

**City of O'Fallon
St. Clair County, Illinois**

**Financial Statements, Independent Auditor's Reports
and Supplementary Information**

April 30, 2018



City of O'Fallon, Illinois
Table of Contents
April 30, 2018

<u>Introductory Section</u>	<u>Page</u>
List of Officials	i
 <u>Financial Section</u>	
Independent Auditor's Report.....	1
Independent Auditor's Report on Compliance with Tax Increment Financing Act.....	4
Management's Discussion & Analysis (Unaudited).....	MDA 1
 <u>Basic Financial Statements</u>	
Government-Wide Financial Statements:	
Statement of Net Position.....	5
Statement of Activities.....	6
 Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	7
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	8
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	9
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities.....	11
 Proprietary Fund Statements:	
Statement of Net Position - Proprietary Funds.....	12
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds.....	13
Statement of Cash Flows - Proprietary Funds.....	14
 Fiduciary Fund Statements:	
Statement of Net Position - Fiduciary Funds.....	16
Statement of Changes in Net Position - Fiduciary Funds.....	17
 Notes to the Financial Statements.....	18
 <u>Required Supplemental Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	57
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Park Fund.....	58
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Fire Fund.....	59
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Ambulance Fund.....	60

City of O'Fallon, Illinois
Table of Contents
April 30, 2018

Required Supplemental Information (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Tax Increment Financing Fund.....	61
Schedule of Changes in Net Pension Liability and Related Ratios.....	62
Schedule of Contributions - Last 10 Fiscal Years.....	63
Notes to the Required Supplementary Information.....	64

Supplementary Information

Combining Balance Sheet - Non-Major Governmental Funds.....	65
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds.....	68
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Cemetery Special Revenue Fund.....	71
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - IMRF Special Revenue Fund.....	72
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Motor Fuel Tax Special Revenue Fund.....	73
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Social Security Special Revenue Fund.....	74
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Service Special Revenue Fund.....	75
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Hotel/Motel Special Revenue Fund.....	76
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - 2002 Bond Issue Capital Projects Fund.....	77
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Convention Center Capital Projects Fund.....	78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Sports Park Complex Capital Projects Fund.....	79
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Park Land Capital Projects Fund.....	80
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Proposition S Infrastructure Capital Projects Fund.....	81

City of O'Fallon, Illinois
Table of Contents
April 30, 2018

Supplementary Information (Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Strategic Plan Capital Projects Fund.....	82
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - 2010 Bond Issue Debt Service Fund.....	83
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - 2002 Bond Issue Debt Service Fund.....	84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Service Areas Fund.....	85
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Newbold Debt Service Fund.....	86
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Harley Davidson Debt Service Fund.....	87
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Build America Debt Service Fund.....	88
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Green Mount Debt Service Fund.....	89
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Destination O'Fallon Debt Service Fund.....	90
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Improvement Capital Projects Fund.....	91
Combining Balance Sheet - Tax Increment Financing Funds.....	92
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances - TIF Funds.....	93
Schedule of Funding Progress - Police Pension.....	94
Schedule of Funding Progress - Fire Pension.....	95

Other Information

Comparative Statements of Net Position.....	96
Comparative Statements of Activities.....	97

City of O'Fallon, Illinois
Table of Contents
April 30, 2018

Other Information (continued)

Assessed Valuations and Property Tax Rates - Last Ten Years.....	97
General Governmental Funds and Component Unit Revenues by Source - Last Ten Years.....	98
General Governmental Funds and Component Unit Expenditures by Function - Last Ten Years.....	101

City of O'Fallon
St. Clair County, Illinois

April 30, 2018

City Officials

Mayor
Herb Roach

Clerk
Jerry Mouser

Treasurer
David Hursey

City Council

Ross Rosenberg
Robert Kueker
Kevin Hagarty
Matthew Smallheer
Courtney Marsh
Ned Drolet
David Cozad

Richie Meile
Jerry Albrecht
Matt Gilreath
Mark Morton
Andrew Lopinot
Ray Holden
Dan Witt

City Administrator
Walter Denton

Chief Financial Officer
Sandy Evans

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of O'Fallon, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of O'Fallon, Illinois, as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the City of O'Fallon, Illinois's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City of O'Fallon, Illinois's 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.

Basis for Qualified Opinions on the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund and aggregate discretely presented component units

The City has not determined whether the annual pension costs for the Police Pension and Fire Pension are overstated or understated in accordance with U. S. generally accepted accounting principles, which require an asset or liability to be recorded in the government-wide statement of net position for the governmental activities based on the net pension liability or asset, which would change the expenses in the governmental

activities. The amount by which this departure would affect assets, liabilities, net position and expenses of the governmental activities is not reasonably determinable. The City has also excluded a portion of the Police Pension and Fire Pension Fund disclosures to the Pension Trust Funds. In our opinion, disclosure of this information is required by U.S. generally accepted accounting principles.

The City has not recognized the other post-employment benefit (OPEB) expense or obligation which is required in accordance with U. S. generally accepted accounting principles and under Government Accounting Standards Board (GASB) Statement No. 45, to be recorded in the governmental activities, business-type activities, proprietary fund financial statements, and aggregate discretely presented component units. The effects of that departure on the financial statements are not reasonably determinable. The City has also not disclosed the descriptive information about the other post-employment benefits required by standards.

Qualified Opinions on the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund and the Aggregate Remaining Fund Information

In our opinion, except for the omission of a portion of the Police and Fire Pension Fund disclosures as described in the "Basis for Qualified Opinions on the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund and aggregate discretely presented component units" paragraphs, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund and aggregate discretely presented component units of the City of O'Fallon, Illinois, as of April 30, 2018, and the respective changes in financial position, thereof, for the year then ended in conformity with U. S. generally accepted accounting principles.

In addition, in our opinion, except for the other matters discussed in the "Basis for Qualified Opinions on the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund, and aggregate discretely presented component units" paragraphs, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major proprietary fund, and aggregate discretely presented component units of the City of O'Fallon, Illinois, as of April 30, 2018, and the respective changes in net position and cash flows, where applicable, thereof, for the year then ended in conformity with U. S. generally accepted accounting principles.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major governmental fund and aggregate remaining fund information of the City of O'Fallon, Illinois as of April 30, 2018, and the respective changes in financial position, thereof, for the year then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, and schedule of contributions, presented on pages MDA 1 through 10 and pages 57 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and

other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The City of O'Fallon, Illinois has not presented the schedule of funding progress for the other post-employment benefits that U.S. generally accepted accounting principles require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of O'Fallon, Illinois's basic financial statements. The accompanying supplementary information and other supplementary information and the List of Officials, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U. S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other supplementary information and List of Officials, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2018 on our consideration of the City of O'Fallon, Illinois's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of O'Fallon, Illinois's internal control over financial reporting and compliance.



Creve Coeur, Missouri
October 5, 2018

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
TAX INCREMENT FINANCING ACT

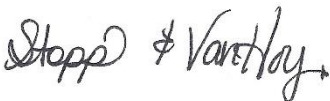
To the Honorable Mayor and City Council
City of O'Fallon, Illinois

We have audited the basic financial statements of the City of O'Fallon, Illinois, for the year ended April 30, 2018, and have issued our report thereon dated October 5, 2018, which was qualified for not determining whether the annual pension costs for the Police Pension and Fire Pension are overstated or understated in accordance with U. S. generally accepted accounting principles, which require an asset or liability to be recorded in the government-wide statement of net position for the governmental activities based on the net pension liability or asset, which would change the expenses in the governmental activities. Also, the City has not determined a cost or liability for other post-employment benefit costs and the omission of the other post-employment benefits disclosures. The financial statements are the responsibility of management for the City of O'Fallon, Illinois. Our responsibility is to express opinions on the financial statements based on our audit.

Our audit was made in accordance with U.S. generally accepted auditing standards. 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 includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

The management of the City of O'Fallon, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the accounting provisions in Subsection (q) of Section 11-74.4-3 of Public Act 85-1142 insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced laws and regulations insofar as they relate to accounting matters.

This report is intended solely for the information and use of the City Council and management of the City of O'Fallon, Illinois and the State of Illinois, and is not intended to be and should not be used by anyone other than these specified parties.



Creve Coeur, Missouri
October 5, 2018

The City of O'Fallon, Illinois**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)****April 30, 2018**

This section of the City of O'Fallon's annual financial report presents an easily readable analysis of the government's financial performance for the fiscal year ended April 30, 2018.

The MD&A provides an analysis of the overall financial position and results of the previous year's operations in order to assess whether the City's finances have improved or deteriorated. The analysis describes capital asset and long-term debt activity and concludes with information regarding currently known facts, decisions or conditions that are expected to have a significant effect on the City's future financial position and operations. Please read this analysis in conjunction with the City's financial statements including all supplementary information and note disclosures.

Using this Annual Report

The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison and enhance the City's accountability.

Government-Wide Financial Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The government-wide statements consist of a Statement of Net Position and a Statement of Activities and are prepared using the economic resources measurement focus and accrual basis of accounting. These statements will report all of the assets, liabilities, revenues and expenses of the government. Each statement distinguishes between the governmental and business-type activities of the primary government and presents a total primary government in a separate column. Fiduciary activities, (such as the police and fire pension funds), whose resources are not available to finance the government's programs, are excluded from the government-wide financial statements.

The focus of the Statement of Net Position is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Statement of Activities (Change in Net Position) is focused on both the gross and net cost of various activities (including governmental and business-type) that are supported by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of cost of various governmental services and/or subsidy to various business-type activities.

Fund-based Financial Statements

The fund-based financial statements consist of a series of statements that provide information about the government's major and non-major governmental, proprietary (enterprise/business-type), and fiduciary funds.

Governmental fund financial statements (including the general fund, special revenue, capital projects and debt service) are prepared using the current financial resources measurement focus and modified accrual basis of

accounting. The statements consist of a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance.

Proprietary fund financial statements (enterprise/business-type) and fiduciary fund financial statements (police and fire pensions) are prepared using the economic resources measurement focus and the accrual basis of accounting. The proprietary fund statements consist of a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. The fiduciary fund statements include a Statement of Net Position and a Statement of Changes in Net Position.

The fund financial statements include a reconciliation between the government-wide and fund financial statements because of the difference in basis of accounting. The differences are primarily in how fixed assets and debt are treated and the timing for recording some revenues and expenses.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure-roads, bridges, storm sewers, etc...) have not been reported nor depreciated in governmental financial statements. The statement requires that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) that periodically measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The City has chosen to depreciate assets over their useful life.

Financial Analysis of the City as a Whole

Statement of Net Position

The City's combined net position increased by \$11,744,957. Governmental activities had an increase of \$6,395,372 and business activities had an increase of \$5,349,585. Net position of the City's governmental activities totals \$97.9 million with 77.2% of that being invested in capital assets (buildings, roads, equipment, etc.) net of related debt. The net position of the business-type activities totals \$52.3 million with 64.4% invested in capital assets net of related debt.

Fiscal Year 2018 required prior year adjustments to be made. The first is an adjustment to the accounts payable balance in the Park Fund for accruals that had been settled in prior years (\$42,660). The second is to amend Governmental payables to record the additional liability remaining on Federal contracts received for various street projects (\$739,882). The remaining adjustments amend the net assets of the Government (\$14,504,067) and Enterprise (\$2,590,478) activities for various infrastructure projects completed by the city and infrastructure acquired from new subdivision developments. These are mentioned in Note 17 Prior Period Adjustments in the audit report. All totals for 2017 are restated to include these figures as appropriate.

Statement of Net Position April 30, 2018								
	Governmental Activities		Business-Type Activities		Primary Government Total		Component Unit	
	2018	2017	2018	2017	2018	2017	2018	2017
ASSETS								
Other assets	\$ 47,647,303	\$ 55,766,844	\$ 20,899,483	\$ 15,799,096	\$ 68,546,786	\$ 71,565,940	\$ 5,309,362	\$ 4,996,823
Capital assets (net of accumulated depreciation)	84,604,133	58,056,384	39,925,326	37,710,797	124,529,459	95,767,181	1,933,984	2,125,081
Capital assets, non-depreciable	32,600,708	32,522,419	1,028,151	938,570	33,628,859	33,460,989	-	-
TOTAL ASSETS	164,852,144	146,345,647	61,852,960	54,448,463	226,705,104	200,794,110	7,243,346	7,121,904
DEFERRED OUTFLOWS OF RESOURCES								
Deferred outflow - pension related	1,004,265	1,313,503	393,799	509,613	1,398,064	1,823,116	79,819	106,405
Deferred loss on refunding	1,406,489	1,555,883	-	-	1,406,489	1,555,883	-	-
TOTAL DEFERRED OUTFLOWS	2,410,754	2,869,386	393,799	509,613	2,804,553	3,378,999	79,819	106,405
LIABILITIES								
Accounts payable	2,625,182	2,062,028	877,780	864,613	3,502,962	2,926,641	8,185	4,034
Other liabilities	3,681,112	3,427,802	611,188	531,762	4,292,300	3,959,564	92,382	97,506
Non-current liabilities	54,940,596	60,192,747	7,554,130	9,120,739	62,494,726	69,313,486	42,691	234,796
TOTAL LIABILITIES	61,246,890	65,682,577	9,043,098	10,517,114	70,289,988	76,199,691	143,258	336,336
DEFERRED INFLOWS OF RESOURCES								
Other	2,347,438	152,866	882,944	60,308	3,230,382	213,174	201,210	12,365
Unearned property taxes	5,807,512	5,635,429	-	-	5,807,512	5,635,429	1,188,900	1,189,333
TOTAL DEFERRED INFLOWS	8,154,950	5,788,295	882,944	60,308	9,037,894	5,848,603	1,390,110	1,201,698
NET POSITION								
Net Investment in Capital Assets	75,570,918	54,505,744	33,693,093	30,611,614	109,264,011	85,117,358	1,933,984	2,125,081
Restricted	20,502,264	21,278,348	1,595,177	1,485,340	22,097,441	22,763,688	3,855,813	3,565,194
Unrestricted	1,787,876	1,960,069	17,032,447	12,283,700	18,820,323	14,243,769	-	-
TOTAL NET POSITION	\$ 97,861,058	\$ 77,744,161	\$ 52,320,717	\$ 44,380,654	\$ 150,181,775	\$ 122,124,815	\$ 5,789,797	\$ 5,690,275
Prior Period Adjustments:								
Asset infrastructure		14,504,067		2,590,478		17,094,545		
Accounts Payable adjustments		(782,542)				(782,542)		
TOTAL NET POSITION RESTATED	\$ 97,861,058	\$ 91,465,686	\$ 52,320,717	\$ 46,971,132	\$ 150,181,775	\$ 138,436,818	\$ 5,789,797	\$ 5,690,275

Statement of Changes in Net Position

Governmental Activities

As noted, net position from governmental activities increased \$6,395,372 (7.0% growth). Total revenues increased by \$4,871,295. Expenses decreased this year 1.6%.

Statement of Changes in Net Position								
April 30, 2018								
	Governmental Activities		Business-Type Activities		Primary Government Total		Component Unit	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUES								
Program Revenues								
Charges for services	\$ 8,100,142	\$ 6,482,556	\$ 19,315,831	\$ 17,951,660	\$ 27,415,973	\$ 24,434,216	\$ 56,887	\$ 48,628
Operating grants	1,647,457	698,657	-	-	1,647,457	698,657	22,048	21,889
Capital grants	3,047,671	1,471,426	1,240,567	-	4,288,238	1,471,426	32,401	30,750
General Revenues								
Taxes	24,844,101	24,095,241	-	-	24,844,101	24,095,241	1,194,184	1,101,194
Franchise fees	994,627	1,121,350	-	-	994,627	1,121,350	-	-
Investment income	291,718	188,932	192,412	42,566	484,130	231,498	214,364	288,024
Donations not restricted to specific activities	9,395	10,698	-	-	9,395	10,698	23,735	17,840
Gain (loss) on disposal of fixed assets	242,547	393,977	-	6,960	242,547	400,937	-	-
Transfers	753,316	644,129	(726,166)	(620,914)	27,150	23,215	(27,150)	(23,215)
Miscellaneous	163,175	115,888	39,645	122,194	202,820	238,082	59	342
TOTAL REVENUES	40,094,149	35,222,854	20,062,289	17,502,466	60,156,438	52,725,320	1,516,528	1,485,452
EXPENSES								
General government	5,251,557	5,327,224	-	-	5,251,557	5,327,224	-	-
Public safety	13,015,789	11,983,551	-	-	13,015,789	11,983,551	-	-
Highways and streets	6,898,569	7,755,811	-	-	6,898,569	7,755,811	-	-
Culture and recreation	4,939,428	4,420,070	-	-	4,939,428	4,420,070	-	-
Tax increment financing	1,084,855	2,366,719	-	-	1,084,855	2,366,719	-	-
Interest on long-term debt	2,508,579	2,386,937	-	-	2,508,579	2,386,937	-	-
Water	-	-	10,313,994	9,948,117	10,313,994	9,948,117	-	-
Sewer	-	-	4,398,710	4,845,971	4,398,710	4,845,971	-	-
Library	-	-	-	-	-	-	1,417,006	1,338,786
TOTAL EXPENSES	33,698,777	34,240,312	14,712,704	14,794,088	48,411,481	49,034,400	1,417,006	1,338,786
Change in Net Position	6,395,372	982,542	5,349,585	2,708,378	11,744,957	3,690,920	99,522	146,666
NET POSITION BEGINNING	91,465,686	76,761,619	46,971,132	41,672,276	138,436,818	118,433,895	5,690,275	5,543,609
Prior Period Adjustments:								
Asset infrastructure		14,504,067		2,590,478		17,094,545		
Accounts Payable adjustments		(782,542)				(782,542)		
NET POSITION ENDING	\$ 97,861,058	\$ 91,465,686	\$ 52,320,717	\$ 46,971,132	\$ 150,181,775	\$ 122,124,815	\$ 5,789,797	\$ 5,690,275

Significant revenue changes were:

- Sales and Use tax increased \$427,000 due to continued economic growth
- Intergovernmental agreement revenue for the Fairview Heights combined dispatch increased \$333,224
- Grant proceeds received for the 911 Consolidation project (\$231,992) and the softball fields at the Sports Park (\$600,000)
- Contributed capital for various infrastructure capital asset additions were approximately \$4.3 million
- Revenues at the Sports Park increased over last year for concessions (\$38,189) and field rental (\$218,054) due to the additional soccer fields
- Hotel/Motel tax revenue improved this year 69% (\$775,926) due to reporting a full year of the additional 4% remittance tax for Destination O'Fallon
- Received proceeds from the sale of the Taylor Rd and 200 S Lincoln properties totaling \$1.8 million

Significant expense changes were:

- Public safety costs are up over last year \$865,296 due to the addition of the Consolidated Dispatch department
- Highway and streets show a reduction due to the capitalization of various infrastructure projects
- Culture and recreation are up over prior year due to the lighting improvements at the Sports Park (\$1,059,000)
- TIF development costs are down 24% (\$1,219,880) with the final payouts for TIF 1- Rasp Farm paid out last year

Business-type Activities

As noted, net position from business-type activities increased by \$5,349,585. Total revenues of the City's business-type activities grew by \$2,559,823 or 14.6%. Expenses dropped \$81,384 or .5%. Fund net position balances for the City's business-type activities are \$52.3 million for fiscal year 2018, with \$17.0 million being unrestricted.

Financial Analysis of the City's Fund Financial Statements

For the fiscal year ended April 30, 2018, the Governmental Funds reflect a \$7,753,956 decrease in fund balance mainly due to capital outlay costs. Cash and investments decreased by \$9,047,892. Revenues increased by 6.9% (\$2,369,613). The expenses increased over last year 43.4% (\$15,051,917); leaving a negative net change in fund balance of \$7,753,956.

Status of Fund Balance			
Governmental Funds			
	Fiscal Year	Fiscal Year	Increase/
	5/1/17 - 4/30/18	5/1/16 - 4/30/17	(Decrease)
General	\$ 16,531,860	\$ 14,310,695	\$ 2,221,165
Park	2,082,528	1,523,537	558,991
Fire	2,730,319	2,635,078	95,241
Ambulance	4,419,544	3,900,936	518,608
Capital Improvement	1,481,441	10,875,363	(9,393,922)
Tax Increment Financing	(3,640,979)	66,784	(3,707,763)
Non-Major	15,049,970	13,096,246	1,953,724
TOTAL	\$ 38,654,683	\$ 46,408,639	\$ (7,753,956)

Significant changes were:

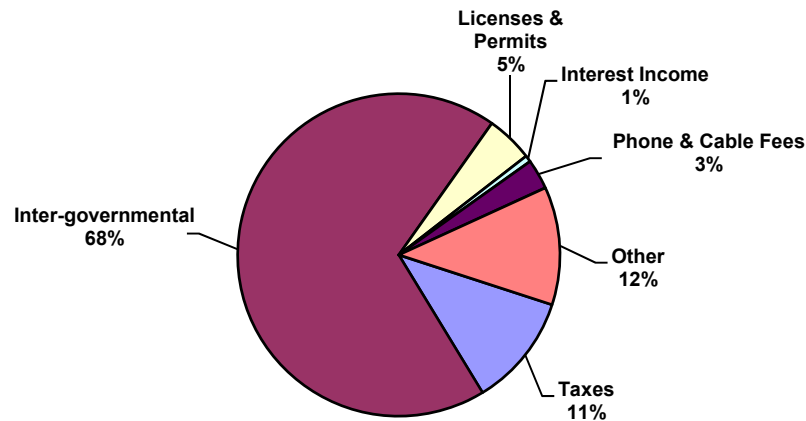
- Capital improvement project expenses for Destination O'Fallon were paid out this year from the bond proceeds received last year
- Tax Increment Financing includes payout for Greenmount roadwork improvements for HSHS development of \$3.5 million
- Fund balances increased for General Fund and Motor Fuel Tax (a non-major fund) due to increased infrastructure capital assets (subdivisions and IDOT contributed capital)

Within the Governmental Funds, the General Fund is the primary operating fund of the City. During the year, revenues exceeded expenditures in the General Fund by \$1,596,002. Additional proceeds from sale of capital assets (\$45,783) and insurance refunds and claims (\$46,676) helped increase the fund balance. Other financing sources from capital contributions offset outgoing transfers and increased the fund balance by \$625,163. The

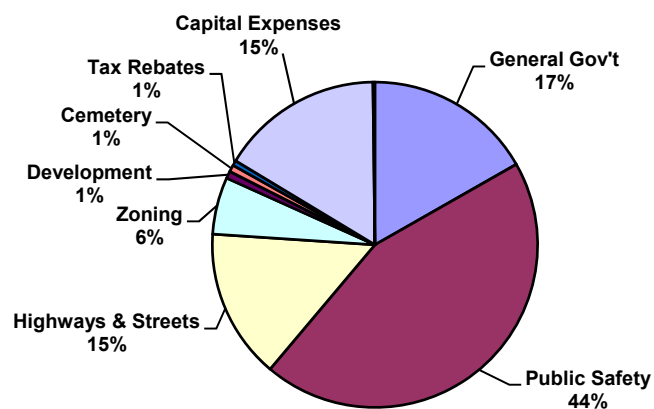
ending fund balance in the General Fund account is \$16,531,860. Management believes that this level of fund balance is acceptable.

Revenues for the City are generated from a number of sources and for the most part are dependent on different financial factors. This relative mix of different sources, as illustrated in the chart below, provides long-term stability.

Revenue by Sources-General Fund



Expenditures by Program-General Fund



The City has one fund set up for the parks system and the City pool. During the year, revenues were \$4,527,674 and expenses were \$4,537,401, before other financing sources of \$568,718 leaving an increase in fund balance of \$558,991. The City's park system continues to escalate, and we expect more growth as the Sports Park improvements finished this fiscal year. The ending fund balance in the Park Fund is \$2,082,528.

General Fund Budgetary Highlights

General Fund actual operating expenses are \$605,420 higher than the final budget amount and actual operating revenues are \$1,375,547 higher than the final budget amount. This amounts to a net gain of \$770,127 actual vs budget. Each department, except for Consolidated Dispatch, recorded lower spending than budget. Actual expenses for Consolidated Dispatch came in slightly higher than budget with a variance of \$105,915.

