

CITY OF JOLIET, ILLINOIS

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015**

PREPARED BY THE FINANCE DEPARTMENT

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INTRODUCTORY SECTION

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FINANCE DEPARTMENT

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**150 WEST JEFFERSON STREET
JOLIET, ILLINOIS 60432-4158**

June 7, 2016

To the Honorable Mayor, Members of the City Council
And the Citizens of the City of Joliet:

Letter of Transmittal

The Comprehensive Annual Financial Report (CAFR) of the City of Joliet, Illinois for the year ending December 31, 2015 is hereby submitted. This report provides a broad view of the City's financial activities and its financial position as of December 31st, 2015. Illinois statues and local ordinances require all general purpose local governments to publish annually, a complete set of financial statements presented in conformance with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants.

Responsibility, for both the accuracy of the data and the completeness and fairness of the presentation, which includes all disclosures based upon a comprehensive framework of internal control, rests with the management of the City. Because the cost of internal controls should not exceed the anticipated benefits, the objective of this report is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City of Joliet. All disclosures necessary to enable the reader to gain an understanding of the City of Joliet's activities have been included.

Wermer, Rogers, Doran & Ruzon LLC, a firm of licensed certified public accountants, has audited the City of Joliet's financial statements. The goal of the independent audit was to provide reasonable assurance the financial statements presented for the year end are free of material misstatement. The independent audit involved the examination, on a test basis, evidence to support the amounts and disclosures in the financial statements; assessment of the accounting principles used and the significant estimates made by management; and evaluation of the overall presentation. Based on their work, the independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that the financial statements presented in the financial section of this report were presented in conformity with GAAP.

As a recipient of various federal grant funds, the City of Joliet is required to undergo an annual audit in conformity with the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance" – the succession of OMB Circular A-133). The audit contains information as to whether activities related to grant funds are presented fairly in the basic financial statements; internal controls are sufficient to provide reasonable assurance that the funds are managed properly; and compliance with grant requirements. The single audit report is issued as a separate report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The City of Joliet's MD&A can be found immediately following the report of the independent auditors.

Profile of Government

The government, incorporated in 1852, is a home rule unit of government, located in the northeastern part of the Illinois, which has long been considered to be the top growth area in the state. The City currently has a land area of 63 square miles and a population of 147,433, as of the 2010 U.S. Census. The government is empowered to levy a property tax on real estate property located within its boundaries. The City also has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the City Council.

The City has operated under the Council-Manager form of government since 1955. Policymaking and legislative authority are vested in the City Council, which consists of a mayor and an eight-member council. The City Council sets policy for the City, adopts ordinances and resolutions, adopts the annual budget and approves all expenditures. Council members are elected to a four-year staggered term with three at-large council members and five district council members elected every four years. The Mayor is elected to a four-year term. The Mayor and Council members are elected on a non-partisan basis. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City and appointing the directors of the City's departments.

The City provides a full range of services including police and fire protection; refuse disposal, recycling and yard-waste collection; parking management; construction and maintenance of highways, streets and infrastructure, as well as water and wastewater treatment facilities. The City owns Silver Cross Field, home to the Joliet Slammers baseball organization and operates Bicentennial Park; both are located in downtown Joliet. The accompanying report includes all funds and subsidiary accounts of the primary government, the City of Joliet as legally defined, as well as its component units. The Joliet Public Library, the Will County Metropolitan Exposition and Auditorium Authority (commonly known as the Rialto Square Theatre), and the Joliet Area Historical Museum are reported as discretely presented component units. Component units are legally separate entities, for which the City is financially accountable.

Additional demographic information can be found in the statistical section of this report.

Accounting System and Budgeting

The accounts of the City are organized on the basis of funds, with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows, fund equity, revenues, and expenditures/expenses. Resources are allotted to, and accounted for within individual funds based upon the purposes for which the funds are to be spent and the means by which the spending activities are controlled.

The City's accounting records for governmental funds are maintained on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period. Expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. At year-end the City makes certain adjustments to the accounting records to permit preparation of certain financial statements on the accrual basis to comply with GAAP.

The annual budget serves as the formal foundation for the City's financial planning and control. The City Manager, officially designated as the "Budget Officer," presents a recommended budget to the City Council, a series of public hearings are held, and final adoption of the budget occurs before December 31st in accordance with state statute. The City continues to work towards developing a long range strategic/financial plan in cooperation with the annual budget process. A budget to actual comparison is provided within the required supplementary information subsection at the end of the financial section of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment which the City operates.

Local Economy: The City of Joliet is the fourth largest city in Illinois; and like most other communities, the City experienced the effects of the national economic recession of the last several years. However, despite the current economic state, the City has continued to move forward and diversify its economic development portfolio.

Since 2008, the City has been transitioning from residential growth to transportation and business growth. A large part of this transition is due to CenterPoint Properties, Inc., who in 2008 began to build out 3,600 acres of annexed property on the southeast portion of the City limits. CenterPoint's development of an intermodal railroad/industrial park valued at time of build at over \$2 billion has put Joliet on the international map, which will soon be the largest inland port in the nation. Necessary roadway improvements in and around the property have spurred considerable construction activity over the last couple years.

The award of a \$30 million grant in 2010 from the State of Illinois for the construction of a new multimodal transportation center in downtown will make Joliet the first stop on the new high-speed rail line from Chicago to St. Louis. The total project is estimated at nearly \$65 million and includes reworking the track area around the current Union Station to provide a more safe and efficient method of interaction between commuter and freight lines. In 2012, first phase parking facilities were completed for approximately \$2 million. In 2013, work began on the \$7 million Rock Island Platform and is approximately 50% complete.

In addition to these new transportation related projects, the City pulls its economic strength from the diversity of its industry and its location in the southwest region of Chicagoland. The City's varied economic base includes two riverboat casinos, as well as healthcare, retail, higher education, and manufacturing institutions. During 2015, the City reported several additions in the commercial sector, including; Amazon warehouse, IKEA warehouse and Mars warehouse. The City is also home to the Chicagoland Speedway, whose events bring in additional hotel/motel tax receipts annually.

Future Outlook: While the City has made significant strides over the last few years to stabilize its finances there are still areas that will need to be addressed to ensure future stability. Most significantly are the costs related to the City's employees including payroll expenses, pension costs, and other post-employment benefits (OPEB). These coupled with the increasing costs to replace postponed capital equipment, as well as, costs needed to repair and replace roadway, water and wastewater infrastructure will require the City to manage closely its resources over the next several years.

The City continues to work towards beginning the development of a long-term strategic plan. New opportunities for business growth are continually being sought and a renewed focus has been placed on developing long term strategies for growing as a community. The City provides leadership and encourages the private sector in the development of the downtown footprint as well as new opportunities throughout the City.

Long-Term Financial Planning: Since Joliet is a home rule unit of government, there is no legal limitation on its debt. However, the City has maintained a very small portfolio of debt which has been very beneficial in its overall financial stability. At year-end, the City has three outstanding general obligation bond series, with outstanding principal of \$9.3 million. The total principal outstanding on the Water & Sewer Revenue bonds is \$27.9 million. In 2014, the City secured additional low interest loans from the Illinois Environmental Protection Agency totaling approximately \$44.7 million, for improvements to the City's water and sewer infrastructure.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Joliet for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2014. This was the sixteenth consecutive year the City received this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the Department who assisted and contributed to the preparation of this report.

Respectfully submitted,

A handwritten signature in black ink that reads "James Ghedotte". The signature is written in a cursive style with a large initial "J".

James Ghedotte
Director of Finance

**CITY OF JOLIET
MAYOR AND CITY COUNCIL MEMBERS**

MAYOR
Bob O'Dekirk

COUNCILMAN, DISTRICT #1
Larry Hug

COUNCILMAN, DISTRICT #2
Pat Mudron

COUNCILMAN, DISTRICT #3
John Gerl

COUNCILWOMAN, DISTRICT #4
Bettye Gavin

COUNCILMAN, DISTRICT #5
Terry Morris

COUNCILMAN AT LARGE
Jim McFarland

COUNCILWOMAN AT LARGE
Jan Hallums-Quillman

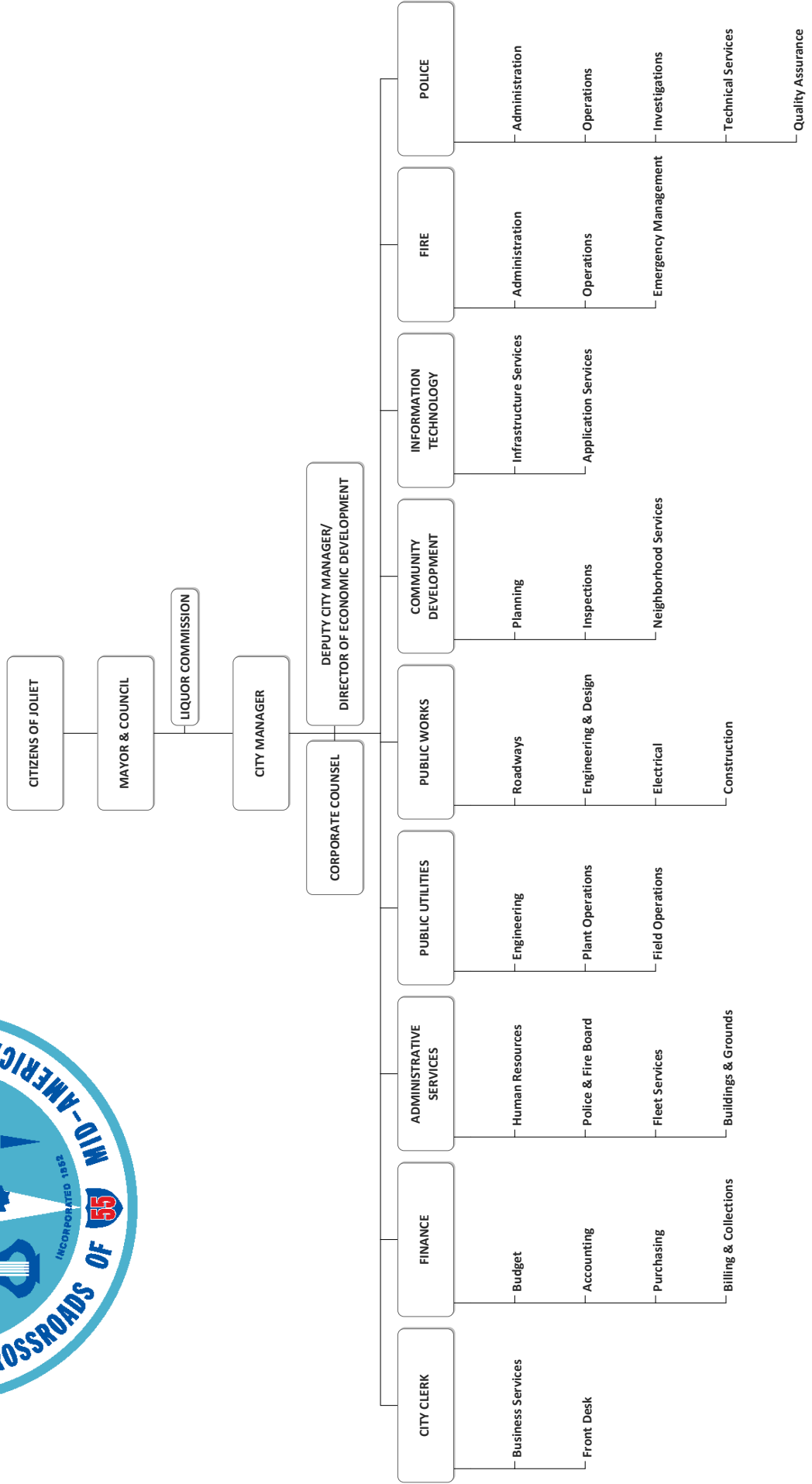
COUNCILMAN AT LARGE
Michael F. Turk

CITY MANAGER
James D. Hock

FINANCE DIRECTOR
James Ghedotte



CITY OF JOLIET ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Joliet
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

FINANCIAL SECTION

Independent Auditor's Report

To the Honorable Mayor and Members
of the City Council
City of Joliet, 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 Joliet, Illinois, (City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Joliet Public Library, as of December 31, 2015, which represent 68 percent, 69 percent, and 49 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units; additionally, we did not audit the financial statements of the Joliet Area Historical Museum, as of June 30, 2015, which represent 4 percent, 2 percent, and 11 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. 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. The financial statements of the Joliet Public Library, Will County Metropolitan Exposition and Auditorium Authority, Firefighters' Pension Fund of the City of Joliet, and Police Pension Fund of the City of Joliet were not audited in accordance with *Governmental Auditing Standards*.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, and the related GASB Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, in 2015. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in the net pension liability (asset) and related ratios, schedules of employer contributions, schedules investment returns, schedule of funding progress, budgetary comparison information and notes to required supplementary information on pages 4 through 15, 79 through 81, 82 through 85, 86, 87, 88 through 91, and 92, respectively, 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.

Other Information

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

The other 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 auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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 June 7, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Werner, Rogers, Doran & Ruyon, LLC

June 7, 2016

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

As management of the City of Joliet (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2015. Please read it in conjunction with the transmittal letter beginning on page v and the City's financial statements, which begin on page 16.

Financial Highlights

- The assets of the City exceeded the liabilities at year-end by \$248.8 million (net position). Of this amount, unrestricted net assets (those that may be used to meet the City's on-going obligations to citizens and creditors) totaled a negative \$404.7 million, restricted net position accounted for \$24.4 million and the net investment in capital assets totaled \$629.1 million. Total net position for Governmental activities was (\$1.5) million and Business-type activities totaled \$250.3 million.
- The total primary government-wide expenses for the year ended December 31, 2015 were \$236.2 million and total primary government-wide taxes and other revenues for City functions were \$224.3 million, resulting in a decrease of in net position of \$11.9 million.
- Revenues of the governmental activities increased \$0.7 million or 0.4 percent from the prior year, while expenses increased \$7.4 million or 3.9 percent.
- Business-type activities generated \$45.8 million in revenues, up \$1.1 million or 2.5 percent from the prior year and expenses totaled \$40.6 million, a \$3.6 million decrease or 8.1 percent.
- The combined fund balances for the City's governmental funds at year-end totaled \$74.2 million, a decrease of \$0.7 million or 0.9 percent in comparison to the prior year.
- Total General Fund revenues for the year were \$164.3 million, while total expenditures before transfers were \$162.8 million.
- At year-end the unassigned fund balance in the General Fund was \$47.4 million, or 29.1 percent of the total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Joliet's basic financial statements. They are primarily comprised of the following five components:

- Government-wide Financial Statements (pages 16-19)
- Fund Financial Statements (pages 20-30)
- Component Unit Financial Statements (pages 31-34)
- Notes to the Financial Statements, and
- Required Supplementary Information

The City's financial statements are presented to offer two perspectives of its financial position and results of operations. The first perspective being the financial position of the government as a whole (Government-wide Financials) and the second financial information for the individual entities established by the City for specific purposes (Fund Financials). Both perspectives are meant to address likely user questions, provide a broad basis for comparison (year to year or government to government), and enhance the City's accountability to both its citizens and other interested parties.

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all the City's assets, deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between all components reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes, earned but unused sick leave and vacation time, etc.).

Both of these financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The primary governmental activities for the City include: general government, public safety (police and fire), public works, refuse disposal, culture and recreation, community development and interest on long-term debt. Business-type activities of the City include water/sewer and parking.

The government-wide financial statements report a third type of activity known as component units. The City's component units include: the Joliet Public Library, the Will County Metropolitan Exposition and Auditorium Authority, and the Joliet Area Historical Museum. Although legally separate, these "component units" are important because the City is financially accountable for them.

Other non-financial factors such as changes in the City's property tax base and the condition of the City's roads and infrastructure should be considered in addition to these financial statements to determine the overall health of the City.

The government-wide financial statements may be found on pages 16–19 of this report.

Fund Financial Statements

The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide supplementary detailed information about the City's most significant funds, but not the City as a whole. The City has three types of funds: governmental, proprietary, and fiduciary.

Governmental Funds are used to account for most of the City's basic services, primarily those reported as "governmental activities" in the government-wide financial statements. Governmental Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as year-end balances of spendable resources. This information is useful in evaluating a government's near-term financing requirements.

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

Since the focus of the governmental funds financial statements is narrower than the government-wide statements, it is useful to compare the information presented in the governmental funds statements with similar information presented in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. For this purpose, both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances present a reconciliation between the governmental funds and governmental activities (see pages 21 and 23).

The City of Joliet maintains fifteen individual governmental funds. The City considers the General Fund Evergreen Terrace II Fund, and the Motor Fuel Tax Fund as "major" funds, and therefore information on these funds is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances. The other governmental funds (Block Grant Fund, Grants and Special Revenue Fund, Special Revenue Revolving Fund, Foreign Fire Tax Fund, Special Service Area Fund, Business District Tax Allocation Fund, Tax Increment Financing Fund # 2, Tax Increment Financing Fund #3, General Debt Service Fund, Capital Improvement Fund, Neighborhood Improvement Fund, and Performance Bonds Fund) are combined into a single, aggregated presentation termed nonmajor funds. Individual fund data for each nonmajor governmental fund is provided in the form of combining statements in the Other Supplementary Information Section of the report (see pages 102–116).

Basic governmental funds financial statements can be found on pages 20–23 of this report.

Proprietary Funds can either be enterprise funds or internal service funds. The City maintains two enterprise funds; which are used to report the same functions presented as the business type activities in the government-wide financial statements. The two enterprise funds are the Water & Sewer Fund and the Parking Fund. The proprietary funds financial statements are generally reported in the same way that all activities are reported in the government-wide financials.

The basic proprietary funds financial statements can be found on pages 24–28 of this report.

Fiduciary Funds account for resources held for the benefit of parties outside the primary government. As such, these funds are not reflected in the government-wide statements because the resources of those funds are not available to support the City of Joliet's own programs. The accounting for fiduciary funds is similar to that of the proprietary funds. The City has three fiduciary funds, the Police Pension Fund, the Firefighters' Pension Fund and an Agency Fund. The City is the trustee for the two pension funds and is responsible to ensure the assets reported in them are used only for the purposes intended.

The basic fiduciary funds financial statements can be found on pages 29–30 of this report.

Notes to Basic Financial Statements

The notes provide additional information that is essential for the reader to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes begin on page 35 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's employee pension and postemployment benefit obligations, budgetary comparison schedules for the City's funds, and the combining statements for the nonmajor governmental funds mentioned previously. This information begins on page 79 of this report.

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

Government-wide Financial Analysis

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" Therefore, beyond presenting the current year financial information the City also presents comparative information from the prior year in this discussion and analysis of the current year. By doing so, the City believes that it is providing the best means for the reader to analyze the financial condition and position of the City as of the year ended December 31, 2015.

Net Position

The following table reflects the Condensed Statement of Net Position.

Table 1
Condensed Statement of Net Position
(In Millions - Rounded)

	Governmental Activities		Business Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Assets						
Current and Other	\$ 127.6	\$ 125.2	\$ 41.8	\$ 46.8	\$ 169.4	\$ 172.0
Capital Assets	<u>388.1</u>	<u>387.1</u>	<u>319.8</u>	<u>281.4</u>	<u>707.9</u>	<u>668.5</u>
Total Assets	<u>515.7</u>	<u>512.3</u>	<u>361.6</u>	<u>328.2</u>	<u>877.3</u>	<u>840.5</u>
Deferred Outflows of Resources	<u>29.2</u>	<u>0.1</u>	<u>6.0</u>	<u>0.7</u>	<u>35.2</u>	<u>0.8</u>
Liabilities						
Current and Other	11.7	9.2	15.0	4.1	26.7	13.3
Long-Term	<u>491.0</u>	<u>145.4</u>	<u>102.3</u>	<u>60.8</u>	<u>593.3</u>	<u>206.2</u>
Total Liabilities	<u>502.7</u>	<u>154.6</u>	<u>117.3</u>	<u>64.9</u>	<u>620.0</u>	<u>219.5</u>
Deferred Inflows of Resources	<u>43.7</u>	<u>35.1</u>	<u>-</u>	<u>-</u>	<u>43.7</u>	<u>35.1</u>
Net Position						
Net Investment in Capital Assets	378.5	376.6	250.6	235.8	629.1	612.4
Restricted	18.7	19.6	5.7	6.1	24.4	25.7
Unrestricted	(<u>398.7</u>)	(<u>73.5</u>)	(<u>6.0</u>)	<u>22.1</u>	(<u>404.7</u>)	(<u>51.4</u>)
Total Net Position	<u>(\$ 1.5)</u>	<u>\$ 322.7</u>	<u>\$ 250.3</u>	<u>\$ 264.0</u>	<u>\$ 248.8</u>	<u>\$ 586.7</u>

The City's combined net position decreased \$337.9 million from \$586.7 million to \$248.8 million from 2014 to 2015. The reduction was due to a prior year adjustment of (\$326.3) million to implement the new GASB reporting standards related to pensions, \$0.3 million to introduce the Foreign Fire Tax Fund and a current year change in net position of (\$11.9) million.

CITY OF JOLIET, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Changes in Net Position

There are six basic (normal) transactions that affect the comparability of the Statement of Net Position summary presentation. They are:

- ***Net Results of Activities*** – either increases or decreases current assets and “unrestricted net position”.
- ***Borrowing for Capital*** – will increase current assets and long-term debt.
- ***Spending Borrowed Proceeds on New Capital*** – reduces current assets and increases capital assets.
- ***Spending Non-borrowed Current Assets on New Capital*** – reduces current assets and increases capital assets, while reducing net position category “unrestricted net position” and increasing “net investment in capital assets”.
- ***Principal Payment of Debt*** – reduces current assets and long-term debt, while reducing “unrestricted net position” and increasing “net investment in capital assets”.
- ***Reduction in Capital Assets through Depreciation*** – reduces capital assets and “net investment in capital assets”.

Current Year Impacts

Total assets increased by \$36.8 million primarily due to the current year borrowing of \$27.5 million in Illinois Environmental Protection Agency loans – the loans are being used to improve the City's wastewater system. Total liabilities increased \$400.5 million. Increases in liabilities included \$366.4 million in net pension liability; \$12.6 million in other postemployment benefits; and \$20.0 million net increase in general and revenue bonds and loans. The City provides excellent health care and life insurance benefits for retirees, which is reflected in the noncurrent liability.

As mentioned earlier, net position serves as a useful indicator of a government's financial position. For fiscal year ended December 31, 2015, the City's total assets and deferred outflows exceeded total liabilities and deferred inflows. However, a significant portion of the total net position (\$629.1 million) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure). The City uses these capital resources to provide services to the residents; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the City generally cannot use the capital assets themselves to liquidate these liabilities.

A Condensed Statement of Changes in Net Position is shown on the following page, for additional detail please see pages 18 and 19 for the full Statement of Activities.

