  
Unaudited Budget and Interim Information(1)**

	Budget Fiscal Year 2014
<b>REVENUES:</b>	
Taxes.....	\$34,027,100
Licenses & Permits.....	2,177,100
Intergovernmental .....	15,035,000
Charges for Services.....	5,574,000
Fines and Forfeits.....	1,057,500
Investment Income .....	50,000
Other .....	<u>502,257</u>
Total Revenue .....	<u>\$58,422,957</u>
<b>EXPENDITURES:</b>	
General Government.....	\$13,137,215
Public Safety .....	39,021,257
Economic Development .....	641,714
Public Works .....	5,921,466
Streets & Highways .....	<u>6,288,473</u>
Total Expenditures .....	<u>\$65,010,125</u>

Notes: (1) Source: the City.

## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

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

We have examined the City of Des Plaines, Illinois', (City's) compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended December 31, 2013. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the City's compliance with specified requirements.

In our opinion, the City complied in all material respects, with the aforementioned requirements for the year ended December 31, 2013.



Crowe Horwath LLP

Oak Brook, Illinois  
June 18, 2014