Capital Asset and Debt Administration

At the end of 2018, the City had \$158.2 million (net of accumulated depreciation) invested in a broad range of capital assets; including police, fire, park facilities, roads, water and sewer lines, etc. Governmental activities had \$117.2 million and business-type activities had \$40.9 million invested at the end of fiscal year 2018, net of depreciation.

Governmental Activities Changes in Capital Assets For the Year Ended April 30, 2018

<u>Governmental Activities</u>	Balance 4/30/2017	Increases	Decreases	Balance 4/30/2018
Non-depreciable capital assets:				
Land	\$ 31,112,379	\$ -	\$ 1,026,451	\$ 30,085,928
Construction in progress	1,810,537	2,051,872	1,347,629	2,514,780
Total Non-depreciable capital assets	32,922,916	2,051,872	2,374,080	32,600,708
Depreciable capital assets:				
Land/building improvements	10,753,978	45,721	-	10,799,699
Buildings	25,805,820	-	601,897	25,203,923
Equipment	7,551,193	176,737	77,027	7,650,903
Vehicles	6,462,099	263,708	264,416	6,461,391
Parks/Sportsplex	19,353,479	9,374,861	-	28,728,340
Infrastructure	129,670,757	8,692,227	-	138,362,984
Total Depreciable capital assets	199,597,326	18,553,254	943,340	217,207,240
Less accumulated depreciation	127,437,372	5,574,015	408,280	132,603,107
Depreciable capital assets, net	72,159,954	12,979,239	535,060	84,604,133
Governmental Activities Capital Assets, net	\$ 105,082,870	\$ 15,031,111	\$ 2,909,140	\$ 117,204,841
This year's major changes to the capital assets include the following:				
Sale of land along Taylor Rd and the property at 200 S Lincoln				
CIP - increased for downtown pavilion and Greenmount Rd/Central park intersection improvements				
Sports Park - additional turf soccer fields, softball fields and lighting				
Infrastructure - new subdivisions, Commerce Drive and 2nd Street improvements				

Business-Type Activities				
	Balance 4/30/2017	Increases	Decreases	Balance 4/30/2018
Non-depreciable capital assets:				
Land	\$ 563,926	\$ -	\$ -	\$ 563,926
Construction in progress	571,424	267,444	374,642	464,226
Total Non-depreciable capital assets	1,135,350	267,444	374,642	1,028,152
Depreciable capital assets:				
Buildings and improvements	2,580,957	-	-	2,580,957
Equipment	10,346,494	561,034	36,945	10,870,583
Utility systems	65,879,849	1,715,209	-	67,595,058
Total Depreciable capital assets	78,807,300	2,276,243	36,945	81,046,598
Less accumulated depreciation	38,702,805	2,447,044	28,576	41,121,273
Depreciable capital assets, net	40,104,495	(170,801)	8,369	39,925,325
Business-Type Activities Capital Assets, net	\$ 41,239,845	\$ 96,643	\$ 383,011	\$ 40,953,477
This year's major changes to the capital assets include the following:				
Equipment - 4WD loader, utility tractor, trailer mounted vacuum unit, 3 replacement trucks				
Utility systems - new subdivisions and Presidential Streets stormwater improvements				
See note 4 for additional information on capital assets				

Debt Outstanding

Governmental Activities						
Bond	Bond Description	Date to Mature	Sourced by	Principal Issued	Principal Paid to Date	Principal Balance 4/30/18
2010 Bond	Public Safety Building	Jan 2024	Utility Tax	\$ 5,545,000	\$ 2,635,000	\$ 2,910,000
2010 Bond	Infrastructure	Jan 2022	Sales Tax	\$ 5,130,000	\$ 2,925,000	\$ 2,205,000
2009 Series	Convention Ctr Sports park Infrastructure	Jan 2035	Food & Beverage Tax Hotel/Motel Tax 1/2 Cent Sales Tax	\$ 20,710,000	\$ 4,995,000	\$ 15,715,000
2009A Build America	Sports park	Jan 2029	Hotel/Motel Tax	\$ 1,212,000	\$ 411,000	\$ 801,000
2009A Build America	EMS	Jan 2029	EMS	\$ 808,000	\$ 274,000	\$ 534,000
2009A Build America	Sports park	Jan 2039	Hotel/Motel Tax	\$ 7,275,000	\$ -	\$ 7,275,000
2015 Series	HSHS Mine Remediation	Jan 2030	TIF Revenue	\$ 5,175,000	\$ -	\$ 5,175,000
2015 Series	HSHS Roadwork	Jan 2034	TIF Revenue	\$ 1,950,000	\$ -	\$ 1,950,000
2016 Bond	Convention Ctr Sports park Infrastructure	Jan 2025	Food & Beverage Tax Hotel/Motel Tax 1/2 Cent Sales Tax	\$ 3,450,000	\$ 730,000	\$ 2,720,000
2017 Series	Destination O'Fallon	Jan 2037	Hotel/Motel Tax	\$ 9,460,000	\$ 315,000	\$ 9,145,000
TOTAL				\$ 60,715,000	\$ 12,285,000	\$ 48,430,000
SSA #1	Shoppes at Greenmount refinanced 2018	Dec 2025	Property Tax	\$ 975,000	\$ -	\$ 975,000
SSA #2	Greenmount Common refinanced 2018	Dec 2024	Property Tax	\$ 185,000	\$ -	\$ 185,000
SSA #4	Regency Extension refinanced 2018	Dec 2025	Property Tax	\$ 650,000	\$ -	\$ 650,000
SSA #6	Newbold	Dec 2026	Property Tax	\$ 1,540,000	\$ 470,000	\$ 1,070,000
SSA #7	Frieze Harley Davidson	Dec 2027	Property Tax	\$ 1,360,000	\$ 380,000	\$ 980,000
TOTAL				\$ 4,710,000	\$ 850,000	\$ 3,860,000
Governmental Activities Total				\$ 65,425,000	\$ 13,135,000	\$ 52,290,000

Business-Type Activities						
Bond	Bond Description	Date to Mature	Sourced by	Principal Issued	Principal Paid to Date	Principal Balance 4/30/18
IEPA 2797	Pump Station	May 2028	Water Sales	\$ 933,394	\$ 398,632	\$ 534,762
IEPA 128600	Water Towers	Feb 2030	Water Sales	\$ 5,385,450	\$ 1,769,690	\$ 3,615,760
IEPA 1017	Sewer Plant	Aug 2017	Sewer Sales	\$ 7,688,804	\$ 7,688,804	\$ -
IEPA 1320	Sewer Plant Improvements	Aug 2017	Sewer Sales	\$ 329,494	\$ 329,494	\$ -
IEPA 3318	Headworks/Disinfection	Apr 2033	Sewer Sales	\$ 3,630,062	\$ 520,200	\$ 3,109,862
Business-Type Activities Total				\$ 17,967,204	\$ 10,706,820	\$ 7,260,384

The City's notes payable for governmental activities total \$1,293,334 which includes the fire vehicles and the 911 console in public safety. The City is not engaged in any capital lease agreements.

The City issued \$7,640,000 in general obligation bonds in September 2001. The entire proceeds of this issue were used to liquidate several other bond obligations. During fiscal year 2011, these bonds were defeased with the Series 2010 bond issue and the City removed this liability from its account.

The 2002 Bond Issue was a general obligation bond in the amount of \$14,000,000. This bond was issued to complete infrastructure projects and the police station on Seven Hills Road. In 2007 the City defeased the street infrastructure portion of these bonds. During fiscal year 2011, the remaining portion of these bonds was defeased with the Series 2010 bond issue and the City removed this liability from its account.

The 2006 Bond Issue was a general obligation bond in the amount of \$20,100,000. This bond was issued to defease a portion of the 2002 bond issue and construct a convention center, sports complex and other road improvements. In 2010 the City defeased a portion of this 2006 issue. In 2017, another portion of the 2006 bond issue was refunded with the 2016 bond issuance.

The 2009 Bond Issue was a general obligation bond in the amount of \$18,450,000. As stated above, this bond was issued to defease a portion of the 2006 bond issue and to finance additions to the Family Sports Park. These bonds are to be refinanced in FY19.

The City also issued \$9,295,000 in general obligation taxable bonds Series 2009A to finance an addition to the City library and additions to the Family Sports Park. During fiscal year 2013, the \$2 million portion that was originally intended to finance an addition to the City library, was reallocated to Parks and EMS. These bonds are Build America Bonds which provide a federal subsidy through a refundable tax credit in an amount equal to 35 percent (35%) of the total coupon interest. In late October of 2014, the percent was reduced by 7.3% because of sequestration. These bonds are taxable and not tax-exempt. They are to be refinanced in FY19.

In 2016, the City issued general obligation bond Series 2015 in the amount of \$7,125,000. This bond was issued to finance the tax increment financing obligations for the mine remediation and Greenmount road improvements of the Greenmount Medical Complex.

Last fiscal year, the City issued general obligation bond Series 2017 in the amount of \$9,460,000 to finance the Destination O'Fallon project which includes Phase 4 additions to the Sports Park and a down town multi-seasonal pavilion.

In 2005 and 2007, various bonds were issued for the City's special service areas (SSA) to be used for various commercial ventures. During fiscal year 2013, the remaining portion of the SSA6 & SSA7 bonds were refunded with the 2012A SSA6 (\$1,540,000) and 2012B SSA7 (\$1,360,000) bond issues and the City has removed the original liabilities off its books. Although the liabilities were removed from the City's books, activities such as property tax revenue and bond payment are still reflected in the City records due to the nature of the refunding arrangement. During this fiscal year, SSA1 (\$975,000), SSA2 (\$185,000), and SSA4 (\$650,000) bonds were refunded with the SSA 2017 bond issue.

See Note 5 for additional information on long-term debt.

Economic Factors

The most recent assessed valuation for the City is \$674,208,323. The assessed valuation for the City increased by \$18,205,809 over last year due to population growth, new home development and increased property value. The City's tax rate decreased by \$0.0691 for a current rate of \$.9837 in comparison to last year's rate of \$1.0528.

O'Fallon today is recognized as one of the fastest growing cities in southwest Illinois with a population of 30,440 according to the 2017 Special Census. Located just five minutes from Scott Air Force Base, 20 minutes from downtown St. Louis and with four I-64 interchanges, O'Fallon has an excellent central location for serving major Midwest markets. Along with outstanding access and exceptional development potential, O'Fallon is nationally recognized for its rich heritage of education excellence and is renowned for its high standard of living.

In addition to its major employer Scott AFB, O'Fallon has a diverse retail base with several national retail businesses: Super Wal-Mart, Sam's Club, Home Depot, PetSmart, Walgreens, and Menard's. O'Fallon is the Auto Mart for the St. Louis Metro Area with 18 dealers in a 2-mile area. With 11 modern hotels, O'Fallon has become a complementary location for the major tourist venues in the St. Louis region. Our 200-acre Family Sports Park, featuring all weather soccer fields and baseball diamonds and newly constructed softball diamonds, draws thousands of visitors every year to take part in a variety of sporting events.

O'Fallon is the heart of the new growth corridor in the St. Louis Metro East. O'Fallon will kick off the holiday season with the grand opening of O'Fallon Station, a downtown pavilion for special events. Memorial Hospital in partnership with Barnes Jewish Christian (BJC), will open medical office building #2 sometime early 2019. This additional MOB located in neighboring Shiloh will be home to Siteman Cancer Center. St. Elizabeth's Hospital opened a \$300 million regional medical campus in O'Fallon November 2017. Marriott plans to open its new hotel in O'Fallon sometime early 2019. Construction will begin soon for the following: new Hampton Inn hotel, expansion of the Marcus Theater, St Elizabeth rehab center and BP gas station located near the Metro Rex Plex facility.

O'Fallon has a median family income of \$82,632 (average household income of \$101,728) with 70.4% of the population working in management, professional, sales and related occupations. 95.8% of the residents have graduated from high school and 77.2% of O'Fallon residents have some college or more. For a 150-year-old city, O'Fallon has a young population with a median age of 38.8 and 38.35% of households with an individual under 18 years.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, 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.

If you have any questions about this report or need additional financial information, contact the Director of Finance, Sandy Evans at (618) 624-4500 extension 8723.

City of O'Fallon, Illinois
Statement of Net Position
April 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and cash equivalents	\$ 35,608,024	\$ 15,520,961	\$ 51,128,985	\$ 791,229
Investments	2,312,637	503,118	2,815,755	3,304,288
Restricted cash and cash equivalents	1,109,825	1,595,177	2,705,002	-
Receivables, net				
Property taxes	5,807,512	-	5,807,512	1,188,900
Other governmental entities	1,472,565	-	1,472,565	-
Interest	878	-	878	7,185
Other	1,358,659	-	1,358,659	2,477
Water and sewer fees	-	2,139,155	2,139,155	-
Service fees	496,625	-	496,625	-
Restricted receivables, net	-	10,652	10,652	-
Prepaid items	333,745	270,993	604,738	15,283
Due from employees	6,260	-	6,260	-
Internal balances	(859,427)	859,427	-	-
Capital assets:				
Land and construction in progress	32,600,708	1,028,151	33,628,859	-
Other capital assets, net	84,604,133	39,925,326	124,529,459	1,933,984
Total Assets	164,852,144	61,852,960	226,705,104	7,243,346
Deferred Outflows of Resources				
Deferred outflows - pension related	1,004,265	393,799	1,398,064	79,819
Deferred loss on refunding	1,406,489	-	1,406,489	-
Total Deferred Outflows of Resources	2,410,754	393,799	2,804,553	79,819
Liabilities				
Accounts payable	2,625,182	877,780	3,502,962	8,185
Accrued payroll	490,983	95,684	586,667	24,696
Unearned revenue	68,943	-	68,943	-
Accrued interest	773,680	39,634	813,314	-
Deposits payable	-	3,419	3,419	-
Compensated absences payable	2,347,506	472,451	2,819,957	67,686
Noncurrent liabilities:				
Net Pension Liability	654,200	293,746	947,946	42,691
Long-Term Debt - Due Within One Year	2,840,775	466,491	3,307,266	-
Long-Term Debt - Due in More Than One Year	51,445,621	6,793,893	58,239,514	-
Total Liabilities	61,246,890	9,043,098	70,289,988	143,258
Deferred Inflows of Resources				
Deferred inflows - pension related	2,347,438	882,944	3,230,382	201,210
Unavailable resources - property taxes	5,807,512	-	5,807,512	1,188,900
Total Deferred Inflows of Resources	8,154,950	882,944	9,037,894	1,390,110
Net Position				
Net investment in capital assets	75,570,918	33,693,093	109,264,011	1,933,984
Restricted:				
Debt service	828,330	329,963	1,158,293	-
Construction/capital projects	7,230,349	1,265,214	8,495,563	-
Enabling legislation	12,443,585	-	12,443,585	3,855,813
Unrestricted	1,787,876	17,032,447	18,820,323	-
Total Net Position	\$ 97,861,058	\$ 52,320,717	\$ 150,181,775	\$ 5,789,797

See Notes to the Financial Statements

City of O'Fallon, Illinois
Statement of Activities
For the year ended April 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
Primary Government:								
Governmental Activities:								
General government	\$ 3,652,826	\$ 475,382	\$ -	\$ -	\$ (3,177,444)	\$ -	\$ (3,177,444)	\$ -
Public safety	13,015,789	2,981,768	694,350	-	(9,339,671)	-	(9,339,671)	-
Highways and streets	6,898,569	-	369,942	3,047,671	(3,480,956)	-	(3,480,956)	-
Zoning	1,063,337	419,096	-	-	(644,241)	-	(644,241)	-
Development	136,444	-	-	-	(136,444)	-	(136,444)	-
Cemetery	129,067	30,205	-	-	(98,862)	-	(98,862)	-
Culture and recreation	4,939,428	2,301,115	407,399	-	(2,230,914)	-	(2,230,914)	-
Tax increment financing	1,084,855	500	-	-	(1,084,355)	-	(1,084,355)	-
Tourism	182,068	1,892,076	-	-	1,710,008	-	1,710,008	-
Tax rebates	87,815	-	-	-	(87,815)	-	(87,815)	-
Interest and fiscal charges	2,508,579	-	175,766	-	(2,332,813)	-	(2,332,813)	-
Total Government Activities	\$ 33,698,777	\$ 8,100,142	\$ 1,647,457	\$ 3,047,671	\$ (20,903,507)	\$ -	\$ (20,903,507)	\$ -
Business-Type Activities:								
Water	\$ 10,313,994	\$ 12,065,324	\$ -	\$ 426,154	\$ -	\$ 2,177,484	\$ 2,177,484	\$ -
Sewer	4,398,710	7,250,507	-	814,413	-	3,666,210	3,666,210	-
Total Business-Type Activities	\$ 14,712,704	\$ 19,315,831	\$ -	\$ 1,240,567	\$ -	\$ 5,843,694	\$ 5,843,694	\$ -
Total Primary Government	\$ 48,411,481	\$ 27,415,973	\$ 1,647,457	\$ 4,288,238	\$ (20,903,507)	\$ 5,843,694	\$ (15,059,813)	\$ -
Component Unit:								
Library	\$ 1,417,006	\$ 56,887	\$ 22,048	\$ 32,401	\$ -	\$ -	\$ -	\$ (1,305,670)
General Revenues								
Taxes:								
Property					\$ 6,164,966	\$ -	\$ 6,164,966	\$ 1,187,160
Replacement					26,304	-	26,304	7,024
Motor fuel					793,998	-	793,998	-
Sales					10,915,255	-	10,915,255	-
Utility					2,038,168	-	2,038,168	-
Income					2,755,690	-	2,755,690	-
Food and beverage					876,830	-	876,830	-
Miscellaneous					864,918	-	864,918	-
Other governmental entities					407,972	-	407,972	-
Franchise fees					994,627	-	994,627	-
Investment income					291,718	192,412	484,130	214,364
Unrestricted grants and contributions					9,395	-	9,395	23,735
Gain (loss) on disposal of fixed assets					242,547	-	242,547	-
Transfers in (out)					753,316	(726,166)	27,150	(27,150)
Miscellaneous					163,175	39,645	202,820	59
Total General Revenues					\$ 27,298,879	\$ (494,109)	\$ 26,804,770	\$ 1,405,192
Change in Net Position					6,395,372	5,349,585	11,744,957	99,522
Net Position, May 1 (restated)					91,465,686	46,971,132	138,436,818	5,690,275
Net Position, April 30					\$ 97,861,058	\$ 52,320,717	\$ 150,181,775	\$ 5,789,797

See Notes to the Financial Statements

City of O'Fallon, Illinois
Balance Sheet - Governmental Funds
April 30, 2018

	General Fund	Park Fund	Fire Fund	Ambulance Fund	Capital Improvement Fund	Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 10,031,570	\$ 1,912,400	\$ 2,690,027	\$ 3,979,446	\$ 1,627,945	\$ 1,479,782	\$ 13,886,854	\$ 35,608,024
Investments	1,007,906	-	-	-	-	-	1,304,731	2,312,637
Restricted cash and cash equivalents	524,843	-	-	-	-	-	584,982	1,109,825
Receivables, net								
Taxes	804,760	590,000	1,225,000	350,000	-	1,318,082	1,519,670	5,807,512
Other governmental entities	1,264,565	-	-	-	-	-	208,000	1,472,565
Interest	-	-	-	-	-	-	878	878
Service fees	-	-	-	496,625	-	-	-	496,625
Other	423,907	398,928	89,072	-	-	72,635	374,117	1,358,659
Prepaid items	270,464	16,811	5,750	40,720	-	-	-	333,745
Due from employees	6,260	-	-	-	-	-	-	6,260
Due from other funds	3,905,890	-	-	-	-	-	142,150	4,048,040
Total Assets	18,240,165	2,918,139	4,009,849	4,866,791	1,627,945	2,870,499	18,021,382	52,554,770
Deferred Outflows of Resources	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 18,240,165</u>	<u>\$ 2,918,139</u>	<u>\$ 4,009,849</u>	<u>\$ 4,866,791</u>	<u>\$ 1,627,945</u>	<u>\$ 2,870,499</u>	<u>\$ 18,021,382</u>	<u>\$ 52,554,770</u>
Liabilities								
Accounts payable	\$ 384,824	\$ 130,802	\$ 39,304	\$ 45,557	\$ 146,504	\$ 766,412	\$ 1,111,779	\$ 2,625,182
Accrued payroll	376,571	45,866	15,226	51,690	-	-	1,630	490,983
Unearned revenue	-	68,943	-	-	-	-	-	68,943
Due to other funds	142,150	-	-	-	-	4,426,984	338,333	4,907,467
Total Liabilities	903,545	245,611	54,530	97,247	146,504	5,193,396	1,451,742	8,092,575
Deferred Inflows of Resources								
Unavailable resources - property taxes	804,760	590,000	1,225,000	350,000	-	1,318,082	1,519,670	5,807,512
Unavailable resources - income taxes	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	804,760	590,000	1,225,000	350,000	-	1,318,082	1,519,670	5,807,512
Fund Balance								
Nonspendable:								
Prepaid items	270,464	16,811	5,750	40,720	-	-	-	333,745
Interfund advances	3,905,890	-	-	-	-	-	142,150	4,048,040
Restricted:								
Forfeiture funds	517,729	-	-	-	-	-	-	517,729
Debt service	-	-	-	-	-	-	1,136,250	1,136,250
Capital projects	-	-	-	-	1,481,441	-	5,606,758	7,088,199
Special revenue fund	-	2,065,717	2,724,569	4,378,824	-	-	6,334,444	15,503,554
Assigned:								
Strategic planning	-	-	-	-	-	-	2,138,288	2,138,288
Unassigned:								
General fund	11,837,777	-	-	-	-	(3,640,979)	(307,920)	7,888,878
Total Fund Balances	16,531,860	2,082,528	2,730,319	4,419,544	1,481,441	(3,640,979)	15,049,970	38,654,683
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,240,165</u>	<u>\$ 2,918,139</u>	<u>\$ 4,009,849</u>	<u>\$ 4,866,791</u>	<u>\$ 1,627,945</u>	<u>\$ 2,870,499</u>	<u>\$ 18,021,382</u>	<u>\$ 52,554,770</u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
For the year ended April 30, 2018

Total Fund Balances - Governmental Funds	\$ 38,654,683
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	117,204,841
Revenues reported in the statement of activities from state income tax received more than 60 days after the end of the fiscal year are not current financial resources, and therefore, are not reported in the governmental funds	-
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued compensated balances	(2,347,506)
Accrued net pension liability	(654,200)
Accrued interest payable	(773,680)
Bonds payable	(52,290,000)
Notes payable	(1,293,334)
Deferred gains and losses on refunding bonds, bond premiums, and bond discounts are to be amortized over the life of the bonds and are not reported in the funds. Deferred gains and losses, bond premiums, and bond discounts at year-end consist of:	
Deferred loss on refunding, net of amortization	1,406,489
Deferred gain on refunding, net of amortization	-
Bond discounts, net of amortization	43,501
Bond premiums, net of amortization	(746,563)
Certain assets and liabilities are not due and receivable/payable in the current period, and therefore, are not reported as assets and liabilities in the funds:	
Deferred outflows - pension related	1,004,265
Deferred inflows - pension related	(2,347,438)
Net Position of Governmental Activities	<u><u>\$ 97,861,058</u></u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Combined Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds
For the year ended April 30, 2018