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

Table 2
Condensed Statement of Changes in Net Position
(In Millions - Rounded)

	Governmental Activities		Business Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for Services	\$ 26.0	\$ 24.6	\$ 45.5	\$ 44.6	\$ 71.5	\$ 69.2
Operating Grants and Contributions	2.1	1.1	0.2	0.1	2.3	1.2
Capital Grants and Contributions	10.0	11.9	-	-	10.0	11.9
General Revenues:						
Property Taxes	35.0	35.4	-	-	35.0	35.4
Intergovernmental Revenues						
Gaming Taxes	18.7	19.2	-	-	18.7	19.2
State Sales Taxes	20.7	20.9	-	-	20.7	20.9
State Income Taxes	15.9	14.0	-	-	15.9	14.0
Other Intergovernmental	5.9	5.9	-	-	5.9	5.9
Home Rule Sales Taxes	24.7	24.2	-	-	24.7	24.2
Utility Taxes	10.0	9.0	-	-	10.0	9.0
Other Taxes	8.0	9.6	-	-	8.0	9.6
Interest and Investment Earnings	0.1	-	-	-	0.1	-
Other	1.4	2.0	0.1	-	1.5	2.0
Total Revenues	<u>178.5</u>	<u>177.8</u>	<u>45.8</u>	<u>44.7</u>	<u>224.3</u>	<u>222.5</u>
Program Expenses						
General Government	19.9	15.7	-	-	19.9	15.7
Public Safety	127.3	114.2	-	-	127.3	114.2
Public Works	28.0	36.4	-	-	28.0	36.4
Refuse Disposal	12.5	11.8	-	-	12.5	11.8
Culture and Recreation	0.4	1.7	-	-	0.4	1.7
Community Development	7.1	7.9	-	-	7.1	7.9
Interest on Long-Term Debt	0.4	0.5	-	-	0.4	0.5
Water and Sewer	-	-	39.4	42.8	39.4	42.8
Parking Facilities	-	-	1.2	1.4	1.2	1.4
Total Expenses	<u>195.6</u>	<u>188.2</u>	<u>40.6</u>	<u>44.2</u>	<u>236.2</u>	<u>232.4</u>
Excess Revenues Over Expenses						
Before Transfers	(17.1)	(10.4)	5.2	0.5	(11.9)	(9.9)
Transfers	<u>3.9</u>	<u>0.2</u>	<u>(3.9)</u>	<u>(0.2)</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(13.2)</u>	<u>(10.2)</u>	<u>1.3</u>	<u>0.3</u>	<u>(11.9)</u>	<u>(9.9)</u>
Net Position, Beginning	322.7	332.9	264.0	263.7	586.7	596.6
Beginning Net Position Adjustment	(311.0)	-	(15.0)	-	(326.0)	-
Net Position, Beginning, as adjusted	<u>11.7</u>	<u>332.9</u>	<u>249.0</u>	<u>263.7</u>	<u>260.7</u>	<u>596.6</u>
Net Position, Ending	<u>(\$ 1.5)</u>	<u>\$ 322.7</u>	<u>\$ 250.3</u>	<u>\$ 264.0</u>	<u>\$ 248.8</u>	<u>\$ 586.7</u>

CITY OF JOLIET, ILLINOIS
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Primary Government Activities

The preceding table shows overall consistency in the City's activity from year to year. Primary government revenues increased by \$1.8 million or 0.8 percent and primary government expenses increased by \$3.8 million or 1.6 percent.

A closer look shows a \$1.9 million or a 16.0 percent decrease in capital grants and contributions, based on the timing of grant projects. Additionally, gaming taxes decreased \$0.5 million due to the increased competition by area casinos.

Total primary government expenses increased \$3.8 million from \$232.4 million to \$236.2 million. Governmental activities' expenses increased \$7.4 million.

Business type activities' expenses decreased \$3.6 million, due mainly to a change in overhead allocations versus transfers out. When expenses are coupled with transfers out of \$3.9 million, total outflows of business-type activities increased a modest \$0.1 million.

Governmental Activities

Table 3a
Governmental Activities
(In Millions)

	Total Cost of Services		Net Cost of (Surplus from) Services	
	2015	2014	2015	2014
General Government	\$ 19.9	\$ 15.7	\$ 11.2	\$ 12.3
Public Safety	127.3	114.2	124.6	104.4
Public Works	28.0	36.4	23.0	28.6
Refuse Disposal	12.5	11.8	(0.1)	(0.5)
Culture and Recreation	0.4	1.7	0.4	1.6
Community Development	7.1	7.9	(1.9)	3.7
All Others	0.4	0.5	0.4	0.5
Total	\$ 195.6	\$ 188.2	\$ 157.6	\$ 150.6

Table 3a presents the cost of each of the City's largest governmental activity categories – general government, public safety, public works, refuse disposal, culture and recreation, community development, and other – as well as each category's *net* cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

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The general government category includes general administrative functions as well as various employee benefit programs. Public safety includes police and fire protections, as well as, the emergency services disaster administration program and the school crossing guard program. Public works includes street and bridge maintenance, costs associated with street lighting, the Motor Fuel Tax Fund – used for infrastructure improvements, costs related to special service areas, and property improvement costs. Refuse disposal consists of the City's contractual costs to provide garbage, recycling, and refuse disposal for its residents. Culture and recreation includes the maintenance of the City's Billie Limacher Bi-Centennial Park. Community development includes planning, inspections, neighborhood services, construction costs related to the multi-modal transportation center, costs of the tax incremental financing activities, and activities supported by the community development block grant.

Business-Type Activities

Revenues of the City's business-type activities (see Table 2) increased by \$1.1 million or 2.5 percent while expenses decreased by \$3.6 million. The City's business-type activities are comprised of two separate and distinct activities: Water/Wastewater Utility and Parking Facilities.

Total revenues from parking activities increased by 7.0 percent (from \$1.30 million to \$1.38 million), while expenses decreased 17.8 percent (from \$1.47 million to \$1.20 million). The increase in revenues was due to a state grant, and the decrease in expenses was mostly attributable to decreased benefits as the current year increase in deferred outflows related to pensions exceeded the increase in the net pension liability.

Water and wastewater utility total revenues increased by \$1.0 million or 2.3 percent (from \$43.4 million to \$44.4 million), primarily due to increased water usage.

As shown in Table 3b, the overall net cost of providing water and wastewater services is a positive \$4.91 million, after transfers out, the increase in net position is \$1.37 million; with the year over year increase coming from an increased usage combined with a decrease in benefits expense as the current year increase in deferred outflows related to pensions exceeded the increase in the net pension liability.

Table 3b
Business-Type Activities
(In Millions)

	Total Cost of Services		Net Cost of (Surplus from) Services	
	2015	2014	2015	2014
Water and Sewer	\$ 39.43	\$ 42.78	\$ (4.91)	\$ (0.65)
Parking Facilities	1.20	1.47	(0.17)	0.16
Total	\$ 40.63	\$ 44.25	\$ (5.08)	\$ (0.49)

Financial Analysis of the City's Major Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

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

Governmental Funds

The focus of the City governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at year end.

Governmental Funds reported a combined fund balance of \$74.2 million; \$0.7 million lower than last year's balance of \$74.9 million. Unassigned fund balance was \$44.6 million and is available for spending at the City's discretion. The remaining \$29.6 million is held for a variety of nonspendable, restricted or assigned purposes and is available for specific spending.

The General Fund is the chief operating fund of the City. At year end it reported a fund balance of \$56.6 million, an increase of \$4.0 million as compared to last year's total of \$52.6 million. Revenues over expenses for the year showed a positive \$1.5 million, which was supplemented by net transfers in from other funds of \$2.5 million. Overall General Fund revenues increased \$2.7 million or 1.7 percent, primarily due to a \$2.0 million increase in income tax revenues because of the timing of revenue recognition in 2014 and a \$0.5 million decline in gaming tax revenues. The City's home rule sales tax revenues increased \$0.5 million.

The Evergreen Terrace II Fund, a major special revenue fund, records transactions related to the Evergreen Terrace property. The City paid \$15 million in 2015 to purchase the Evergreen Terrace property. The legal rights to the property are pending a court decision. As of year-end the City has recorded the property as a Property Purchase Deposit. The year-end fund balance for the Evergreen Terrace II Fund is a deficit \$2.8 million a \$0.4 million rise from 2014.

The Motor Fuel Tax Fund, a major special revenue fund, collects allocated taxes from the state of Illinois. The revenues are strictly available for improvements to the City's bridges and roadways. The City received \$4.3 million in revenues during 2015 and spent \$7.2 million on city-wide roadway improvements. Revenues were down about \$0.9 million in 2015 due to a one-time capital bill program grant in 2014. The year-end fund balance for the Motor Fuel Tax Fund is \$10.7 million a \$2.9 million decrease from the prior year.

Other governmental funds is comprised of the Block Grant Fund, Grants and Special Revenue Fund, Special Revenue Revolving Fund, Foreign Fire Tax Fund, Special Service Area Fund, Business District Tax Allocation Fund, Tax Increment Financing Fund # 2, Tax Increment Financing Fund #3, General Debt Service Fund, Capital Improvement Fund, Neighborhood Improvement Fund, and Performance Bonds Fund. Once again, the primary activity for this year occurred in the Grants and Special Revenue Fund which accounts for the revenues and expenses associated with the multi-modal transportation project that is funded through private and state grants. Significant activity was also seen in the Capital Improvement Fund as the City continued purchases for equipment to replace aging models and software and hardware upgrades.

General Fund Budgetary Highlights

Over the course of the year, the budget was revised by the City for specific reasons. These budget amendments fall into three categories. The first category includes rollovers of certain prior year unexpended capital funds. The second category includes budget revisions made during the year for special projects for which funds became available. The third category is for budget reallocations that are intended to prevent budget overruns.

CITY OF JOLIET, ILLINOIS
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As shown in Table 4 below, actual General Fund revenues of \$164.3 million exceeded budgeted revenues by \$3.4 million or 2.1 percent; while actual expenditures were below budget by \$5.0 million or 3.0 percent. The City continued to work with the employee unions to delay wage increases, maintain the employee complement and employ other measures to reduce overtime and other expenses. In addition, the City has delayed maintenance in areas in which safety or other critical functions would not be compromised. While the City has made significant efforts to control costs to address the economic downturn of the past several years, the rising costs of healthcare and pension obligations continue to put pressure on the long-term financial trend of the City.

Table 4
General Fund - Budget to Actual – Budgetary Basis
(In Millions)

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues	\$ 158.2	\$ 160.9	\$ 164.3	\$ 3.4
Expenditures	169.1	167.8	162.8	5.0
Excess of Revenues Over Expenditures	(10.9)	(6.9)	1.5	8.4
Other Financing Sources and Uses:				
Transfers from Other Funds	4.7	4.7	5.0	0.3
Transfers to Other Funds	(2.5)	(2.6)	(2.5)	0.1
Net Change in Fund Balance	<u>\$ (8.7)</u>	<u>\$ (4.8)</u>	<u>\$ 4.0</u>	<u>\$ 8.8</u>

Capital Assets and Debt Administration

Capital Assets

At the end of 2015, the City had \$707.9 million invested in a broad range of capital assets, including police and fire equipment, buildings, roads, bridges, parking decks, and water and sewer facilities. (See Table 5 below.) This amount represents a net increase (including additions, deductions and depreciation) of approximately \$39.4 million or 5.9 percent from last year.

Table 5
Capital Assets at Year-End
(Net of Depreciation, in Millions)

	Governmental Activities		Business Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land and Land Improvements	\$ 21.8	\$ 21.8	\$ 4.2	\$ 4.0	\$ 26.0	\$ 25.8
Buildings	42.0	43.6	-	-	42.0	43.6
Waterworks and Sewerage System	-	-	237.5	238.4	237.5	238.4
Parking Facilities	-	-	2.4	2.5	2.4	2.5
Equipment	14.8	13.3	14.9	13.9	29.7	27.2
Infrastructure	281.6	284.9	-	-	281.6	284.9
Construction in Progress	27.9	23.5	60.8	22.6	88.7	46.1
Totals	<u>\$ 388.1</u>	<u>\$ 387.1</u>	<u>\$ 319.8</u>	<u>\$ 281.4</u>	<u>\$ 707.9</u>	<u>\$ 668.5</u>

CITY OF JOLIET, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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This year's major capital project additions included the following:

- \$3.8 million for various phases of the Multi-Modal Transportation Center;
- \$38.2 million for construction in progress for water/sewer system improvements;
- \$1.2 million to purchase of public safety equipment;
- \$2.0 million for computer and software purchases; and
- \$6.9 million for roadway resurfacing.

More detailed information about the City's capital assets is presented in note 6 to the financial statements.

Debt

At year-end, the City had \$79.9 million in bonds and loans outstanding versus \$59.9 million last year – an increase of 33.4 percent – as shown in Table 6.

Table 6
Outstanding Debt, at Year End
(In Millions)

	Governmental Activities		Business Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds (Backed by the City)	\$ 9.6	\$ 10.5	\$ -	\$ -	\$ 9.6	\$ 10.5
Revenue Bonds (Backed by Specific Fee Revenues)	-	-	28.7	34.7	28.7	34.7
IEPA Loan	-	-	41.6	14.7	41.6	14.7
Totals	\$ 9.6	\$ 10.5	\$ 70.3	\$ 49.4	\$ 79.9	\$ 59.9

During the year, the City issued one new bond series, 2015A; Series A was used to refund a prior year debt issue. Additionally, the City continued to borrow funds from the Illinois Environmental Protection Agency. Loans outstanding are being used for improvements to the aging water and sewer system.

As of the year ended December 31, 2015, the City's Water and Sewer bonds had a rating of AA- and the City's general obligation bond rating was AA. More detailed information about the City's long-term debt is presented in note 12 to the financial statements.

Economic Factors and Next Year's Budget

As discussed in the Transmittal Letter, the City, like many local, state and federal governmental entities, has experienced a sustained period of financial instability and difficulty. Declining revenue streams coupled with rising personnel, pension, and insurance costs have been significant challenges for the City.

The City's elected and appointed officials considered these factors when establishing the 2016 budget. The 2016 budgeted expenses of \$289.1 million represent an increase of \$5.9 million or 2.1 percent as compared to the 2015 budget of \$283.2 million. The budget increase is primarily due to increased planned projects coupled with increases in the General Fund for salaries/benefits and contractual/administrative services.

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The 2016 budget focused on the continuation of the following goals: fill 6 vacant police officers and 8 vacant firefighter positions; continuing the City's effort to raise the funding levels for the police and fire pension funds; hire an additional Deputy City Manager/Economic Development Director, reorganize the Legal department by contracting out cases, decreasing the full time employees by two and adding an Inspector General; continue to inventory the city's trees; remove the city's ash trees destroyed by the emerald ash borer; and continuing the commitment made to maintaining at least two months of operating expenses as a reserve balance.

The City has been able to make some major capital investments due to federal and state grants, private contributions, and other restricted revenue sources. The 2016 budget includes continued funding for the multi-modal transportation center funded through state grant funds, as well as, private contributions, and restricted City revenues. The City also has budgeted funds for the first phase engineering to open Chicago Street, which connects the downtown area to the City's south side.

In 2016 the City expects to take possession of Evergreen Terrace, a Housing and Urban Development (HUD) sponsored housing project. It will be the focus of City Council and City Administration to develop a long term plan for the disposition of this housing project.

The Mayor and City Council continue to work with the Administration to formulate long-term objectives to ensure future budgets are in balance and strategic long-term goals and policies are in place. Without a long-term strategic policy in place, assumptions used for long-term projections are difficult to make and can provide unachievable expectations. Items for discussion include tax policy, long-term capital investment requirements for building, infrastructure, equipment and technology, reserve requirements, overall compensation and debt. A long-term strategic plan is being formulated for years beyond 2016.

While the local economic environment and the impact it has on the City's available revenues continues to present challenges, the Mayor and City Council are committed to passing a balanced budget. The 2016 budget maintains this commitment; designates the necessary operating reserves; and continues to provide for the basic needs of the growing community.

Contact Information

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 show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Department at City of Joliet, 150 West Jefferson Street, Joliet, Illinois 60432-4158.

Component Units

Joliet Public Library

Separate financial statements may be obtained at the Library's business office, 150 North Ottawa Street, Joliet, Illinois 60432.

Will County Metropolitan Exposition and Auditorium Authority

Separate financial statements may be obtained at the Authority's administrative office, 15 East Van Buren Street, Joliet, Illinois 60432.

The Joliet Area Historical Museum

Separate financial statements may be obtained at the Museum's administrative office, 204 North Ottawa Street, Joliet, Illinois 60432.

Basic Financial Statements

CITY OF JOLIET, ILLINOIS

Statement of Net Position December 31, 2015

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current Assets:				
Cash	\$ 28,341,192	\$ 3,205,810	\$ 31,547,002	\$ 7,088,944
Escrow Deposits	511,950	6,266,150	6,778,100	-
Investments	23,198,916	19,263,774	42,462,690	1,311,031
Receivables				
Property Taxes, Net of Allowance for Uncollectible Amounts	36,001,354	-	36,001,354	5,872,681
Intergovernmental	20,131,252	7,438,435	27,569,687	-
Accrued Interest	16,897	1,245	18,142	5
Customer Accounts, Net	3,271,991	2,420,631	5,692,622	48,573
Estimated Unbilled Usage	900,832	3,221,851	4,122,683	-
Other	-	-	-	26,884
Inventory	60,500	-	60,500	56,092
Prepaid Expenses	-	30,150	30,150	264,448
Property Purchase Deposit	15,093,413	-	15,093,413	-
Grant Advance	-	-	-	9,456
Internal Balances	200	(200)	-	-
Total Current Assets	<u>127,528,497</u>	<u>41,847,846</u>	<u>169,376,343</u>	<u>14,678,114</u>
Noncurrent Assets:				
Other Receivables	-	-	-	6,707
Net Pension Asset	41	-	41	-
Capital Assets (Net)				
Land	18,567,294	4,160,624	22,727,918	-
Construction in Progress	27,893,733	60,765,811	88,659,544	2,519,745
Infrastructure	281,618,803	-	281,618,803	-
Land Improvements	3,303,323	-	3,303,323	-
Buildings	41,956,144	-	41,956,144	-
Waterworks and Sewerage System	-	237,464,619	237,464,619	-
Parking Decks and Lots	-	2,444,267	2,444,267	-
Equipment	14,796,935	14,953,118	29,750,053	-
Furniture and Fixtures	3,368	-	3,368	-
Library	-	-	-	12,969,425
W.C.M.E.A.A.	-	-	-	5,620,526
Historical Museum	-	-	-	531,490
Total Noncurrent Assets	<u>388,139,641</u>	<u>319,788,439</u>	<u>707,928,080</u>	<u>21,647,893</u>
Total Assets	<u>515,668,138</u>	<u>361,636,285</u>	<u>877,304,423</u>	<u>36,326,007</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amount on Refunding of Debt	-	423,645	423,645	-
Deferred Outflows of Resources				
Related to Pensions	29,222,731	5,591,504	34,814,235	1,700,655
Total Deferred Outflows of Resources	<u>29,222,731</u>	<u>6,015,149</u>	<u>35,237,880</u>	<u>1,700,655</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 544,890,869</u>	<u>\$ 367,651,434</u>	<u>\$ 912,542,303</u>	<u>\$ 38,026,662</u>

See Accompanying Notes to Basic Financial Statements.

LIABILITIES	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Current Liabilities:				
Vouchers Payable	\$ 6,857,554	\$ 13,385,461	\$ 20,243,015	\$ 698,590
Accrued Payroll	1,553,052	263,584	1,816,636	-
Accrued Compensated Absences - Current	10,357,260	955,813	11,313,073	629,260
Health Claims Payable	1,237,000	-	1,237,000	-
Accrued Interest	54,771	544,041	598,812	62,713
Loans Payable - Current Portion	-	647,855	647,855	62,697
Bonds Payable - Current Portion	1,370,000	5,735,000	7,105,000	-
Customer Deposits and Credits	1,289,386	794,883	2,084,269	-
Estimated Liability for Self-Insured Losses - Current	2,509,858	-	2,509,858	-
Unearned Revenue	730,614	2,556	733,170	1,044,494
Due to Primary Government	-	-	-	873,047
Due to Volunteers	-	-	-	116,674
Other	-	-	-	130,976
Total Current Liabilities	<u>25,959,495</u>	<u>22,329,193</u>	<u>48,288,688</u>	<u>3,618,451</u>
Noncurrent Liabilities:				
Accrued Compensated Absences	10,357,260	955,813	11,313,073	-
Net Pension Liability	348,668,219	17,771,178	366,439,397	5,405,101
Estimated Liability for Self-Insured Losses	3,194,000	-	3,194,000	-
Other Postemployment Benefits	106,297,129	12,396,993	118,694,122	-
General Obligation Bonds	8,263,277	-	8,263,277	-
Revenue Bonds	-	22,917,953	22,917,953	-
Loans Payable	-	40,975,874	40,975,874	2,428,358
Total Noncurrent Liabilities	<u>476,779,885</u>	<u>95,017,811</u>	<u>571,797,696</u>	<u>7,833,459</u>
Total Liabilities	<u>502,739,380</u>	<u>117,347,004</u>	<u>620,086,384</u>	<u>11,451,910</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes	36,001,354	-	36,001,354	5,872,681
Deferred Inflows of Resources Related to Pensions	7,686,088	-	7,686,088	-
Total Deferred Inflows of Resources	<u>43,687,442</u>	<u>-</u>	<u>43,687,442</u>	<u>5,872,681</u>
NET POSITION				
Net Investment in Capital Assets	378,506,323	250,648,934	629,155,257	19,158,465
Restricted for:				
Expendable Purposes:				
Temporary Funds	-	-	-	301,920
Debt Service	448,809	5,722,109	6,170,918	-
Road/Capital Projects	14,836,326	-	14,836,326	-
Multi-Modal Transportation Center	1,013,465	-	1,013,465	-
Police Purposes	1,610,495	-	1,610,495	-
Tax Incremental Financing Projects	676,265	-	676,265	-
Community Development Projects	70,579	-	70,579	-
Nonexpendable Purposes:				
Permanent Funds	-	-	-	1,131,644
Unrestricted	(398,698,215)	(6,066,613)	(404,764,828)	110,042
Total Net Position	<u>(1,535,953)</u>	<u>250,304,430</u>	<u>248,768,477</u>	<u>20,702,071</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 544,890,869</u>	<u>\$ 367,651,434</u>	<u>\$ 912,542,303</u>	<u>\$ 38,026,662</u>

CITY OF JOLIET, ILLINOIS

Statement of Activities For the Year Ended December 31, 2015

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Indirect Expense Allocation</u>	<u>Program Charges for Services</u>
Primary Government:			
Governmental Activities:			
General Government	\$ 39,617,269	(\$ 19,740,056)	\$ 8,632,591
Public Safety	110,572,918	16,785,141	2,014,236
Public Works	26,037,811	1,949,635	274,524
Refuse Disposal	12,460,715	-	12,541,922
Culture and Recreation	325,477	121,852	13,645
Community Development	6,251,958	883,428	2,509,717
Interest on Long-Term Debt	374,713	-	-
Total Governmental Activities	<u>195,640,861</u>	<u>-</u>	<u>25,986,635</u>
Business-Type Activities:			
Water and Sewer	39,426,756	-	44,337,491
Parking Facilities	1,204,871	-	1,193,106
Total Business-Type Activities	<u>40,631,627</u>	<u>-</u>	<u>45,530,597</u>
Total Primary Government	<u>\$ 236,272,488</u>	<u>\$ -</u>	<u>\$ 71,517,232</u>
Component Units:			
Public Library	\$ 5,231,961	\$ -	\$ 141,349
W.C.M.E.A.A.	4,793,927	-	3,390,773
The Joliet Area Historical Museum	1,430,030	-	94,574
Total Component Units	<u>\$ 11,455,918</u>	<u>\$ -</u>	<u>\$ 3,626,696</u>