	General Fund	Park Fund	Fire Fund	Ambulance Fund	Capital Improvement Fund	Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
Revenues								
Taxes:								
Property	\$ 252,117	\$ 582,559	\$ 1,219,979	\$ 1,031,890	\$ -	\$ 1,015,892	\$ 2,062,529	\$ 6,164,966
Utility	967,402	1,070,766	-	-	-	-	-	2,038,168
Food and beverage	876,830	-	-	-	-	-	-	876,830
Rural fire district	-	-	-	427,118	-	-	-	427,118
Intergovernmental receipts:								
Replacement tax	-	-	-	-	-	-	26,304	26,304
Motor fuel tax	-	-	-	-	-	-	793,998	793,998
State sales tax	8,892,664	21,859	-	-	-	-	2,000,732	10,915,255
State income tax	3,136,280	-	-	-	-	-	-	3,136,280
Road and bridge tax	300,213	-	-	-	-	-	-	300,213
Grants	358,583	360,850	-	1,251	300,000	120,885	69,942	1,211,511
Metropolitan Enforcement Group	23,934	-	-	-	-	-	-	23,934
Other	-	-	495,291	-	-	-	-	495,291
Licenses and permits	870,905	-	50,424	-	-	-	-	921,329
Subdivision fees	49,404	-	-	-	-	-	-	49,404
Police reports	4,649	-	-	-	-	-	-	4,649
Combined dispatch	739,350	-	-	-	-	-	-	739,350
Municipal aggregation fees	107,759	-	-	-	-	-	-	107,759
Fines and fees	481,993	-	700	-	-	-	-	482,693
Service fees	7,762	130,618	4,499	1,143,537	-	-	6,405	1,292,821
Recreation fees	-	1,205,438	-	-	-	-	-	1,205,438
Room tax	-	-	-	-	-	-	1,892,076	1,892,076
Investment income	120,653	13,899	533	4,090	72	1,316	151,155	291,718
Phone and cable television fees	560,227	434,400	-	-	-	-	-	994,627
Rentals	15,898	372,257	-	-	-	-	-	388,155
Fee in lieu of taxes	694,440	-	-	-	-	-	46,470	740,910
Concession income	-	298,551	-	-	-	-	-	298,551
Donations	46,470	9,474	-	-	-	-	-	55,944
Annex fees	-	-	-	-	-	-	294,251	294,251
Build America bond rebates	-	-	-	-	-	-	175,766	175,766
Cemetery revenue	30,205	-	-	-	-	-	-	30,205
Miscellaneous revenues and reimbursements	17,399	27,003	-	4,551	-	500	76,258	125,711
Total Revenues	\$ 18,555,137	\$ 4,527,674	\$ 1,771,426	\$ 2,612,437	\$ 300,072	\$ 1,138,593	\$ 7,595,886	\$ 36,501,225

See Notes to the Financial Statements

City of O'Fallon, Illinois
Combined Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds
For the year ended April 30, 2018

	General Fund	Park Fund	Fire Fund	Ambulance Fund	Capital Improvement Fund	Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
Total Revenues (page 9)	\$ 18,555,137	\$ 4,527,674	\$ 1,771,426	\$ 2,612,437	\$ 300,072	\$ 1,138,593	\$ 7,595,886	\$ 36,501,225
Expenditures								
Current:								
General government	\$ 2,843,435	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 325,052	\$ 3,168,487
Public safety	7,526,368	-	1,185,670	2,155,507	-	-	782,811	11,650,356
Highways and streets	2,526,852	-	-	-	-	-	1,196,253	3,723,105
Zoning	962,316	-	-	-	-	-	101,021	1,063,337
Development	123,142	-	-	-	-	-	8,567	131,709
Cemetery	114,473	-	-	-	-	-	10,770	125,243
Culture and recreation	-	3,240,052	-	-	-	-	209,638	3,449,690
Tax increment financing	-	-	-	-	-	222,224	-	222,224
Tourism	-	-	-	-	-	-	60,167	60,167
Tax rebates	87,815	-	-	-	-	-	-	87,815
Capital outlay	2,740,520	1,297,349	42,839	29,996	8,697,301	4,437,975	3,517,955	20,763,935
Debt service:								
Principal	33,164	-	264,720	28,267	-	-	2,510,000	2,836,151
Interest and fiscal charges	1,050	-	55,373	1,007	-	-	2,291,875	2,349,305
Bond issuance costs	-	-	-	-	-	-	68,681	68,681
Total Expenditures	<u>\$ 16,959,135</u>	<u>\$ 4,537,401</u>	<u>\$ 1,548,602</u>	<u>\$ 2,214,777</u>	<u>\$ 8,697,301</u>	<u>\$ 4,660,199</u>	<u>\$ 11,082,790</u>	<u>\$ 49,700,205</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,596,002</u>	<u>(9,727)</u>	<u>222,824</u>	<u>397,660</u>	<u>(8,397,229)</u>	<u>(3,521,606)</u>	<u>(3,486,904)</u>	<u>(13,198,980)</u>
Other Financing Sources (Uses)								
Capital contributions	\$ 1,339,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,586,795	\$ 2,926,786
Insurance refunds and claims	46,676	-	2,597	1,592	-	-	-	50,865
Proceeds from sale of capital assets	45,783	1,810	-	277,959	-	-	1,478,505	1,804,057
Proceeds from general obligation bonds	-	-	-	-	-	-	1,810,000	1,810,000
Proceeds from general obligation bonds - premium	-	-	-	-	-	-	(1,900,000)	(1,900,000)
Transfers in from other funds	1,091,026	1,025,000	-	-	3,307	-	4,139,643	6,258,976
Transfers out to other funds	(1,898,313)	(458,092)	(130,180)	(158,603)	(1,000,000)	(186,157)	(1,674,315)	(5,505,660)
Total Other Financing Sources	<u>\$ 625,163</u>	<u>\$ 568,718</u>	<u>\$ (127,583)</u>	<u>\$ 120,948</u>	<u>\$ (996,693)</u>	<u>\$ (186,157)</u>	<u>\$ 5,440,628</u>	<u>\$ 5,445,024</u>
Net Change in Fund Balance	2,221,165	558,991	95,241	518,608	(9,393,922)	(3,707,763)	1,953,724	(7,753,956)
Fund Balance (Deficit), May 1 (restated)	<u>14,310,695</u>	<u>1,523,537</u>	<u>2,635,078</u>	<u>3,900,936</u>	<u>10,875,363</u>	<u>66,784</u>	<u>13,096,246</u>	<u>46,408,639</u>
Fund Balance (Deficit), April 30	<u>\$ 16,531,860</u>	<u>\$ 2,082,528</u>	<u>\$ 2,730,319</u>	<u>\$ 4,419,544</u>	<u>\$ 1,481,441</u>	<u>\$ (3,640,979)</u>	<u>\$ 15,049,970</u>	<u>\$ 38,654,683</u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the year ended April 30, 2018

Net Change in Fund Balances - Governmental Funds	\$	(7,753,956)
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold exceeded the depreciation in the current period.

Capital outlays	19,257,497		
Depreciation expense	<u>(5,574,015)</u>		13,683,482

Gain/(Loss) on capital assets sold			(1,561,510)
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Income taxes received more than 60 days after the end of the fiscal year are reported as deferred inflows of resources in the governmental funds			(380,590)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and in the treatment of long-term debt and related items.

Issuances:			
Bonds payable	(1,810,000)		
Notes payable	-		
Repayments:			
Bonds payable	4,410,000		
Notes payable	<u>326,151</u>		2,926,151

Payment of interest on long-term debt			(90,593)
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Pension obligations			(271,315)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated absences			<u>(156,297)</u>
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Change in Net Position of Governmental Activities	\$	<u><u>6,395,372</u></u>
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City of O'Fallon, Illinois
Statement of Net Position
Proprietary Funds
April 30, 2018

Assets	Water	Sewer	Total
Current Assets			
Cash and cash equivalents	\$ 8,352,105	\$ 7,168,856	\$ 15,520,961
Investments	503,118	-	503,118
Restricted cash and cash equivalents	825,377	769,800	1,595,177
Receivables, net			
Service charges	1,338,797	800,358	2,139,155
Restricted receivables, net	9,865	787	10,652
Prepaid items	95,718	175,275	270,993
Due from other funds	217,962	641,465	859,427
Total Current Assets	<u>11,342,942</u>	<u>9,556,541</u>	<u>20,899,483</u>
Noncurrent Assets			
Non-depreciable capital assets:			
Land and construction in progress	421,406	606,745	1,028,151
Depreciable capital assets:			
Other capital assets, net	21,488,953	18,436,373	39,925,326
Total Noncurrent Assets	<u>21,910,359</u>	<u>19,043,118</u>	<u>40,953,477</u>
Deferred Outflows of Resources			
Deferred outflows - pension related	234,809	158,990	393,799
Liabilities			
Current Liabilities			
Accounts payable	732,892	144,888	877,780
Accrued payroll	60,742	34,942	95,684
Compensated absences payable	322,219	150,232	472,451
Customer deposits	3,419	-	3,419
Current portion of notes payable	309,563	156,928	466,491
Accrued interest	18,832	20,802	39,634
Total Current Liabilities	<u>1,447,667</u>	<u>507,792</u>	<u>1,955,459</u>
Long-Term Liabilities			
Net pension liability	154,269	139,477	293,746
Long-term portion of notes payable	3,840,959	2,952,934	6,793,893
Total Long-Term Liabilities	<u>3,995,228</u>	<u>3,092,411</u>	<u>7,087,639</u>
Deferred Inflows of Resources			
Deferred inflows - pension related	556,371	326,573	882,944
Net Position			
Net investment in capital assets	17,759,837	15,933,256	33,693,093
Restricted for:			
Debt service	69,367	260,596	329,963
Construction	756,010	509,204	1,265,214
Unrestricted	8,903,630	8,128,817	17,032,447
Total Net Position	<u>\$ 27,488,844</u>	<u>\$ 24,831,873</u>	<u>\$ 52,320,717</u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Statement of Revenue, Expenses and Changes in Net Position
Proprietary Funds
For the year ended April 30, 2018

	Water	Sewer	Total
Operating Revenues			
Charges for services:			
Sales	\$ 11,088,083	\$ 5,908,854	\$ 16,996,937
Tap-on fees	703,250	555,443	1,258,693
Service charges and fees	183,641	786,210	969,851
Sprinklers and hydrants	90,250	-	90,250
Miscellaneous refunds and reimbursements	36,422	3,323	39,745
Total Operating Revenues	<u>12,101,646</u>	<u>7,253,830</u>	<u>19,355,476</u>
Operating Expenses			
Personnel services	2,378,841	1,313,115	3,691,956
Contractual services	5,586,489	892,645	6,479,134
Commodities	390,321	564,302	954,623
Miscellaneous	59,491	157,906	217,397
Fee in lieu of taxes	529,940	210,970	740,910
Depreciation and amortization	1,258,555	1,188,489	2,447,044
Total Operating Expenses	<u>10,203,637</u>	<u>4,327,427</u>	<u>14,531,064</u>
Operating Income (Loss)	1,898,009	2,926,403	4,824,412
Non-operating Revenues (Expenses)			
Capital contributions	426,154	814,413	1,240,567
Investment income	186,748	5,664	192,412
Interest expense	(108,544)	(71,680)	(180,224)
Gain (loss) on disposal of fixed assets	(1,813)	397	(1,416)
Total Non-operating Revenues (Expenses)	<u>502,545</u>	<u>748,794</u>	<u>1,251,339</u>
Income (Loss) Before Transfers	2,400,554	3,675,197	6,075,751
Transfers in (out)	<u>(416,857)</u>	<u>(309,309)</u>	<u>(726,166)</u>
Change in Net Position	1,983,697	3,365,888	5,349,585
Net Position, May 1 (restated)	<u>25,505,147</u>	<u>21,465,985</u>	<u>46,971,132</u>
Net Position, April 30	<u><u>\$ 27,488,844</u></u>	<u><u>\$ 24,831,873</u></u>	<u><u>\$ 52,320,717</u></u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Statement of Cash Flows
Proprietary Funds
For the year ended April 30, 2018

	Water	Sewer	Total
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Receipts from customers	\$ 12,171,794	\$ 7,327,412	\$ 19,499,206
Payments to suppliers	(6,404,330)	(1,668,657)	(8,072,987)
Payments to employees	(2,252,961)	(1,249,993)	(3,502,954)
Net Cash Flows from Operating Activities	<u>3,514,503</u>	<u>4,408,762</u>	<u>7,923,265</u>
Cash Flows from Noncapital Financing Activities:			
Decrease (increase) of interfund balances	605,500	(146,534)	458,966
Transfer in (out)	(416,857)	(309,309)	(726,166)
Net Cash Used by Noncapital Financing Activities	<u>188,643</u>	<u>(455,843)</u>	<u>(267,200)</u>
Cash Flows from Capital and Related Financing Activities:			
Payments on long-term debt	(301,516)	(428,254)	(729,770)
Interest on debt	(108,544)	(71,680)	(180,224)
Proceeds from sale of capital assets	5,630	-	5,630
Acquisition and construction of capital assets	(714,828)	(547,908)	(1,262,736)
Net Cash Used by Capital and Related Financing Activities	<u>(1,119,258)</u>	<u>(1,047,842)</u>	<u>(2,167,100)</u>
Cash Flows from Investing Activities:			
Purchase of investments	-	-	-
Interest on investments	186,748	5,664	192,412
Net Cash Used by Investing Activities	<u>186,748</u>	<u>5,664</u>	<u>192,412</u>
Net Increase in Cash and Cash Equivalents	\$ 2,770,636	\$ 2,910,741	\$ 5,681,377
Cash and Cash Equivalents, May 1	<u>6,406,846</u>	<u>5,027,915</u>	<u>11,434,761</u>
Cash and Cash Equivalents, April 30	<u><u>\$ 9,177,482</u></u>	<u><u>\$ 7,938,656</u></u>	<u><u>\$ 17,116,138</u></u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Statement of Cash Flows
Proprietary Funds
For the year ended April 30, 2018

	Water	Sewer	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating Profit (Loss)	\$ 1,898,009	\$ 2,926,403	\$ 4,824,412
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	1,258,555	1,188,489	2,447,044
(Increase) decrease in:			
Accounts receivable	70,148	73,582	143,730
Prepaid items	(6,997)	(12,036)	(19,033)
Deferred outflows of resources	73,200	42,614	115,814
Increase (decrease) in:			
Accounts payable	168,908	169,202	338,110
Deposits payable	-	-	-
Net pension liability	(528,921)	(307,918)	(836,839)
Compensated absences payable	53,480	23,880	77,360
Deferred inflows of resources	519,944	302,692	822,636
Accrued payroll liabilities	8,177	1,854	10,031
Net cash provided by (used in) operating activities	<u>\$ 3,514,503</u>	<u>\$ 4,408,762</u>	<u>\$ 7,923,265</u>
Noncash Capital and Related Financing and/or Investing Activities:			
Capital contributions	\$ 426,154	\$ 814,413	\$ 1,240,567

See Notes to the Financial Statements

City of O'Fallon, Illinois
Statement of Net Position
Fiduciary Funds
April 30, 2018

	Police Pension Trust	Fire Pension Trust	Total
Assets			
Cash and cash equivalents	\$ 360,294	\$ 6,351	\$ 366,645
Investments	29,398,960	575,871	29,974,831
Receivables, net			
Interest receivable	78,787	3,211	81,998
Property tax receivable	1,200,000	70,000	1,270,000
Due from other governmental entities	-	-	-
Due from brokers for securities sold	-	-	-
Total Assets	<u>31,038,041</u>	<u>655,433</u>	<u>31,693,474</u>
Liabilities			
Due to other funds	-	-	-
Accounts payable	-	-	-
Due to brokers for securities purchased	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Held in Trust for Pension Benefits	<u>31,038,041</u>	<u>655,433</u>	<u>31,693,474</u>
Total Net Position	<u><u>\$ 31,038,041</u></u>	<u><u>\$ 655,433</u></u>	<u><u>\$ 31,693,474</u></u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Statement of Changes in Net Position
Fiduciary Funds
For the year ended April 30, 2018

	Police Pension Trust	Fire Pension Trust	Total
Additions			
Contributions:			
Plan members	\$ 379,844	\$ 9,243	\$ 389,087
Other plan	229,642	167,254	396,896
Employer	1,194,728	69,691	1,264,419
Total Contributions	<u>1,804,214</u>	<u>246,188</u>	<u>2,050,402</u>
Intergovernmental revenue - replacement taxes	5,997	-	5,997
Investment income:			
Investment income	2,172,034	3,104	2,175,138
Less: investment fees	<u>(35,282)</u>	<u>-</u>	<u>(35,282)</u>
Net investment income	2,136,752	3,104	2,139,856
Total Additions	3,946,963	249,292	4,196,255
Deductions			
Benefits	1,184,165	-	1,184,165
Refunds	22,005	-	22,005
Administration services	<u>18,437</u>	<u>3,220</u>	<u>21,657</u>
Total Deductions	<u>1,224,607</u>	<u>3,220</u>	<u>1,227,827</u>
Change in Net Position Held in Trust	2,722,356	246,072	2,968,428
Net Position Held in Trust, May 1	<u>28,315,685</u>	<u>409,361</u>	<u>28,725,046</u>
Net Position Held in Trust, April 30	<u><u>\$ 31,038,041</u></u>	<u><u>\$ 655,433</u></u>	<u><u>\$ 31,693,474</u></u>

See Notes to the Financial Statements

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City of O'Fallon (the "City") are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

The Financial Reporting Entity

The City was incorporated on May 5, 1905 under the provisions of the State of Illinois. The City operates on a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services (ambulance), culture-recreation, public improvements, planning and zoning, and general administrative services. Other services include utilities (water and sewer).

As required by generally accepted accounting principles, these financial statements present the City (the primary government) and all related organizations for which the City exercises financial accountability. The Police Pension Fund and Fire Pension Fund have been included as fiduciary funds due to the fiduciary responsibility exercised over these Pension Funds.

Discretely Presented Component Unit

The City has developed criteria to determine whether outside agencies with activities which benefit the citizens of the City should be included within its financial statements as component units. The criteria for including organizations within the City's reporting entity, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, and updated in GASB Statement No. 61, is financial accountability. Financial accountability is defined as either 1) appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government or 2) the component unit is fiscally dependent on the primary government and there are potential financial benefits or burdens on the primary government.

The O'Fallon Public Library has been determined to be part of the reporting entity because the City exercises financial accountability over the assets, operations, and management of the Library. The governing boards of the Library are appointed by the Mayor with approval of the City Council. Therefore, the O'Fallon Public Library is included in the accompanying financial statements as a discretely presented component unit.

The Library's budget is approved and adopted by the City Council. The Library also submits its property tax levy to the Council for approval and the taxes are levied under the City's authority and included as part of the City's total tax levy.

Government-wide and Fund Financial Statements

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

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Government-wide and Fund Financial Statements (continued)

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

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

The City reports the following major governmental funds:

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

The Park Special Revenue Fund is used to account for the financial transactions and proceeds of parks and recreation programs and services for the City including the Sports Park Complex.

The Fire Special Revenue Fund is used to account for the financial transactions and proceeds of fire protection and public safety services for the City.

The Ambulance Special Revenue Fund is used to account for the financial transactions and proceeds of emergency services for the City.

The Capital Improvement Capital Projects Fund is used to account for the financial transactions and proceeds of debt issuances for capital projects.

The Tax Increment Financing (TIF) Special Revenue Fund is used to account for the financial transactions and proceeds of all the tax incremental financing districts within the City.

The City reports the following major proprietary funds:

The Water and Sewer Enterprise Funds are used to account for the activities of the water and sewerage operations.

Fund Accounting

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

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

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Fund Accounting (continued)

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

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. These assets are held under the terms of a formal trust agreement as a pension fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considered revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports unearned revenue on its financial statements. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it 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, the liability or deferred inflow of resources for unearned revenue is removed from the combined balance sheet and revenue is recognized.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

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

Budget

Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations for all funds lapse at the end of the year.

Cash, Cash Equivalents, and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value. Investment income earned on pooled cash or investments is allocated to the various funds. Investment income on restricted cash and investments is credited directly to the related fund.

Allowance for Uncollectable Accounts

The City maintains an allowance for doubtful accounts in the following funds. This comprises the balances on accounts outstanding over a certain period.

	2018
Ambulance Fund	\$ 1,936,167
Water Fund	29,472
Sewer Fund	15,795
	<u>\$ 1,981,434</u>

Due To/From Other Funds

Noncurrent portions of long-term interfund loans receivable (reported in "advances to" asset accounts) are equally offset by fund balance reserve account which indicates that they do not constitute "available spendable resources" since they are not a component of net current assets. Current portions of long-term interfund loans receivable (reported in "due from" asset accounts) are considered "available spendable resources" and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as "internal balances."

Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of proprietary funds are recorded as expenditures when purchased rather than consumed.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Prepaid Expenses

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.

Restricted Assets

Certain proceeds of the Water and Sewer Enterprise Funds debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable debt covenants.

Property Taxes

The City's property tax is levied each year on all taxable real property located in the City on or before the last Tuesday in December. The levy was passed by the Council in December. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments due in June and August of the subsequent year. The City receives significant distributions of tax receipts in the months of July and September.

For governmental funds, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year-end, are recorded as revenues. The accompanying financial statements include the 2016 property tax levy in revenue.

The applicable tax statistics for the City, for the latest years available, are as follows:

	2017		2016	
Assessed Valuation	\$	674,208,383	\$	656,002,514
	2017		2016	
	Maximum	Actual	Maximum	Actual
Tax Rates				
General	n/a	0.0742	n/a	0.0389
Fire Protection	n/a	0.1817	n/a	0.1868
Fire Pension	n/a	0.0104	n/a	0.0107
Ambulance	n/a	0.0520	n/a	0.1580
Library	n/a	0.1606	n/a	0.1650
Library - Municipal Retirement	n/a	0.0077	n/a	0.0079
Library - Social Security	n/a	0.0082	n/a	0.0084
Park and Recreation	n/a	0.0876	n/a	0.0892
Police Pension	n/a	0.1780	n/a	0.1683
Municipal Retirement	n/a	0.0895	n/a	0.0915
Social Security	n/a	0.1338	n/a	0.1281
		<u>0.9837</u>		<u>1.0528</u>

The City is home rule so maximum rates are not applicable.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Property Taxes (continued)

The City also levies for seven (7) special service areas for maintenance expense. They have various assessed valuations depending on the area serviced and are accounted for in the special revenue fund in total. The assessed valuation of all areas combined is \$32,672,501. Each area has a maximum rate of 0.3500. The total extension for all areas combined is \$15,223.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual exceeding the totals listed below (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment, in excess of the following cost totals, is depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Cost</u>	<u>Years</u>
Buildings	\$ 50,000	40
Water and Sewer System	50,000	20-40
Infrastructure	50,000	10-30
Equipment	25,000	5-20
Land/Building Improvements	50,000	20
Vehicles	15,000	5-10

Compensated Absences

Vacation

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire accumulated vacation leave is accrued when incurred in the government-wide financial statements. For governmental funds, the expenditure for vacation leave is recorded in the fund when the employees who have accumulated vacation leave are paid. Therefore, the current portion of the liability is not reported in the governmental funds.

Sick Leave

Eligible full-time employees will accrue sick leave benefits at the rate of 13 days per year (2 hours for every full week worked). For part-time employees sick leave eligibility will be based on the foregoing schedule but will be prorated based on the total number of hours per week the employee is regularly scheduled to work as compared with a 40-hour work week. Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Compensated Absences (continued)

Sick Leave (continued)

For employees hired prior to January 1, 2002, unused sick leave benefits will be paid to employees in good standing while they are employed or upon termination of employment up to 1040 hours. Employees may sell back to the City during their employment the 1040 hours, but the employee must maintain a minimum of 400 hours of available sick time. For employees hired after January 1, 2002, however, the maximum amount of unused sick leave that will be paid for upon separation is 480 hours.

A schedule of the accrual for combined vacation and sick leave follows:

	Total	Due Within One Year
Governmental Activities	\$ 2,347,506	\$ 2,347,506
Business-Type Activities	472,451	472,451
Component Unit	67,686	67,686
	<u>\$ 2,887,643</u>	<u>\$ 2,887,643</u>

Compensatory Time

A non-exempt employee, except for police or firefighters, who works more than 40 hours during a work week can receive a comparable amount of compensatory time off during the same work week after approval by the department supervisor. If the supervisor determines that the comp time cannot be taken during the same work week, the supervisor shall grant the accrual of comp time at the rate of one and one-half times or grant pay at the rate of one and one-half times the employee's regular hourly rate. An employee may accrue up to a maximum of 40 hours of banked comp time and shall make every effort to use compensatory time before the end of the fiscal year. Any compensatory time not used prior to the end of the fiscal year shall be bought back at the employee's regular rate of pay.

Liabilities for compensated absences for the City are generally liquidated from the General Fund, Park Fund, Fire Fund, Ambulance Fund, Water Fund, and Sewer Fund

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Although the straight-line method is not considered to be a generally accepted accounting principle, management feels that the use of this method will not result in a material difference. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed when incurred.

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

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Fund Equity

The government-wide and proprietary financial statements are classified in the following categories:

Net investment in capital assets - represents capital assets, net of accumulated depreciation, less the outstanding balance of any notes, leases or other borrowings that are attributable to the acquisition, construction or improvements of the assets. Net investment in capital assets excludes unspent bond and loan proceeds.

Restricted - represents net position that is legally restricted or identified for specific purposes by outside parties or by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$21,089,425 in restricted net position, of which \$12,373,900 is restricted due to enabling legislation.

Unrestricted - represents net position that is the residual assets for future operations or distribution

The governmental fund equities, under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, are classified in the following categories:

Nonspendable - represents fund balances that cannot be spent because they are either a) not in spendable form (i.e. inventory and prepaid items) or b) legally or contractually required to be maintained intact

Restricted - represents fund balances that can be used only for specific purposes due to a) constitutional provisions or enabling legislation or b) externally imposed constraints such as creditors, grantors, laws or other governments

Committed - represents fund balances that can be used only for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution

Assigned - represents fund balances that are any amounts for which it is the City's intent that the funds be used for specific purposes but there is no legal or binding restrictions or commitments (i.e. assignments made by the City's management)

Unassigned - represents fund balances that are residual amounts for the government's general fund and includes all spendable amounts not contained in the other classifications

The City would typically use Restricted fund balances first, followed by Committed resources and Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first.

Grant Revenue

Resources received by the City from other governments are accounted for within applicable funds based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the Fund's measurement objective.

Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred. Any excess or deficiency of grant revenues received compared to expenditures incurred is recorded as unearned revenue or amounts receivable from the grantor.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Interfund Transactions (continued)

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

Use of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position and the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Note 2 - Legal Compliance and Accountability

Budgetary Data

The City followed these procedures in establishing the budgetary data reported in the financial statements for the year ended April 30, 2018:

1. Prior to April 30 of the previous fiscal year, the proposed budget was distributed to the various committees for their review.
2. The committee reviews of the budget were conducted from February 15, 2017 through March 31, 2017.
3. A public hearing on the proposed budget was held on April 3, 2017.
4. Formal adoption of the budget was on April 3, 2017.

Note 3 - Deposits and Investments

The City is authorized to make deposits or investments in obligations of the U.S. Government, savings accounts, time deposits, certificates of deposit or other investments, which are direct obligations of banks as defined by the Illinois Banking Act. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations, tax anticipation warrants, veterans' loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts, mutual funds and equity securities. The City has an investment policy that further limits what it is able to invest in.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 3 - Deposits and Investments (continued)

Deposits

Deposits held by the City as of April 30, 2018 consist of the following:

	Primary Government	Component Unit	Police Pension	Fire Pension	Total
Demand deposits	\$ 15,554,633	\$ 551,167	\$ 360,294	\$ 6,351	\$ 16,472,445

Investments

Investments held by the City as of April 30, 2018 consist of the following:

Investment Type	Primary Government	Component Unit	Police Pension	Fire Pension	Total
Cash and Cash Equivalents	\$ 281,319	\$ 95,681	\$ 570,201	\$ 665	\$ 947,866
Certificates of Deposit	1,980,683	74,825	667,190	97,431	2,820,129
U.S. Government Securities	-	15,477	5,165,680	191,810	5,372,967
Corporate Bonds	-	433,673	3,889,853	230,798	4,554,324
Municipal Bonds	-	49,176	448,525	-	497,701
Mutual Funds	607,089	1,895,653	10,605,753	55,167	13,163,662
Exchange Traded Funds	92,207	505,050	8,051,758	-	8,649,015
Alternative Investments	35,777	234,753	-	-	270,530
Total	\$ 2,997,075	\$ 3,304,288	\$ 29,398,960	\$ 575,871	\$ 36,276,194

Cash and Cash Equivalents in External Investment Pools

Illinois Funds	38,091,312	240,062	-	-	38,331,374
Illinois Metropolitan Invest. Fund	6,722	-	-	-	6,722
Total External Invest. Pools	\$ 38,098,034	\$ 240,062	\$ -	\$ -	\$ 38,338,096

The Illinois Funds and Illinois Metropolitan Investments Fund are pooled investments operated by the State of Illinois as a not-for-profit common law trust and are not registered with the SEC. The funds are monitored regularly through the state by internal and external audits. The goals of the funds are to provide liquidity and to maintain balances that are equal to the par value of invested shares with no loss to market fluctuations. The fair value of the City's position in the pool is the same as the value of the pool shares.

Credit Risk

State law limits investments in commercial paper, corporate bonds, and money market mutual funds to the top two ratings, issued by nationally recognized statistical rating organizations. The City has an investment policy that further limits its investment choices. As of April 30, 2018, the City's deposits in the Illinois Funds and Illinois Metropolitan Investment external investment pools were rated AAAm and AAAs by Standard & Poor's, respectively. The City's investments in corporate bonds, municipal bonds, mutual bond funds, and exchange traded bond funds are rated as follows:

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 3 - Deposits and Investments (continued)

Credit Risk (continued)

	Moody's	S & P
Corporate Bonds		
Exxon Mobil Corp.	Aaa	AA+
Anheuser Busch In-Bev	A3	A-
International Business Machines Corp.	A1	A+
Wal-Mart Stores Inc.	Aa2	AA
Apple Inc.	Aa1	AA+
Deere & Company	A2	A
Microsoft Corp.	Aaa	AAA
Coca Cola Company	Aa3	A+
Berkshire Hathaway, Inc.	Aa2	AA
General Electric Company	A2	A
Hewlett-Packard Co.	Baa2	BBB
JP Morgan Chase & Co.	A3	A-
HSBC Holdings PLC	A2	A
Wells Fargo & Co.	A3	A-
State Street Corporation	A1	A
Deutsche Bank	Baa2	BBB-
AT&T Inc.	Baa1	BBB+
Pepsico Inc.	A1	A+
Vodafone Group PLC	Baa1	BBB+
Merck & Co., Inc.	A1	AA
Chevron Corporation	Aa2	AA-
Northern Trust Corporation	A2	A
Target Corporation	A2	A
Municipal Bonds		
Illinois State Pension Bonds	Baa3	BBB-
Northbrook Illinois Refunding	Aaa	AAA
Libertyville Illinois Refunding	Aa2	n/a
Gratiot County, Michigan	A2	AA
Illinois Dev Fin Auth Rev Local Govt. Sch Dist No 304-A	A2	AA+
Mutual Bond Funds		
Vanguard High-Yield Corporate Fund	n/a	n/a
Dodge & Cox Income Fund	n/a	n/a
Vanguard Intermediate Term Investment Grade Fund	n/a	n/a
Capital World Bond Fund	n/a	n/a
Vanguard Short Term Bond Index Fund	n/a	n/a
Vanguard Short Term Investment Grade Fund	n/a	n/a
Fidelity High Income Fund	n/a	n/a

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 3 - Deposits and Investments (continued)

Credit Risk (continued)

Mutual Bond Funds (continued)

Stone Ridge High Yield Reinsurance Risk Premium Fund	n/a	n/a
Stone Ridge Reinsurance Risk Premium Fund	n/a	n/a
Vanguard Inflation Protected Secs Adm Fund	n/a	n/a
Federated Total Return Bond Fund (IS)	n/a	n/a
DFA World ex U.S. Governments Fixed Income Fund	n/a	n/a
Fidelity New Markets Income Fund	n/a	n/a
DFA Dimensional 1 Yr Fixed Income Fund	n/a	n/a
DFA Short-Term Extended Quality Portfolio Fund	n/a	n/a

Exchange Traded Bond Funds

IShares Barclays US Treasury Inflation Protected	n/a	n/a
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Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. The City uses the segmented time distribution method to analyze interest rate risk as follows:

	Fair Value	Segmented Time Distribution Investment Maturities (in Year)			
		<1	1-5	6-10	>10
Certificates of Deposit	\$ 2,820,129	\$ 1,241,807	\$ 1,339,392	\$ 238,930	\$ -
U.S. Government Securities	5,372,967	471,610	1,391,727	2,297,392	1,212,238
Corporate Bonds	4,554,324	75,556	3,468,115	1,010,653	-
Municipal Bonds	497,701	100,101	372,551	25,049	-
Mutual Funds	13,163,662	13,163,662	-	-	-
Exchange Traded Funds	8,649,015	8,649,015	-	-	-
Alternative Investments	270,530	270,530	-	-	-
Illinois Funds	38,331,374	38,331,374	-	-	-
Illinois Metropolitan Invest. Fund	6,722	6,722	-	-	-
	<u>\$ 73,666,424</u>	<u>\$ 62,310,377</u>	<u>\$ 6,571,785</u>	<u>\$ 3,572,024</u>	<u>\$ 1,212,238</u>

Custodial Credit Risk

For deposits and investments, custodial credit risk is the risk that, in the event of failure of the counter party, the City will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. State law requires depository financial institutions to pledge as collateral for public funds on deposit, governmental unit securities, which, when combined with Federal Deposit Insurance Corporation ("FDIC") insurance, are at least equal to the amount on deposit at all times.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 3 - Deposits and Investments (continued)

Custodial Credit Risk (continued)

As of April 30, 2018, bank balances on demand deposits totaled 16,549,891. Of the bank balances, \$600 was held as cash at the City, \$1,506,351 was insured by the Federal Deposit Insurance Corporation (FDIC) or the Securities Investor Protection Corporation (SIPC), \$14,777,885 was covered by pledged collateral, which was held in the City's name, and \$265,055 was uncollateralized. Bank balances of the City, component unit, police pension, and fire pension are commingled in several bank accounts.

The City's investments are categorized as either (1) insured or registered or for which the securities are held by the City or its agent in the City's name, (2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the City's name or (3) uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name. All investments subject to custodial credit risk fall under Category 2.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City places no limit on the amount the City may invest in any one issuer.

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represent 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). Defined benefit plans are required to disclose investments in any one issuer that represent 5% or more of total plan net position with the same exemptions as above. As of April 30, 2018, the City had the following investment concentrations:

	Investment Type	Fair Value	Percent of Total Investments
Fire Pension:			
Financing - 31771CT47	Gov. Sponsored Agency Bond	\$ 49,350	8.57%
Tenn. Valley - 88059EHC1	Gov. Sponsored Agency Bond	33,677	5.85%
Federal Farm Credit Bank	Gov. Sponsored Agency Bond	49,675	8.63%
Microsoft Corporation	Corporate Bond	49,116	8.53%
Exxon Mobil Corporation	Corporate Bond	48,832	8.48%
General Electric	Corporate Bond	39,103	6.79%
Target Corporation	Corporate Bond	30,000	5.21%
Apple, Inc.	Corporate Bond	48,891	8.49%
Capital One Bank	Brokered Certificate of Deposit	47,760	8.29%

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of April 30, 2018:

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 3 - Deposits and Investments (continued)

Fair Value Measurements (continued)

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Primary Government:				
Cash and Cash Equivalents	\$ 281,319	\$ 281,319	\$ -	\$ -
Certificates of Deposit	1,980,683	-	1,980,683	-
Mutual Funds	607,089	607,089	-	-
Exchange Traded Funds	92,207	92,207	-	-
Alternative Investments	35,777	35,777	-	-
Illinois Funds	38,091,312	-	38,091,312	-
Illinois Metropolitan Invest. Fund	6,722	-	6,722	-
	<u>\$ 41,095,109</u>	<u>\$ 1,016,392</u>	<u>\$ 40,078,717</u>	<u>\$ -</u>
Component Unit:				
Cash and Cash Equivalents	\$ 95,681	\$ 95,681	\$ -	\$ -
Certificates of Deposit	74,825	-	74,825	-
U.S. Government Securities	15,477	-	15,477	-
Corporate Bonds	433,673	-	433,673	-
Municipal Bonds	49,176	-	49,176	-
Mutual Funds	1,895,653	1,895,653	-	-
Exchange Traded Funds	505,050	505,050	-	-
Alternative Investments	234,753	234,753	-	-
Illinois Funds	240,062	-	240,062	-
	<u>\$ 3,544,350</u>	<u>\$ 2,731,137</u>	<u>\$ 813,213</u>	<u>\$ -</u>
Police Pension:				
Cash and Cash Equivalents	\$ 570,201	\$ 570,201	\$ -	\$ -
Certificates of Deposit	667,190	-	667,190	-
U.S. Government Securities	5,165,680	-	5,165,680	-
Corporate Bonds	3,889,853	-	3,889,853	-
Municipal Bonds	448,525	-	448,525	-
Mutual Funds	10,605,753	10,605,753	-	-
Exchange Traded Funds	8,051,758	8,051,758	-	-
	<u>\$ 29,398,960</u>	<u>\$ 19,227,712</u>	<u>\$ 10,171,248</u>	<u>\$ -</u>
Fire Pension:				
Cash and Cash Equivalents	\$ 665	\$ 665	\$ -	\$ -
Certificates of Deposit	97,431	-	97,431	-
U.S. Government Securities	191,810	-	191,810	-
Corporate Bonds	230,798	-	230,798	-
Mutual Funds	55,167	55,167	-	-
	<u>\$ 575,871</u>	<u>\$ 55,832</u>	<u>\$ 520,039</u>	<u>\$ -</u>

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 4 - Capital Assets

Capital asset activity for the year ended April 30, 2018 was as follows:

	Balance April 30, 2017 (restated)	Additions	Reductions	Balance April 30, 2018
<u>Governmental Activities</u>				
Non-depreciable capital assets:				
Land	\$ 31,112,379	\$ -	\$ (1,026,451)	\$ 30,085,928
Construction in process	1,810,537	2,051,872	(1,347,629)	2,514,780
Total Non-depreciable capital assets	32,922,916	2,051,872	(2,374,080)	32,600,708
Depreciable capital assets:				
Land/building improvements	10,753,978	45,721	-	10,799,699
Buildings	25,805,820	-	(601,897)	25,203,923
Equipment	7,551,193	176,737	(77,027)	7,650,903
Vehicles	6,462,099	263,708	(264,416)	6,461,391
Parks/Sportsplex	19,353,479	9,374,861	-	28,728,340
Infrastructure	129,670,757	8,692,227	-	138,362,984
Total Depreciable capital assets	199,597,326	18,553,254	(943,340)	217,207,240
Less: Accumulated depreciation				
Land/building improvements	2,190,496	292,854	-	2,483,350
Buildings	7,574,655	740,255	(155,326)	8,159,584
Equipment	5,552,937	465,200	(36,570)	5,981,567
Vehicles	4,130,201	566,298	(216,384)	4,480,115
Parks/Sportsplex	4,804,116	964,639	-	5,768,755
Infrastructure	103,184,967	2,544,769	-	105,729,736
Total Accumulated Depreciation	127,437,372	5,574,015	(408,280)	132,603,107
Depreciable capital assets, net	72,159,954	12,979,239	(535,060)	84,604,133
Governmental Activities Capital Assets, Net	<u>\$ 105,082,870</u>	<u>\$ 15,031,111</u>	<u>\$ (2,909,140)</u>	<u>\$ 117,204,841</u>
<u>Business-type Activities</u>				
Non-depreciable capital assets:				
Land	\$ 563,926	\$ -	\$ -	\$ 563,926
Construction in process	571,424	267,444	(374,642)	464,226
Total Non-depreciable capital assets	1,135,350	267,444	(374,642)	1,028,152
Depreciable capital assets:				
Buildings and improvements	2,580,957	-	-	2,580,957
Equipment	10,346,494	561,034	(36,945)	10,870,583
Utility systems	65,879,849	1,715,209	-	67,595,058
Total Depreciable capital assets	78,807,300	2,276,243	(36,945)	81,046,598

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 4 - Capital Assets (continued)

	Balance April 30, 2017	Additions	Reductions	Balance April 30, 2018
<u>Business-type Activities (continued)</u>				
Less: Accumulated depreciation				
Buildings and improvements	939,978	80,113	-	1,020,091
Equipment	8,198,716	424,018	(28,576)	8,594,158
Utility systems	29,564,111	1,942,913	-	31,507,024
Total Accumulated Depreciation	<u>38,702,805</u>	<u>2,447,044</u>	<u>(28,576)</u>	<u>41,121,273</u>
 Depreciable Capital Assets, net	<u>40,104,495</u>	<u>(170,801)</u>	<u>(8,369)</u>	<u>39,925,325</u>
 Business-Type Activities Capital Assets, Net	<u>\$ 41,239,845</u>	<u>\$ 96,643</u>	<u>\$ (383,011)</u>	<u>\$ 40,953,477</u>
 Primary Government Capital Assets, Net	<u>\$ 146,322,715</u>	<u>\$ 15,127,754</u>	<u>\$ (3,292,151)</u>	<u>\$ 158,158,318</u>

Depreciation expense was charged to functions/programs of the primary government for the year ended April 30, 2018 as follows:

	Amount
Governmental Activities:	
General government	\$ 403,437
Public safety	1,064,751
Highways and streets, including depreciation of general infrastructure assets	2,829,353
Cultural and recreation	1,276,474
Total Depreciation Expense - Governmental Activities	<u>\$ 5,574,015</u>
 Business-type Activities:	
Water Funds	\$ 1,258,555
Sewer Funds	1,188,489
Total Depreciation Expense - Business-type Activities	<u>\$ 2,447,044</u>

Note 5 - Long-Term Debt

Long-term liability activity for the year ended April 30, 2018 was as follows:

	Balance April 30, 2017	Additions	Reductions	Balance April 30, 2018	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable					
Bonds payable SSA 1	\$ 1,115,000	\$ -	\$ (1,115,000)	\$ -	\$ -
Bonds payable 2018 SSA 1	-	975,000	-	975,000	115,000
Bonds payable SSA 2	225,000	-	(225,000)	-	-
Bonds payable 2018 SSA 2	-	185,000	-	185,000	25,000
Bonds payable SSA 4	745,000	-	(745,000)	-	-
Bonds payable 2018 SSA 4	-	650,000	-	650,000	80,000
Bonds payable 2012A SSA 6	1,165,000	-	(95,000)	1,070,000	100,000

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

	Balance April 30, 2017	Additions	Reductions	Balance April 30, 2018	Amounts Due Within One Year
Governmental Activities (continued):					
Bonds Payable (continued)					
Bonds payable 2012B SSA 7	1,055,000	-	(75,000)	980,000	75,000
Bonds payable 2009	16,140,000	-	(425,000)	15,715,000	444,000
Bonds payable 2009A	8,710,000	-	(100,000)	8,610,000	100,000
Bonds payable 2010	6,060,000	-	(945,000)	5,115,000	975,000
Bonds payable 2015	7,125,000	-	-	7,125,000	-
Bonds payable 2016	3,090,000	-	(370,000)	2,720,000	370,000
Bonds payable 2017	9,460,000	-	(315,000)	9,145,000	370,000
Less: Discounts on bonds	(48,334)	-	4,833	(43,501)	(4,833)
Add: Premiums on bonds	842,928	-	(96,365)	746,563	77,052
Total Bonds Payable	55,684,594	1,810,000	(4,501,532)	52,993,062	2,506,219
Other Long-Term Debt					
Rescue pumper	98,106	-	(46,878)	51,228	51,228
Planning and zoning vehicle	4,824	-	(4,824)	-	-
Fire truck	1,338,064	-	(189,572)	1,148,492	197,025
Public safety console equip.	178,491	-	(84,877)	93,614	86,303
Total Other Long-Term Debt	1,619,485	-	(326,151)	1,293,334	334,556
Total Governmental Activities	<u>\$ 57,304,079</u>	<u>\$ 1,810,000</u>	<u>\$ (4,827,683)</u>	<u>\$ 54,286,396</u>	<u>\$ 2,840,775</u>
Business-type activities:					
Water Fund - Notes Payable					
Water construction note	\$ 580,839	\$ -	\$ (46,077)	\$ 534,762	\$ 47,698
Water tank note	3,871,199	-	(255,439)	3,615,760	261,865
Total Water Fund - Notes Payable	4,452,038	-	(301,516)	4,150,522	309,563
Sewer Fund - Notes Payable					
Construction Loan	275,951	-	(275,951)	-	-
Construction Loan	3,262,165	-	(152,303)	3,109,862	156,928
Total Sewer Fund - Notes Payable	3,538,116	-	(428,254)	3,109,862	156,928
Total Business-type Activities:	<u>\$ 7,990,154</u>	<u>\$ -</u>	<u>\$ (729,770)</u>	<u>\$ 7,260,384</u>	<u>\$ 466,491</u>
Total Primary Government Long-Term Liabilities	<u>\$ 65,294,233</u>	<u>\$ 1,810,000</u>	<u>\$ (5,557,453)</u>	<u>\$ 61,546,780</u>	<u>\$ 3,307,266</u>

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

Bonds Payable

- 1) The City issued various ad valorem tax bonds during the fiscal year ended April 30, 2005 for some of its special service areas; the proceeds were used for various commercial ventures near a major interstate within the City. All of the bonds have a due date of June and December 1 for interest payments and December 1 for principal redemption beginning in December 2005. In January of 2018, these bonds were refunded and the City issued \$975,000 SSA #1 Special Tax Refunding Bonds Series 2017, \$185,000 SSA #2 Special Tax Refunding Bonds Series 2017, and \$650,000 SSA #4 Special Tax Refunding Bonds Series 2017. These debts are paid from the Special Service Areas Fund. They have the following interest rate ranges:

SSA 1	2.85% to 3.25%
SSA 2	3.15%
SSA 4	2.85% to 3.25%

For the years ending April 30,	SSA 1		SSA 2		SSA 4	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 115,000	\$ 26,525	\$ 25,000	\$ 5,196	\$ 80,000	\$ 17,695
2020	120,000	26,470	30,000	5,040	80,000	17,565
2021	125,000	23,050	30,000	4,095	80,000	15,285
2022	125,000	19,487	30,000	3,150	80,000	13,005
2023	130,000	15,925	30,000	2,205	85,000	10,725
2024-2028	360,000	22,100	40,000	1,575	245,000	14,950
	<u>\$ 975,000</u>	<u>\$ 133,557</u>	<u>\$ 185,000</u>	<u>\$ 21,261</u>	<u>\$ 650,000</u>	<u>\$ 89,225</u>

- 2) During fiscal year ending April 30, 2013, the City issued the 2012A Special Service Area Number 6 (\$1,540,000) and 2012B Special Service Area Number 7 (\$1,360,000) ad valorem tax refunding bonds in order to refund bonds previously issued in 2007; the original proceeds were used for various commercial ventures within the City. These debts are paid from the Newbold Fund and the Harley Davidson Fund. They have the following interest rate ranges:

2012A - SSA 6	5.00% to 6.00%
2012B - SSA 7	5.00% to 6.00%

For the years ending April 30,	2012A - SSA 6		2012B - SSA 7	
	Principal	Interest	Principal	Interest
2019	\$ 100,000	\$ 62,200	\$ 75,000	\$ 57,250
2020	100,000	57,200	80,000	53,500
2021	105,000	52,200	85,000	49,500
2022	115,000	45,900	90,000	44,400
2023	120,000	39,000	95,000	39,000
2024-2028	530,000	78,300	555,000	103,200
	<u>\$ 1,070,000</u>	<u>\$ 334,800</u>	<u>\$ 980,000</u>	<u>\$ 346,850</u>

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

Bonds Payable (continued)

- 3) The City issued \$18,450,000 in general obligation refunding bonds Series 2009 to defease a portion of a previous 2006 bond issue and to finance additions to the City park. The bonds have interest rates ranging from 3.00% to 5.50%. This debt is paid from the 2002 Bond Issue Fund, the Convention Center Fund, and the Sports Plex Complex Fund. The following is the future debt service maturity schedule:

For the years ending April 30,	Principal	Interest	Total
2019	\$ 440,000	\$ 744,058	\$ 1,184,058
2020	455,000	727,998	1,182,998
2021	475,000	710,708	1,185,708
2022	490,000	692,183	1,182,183
2023	510,000	672,582	1,182,582
2024-2028	3,850,000	3,003,922	6,853,922
2029-2033	6,425,000	1,846,580	8,271,580
2034-2035	3,070,000	239,950	3,309,950
	<u>\$ 15,715,000</u>	<u>\$ 8,637,981</u>	<u>\$ 24,352,981</u>

- 4) The City also issued \$9,295,000 in general obligation taxable bonds Series 2009A to finance an addition to the City library and additions to the City park. These were Build America Bonds and have interest rates ranging from 2.50% to 6.30%. Build America Bonds provide a federal subsidy through a refundable credit payable to the City by the U. S. Treasury in an amount equal up to 35% of the total coupon interest payable, however, the City has not received the full 35% in recent years due to sequestration. These bonds were being paid from governmental funds and the component unit but the City approved in 2012 to pay all debt from governmental funds. This debt is paid from the Build America Fund. The following is the future debt service maturity schedule:

For the years ending April 30,	Principal	Interest	Total
2019	\$ 100,000	\$ 533,690	\$ 633,690
2020	105,000	528,840	633,840
2021	110,000	523,748	633,748
2022	110,000	517,478	627,478
2023	115,000	511,208	626,208
2024-2028	650,000	2,450,857	3,100,857
2029-2033	145,000	2,300,107	2,445,107
2034-2038	5,280,000	1,973,160	7,253,160
2039	1,995,000	125,685	2,120,685
	<u>\$ 8,610,000</u>	<u>\$ 9,464,773</u>	<u>\$ 18,074,773</u>

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

Bonds Payable (continued)

- 5) The City issued \$10,675,000 in general obligation bonds Series 2010 during fiscal year 2011 to refund and defease prior 2001 and 2002 issues. The bonds have interest rates ranging from 2.00% to 3.65%. This debt is paid from the 2010 Bond Issue Fund, 2002 Bond Issue Fund, Convention Center Fund, and Park Sports Complex Fund. The following is the future debt service to maturity schedule:

For the years ending April 30,	Principal	Interest	Total
2019	\$ 975,000	\$ 171,723	\$ 1,146,723
2020	1,005,000	140,035	1,145,035
2021	1,035,000	107,373	1,142,373
2022	1,070,000	73,217	1,143,217
2023	505,000	36,837	541,837
2024	525,000	19,163	544,163
	<u>\$ 5,115,000</u>	<u>\$ 548,348</u>	<u>\$ 5,663,348</u>

- 6) The City issued \$7,125,000 in general obligation bonds Series 2015 during the fiscal year ended April 30, 2016 for the purpose of financing the costs of remediation and certain other infrastructure costs in connection with developer improvements to a portion of a hospital medical campus. The bonds have interest rates ranging from 2.00% to 4.00%. This debt is paid from the Green Mount Fund. The following is the future debt service to maturity schedule:

For the years ending April 30,	Principal	Interest	Total
2019	\$ -	\$ 231,000	\$ 231,000
2020	295,000	231,000	526,000
2021	310,000	225,100	535,100
2022	330,000	218,900	548,900
2023	345,000	212,300	557,300
2024-2028	2,750,000	911,685	3,661,685
2029-2033	2,665,000	364,675	3,029,675
2034	430,000	17,200	447,200
	<u>\$ 7,125,000</u>	<u>\$ 2,411,860</u>	<u>\$ 9,536,860</u>

- 7) The City issued \$3,495,000 in general obligation bonds Series 2016 to refund a portion of a previous 2006 bond issue. The bonds have interest rates ranging from 2.00% to 3.00%. This debt is paid from the 2010 Bond Issue Fund, Convention Center Fund, and Park Sports Complex Fund. The following is the future debt service maturity schedule:

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

Bonds Payable (continued)

Series 2016 (continued):

For the years ending April 30,	Principal	Interest	Total
2019	\$ 370,000	\$ 72,025	\$ 442,025
2020	380,000	64,625	444,625
2021	395,000	55,125	450,125
2022	400,000	45,250	445,250
2023	410,000	35,250	445,250
2024-2025	765,000	33,150	798,150
	<u>\$ 2,720,000</u>	<u>\$ 305,425</u>	<u>\$ 3,025,425</u>

- 8) The City issued \$9,460,000 of general obligation bonds Series 2017 to finance the costs of acquisition, construction, and/or improvements of a downtown plaza, the family sports park soccer complex, and other capital improvements related to the City's Destination O'Fallon Economic Development Project. The bonds have interest rates ranging from 2.00% to 3.65%. This debt is paid from the Destination O'Fallon Fund. The following is the future debt service maturity schedule:

For the years ending April 30,	Principal	Interest	Total
2018	\$ 370,000	\$ 281,810	\$ 651,810
2019	375,000	274,410	649,410
2020	385,000	266,910	651,910
2021	395,000	257,285	652,285
2022	405,000	247,410	652,410
2023-2027	2,220,000	1,048,195	3,268,195
2028-2032	2,585,000	690,470	3,275,470
2033-2037	2,410,000	220,380	2,630,380
	<u>\$ 9,145,000</u>	<u>\$ 3,286,870</u>	<u>\$ 12,431,870</u>

Loans and Notes Payable

Governmental Activities

- 1) During 2009, the City borrowed \$380,922 for a down payment on a rescue pumper fire vehicle. Repayment consists of annual payments of \$54,987 at an annual interest rate of 4.50%, with a maturity date of December 19, 2019. This debt is paid from the Fire Fund. The following is the debt service schedule to maturity:

For the years ending April 30,	Principal	Interest	Total
2019	\$ 51,228	\$ 3,759	\$ 54,987

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

Loans and Notes Payable (continued)

Governmental Activities (continued)

- 2) During 2015, the City borrowed \$18,665 for the purchase of a pickup truck. Repayment consists of 36 monthly payments of \$543 at an annual interest rate of 3.00%. This debt was paid in full from the General Fund as of April 30, 2018.
- 3) During 2013 and 2014, the City borrowed funds for the purchase of 3 fire trucks. In September 2016, the City refinanced this loan for \$1,440,473. Repayment consists of 62 monthly payments of \$19,851 at an annual interest rate of 3.90% with a balloon payment at the end. The following is the debt service schedule to maturity:

For the years ending April 30,	Principal	Interest	Total
2019	\$ 197,025	\$ 41,185	\$ 238,210
2020	204,777	33,433	238,210
2021	213,004	25,206	238,210
2022	533,676	12,143	545,819
	<u>\$ 1,148,482</u>	<u>\$ 111,967</u>	<u>\$ 1,260,449</u>

- 4) During 2016, the City borrowed \$254,652 for the purchase of public safety console equipment. Repayment consists of 36 monthly payments of \$7,325 at an annual interest rate of 2.28%. This debt is paid from the General Fund, Fire Fund, and Ambulance Fund. The following is the debt service schedule to maturity:

For the years ending April 30,	Principal	Interest	Total
2019	\$ 86,303	\$ 1,597	\$ 87,900
2020	7,311	14	7,325
	<u>\$ 93,614</u>	<u>\$ 1,611</u>	<u>\$ 95,225</u>

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

Loans and Notes Payable (continued)

Business-Type Activities

6) Construction Loan - Water

The City received loan proceeds from the Illinois Environmental Protection Agency (IEPA) for various water towers. During 2009, one loan was drawn down for \$939,994 with semiannual repayments of \$30,385 starting May 1, 2009 with a due date of May 1, 2028. The loan has an annual interest rate of 2.5%. Additionally, the City received drawdowns totaling \$5,255,014 for additional water towers and improvements. Both future debt services to maturity are shown below:

The annual requirements to amortize the above debt outstanding including interest as of April 30, 2018 are as follows:

For the years ending April 30,	Water Construction Loan			Water (Tank) Construction Loan		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 47,698	\$ 13,073	\$ 60,771	\$ 261,865	\$ 88,767	\$ 350,632
2020	48,898	11,873	60,771	268,452	82,180	350,632
2021	50,128	10,643	60,771	275,205	75,427	350,632
2022	51,389	9,382	60,771	282,129	68,503	350,632
2023	52,682	8,089	60,771	289,226	61,406	350,632
2024-2028	283,967	19,888	303,855	1,558,997	194,163	1,753,160
2027-2030	-	-	-	679,886	21,378	701,264
	<u>\$ 534,762</u>	<u>\$ 72,948</u>	<u>\$ 607,710</u>	<u>\$ 3,615,760</u>	<u>\$ 591,824</u>	<u>\$ 4,207,584</u>

7) Construction Loan - Sewer

The City received two loans totaling \$8,105,534 of which \$8,018,298 was drawn down from the Illinois Environmental Protection Agency for sewer plant improvements. The loans were disbursed to the City based on drawdowns of construction. Interest is payable at 2.890% and 2.865% and accrued interest of \$123,386 was added to the improvements costs. Repayment began when the construction period was complete. The loan matures on August 1, 2017 with semi-annual payments of \$270,210 beginning August 1, 1998.

Also, the City received loans totaling \$3,630,062 of which \$3,558,155 was drawn down from the Illinois Environmental Protection Agency for sewer plant improvements. The loan is disbursed to the City based on drawdowns of construction. The current interest rate is 2.295% and accrued interest of \$71,907 has been added to the improvements costs. Repayment began when the construction period was complete. The loan is currently due on July 15, 2034 with semi-annual payments of \$113,677 beginning January 15, 2015.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 5 - Long-Term Debt (continued)

Loans and Notes Payable (continued)

For the years ending April 30,	Sewer Construction Loan		Total
	Principal	Interest	
2019	\$ 156,928	\$ 70,427	\$ 227,355
2020	160,550	66,805	227,355
2021	164,256	63,099	227,355
2022	168,047	59,308	227,355
2023	171,926	55,429	227,355
2024-2028	921,020	215,755	1,136,775
2029-2033	1,032,335	104,440	1,136,775
2034-2035	334,800	5,510	340,310
	<u>\$ 3,109,862</u>	<u>\$ 640,773</u>	<u>\$ 3,750,635</u>

Legal Debt Margin

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 and valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property: ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent; ... Indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amount."

To date the General Assembly has set no limits for home rule municipalities. The City of O'Fallon is a home rule municipality. Under the Illinois Compiled Statutes, home rule governments may issue notes and bonds in excess of any statutory limitation and they shall not reduce the debt incurring power otherwise authorized for any such unit of government. Therefore, the City of O'Fallon has no legal debt limitation.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems

The City has three separate retirement entities for its employees as follows:

Police Pension Fund

Defined Benefit Pension Plan

The City contributes to a defined benefit pension plan, the Police Pension Plan, which is a single employer pension plan. The benefits, benefit levels, employee contributions and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The pension plan does not issue a separate report.

Plan Description

Police sworn personnel are covered by the Police Pension Plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. At April 30, 2017, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but not yet receiving them	25
Current employees	<u>45</u>
Total	<u><u>70</u></u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 8 years, but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. For the pension year ended April 30, 2017, the City's contribution as a percentage of covered payroll was 33.49%.

Significant Investments

The fund did not have any significant individual investments (other than U. S. Government guaranteed obligations) in any one organization that represented 5.00% or more of plan net position for the Police Pension Plan.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Police Pension Fund (continued)

Annual Pension Cost

Employer contributions have been determined as follows:

	Police Pension
Actuarial valuation date	5/1/2017
Funding method	Projected Unit Credit
Amortization method	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040
Asset valuation method	Investment gains and losses are recognized over a 5-year period
Significant Actuarial Assumptions:	
Interest rate	6.50%
Interest rate, prior fiscal year	6.75%
Health mortality rates - Male	RP-2014 Health Annuitant with Blue Collar Adjustment, Males
Health mortality rates - Female	RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Disability mortality rates - Male	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Males
Disability mortality rates - Female	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Decrements other than mortality	Experience tables
Rate of service-related deaths	10.00%
Rate of service-related disabilities	60.00%
Salary increases	Service-related table with rates grading from 11.00% to 3.50% at 40 years of service
Payroll growth	3.50%
Tier 2 cost-of-living adjustment	1.25%
Marital assumptions	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses

Firefighters' Pension Fund

Defined Benefit Pension Plan

The City contributes to a defined benefit pension plan, the Firefighters' Pension Fund, which is a single employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions are established and administered as prescribed by "Article 4. Firefighters' Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code. The pension plan does not issue a separate report.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Firefighters' Pension Fund (continued)

Plan Description

The Firefighters' Pension Fund is administered by a Board of Trustees located in each municipality maintaining a pension fund for its firefighters. Its duties are to control and manage the pension fund, to hear and determine applications for pensions, to authorize payment of pensions, to establish rules, to pay expenses, to invest funds, and to keep records. The City accounts for the plan as a pension trust fund. At April 30, 2017, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but no yet receiving them	0
Current employees	<u>1</u>
Total	<u><u>1</u></u>

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 with at least 20 years of creditable service and no longer a firefighter. The annual benefit shall be 50% of final salary and is payable commencing at retirement for 20 years of service. An additional 2.5% of final salary is added for each additional year of service (prorated monthly) in excess of 20 years of service (not to exceed 75% of final salary). "Final salary" is based on the pay rate for the firefighter at retirement. A firefighter is entitled to an initial pension increase equal to 1/12 of 3% of the original monthly benefit for each full month that has passed since the pension began. The initial increase date will be the later of the first day of the month following the attainment of age 55, or the first anniversary of the date of retirement. Subsequent increases of 3% of the current pension amount will be provided in each January thereafter.

Employees are required by the Plan to contribute 9.445% of their base salary to the Firefighters' Pension Plan. For the pension year ended April 30, 2017, the City's contribution as a percentage of covered payroll was 73.35%.

Significant Investments

The fund had the following significant individual investments (other than U. S. Government guaranteed obligations) that represented 5.00% or more of plan net position for the Firefighters' Pension Plan at April 30, 2018 as listed below:

	Investment Type	Fair Value	Percent of Total Investments
Financing - 31771CT47	Gov. Sponsored Agency Bond	\$ 49,350	8.57%
Tenn. Valley - 88059EHC1	Gov. Sponsored Agency Bond	33,677	5.85%
Federal Farm Credit Bank	Gov. Sponsored Agency Bond	49,675	8.63%
Microsoft Corporation	Corporate Bond	49,116	8.53%
Exxon Mobil Corporation	Corporate Bond	48,832	8.48%
General Electric	Corporate Bond	39,103	6.79%
Target Corporation	Corporate Bond	30,000	5.21%
Apple, Inc.	Corporate Bond	48,891	8.49%
Capital One Bank	Brokered Certificate of Deposit	47,760	8.29%

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Firefighters' Pension Fund (continued)

Annual Pension Cost

Employer contributions have been determined as follows:

	<div>Fire</div> <div>Pension</div> <hr/> <div>5/1/2017</div>
Actuarial valuation date	
Funding method	Projected Unit Credit
Amortization method	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040
Asset valuation method	Investment gains and losses are recognized over a 5-year period
Significant Actuarial Assumptions:	
Interest rate	5.00%
Interest rate, prior fiscal year	5.00%
Health mortality rates - Male	RP-2014 Health Annuitant with Blue Collar Adjustment, Males
Health mortality rates - Female	RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Disability mortality rates - Male	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Males
Disability mortality rates - Female	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Decrements other than mortality	Experience tables
Rate of service-related deaths	20.00%
Rate of service-related disabilities	80.00%
Salary increases	Service-related table with rates grading from 12.50% to 3.50% at 31 years of service
Payroll growth	3.50%
Tier 2 cost-of-living adjustment	1.25%
Marital assumptions	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Illinois Municipal Retirement Fund

IMRF Plan Description

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

Benefits Provided

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

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

At December 31, 2017, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	80
Inactive Plan Members entitled to by not yet receiving benefits	75
Active Plan Members	161
	<u>316</u>

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Illinois Municipal Retirement Fund (continued)

Contributions

As set by statute, the City of O'Fallon's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City of O'Fallon's annual contribution rate for calendar year 2017 was 9.64%. For the fiscal year ended April 30, 2018, the City of O'Fallon contributed \$808,212 to the plan. The City of O'Fallon 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City of O'Fallon's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Level Percentage of Payroll, Closed.
- The Inflation Rate was assumed to be 2.75%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2017:

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Illinois Municipal Retirement Fund (continued)

Actuarial Assumptions (continued)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37.00%	6.85%
International Equity	18.00%	6.75%
Fixed Income	28.00%	3.00%
Real Estate	9.00%	5.75%
Alternative Investments	7.00%	2.65% - 7.35%
Cash Equivalents	1.00%	2.25%
	<u>100.00%</u>	

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Illinois Municipal Retirement Fund (continued)

Changes in Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at December 31, 2016	\$ 28,975,364	\$ 24,721,315	\$ 4,254,049
Changes for the year:			
Service cost	813,022	-	813,022
Interest	2,158,996	-	2,158,996
Changes in benefit terms	-	-	-
Difference between expected and actual experience	(632,603)	-	(632,603)
Change in assumptions	(921,609)	-	(921,609)
Contributions - employer	-	808,212	(808,212)
Contributions - employee	-	382,084	(382,084)
Net investment income	-	4,263,906	(4,263,906)
Benefit payments, including refunds	(1,190,516)	(1,190,516)	-
Administrative expense	-	-	-
Other changes	-	(772,984)	772,984
Net changes	227,290	3,490,702	(3,263,412)
Balances at December 31, 2017	\$ 29,202,654	\$ 28,212,017	\$ 990,637

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease	Current Rate	1% Increase
Total Pension Liability	\$ 33,249,920	\$ 29,202,654	\$ 25,907,816
Plan Fiduciary Net Position	(28,212,017)	(28,212,017)	(28,212,017)
Net Pension Liability	\$ 5,037,903	\$ 990,637	\$ (2,304,201)

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 6 - Employee Retirement Systems (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2018, the City of O'Fallon recognized pension expense of \$1,219,563. At April 30, 2018, the City of O'Fallon reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 480,005	\$ (679,702)
Differences in assumptions	18,973	(800,848)
Excess (deficit) investment returns	723,658	(1,951,042)
Contributions subsequent to the measurement date*	255,247	-
	<u>\$ 1,477,883</u>	<u>\$ (3,431,592)</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ended April 30, 2018.

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

Plan Year December 31,	Amount
2018	\$ (63,005)
2019	(318,251)
2020	(639,807)
2021	(642,849)
2022	(219,793)
Thereafter	<u>(70,004)</u>
	<u>\$ (1,953,709)</u>

Payable to the Pension Plan

The City of O'Fallon had no outstanding amount of contributions to the pension plan required for the year ended April 30, 2018.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 7 - Due From and Due To Other Funds

The following are the interfund balances as of April 30, 2018:

	Fund	Due From	Due To
Governmental Activities:	General Fund	\$ 3,905,890	\$ 142,150
	Tax Increment Financing Fund	-	4,426,984
	Nonmajor Governmental Funds	142,150	338,333
	Total Governmental Activities	4,048,040	4,907,467
Business-Type Activities:	Water Fund	217,962	-
	Sewer Fund	641,465	-
	Total Business-Type Activities	859,427	-
	Total Interfund Balances	<u>\$ 4,907,467</u>	<u>\$ 4,907,467</u>

Interfund receivables and payables are the result of short-term loans between funds.

Note 8 - Interfund Transfers

Interfund transfers for the year ended April 30, 2018 consisted of the following amounts:

	Fund	Transfers In	Transfers Out
Governmental Activities:	General Fund	\$ 1,091,026	\$ 1,898,313
	Park Fund	1,025,000	458,092
	Fire Fund	-	130,180
	Ambulance Fund	-	158,603
	Capital Improvement Fund	3,307	1,000,000
	Tax Increment Financing Fund	-	186,157
	Nonmajor Governmental Funds	4,139,643	1,674,315
	Total Governmental Activities	6,258,976	5,505,660
Business-Type Activities:	Water Fund	69,856	486,713
	Sewer Fund	-	309,309
	Total Business-Type Activities	69,856	796,022
Component Unit:	Library	-	27,150
	Total Transfers	<u>\$ 6,328,832</u>	<u>\$ 6,328,832</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in the other fund in accordance with budgetary authorizations.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 9 - Tax Increment Financing Fund

During the fiscal year ended April 30, 1996, the City began the Illinois 158 Corridor TIF District or O'Fallon TIF District #1. The Tax Increment Financing (TIF) Fund was established to account for the transactions within this TIF District. The City has three projects which this redevelopment plan supports. Williamsburg Center is an office development that the City contracted with the developer to design, engineer, manage and finance construction of drives, sidewalks, sanitary sewer extensions and other improvements. Lakepointe Center is a development including retail, office and restaurant spaces and the City contracted with the developer to design, engineer and construct drives, sidewalks, storm water control facilities and other improvements. Terms of the above agreements provided the City would pay to the developer funds it was entitled to receive, which were derived from the development project area, over a period of ten years, up to a contractually limited amount. These projects and associated repayments have been completed. The City also entered into an agreement with a developer to correct ongoing flooding issues on the RASP Farm property. Terms of the agreement are for the developer to receive \$1.3 million the TIF has already generated over its life plus additional amounts generated over the remaining TIF life of 5 years. The developer plans to create a business park and eventually donate the drainage area and 15 acres of green space back to the City. During the year ended April 30, 2016, the 158 Corridor TIF was amended to remove some parcels in order to create TIF #4 for Route 50/Scott Troy Road.

Also, the City has entered into a TIF agreement, called "Green Mount Redevelopment" with a health care entity that provides for the establishment of a separate TIF district for the construction of improvements and mine remediation. This agreement calls for the issuance of bonds to cover certain preconstruction costs and is to be partially or fully funded by the incremental property tax revenues of the project. As of April 30, 2016, \$7,125,000 of General Obligation Bonds have been issued. Repayment terms of these bonds is further discussed in Note 5.

The City has also approved five redevelopment agreements, called "Central Park Redevelopment", with separate entities for the reimbursement of certain construction and/or operating expenses on an annual basis from the incremental property taxes collected on each property. The terms of these agreements are not fixed, but expire when the costs incurred have been fully reimbursed.

During fiscal year 2016, the City began Route 50/Scott Troy Road TIF District or O'Fallon TIF District #4. The Tax Increment Financing (TIF) Fund was established to account for the transactions within this TIF District. The City has approved one project which this redevelopment plan supports. The agreement is to reimburse certain construction and/or operating expenses on an annual basis from the incremental property taxes collected on each property. The terms of this agreement are not fixed, but expire when the costs incurred have been fully reimbursed.

During fiscal year 2016, the City began Central City TIF District or O'Fallon TIF District #5. The Tax Increment Financing (TIF) Fund was established to account for the transactions within this TIF District.

As of April 30, 2018, the TIF Fund has incurred cumulative costs totaling \$4,426,984 for the above projects that were paid through other funds and reflected as an interfund balance at year-end.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 10 - Rebates

The City rebates sales taxes to local retailers based upon various agreements agreed to by the City Council, summarized as follows:

	Total Rebate	Balance Owed April 30, 2018	Interest Rate	Expiration Date	Specific
Auto Dealer	\$ 350,000	\$ 350,000	n/a	January 2020	50% of collections
Auto Dealer	350,000	350,000	n/a	January 2020	50% of collections
Auto Dealer	500,000	354,686	n/a	December 2026	50% of collections
Retailer	n/a	n/a	n/a	December 2027	Special business tax - 1% of retail sales
Retailer	500,000	425,330	n/a	June 2030	50% of collections not to exceed \$50,000 per year
Hotel	n/a	n/a	n/a	February 2028	Hotel - 2% of receipts and Special business tax - 1 % of receipts
Hotel	n/a	n/a	n/a	December 2033	Special business tax - 1% of hotel receipts and 1% of food and beverage receipts

The City paid a total of \$87,815 in tax rebates during the year ended April 30, 2018. The remaining balances owed are not presented in the accompanying General Fund because they are considered to be commitments and will not be a liability unless certain events occur in the future.

Note 11- Claims and Contingencies

Litigation

The City is involved in various legal actions arising in the normal course of business. In the opinion of management and legal counsel, such matters will not have a material effect on the financial position of the City. As of April 30, 2018, the City had accrued fees for legal services in the amount of \$44,868.

Federal and State Assisted Programs

The City has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

Note 12 - Expenditures in Excess of Budget

The following funds had expenditures in excess of budgeted amounts:

	Actual Expenditures	Budgeted Expenditures	Excess Expenditures
General Fund	\$ 18,857,448	\$ 18,252,670	\$ 604,778
Capital Improvement Fund	9,697,301	9,600,000	97,301
Motor Fuel Tax Fund	2,464,032	1,810,000	654,032
Special Service Areas Fund	2,313,848	322,925	1,990,923

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 13 - Leases

The City, as lessor, entered into a long-term lease beginning January 1, 1993 with the O'Fallon Community Center, Inc. (lessee), a nonprofit corporation, to lease a building within the City park. The terms of the lease are for \$1 per year. The lessee is responsible for all operating costs, except general insurance, which is provided by the City. Also, the City has responsibility for all building exterior maintenance and improvements.

Note 14 - Commitments

The City had the following contractual matters in progress at April 30, 2018:

Street and transportation projects	\$ 404,748
Professional services	468,587
General construction projects	150,257
Water and sewer system improvements	2,049,992
	<u>\$ 3,073,584</u>

Note 15 - Risk Management

The City of O'Fallon is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City of O'Fallon purchases commercial insurance from third parties for all risks and thus retains no significant amounts of risk. No settlements have exceeded insurance coverage for the past three years. There have been no material changes in insurance coverage limits during the year ended April 30, 2018.