See Accompanying Notes to Basic Financial Statements. □

Revenues		Net (Expense) Revenue and Changes in Net Position			
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
		Governmental Activities	Business-Type Activities	Total	
\$ 25,262	\$ -	(\$ 11,219,360)	\$ -	(\$ 11,219,360)	\$ -
771,332	-	(124,572,491)	-	(124,572,491)	-
454,229	4,262,290	(22,996,403)	-	(22,996,403)	-
-	-	81,207	-	81,207	-
-	-	(433,684)	-	(433,684)	-
829,721	5,767,161	1,971,213	-	1,971,213	-
-	-	(374,713)	-	(374,713)	-
<u>2,080,544</u>	<u>10,029,451</u>	<u>(157,544,231)</u>	<u>-</u>	<u>(157,544,231)</u>	<u>-</u>
-	-	-	4,910,735	4,910,735	-
184,299	-	-	172,534	172,534	-
<u>184,299</u>	<u>-</u>	<u>-</u>	<u>5,083,269</u>	<u>5,083,269</u>	<u>-</u>
<u>\$ 2,264,843</u>	<u>\$ 10,029,451</u>	<u>(157,544,231)</u>	<u>5,083,269</u>	<u>(152,460,962)</u>	<u>-</u>
\$ 520,318	\$ -	-	-	-	(4,570,294)
1,981,082	-	-	-	-	577,928
1,311,553	-	-	-	-	(23,903)
<u>\$ 3,812,953</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,016,269)</u>
General Revenues:					
Property Taxes		35,032,713	-	35,032,713	5,776,920
Intergovernmental Revenues					
Gaming Taxes		18,725,838	-	18,725,838	-
State Sales Taxes		20,748,216	-	20,748,216	-
State Income Taxes		15,941,799	-	15,941,799	-
Other Intergovernmental		5,939,035	-	5,939,035	-
Home Rule Sales Taxes		24,693,377	-	24,693,377	-
Utility Taxes		9,960,388	-	9,960,388	-
Other Taxes		7,978,752	-	7,978,752	-
Interest and Investment Earnings		51,268	14,874	66,142	51,868
Contributions to Permanent Funds		-	-	-	7,773
Other General Revenues		1,373,583	102,621	1,476,204	57,759
Transfers		3,885,289	(3,885,289)	-	-
Total General Revenues and Transfers					
		<u>144,330,258</u>	<u>(3,767,794)</u>	<u>140,562,464</u>	<u>5,894,320</u>
Change in Net Position					
		(13,213,973)	1,315,475	(11,898,498)	1,878,051
Net Position - Beginning, as adjusted					
		<u>11,678,020</u>	<u>248,988,955</u>	<u>260,666,975</u>	<u>18,824,020</u>
Net Position - Ending					
		<u>(\$ 1,535,953)</u>	<u>\$ 250,304,430</u>	<u>\$ 248,768,477</u>	<u>\$ 20,702,071</u>

CITY OF JOLIET, ILLINOIS

Governmental Funds Balance Sheet December 31, 2015

	General Fund	Evergreen Terrace II Fund	Motor Fuel Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 24,313,919	\$ -	\$ 1,663,795	\$ 2,363,478	\$ 28,341,192
Escrow Deposits	-	-	-	511,950	511,950
Investments	5,264,536	-	9,247,194	8,687,186	23,198,916
Receivables					
Property Taxes, Net of Allowance for Uncollectible Amounts	33,219,920	-	-	2,781,434	36,001,354
Intergovernmental	19,439,996	-	654,125	37,131	20,131,252
Accrued Interest	-	-	5,981	10,916	16,897
Customer Accounts, Net	3,243,988	-	-	28,003	3,271,991
Estimated Unbilled Usage	900,832	-	-	-	900,832
Inventory	-	-	-	60,500	60,500
Property Purchase Deposit	-	15,093,413	-	-	15,093,413
Internal Receivables	18,335,036	-	-	6,077	18,341,113
Total Assets	\$ 104,718,227	\$ 15,093,413	\$ 11,571,095	\$ 14,486,675	\$ 145,869,410
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Vouchers Payable	\$ 5,160,161	\$ 10,808	\$ 573,760	\$ 993,268	\$ 6,737,997
Customer Deposits and Credits	409,903	-	-	879,483	1,289,386
Health Claims Payable	1,237,000	-	-	-	1,237,000
Unearned Revenue	659,633	-	-	70,981	730,614
Internal Payables	259,571	17,905,213	252,516	43,170	18,460,470
Accrued Payroll and Other	1,553,052	-	-	-	1,553,052
Total Liabilities	9,279,320	17,916,021	826,276	1,986,902	30,008,519
DEFERRED INFLOWS OF RESOURCES					
Deferred Property Taxes	33,219,920	-	-	2,781,434	36,001,354
Deferred Other Income	5,618,667	-	-	8,311	5,626,978
Total Deferred Inflows of Resources	38,838,587	-	-	2,789,745	41,628,332
FUND BALANCES					
Nonspendable	-	-	-	60,500	60,500
Restricted	-	-	10,744,819	7,965,891	18,710,710
Assigned	9,211,661	-	-	1,683,637	10,895,298
Unassigned	47,388,659	(2,822,608)	-	-	44,566,051
Total Fund Balances	56,600,320	(2,822,608)	10,744,819	9,710,028	74,232,559
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 104,718,227	\$ 15,093,413	\$ 11,571,095	\$ 14,486,675	\$ 145,869,410

See Accompanying Notes to Basic Financial Statements.

CITY OF JOLIET, ILLINOIS

Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position December 31, 2015

Total fund balances - governmental funds \$ 74,232,559

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

Capital assets net of accumulated depreciation of \$239,600,153 used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. 388,139,600

Some assets, deferred outflows of resources, liabilities and deferred inflows of resources reported in the statement of net position do not require the use of current financial resources and therefore are not reported as assets, deferred outflows of resources, liabilities or deferred inflows of resources in governmental funds. These activities consist of:

Net pension asset	41
Deferred outflows of resources related to pensions	29,222,731
Accrued interest payable on debt	(54,771)
Accrued compensated absences	(20,714,520)
Net pension liability	(348,668,219)
Estimated liability for self-insured losses	(5,703,858)
Other postemployment benefits	(106,297,129)
General obligation bonds	(9,310,000)
Unamortized premium on bonds	(323,277)
Deferred inflows of resources related to pensions	(7,686,088)
Deferred revenues collected after sixty days	<u>5,626,978</u>

Net position of governmental activities (\$ 1,535,953)

CITY OF JOLIET, ILLINOIS

Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	Evergreen Terrace II Fund	Motor Fuel Tax Fund	Other Governmental Funds	Total Governmental Funds
Revenue					
Property Taxes	\$ 33,113,597	\$ -	\$ -	\$ 2,300,636	\$ 35,414,233
Other Taxes	42,562,509	-	-	-	42,562,509
Intergovernmental State Shared Revenue	61,110,592	-	4,135,435	217,287	65,463,314
Federal, State and Private Grants and Allotments	332,608	-	126,855	7,606,040	8,065,503
Charges for Services	8,809,756	-	-	-	8,809,756
Interest Earnings	7,540	-	16,687	27,041	51,268
Licenses, Permits, Rentals and Fees	15,546,620	-	-	78,363	15,624,983
Fines and Forfeitures	1,466,370	-	-	284,491	1,750,861
Special Assessments	-	-	-	29,505	29,505
Other	1,305,756	61,728	7,351	114,643	1,489,478
Total Revenue	<u>164,255,348</u>	<u>61,728</u>	<u>4,286,328</u>	<u>10,658,006</u>	<u>179,261,410</u>
Expenditures					
Current:					
General Government	16,331,176	500,147	-	116,520	16,947,843
Public Safety	64,145,996	-	-	622,514	64,768,510
Public Works	12,265,895	-	208,830	249,739	12,724,464
Refuse Disposal	12,460,715	-	-	-	12,460,715
Culture and Recreation	257,448	-	-	-	257,448
Employee Benefits and Pension Plans	53,285,862	-	-	-	53,285,862
Community Development	4,011,520	-	-	1,077,008	5,088,528
Capital Outlay	-	-	6,977,651	10,208,259	17,185,910
Debt Service - Principal	-	-	-	910,000	910,000
Debt Service - Interest and Fees	-	-	-	301,569	301,569
Total Expenditures	<u>162,758,612</u>	<u>500,147</u>	<u>7,186,481</u>	<u>13,485,609</u>	<u>183,930,849</u>
Revenue Over (Under) Expenditures	<u>1,496,736</u>	<u>(438,419)</u>	<u>(2,900,153)</u>	<u>(2,827,603)</u>	<u>(4,669,439)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	2,000	-	-	-	2,000
Issuance of Refunding Bonds	-	-	-	6,775,000	6,775,000
Premium on Refunding Bonds	-	-	-	267,221	267,221
Transfer to Debt Escrow Agent	-	-	-	(6,925,701)	(6,925,701)
Transfers In	4,963,079	-	-	3,674,684	8,637,763
Transfers Out	(2,450,000)	-	-	(2,302,474)	(4,752,474)
Total Other Financing Sources (Uses)	<u>2,515,079</u>	<u>-</u>	<u>-</u>	<u>1,488,730</u>	<u>4,003,809</u>
Net Change in Fund Balance	4,011,815	(438,419)	(2,900,153)	(1,338,873)	(665,630)
Fund Balances, (Deficit) Beginning of Year	<u>52,588,505</u>	<u>(2,384,189)</u>	<u>13,644,972</u>	<u>11,048,901</u>	<u>74,898,189</u>
Fund Balances, (Deficit) End of Year	<u>\$ 56,600,320</u>	<u>(\$ 2,822,608)</u>	<u>\$ 10,744,819</u>	<u>\$ 9,710,028</u>	<u>\$ 74,232,559</u>

See Accompanying Notes to Basic Financial Statements.

CITY OF JOLIET, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities For the Year Ended December 31, 2015

Net change in fund balances - governmental funds (\$ 665,630)

*Amounts reported for governmental activities in the
Statement of Activities are different because:*

Some revenues were not collected for several months after the close of the fiscal year and therefore, were not considered to be "available" and are not reported as revenue in the governmental funds. The change from fiscal year 2014 to 2015 consists of:

Sales, income and use taxes received from the state of Illinois	121,446
Utility and auto rental taxes received from the state of Illinois	16,441
Grants received from the state of Illinois and other grantors	<u>(859,698)</u>

Total change in unavailable revenues (721,811)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives as depreciation expense.

This is the amount of assets capitalized in the current period.	17,185,910
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This is the amount of depreciation recorded in the current period.	<u>(16,104,193)</u>	1,081,717
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the Statement of Net Position.

910,000

In governmental funds, the proceeds from long-term debt is considered an other financing source, but in the Statement of Net Position, debt is reported as a liability. In the current period, proceeds were received from the issuance of one bond totalling \$6,775,000 along with a premium on issuance of \$267,221. The entire proceeds (net of issuance costs of \$116,520) were transferred to a debt escrow agent to retire an outstanding bond issue.

(116,520)

Governmental funds do not report the change in certain long-term assets and liabilities, the change has been recorded in the Statement of Net Position:

Increase in interest payable	(54,771)
Increase in compensated absences	(2,214,516)
Decrease in claims liabilities	430,691
Increase in net pension liability/(asset) and related deferred amounts	(1,484,275)
Increase in other postemployment benefits	(10,360,485)

The City amortized bond premium of \$119,134 and amortized the deferred amount on refunding of bonds of (\$137,507) in the Statement of Net Position.

(18,373)

Change in net position of governmental activities

(\$ 13,213,973)

See Accompanying Notes to Basic Financial Statements.

CITY OF JOLIET, ILLINOIS

Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-Type Activities		
	Water and Sewer Fund	(Nonmajor) Parking Fund	Total
ASSETS			
Current Assets			
Unrestricted Assets			
Cash	\$ 1,001,839	\$ 203,204	\$ 1,205,043
Investments	18,830,537	433,237	19,263,774
Receivables			
Accrued Interest	1,245	-	1,245
Customer Accounts, Net of \$1,521,276			
Allowance for Uncollectible Amounts	2,418,131	2,500	2,420,631
Estimated Unbilled Usage	3,221,851	-	3,221,851
Prepaid Expenses	30,150	-	30,150
Total Unrestricted Assets	25,503,753	638,941	26,142,694
Restricted Assets (Water Debt Accounts)			
Cash	2,000,767	-	2,000,767
Escrow Deposits	6,266,150	-	6,266,150
Intergovernmental Receivable	7,438,435	-	7,438,435
Total Restricted Assets	15,705,352	-	15,705,352
Total Current Assets	41,209,105	638,941	41,848,046
Noncurrent Assets			
Capital Assets			
Land and Land Improvements	1,928,445	2,232,179	4,160,624
Waterworks and Sewerage System	237,464,619	-	237,464,619
Parking Decks and Lots	-	2,444,267	2,444,267
Equipment	14,930,983	22,135	14,953,118
Construction in Progress	60,759,562	6,249	60,765,811
Total Noncurrent Assets	315,083,609	4,704,830	319,788,439
Total Assets	356,292,714	5,343,771	361,636,485
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	423,645	-	423,645
Deferred Outflows of Resources Related to Pensions	5,275,776	315,728	5,591,504
Total Deferred Outflows of Resources	5,699,421	315,728	6,015,149
Total Assets and Deferred Outflows of Resources	\$ 361,992,135	\$ 5,659,499	\$ 367,651,634

See Accompanying Notes to Basic Financial Statements.

	Business-Type Activities		
	Water and Sewer Fund	(Nonmajor) Parking Fund	Total
LIABILITIES			
Current Liabilities			
Payable from Unrestricted Assets			
Vouchers Payable	\$ 3,243,459	\$ 53,906	\$ 3,297,365
Accrued Payroll	253,488	10,096	263,584
Accrued Compensated Absences - Current	904,741	51,072	955,813
Bonds Payable - Current Portion	5,735,000	-	5,735,000
Loans Payable - Current Portion	647,855	-	647,855
Customer Deposits and Credits	793,953	930	794,883
Internal Payables	200	-	200
Unearned Revenue	56	2,500	2,556
Payable from Restricted Assets			
Vouchers Payable	10,088,096	-	10,088,096
Accrued Interest Payable	544,041	-	544,041
Total Current Liabilities	<u>22,210,889</u>	<u>118,504</u>	<u>22,329,393</u>
Noncurrent Liabilities			
Long Term Debt			
Accrued Compensated Absences	904,741	51,072	955,813
Net Pension Liability	16,767,715	1,003,463	17,771,178
Other Postemployment Benefits	11,898,191	498,802	12,396,993
Revenue Bonds Payable	22,917,953	-	22,917,953
Loans Payable	40,975,874	-	40,975,874
Total Noncurrent Liabilities	<u>93,464,474</u>	<u>1,553,337</u>	<u>95,017,811</u>
Total Liabilities	<u>115,675,363</u>	<u>1,671,841</u>	<u>117,347,204</u>
NET POSITION			
Net Investment in Capital Assets	245,944,104	4,704,830	250,648,934
Restricted for:			
Expendable Purposes:			
Debt Service	5,722,109	-	5,722,109
Unrestricted	(5,349,441)	(717,172)	(6,066,613)
Total Net Position	<u>246,316,772</u>	<u>3,987,658</u>	<u>250,304,430</u>
Total Liabilities and Net Position	<u>\$ 361,992,135</u>	<u>\$ 5,659,499</u>	<u>\$ 367,651,634</u>

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CITY OF JOLIET, ILLINOIS

Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-Type Activities		
	Water and Sewer Fund	(Nonmajor) Parking Fund	Total
Operating Revenue *			
Charges for Services - Water	\$ 17,493,655	\$ -	\$ 17,493,655
Charges for Services - Sewer	24,735,131	-	24,735,131
Charges for Services - Other	110,114	1,001,429	1,111,543
Tap on / Turn on Fees	1,986,976	-	1,986,976
Fines and Other	113,763	192,150	305,913
	<u>44,439,639</u>	<u>1,193,579</u>	<u>45,633,218</u>
Operating Expense			
Personnel Services	9,672,420	623,046	10,295,466
Personnel Benefits	4,622,376	83,733	4,706,109
Other Employee Costs	66,643	70	66,713
Professional Services	2,215,920	84,063	2,299,983
Property Services	3,829,876	181,151	4,011,027
Other Services	342,767	17,379	360,146
Supplies	6,708,029	60,445	6,768,474
Other Expenses	22,072	-	22,072
Property and Projects	28,449	-	28,449
Depreciation	10,889,909	154,984	11,044,893
	<u>38,398,461</u>	<u>1,204,871</u>	<u>39,603,332</u>
Operating Income (Loss)	<u>6,041,178</u>	<u>(11,292)</u>	<u>6,029,886</u>
Nonoperating Revenue (Expense)			
State Grants	-	184,299	184,299
Interest Earnings	14,439	435	14,874
Amortization of Bond Premiums and Deferrals	199,224	-	199,224
Interest Expense	(1,227,519)	-	(1,227,519)
Total Nonoperating Revenue (Expense)	<u>(1,013,856)</u>	<u>184,734</u>	<u>(829,122)</u>
Income Before Transfers	5,027,322	173,442	5,200,764
Transfers Out	<u>(3,655,678)</u>	<u>(229,611)</u>	<u>(3,885,289)</u>
Change in Net Position	1,371,644	(56,169)	1,315,475
Total Net Position, Beginning of Year	<u>244,945,128</u>	<u>4,043,827</u>	<u>248,988,955</u>
Total Net Position, End of Year	<u>\$ 246,316,772</u>	<u>\$ 3,987,658</u>	<u>\$ 250,304,430</u>

* All operating revenue of the Waterworks and Sewerage Fund was used as security for the Series 2006, 2010, 2011, 2012, 2014A and 2014B revenue bonds.

See Accompanying Notes to Basic Financial Statements.

CITY OF JOLIET, ILLINOIS

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-Type Activities		
	Water and Sewer Fund	(Nonmajor) Parking Fund	Total
Cash Flows from Operating Activities			
Receipts from Customers	\$ 46,187,553	\$ 1,193,579	\$ 47,381,132
Payments to Suppliers	(17,213,560)	(543,426)	(17,756,986)
Payments to Employees	(8,898,553)	(579,782)	(9,478,335)
Net Cash Provided by Operating Activities	20,075,440	70,371	20,145,811
Cash Flows from Noncapital Financing Activities			
Payments to Other Funds	(3,655,478)	(422,087)	(4,077,565)
Operating Grants Received	-	184,299	184,299
Net Cash (Used in) Noncapital Financing Activities	(3,655,478)	(237,788)	(3,893,266)
Cash Flows from Capital and Related Financing Activities			
Purchases of Capital Assets	(39,568,565)	(100,895)	(39,669,460)
Payments to Bond Paying Agent	(5,590,000)	-	(5,590,000)
Payments on Loans	(639,832)	-	(639,832)
Loan Proceeds	21,682,736	-	21,682,736
Payment of Interest on Debt	(1,263,615)	-	(1,263,615)
Net Cash (Used in) Capital and Related Financing Activities	(25,379,276)	(100,895)	(25,480,171)
Cash Flows from Investing Activities			
Investment Sales or Maturities	7,337,845	-	7,337,845
Investment Purchases	-	(433)	(433)
Income Received on Investments	14,054	435	14,489
Net Cash Provided by Investing Activities	7,351,899	2	7,351,901
Net (Decrease) in Cash	(1,607,415)	(268,310)	(1,875,725)
Cash and Restricted Cash, Beginning of Year	4,610,021	471,514	5,081,535
Cash and Restricted Cash, End of Year	\$ 3,002,606	\$ 203,204	\$ 3,205,810

See Accompanying Notes to Basic Financial Statements.

	Business-Type Activities		
	Water and Sewer Fund	(Nonmajor) Parking Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 6,041,178	(\$ 11,292)	\$ 6,029,886
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation Expense	10,889,909	154,984	11,044,893
Changes in Assets and Liabilities			
Receivables	1,765,488	(2,500)	1,762,988
Vouchers Payable	1,167,272	32,889	1,200,161
Accrued Payroll	80,655	1,348	82,003
Accrued Compensated Absences	693,212	41,916	735,128
Unearned Revenue	56	2,500	2,556
Other Postemployment Benefits	2,191,331	14,263	2,205,594
Net Pension Liability and Related Deferred Amounts	(2,736,031)	(163,737)	(2,899,768)
Customer Deposits and Credits	(17,630)	-	(17,630)
Total Adjustments	<u>14,034,262</u>	<u>81,663</u>	<u>14,115,925</u>
Net Cash Provided by Operating Activities	<u>\$ 20,075,440</u>	<u>\$ 70,371</u>	<u>\$ 20,145,811</u>

CITY OF JOLIET, ILLINOIS

Statement of Fiduciary Net Position Fiduciary Funds December 31, 2015

	Pension Trust Funds	Agency Funds
ASSETS		
Cash	\$ 16,292	\$ 196,091
Investments, at Fair Value		
U.S. Government and Agency Securities	37,753,048	-
U.S. Government Sponsored Agency Securities	16,641,263	-
State and Local Government Securities	2,127,516	-
Certificates of Deposit	1,188,340	-
Money Market Mutual Funds	27,461,513	-
Mutual Funds	127,715,842	-
Common Stock	40,835,988	-
Corporate Bonds	38,942,034	-
Total Investments	292,665,544	-
Accrued Interest Receivable	674,300	-
Internal Receivables	259,571	-
Total Assets	293,615,707	\$ 196,091
LIABILITIES		
Due to Other Governments	-	\$ 196,091
Accrued Investment Expenses	119,565	-
Internal Payables	140,014	-
Total Liabilities	259,579	\$ 196,091
NET POSITION RESTRICTED FOR PENSIONS	\$ 293,356,128	

See Accompanying Notes to Basic Financial Statements.

CITY OF JOLIET, ILLINOIS

Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Year Ended December 31, 2015

	<u>Pension Trust Funds</u>
Additions	
Contributions	
Employer Contributions	\$ 25,905,985
Plan Member Contributions	<u>5,375,893</u>
Total Contributions	<u>31,281,878</u>
Investment Income	
Net (Decrease) in Fair Value of Investments	(11,919,152)
Interest and Dividends	<u>10,428,616</u>
Less Investment Expenses	(1,490,536)
Net Investment Income	<u>(2,359,128)</u>
Miscellaneous Income	<u>5,588</u>
Total Additions	<u>28,928,338</u>
Deductions	
Benefit Payments (Including Refunds of Plan Member Contributions)	21,893,998
Administrative and Other Expenses	<u>157,304</u>
Total Deductions	<u>22,051,302</u>
Net Increase In Net Position	6,877,036
Net Position Restricted for Pensions	
Beginning of Year	<u>286,479,092</u>
End of Year	<u>\$ 293,356,128</u>

See Accompanying Notes to Basic Financial Statements.