Note 16 - Deficit Fund Balances

The following funds had deficit fund balances at April 30, 2018:

Tax Increment Financing Fund	\$ (3,640,979)
Green Mount Debt Service Fund	(307,920)

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 17 - Prior Period Adjustments

In order to correct previous misstatements due to errors in expenses, payables, and fixed assets, the previously stated net position as been restated. These corrections will have no material effect on operations of the City.

	Governmental Activities	Business-type Activities	Total
Net position, as previously stated on April 30, 2017:	\$ 77,744,161	\$ 44,380,654	\$ 122,124,815
Prior Period Adjustment - correction 1	(42,660)	-	(42,660)
Prior Period Adjustment - correction 2	(739,882)	-	(739,882)
Prior Period Adjustment - correction 3	14,504,067	-	14,504,067
Prior Period Adjustment - correction 4	-	866,101	866,101
Prior Period Adjustment - correction 5	-	1,724,377	1,724,377

Net position, as restated on April 30, 2017:	<u>\$ 91,465,686</u>	<u>\$ 46,971,132</u>	<u>\$ 138,436,818</u>
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	Water Fund	Sewer Fund	Total
Net position, as previously stated on April 30, 2017:	\$ 24,639,046	\$ 19,741,608	\$ 44,380,654
Prior Period Adjustment - correction 4	866,101	-	866,101
Prior Period Adjustment - correction 5	-	1,724,377	1,724,377

Net position, as restated on April 30, 2017:	<u>\$ 25,505,147</u>	<u>\$ 21,465,985</u>	<u>\$ 46,971,132</u>
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	Capital Improvement Fund	Park Fund	Motor Fuel Tax Fund	Strategic Plan Fund
Fund balance, as previously stated on April 30, 2017:	\$ 10,853,519	\$ 1,566,197	\$ 3,955,290	\$ 1,550,525
Prior Period Adjustment - correction 1	-	(42,660)	-	-
Prior Period Adjustment - correction 2	-	-	(739,882)	-
Prior Period Adjustment - correction 6	21,844	-	-	(21,844)

Fund balance, as restated on April 30, 2017:	<u>\$ 10,875,363</u>	<u>\$ 1,523,537</u>	<u>\$ 3,215,408</u>	<u>\$ 1,528,681</u>
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Note 18 - Subsequent Events

The City has evaluated events subsequent to April 30, 2018 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through October 5, 2018, the date the financial statements were available to be issued.

The City plans to issue \$23,290,000 in general obligation bonds during the April 30, 2019 fiscal year to refund the series 2009 and 2009A bonds.

City of O'Fallon, Illinois
Notes to the Financial Statements
For the year ended April 30, 2018

Note 19 - Adoption of New Accounting Pronouncements

GASB Statement No. 84, *Fiduciary Activities*, This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This statement will be effective for the year ended April 30, 2020.

GASB Statement No. 85, *Omnibus 2017*, addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other post employment benefits [OPEB]). This statement will be effective for the year ended April 30, 2019.

GASB Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources and outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement will be effective for the year ended April 30, 2021.

GASB Statement No. 88, *Certain Disclosures Related to Debt*, The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement will be effective for the year ended April 30, 2020.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of A Construction Period*, The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement will be effective for the year ended April 30, 2021.

Required Supplementary Information

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Taxes:				
Property	\$ 255,000	\$ 255,000	\$ 252,117	\$ (2,883)
Utility	956,995	956,995	967,402	10,407
Food and beverage	850,000	850,000	876,830	26,830
Intergovernmental receipts:				
State sales tax	8,547,245	8,547,245	8,892,664	345,419
State income tax	2,958,500	2,958,500	3,136,280	177,780
Road and bridge tax	260,000	260,000	300,213	40,213
Grants	98,000	98,000	358,583	260,583
Metropolitan Enforcement Group	41,000	41,000	23,934	(17,066)
Licenses and permits	691,750	691,750	870,905	179,155
Subdivision fees	85,000	85,000	49,404	(35,596)
Police reports	4,500	4,500	4,649	149
Combined dispatch	673,000	673,000	739,350	66,350
Municipal aggregation fees	105,000	105,000	107,759	2,759
Fines and fees	282,600	282,600	481,993	199,393
Service fees	-	-	7,762	7,762
Investment income	12,060	12,060	120,653	108,593
Phone and cable television fees	620,000	620,000	560,227	(59,773)
Rentals	15,000	15,000	15,898	898
Fee in lieu of taxes	694,440	694,440	694,440	-
Donations	-	-	46,470	46,470
Cemetery revenue	20,000	20,000	30,205	10,205
Miscellaneous revenues and reimbursements	9,500	9,500	17,399	7,899
Total Revenues	17,179,590	17,179,590	18,555,137	1,375,547
Expenditures				
Current:				
General government	3,009,255	3,009,255	2,843,435	(165,820)
Public safety	7,511,785	7,511,785	7,526,368	14,583
Highways and streets	3,473,430	3,473,430	2,526,852	(946,578)
Zoning	1,006,140	1,006,140	962,316	(43,824)
Development	179,145	179,145	123,142	(56,003)
Cemetery	125,850	125,850	114,473	(11,377)
Tax rebates	181,000	181,000	87,815	(93,185)
Capital outlay	827,020	827,020	2,740,520	1,913,500
Debt Service:				
Principal	38,260	38,260	33,164	(5,096)
Interest and fiscal charges	1,830	1,830	1,050	(780)
Bond issuance costs	-	-	-	-
Total Expenditures	16,353,715	16,353,715	16,959,135	605,420
Excess (Deficiency) of Revenues over Expenditures	825,875	825,875	1,596,002	770,127
Other Financing Sources (Uses)				
Capital contributions	-	-	1,339,991	1,339,991
Insurance refunds and claims	2,000	2,000	46,676	44,676
Proceeds from sale of capital assets	20,000	20,000	45,783	25,783
Transfers in from other funds	1,051,080	1,051,080	1,091,026	39,946
Transfers out to other funds	(1,898,955)	(1,898,955)	(1,898,313)	642
Total Other Financing Sources (Uses)	(825,875)	(825,875)	625,163	1,451,038
Net Change in Fund Balance	\$ -	\$ -	\$ 2,221,165	\$ 2,221,165
Fund Balance, May 1			14,310,695	
Fund Balance, April 30			\$ 16,531,860	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Park Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Taxes:				
Property	\$ 585,000	\$ 585,000	\$ 582,559	\$ (2,441)
Utility	891,000	891,000	1,070,766	179,766
Intergovernmental receipts:				
State sales tax	20,000	20,000	21,859	1,859
Grants	50,000	50,000	360,850	310,850
Service fees	127,200	127,200	130,618	3,418
Recreation fees	1,007,600	1,007,600	1,205,438	197,838
Investment income	250	250	13,899	13,649
Phone and cable television fees	480,000	480,000	434,400	(45,600)
Rentals	287,800	287,800	372,257	84,457
Concession income	257,750	257,750	298,551	40,801
Donations	11,500	11,500	9,474	(2,026)
Miscellaneous revenues and reimbursements	5,850	5,850	27,003	21,153
Total Revenues	3,723,950	3,723,950	4,527,674	803,724
Expenditures				
Current:				
Culture and recreation	3,348,835	3,348,835	3,240,052	(108,783)
Capital outlay	1,754,000	1,754,000	1,297,349	(456,651)
Debt Service:				
Principal	1,150	1,150	-	(1,150)
Interest and fiscal charges	160	160	-	(160)
Bond issuance costs	-	-	-	-
Total Expenditures	5,104,145	5,104,145	4,537,401	(566,744)
Excess (Deficiency) of Revenues over Expenditures	(1,380,195)	(1,380,195)	(9,727)	1,370,468
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	1,810	1,810
Transfers in from other funds	1,830,230	1,830,230	1,025,000	(805,230)
Transfers out to other funds	(450,035)	(450,035)	(458,092)	(8,057)
Total Other Financing Sources (Uses)	1,380,195	1,380,195	568,718	(813,287)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 558,991</u>	<u>\$ 557,181</u>
Fund Balance, May 1 (restated)			<u>1,523,537</u>	
Fund Balance, April 30			<u>\$ 2,082,528</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Fire Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Taxes:				
Property	\$ 1,225,000	\$ 1,225,000	\$ 1,219,979	\$ (5,021)
Intergovernmental receipts:				
Other	511,700	511,700	495,291	(16,409)
Licenses and permits	2,300	2,300	50,424	48,124
Fines and fees	100	100	700	600
Service fees	3,000	3,000	4,499	1,499
Investment income	-	-	533	533
Miscellaneous revenues and reimbursements	-	-	-	-
Total Revenues	1,742,100	1,742,100	1,771,426	29,326
Expenditures				
Current:				
Public safety	1,304,190	1,304,190	1,185,670	(118,520)
Capital outlay	175,000	175,000	42,839	(132,161)
Debt Service:				
Principal	266,800	266,800	264,720	(2,080)
Interest and fiscal charges	53,580	53,580	55,373	1,793
Bond issuance costs	-	-	-	-
Total Expenditures	1,799,570	1,799,570	1,548,602	(250,968)
Excess (Deficiency) of Revenues over Expenditures	(57,470)	(57,470)	222,824	280,294
Other Financing Sources (Uses)				
Insurance refunds and claims	-	-	2,597	2,597
Transfers in from other funds	213,310	213,310	-	(213,310)
Transfers out to other funds	(155,840)	(155,840)	(130,180)	25,660
Total Other Financing Sources (Uses)	57,470	57,470	(127,583)	(185,053)
Net Change in Fund Balance	\$ -	\$ -	\$ 95,241	\$ 95,241
Fund Balance, May 1			2,635,078	
Fund Balance, April 30			\$ 2,730,319	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Ambulance Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
Revenues				
Taxes:				
Property	\$ 1,036,000	\$ 1,036,000	\$ 1,031,890	(4,110)
Rural fire district	420,000	420,000	427,118	7,118
Intergovernmental receipts:				
Grants	-	-	1,251	1,251
Service fees	888,000	888,000	1,143,537	255,537
Investment income	-	-	4,090	4,090
Miscellaneous revenues and reimbursements	2,750	2,750	4,551	1,801
Total Revenues	<u>2,346,750</u>	<u>2,346,750</u>	<u>2,612,437</u>	<u>265,687</u>
Expenditures				
Current:				
Public safety	2,311,335	2,311,335	2,155,507	(155,828)
Capital outlay	52,000	52,000	29,996	(22,004)
Debt Service:				
Principal	28,860	28,860	28,267	(593)
Interest and fiscal charges	1,030	1,030	1,007	(23)
Bond issuance costs	-	-	-	-
Total Expenditures	<u>2,393,225</u>	<u>2,393,225</u>	<u>2,214,777</u>	<u>(178,448)</u>
Excess (Deficiency) of Revenues over Expenditures	(46,475)	(46,475)	397,660	444,135
Other Financing Sources (Uses)				
Insurance refunds and claims	-	-	1,592	1,592
Proceeds from sale of capital assets	-	-	277,959	277,959
Transfers in from other funds	212,065	212,065	-	(212,065)
Transfers out to other funds	(165,590)	(165,590)	(158,603)	6,987
Total Other Financing Sources (Uses)	<u>46,475</u>	<u>46,475</u>	<u>120,948</u>	<u>74,473</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 518,608</u>	<u>\$ 518,608</u>
Fund Balance, May 1			<u>3,900,936</u>	
Fund Balance, April 30			<u>\$ 4,419,544</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Tax Increment Financing Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Taxes:				
Property	\$ 987,000	\$ 987,000	\$ 1,015,892	\$ 28,892
Intergovernmental receipts:				
Grants	257,500	257,500	120,885	(136,615)
Investment income	-	-	1,316	1,316
Miscellaneous revenues and reimbursements	-	-	500	500
Total Revenues	<u>1,244,500</u>	<u>1,244,500</u>	<u>1,138,593</u>	<u>(105,907)</u>
Expenditures				
Current:				
Highways and streets	-	-	-	-
Tax increment financing	350,000	350,000	222,224	(127,776)
Capital outlay	5,236,000	5,236,000	4,437,975	(798,025)
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	<u>5,586,000</u>	<u>5,586,000</u>	<u>4,660,199</u>	<u>(925,801)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,341,500)</u>	<u>(4,341,500)</u>	<u>(3,521,606)</u>	<u>819,894</u>
Other Financing Sources (Uses)				
Transfers in from other funds	4,572,830	4,572,830	-	(4,572,830)
Transfers out to other funds	(231,330)	(231,330)	(186,157)	45,173
Total Other Financing Sources (Uses)	<u>4,341,500</u>	<u>4,341,500</u>	<u>(186,157)</u>	<u>(4,527,657)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,707,763)</u>	<u>\$ (3,707,763)</u>
Fund Balance, May 1			<u>66,784</u>	
Fund Balance, April 30			<u>\$ (3,640,979)</u>	

City of O'Fallon, Illinois
Schedule of Changes in Net Pension Liability and Related Ratios
For the year ended April 30, 2018

<i>Calendar year ending December 31,</i>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service Cost	\$ 813,022	\$ 729,494	\$ 736,496
Interest on the Total Pension Liability	2,158,996	1,985,087	1,890,993
Benefit Changes	-	-	-
Difference between expected and actual experience	(632,603)	705,433	(279,103)
Assumption Changes	(921,609)	(38,096)	35,830
Benefit Payments	(1,190,516)	(1,089,943)	(1,091,647)
Refunds	-	-	-
Net Change in Total Pension Liability	<u>227,290</u>	<u>2,291,975</u>	<u>1,292,569</u>
Total Pension Liability beginning	<u>28,975,364</u>	<u>26,683,389</u>	<u>25,390,820</u>
Total Pension Liability ending	<u>\$ 29,202,654</u>	<u>\$ 28,975,364</u>	<u>\$ 26,683,389</u>
Plan Fiduciary Net Position			
Contributions-employer	\$ 808,212	\$ 805,453	\$ 742,506
Contributions-employee	382,084	358,904	314,621
Pension Plan Net Investment income	4,263,906	1,592,539	115,693
Benefit Payments	(1,190,516)	(1,089,943)	(1,091,647)
Refunds	-	-	-
Pension Plan Administrative expense	-	-	-
Other	(772,984)	135,463	(318,103)
Net Change in Plan Fiduciary Net Position	<u>3,490,702</u>	<u>1,802,416</u>	<u>(236,930)</u>
Plan Fiduciary Net Position beginning	<u>24,721,315</u>	<u>22,918,899</u>	<u>23,155,829</u>
Plan Fiduciary Net Position ending	<u>\$ 28,212,017</u>	<u>\$ 24,721,315</u>	<u>\$ 22,918,899</u>
Employer Net Pension Liability	<u>\$ 990,637</u>	<u>\$ 4,254,049</u>	<u>\$ 3,764,490</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	96.61%	85.32%	85.89%
Covered Employee Payroll	<u>\$ 8,461,759</u>	<u>\$ 7,798,223</u>	<u>\$ 6,991,582</u>
Employer's Net Pension Liability as a percentage of covered employee payroll	11.71%	54.55%	53.84%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

City of O'Fallon, Illinois
Schedule of Contributions - Last 10 Fiscal Years
For the year ended April 30, 2018

<i>Calendar year ending December 31,</i>	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined pension contribution	\$ 833,483	\$ 791,520	\$ 742,506	\$ 779,952	\$ 721,039	\$ 664,531	\$ 621,416	\$ 545,955	\$ 497,978	\$ 533,434
Contributions in relation to the actuarially determined contributions	808,212	805,453	742,506	779,971	721,039	664,531	620,896	545,955	497,978	533,434
Contribution deficiency (excess)	<u>\$ 25,271</u>	<u>\$ (13,933)</u>	<u>\$ -</u>	<u>\$ (19)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$8,461,759	\$7,798,223	\$6,991,582	\$6,788,093	\$6,205,155	\$5,906,945	\$5,732,623	\$5,475,980	\$5,496,444	\$5,711,281
Contributions as a percentage of covered employee payroll	9.55%	10.33%	10.62%	11.49%	11.62%	11.25%	10.83%	9.97%	9.06%	9.34%

Notes to Schedule:

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

Methods and assumptions used to determine 2016 contribution rates*:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26-year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75%, approximate: No explicit price inflation assumption is used in this valuation
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.5%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Mortality RP-2014 Blue Collar Health Annuitant Mortality Table, adjusted to match current IMRF experience. For disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation; note two year lag between valuation and rate setting.

City of O'Fallon, Illinois
Notes to the Required Supplementary Information
For the year ended April 30, 2018

Note 1 - Expenditures in Excess of Budget

The following funds had an expenditures in excess of budgeted amounts: General Fund

Supplementary Information

City of O'Fallon, Illinois
Combining Balance Sheet - Non-Major Governmental Funds
April 30, 2018

	Special Revenue Funds							Total Capital Projects (Page 66)	Total Debt Service (Page 67)	Total Nonmajor Governmental Funds
	Cemetery Fund	IMRF Fund	Motor Fuel Tax Fund	Social Security Fund	Special Service Fund	Hotel/Motel Tax Fund	Total Special Revenue			
Assets										
Cash and cash equivalents	\$ 3,771	\$ 13,482	\$ 4,188,131	\$ 491,881	\$ 226,869	\$ 1,249,611	\$ 6,173,745	\$ 7,384,742	\$ 328,367	\$ 13,886,854
Investments	797,457	-	-	-	-	-	797,457	253,960	253,314	1,304,731
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	584,982	584,982
Receivables, net										
Property taxes	-	603,000	-	901,470	15,200	-	1,519,670	-	-	1,519,670
Other governmental entities	-	-	69,685	-	-	-	69,685	138,315	-	208,000
Interest	878	-	-	-	-	-	878	-	-	878
Other	-	63,385	-	7,743	-	302,989	374,117	-	-	374,117
Prepaid items	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	142,150	-	142,150
Total Assets	802,106	679,867	4,257,816	1,401,094	242,069	1,552,600	8,935,552	7,919,167	1,166,663	18,021,382
Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 802,106</u>	<u>\$ 679,867</u>	<u>\$ 4,257,816</u>	<u>\$ 1,401,094</u>	<u>\$ 242,069</u>	<u>\$ 1,552,600</u>	<u>\$ 8,935,552</u>	<u>\$ 7,919,167</u>	<u>\$ 1,166,663</u>	<u>\$ 18,021,382</u>
Liabilities										
Accounts payable	\$ -	\$ 18,557	\$ 1,010,009	\$ 37,560	\$ 375	\$ 13,307	\$ 1,079,808	\$ 31,971	\$ -	\$ 1,111,779
Accrued payroll	-	-	-	-	-	1,630	1,630	-	-	1,630
Due to other funds	-	-	-	-	-	-	-	-	338,333	338,333
Total Liabilities	-	18,557	1,010,009	37,560	375	14,937	1,081,438	31,971	338,333	1,451,742
Deferred Inflows of Resources										
Unavailable resources - property taxes	-	603,000	-	901,470	15,200	-	1,519,670	-	-	1,519,670
Fund Balance										
Nonspendable:										
Prepaid items	-	-	-	-	-	-	-	-	-	-
Interfund advances	-	-	-	-	-	-	-	142,150	-	142,150
Restricted:										
Debt service	-	-	-	-	-	-	-	-	1,136,250	1,136,250
Capital projects	-	-	-	-	-	-	-	5,606,758	-	5,606,758
Special revenue funds	802,106	58,310	3,247,807	462,064	226,494	1,537,663	6,334,444	-	-	6,334,444
Assigned:										
Strategic planning	-	-	-	-	-	-	-	2,138,288	-	2,138,288
Unassigned										
General fund	-	-	-	-	-	-	-	-	(307,920)	(307,920)
Total Fund Balance	802,106	58,310	3,247,807	462,064	226,494	1,537,663	6,334,444	7,887,196	828,330	15,049,970
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 802,106</u>	<u>\$ 679,867</u>	<u>\$ 4,257,816</u>	<u>\$ 1,401,094</u>	<u>\$ 242,069</u>	<u>\$ 1,552,600</u>	<u>\$ 8,935,552</u>	<u>\$ 7,919,167</u>	<u>\$ 1,166,663</u>	<u>\$ 18,021,382</u>

City of O'Fallon, Illinois
Combining Balance Sheet - Non-Major Governmental Funds
April 30, 2018

	Capital Projects						Total Capital Projects (Page 65)
	2002 Bond Issue Fund	Convention Center Fund	Sports Park Complex Fund	Park Land Fund	Prop S Infrastructure Fund	Strategic Plan Fund	
Assets							
Cash and cash equivalents	\$ 424,194	\$ 100,243	\$ 196,625	\$ 1,302,755	\$ 3,206,637	\$ 2,154,288	\$ 7,384,742
Investments	-	253,960	-	-	-	-	253,960
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Receivables, net							
Property taxes	-	-	-	-	-	-	-
Other governmental entities	-	-	-	-	138,315	-	138,315
Interest	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	142,150	-	142,150
Total Assets	<u>424,194</u>	<u>354,203</u>	<u>196,625</u>	<u>1,302,755</u>	<u>3,487,102</u>	<u>2,154,288</u>	<u>7,919,167</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 424,194</u>	<u>\$ 354,203</u>	<u>\$ 196,625</u>	<u>\$ 1,302,755</u>	<u>\$ 3,487,102</u>	<u>\$ 2,154,288</u>	<u>\$ 7,919,167</u>
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 3,994	\$ 11,977	\$ 16,000	\$ 31,971
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,994</u>	<u>11,977</u>	<u>16,000</u>	<u>31,971</u>
Deferred Inflows of Resources							
Unavailable resources - property taxes	-	-	-	-	-	-	-
Fund Balance							
Nonspendable:							
Prepaid items	-	-	-	-	-	-	-
Interfund advances	-	-	-	-	142,150	-	142,150
Restricted:							
Debt service	-	-	-	-	-	-	-
Capital projects	424,194	354,203	196,625	1,298,761	3,332,975	-	5,606,758
Special revenue funds	-	-	-	-	-	-	-
Assigned							
Strategic planning	-	-	-	-	-	2,138,288	2,138,288
Unassigned							
General fund	-	-	-	-	-	-	-
Total Fund Balance	<u>424,194</u>	<u>354,203</u>	<u>196,625</u>	<u>1,298,761</u>	<u>3,475,125</u>	<u>2,138,288</u>	<u>7,887,196</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 424,194</u>	<u>\$ 354,203</u>	<u>\$ 196,625</u>	<u>\$ 1,302,755</u>	<u>\$ 3,487,102</u>	<u>\$ 2,154,288</u>	<u>\$ 7,919,167</u>

City of O'Fallon, Illinois
Combining Balance Sheet - Non-Major Governmental Funds
April 30, 2018

	Debt Service Funds								Total Debt Service (Page 65)
	2010 Bond Issue Fund	2002 Bond Issue Fund	Special Service Areas Fund	Newbold Fund	Harley Davidson Fund	Build America Fund	Green Mount Fund	Destination O'Fallon Fund	
Assets									
Cash and cash equivalents	\$ 125	\$ 35,875	\$ 128,902	\$ 93,734	\$ 39,318	\$ -	\$ 30,413	\$ -	\$ 328,367
Investments	-	253,314	-	-	-	-	-	-	253,314
Restricted cash and cash equivalents	-	-	181,320	198,682	204,980	-	-	-	584,982
Receivables, net									
Property taxes	-	-	-	-	-	-	-	-	-
Other governmental entities	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Total Assets	125	289,189	310,222	292,416	244,298	-	30,413	-	1,166,663
Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 125	\$ 289,189	\$ 310,222	\$ 292,416	\$ 244,298	\$ -	\$ 30,413	\$ -	\$ 1,166,663
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	338,333	-	338,333
Total Liabilities	-	-	-	-	-	-	338,333	-	338,333
Deferred Inflows of Resources									
Unavailable resources - property taxes	-	-	-	-	-	-	-	-	-
Fund Balance									
Nonspendable:									
Prepaid items	-	-	-	-	-	-	-	-	-
Interfund advances	-	-	-	-	-	-	-	-	-
Restricted:									
Debt service	125	289,189	310,222	292,416	244,298	-	-	-	1,136,250
Capital projects	-	-	-	-	-	-	-	-	-
Special revenue funds	-	-	-	-	-	-	-	-	-
Unassigned									
General fund	-	-	-	-	-	-	(307,920)	-	(307,920)
Total Fund Balance	125	289,189	310,222	292,416	244,298	-	(307,920)	-	828,330
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 125	\$ 289,189	\$ 310,222	\$ 292,416	\$ 244,298	\$ -	\$ 30,413	\$ -	\$ 1,166,663

City of O'Fallon, Illinois
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended April 30, 2018

	Special Revenue Funds							Total Capital Projects (Page 69)	Total Debt Service (Page 70)	Total Nonmajor Governmental Funds
	Cemetery Fund	IMRF Fund	Motor Fuel Tax Fund	Social Security Fund	Special Service Fund	Hotel/Motel Tax Fund	Total Special Revenue			
Revenues										
Taxes:										
Property	\$ -	\$ 597,578	\$ -	\$ 836,613	\$ 15,123	\$ -	\$ 1,449,314	\$ -	\$ 613,215	\$ 2,062,529
Intergovernmental receipts:										
Replacement tax	-	4,345	-	21,959	-	-	26,304	-	-	26,304
Motor fuel tax	-	-	793,998	-	-	-	793,998	-	-	793,998
State sales tax	-	-	-	-	-	-	-	2,000,732	-	2,000,732
Grants	-	-	69,942	-	-	-	69,942	-	-	69,942
Service fees	6,405	-	-	-	-	-	6,405	-	-	6,405
Room tax	-	-	-	-	-	1,892,076	1,892,076	-	-	1,892,076
Investment income	52,394	148	45,696	-	-	1,171	99,409	47,397	4,349	151,155
Fee in lieu of taxes	-	-	-	46,470	-	-	46,470	-	-	46,470
Annex fees	-	-	-	-	-	-	-	294,251	-	294,251
Build America bond rebates	-	-	-	-	-	-	-	151,159	24,607	175,766
Miscellaneous revenues and reimbursements	-	43,296	-	-	-	-	43,296	32,962	-	76,258
Total Revenues	\$ 58,799	\$ 645,367	\$ 909,636	\$ 905,042	\$ 15,123	\$ 1,893,247	\$ 4,427,214	\$ 2,526,501	\$ 642,171	\$ 7,595,886
Expenditures										
Current:										
General government	\$ 5,312	\$ 106,686	\$ -	\$ 97,507	\$ -	\$ -	\$ 209,505	\$ 115,547	\$ -	\$ 325,052
Public safety	-	242,723	-	540,088	-	-	782,811	-	-	782,811
Highways and streets	-	66,288	40,585	67,452	8,685	-	183,010	1,013,243	-	1,196,253
Zoning	-	51,775	-	49,246	-	-	101,021	-	-	101,021
Development	-	4,355	-	4,212	-	-	8,567	-	-	8,567
Cemetery	-	5,284	-	5,486	-	-	10,770	-	-	10,770
Culture and recreation	-	106,109	-	99,535	-	-	205,644	3,994	-	209,638
Tourism	-	3,215	-	2,820	-	54,132	60,167	-	-	60,167
Capital outlay	-	-	2,423,447	-	-	121,901	2,545,348	972,607	-	3,517,955
Debt service:										
Principal	-	-	-	-	-	-	-	1,230,000	1,280,000	2,510,000
Interest and fiscal charges	-	-	-	-	-	-	-	1,409,968	881,907	2,291,875
Bond issuance costs	-	-	-	-	-	-	-	-	68,681	68,681
Total Expenditures	\$ 5,312	\$ 586,435	\$ 2,464,032	\$ 866,346	\$ 8,685	\$ 176,033	\$ 4,106,843	\$ 4,745,359	\$ 2,230,588	\$ 11,082,790
Excess (Deficiency) of Revenues over Expenditures	53,487	58,932	(1,554,396)	38,696	6,438	1,717,214	320,371	(2,218,858)	(1,588,417)	(3,486,904)
Other Financing Sources (Uses)										
Capital contributions	\$ -	\$ -	\$ 1,586,795	\$ -	\$ -	\$ -	\$ 1,586,795	\$ -	\$ -	\$ 1,586,795
Proceeds from sale of capital assets	-	-	-	-	-	-	-	1,478,505	-	1,478,505
Proceeds from refunding bonds	-	-	-	-	-	-	-	-	1,810,000	1,810,000
Debt service - principal	-	-	-	-	-	-	-	-	(1,900,000)	(1,900,000)
Transfers in from other funds	-	-	-	-	-	-	-	2,690,655	1,448,988	4,139,643
Transfers out to other funds	-	-	-	-	-	(1,259,275)	(1,259,275)	(415,040)	-	(1,674,315)
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ 1,586,795	\$ -	\$ -	\$ (1,259,275)	\$ 327,520	\$ 3,754,120	\$ 1,358,988	\$ 5,440,628
Net Change in Fund Balance	53,487	58,932	32,399	38,696	6,438	457,939	647,891	1,535,262	(229,429)	1,953,724
Fund Balance (Deficit), May 1 (restated)	748,619	(622)	3,215,408	423,368	220,056	1,079,724	5,686,553	6,351,934	1,057,759	13,096,246
Fund Balance (Deficit), April 30	\$ 802,106	\$ 58,310	\$ 3,247,807	\$ 462,064	\$ 226,494	\$ 1,537,663	\$ 6,334,444	\$ 7,887,196	\$ 828,330	\$ 15,049,970

City of O'Fallon, Illinois
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended April 30, 2018

	Capital Projects						Total Capital Projects (Page 68)
	2002 Bond Issue Fund	Convention Center Fund	Sports Park Complex Fund	Park Land Fund	Prop S Infrastructure Fund	Strategic Plan Fund	
Revenues							
Taxes:							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receipts:							
Replacement tax	-	-	-	-	-	-	-
Motor fuel tax	-	-	-	-	-	-	-
State sales tax	-	-	-	-	2,000,732	-	2,000,732
Grants	-	-	-	-	-	-	-
Service fees	-	-	-	-	-	-	-
Room tax	-	-	-	-	-	-	-
Investment income	-	2,325	2,676	653	41,743	-	47,397
Fee in lieu of taxes	-	-	-	-	-	-	-
Annex fees	-	-	-	294,251	-	-	294,251
Build America bond rebates	-	-	151,159	-	-	-	151,159
Miscellaneous revenues and reimbursements	-	-	-	-	32,962	-	32,962
Total Revenues	\$ -	\$ 2,325	\$ 153,835	\$ 294,904	\$ 2,075,437	\$ -	\$ 2,526,501
Expenditures							
Current:							
General government	\$ -	\$ -	\$ -	\$ -	\$ 33,305	\$ 82,242	\$ 115,547
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	1,013,243	-	1,013,243
Culture and recreation	-	-	-	3,994	-	-	3,994
Capital outlay	-	-	-	-	916,511	56,096	972,607
Debt service:							
Principal	636,930	256,785	336,285	-	-	-	1,230,000
Interest and fiscal charges	325,433	271,062	813,473	-	-	-	1,409,968
Bond issuance costs	-	-	-	-	-	-	-
Total Expenditures	\$ 962,363	\$ 527,847	\$ 1,149,758	\$ 3,994	\$ 1,963,059	\$ 138,338	\$ 4,745,359
Excess (Deficiency) of Revenues over Expenditures	(962,363)	(525,522)	(995,923)	290,910	112,378	(138,338)	(2,218,858)
Other Financing Sources (Uses)							
Capital contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from sale of capital assets	-	-	-	930,560	-	547,945	1,478,505
Transfers in from other funds	962,257	527,741	1,000,657	-	-	200,000	2,690,655
Transfers out to other funds	-	-	-	-	(415,040)	-	(415,040)
Total Other Financing Sources (Uses)	\$ 962,257	\$ 527,741	\$ 1,000,657	\$ 930,560	\$ (415,040)	\$ 747,945	\$ 3,754,120
Net Change in Fund Balance	(106)	2,219	4,734	1,221,470	(302,662)	609,607	1,535,262
Fund Balance (Deficit), May 1 (restated)	424,300	351,984	191,891	77,291	3,777,787	1,528,681	6,351,934
Fund Balance (Deficit), April 30	\$ 424,194	\$ 354,203	\$ 196,625	\$ 1,298,761	\$ 3,475,125	\$ 2,138,288	\$ 7,887,196

City of O'Fallon, Illinois
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended April 30, 2018

	Debt Service Funds								Total Debt Service Service (Page 68)
	2010 Bond Issue Fund	2002 Bond Issue Fund	Special Service Areas Fund	Newbold Fund	Harley Davidson Fund	Build America Fund	Green Mount Fund	Destination O'Fallon Fund	
Revenues									
Taxes:									
Property	\$ -	\$ -	\$ 317,515	\$ 164,267	\$ 131,433	\$ -	\$ -	\$ -	\$ 613,215
Intergovernmental receipts:									
Replacement tax	-	-	-	-	-	-	-	-	-
Motor fuel tax	-	-	-	-	-	-	-	-	-
State sales tax	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-
Service fees	-	-	-	-	-	-	-	-	-
Room tax	-	-	-	-	-	-	-	-	-
Investment income	-	2,444	1,738	95	72	-	-	-	4,349
Fee in lieu of taxes	-	-	-	-	-	-	-	-	-
Annex fees	-	-	-	-	-	-	-	-	-
Build America bond rebates	-	-	-	-	-	24,607	-	-	24,607
Miscellaneous revenues and reimbursements	-	-	-	-	-	-	-	-	-
Total Revenues	\$ -	\$ 2,444	\$ 319,253	\$ 164,362	\$ 131,505	\$ 24,607	\$ -	\$ -	\$ 642,171
Expenditures									
Current:									
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	510,000	-	185,000	95,000	75,000	100,000	-	315,000	1,280,000
Interest and fiscal charges	88,355	-	160,167	67,340	61,390	80,465	231,317	192,873	881,907
Bond issuance costs	-	-	68,681	-	-	-	-	-	68,681
Total Expenditures	\$ 598,355	\$ -	\$ 413,848	\$ 162,340	\$ 136,390	\$ 180,465	\$ 231,317	\$ 507,873	\$ 2,230,588
Excess (Deficiency) of Revenues over Expenditures	(598,355)	2,444	(94,595)	2,022	(4,885)	(155,858)	(231,317)	(507,873)	(1,588,417)
Other Financing Sources (Uses)									
Capital contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-
Proceeds from refunding bonds	-	-	1,810,000	-	-	-	-	-	1,810,000
Debt service - principal	-	-	(1,900,000)	-	-	-	-	-	(1,900,000)
Transfers in from other funds	598,355	-	-	-	-	155,858	186,157	508,618	1,448,988
Transfers out to other funds	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ 598,355	\$ -	\$ (90,000)	\$ -	\$ -	\$ 155,858	\$ 186,157	\$ 508,618	\$ 1,358,988
Net Change in Fund Balance	-	2,444	(184,595)	2,022	(4,885)	-	(45,160)	745	(229,429)
Fund Balance (Deficit), May 1	125	286,745	494,817	290,394	249,183	-	(262,760)	(745)	1,057,759
Fund Balance (Deficit), April 30	\$ 125	\$ 289,189	\$ 310,222	\$ 292,416	\$ 244,298	\$ -	\$ (307,920)	\$ -	\$ 828,330

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Cemetery Special Revenue Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Service fees	\$ 5,000	\$ 5,000	\$ 6,405	\$ 1,405
Investment income	25,000	25,000	52,394	27,394
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>58,799</u>	<u>28,799</u>
Expenditures				
Current:				
General government	30,000	30,000	5,312	(24,688)
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>5,312</u>	<u>(24,688)</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	53,487	53,487
Other Financing Sources (Uses)				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,487</u>	<u>\$ 53,487</u>
Fund Balance, May 1			<u>748,619</u>	
Fund Balance, April 30			<u>\$ 802,106</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
IMRF Special Revenue Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Taxes:				
Property	\$ 600,000	\$ 600,000	\$ 597,578	\$ (2,422)
Intergovernmental receipts:				
Replacement tax	3,000	3,000	4,345	1,345
Investment income	-	-	148	148
Miscellaneous revenues and reimbursements	-	-	43,296	43,296
Total Revenues	603,000	603,000	645,367	42,367
Expenditures				
Current:				
General government	109,701	109,701	106,686	(3,015)
Public safety	249,579	249,579	242,723	(6,856)
Highways and streets	68,160	68,160	66,288	(1,872)
Zoning	53,237	53,237	51,775	(1,462)
Development	4,478	4,478	4,355	(123)
Cemetery	5,433	5,433	5,284	(149)
Culture and recreation	109,106	109,106	106,109	(2,997)
Tourism	3,306	3,306	3,215	(91)
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	603,000	603,000	586,435	(16,565)
Excess (Deficiency) of Revenues over Expenditures	-	-	58,932	58,932
Other Financing Sources (Uses)				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,932</u>	<u>\$ 58,932</u>
Fund Balance, May 1			<u>(622)</u>	
Fund Balance, April 30			<u>\$ 58,310</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Motor Fuel Tax Special Revenue Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Intergovernmental receipts:				
Motor fuel tax	\$ 750,000	\$ 750,000	\$ 793,998	\$ 43,998
Grants	100,000	100,000	69,942	(30,058)
Investment income	5,000	5,000	45,696	40,696
Total Revenues	855,000	855,000	909,636	54,636
Expenditures				
Current:				
Highways and streets	50,000	50,000	40,585	(9,415)
Capital outlay	1,760,000	1,760,000	2,423,447	663,447
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	1,810,000	1,810,000	2,464,032	654,032
Excess (Deficiency) of Revenues over Expenditures	(955,000)	(955,000)	(1,554,396)	(599,396)
Other Financing Sources (Uses)				
Capital contributions	-	-	1,586,795	1,586,795
Transfers in from other funds	955,000	955,000	-	(955,000)
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	955,000	955,000	1,586,795	631,795
Net Change in Fund Balance	\$ -	\$ -	\$ 32,399	\$ 32,399
Fund Balance, May 1 (restated)			3,215,408	
Fund Balance, April 30			\$ 3,247,807	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Social Security Special Revenue Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Taxes:				
Property	\$ 840,000	\$ 840,000	\$ 836,613	(3,387)
Intergovernmental receipts:				
Replacement tax	15,000	15,000	21,959	6,959
Fee in lieu of taxes	46,470	46,470	46,470	-
Total Revenues	901,470	901,470	905,042	3,572
Expenditures				
Current:				
General government	101,458	101,458	97,507	(3,951)
Public safety	561,985	561,985	540,088	(21,897)
Highways and streets	70,187	70,187	67,452	(2,735)
Zoning	51,243	51,243	49,246	(1,997)
Development	4,383	4,383	4,212	(171)
Cemetery	5,709	5,709	5,486	(223)
Culture and recreation	103,570	103,570	99,535	(4,035)
Tourism	2,935	2,935	2,820	(115)
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	901,470	901,470	866,346	(35,124)
Excess (Deficiency) of Revenues over Expenditures	-	-	38,696	38,696
Other Financing Sources (Uses)				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,696</u>	<u>\$ 38,696</u>
Fund Balance, May 1			<u>423,368</u>	
Fund Balance, April 30			<u>\$ 462,064</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Special Service Special Revenue Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 15,200	\$ 15,200	\$ 15,123	\$ (77)
Total Revenues	15,200	15,200	15,123	(77)
Expenditures				
Current:				
Highways and streets	15,200	15,200	8,685	(6,515)
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	15,200	15,200	8,685	(6,515)
Excess (Deficiency) of Revenues over Expenditures	-	-	6,438	6,438
Other Financing Sources (Uses)				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,438</u>	<u>\$ 6,438</u>
Fund Balance, May 1			<u>220,056</u>	
Fund Balance, April 30			<u><u>\$ 226,494</u></u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Hotel/Motel Tax Special Revenue Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Room tax	\$ 1,500,000	\$ 1,500,000	\$ 1,892,076	\$ 392,076
Investment income	-	-	1,171	1,171
Total Revenues	1,500,000	1,500,000	1,893,247	393,247
Expenditures				
Current:				
Tourism	77,030	77,030	54,132	(22,898)
Capital outlay	108,000	108,000	121,901	13,901
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	185,030	185,030	176,033	(8,997)
Excess (Deficiency) of Revenues over Expenditures	1,314,970	1,314,970	1,717,214	402,244
Other Financing Sources (Uses)				
Transfers in from other funds	86,130	86,130	-	(86,130)
Transfers out to other funds	(1,401,100)	(1,401,100)	(1,259,275)	141,825
Total Other Financing Sources (Uses)	(1,314,970)	(1,314,970)	(1,259,275)	55,695
Net Change in Fund Balance	\$ -	\$ -	\$ 457,939	\$ 457,939
Fund Balance, May 1			1,079,724	
Fund Balance, April 30			\$ 1,537,663	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
2002 Bond Issue Capital Projects Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	636,930	636,930	636,930	-
Interest and fiscal charges	325,460	325,460	325,433	(27)
Bond issuance costs	-	-	-	-
Total Expenditures	962,390	962,390	962,363	(27)
Excess (Deficiency) of Revenues over Expenditures	(962,390)	(962,390)	(962,363)	27
Other Financing Sources (Uses)				
Transfers in from other funds	962,390	962,390	962,257	(133)
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	962,390	962,390	962,257	(133)
Net Change in Fund Balance	\$ -	\$ -	\$ (106)	\$ (106)
Fund Balance, May 1			424,300	
Fund Balance, April 30			\$ 424,194	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Convention Center Capital Projects Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 2,325	\$ 2,325
Total Revenues	-	-	2,325	2,325
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	256,790	256,790	256,785	(5)
Interest and fiscal charges	271,290	271,290	271,062	(228)
Bond issuance costs	-	-	-	-
Total Expenditures	528,080	528,080	527,847	(233)
Excess (Deficiency) of Revenues over Expenditures	(528,080)	(528,080)	(525,522)	2,558
Other Financing Sources (Uses)				
Transfers in from other funds	528,080	528,080	527,741	(339)
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	528,080	528,080	527,741	(339)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,219</u>	<u>\$ 2,219</u>
Fund Balance, May 1			<u>351,984</u>	
Fund Balance, April 30			<u><u>\$ 354,203</u></u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Sports Park Complex Capital Projects Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 2,676	\$ 2,676
Build America bond rebates	149,345	149,345	151,159	1,814
Total Revenues	149,345	149,345	153,835	4,490
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	354,630	354,630	336,285	(18,345)
Interest and fiscal charges	795,815	795,815	813,473	17,658
Bond issuance costs	-	-	-	-
Total Expenditures	1,150,445	1,150,445	1,149,758	(687)
Excess (Deficiency) of Revenues over Expenditures	(1,001,100)	(1,001,100)	(995,923)	5,177
Other Financing Sources (Uses)				
Transfers in from other funds	1,001,100	1,001,100	1,000,657	(443)
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	1,001,100	1,001,100	1,000,657	(443)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	\$ 4,734	<u>\$ 4,734</u>
Fund Balance, May 1			191,891	
Fund Balance, April 30			<u>\$ 196,625</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Park Land Capital Projects Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ 25	\$ 25	\$ 653	\$ 628
Annex fees	180,000	180,000	294,251	114,251
Total Revenues	180,025	180,025	294,904	114,879
Expenditures				
Current:				
Culture and recreation	180,025	180,025	3,994	(176,031)
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	180,025	180,025	3,994	(176,031)
Excess (Deficiency) of Revenues over Expenditures	-	-	290,910	290,910
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	930,560	930,560
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	-	-	930,560	930,560
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,221,470</u>	<u>\$ 1,221,470</u>
Fund Balance, May 1			<u>77,291</u>	
Fund Balance, April 30			<u>\$ 1,298,761</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Proposition S Infrastructure Capital Projects Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Intergovernmental receipts:				
State sales tax	\$ 1,868,500	\$ 1,868,500	\$ 2,000,732	\$ 132,232
Investment income	5,000	5,000	41,743	36,743
Miscellaneous revenues and reimbursements	30,000	30,000	32,962	2,962
Total Revenues	1,903,500	1,903,500	2,075,437	171,937
Expenditures				
Current:				
General government	-	-	33,305	33,305
Highways and streets	1,200,000	1,200,000	1,013,243	(186,757)
Capital outlay	900,000	900,000	916,511	16,511
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	2,100,000	2,100,000	1,963,059	(136,941)
Excess (Deficiency) of Revenues over Expenditures	(196,500)	(196,500)	112,378	308,878
Other Financing Sources (Uses)				
Transfers in from other funds	611,370	611,370	-	(611,370)
Transfers out to other funds	(414,870)	(414,870)	(415,040)	(170)
Total Other Financing Sources (Uses)	196,500	196,500	(415,040)	(611,540)
Net Change in Fund Balance	\$ -	\$ -	\$ (302,662)	\$ (302,662)
Fund Balance, May 1			3,777,787	
Fund Balance, April 30			3,475,125	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Strategic Plan Capital Projects Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Miscellaneous revenues and reimbursements	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
General government	75,000	75,000	82,242	7,242
Capital outlay	125,000	125,000	56,096	(68,904)
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	200,000	200,000	138,338	(61,662)
Excess (Deficiency) of Revenues over Expenditures	(200,000)	(200,000)	(138,338)	61,662
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	547,945	547,945
Transfers in from other funds	200,000	200,000	200,000	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	200,000	200,000	747,945	547,945
Net Change in Fund Balance	\$ -	\$ -	\$ 609,607	\$ 609,607
Fund Balance, May 1			1,528,681	
Fund Balance, April 30			\$ 2,138,288	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
2010 Bond Issue Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	510,000	510,000	510,000	-
Interest and fiscal charges	88,355	88,355	88,355	-
Bond issuance costs	-	-	-	-
Total Expenditures	598,355	598,355	598,355	-
Excess (Deficiency) of Revenues over Expenditures	(598,355)	(598,355)	(598,355)	-
Other Financing Sources (Uses)				
Transfers in from other funds	598,355	598,355	598,355	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	598,355	598,355	598,355	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, May 1			125	
Fund Balance, April 30			<u>\$ 125</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
2002 Bond Issue Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 2,444	\$ 2,444
Total Revenues	-	-	2,444	2,444
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	2,444	2,444
Other Financing Sources (Uses)				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,444</u>	<u>\$ 2,444</u>
Fund Balance, May 1			<u>286,745</u>	
Fund Balance, April 30			<u>\$ 289,189</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Special Service Areas Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts			Variance with Final Budget Over (Under)
Revenues	Original	Final	Actual	
Taxes:				
Property	\$ 322,925	\$ 322,925	\$ 317,515	\$ (5,410)
Investment income	-	-	1,738	1,738
Total Revenues	<u>322,925</u>	<u>322,925</u>	<u>319,253</u>	<u>(3,672)</u>
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	185,000	185,000	185,000	-
Interest and fiscal charges	137,925	137,925	160,167	22,242
Bond issuance costs	-	-	68,681	68,681
Total Expenditures	<u>322,925</u>	<u>322,925</u>	<u>413,848</u>	<u>90,923</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	(94,595)	(94,595)
Other Financing Sources (Uses)				
Proceeds from refunding bonds	-	-	1,810,000	1,810,000
Debt service - principal	-	-	(1,900,000)	(1,900,000)
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(90,000)</u>	<u>(90,000)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (184,595)</u>	<u>\$ (184,595)</u>
Fund Balance, May 1			<u>494,817</u>	
Fund Balance, April 30			<u>\$ 310,222</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Newbold Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 164,400	\$ 164,400	\$ 164,267	\$ (133)
Investment income	-	-	95	95
Total Revenues	<u>164,400</u>	<u>164,400</u>	<u>164,362</u>	<u>(38)</u>
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	95,000	95,000	95,000	-
Interest and fiscal charges	69,400	69,400	67,340	(2,060)
Bond issuance costs	-	-	-	-
Total Expenditures	<u>164,400</u>	<u>164,400</u>	<u>162,340</u>	<u>(2,060)</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	2,022	2,022
Other Financing Sources (Uses)				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,022</u>	<u>\$ 2,022</u>
Fund Balance, May 1			<u>290,394</u>	
Fund Balance, April 30			<u>\$ 292,416</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Harley Davidson Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 137,400	\$ 137,400	\$ 131,433	\$ (5,967)
Investment income	-	-	72	72
Total Revenues	<u>137,400</u>	<u>137,400</u>	<u>131,505</u>	<u>(5,895)</u>
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	75,000	75,000	75,000	-
Interest and fiscal charges	62,400	62,400	61,390	(1,010)
Bond issuance costs	-	-	-	-
Total Expenditures	<u>137,400</u>	<u>137,400</u>	<u>136,390</u>	<u>(1,010)</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	(4,885)	(4,885)
Other Financing Sources (Uses)				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,885)</u>	<u>\$ (4,885)</u>
Fund Balance, May 1			<u>249,183</u>	
Fund Balance, April 30			<u>\$ 244,298</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Build America Bond Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Build America bond rebates	\$ 26,140	\$ 26,140	\$ 24,607	\$ (1,533)
Total Revenues	26,140	26,140	24,607	(1,533)
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	100,000	100,000	100,000	-
Interest and fiscal charges	80,465	80,465	80,465	-
Bond issuance costs	-	-	-	-
Total Expenditures	180,465	180,465	180,465	-
Excess (Deficiency) of Revenues over Expenditures	(154,325)	(154,325)	(155,858)	(1,533)
Other Financing Sources (Uses)				
Transfers in from other funds	154,325	154,325	155,858	1,533
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	154,325	154,325	155,858	1,533
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, May 1			<u>-</u>	
Fund Balance, April 30			<u>\$ -</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Green Mount Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	231,330	231,330	231,317	(13)
Bond issuance costs	-	-	-	-
Total Expenditures	231,330	231,330	231,317	(13)
Excess (Deficiency) of Revenues over Expenditures	(231,330)	(231,330)	(231,317)	13
Other Financing Sources (Uses)				
Transfers in from other funds	231,330	231,330	186,157	(45,173)
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	231,330	231,330	186,157	(45,173)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,160)</u>	<u>\$ (45,160)</u>
Fund Balance, May 1			<u>(262,760)</u>	
Fund Balance, April 30			<u><u>\$ (307,920)</u></u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Destination O'Fallon Debt Service Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	565,000	565,000	315,000	(250,000)
Interest and fiscal charges	85,600	85,600	192,873	107,273
Bond issuance costs	-	-	-	-
Total Expenditures	650,600	650,600	507,873	(142,727)
Excess (Deficiency) of Revenues over Expenditures	(650,600)	(650,600)	(507,873)	142,727
Other Financing Sources (Uses)				
Transfers in from other funds	650,600	650,600	508,618	(141,982)
Transfers out to other funds	-	-	-	-
Total Other Financing Sources (Uses)	650,600	650,600	508,618	(141,982)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	\$ 745	<u>\$ 745</u>
Fund Balance, May 1			(745)	
Fund Balance, April 30			<u>\$ -</u>	