CITY OF JOLIET, ILLINOIS

Combining Statement of Net Position
Component Units
June 30, 2015 and December 31, 2015

ASSETS	December 31, 2015	June 30, 2015		Total
	Joliet Public Library	Will County Metropolitan Exposition and Auditorium Authority	The Joliet Area Historical Museum	
Current Assets:				
Cash	\$ 5,644,441	\$ 907,860	\$ 428,355	\$ 6,980,656
Investments	-	43,516	44,153	87,669
Receivables				
Property Taxes, Net of Allowance for Uncollectible Amounts	5,872,681	-	-	5,872,681
Accrued Interest	-	5	-	5
Customer Accounts, Net	-	48,573	-	48,573
Pledges Receivable	-	11,133	-	11,133
Other	-	15,751	-	15,751
Inventory	-	36,709	19,383	56,092
Prepaid Expenses	74,063	186,116	4,269	264,448
Grant Advance	-	9,456	-	9,456
Restricted Assets (Endowment Funds)				
Cash	-	27,621	80,667	108,288
Investments	-	938,509	284,853	1,223,362
Total Current Assets	11,591,185	2,225,249	861,680	14,678,114
Noncurrent Assets:				
Pledges Receivable	-	6,707	-	6,707
Capital Assets (Net)				
Library	12,969,425	-	-	12,969,425
W.C.M.E.A.A.	-	5,620,526	-	5,620,526
Historical Museum	-	-	531,490	531,490
Construction in Progress	-	2,519,745	-	2,519,745
Total Noncurrent Assets	12,969,425	8,146,978	531,490	21,647,893
Total Assets	24,560,610	10,372,227	1,393,170	36,326,007
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources				
Related to Pensions	1,700,655	-	-	1,700,655
Total Deferred Outflows of Resources	1,700,655	-	-	1,700,655
Total Assets and Deferred Outflows of Resources	\$ 26,261,265	\$ 10,372,227	\$ 1,393,170	\$ 38,026,662

See Accompanying Notes to Basic Financial Statements.

	December 31, 2015		June 30, 2015	
	Joliet Public Library	Will County Metropolitan Exposition and Auditorium Authority	The Joliet Area Historical Museum	Total
LIABILITIES				
Current Liabilities:				
Vouchers Payable	\$ 95,878	\$ 573,342	\$ 29,370	\$ 698,590
Accrued Compensated Absences	449,361	127,821	52,078	629,260
Accrued Interest	-	62,713	-	62,713
Loans and Leases Payable - Current Portion	-	62,697	-	62,697
Unearned Revenue - Advance Ticket Sales	-	1,037,447	7,047	1,044,494
Due to Primary Government	-	-	873,047	873,047
Due to Volunteers	-	116,674	-	116,674
Other	56,538	74,438	-	130,976
Total Current Liabilities	601,777	2,055,132	961,542	3,618,451
Noncurrent Liabilities:				
Loans and Leases Payable	-	2,428,358	-	2,428,358
Net Pension Liability	5,405,101	-	-	5,405,101
Total Noncurrent Liabilities	5,405,101	2,428,358	-	7,833,459
Total Liabilities	6,006,878	4,483,490	961,542	11,451,910
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes	5,872,681	-	-	5,872,681
Total Deferred Inflows of Resources	5,872,681	-	-	5,872,681
NET POSITION				
Net Investment in Capital Assets	12,969,425	5,657,550	531,490	19,158,465
Restricted for:				
Expendable Purposes:				
Temporary Funds	-	-	301,920	301,920
Nonexpendable Purposes:				
Permanent Funds	-	1,001,936	129,708	1,131,644
Unrestricted	1,412,281	(770,749)	(531,490)	110,042
Total Net Position	14,381,706	5,888,737	431,628	20,702,071
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 26,261,265	\$ 10,372,227	\$ 1,393,170	\$ 38,026,662

CITY OF JOLIET, ILLINOIS

Combining Statement of Activities
Component Units
For the Year Ended June 30, 2015 and December 31, 2015

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Joliet Public Library			
Library Operations	\$ 5,231,961	\$ 141,349	\$ 520,318
W.C.M.E.A.A.			
Culture and Recreation	145,304	-	312,537
Theatre and Rental Operations	4,648,623	3,390,773	1,668,545
The Joliet Area Historical Museum			
Culture and Recreation	<u>1,430,030</u>	<u>94,574</u>	<u>1,311,553</u>
 Total Component Units	 <u>\$ 11,455,918</u>	 <u>\$ 3,626,696</u>	 <u>\$ 3,812,953</u>

General Revenues:
Property Taxes
Interest and Investment Earnings
Contributions to Permanent Funds
Other General Revenues

Total General Revenues

Change in Net Position

Net Position - Beginning, as adjusted

Net Position - Ending

See Accompanying Notes to Basic Financial Statements. □

**Net (Expense) Revenue and
Changes in Net Position**

<u>December 31, 2015</u>	<u>June 30, 2015</u>		
<u>Joliet Public Library</u>	<u>Will County Metropolitan Exposition and Auditorium Authority</u>	<u>The Joliet Area Historical Museum</u>	<u>Total</u>
(\$ 4,570,294)	\$ -	\$ -	(\$ 4,570,294)
-	167,233	-	167,233
-	410,695	-	410,695
<u>-</u>	<u>-</u>	<u>(23,903)</u>	<u>(23,903)</u>
<u>(4,570,294)</u>	<u>577,928</u>	<u>(23,903)</u>	<u>(4,016,269)</u>
5,776,920	-	-	5,776,920
5,290	31,413	15,165	51,868
-	7,773	-	7,773
<u>57,759</u>	<u>-</u>	<u>-</u>	<u>57,759</u>
<u>5,839,969</u>	<u>39,186</u>	<u>15,165</u>	<u>5,894,320</u>
1,269,675	617,114	(8,738)	1,878,051
<u>13,112,031</u>	<u>5,271,623</u>	<u>440,366</u>	<u>18,824,020</u>
<u>\$ 14,381,706</u>	<u>\$ 5,888,737</u>	<u>\$ 431,628</u>	<u>\$ 20,702,071</u>

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Introduction

The City of Joliet, Illinois (the City) was incorporated June 19, 1852. The City is a home rule unit and operates under the Council / Manager form of government. The City Council is composed of the Mayor and eight council members. The City provides services to the community that includes: police, fire, water and wastewater utility, community development, street maintenance, and general services.

The financial statements of the City of Joliet, Illinois are prepared in accordance with Accounting Principles Generally Accepted in the United States of America (USGAAP). USGAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Financial Reporting Entity

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

The accompanying financial statements present the City of Joliet, Illinois (the primary government) and its component units. The financial data of the component units are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

Component Units that are Fiduciary in Nature

The Police Pension Fund and Firefighters' Pension Fund of the City of Joliet are Illinois local governments, as such; they are separate legal entities with their own management and budget authority. These funds exist solely to provide pension benefits for the City's police officers and firefighters and their beneficiaries. The financial statements of the Pension Funds as of and for the fiscal year ended December 31, 2014, are reported as pension trust funds - fiduciary funds. Each pension fund prepared separately issued component unit financial statements. The Police Pension Fund report may be obtained by writing to the City of Joliet Administrative Office, 150 West Jefferson Street, Joliet, Illinois 60432. The Firefighters' Pension Fund report may be obtained by writing to the Joliet Firefighters' administrative office, 101 East Clinton Street, Joliet, Illinois 60432.

Discretely Presented Component Units

A discretely presented component unit is an entity that is legally separate from the City, but for which the City is financially accountable, or whose relationship with the City is such that exclusion would cause the City's statements to be misleading or incomplete. The City's component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Joliet Public Library

The Joliet Public Library provides a broad range of services and reference information to area citizens, including book and film rental and audio-visual materials.

On September 1, 1875, under the provisions of an 1872 Illinois Statute, "The Illinois Local Public Library Act", the Joliet City Council adopted an ordinance providing for the establishment of a public library in Joliet. The Joliet Public Library began public service on March 7, 1876. The Library is governed by a board of library trustees consisting of nine members appointed by the Mayor of the City of Joliet and confirmed by the City Council. Board members serve three-year terms with three members being appointed annually.

The Joliet Public Library is primarily supported by property taxes. The annual budget, appropriation and levy for the Library are enacted as ordinances of the City of Joliet by the City Council of the City of Joliet. The Library receives some revenue from the sale of real property, fines and fees and from state, federal and corporate grants. Separate financial statements may be obtained at the Library's business office, 150 North Ottawa Street, Joliet, Illinois, 60432.

Will County Metropolitan Exposition and Auditorium Authority

The Will County Metropolitan Exposition and Auditorium Authority (the Authority) was created under Illinois Public Act 80-909. The original purpose of the Authority was to rehabilitate and restore a historic building, the Rialto Square Theatre. Duties of the Authority consists of promoting, operating and maintaining expositions and conventions in the metropolitan area for industrial, cultural, educational, theatrical, sports, trade and scientific exhibits and to construct, equip and maintain auditoriums and exposition buildings for such purposes. While the Authority still has the same basic purpose, theatre operations, from January 1, 1989 through December 31, 1993, had been carried out by the Rialto Square Theatre Corporation, a separate autonomous non-profit organization. As of January 1, 1994, the Authority resumed theatre operations. In 1982, the Act was amended to allow the authority to lease property as an owner and change the Authority name from Joliet to Will County Metropolitan Exposition and Auditorium Authority. The Mayor of the City of Joliet, with the consent of the City Council, appoints a voting majority of Authority's Governing Board. The City, through an intergovernmental agreement, provides a substantial amount of financial support to the Authority. The Authority operates on a fiscal year ending June 30. Separate financial statements may be obtained at the Authority's administrative office, 15 East Van Buren Street, Joliet, Illinois, 60432.

The Joliet Area Historical Museum

The Joliet Area Historical Museum (the Museum) is an Illinois nonprofit organization incorporated in 1999. The museum was established to maintain, promote, and support a museum dedicated to presenting the history of the Joliet area to the public. The Museum was opened to the public in October 2002. The Museum is supported primarily through an agreement with the City of Joliet, grants, contributions and membership dues. The City, through an agreement with the Museum, provides a substantial amount of financial support to the Museum. The Museum is fiscally dependent on the City; the City approves the Museum's annual budget and the Museum cannot borrow funds without the prior approval of the City.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

The City has the sole and exclusive right to all income, receipts and revenues and other consideration of whatever kind or nature realized by, from or in connection with the Museum Property, the Inaugural Collection or the operation of the Museum. The Museum operates on a fiscal year ending June 30. Separate financial statements may be obtained at the Museum's administrative office, 204 North Ottawa Street, Joliet, Illinois, 60432.

No other agencies or units of local government meet the criteria of GASB Statement Numbers 14, 39, or 61 for inclusion in the reporting entity as a component unit.

Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and nonexchange revenue. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The City's funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City (General Fund) or meets the following criteria:

- a) Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b) Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. The City's expendable financial resources (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental funds:

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

General Fund - The General Fund, a major fund, is the general operating fund of the City. It is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The City's major special revenue funds are the following:

Evergreen Terrace II Fund - Accounts for revenue and expenditures related to the Evergreen Terrace property. Historically, the main revenue source of this fund was federal grants from the U.S. Department of Housing and Urban Development. Additional revenue sources include miscellaneous income. The fund recorded the payment to purchase the Evergreen Terrace property in 2015.

Motor Fuel Tax Fund - Accounts for revenue and expenditures for improvement of City streets and bridges. The main revenue source is taxes imposed on the purchase of motor fuel. Additional revenue sources include state grants and interest income.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest of general long-term debt and related costs.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Proprietary Funds

Proprietary funds are used to account for the City's ongoing organizations and activities, which are similar to those often, found in the private sector. The measurement focus is based upon determination of net income.

Enterprise Funds - Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The City uses enterprise funds to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City's major enterprise fund is the following:

Water and Sewer Fund - Accounts for the revenue and expense related to providing a safe, potable water supply for domestic and industrial usage and fire protection, and for maintaining a dependable system for collecting and treating the waste waters of the City of Joliet.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Fiduciary Funds (not Included in Government-wide Statements)

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governments, or other funds. These include the following fund types: **Pension Trust Funds** and **Agency Funds**. The Pension trust funds include the City of Joliet Police Pension Fund and City of Joliet Firefighters' Pension Fund. These funds account for City contributions in the form of property taxes and contributions from participants used to fund the respective pension plans and payments to beneficiaries in accordance with the Illinois Pension Code. Agency Funds account for monies held on behalf of others, mainly funds held by the City's police department.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement or the "economic resources" measurement is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets, deferred outflows of resources (if any), liabilities and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position. Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since preservation of capital is critical. Agency funds do not have a measurement focus.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Basis of Accounting

Government-wide Financial Statements

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Changes in net position resulting from exchange and exchange-like transactions are recognized when the exchange takes place. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include charges paid by the recipients of the goods or services offered by the programs 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 program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Eliminations have been made in the Statement of Net Position to remove the “grossing-up” effect on assets and liabilities within the governmental and business-type activities’ columns for amounts reported in the individual funds as internal receivables and payables. Similarly, transfers between funds have been eliminated in the Statement of Activities. Amounts reported in the activities’ columns as receivable from or payable to fiduciary funds (if any) have been reclassified in the Statement of Net Position as accounts receivable or payable to external parties. Interfund services provided and used (sales and purchases of goods and services between funds for a price approximating their external exchange value) are not eliminated in the process of consolidation.

Net position is reported as restricted when constraints placed on net position use is either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Fund Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting on funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Governmental Funds

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectable within sixty days, or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. When an asset is recorded in governmental fund financial statements but the revenue is not available, the City reports a deferred inflow of resources until such time as the revenue becomes available.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

Shared revenues remitted from the State of Illinois, such as state income tax, replacement tax, sales tax, gaming tax, automobile rental tax, pari-mutuel tax, and State motor fuel tax allotments, are accrued applying the susceptible-to-accrual concept based upon the earlier of the month they were liabilities to the State or the month collected by the State.

Licenses and permits, charges for services (other than water), and miscellaneous revenues (except for investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Revenues from Federal and State grants and similar programs are recognized when the City has done everything necessary to establish its right to the revenue. Usually this is at the time expenditures have been incurred for an authorized purpose.

Proprietary Funds

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resources focus concerns determining costs as a means of maintaining the capital investment and management control. Their revenues are recognized when earned and expenses are recognized when the liability is incurred or economic asset used. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility service receivables are recorded at the end of the year.

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses - generally revenues from grants and interest and expenses for debt service.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Budgets and Budgetary Accounting

Annual budgets are legally adopted and separately reported for all funds of the City except for those mentioned in Note 4. The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to December 31st, the City Manager submits to the City Council a proposed annual budget for the fiscal year commencing January 1. The annual budget includes proposed expenditures and the means of financing them. All budgets are adopted on a modified accrual basis except for the following modifications:

- Collections of special revenue fund loans, capital project fund assessments and special assessments are budgeted as revenue in the year received.
- Special revenue fund loans are shown as expenditures when the funds are disbursed.
- Certain transfers between governmental funds are budgeted as revenues and expenditures.
- In the enterprise funds payment the principal and interest is shown as expenditures.
- For report presentation purposes, actual revenues and expenditures and other financing sources and uses have been adjusted to incorporate these modifications with reconciliation provided.
- Public hearings are conducted to obtain taxpayer comments.

Prior to December 31st, the annual budget is legally enacted through passage of an ordinance. Passage of the annual budget is done in lieu of an appropriation ordinance as permitted by the Illinois Compiled Statutes.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. The level of control (level at which expenditures may not exceed budget) is the fund total, not the individual line items. The annual budget can be amended by a two-thirds vote of the City Council. All appropriations lapse at year-end.

Cash and Cash Equivalents

Cash, as presented in the Statement of Cash Flows for the City's Enterprise Funds, consist of demand deposit accounts and petty cash funds. Investments in certificates of deposit, which may or may not have initial maturities of less than three months, are considered to be investments rather than cash.

Capital Assets

Capital assets are stated on the basis of historical cost (estimated for certain items purchased prior to December 31, 1997). Major capital asset additions are financed primarily from bond proceeds. Assets acquired through gifts or donations are recorded at their estimated fair value at the time of acquisition. The City has established a capitalization threshold of \$25,000 for infrastructure and land improvements, buildings, waterworks and sewerage systems, and parking decks. The capitalization threshold for furniture and equipment is \$5,000.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Depreciation of Capital Assets

Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are shown below:

Infrastructure	40 Years
Land Improvements	10 to 15 Years
Buildings	50 Years
Waterworks and Sewerage Systems	40 Years
Parking Decks	50 Years
Equipment	5 to 15 Years

Assets of the Water and Sewer Fund acquired prior to 1957 are considered to be fully depreciated and were removed from the accounting records. Assets acquired from 1957 through 1987 will be removed from the books in future years as they become fully depreciated. This policy was enacted because the exact composition of capital assets acquired between 1957 and 1987 is not readily ascertainable and, therefore, these assets cannot be removed from the accounting records as they are physically replaced. The above policy provides a means to remove these assets from the accounting records over time. All City infrastructure constructed or acquired in fiscal years ended after June 30, 1980, have been capitalized.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers.

Encumbrances

Encumbrances are recorded when purchase orders are issued for goods or services. Actual expenditures are recognized when the goods or services are received.

Investments

Investments of the City are carried at fair value (see note 3). Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value.

Employee Compensated Absences

Employee vacation, sick time and comp time, for which the employees are eligible to receive termination payments, are recorded as a liability in the Statement of Net Position, the liability will be paid from the fund that the respective employee's salary is paid from.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and the Police and Firefighters' Pension Plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by those plans, respectively. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Customer Accounts and Unbilled Receivables

Estimated sales for municipal waste, water, and wastewater usage, which are unbilled at year-end, are recognized as current year revenue and are included in "Receivables - Estimated Unbilled Usage". Customer accounts receivable are recorded net of an allowance for uncollectible accounts.

Inventory

Inventory recorded in the governmental funds consists of commercial real estate held for resale and residential real estate purchased for rehabilitation and subsequent sale under the Neighborhood Stabilization Grant. This inventory is recorded at cost.

Fund Balances

The fund balances of the City's governmental funds are required to be reported using five separate classifications as listed below. The City may not necessarily utilize each classification in a given fiscal year.

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification may include inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted fund balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (ordinance) by the City's highest level of decision-making authority, the City Council.

Assigned fund balance - Amounts that are constrained by the City's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the City Council, Mayor, or another body (such as a Finance Committee), or by an official to whom that authority has been given. The City has taken formal action to create each of the City's funds reported in this report, thereby assigning those resources for the purpose for which the fund was established. Any non-negative year end fund balance that is not reported as nonspendable, restricted or committed is reported as assigned (with the exception of the General Fund).

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

1. Summary of Significant Accounting Policies

Unassigned fund balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of cumulative overspending for specific purposes for which amounts had been restricted, committed or assigned.

Note 16 provides details of fund balances.

Restricted Net Position – Proprietary Funds

Certain cash and investments along with related intergovernmental receivables in the Water and Sewer Fund are restricted for debt service and capital improvements in accordance with the ordinances authorizing the issuance of the Series 2010, 2011, 2012, 2014A and 2014B revenue bonds and the IEPA loans. These assets are reflected as restricted assets. The City also reports liabilities for amounts payable from restricted assets. Restricted assets that exceed related amounts payable are reported as a restriction of net position.

Use of Resources Policy

The City considers restricted resources to have been used first when expenditures/expenses are incurred for purposes for which both restricted and unrestricted balances are available. Committed, assigned, and unassigned amounts are considered to have been spent in that order when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. Expenditures incurred for a specifically identified purpose will reduce the specific identified classification of fund balance.

Use of Estimates

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

New Governmental Accounting Standards

The City adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and the related GASB Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68* during its year ended December 31, 2015. These statements required the City to recognize a long-term obligation for pension benefits as a liability for the first time for its defined benefit pensions. These statements also required revised and new note disclosures and required supplementary information (RSI). See note 7.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

2. Property Taxes

Property taxes are levied each year on all taxable real property located in the City. The amounts recorded as revenue for fiscal year 2015 represent the taxes from the 2014 and prior year levies. The budget anticipates that the 2015 property tax levy will be used to finance the 2016 expenditures. The 2015 levy has been recognized as a receivable as of December 31, 2015 but recognition as revenue has been deferred to 2016 because the revenue is not considered available to finance 2015 expenditures.

Net property taxes receivable reflect the estimated collectible portion of the 2015 levies as of December 31, 2015. Property taxes receivable for prior years are immaterial and are not recorded.

Based on past experience, an allowance for estimated collection losses (2 percent of the extended levy) has been recorded to reduce the property taxes receivable to the estimated amounts collectible.

Property taxes are levied on the last Tuesday in December and attach as an enforceable lien on property on January 1 and are payable in two installments on or about June 1 and September 1 subsequent to the year of levy.

All of the City's governmental funds account for property taxes as described above.

3. Cash and Investments

Primary Government

The City is authorized by the Illinois Compiled Statutes to invest in: obligations of the U.S. Treasury, its agencies and instrumentalities; savings accounts, certificates of deposit, or time deposits that are direct obligations of any bank that is insured by the Federal Deposit Insurance Corporation; commercial paper noted within the three highest classifications by at least two standard rating services; obligations of states and their political subdivisions; shares or other securities issued by savings and loan associations which are insured by the Federal Savings and Loan Insurance Corporation; insured accounts of a credit union whose principal office is located in the State of Illinois; Illinois Funds Money Market Fund; money market mutual funds where the portfolio is limited to U.S. Government Securities; and repurchase agreements where the City or its authorized third party agent takes possession of the securities. In addition, the fiduciary component units, the Police and Firefighters' Pension Trust Funds, can invest in corporate bonds, general accounts of Illinois authorized life insurance companies; and certain State of Israel obligations. The Pension Funds may also invest in certain separate accounts of Illinois authorized life insurance companies, mutual funds, and common stocks, in total not to exceed either 10% and 55% of total net position of each Fund, depending on type of investment.

Deposits

In addition to checking accounts, the City maintains an investment pool comprised of certificates of deposit and an Illinois Funds Money Market Fund account that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Investments". The year-end carrying amounts and bank balances for the City and Pension Trust Funds (excluding cash on hand of \$4,266 are as follows:

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

3. Cash and Investments

	Carrying Amount			Total Bank Balance
	Checking Accounts	Certificates of Deposit	Total	
All City Funds Except				
Pension Trust Funds	\$ 47,241,602	\$ 8,071,897	\$ 55,313,499	\$ 59,623,001
Police Pension Fund	15,076	1,188,340	1,203,416	1,203,417
Firefighters' Pension Fund	1,116	-	1,116	1,116
Total	<u>\$ 47,257,794</u>	<u>\$ 9,260,237</u>	<u>\$ 56,518,031</u>	<u>\$ 60,827,534</u>

Custodial Credit Risk - this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy, which covers the City's policies for all "deposits" and "investments" requires collateral for all deposits and investments except for those investments in the state pool (the Illinois Funds) or the federal government securities. The collateral must have a market value of not less than 100 percent of all deposits and investments. The Pension Funds' investment policies do not require collateralization of deposits or investments. As of year-end, \$156,885 of deposits were not insured by the FDIC and were not collateralized.

The City maintains an investment in the Illinois Funds Money Market Fund. The balance at December 31, 2015 was \$25,666,218. The Illinois Funds Money Market Fund is an external investment pool created by the Illinois General Assembly. The fund invests in U.S. Treasury bills and notes, fully collateralized time deposits in Illinois financial institutions, collateralized repurchase agreements, and mutual funds that invest in U.S. Treasury obligations and collateralized repurchased agreements; the average weighted maturity of the pool's investments at December 31, 2015 is 27 days. The fair value of the position in the Illinois Funds Money Market Fund is the same as the value of the pool shares. The Illinois State Treasurer's Investment Advisory Board has oversight responsibility over the Illinois Funds Money Market Fund.

Investments

Custodial Credit Risk - The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City or Pension Funds will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The investment policies for the City and the Pension Funds as it pertains to custodial credit risk for investments were outlined above. The investments held in external investment pools and in open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. All other investments were held by the Pension Funds and were registered in the name of the Pension Funds.

Concentration of Credit Risk - The City's and the Pension Funds' investment policies place no limit on the amount that may be invested in any one issuer, however, diversification of the investment portfolio must be appropriate as to the nature and purpose of the funds using the "prudent person rule". At year-end, the City held investments in the Illinois Funds, which represented 100 percent of total City investments.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

3. Cash and Investments

The long-term expected rate of return on the Police and Firefighters' Fund's investments in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) have been developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Funds' target asset allocation as of December 31, 2015 are listed in the tables below:

<u>Police Pension Fund</u>			
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Allocation-Weighted Long-Term Expected Real Rate of Return</u>
Fixed Income U.S. Government	15.00%	0.30%	0.05%
Fixed Income State and Local	3.00%	0.30%	0.01%
Equity - Mutual Funds	65.00%	5.85%	3.80%
Fixed Income Corporate Bonds	12.00%	0.30%	0.04%
Cash	5.00%	-3.00%	-0.15%
Total	<u>100.00%</u>		<u>3.75%</u>
Expected Inflation			<u>3.00%</u>
Total Return			<u>6.75%</u>

<u>Firefighters' Pension Fund</u>			
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Allocation-Weighted Long-Term Expected Real Rate of Return</u>
Fixed Income U.S. Government	27.00%	0.30%	0.08%
Fixed Income State and Local	3.00%	0.30%	0.01%
Equity - Stocks and Mutual Funds	55.00%	6.87%	3.78%
Fixed Income Corporate Bonds	10.00%	0.30%	0.03%
Cash	5.00%	-3.00%	-0.15%
Total	<u>100.00%</u>		<u>3.75%</u>
Expected Inflation			<u>3.00%</u>
Total Return			<u>6.75%</u>

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

3. Cash and Investments

Interest Rate Risk - The Firefighters' Pension Fund does not have formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The Police Pension Fund's investment policy dictates fixed income securities are to be invested in a ladder of maturities approach, with securities generally extending over a ten-year period. As of December 31, 2015, the Pension Funds' fixed income investments, maturities (using the segmented time distribution method) and fair values were as follows:

Police Pension Fund

Investment Description	Total Fair Value 12/31/2015	Investment Maturities			
		Less Than One Year	One to Five Years	Five to Ten Years	Over Ten Years
U.S. Treasury Bonds	\$ 398,104	\$ -	\$ -	\$ -	\$ 398,104
U.S. Treasury Notes	10,864,686	1,687,044	6,093,973	3,083,669	-
U.S. Treasury Bills	378,337	378,337	-	-	-
SBA Loan Pools	1,378,719	-	-	197,036	1,181,683
GNMA	367,071	-	43,378	2,697	320,996
FFCB	1,407,376	-	963,082	444,294	-
FHLB	524,415	-	524,415	-	-
FHLMC	3,862,400	-	2,840,625	875,985	145,790
FNMA	5,619,346	1,752,270	2,587,143	1,084,404	195,529
Corporate Bonds	22,601,369	710,140	11,235,654	8,936,890	1,718,685
State and Local Bonds	1,332,186	-	301,117	795,307	235,762

Firefighters' Pension Fund

Investment Description	Total Fair Value 12/31/2015	Investment Maturities			
		Less Than One Year	One to Five Years	Five to Ten Years	Over Ten Years
U.S. Treasury Bonds	\$ 609,968	\$ 290,785	\$ -	\$ -	\$ 319,183
U.S. Treasury Notes	22,971,582	5,181,764	8,722,857	9,066,961	-
U.S. Treasury Strips	156,698	-	-	-	156,698
GNMA	222,613	-	-	3,631	218,982
TVA	405,270	-	405,270	-	-
FFCB	156,125	156,125	-	-	-
FHLMC	2,642,293	453,623	1,081,342	559,197	548,131
FNMA	2,429,308	-	1,436,934	682,327	310,047
Corporate Bonds	16,340,665	2,040,688	7,781,890	5,686,621	831,466
State and Local Bonds	795,330	-	186,323	126,047	482,960

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

3. Cash and Investments

Credit Risk - The City's and Pension Funds' investment policies do not further limit their investment choices beyond those referred to in the Public Funds Investment Act and/or the Illinois Pension Code. As of December 31, 2015, the City's investment in the Illinois Funds was rated AAAM by Standard & Poor's rating agency. The Pension Trust Funds' investments, fair values, and credit ratings as described by Standard & Poor's rating agency were as follows:

Investment Description	Police Pension		Firefighters' Pension		Credit Rating
	Total Fair Value 12/31/2015	% of Total Invest- ments	Total Fair Value 12/31/2015	% of Total Invest- ments	
U.S. Government and Agency Securities					
U.S. Treasury Bonds	\$ 398,104	0.23%	\$ 609,968	0.52%	N/A
U.S. Treasury Notes	10,864,686	6.27%	22,971,582	19.44%	N/A
U.S. Treasury Bills	378,337	0.22%	-	0.00%	N/A
U.S. Treasury Strips	-	0.00%	156,698	0.13%	N/A
Small Business Administration Loan Pools	1,378,719	0.80%	-	0.00%	N/A
Government National Mortgage Association	367,071	0.21%	222,613	0.19%	N/A
Tennessee Valley Authority	-	0.00%	405,270	0.34%	N/A
Subtotal	<u>13,386,917</u>	<u>7.73%</u>	<u>24,366,131</u>	<u>20.62%</u>	
U.S. Government Sponsored Agency Securities					
Federal Farm Credit Banks	1,407,376	0.81%	156,125	0.13%	AA+
Federal Home Loan Banks	524,415	0.30%	-	0.00%	AA+
Federal Home Loan Mortgage Corporation	3,862,400	2.23%	2,642,293	2.24%	AA+
Federal National Mortgage Association	5,619,346	3.24%	2,429,308	2.06%	AA+
Subtotal	<u>11,413,537</u>	<u>6.58%</u>	<u>5,227,726</u>	<u>4.43%</u>	
State and Local Government Securities	<u>1,332,186</u>	<u>0.77%</u>	<u>795,330</u>	<u>0.67%</u>	AAA / A-
Money Market Mutual Funds					
First Midwest Bank	<u>13,357,346</u>	7.70%	<u>14,104,167</u>	11.94%	AAAm
Mutual Funds					
American Funds	111,253,556	64.18%	-	0.00%	N/A
First Midwest Bank	-	0.00%	16,462,286	13.94%	N/A
Subtotal	<u>111,253,556</u>	<u>64.18%</u>	<u>16,462,286</u>	<u>13.94%</u>	
Common Stock	-	0.00%	40,835,988	34.57%	N/A
Corporate Bonds	<u>22,601,369</u>	13.04%	<u>16,340,665</u>	13.83%	AAA / BBB-
Total Investments	<u>\$ 173,344,911</u>	<u>100.00%</u>	<u>\$ 118,132,293</u>	<u>100.00%</u>	

N/A - Rating not required.

Foreign Currency Risk - the Firefighters' Pension Fund's investments in foreign stocks were denominated in U.S. currency and therefore are not subject to foreign currency risk.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

3. Cash and Investments

A reconciliation of the City's cash and investment balances as reported in the basic financial statements and the deposits and investments presented in this note is as follows:

Cash and Investments (Note Above)

Cash - Carrying Amount of Deposits	\$ 56,518,031
Cash on Hand	4,266
Investments - City Investment in Illinois Funds	25,666,218
Investments - Police Pension Fund	173,344,911
Investments - Firefighters' Pension Fund	118,132,293
Total	<u>\$ 373,665,719</u>

Cash and Investments (Basic Financial Statements)

Primary Government Cash - Statement of Net Position	\$ 31,547,002
Primary Government Escrow Deposits - Statement of Net Position	6,778,100
Primary Government Investments - Statement of Net Position	42,462,690
Pension Trust Funds Cash - Statement of Fiduciary Net Position	16,292
Pension Trust Funds Investments - Statement of Fiduciary Net Position	292,665,544
Agency Fund Cash - Statement of Fiduciary Net Position	196,091
Total	<u>\$ 373,665,719</u>

Discretely Presented Component Units

The Joliet Public Library and the Will County Metropolitan Exposition and Auditorium Authority are authorized by the Illinois Compiled Statutes to invest in instruments similar to the City as noted above.

Joliet Public Library:

At December 31, 2015, the Library's cash consisted of demand deposits held at local financial institutions. The carrying amount of the Library's deposits was \$5,644,441 and the bank balance was \$5,789,822.

Custodial Credit Risk - The Library's investment policy requires collateral for all deposits in excess of FDIC limits. As of year-end, all of the bank balances were insured or collateralized by securities held in safekeeping in a custodial account at a federal reserve bank.

Will County Metropolitan Exposition and Auditorium Authority:

At June 30, 2015, the Authority's cash consisted of \$9,900 of petty cash on hand and demand deposits held at local financial institutions. The carrying amount of the Authority's deposits was \$925,581 and the bank balance was \$1,045,173 of which \$249,734 was not insured or fully collateralized. The Authority had investments in money market mutual funds of \$15,434 which were rated AAAM by Standard & Poor's. The Authority also had investments in mutual funds held by First Midwest Bank of \$966,591.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

3. Cash and Investments

The Joliet Area Historical Museum:

The Museum is a nonprofit organization that reports under standards set by the Financial Accounting Standards Board. As such, reporting requirements for deposits and investments are different from GASB requirements. At year end, June 30, 2015, the Museum maintained cash of \$509,022 and investments of \$329,006. Deposit and investment risk disclosures were not available.

4. Budgetary Reporting

The budget is prepared on the same basis and uses the same accounting principles as are used to prepare the financial statements. No supplemental appropriations were made during the year. The budget information is presented in this report in all cases where annual appropriations are required. Unexpended budgeted amounts lapse at the end of the budget year. Spending control for most funds is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line item levels. Expenditures on the GAAP basis exceeded budgeted expenditures in the Special Revenue Revolving Fund, Foreign Fire Tax Fund, Tax Incremental Financing Fund #3, and Capital Improvement Fund by \$98,853, \$114,961, \$1,235, and \$744,803, respectively, during the year ended December 31, 2015.

The City did not prepare a budget for the Neighborhood Improvement Fund; the fund had no revenues or expenditures during the year.

5. Interfund Balances and Transfers

Interfund transfers during the year ended December 31, 2015 were as follows:

Fund	Interfund	
	Transfers In	Transfers Out
General Fund:		
Nonmajor Governmental Funds	\$ 1,077,790	\$ 2,450,000
Water and Sewer Fund	3,655,678	-
Nonmajor Enterprise Fund	229,611	-
Total General Fund	4,963,079	2,450,000
Nonmajor Governmental Funds		
General Fund	2,450,000	1,077,790
Nonmajor Governmental Funds	1,224,684	1,224,684
Total Nonmajor Governmental Funds	3,674,684	2,302,474
Water and Sewer Fund		
General Fund	-	3,655,678
Total Water and Sewer Fund	-	3,655,678
Nonmajor Enterprise Fund:		
General Fund	-	229,611
Total Nonmajor Enterprise Fund	-	229,611
Grand Total	\$ 8,637,763	\$ 8,637,763

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

5. Interfund Balances and Transfers

Routine Transfers

The above transfers were made to move monies between funds to finance operations and various programs in accordance with budgetary authorizations approved by the City Council. The General Fund transferred \$2,450,000 to the General Capital Fund (a nonmajor capital projects fund) as part of the annual funding of capital projects.

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "internal receivables and payables." The purpose of most short term loans is to cover temporary cash shortfalls in funds with deficit cash positions, all of which are expected to be repaid within one year. Internal (interfund) balances at December 31, 2015 were as follows:

Fund	Internal Balances	
	Receivable	Payable
General Fund:		
Evergreen Terrace II Fund	\$ 17,905,213	\$ -
Motor Fuel Tax Fund	246,439	-
Nonmajor Governmental Funds	43,170	-
Water and Sewer Fund	200	-
Pension Trust Funds	140,014	259,571
Total General Fund	18,335,036	259,571
 Evergreen Terrace II Fund:		
General Fund	-	17,905,213
Total Evergreen Terrace II Fund	-	17,905,213
 Motor Fuel Tax Fund:		
General Fund	-	246,439
Nonmajor Governmental Funds	-	6,077
Total Motor Fuel Tax Fund	-	252,516
 Nonmajor Governmental Funds:		
General Fund	-	43,170
Motor Fuel Tax Fund	6,077	-
Total Nonmajor Governmental Funds	6,077	43,170
 Water and Sewer Fund:		
General Fund	-	200
Total Water and Sewer Fund	-	200
 Pension Trust Funds:		
General Fund	259,571	140,014
Total Pension Trust Funds	259,571	140,014
Grand Total	\$ 18,600,684	\$ 18,600,684

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

5. Interfund Balances and Transfers

Due to Primary Government

The Museum's June 30, 2015 financial statements show a liability to the City for \$873,047. This amount reflects the reclassification of unrestricted net position at year end as agreed upon in the intergovernmental agreement between the two entities. As of July 1, 2015 this reclassification was reversed to allow the Museum to utilize the funds in the current year's operations. Therefore, this amount is not reflected on the City's financial statements as due from component unit.

6. Capital Assets

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

Primary Government	Balance 12/31/2014	Additions	Reductions	Balance 12/31/2015
Governmental Activities:				
<i>Capital Assets not Being Depreciated:</i>				
Land	\$ 18,514,294	\$ 53,000	\$ -	\$ 18,567,294
Construction in Progress	23,461,843	8,870,772	4,438,882	27,893,733
Subtotal	<u>41,976,137</u>	<u>8,923,772</u>	<u>4,438,882</u>	<u>46,461,027</u>
<i>Depreciable Capital Assets:</i>				
Infrastructure	441,248,265	8,022,526	-	449,270,791
Land Improvements	5,657,890	448,704	-	6,106,594
Buildings	70,263,463	189,846	-	70,453,309
Equipment	51,753,793	4,039,944	353,773	55,439,964
Furniture and Fixtures	8,068	-	-	8,068
Subtotal	<u>568,931,479</u>	<u>12,701,020</u>	<u>353,773</u>	<u>581,278,726</u>
Total at Historical Cost	<u>610,907,616</u>	<u>21,624,792</u>	<u>4,792,655</u>	<u>627,739,753</u>
<i>Less Accumulated Depreciation for:</i>				
Infrastructure	156,354,272	11,297,716	-	167,651,988
Land Improvements	2,346,046	457,225	-	2,803,271
Buildings	26,721,163	1,776,002	-	28,497,165
Equipment	38,425,166	2,571,636	353,773	40,643,029
Furniture and Fixtures	3,086	1,614	-	4,700
Total Accumulated Depreciation	<u>223,849,733</u>	<u>16,104,193</u>	<u>353,773</u>	<u>239,600,153</u>
Governmental Activities Capital Assets, Net	<u>\$ 387,057,883</u>	<u>\$ 5,520,599</u>	<u>\$ 4,438,882</u>	<u>\$ 388,139,600</u>

Depreciation expense was charged to the City's governmental functions as follows:

General Government	\$ 1,001,010
Public Safety	1,896,195
Public Works	12,151,924
Culture and Recreation	53,160
Community Development	<u>1,001,904</u>
Total Depreciation Expense	<u>\$ 16,104,193</u>

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

6. Capital Assets

<u>Primary Government</u>	<u>Balance 12/31/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2015</u>
Business-Type Activities:				
<i>Capital Assets not Being Depreciated:</i>				
Land	\$ 4,001,649	\$ 158,975	\$ -	\$ 4,160,624
Construction in Progress	22,615,802	38,197,904	47,895	60,765,811
Subtotal	<u>26,617,451</u>	<u>38,356,879</u>	<u>47,895</u>	<u>64,926,435</u>
<i>Depreciable Capital Assets:</i>				
Waterworks and Sewerage System	394,416,646	8,484,595	-	402,901,241
Parking Decks and Lots	7,166,875	98,895	-	7,265,770
Equipment	23,275,158	2,491,074	19,670	25,746,562
Subtotal	<u>424,858,679</u>	<u>11,074,564</u>	<u>19,670</u>	<u>435,913,573</u>
Total at Historical Cost	<u>451,476,130</u>	<u>49,431,443</u>	<u>67,565</u>	<u>500,840,008</u>
<i>Less Accumulated Depreciation for:</i>				
Waterworks and Sewerage System	155,951,499	9,485,123	-	165,436,622
Parking Decks and Lots	4,669,823	151,680	-	4,821,503
Equipment	9,405,024	1,408,090	19,670	10,793,444
Total Accumulated Depreciation	<u>170,026,346</u>	<u>11,044,893</u>	<u>19,670</u>	<u>181,051,569</u>
Business-Type Capital Assets, Net	<u>\$ 281,449,784</u>	<u>\$ 38,386,550</u>	<u>\$ 47,895</u>	<u>\$ 319,788,439</u>

Depreciation expense of \$10,889,909 and \$154,984 was charged to the Water and Sewer and Parking Facilities functions, respectively.

<u>Component Units</u>	<u>Balance 12/31/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2015</u>
Joliet Public Library	\$ 26,867,542	\$ 427,813	\$ 578,424	\$ 26,716,931
Less Accumulated Depreciation	<u>13,303,920</u>	<u>1,013,606</u>	<u>570,020</u>	<u>13,747,506</u>
Joliet Public Library Capital Assets, Net	<u>\$ 13,563,622</u>	<u>(\$ 585,793)</u>	<u>\$ 8,404</u>	<u>\$ 12,969,425</u>
	<u>Balance 6/30/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2015</u>
W.C.M.E.A.A.	\$ 22,090,958	\$ 58,750	\$ 10	\$ 22,149,698
Construction in Progress	1,090,290	1,429,455	-	2,519,745
Less Accumulated Depreciation	<u>16,116,745</u>	<u>412,437</u>	<u>10</u>	<u>16,529,172</u>
W.C.M.E.A.A. Capital Assets, Net	<u>\$ 7,064,503</u>	<u>\$ 1,075,768</u>	<u>\$ -</u>	<u>\$ 8,140,271</u>
Joliet Area Historical Museum	\$ 769,713	\$ 306	\$ -	\$ 770,019
Less Accumulated Depreciation	<u>198,812</u>	<u>39,717</u>	<u>-</u>	<u>238,529</u>
Joliet Area Historical Museum Capital Assets, Net	<u>\$ 570,901</u>	<u>(\$ 39,411)</u>	<u>\$ -</u>	<u>\$ 531,490</u>

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Illinois Municipal Retirement Fund

Plan Description

The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The employees of the Library are included in the City's IMRF Plan; the Library comprises 9% of the Plan. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

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

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

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

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Employees Covered by Benefit Terms

At December 31, 2015, the following employees were covered by the benefit terms:

	Regular	SLEP	ECO
Inactive Plan Members and Beneficiaries Currently Receiving Benefits	379	3	1
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	225	-	-
Active Plan Members	453	-	-
Total	1,057	3	1

Contributions

As set by statute, the City'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's annual contribution rate for calendar year 2015 was 17.60%. For the fiscal year ended December 31, 2015, the City contributed \$6,296,473 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- 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 7.44% for the Regular Plan and 7.50% for the SLEP and ECO Plans.
- 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 2014). 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 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

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:

Asset Class	Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38.00%	7.60%
International Equity	17.00%	7.80%
Fixed Income	27.00%	3.00%
Real Estate	8.00%	6.15%
Alternative Investments	9.00%	5.25-8.50%
Cash Equivalents	1.00%	2.25%
Total	100.00%	

Discount Rate

A Single Discount Rate of 7.44%, 7.50% and 7.50%, was used to measure the total pension liability for the Regular Plan, SLEP and ECO, respectively. 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 3.57%, and the resulting respective single discount rates are depicted above.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Changes in the Net Pension Liability (Asset)

	<u>Regular Plan</u>	<u>SLEP</u>	<u>ECO</u>
Total Pension Liability			
Service Cost	\$ 3,462,247	\$ -	\$ -
Interest	16,879,641	9,462	11,441
Differences Between Expected and Actual Experience	3,010,012	(26,605)	(22,294)
Changes of Assumptions	305,128	-	-
Benefit Payments, Including Refunds of Plan Member Contributions	(11,682,532)	-	-
Net Change in Total Pension Liability	11,974,496	(17,143)	(10,853)
Total Pension Liability - Beginning	<u>230,682,503</u>	<u>126,156</u>	<u>152,547</u>
Total Pension Liability - Ending	<u>242,656,999</u>	<u>109,013</u>	<u>141,694</u>
Plan Fiduciary Net Position			
Contributions from Employer	6,296,473	-	-
Contributions from Plan Members	1,554,476	-	-
Pension Plan Net Investment Income	889,033	605	727
Benefit Payments, Including Refunds of Plan Member Contributions	(11,682,532)	-	-
Other Changes	5,820,479	(12,575)	(4,471)
Net Change in Plan Fiduciary Net Position	2,877,929	(11,970)	(3,744)
Plan Fiduciary Net Position - Beginning	<u>179,722,397</u>	<u>121,001</u>	<u>145,461</u>
Plan Fiduciary Net Position - Ending	<u>182,600,326</u>	<u>109,031</u>	<u>141,717</u>
Net Pension Liability (Asset) - Ending	<u>\$ 60,056,673</u>	<u>(\$ 18)</u>	<u>(\$ 23)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the plan's net pension liability (asset), calculated using a Single Discount Rate of 7.44%, 7.50%, and 7.50%, for the Regular Plan, SLEP, and ECO, respectively, as well as what the plan's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

<i>Regular Plan</i>	1% Decrease (6.44%)	Current Discount Rate (7.44%)	1% Increase (8.44%)
City's Net Pension Liability	\$ 93,450,925	\$ 60,056,673	\$ 32,686,522
<i>SLEP</i>	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's Net Pension Liability (Asset)	\$ 10,703	(\$ 18)	(\$ 9,124)
<i>ECO</i>	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's Net Pension Liability (Asset)	\$ 14,074	(\$ 23)	(\$ 12,034)

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

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

For the year ended December 31, 2015, the City recognized pension expense of \$4,733,760, (\$11,296), and (\$14,787), for the Regular Plan, SLEP and ECO, respectively. At December 31, 2015, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Regular Plan	SLEP	ECO
	Deferred Outflows of Resources	Deferred Outflows of Resources	Deferred Outflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>			
Differences between expected and actual experience	\$ 2,561,357	\$ -	\$ -
Changes of assumptions	4,782,428	-	-
Net difference between projected and actual earnings on pension plan investments	11,552,384	7,228	9,016
Total Deferred Amounts Related to Pensions	\$ 18,896,169	\$ 7,228	\$ 9,016

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

	Regular Plan	SLEP	ECO
Year Ending December 31	Net Deferred Outflows of Resources	Net Deferred Outflows of Resources	Net Deferred Outflows of Resources
2016	\$ 5,320,590	\$ 1,876	\$ 2,337
2017	5,320,590	1,876	2,337
2018	5,122,563	1,877	2,339
2019	3,132,426	1,599	2,003
Total	\$ 18,896,169	\$ 7,228	\$ 9,016

Police Pension and Firefighter's Pension Plans

Plan Descriptions

The City contributes to two single-employer defined benefit pension plans: the Joliet Police Pension Plan and the Joliet Firefighters' Pension Plan (Plans). Each plan provides retirement, disability, and death benefits, and annual cost-of-living adjustments to plan members and beneficiaries. Sworn Police and Fire personnel are covered by the Plans. The Plans are part of the City of Joliet's financial reporting entity and are included in the City's financial report as pension trust funds.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Although these are single-employer pension plans, the defined benefits and employee and employer contribution requirements are governed by Illinois Compiled Statutes and may only be amended by the Illinois legislature. The Joliet Police Pension Fund is administered by the Joliet Police Pension Board of Trustees. Two members of the Police Pension Board are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees. The Joliet Firefighters' Pension Fund is administered by the Joliet Firefighters' Pension Board of Trustees. Two members of the Firefighters' Pension Board are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

Participating employees are required to contribute 9.91% and 9.455% of their salary to the Police and Firefighters' Plans, respectively. If a participating employee leaves the covered employment, other than due to employment connected disability or death, before 20 years of credited service, accumulated employee contributions are refundable to the employee. The City is required to contribute the remaining amounts necessary to finance the plans and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police and Firefighters' Pension Plans. For the year ended December 31, 2014, the City's contributions were 52.14% and 55.76%, of covered payroll for the Police and Firefighters' Pension Plans, respectively.