City of O'Fallon, Illinois
Statement of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Improvement Capital Projects Fund
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental receipts:				
Grants	\$ -	\$ -	\$ 300,000	300,000
Investment income	-	-	72	72
Total Revenues	-	-	300,072	300,072
Expenditures				
Current:				
General government	-	-	-	-
Capital outlay	9,600,000	9,600,000	8,697,301	(902,699)
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	9,600,000	9,600,000	8,697,301	(902,699)
Excess (Deficiency) of Revenues over Expenditures	(9,600,000)	(9,600,000)	(8,397,229)	1,202,771
Other Financing Sources (Uses)				
Proceeds from general obligation bonds	9,600,000	9,600,000	-	(9,600,000)
Transfers in from other funds	-	-	3,307	3,307
Transfers out to other funds	-	-	(1,000,000)	(1,000,000)
Total Other Financing Sources (Uses)	9,600,000	9,600,000	(996,693)	(10,596,693)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,393,922)</u>	<u>\$ (9,393,922)</u>
Fund Balance, May 1			<u>10,875,363</u>	
Fund Balance, April 30			<u>\$ 1,481,441</u>	

City of O'Fallon, Illinois
Combining Balance Sheet - Tax Increment Financing (TIF) Funds
April 30, 2018

	158 Corridor TIF	Green Mount Medical TIF	Central Park TIF	Rte. 50/ Scott Troy Rd. TIF	Central City TIF	Total TIF Fund
Assets						
Cash and cash equivalents	\$ 675,351	\$ 780,203	\$ 13,849	\$ -	\$ 10,379	\$ 1,479,782
Receivables, net						
Taxes	372,388	137,803	607,743	157,029	43,119	1,318,082
Other	-	72,635	-	-	-	72,635
Total Assets	1,047,739	990,641	621,592	157,029	53,498	2,870,499
Deferred Outflows of Resources	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 1,047,739</u>	<u>\$ 990,641</u>	<u>\$ 621,592</u>	<u>\$ 157,029</u>	<u>\$ 53,498</u>	<u>\$ 2,870,499</u>
Liabilities						
Accounts payable	285,598	480,275	70	70	399	766,412
Due to other funds	-	4,152,318	110,454	40,692	123,520	4,426,984
Total Liabilities	285,598	4,632,593	110,524	40,762	123,919	5,193,396
Deferred Inflows of Resources						
Unavailable resources - property taxes	372,388	137,803	607,743	157,029	43,119	1,318,082
Fund Balance						
Nonspendable:						
Prepaid items	-	-	-	-	-	-
Interfund advances	-	-	-	-	-	-
Restricted:						
Debt service	-	-	-	-	-	-
Special revenue fund	389,753	-	-	-	-	389,753
Unassigned:						
General fund	-	(3,779,755)	(96,675)	(40,762)	(113,540)	(4,030,732)
Total Fund Balances	389,753	(3,779,755)	(96,675)	(40,762)	(113,540)	(3,640,979)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,047,739</u>	<u>\$ 990,641</u>	<u>\$ 621,592</u>	<u>\$ 157,029</u>	<u>\$ 53,498</u>	<u>\$ 2,870,499</u>

City of O'Fallon, Illinois
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances - Tax Increment Financing (TIF) Funds
For the year ended April 30, 2018

	158 Corridor TIF	Green Mount Medical TIF	Central Park TIF	Rte. 50/ Scott Troy Rd. TIF	Central City TIF	Total TIF Fund
Revenues						
Taxes:						
Property	\$ 378,503	\$ 11,617	\$ 605,982	\$ 1,001	\$ 18,789	\$ 1,015,892
Intergovernmental receipts:						
Grants	-	120,885	-	-	-	120,885
Investment income	1,316	-	-	-	-	1,316
Miscellaneous revenues and reimbursements	-	-	-	-	500	500
Total Revenues	<u>379,819</u>	<u>132,502</u>	<u>605,982</u>	<u>1,001</u>	<u>19,289</u>	<u>1,138,593</u>
Expenditures						
Current:						
Highways and streets	-	-	-	-	-	-
Tax increment financing	2,245	118	208,441	460	11,420	222,684
Capital outlay	284,940	3,764,841	386,883	837	14	4,437,515
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Total Expenditures	<u>287,185</u>	<u>3,764,959</u>	<u>595,324</u>	<u>1,297</u>	<u>11,434</u>	<u>4,660,199</u>
Excess (Deficiency) of Revenues over Expenditures	<u>92,634</u>	<u>(3,632,457)</u>	<u>10,658</u>	<u>(296)</u>	<u>7,855</u>	<u>(3,521,606)</u>
Other Financing Sources (Uses)						
Transfers in from other funds	-	-	-	-	-	-
Transfers out to other funds	-	(186,157)	-	-	-	(186,157)
Total Other Financing Sources	<u>-</u>	<u>(186,157)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(186,157)</u>
Net Change in Fund Balance	\$ 92,634	\$ (3,818,614)	\$ 10,658	\$ (296)	\$ 7,855	\$ (3,707,763)
Fund Balance (Deficit), May 1	<u>297,119</u>	<u>38,859</u>	<u>(107,333)</u>	<u>(40,466)</u>	<u>(121,395)</u>	<u>66,784</u>
Fund Balance (Deficit), April 30	<u><u>\$ 389,753</u></u>	<u><u>\$ (3,779,755)</u></u>	<u><u>\$ (96,675)</u></u>	<u><u>\$ (40,762)</u></u>	<u><u>\$ (113,540)</u></u>	<u><u>\$ (3,640,979)</u></u>

City of O'Fallon, Illinois
Schedule of Funding Progress
For the year ended April 30, 2018

Police Pension Fund Trend Information

	(1)	(2)	(3)	(4)	(5)	UAAL As a Percentage of Covered Payroll (4) / (5)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Funded Ratio (1) / (2)	Unfunded AAL (UAAL) (2) - (1)	Covered Payroll	
4/30/2017	\$ 28,712,290	\$ 35,937,502	80%	\$ 7,225,212	\$ 3,567,343	203%
4/30/2016	26,702,483	32,399,686	82%	5,697,203	3,325,342	171%
4/30/2015	24,861,595	29,907,982	83%	5,046,387	3,289,456	153%

Employer Contributions

Actuarial Year	Employer Contributions
4/30/2017	\$ 1,456,298
4/30/2016	1,439,160
4/30/2015	1,350,244

City of O'Fallon, Illinois
Schedule of Funding Progress
For the year ended April 30, 2018

Firefighters' Pension Fund Trend Information

	(1)	(2)	(3)	(4)	(5)	UAAL As a Percentage of Covered Payroll (4) / (5)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Funded Ratio (1) / (2)	Unfunded AAL (UAAL) (2) - (1)	Covered Payroll	
4/30/2017	\$ 418,735	\$ 64,273	651%	\$ (354,462)	\$ 95,014	-373%
4/30/2016	259,409	-	100%	(259,409)	89,547	-290%
4/30/2015	-	336,973	0%	336,973	93,632	360%

Employer Contributions

Actuarial Year	Employer Contributions
4/30/2017	\$ 144,868
4/30/2016	258,942
4/30/2015	-

Other Information

City of O'Fallon, Illinois
Comparative Statements of Net Position
April 30, 2018

	Primary Government		Component Unit	
	2018	2017	2018	2017
Assets				
Cash and cash equivalents	\$ 51,128,985	\$ 55,353,127	\$ 791,229	\$ 696,526
Investments	2,815,755	2,736,853	3,304,288	3,088,159
Restricted cash and cash equivalents	2,705,002	1,923,604	-	-
Receivables, net				
Property taxes	5,807,512	5,635,429	1,188,900	1,189,333
Other governmental entities	1,472,565	1,862,724	-	-
Interest	878	398	7,185	7,373
Other	1,358,659	619,649	2,477	1,172
Water and sewer fees	2,139,155	2,282,394	-	-
Service fees	496,625	425,607	-	-
Restricted receivables, net	10,652	11,143	-	-
Prepaid items	604,738	701,390	15,283	14,260
Due from employees	6,260	13,622	-	-
Internal balances	-	-	-	-
Capital assets:				
Land and construction in progress	33,628,859	33,460,989	-	-
Other capital assets, net	124,529,459	95,767,181	1,933,984	2,125,081
Total Assets	226,705,104	200,794,110	7,243,346	7,121,904
Deferred Outflows of Resources				
Deferred outflows - pension related	1,398,064	1,823,116	79,819	106,405
Deferred loss on refunding	1,406,489	1,555,883	-	-
Total Deferred Outflows of Resources	2,804,553	3,378,999	79,819	106,405
Liabilities				
Accounts payable	3,502,962	2,926,641	8,185	4,034
Accrued payroll	586,667	479,011	24,696	24,430
Compensated absences payable	2,819,957	2,586,301	67,686	73,076
Unearned revenue	68,943	104,258	-	-
Accrued interest	813,314	786,575	-	-
Deposits payable	3,419	3,419	-	-
Noncurrent liabilities:				
Net Pension Liability	947,946	4,019,253	42,691	234,796
Long-Term Debt - Due Within One Year	3,307,266	3,692,809	-	-
Long-Term Debt - Due in More Than One Year	58,239,514	61,601,424	-	-
Total Liabilities	70,289,988	76,199,691	143,258	336,336
Deferred Inflows of Resources				
Deferred inflows - pension related	3,230,382	211,201	201,210	12,365
Deferred gain on refunding	-	1,973	-	-
Unavailable resources - property taxes	5,807,512	5,635,429	1,188,900	1,189,333
Total Deferred Inflows of Resources	9,037,894	5,848,603	1,390,110	1,201,698
Net Position				
Net investment in capital assets	109,264,011	85,117,358	1,933,984	2,125,081
Restricted:				
Construction/capital projects	1,158,293	7,529,850	-	-
Debt service	8,495,563	1,387,027	-	-
Enabling legislation	12,443,585	13,846,811	3,855,813	3,565,194
Unrestricted	18,820,323	14,243,769	-	-
Total Net Position	\$ 150,181,775	\$ 122,124,815	\$ 5,789,797	\$ 5,690,275

City of O'Fallon, Illinois
Comparative Statements of Activities
For the year ended April 30, 2018

	Primary Government		Component Unit	
	2018	2017	2018	2017
Expenses:				
Governmental Activities:				
General government	\$ 3,652,826	\$ 3,661,388	\$ -	\$ -
Public safety	13,015,789	11,983,551	-	-
Highways and streets	6,898,569	7,755,811	-	-
Zoning	1,063,337	1,025,309	-	-
Development	136,444	177,342	-	-
Cemetery	129,067	186,703	-	-
Culture and recreation	4,939,428	4,420,070	-	-
Tax increment financing	1,084,855	2,366,719	-	-
Tourism	182,068	147,318	-	-
Tax rebates	87,815	129,164	-	-
Interest and fiscal charges	2,508,579	2,386,937	-	-
Total Government Activities	33,698,777	34,240,312	-	-
Business-type Activities:				
Water	10,313,994	9,948,117	-	-
Sewer	4,398,710	4,845,971	-	-
Total Business-type Activities	14,712,704	14,794,088	-	-
Component Unit:				
Library	-	-	1,417,006	1,338,786
Total Component Unit	-	-	1,417,006	1,338,786
Total Expenses	48,411,481	49,034,400	1,417,006	1,338,786
Program Revenues:				
Charges for services	27,415,973	24,448,464	56,887	48,628
Operating grants and contributions	1,647,457	698,657	22,048	21,889
Capital grants and contributions	4,288,238	1,471,426	32,401	30,750
Total Program Revenues	33,351,668	26,618,547	111,336	101,267
Net (Expense) Revenue and Changes in Net Position	(15,059,813)	(22,415,853)	(1,305,670)	(1,237,519)
General Revenues				
Taxes:				
Property	6,164,966	5,924,070	1,187,160	1,095,640
Replacement	26,304	20,803	7,024	5,554
Motor fuel	793,998	755,869	-	-
Sales	10,915,255	10,472,180	-	-
Utility	2,038,168	2,119,273	-	-
Income	2,755,690	2,677,397	-	-
Food and beverage	876,830	841,268	-	-
Miscellaneous	864,918	885,689	-	-
Other governmental entities	407,972	398,692	-	-
Franchise fees	994,627	1,121,350	-	-
Investment income	484,130	231,498	214,364	288,024
Unrestricted grants and contributions	9,395	10,698	23,735	17,840
Gain (loss) on disposal of fixed assets	242,547	400,937	-	-
Transfers in (out)	27,150	23,215	(27,150)	(23,215)
Miscellaneous	202,820	223,834	59	342
	26,804,770	26,106,773	1,405,192	1,384,185
Change in Net Position	\$ 11,744,957	\$ 3,690,920	\$ 99,522	\$ 146,666
Net Position, May 1	122,124,815	118,534,946	5,690,275	5,543,609
Prior Period Adjustments	16,312,003	(101,051)	-	-
Net Position, April 30	\$ 150,181,775	\$ 122,124,815	\$ 5,789,797	\$ 5,690,275

City of O'Fallon, Illinois
Assessed Valuations and Property Tax Rates - Last Ten Years
For the year ended April 30, 2018

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Assessed Valuations	<u>\$ 674,208,323</u>	<u>\$ 656,002,514</u>	<u>\$ 640,935,272</u>	<u>\$ 641,199,042</u>	<u>\$ 636,736,130</u>	<u>\$ 647,311,486</u>	<u>\$ 646,896,915</u>	<u>\$ 656,365,349</u>	<u>\$ 658,364,306</u>	<u>\$ 656,149,272</u>
Property Tax Rates										
General	0.0742	0.0389	0.0390	0.0388	0.0390	0.0382	0.0426	0.0430	0.0365	0.0375
Fire Protection	0.1817	0.1868	0.1840	0.1821	0.1833	0.1802	0.1818	0.1738	0.1561	0.1500
Firefighter's Pension	0.0104	0.0107	-	-	-	-	-	-	-	-
Ambulance	0.0520	0.1580	0.1616	0.1610	0.1814	0.1784	0.2017	0.2035	0.2003	0.1944
Library	0.1606	0.1650	0.1571	0.1502	0.1512	0.1487	0.1500	0.1500	0.1500	0.1480
Library - Muni. Ret.	0.0077	0.0079	-	-	-	-	-	-	-	-
Library - Soc. Sec.	0.0082	0.0084	-	-	-	-	-	-	-	-
Park and Recreation	0.0876	0.0892	0.0912	0.0902	0.0908	0.0892	0.0900	0.0900	0.0900	0.0900
Police Pension	0.1780	0.1683	0.1720	0.1713	0.1724	0.1767	0.1619	0.1452	0.1316	0.1173
Municipal Retirement	0.0895	0.0915	0.0905	0.0790	0.0602	0.0595	0.0535	0.0527	0.0521	0.0540
Social Security	<u>0.1338</u>	<u>0.1281</u>	<u>0.1311</u>	<u>0.1219</u>	<u>0.1227</u>	<u>0.1165</u>	<u>0.1009</u>	<u>0.0832</u>	<u>0.0807</u>	<u>0.0820</u>
Total Property Tax Rates	<u>0.9837</u>	<u>1.0528</u>	<u>1.0265</u>	<u>0.9945</u>	<u>1.0010</u>	<u>0.9874</u>	<u>0.9824</u>	<u>0.9414</u>	<u>0.8973</u>	<u>0.8732</u>

City of O'Fallon, Illinois
General Governmental Funds and Component Unit Revenues by Source - Last Ten Years
For the year ended April 30, 2018

Fiscal year ended April 30,	Property Taxes	Replacement Taxes	Foreign Fire Tax	Rural Fire Protection District Taxes	Food and Beverage Taxes	Intergov- ernmental	Utility Tax	Fee in Lieu of Taxes	Subtotal
2009	5,682,398	31,018	27,661	322,099	575,707	12,409,665	1,327,070	-	20,375,618
2010	6,023,244	25,598	16,729	311,857	571,928	11,191,318	1,172,662	-	19,313,336
2011	6,164,513	31,157	-	325,618	595,617	13,151,472	1,429,106	-	21,697,483
2012	6,347,573	27,632	-	326,987	597,880	13,587,611	1,462,057	585,218	22,934,958
2013	6,468,313	29,245	-	343,670	644,581	14,145,480	1,623,582	644,830	23,899,701
2014	6,241,847	30,651	-	379,545	662,903	14,160,449	1,732,857	640,420	23,848,672
2015	6,530,752	32,082	-	363,699	722,643	14,825,961	2,537,740	663,790	25,676,667
2016	6,682,197	35,987	-	377,476	805,995	16,364,255	1,873,640	688,280	26,827,830
2017	7,019,710	26,357	-	426,432	841,268	16,420,217	2,119,273	713,957	27,567,214
2018	7,352,126	33,328	-	427,118	876,830	16,898,530	2,038,168	740,910	28,367,010

City of O'Fallon, Illinois
General Governmental Funds and Component Unit Revenues by Source - Last Ten Years
For the year ended April 30, 2018

Fiscal year ended April 30,	Subtotal From Previous Page	Licenses and Permits	Charges for Service	Fines and Fees	Interest Received	Insurance Claims	Miscella- neous	Cable TV	Subtotal
2009	20,375,618	317,557	2,354,598	249,415	334,777	492	279,557	1,213,695	25,125,709
2010	19,313,336	302,434	2,516,068	310,375	483,817	44,800	265,121	1,267,959	24,503,910
2011	21,697,483	662,683	2,808,564	282,305	601,379	61	340,466	1,320,132	27,713,073
2012	22,934,958	495,600	2,716,362	321,011	28,430	765	193,627	1,345,239	28,035,992
2013	23,899,701	662,645	2,919,950	320,021	317,808	22,670	286,348	1,577,453	30,006,596
2014	23,848,672	501,309	3,022,873	412,214	375,551	2,795	265,042	1,311,497	29,739,953
2015	25,676,667	634,374	3,392,687	356,105	172,330	18,386	311,686	1,195,503	31,757,738
2016	26,827,830	1,517,688	3,846,722	284,902	(14,695)	53,266	422,378	1,232,204	34,170,295
2017	27,567,214	899,972	4,285,899	520,453	476,956	51,211	545,610	1,121,350	35,468,665
2018	28,367,010	921,329	5,873,278	590,452	506,082	-	504,279	994,627	37,757,057

City of O'Fallon, Illinois
General Governmental Funds and Component Unit Revenues by Source - Last Ten Years
For the year ended April 30, 2018

Fiscal year ended April 30,	Subtotal From Previous Page	Donations	Bond Rebates	Total
2009	25,125,709	1,400,945	-	26,526,654
2010	24,503,910	28,291	-	24,532,201
2011	27,713,073	128,262	306,020	28,147,355
2012	28,035,992	47,189	197,092	28,280,273
2013	30,006,596	51,243	160,414	30,218,253
2014	29,739,953	585,043	177,259	30,502,255
2015	31,757,738	68,576	174,077	32,000,391
2016	34,170,295	64,433	180,758	34,415,486
2017	35,468,665	59,288	172,692	35,700,645
2018	37,757,057	112,080	175,766	38,044,903

City of O'Fallon, Illinois
General Governmental Funds and Component Unit Expenditures by Function - Last Ten Years
For the year ended April 30, 2018

Fiscal year ended April 30,	Adminis- tration	Police	Fire	Street	Zoning	Cemetery	Park	Ambulance	Subtotal
2009	4,480,444	5,601,140	1,075,249	4,895,817	850,766	49,029	2,141,112	1,872,803	20,966,360
2010	1,579,004	5,490,865	792,180	3,488,457	762,502	66,993	3,718,479	1,663,294	17,561,774
2011	4,514,824	5,843,502	792,507	3,336,367	743,762	68,632	9,227,525	1,715,168	26,242,287
2012	3,558,955	6,039,314	900,559	5,066,411	796,169	87,235	4,988,267	1,722,223	23,159,133
2013	3,037,563	6,556,535	1,962,941	5,529,144	829,698	84,009	3,484,302	2,198,829	23,683,021
2014	3,154,131	6,866,063	3,542,323	4,360,405	830,096	100,689	3,121,806	1,994,365	23,969,878
2015	2,698,244	6,481,761	5,044,802	9,684,329	851,874	94,638	4,290,121	2,022,907	31,168,676
2016	2,859,369	6,712,673	1,387,973	5,204,996	899,396	116,998	3,159,847	2,186,818	22,528,070
2017	3,441,186	7,393,572	1,265,526	8,921,803	1,025,309	109,497	4,868,382	2,420,224	29,445,499
2018	3,313,398	8,230,742	1,294,425	13,168,209	1,063,337	129,067	13,444,340	2,390,498	43,034,016

City of O'Fallon, Illinois
General Governmental Funds and Component Unit Expenditures by Function - Last Ten Years
For the year ended April 30, 2018

Fiscal year ended April 30,	Subtotal From Previous Page	Debt Service	Special Service Areas	Economic Develop- ment	Tourism	TIF	Library	Total
2009	20,966,360	4,308,378	23,475	454,526	49,038	66,442	878,663	26,746,882
2010	17,561,774	3,442,824	10,981	372,459	59,755	27,517	855,176	22,330,486
2011	26,242,287	4,405,388	4,674	379,108	51,102	22,987	912,746	32,018,292
2012	23,159,133	4,073,017	6,001	400,114	48,543	67,718	998,165	28,752,691
2013	23,683,021	7,469,294	6,222	299,553	50,464	19,323	981,656	32,509,533
2014	23,969,878	5,341,473	4,526	1,504,652	49,414	102,683	972,079	31,944,705
2015	31,168,676	4,783,727	4,951	311,649	48,553	591,651	1,077,898	37,987,105
2016	22,528,070	4,453,507	3,586	299,771	55,482	238,648	1,151,543	28,730,607
2017	29,445,499	4,759,992	5,310	174,014	55,550	207,423	1,338,786	35,986,574
2018	43,034,016	5,254,137	8,685	136,444	182,068	1,084,855	1,417,006	51,117,211