Rather than use annual actuarial information provided by the Illinois Division of Insurance, the City of Joliet has commissioned its own actuarial study by Gabriel, Roeder, Smith & Company of Chicago, Illinois. Gabriel, Roeder, Smith & Company bases the information that is included in the required supplementary information on actuarial calculations.

At January 1, 2015 (the date of the latest actuarial valuation) membership in each plan consisted of the following:

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Inactive Plan Members and Beneficiaries Currently Receiving Benefits	169	147
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8	1
Active Plan Members	<u>262</u>	<u>209</u>
Total	<u>439</u>	<u>357</u>

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The Police Pension Fund and the Firefighters' Pension Fund are pension trust funds and are accounted for by the accrual basis of accounting. Employee and employer contributions are recognized as additions when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Method Used to Value Investments

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value. Details regarding cash and investments are disclosed in note 3.

Net Pension Liability

The components of the net pension liability of the Police and Firefighters' Pension Plans as of December 31, 2015 were as follows:

	Police Pension	Firefighters' Pension
Total Pension Liability	\$ 347,482,485	\$ 257,661,468
Plan Fiduciary Net Position	175,143,050	118,213,078
Net Pension Liability	\$ 172,339,435	\$ 139,448,390
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.40%	45.88%

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

Actuarial Assumptions

The total pension liability for each pension plan was determined by actuarial valuations as of December 31, 2015 based on information rolled forward from actuarial valuation reports as of January 1, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date: January 1, 2015 - Actuarially determined contribution rates are calculated as of January 1, which is 24 months prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates as of the Valuation Date:

Actuarial Cost Method: Entry Age Normal Amortization Method 29-year closed level percentage of pay amortization (from January 1, 2015).

Remaining Amortization Period: 29 years.

Asset Valuation Method: 4 year smoothed market.

Inflation: 3.00 percent.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Salary Increases: Salary increase rates based on service-related productivity and merit rates plus inflation.

Postretirement Benefit Increases: Post retirement benefit increases are 3.00 percent, compounded, for Tier 1 employees, and 3.00 percent or one-half of the annual increase in the Consumer Price Index, whichever is less, simple, for Tier 2 employees.

Investment Rate of Return: 6.75% as of the January 1, 2015, valuation.

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition.

Mortality: 1994 Group Annuity Mortality Table. 110 percent of the 1994 Group Annuity Mortality Table is used for post-disablement mortality.

Methods and Assumptions Used for Accounting Purposes as of the Valuation Date:

Actuarial Cost Method: Entry Age Normal.

Asset Valuation Method: Market (Fair) Value.

Discount Rates

A single discount rate of 6.75% was used to measure the total pension liability for both the Police Pension Plan and the Firefighters' Pension Plan. This single discount rate was based on the expected rate of return on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member 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.

Based on these assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Changes in the Net Pension Liability

	<u>Police Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Total Pension Liability		
Service Cost	\$ 8,669,493	\$ 7,425,956
Interest	22,362,935	16,604,938
Differences Between Expected and Actual Experience	(3,041,989)	(5,803,238)
Benefit Payments, Including Refunds of Plan Member Contributions	(12,167,696)	(9,726,302)
Net Change in Total Pension Liability	15,822,743	8,501,354
Total Pension Liability - Beginning	<u>331,659,742</u>	<u>249,160,114</u>
Total Pension Liability - Ending	<u>347,482,485</u>	<u>257,661,468</u>
 Plan Fiduciary Net Position		
Contributions from Employer	13,884,298	12,021,687
Contributions from Plan Members	3,160,099	2,215,794
Other Contributions	4,863	725
Pension Plan Net Investment Income	(1,307,614)	(1,051,514)
Benefit Payments, Including Refunds of Plan Member Contributions	(12,167,696)	(9,726,302)
Pension Plan Administrative Expense	(79,676)	(77,628)
Net Change in Plan Fiduciary Net Position	3,494,274	3,382,762
Plan Fiduciary Net Position - Beginning	<u>171,648,776</u>	<u>114,830,316</u>
Plan Fiduciary Net Position - Ending	<u>175,143,050</u>	<u>118,213,078</u>
 Net Pension Liability - Ending	 <u>\$ 172,339,435</u>	 <u>\$ 139,448,390</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.75% and 6.75% for the Police and Firefighters' Pension Plans, respectively, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Police Pension			
City's Net Pension Liability	\$ 224,413,935	\$ 172,339,435	\$ 129,609,110
 Firefighters' Pension			
City's Net Pension Liability	\$ 176,712,276	\$ 139,448,390	\$ 108,777,379

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

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

For the year ended December 31, 2015, the City recognized pension expense of \$18,402,324 and \$15,034,333 for the Police and Firefighters' Pension Plans, respectively. At December 31, 2015, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Police Pension Plan		Firefighters' Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions				
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>				
Differences between expected and actual experience	\$ -	\$ 2,632,216	\$ -	\$ 5,053,872
Net difference between projected and actual earnings on pension plan investments	<u>10,442,659</u>	<u>-</u>	<u>7,159,818</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 10,442,659</u>	<u>\$ 2,632,216</u>	<u>\$ 7,159,818</u>	<u>\$ 5,053,872</u>

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

Year Ending December 31	Police Pension Plan	Firefighters' Pension Plan
	Net Deferred Outflows of Resources	Net Deferred Outflows of Resources
2016	\$ 2,200,892	\$ 1,040,589
2017	2,200,892	1,040,589
2018	2,200,892	1,040,589
2019	2,200,891	1,040,587
2020	(409,773)	(749,366)
Thereafter	<u>(583,351)</u>	<u>(1,307,042)</u>
Total	<u>\$ 7,810,443</u>	<u>\$ 2,105,946</u>

Investment Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -0.75% and -0.88% for the Police and Firefighters' Pension Plans, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

7. Pension and Retirement Fund Commitments

Funding Policy

The City funds its contributions to the Police and Firefighter's pension plans through an annual tax levy. The levy amount is actuarially determined as the annual contribution necessary to fund the normal costs, plus the amount to amortize the unfunded accrued liability. The City levies 102% of the Annual Required Contribution based on the actuarial calculations for the next tax extension. Therefore, the annual required contributions for the year ended December 31, 2015 are levied for the 2016 tax levy and will be collected during the fiscal year ending December 31, 2017.

Reconciliation of Pension Note to Government-Wide Financial Statements

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources Related to Pensions	Deferred Inflows of Resources Related to Pensions
<i>Amounts Reported in Note 7</i>				
IMRF - Regular Plan	\$ -	\$ 60,056,673	\$ 18,896,169	\$ -
IMRF - SLEP Plan	18	-	7,228	-
IMRF - ECO Plan	23	-	9,016	-
Police Pension Plan	-	172,339,435	10,442,659	2,632,216
Firefighters' Pension Plan	-	139,448,390	7,159,818	5,053,872
Total	<u>\$ 41</u>	<u>\$ 371,844,498</u>	<u>\$ 36,514,890</u>	<u>\$ 7,686,088</u>
<i>Amounts Reported in the Government-Wide Financial Statements</i>				
Governmental Activities	\$ 41	\$ 348,668,219	\$ 29,222,731	\$ 7,686,088
Business-Type Activities	-	17,771,178	5,591,504	-
Component Unit - Library	-	5,405,101	1,700,655	-
Total	<u>\$ 41</u>	<u>\$ 371,844,498</u>	<u>\$ 36,514,890</u>	<u>\$ 7,686,088</u>

8. Postemployment Benefits Other Than Pensions

Plan Description

The City administers a single-employer defined benefit healthcare and life insurance plan the Retiree Healthcare and Life Insurance Plan (RHLIP). The plan provides lifetime healthcare and life insurance for eligible retirees and their dependents through the City's group health insurance plan, which covers both active and retired members. Benefit provisions are established through negotiations between the City and the unions representing City employees and are renegotiated each bargaining period. RHLIP does not issue a stand-alone financial report.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

8. Postemployment Benefits Other Than Pensions

Funding Policy

Contribution requirements are also negotiated between the City and union representatives. All plan funding is done on a pay-as-you-go basis. Currently, the retired employees pay the blended 1988 premium rate for healthcare insurance and the City pays the difference between the current blended rate and the 1988 blended rate. Additionally, the City pays 100 percent of the premiums to provide group term life insurance ranging from \$10,000 to \$25,000, depending on type of qualifying employee group. For fiscal year 2015, the City contributed \$7,741,570 to the plan, total retiree contributions were \$487,420.

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to RHLIP:

Annual Required Contribution	\$ 19,321,000
Interest on Net OPEB Obligation	4,775,762
Adjustment to Annual Required Contribution	(3,789,113)
Annual OPEB Cost	20,307,649
Contributions Made	(7,741,570)
Increase in Net OPEB Obligation	12,566,079
Net OPEB Obligation - Beginning of Year	106,128,043
Net OPEB Obligation - End of Year	<u>\$ 118,694,122</u>

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

	Year Ended	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
RHLIP Plan:	12/31/2015	\$ 20,307,649	38.1%	\$ 118,694,122
	12/31/2014	19,290,732	38.1%	106,128,043
	12/31/2013	18,168,101	35.8%	94,194,501

The total net OPEB obligation of \$118,694,122 has been recorded in the Statement of Net Position. Payments to liquidate the liability have typically been made by the General, Water and Sewer and Parking Funds.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

8. Postemployment Benefits Other Than Pensions

Funded Status and Funding Progress

As of January 1, 2014, based on the January 1, 2014 actuarial valuation, the actuarial accrued liability for benefits was \$235,051,164, all of which was unfunded. There has been no change in funding this program. The covered payroll (annual payroll of active employees covered by the plan) was \$70,978,328 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 331.16 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

Amounts determined regarding the funded status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions

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

Actuarial valuation date:	January 1, 2014		
Actuarial cost method:	Entry Age Normal		
Amortization method:	Level Percentage of Payroll, Open		
Remaining amortization period:	30 years		
Actuarial assumptions:			
Discount Rate	4.5%	Wage Inflation	4.0%
Price Inflation	4.0%	Healthcare Trend Rate	8.0% per year graded down to 4.5% per year

9. Commitments and Contingencies

General Litigation

The City monitors all claims and lawsuits on a case by case basis. If a claim is asserted and a probable loss is reasonably estimable, the City recognizes a liability in the financial statements. The City is currently a defendant in several lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

9. Commitments and Contingencies

Evergreen Terrace Litigation

In September 2014, the City won a condemnation lawsuit to take over Evergreen Terrace, a Housing and Urban Development (HUD) sponsored housing project. The property includes Evergreen Terrace I, with three buildings and 241 units, and Evergreen Terrace II, which has 115 units in two buildings.

In March, 2015, the purchase price of just over \$15 million was determined based on the decision reached by a federal jury. In August 2015, the City paid \$15,093,413 from available resources to the United States District Court, Northern District of Illinois for the property owners of Evergreen Terrace. The property owners have appealed the federal court decision and as of December 31, 2015 the City has not been granted ownership rights to the Evergreen Terrace property. The purchase of the property was recorded as an asset in the governmental funds financial statements in the Evergreen Terrace II Fund as a property purchase deposit. The City expects to win the appeal and take ownership of the property in fiscal year 2016. Once ownership is secured, the City will reclassify the \$15 million property purchase deposit as either an outflow of resources as a special item and will record the property as a capital asset at cost within the governmental activities of the City or will record the purchase as an investment in the governmental funds, depending upon the final expected use of the property.

Fund Commitments

The City has entered into contracts totaling approximately \$44.7 million for projects to be paid from the loan proceeds from the Water and Sewer Fund; as of December 31, 2015 about \$29.1 million had been paid leaving remaining commitments at \$15.6 million. Additionally, the City had entered into contracts totaling approximately \$11.1 million for the ongoing multi-modal project to be paid from the Grants and Special Revenue Fund; as of December 31, 2015 about \$10.4 million had been paid leaving remaining commitments at \$0.7 million.

10. Compensated Absences

All full-time City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination, death, or retirement. The City has recorded the liability for compensated absences using the "Vesting Method". Under the Vesting Method, the liability is measured based on the sick leave, vacation, and comp time accumulated at the balance sheet date by those employees who are eligible to receive payments upon termination. Amounts in excess of the payment allowed at termination are excluded because those balances are available only for use as paid time off. The governmental liabilities are typically liquidated by the General Fund. The City's liability for compensated absences as of December 31, 2015 is as follows:

	Balance 12/31/2014	Additions	Reductions	Balance 12/31/2015	Amount Due Within One Year
Governmental Activities	\$ 18,500,004	\$ 11,464,518	\$ 9,250,002	\$ 20,714,520	\$ 10,357,260
Business-Type Activities:					
Water and Sewer Fund	1,116,270	1,251,347	558,135	1,809,482	904,741
Parking Fund	60,228	72,030	30,114	102,144	51,072
Total Business-Type	<u>1,176,498</u>	<u>1,323,377</u>	<u>588,249</u>	<u>1,911,626</u>	<u>955,813</u>
Total Liability	<u>\$ 19,676,502</u>	<u>\$ 12,787,895</u>	<u>\$ 9,838,251</u>	<u>\$ 22,626,146</u>	<u>\$ 11,313,073</u>

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

11. Risk Management

The City is exposed to various risks of loss related to torts: theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City accounts for its risk financing activities in the General Fund. The General Fund pays all general liabilities, unemployment and workers' compensation, and auto and collision claims for which the City is held liable. The City's Consolidated Property & Casualty Insurance Program consists of primary package insurance coverage consists of excess specific coverage for General, Auto, Police / Law Enforcement, Public Official / Employment Practices Liability (EPL), and Employee Benefit Liability (EMT). The coverage limit on the primary package policy is \$10,000,000 per occurrence and aggregate with an additional \$10,000,000 umbrella extending over the initial \$10,000,000 package limit. The Self-Insured Retention (SIR) is \$1,000,000 for all package components. Worker's Compensation Excess Specific coverage is to statutory limits with \$1,000,000 of employer's liability. The SIR for this line is \$700,000. The City's property coverage is all risk, repair or replacement Full Limit Value (FLV) with a \$100,000 deductible.

This coverage includes Extra Expense (\$6,500,000 per named location), EDP equipment (\$2,500,000 per named location), Valuable Papers (\$2,500,000 per named location), Blanket Auto Physical Damage (\$2,500,000 all locations, ACV), Property in Transit and Builder's Risk coverage at various limits as well as Earthquake (\$50,000,000 with a \$100,000 deductible) coverage for a Total Insured Value (TIV) of \$250,000,000.

The City's Boiler and Machinery coverage is \$250,000,000 with a \$100,000 deductible. All coverage is on an "Occurrence" form/basis. There were no significant reductions in insurance coverage from the previous year. Settled claims have not exceeded the insurance coverage in the last three years.

The City also participates in an externally administered self-insurance programs for workers' compensation, unemployment compensation, and general liability claims and medical claims. The City's group health insurance plans maintain specific stop loss coverage for claims in excess of \$200,000 and aggregate stop loss coverage for total plan losses in excess of 125 percent of projected claims. Dental coverage benefits are limited to \$1,000 per covered individual per year. The claims liability of \$5,703,858 for workers' compensation, unemployment compensation, and general liability claims is reported as a liability in the Statement of Net Position; the amount is based on the estimated outcome of outstanding claims on a case-by-case basis. The amount estimated to be paid within one year is \$2,509,858. The claims are typically paid by the General Fund.

The liability for health claims of \$1,237,000 is reported in the General Fund. The amount is based on reported claims due and payable at year-end along with an estimate of claims that were incurred before year-end but not yet reported.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

11. Risk Management

Changes in the claims liability amounts in the fiscal years ended December 31, 2015 and 2014 were as follows:

	Workers' Compensation, Unemployment, General Liability	Health Claims	Total
Claims Liability, December 31, 2013	\$ 5,578,182	\$ 926,600	\$ 6,504,782
Incurred Claims	2,791,561	19,570,299	22,361,860
Change in Estimates	556,367	170,752	727,119
Claim Payments	(2,791,561)	(19,593,051)	(22,384,612)
Claims Liability, December 31, 2014	6,134,549	1,074,600	7,209,149
Incurred Claims	3,213,539	21,297,319	24,510,858
Change in Estimates	(430,691)	(136,510)	(567,201)
Claim Payments	(3,213,539)	(20,998,409)	(24,211,948)
Claims Liability, December 31, 2015	<u>\$ 5,703,858</u>	<u>\$ 1,237,000</u>	<u>\$ 6,940,858</u>

12. Long-Term Debt

Changes in long-term debt during the year were as follows:

	Balance December 31, 2014	Debt Issued	Debt Retired	Balance December 31, 2015	Amounts Due Within One Year
Primary Government					
Governmental Activities:					
General Obligation Bonds	\$ 10,330,000	\$ 6,775,000	(\$ 7,795,000)	\$ 9,310,000	\$ 1,370,000
Premium on Bonds	175,190	267,221	(119,134)	323,277	-
Total Governmental Activities	<u>10,505,190</u>	<u>7,042,221</u>	<u>(7,914,134)</u>	<u>9,633,277</u>	<u>1,370,000</u>
Business-Type Activities:					
Waterworks and Sewerage					
Revenue Bonds	33,485,000	-	(5,590,000)	27,895,000	5,735,000
Premium on Bonds	1,239,358	-	(481,405)	757,953	-
Total Revenue Bonds	<u>34,724,358</u>	<u>-</u>	<u>(6,071,405)</u>	<u>28,652,953</u>	<u>5,735,000</u>
IEPA Loans Payable	14,715,409	27,548,152	(639,832)	41,623,729	647,855
Total Business-Type Activities	<u>49,439,767</u>	<u>27,548,152</u>	<u>(6,711,237)</u>	<u>70,276,682</u>	<u>6,382,855</u>
Total Primary Government	<u>\$ 59,944,957</u>	<u>\$ 34,590,373</u>	<u>(\$ 14,625,371)</u>	<u>\$ 79,909,959</u>	<u>\$ 7,752,855</u>

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

12. Long-Term Debt

Annual debt service payments required to service outstanding bonds at December 31, 2015 are as follows:

Governmental Activities:

General Obligation Bonds:

Years Ending December 31,	Interest	Principal	Total
2016	\$ 276,950	\$ 1,370,000	\$ 1,646,950
2017	248,263	1,400,000	1,648,263
2018	208,513	1,445,000	1,653,513
2019	166,150	1,495,000	1,661,150
2020	121,075	1,535,000	1,656,075
2021-2022	71,725	2,065,000	2,136,725
	<u>\$ 1,092,676</u>	<u>\$ 9,310,000</u>	<u>\$ 10,402,676</u>

Business-Type Activities:

Revenue Bonds:

Years Ending December 31,	Interest	Principal	Total
2016	\$ 933,950	\$ 5,735,000	\$ 6,668,950
2017	701,675	5,215,000	5,916,675
2018	478,825	5,575,000	6,053,825
2019	294,350	3,460,000	3,754,350
2020	200,725	2,155,000	2,355,725
2021-2024	275,625	5,755,000	6,030,625
	<u>\$ 2,885,150</u>	<u>\$ 27,895,000</u>	<u>\$ 30,780,150</u>

General Obligation Bonds Payable

General obligation bonds outstanding at December 31, 2015 are summarized as follows:

	Series	Interest Rates	Dated	Principal
General Obligation Refunding Issue	2014C	3.00%	12/18/2014	\$ 1,445,000
Refunding Issue	2014D	2.00 - 3.00%	12/18/2014	2,000,000
Refunding Issue	2015A	2.00 - 4.00%	6/23/2015	5,865,000
				<u>\$ 9,310,000</u>

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

12. Long-Term Debt

2005 Series Bonds

The 2005 Series Bonds were General Obligation Refunding Bonds with an issue date of May 1, 2005 for \$12,855,000, issued to advance refund the majority of then outstanding 2002 Series Bonds. The remaining principal of \$6,885,000 was refunded on June 23, 2015 through the issuance of the 2015A General Obligation Refunding Bonds.

2014C Series Bonds

The 2014C Series Bonds are General Obligation Refunding Bonds with an issue date of December 18, 2014 for \$1,445,000, issued to advance refund a portion of the outstanding 2012 Lease Purchase Agreement. The 2014C Series Bonds are payable in varying amounts beginning January 1, 2020 until January 1, 2022. Interest is due semi-annually at a rate of 3.00 percent. The bonds are not subject to optional redemption prior to maturity. The 2014C bond issue is scheduled to be paid from the General Debt Service Fund.

2014D Series Bonds

The 2014D Series Bonds are Taxable General Obligation Refunding Bonds with an issue date of December 18, 2014 for \$2,000,000, issued to advance refund a portion of the outstanding 2012 Lease Purchase Agreement. The 2014D Series Bonds are payable in varying amounts beginning January 1, 2016 until January 1, 2020. Interest is due semi-annually at rates ranging from 2.00 percent to 3.00 percent. The bonds are not subject to optional redemption prior to maturity. The 2014D bond issue is scheduled to be paid from the General Debt Service Fund.

2015A Series Bonds

The 2015A Series Bonds are General Obligation Refunding Bonds with an issue date of June 23, 2015 for \$6,775,000, issued to advance refund the remaining portion of the outstanding 2005 General Obligation Refunding Bonds. The 2015A Series Bonds are payable in varying amounts beginning December 15, 2015 until December 15, 2021. Interest is due semi-annually at rates of 2.00 to 4.00 percent. The bonds are not subject to optional redemption prior to maturity. The 2015A bond issue is scheduled to be paid from the General Debt Service Fund.

Revenue Bonds Payable

All of the City's Revenue Bonds are payable from the Water and Sewer Fund. Revenue bond obligations outstanding at December 31, 2015 are summarized as follows:

	Series	Interest Rates	Dated	Principal
Revenue Bond	2010	2.00 - 5.00%	11/17/2010	\$ 4,605,000
Revenue Bond	2011	4.00%	12/20/2011	9,120,000
Revenue Bond	2012	2.00 - 5.00%	2/7/2012	4,485,000
Revenue Bond	2014A	2.00 - 3.00%	10/21/2014	3,620,000
Revenue Bond	2014B	2.00 - 3.00%	10/7/2014	6,065,000
				\$ 27,895,000

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

12. Long-Term Debt

2006 Series Bonds

The City issued \$6,290,000 of Waterworks and Sewerage Revenue Refunding Bonds dated December 1, 2006 to be used to advance refund \$5,920,000 of outstanding 2002A Series Bonds. Final payment on the bonds was made January 1, 2015.

2010 Series Bonds

The City issued \$8,860,000 of Waterworks and Sewerage Revenue Refunding Bonds dated November 17, 2010 to be used to advance refund \$8,835,000 of outstanding 2002A Series Bonds. The bonds are payable in varying annual installments from January 1, 2011 through January 1, 2019. The interest rates on the bonds vary from 2.00 to 5.00 percent.

2011 Series Bonds

The City issued \$9,120,000 of Waterworks and Sewerage Revenue Refunding Bonds dated December 20, 2011 to be used to advance refund \$9,550,000 of outstanding 2003 Series Bonds. The bonds are payable in varying annual installments from January 1, 2017 through January 1, 2019. The interest rate on the bonds is 4.00 percent.

2012 Series Bonds

The City issued \$13,160,000 of Waterworks and Sewerage Revenue Refunding Bonds dated February 7, 2012 to be used to advance refund \$450,000 of outstanding Water and Sewerage Revenue Bond Series 2003 and \$12,900,000 of outstanding Water and Sewerage Revenue Bond Series 2004. The bonds are payable in varying annual installments from January 1, 2014 through January 1, 2017. The interest rates on the bonds range from 2.00 percent to 5.00 percent.

2014A Series Bonds

The 2014A Series Bonds are Waterworks and Sewerage Revenue Bonds with an issue date of October 21, 2014 for \$3,620,000, issued to finance certain capital improvements to the Waterworks and Sewerage System of the City. The 2014A Series Bonds are payable in varying amounts beginning January 1, 2016 until January 1, 2024. Interest is due semi-annually at rates ranging from 2.00 percent to 3.00 percent. The bonds are not subject to optional redemption prior to maturity.

2014B Series Bonds

The 2014B Series Bonds are Waterworks and Sewerage Revenue Refunding Bonds with an issue date of October 7, 2014 for \$6,100,000, issued to advance refund \$6,095,000 of then outstanding Waterworks and Sewerage Revenue Refunding Bonds. The 2014B Series Bonds are payable in varying amounts beginning January 1, 2015 until January 1, 2022. Interest is due semi-annually at rates ranging from 2.00 percent to 3.00 percent. The bonds are not subject to optional redemption prior to maturity.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

12. Long-Term Debt

Loans Payable - Illinois EPA

All of the City's Illinois Environmental Protection Agency (IEPA) Loans are payable from the Water and Sewer Fund. Loan obligations outstanding at December 31, 2015 are summarized as follows:

<u>Loan Number</u>	<u>Interest Rate</u>	<u>Principal Owed at Year End</u>	<u>Phase</u>
L17-4445	1.250%	\$ 1,293,862	Repayment
L17-3148	1.250%	11,208,696	Repayment
L17-4705	1.995%	17,618,639	Drawdown
L17-4750	1.995%	4,169,649	Drawdown
L17-5070	1.995%	7,332,883	Drawdown
		<u>\$ 41,623,729</u>	

IEPA Loan - L17-4445, issued in the amount of \$1,501,841 to provide funds to improve the public water supply. The loan is dated August 9, 2012, and is due in semi-annual installments of \$43,512, which includes interest of 1.25 percent. The final payment is due April 9, 2032.

IEPA Loan - L17-3148, issued in the amount of \$12,340,922 to provide funds to improve the public water supply. The loan is dated November 7, 2013 and is due in semi-annual installments of \$357,547, which includes interest of 1.25 percent. The final payment is due June 7, 2033.

IEPA Loan - L17-4705, issued to provide funds to improve the wastewater system. The loan is dated September 30, 2014. The loan is anticipated to total \$24,946,296 to be repaid by the City over a twenty year period with interest at 1.995 percent. The City had drawn a total of \$17,618,639 through December 31, 2015. The final loan amount and repayment schedule were not available at the time of this report.

IEPA Loan - L17-4750, issued to provide funds to for the U.S. Route 6 sanitary sewer improvements project. The loan is dated September 30, 2014. The loan is anticipated to total \$7,344,582 to be repaid by the City over a twenty year period with interest at 1.995 percent. The City had drawn a total of \$4,169,649 through December 31, 2015. The final loan amount and repayment schedule were not available at the time of this report.

IEPA Loan - L17-5070, issued to provide funds to improve the East-side Wastewater Treatment Plant. The loan is dated September 30, 2014. The loan is anticipated to total \$12,411,409 to be repaid by the City over a twenty year period with interest at 1.995 percent. The City had drawn a total of \$7,332,883 through December 31, 2015. The final loan amount and repayment schedule were not available at the time of this report.

Annual debt service payments required to service the outstanding IEPA Loans with determined payment schedules (L17-4445 and L17-3148) at December 31, 2015 are as follows:

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

12. Long-Term Debt

Business-Type Activities:

IEPA Loans:

Years Ending December 31,	Interest	Principal	Total
2016	\$ 154,264	\$ 647,855	\$ 802,119
2017	146,141	655,978	802,119
2018	137,915	664,204	802,119
2019	129,586	672,533	802,119
2020	121,153	680,966	802,119
2021-2025	475,526	3,535,068	4,010,594
2026-2030	248,261	3,762,332	4,010,593
2031-2033	34,651	1,883,622	1,918,273
	<u>\$ 1,447,497</u>	<u>\$ 12,502,558</u>	<u>\$ 13,950,055</u>

Deferred Amount on Refunding

The City has reported a deferred amount on refunding of debt related to the debt defeasances of \$423,645 as deferred outflows of resources in the business-type activities in the Statement of Net Position.

Current Year Advance Refunding of Debt

On June 23, 2015 the City issued \$6,775,000 of General Obligation Refunding Bonds, Series 2015A, with a bond premium of \$267,221 to advance refund \$6,885,000 of General Obligation Refunding Bonds, Series 2005. The net proceeds of \$6,925,701 after payment of \$116,520 in underwriting fees and other issuance costs were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the above-mentioned portion of the Series 2005 bonds. As a result, the refunded portion of those bonds is considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

The City's advance refunding of the 2005 Series bonds decreased its total debt service payments over the next seven years by \$431,866 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$399,439. All of the outstanding defeased 2005 bonds were called on December 15, 2015.

13. Conduit Debt Obligations

On June 1, 1997, the City issued Economic Development Revenue Bond (Route 66 Project), Series 1997 in the amount of \$4,000,000 to Route 66 Raceway to provide for improvements to infrastructure around the facility. These bonds are special limited liability obligations of the City, payable solely and only from the revenues and receipts derived from the Construction Agreement and Tax Deferred Obligation. The bonds do not constitute a debt or pledge of the faith and credit of the City, and accordingly have not been reported in the accompanying financial statements. At December 31, 2015, the Economic Development Revenue Bond (Route 66 Project), Series 1997 outstanding balance was \$586,592; this represents the total conduit debt outstanding at December 31, 2015.

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

14. Inter-Entity Transactions

The City's expenses for the year ended December 31, 2015 include a total of \$274,992 paid to the Joliet Area Historical Museum and \$600,000 paid to Will County Metropolitan Exposition and Auditorium Authority (Component Units) as annual support payments. The City also paid \$312,087 to the Plainfield Library District for the benefit of the Joliet Library (Component Unit) to pay for the duplicate library real estate taxes that would have resulted from the City annexing property formerly included in the Plainfield Library District. The City received \$660,790 from the Joliet Public Library during the year for reimbursement of Library employee pension costs.

15. Significant Water and Sewer Fund Customers

Revenue from water and sewer service charges and annual water and sewer usage in cubic feet from the ten largest users for the year ended December 31, 2015 are as follows:

	Combined Water and Sewer Usage Cubic Feet	Total Water and Sewer Revenues
Village of Shorewood	51,305,700	\$ 1,671,544
P Q Corporation	35,858,700	1,709,128
Ecolab, Inc.	28,046,500	1,088,948
Village of Rockdale	14,658,500	718,090
Joliet Housing Authority	7,958,300	551,641
St Joseph Medical Center	7,627,400	525,070
Village of Channahon	6,623,200	258,920
Will County Government	4,868,700	350,097
East Joliet Sanitary District	3,654,400	111,836
Lockport Township Water Department	3,638,100	119,099
Total Ten Largest System Users	164,239,500	\$ 7,104,373
Total System Users	1,074,837,611	\$ 42,228,786
Ten Largest as a Percentage of Total System Users	15.28%	16.82%

CITY OF JOLIET, ILLINOIS

Notes to Basic Financial Statements
December 31, 2015

16. Fund Balances

Details of the City's fund balances by individual major fund and nonmajor funds in the aggregate are as follows:

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Evergreen Terrace II Fund	Motor Fuel Tax Fund		
Fund Balances:					
<i>Nonspendable for:</i>					
Inventory	\$ -	\$ -	\$ -	\$ 60,500	\$ 60,500
<i>Restricted for:</i>					
Road Projects	-	-	10,744,819	4,091,507	14,836,326
Multi-Modal Transportation Center	-	-	-	1,013,465	1,013,465
Police Purposes	-	-	-	1,610,495	1,610,495
Tax Increment Financing Projects	-	-	-	676,265	676,265
Debt Service	-	-	-	503,580	503,580
Community Development Projects	-	-	-	70,579	70,579
Total Restricted	<u>-</u>	<u>-</u>	<u>10,744,819</u>	<u>7,965,891</u>	<u>18,710,710</u>
<i>Assigned to:</i>					
Budgetary Shortfall	6,389,053	-	-	-	6,389,053
Evergreen Terrace Deficit	2,822,608	-	-	-	2,822,608
Road Projects	-	-	-	62,621	62,621
Tax Increment Financing Projects	-	-	-	18,247	18,247
Capital Projects	-	-	-	1,602,769	1,602,769
Total Assigned	<u>9,211,661</u>	<u>-</u>	<u>-</u>	<u>1,683,637</u>	<u>10,895,298</u>
<i>Unassigned</i>	<u>47,388,659</u>	<u>(2,822,608)</u>	<u>-</u>	<u>-</u>	<u>44,566,051</u>
Total Fund Balances	<u>\$ 56,600,320</u>	<u>(\$ 2,822,608)</u>	<u>\$ 10,744,819</u>	<u>\$ 9,710,028</u>	<u>\$ 74,232,559</u>

As of December 31, 2015, the Evergreen Terrace II Fund had deficit fund balance of \$2,822,608. The deficit is anticipated to be reduced through future transfers from the General Fund.

17. Net Position/Fund Balance Adjustment

Beginning of the year net position for Governmental Activities, Water and Sewer Fund, Parking Fund and the Library (discretely presented component unit) were reduced by \$311,317,654, \$14,227,970, \$851,472, and \$4,586,409, respectively, to account for the adjustment to record the net pension liability related to pensions as of January 1, 2015. Additionally, the Foreign Fire Tax Fund was reported with a beginning fund balance of \$341,234.

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Required Supplementary Information

CITY OF JOLIET, ILLINOIS

Required Supplementary Information

Schedules of Changes in the Net Pension Liability (Asset) and Related Ratios
Illinois Municipal Retirement Fund
Last Two Calendar Years

	Regular Plan	
	2015	2014
Total Pension Liability		
Service Cost	\$ 3,462,247	\$ 3,752,266
Interest	16,879,641	15,727,556
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	3,010,012	284,326
Changes of Assumptions	305,128	7,693,624
Benefit Payments, Including Refunds of Plan Member Contributions	(11,682,532)	(10,884,098)
Net Change in Total Pension Liability	<u>11,974,496</u>	<u>16,573,674</u>
Total Pension Liability - Beginning	<u>230,682,503</u>	<u>214,108,829</u>
Total Pension Liability - Ending (A)	<u>\$ 242,656,999</u>	<u>\$ 230,682,503</u>
 Plan Fiduciary Net Position		
Contributions from Employer	\$ 6,296,473	\$ 5,854,220
Contributions from Plan Members	1,554,476	1,474,346
Pension Plan Net Investment Income	889,033	10,499,423
Benefit Payments, Including Refunds of Plan Member Contributions	(11,682,532)	(10,884,098)
Other Changes	<u>5,820,479</u>	<u>(1,120,954)</u>
Net Change in Plan Fiduciary Net Position	<u>2,877,929</u>	<u>5,822,937</u>
Plan Fiduciary Net Position - Beginning	<u>179,722,397</u>	<u>173,899,460</u>
Plan Fiduciary Net Position - Ending (B)	<u>\$ 182,600,326</u>	<u>\$ 179,722,397</u>
 Net Pension Liability(Asset) - Ending (A) - (B)	<u>\$ 60,056,673</u>	<u>\$ 50,960,106</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 75.25%	 77.91%
 Covered-Employee Payroll	 33,256,589	 30,754,363
 Net Pension Liability as a Percentage of Covered-Employee Payroll	 180.59%	 165.70%

Notes to Schedule:

The information is based on actuarial valuation reports from the Illinois Municipal Retirement Fund.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Sheriff's Law Enforcement Personnel (SLEP)		Elected County Official (ECO)	
2015	2014	2015	2014
\$ -	\$ -	\$ -	\$ -
9,462	9,182	11,441	11,001
-	-	-	-
(26,605)	(9,709)	(22,294)	(11,143)
-	4,254	-	6,003
-	-	-	-
(17,143)	3,727	(10,853)	5,861
126,156	122,429	152,547	146,686
<u>\$ 109,013</u>	<u>\$ 126,156</u>	<u>\$ 141,694</u>	<u>\$ 152,547</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
605	7,468	727	8,948
-	-	-	-
(12,575)	(8,896)	(4,471)	(10,173)
(11,970)	(1,428)	(3,744)	(1,225)
121,001	122,429	145,461	146,686
<u>\$ 109,031</u>	<u>\$ 121,001</u>	<u>\$ 141,717</u>	<u>\$ 145,461</u>
<u>(\$ 18)</u>	<u>\$ 5,155</u>	<u>(\$ 23)</u>	<u>\$ 7,086</u>
100.02%	95.91%	100.02%	95.35%
-	-	-	-
N/A	N/A	N/A	N/A

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CITY OF JOLIET, ILLINOIS

Required Supplementary Information Schedules of Changes in the Net Pension Liability and Related Ratios Police and Firefighters' Pension Plans Last Two Calendar Years

	Police Pension		Firefighters' Pension	
	2015	2014	2015	2014
Total Pension Liability				
Service Cost	\$ 8,669,493	\$ 8,494,903	\$ 7,425,956	\$ 7,331,123
Interest	22,362,935	21,353,658	16,604,938	16,055,080
Differences Between Expected and Actual Experience	(3,044,027)	-	(5,803,238)	-
Benefit Payments, Including Refunds of Plan Member Contributions	(12,167,696)	(11,424,994)	(9,726,302)	(9,343,434)
Net Change in Total Pension Liability	15,820,705	18,423,567	8,501,354	14,042,769
Total Pension Liability - Beginning	331,661,780	313,238,213	249,160,114	235,117,345
Total Pension Liability - Ending (A)	<u>\$ 347,482,485</u>	<u>\$ 331,661,780</u>	<u>\$ 257,661,468</u>	<u>\$ 249,160,114</u>
Plan Fiduciary Net Position				
Contributions from Employer	\$ 13,884,298	\$ 13,610,557	\$ 12,021,687	\$ 12,098,687
Contributions from Plan Members	3,160,099	3,216,045	2,215,794	2,067,693
Pension Plan Net Investment Income	(1,307,614)	7,182,303	(1,051,514)	4,515,726
Other Contributions	4,863	20,039	725	-
Benefit Payments, Including Refunds of Plan Member Contributions	(12,167,696)	(11,424,994)	(9,726,302)	(9,343,434)
Pension Plan Administrative Expense	(79,676)	(97,033)	(77,628)	(80,858)
Net Change in Plan Fiduciary Net Position	3,494,274	12,506,917	3,382,762	9,257,814
Plan Fiduciary Net Position - Beginning	171,648,776	159,141,859	114,830,316	105,572,502
Plan Fiduciary Net Position - Ending (B)	<u>\$ 175,143,050</u>	<u>\$ 171,648,776</u>	<u>\$ 118,213,078</u>	<u>\$ 114,830,316</u>
Net Pension Liability - Ending (A) - (B)	<u>\$ 172,339,435</u>	<u>\$ 160,013,004</u>	<u>\$ 139,448,390</u>	<u>\$ 134,329,798</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.40%	51.75%	45.88%	46.09%
Covered-Employee Payroll	28,477,526	26,103,068	23,496,032	21,699,631
Net Pension Liability as a Percentage of Covered-Employee Payroll	605.18%	613.00%	593.50%	619.04%

Notes to Schedule:

The information is based on actuarial valuation reports from Gabriel, Roeder, Smith & Company.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF JOLIET, ILLINOIS

Required Supplementary Information
Schedules of Employer Contributions
Illinois Municipal Retirement Fund
Last Two Calendar Years

Regular Plan

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2015	\$ 5,853,160	\$ 6,296,473	(\$ 443,313)	\$ 33,256,589	18.93%
2014	5,421,994	5,854,220	(432,226)	30,754,363	19.04%

Sheriff's Law Enforcement Personnel (SLEP)

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2015	\$ -	\$ -	\$ -	\$ -	N/A
2014	-	-	-	-	N/A

Elected County Official (ECO)

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2015	\$ -	\$ -	\$ -	\$ -	N/A
2014	-	-	-	-	N/A

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate**

Valuation Date:

Notes 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 2015 Contribution Rates:

Actuarial Cost Method: Aggregate Entry Age Normal.

Amortization Method: Level Percentage of Payroll, Closed

Remaining Amortization Period: 28-year closed period.

Asset Valuation Method: 5-Year smoothed market; 20% corridor.

Wage Growth: 4.00%.

Price Inflation: 3.00% - approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 4.40% to 16.00% including inflation

Investment Rate of Return: 7.50%.

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008 - 2010.

Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF JOLIET, ILLINOIS

Required Supplementary Information Schedules of Employer Contributions Police and Firefighters' Pension Plans Last Two Calendar Years

Police Pension Plan

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 14,374,516	\$ 13,884,298	\$ 490,218	\$ 28,477,526	48.76%
2014	13,802,050	13,610,557	191,493	26,103,068	52.14%

Firefighters' Pension Plan

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 12,174,544	\$ 12,021,687	\$ 152,857	\$ 23,496,032	51.16%
2014	11,949,709	12,098,687	(148,978)	21,699,631	55.76%

Notes to Schedule:

The Police and Firefighters' Pension Plans both use the follow actuarial assumptions.

Valuation Date: January 1, 2015.
Actuarially determined contribution rates are calculated as of January 1, which is 24 months prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method: Entry Age Normal.

Amortization Method: 29-year closed level percentage of pay amortization (from January 1, 2015).

Remaining Amortization Period: 29 Years.

Asset Valuation Method: 4 year smoothed market.

Inflation: 3.00%.

Salary Increases: Salary increase rates based on service-related productivity and merit rates plus inflation.

Postretirement Benefit Increases: 3.00% compounded, for Tier 1 employees, and the lesser of 3.00% or one-half of the annual increase in the CPI, simple, for Tier 2 employees.

Investment Rate of Return: 6.75% as of the January 1, 2014, valuation.

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition.

Mortality: 1994 Group Annuity Mortality Table. 110 percent of the 1994 Group Annuity Mortality Table is used for post-disablement mortality.

Other Information: There were no benefit changes during the year.

The information is based on actuarial valuation reports from Gabriel, Roeder, Smith & Company

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF JOLIET, ILLINOIS

Required Supplementary Information Schedules of Investment Returns Police and Firefighters' Pension Plans Last Two Calendar Years

Annual Money-Weighted Rate of Return, Net of Investment Expense:

<u>Calendar Year</u>	<u>Police Pension Plan</u>	<u>Firefighters' Pension Plan</u>
2015	-0.75%	-0.88%
2014	4.88%	4.21%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF JOLIET, ILLINOIS

Required Supplementary Information

December 31, 2015

Schedule of Funding Progress Retiree Healthcare and Life Insurance Benefit Programs

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2014	\$ -	\$235,051,164	\$235,051,164	0.00%	\$ 70,978,328	331.16%
1/1/2012	-	214,713,030	214,713,030	0.00%	70,369,756	305.12%
1/1/2010	-	205,086,432	205,086,432	0.00%	71,889,093	285.28%
1/1/2009	-	180,752,000	180,752,000	0.00%	71,298,274	253.52%
1/1/2008	-	167,485,137	167,485,137	0.00%	68,556,033	244.30%
1/1/2007	-	201,403,182	201,403,182	0.00%	61,364,217	328.21%

The City funds the benefits on a pay-as-you-go basis, therefore, there are no plan assets at year-end. According to GASB 45, an actuarial valuation should be performed at a minimum frequency of every two years for a plan the size of the City's.

CITY OF JOLIET, ILLINOIS

Required Supplementary Information
General Fund

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue				
Local Taxes:				
Property Taxes	\$ 32,900,000	\$ 32,500,000	\$ 33,113,597	\$ 613,597
Home Rule Sales Tax	23,800,000	24,456,672	24,639,810	183,138
Telecommunications Tax	4,863,000	3,835,000	3,769,282	(65,718)
Natural Gas Tax	869,000	870,000	938,195	68,195
Natural Gas Third Party Tax	430,900	470,000	443,282	(26,718)
Electricity Tax	3,150,000	2,935,000	2,837,506	(97,494)
Hotel/Motel Tax	2,359,200	2,000,000	2,501,173	501,173
Real Estate Transfer Tax	1,244,500	1,650,000	1,783,740	133,740
Titled/Registration Tax	125,500	150,000	156,631	6,631
Automobile Rental Tax	28,000	36,000	40,741	4,741
Food and Beverage Tax	2,704,600	2,900,000	2,897,237	(2,763)
Gasoline Privilege Tax	450,000	545,000	518,222	(26,778)
Amusement Tax	120,000	100,000	106,038	6,038
Less Rebates	-	-	(106,033)	(106,033)
Amusement Tax, Net	120,000	100,000	5	(99,995)
Telephone Franchise Tax	120,000	82,000	81,885	(115)
Cable Franchise Tax	1,600,000	1,875,000	1,872,008	(2,992)
Payments in Lieu of Taxes	71,700	82,792	82,792	-
State Shared Revenues:				
State Sales Tax	20,196,000	21,224,652	21,504,528	279,876
Less Rebates	(650,000)	(650,000)	(797,396)	(147,396)
State Sales Tax, Net	19,546,000	20,574,652	20,707,132	132,480
Income Taxes	14,125,000	14,900,000	15,941,799	1,041,799
Replacement Taxes	2,550,000	2,696,000	2,378,607	(317,393)
Out of State Use Tax	2,364,400	2,600,000	3,255,751	655,751
Pari-Mutuel Tax	121,700	120,000	101,465	(18,535)
Gaming Wagering Tax	16,243,000	15,890,000	15,566,534	(323,466)
Gaming Admissions Tax	2,828,000	2,520,000	2,634,383	114,383
Video Gaming Tax	180,000	490,000	524,921	34,921
Federal Grants	-	140,759	209,265	68,506
State Grants	-	122,778	21,077	(101,701)
State Reimbursements	135,000	31,400	102,266	70,866
Charges for Services	7,906,450	7,579,405	8,809,756	1,230,351
Municipal Waste Fees	12,258,000	12,401,598	12,294,929	(106,669)
Licenses	447,925	448,000	521,030	73,030
Permits	963,250	1,550,000	2,010,202	460,202
Rentals	382,000	382,000	367,545	(14,455)
Fees	245,000	305,740	352,914	47,174
Fines	1,154,900	1,530,500	1,466,370	(64,130)

(Continued)

CITY OF JOLIET, ILLINOIS

Required Supplementary Information
General Fund

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Interest Earnings	\$ 50,000	\$ 12,242	\$ 7,540	(\$ 4,702)
Miscellaneous	1,906,700	2,114,735	1,305,756	(808,979)
 Total Revenue	 <u>158,243,725</u>	 <u>160,897,273</u>	 <u>164,255,348</u>	 <u>3,358,075</u>
Expenditures				
Personnel Services	79,770,392	78,556,550	77,448,038	1,108,512
Personnel Benefits	56,444,142	56,032,476	53,285,862	2,746,614
Other Employee Costs	717,306	341,601	271,594	70,007
Professional Services	3,875,464	3,340,985	3,106,524	234,461
Property Services	16,090,053	16,809,863	16,376,758	433,105
Other Services	1,371,775	1,277,114	1,297,660	(20,546)
Supplies	7,824,725	7,977,742	7,888,468	89,274
Other Expenditures	3,089,091	3,474,014	3,083,708	390,306
 Total Expenditures	 <u>169,182,948</u>	 <u>167,810,345</u>	 <u>162,758,612</u>	 <u>5,051,733</u>
 Revenue Over (Under) Expenditures	 (10,939,223)	 (6,913,072)	 1,496,736	 8,409,808
 Other Financing Sources (Uses)				
Sale of Capital Assets	-	1,000	2,000	1,000
Transfers In	4,725,000	4,725,000	4,963,079	238,079
Transfers Out	(2,450,000)	(2,649,175)	(2,450,000)	199,175
 Total Other Financing Sources (Uses)	 <u>2,275,000</u>	 <u>2,076,825</u>	 <u>2,515,079</u>	 <u>438,254</u>
 Net Change in Fund Balance	 <u>(\$ 8,664,223)</u>	 <u>(\$ 4,836,247)</u>	 4,011,815	 <u>\$ 8,848,062</u>
 Fund Balance, Beginning of Year			 <u>52,588,505</u>	
 Fund Balance, End of Year			 <u>\$ 56,600,320</u>	

CITY OF JOLIET, ILLINOIS

Required Supplementary Information
 Evergreen Terrace II Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue				
Miscellaneous Revenue	\$ -	\$ 61,728	\$ 61,728	\$ -
Total Revenue	<u>-</u>	<u>61,728</u>	<u>61,728</u>	<u>-</u>
Expenditures				
General Government				
Professional Services	700,000	600,000	500,147	99,853
Property and Projects	<u>-</u>	<u>15,093,413</u>	<u>-</u>	<u>15,093,413</u>
Total Expenditures	<u>700,000</u>	<u>15,693,413</u>	<u>500,147</u>	<u>15,193,266</u>
Net Change in Fund Balance	<u>(\$ 700,000)</u>	<u>(\$ 15,631,685)</u>	<u>(438,419)</u>	<u>\$ 15,193,266</u>
Fund Balance (Deficit), Beginning of Year			<u>(2,384,189)</u>	
Fund Balance (Deficit), End of Year			<u>(\$ 2,822,608)</u>	

CITY OF JOLIET, ILLINOIS

Required Supplementary Information Motor Fuel Tax Fund

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
Revenue				
State Shared Revenue Allotments	\$ 3,700,000	\$ 3,700,000	\$ 4,135,435	\$ 435,435
Federal Grants	-	126,855	126,855	-
Interest	10,000	14,851	16,687	1,836
Miscellaneous Revenue	-	-	7,351	7,351
	<u>3,710,000</u>	<u>3,841,706</u>	<u>4,286,328</u>	<u>444,622</u>
Expenditures				
Public Works				
Professional Services	-	-	35 (	35)
Property Services	-	-	208,795 (	208,795)
Property and Projects	<u>14,677,559</u>	<u>7,235,218</u>	<u>6,977,651</u>	<u>257,567</u>
	<u>14,677,559</u>	<u>7,235,218</u>	<u>7,186,481</u>	<u>48,737</u>
Net Change in Fund Balance	<u>(\$ 10,967,559)</u>	<u>(\$ 3,393,512)</u>	<u>(2,900,153)</u>	<u>\$ 493,359</u>
Fund Balance, Beginning of Year			<u>13,644,972</u>	
Fund Balance, End of Year			<u>\$ 10,744,819</u>	

CITY OF JOLIET, ILLINOIS

Notes to Required Supplementary Information
December 31, 2015

Basis of Accounting

The City prepared the budget for the general fund and the major special revenue funds on the modified accrual basis of accounting. Certain budgeted amounts were amended during the fiscal year.

Fund Deficit

As of December 31, 2015, the Evergreen Terrace II Fund had deficit fund balance of \$2,822,608. The deficit is anticipated to be reduced through future transfers from the General Fund.

Other Supplementary Information

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Mayor and Council Department				
Mayor's Office				
Personnel Services	\$ 91,235	\$ 91,682	\$ 92,019	(\$ 337)
Personnel Benefits	-	17,000	17,444	(444)
Other Employee Costs	1,525	20,696	20,266	430
Other Services	2,500	2,000	1,636	364
Supplies	1,800	1,800	1,035	765
Other Expenditures	750	750	447	303
Total	<u>97,810</u>	<u>133,928</u>	<u>132,847</u>	<u>1,081</u>
City Council				
Personnel Services	152,500	152,000	151,460	540
Personnel Benefits	-	20,900	19,675	1,225
Other Employee Costs	-	35	435	(400)
Other Services	5,200	10,500	8,916	1,584
Supplies	-	685	685	-
Total	<u>157,700</u>	<u>184,120</u>	<u>181,171</u>	<u>2,949</u>
Liquor Commission				
Personnel Services	50,500	51,110	54,347	(3,237)
Personnel Benefits	-	6,200	5,928	272
Other Employee Costs	300	300	-	300
Professional Services	1,350	1,350	-	1,350
Property Services	-	-	1,062	(1,062)
Other Services	1,000	1,144	1,260	(116)
Supplies	200	400	346	54
Total	<u>53,350</u>	<u>60,504</u>	<u>62,943</u>	<u>(2,439)</u>
Total Mayor and Council Department	<u>308,860</u>	<u>378,552</u>	<u>376,961</u>	<u>1,591</u>
Department of the City Manager				
City Manager's Office				
Personnel Services	258,900	314,783	316,872	(2,089)
Personnel Benefits	-	57,600	58,087	(487)
Other Employee Costs	19,340	13,600	14,718	(1,118)
Professional Services	75,000	140,000	138,228	1,772
Property Services	-	1,000	995	5
Other Services	38,600	62,150	92,656	(30,506)
Supplies	1,000	5,890	18,286	(12,396)
Other Expenditures	65,000	130,000	131,775	(1,775)
Total Department of the City Manager	<u>457,840</u>	<u>725,023</u>	<u>771,617</u>	<u>(46,594)</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Department of the City Clerk				
City Clerk				
Personnel Services	\$ 321,300	\$ 321,000	\$ 326,603	(\$ 5,603)
Personnel Benefits	-	69,064	71,210	(2,146)
Other Employee Costs	6,700	500	330	170
Professional Services	55,100	45,000	39,454	5,546
Property Services	18,000	19,545	17,435	2,110
Other Services	8,700	9,478	9,384	94
Supplies	26,500	21,500	25,805	(4,305)
Total	<u>436,300</u>	<u>486,087</u>	<u>490,221</u>	<u>(4,134)</u>
Front Desk				
Personnel Services	102,260	80,160	80,626	(466)
Personnel Benefits	-	-	286	(286)
Other Employee Costs	5,500	250	-	250
Professional Services	99,500	15,000	-	15,000
Other Services	35,100	2,500	-	2,500
Supplies	8,700	2,500	-	2,500
Other Expenditures	115,000	-	-	-
Total	<u>366,060</u>	<u>100,410</u>	<u>80,912</u>	<u>19,498</u>
Total Department of the City Clerk	<u>802,360</u>	<u>586,497</u>	<u>571,133</u>	<u>15,364</u>
Department of Administrative Services				
Human Resources				
Personnel Services	1,706,800	1,298,000	1,281,565	16,435
Personnel Benefits	24,153,750	24,228,448	21,707,161	2,521,287
Other Employee Costs	6,200	5,070	2,203	2,867
Professional Services	225,000	240,000	215,271	24,729
Property Services	1,500	300	2,643	(2,343)
Other Services	513,900	510,160	480,376	29,784
Supplies	850	2,050	3,537	(1,487)
Total	<u>26,608,000</u>	<u>26,284,028</u>	<u>23,692,756</u>	<u>2,591,272</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Buildings and Grounds				
Personnel Services	\$ 681,000	\$ 681,000	\$ 649,216	\$ 31,784
Personnel Benefits	-	119,856	115,236	4,620
Other Employee Costs	50	30	30	-
Professional Services	193,000	88,000	46,783	41,217
Property Services	260,000	381,000	278,575	102,425
Other Services	900	1,150	953	197
Supplies	90,500	95,500	81,577	13,923
Other Expenditures	-	65,900	65,155	745
Total	<u>1,225,450</u>	<u>1,432,436</u>	<u>1,237,525</u>	<u>194,911</u>
Fleet Services				
Personnel Services	2,243,363	2,009,800	1,991,612	18,188
Personnel Benefits	-	353,725	349,148	4,577
Other Employee Costs	19,450	19,400	15,696	3,704
Professional Services	1,500	10,000	5,584	4,416
Property Services	1,415,500	1,505,000	1,520,115	(15,115)
Other Services	109,500	11,127	8,540	2,587
Supplies	2,051,900	2,126,900	1,993,472	133,428
Total	<u>5,841,213</u>	<u>6,035,952</u>	<u>5,884,167</u>	<u>151,785</u>
Total Department of Administrative Services	<u>33,674,663</u>	<u>33,752,416</u>	<u>30,814,448</u>	<u>2,937,968</u>
Department of Community and Economic Development Administration				
Personnel Services	207,400	207,000	207,303	(303)
Personnel Benefits	-	36,326	36,527	(201)
Other Employee Costs	21,000	21,305	1,778	19,527
Professional Services	10,000	47,841	53,460	(5,619)
Other Services	2,200	2,200	2,196	4
Supplies	-	9	9	-
Other Expenditures	1,471,200	1,350,700	1,204,642	146,058
Total	<u>1,711,800</u>	<u>1,665,381</u>	<u>1,505,915</u>	<u>159,466</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Planning				
Personnel Services	\$ 348,500	\$ 348,500	\$ 363,167	(\$ 14,667)
Personnel Benefits	-	64,250	63,981	269
Other Employee Costs	9,600	9,600	2,873	6,727
Professional Services	70,000	70,000	63,219	6,781
Property Services	-	-	1,850	(1,850)
Other Services	14,800	15,054	8,864	6,190
Supplies	2,050	2,050	1,183	867
Other Expenditures	6,200	3,091	6,194	(3,103)
Total	<u>451,150</u>	<u>512,545</u>	<u>511,331</u>	<u>1,214</u>
Neighborhood Services				
Personnel Services	1,063,507	1,277,135	1,091,592	185,543
Personnel Benefits	-	126,000	205,596	(79,596)
Other Employee Costs	4,775	4,775	3,114	1,661
Professional Services	149,000	149,000	169,069	(20,069)
Property Services	159,525	159,000	117,700	41,300
Other Services	30,000	36,529	20,898	15,631
Supplies	13,355	12,961	2,710	10,251
Total	<u>1,420,162</u>	<u>1,765,400</u>	<u>1,610,679</u>	<u>154,721</u>
Inspections				
Personnel Services	726,787	724,927	656,047	68,880
Personnel Benefits	-	129,129	121,972	7,157
Other Employee Costs	3,000	2,912	1,496	1,416
Professional Services	14,200	14,200	22,384	(8,184)
Other Services	8,000	15,935	8,205	7,730
Supplies	2,700	2,000	1,567	433
Total	<u>754,687</u>	<u>889,103</u>	<u>811,671</u>	<u>77,432</u>
Total Department of Community and Economic Development	<u>4,337,799</u>	<u>4,832,429</u>	<u>4,439,596</u>	<u>392,833</u>
Department of Finance				
Administration				
Personnel Services	237,600	192,679	191,815	864
Personnel Benefits	2,099,200	787,084	478,287	308,797
Other Employee Costs	41,260	1,600	940	660
Professional Services	280,800	120,000	108,838	11,162
Other Services	850	2,020	1,487	533
Supplies	700	400	164	236
Other Expenditures	394,600	308,300	306,870	1,430
Total	<u>3,055,010</u>	<u>1,412,083</u>	<u>1,088,401</u>	<u>323,682</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Customer Service				
Personnel Services	\$ 110,700	\$ 75,600	\$ 71,441	\$ 4,159
Other Employee Costs	1,350	700	-	700
Professional Services	4,500	4,100	5,048	(948)
Property Services	-	660	658	2
Other Services	4,200	2,880	2,731	149
Supplies	4,500	4,000	3,449	551
Total	<u>125,250</u>	<u>87,940</u>	<u>83,327</u>	<u>4,613</u>
Accounting				
Personnel Services	301,300	284,300	288,549	(4,249)
Personnel Benefits	-	50,000	50,842	(842)
Other Employee Costs	1,970	3,200	3,336	(136)
Professional Services	250,200	90,000	83,424	6,576
Property Services	-	325,000	344,884	(19,884)
Other Services	6,000	4,950	10,791	(5,841)
Supplies	2,000	6,600	6,458	142
Total	<u>561,470</u>	<u>764,050</u>	<u>788,284</u>	<u>(24,234)</u>
Purchasing				
Personnel Services	234,300	236,100	237,569	(1,469)
Personnel Benefits	-	43,100	41,859	1,241
Other Employee Costs	1,530	1,560	744	816
Professional Services	550	550	495	55
Property Services	3,400	3,780	2,057	1,723
Other Services	4,250	2,250	861	1,389
Supplies	1,000	1,000	845	155
Total	<u>245,030</u>	<u>288,340</u>	<u>284,430</u>	<u>3,910</u>
Total Department of Finance	<u>3,986,760</u>	<u>2,552,413</u>	<u>2,244,442</u>	<u>307,971</u>
Technology Department				
Administration				
Personnel Services	446,500	450,800	451,890	(1,090)
Personnel Benefits	-	81,000	80,542	458
Other Employee Costs	20,000	20,000	8,885	11,115
Professional Services	1,456,200	1,077,322	992,478	84,844
Property Services	-	2,500	2,427	73
Other Services	278,650	225,752	314,135	(88,383)
Supplies	12,800	29,800	44,025	(14,225)
Other Expenditures	75,000	75,000	-	75,000
Total	<u>2,289,150</u>	<u>1,962,174</u>	<u>1,894,382</u>	<u>67,792</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund Detailed Schedule of Expenditures - Budget and Actual For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Applications				
Professional Services	\$ -	\$ 46,737	\$ 43,608	\$ 3,129
Total	<u>-</u>	<u>46,737</u>	<u>43,608</u>	<u>3,129</u>
Infrastructure				
Professional Services	-	332,142	365,512	(33,370)
Other Services	-	56,898	37,664	19,234
Total	<u>-</u>	<u>389,040</u>	<u>403,176</u>	<u>(14,136)</u>
Total Technology Department	<u>2,289,150</u>	<u>2,397,951</u>	<u>2,341,166</u>	<u>56,785</u>
Legal Department				
Personnel Services	592,852	593,174	582,683	10,491
Personnel Benefits	-	104,000	114,523	(10,523)
Other Employee Costs	7,725	5,125	2,896	2,229
Professional Services	182,000	182,000	207,134	(25,134)
Property Services	1,000	-	-	-
Other Services	4,375	5,268	4,988	280
Supplies	35,600	25,750	41,982	(16,232)
Other Expenditures	<u>900,000</u>	<u>1,350,000</u>	<u>1,367,431</u>	<u>(17,431)</u>
Total Legal Department	<u>1,723,552</u>	<u>2,265,317</u>	<u>2,321,637</u>	<u>(56,320)</u>
Police Department				
Police Pension				
Personnel Benefits	<u>13,172,400</u>	<u>13,172,400</u>	<u>13,884,298</u>	<u>(711,898)</u>
Total	<u>13,172,400</u>	<u>13,172,400</u>	<u>13,884,298</u>	<u>(711,898)</u>
Administration/Operations				
Personnel Services	36,971,763	35,880,000	36,328,492	(448,492)
Personnel Benefits	2,398,806	2,330,100	1,640,556	689,544
Other Employee Costs	342,151	153,183	141,143	12,040
Professional Services	262,324	262,505	185,410	77,095
Property Services	363,729	326,229	276,024	50,205
Other Services	161,850	112,684	135,805	(23,121)
Supplies	244,210	436,709	408,470	28,239
Other Expenditures	<u>53,841</u>	<u>3,500</u>	<u>289</u>	<u>3,211</u>
Total	<u>40,798,674</u>	<u>39,504,910</u>	<u>39,116,189</u>	<u>388,721</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
School Crossing Guards				
Personnel Services	\$ 450,000	\$ 255,488	\$ 250,725	\$ 4,763
Personnel Benefits	43,000	20,000	19,137	863
Total	<u>493,000</u>	<u>275,488</u>	<u>269,862</u>	<u>5,626</u>
 Total Police Department	 <u>54,464,074</u>	 <u>52,952,798</u>	 <u>53,270,349</u>	 <u>(317,551)</u>
 Fire Department				
Fire Pension				
Personnel Benefits	11,752,100	11,752,100	12,021,687	(269,587)
Total	<u>11,752,100</u>	<u>11,752,100</u>	<u>12,021,687</u>	<u>(269,587)</u>
 Administration				
Personnel Services	25,420,235	25,536,323	25,238,633	297,690
Personnel Benefits	627,180	643,930	432,818	211,112
Other Employee Costs	164,500	29,938	27,360	2,578
Professional Services	250,000	9,000	7,931	1,069
Property Services	143,000	133,600	136,918	(3,318)
Other Services	84,000	83,600	47,577	36,023
Supplies	268,100	341,882	341,937	(55)
Other Expenditures	1,500	180,773	805	179,968
Total	<u>26,958,515</u>	<u>26,959,046</u>	<u>26,233,979</u>	<u>725,067</u>
 Operations				
Personnel Services	67,000	67,000	-	67,000
Other Employee Costs	4,000	-	-	-
Professional Services	57,000	57,000	78,786	(21,786)
Property Services	-	-	7,470	(7,470)
Other Services	-	40,000	39,761	239
Supplies	7,750	7,000	12,893	(5,893)
Total	<u>135,750</u>	<u>171,000</u>	<u>138,910</u>	<u>32,090</u>
 Emergency Management				
Personnel Services	27,000	181,730	180,805	925
Personnel Benefits	8,760	10,750	8,945	1,805
Other Employee Costs	2,950	1,149	951	198
Property Services	16,500	15,000	14,360	640
Other Services	6,500	7,623	7,407	216
Supplies	4,200	1,500	1,300	200
Other Expenditures	-	-	100	(100)
Total	<u>65,910</u>	<u>217,752</u>	<u>213,868</u>	<u>3,884</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Paramedic Services				
Other Employee Costs	\$ 12,000	\$ 2,700	\$ 1,511	\$ 1,189
Professional Services	17,600	14,000	26,205	(12,205)
Property Services	23,000	263,000	246,928	16,072
Total	<u>52,600</u>	<u>279,700</u>	<u>274,644</u>	<u>5,056</u>
Total Fire Department	<u>38,964,875</u>	<u>39,379,598</u>	<u>38,883,088</u>	<u>496,510</u>
Public Works Department				
Public Works				
Property Services	-	-	52,459	(52,459)
Total	<u>-</u>	<u>-</u>	<u>52,459</u>	<u>(52,459)</u>
Administration				
Personnel Services	259,072	300,400	313,016	(12,616)
Personnel Benefits	2,144,746	694,980	653,449	41,531
Other Employee Costs	1,300	950	528	422
Professional Services	200	200	-	200
Other Services	700	1,080	1,026	54
Supplies	400	400	68	332
Total	<u>2,406,418</u>	<u>998,010</u>	<u>968,087</u>	<u>29,923</u>
Engineering and Construction				
Personnel Services	1,336,766	1,341,766	1,055,533	286,233
Personnel Benefits	-	172,429	178,406	(5,977)
Other Employee Costs	5,500	3,000	2,160	840
Professional Services	159,500	263,900	213,918	49,982
Property Services	202,700	157,000	135,096	21,904
Other Services	15,400	14,900	13,709	1,191
Supplies	72,200	69,500	63,041	6,459
Other Expenditures	6,000	6,000	-	6,000
Total	<u>1,798,066</u>	<u>2,028,495</u>	<u>1,661,863</u>	<u>366,632</u>
Electrical				
Personnel Services	348,152	533,100	541,561	(8,461)
Personnel Benefits	-	94,482	96,596	(2,114)
Other Employee Costs	4,900	4,173	3,573	600
Professional Services	28,000	28,000	20,758	7,242
Property Services	1,500	1,500	702	798
Other Services	5,000	5,500	5,467	33
Supplies	3,571,500	3,571,178	3,692,224	(121,046)
Total	<u>3,959,052</u>	<u>4,237,933</u>	<u>4,360,881</u>	<u>(122,948)</u>

(Continued)

CITY OF JOLIET, ILLINOIS

General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Roadways				
Personnel Services	\$ 4,846,000	\$ 4,882,000	\$ 4,263,395	\$ 618,605
Personnel Benefits	-	793,172	754,465	38,707
Other Employee Costs	8,700	15,850	14,628	1,222
Professional Services	32,940	33,138	13,527	19,611
Property Services	13,320,399	13,502,202	13,199,706	302,496
Other Services	23,000	25,300	24,431	869
Supplies	1,339,400	1,168,800	1,096,084	72,716
Total	<u>19,570,439</u>	<u>20,420,462</u>	<u>19,366,236</u>	<u>1,054,226</u>
Bicentennial Park				
Personnel Services	167,100	188,993	189,502 (	509)
Personnel Benefits	44,200	54,451	57,201 (	2,750)
Other Employee Costs	30	-	-	-
Property Services	160,300	13,547	16,694 (	3,147)
Other Services	6,600	6,482	5,936	546
Supplies	60,810	38,978	45,316 (	6,338)
Total	<u>439,040</u>	<u>302,451</u>	<u>314,649</u> (	<u>12,198)</u>
Total Public Works Department	<u>28,173,015</u>	<u>27,987,351</u>	<u>26,724,175</u>	<u>1,263,176</u>
Total General Fund	<u>\$ 169,182,948</u>	<u>\$ 167,810,345</u>	<u>\$ 162,758,612</u>	<u>\$ 5,051,733</u>

NONMAJOR SPECIAL REVENUE FUNDS

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Block Grant Fund - Accounts for revenue and expenditures of the Community Development Block Grant Programs.

Grants and Special Revenue Fund – Accounts for revenue and expenditures related to the Grants and Special Accounts Fund created to record grant activities.

Special Revenue Revolving Fund – Accounts for revenue and expenditures related to the collection of fines, fees, and forfeitures to be used for public safety purposes.

Foreign Fire Tax Fund – Accounts for a state shared tax on out-of-state insurance companies to be used for fire department purposes.

Special Service Area Fund – Accounts for revenue and expenditures related to Special Area property tax levies.

Business District Tax Allocation Fund – Accounts for revenue and expenditures related to the business district tax created for the Illinois Route 53 and Laraway Road Business District.

Tax Incremental Financing Fund #2 – Accounts for revenue and expenditures related to the Tax Incremental Financing District created for the Downtown Development Program.

Tax Incremental Financing Fund #3 – Accounts for revenue and expenditures related to the Tax Incremental Financing District created for the Cass Street Redevelopment Program.

NONMAJOR DEBT SERVICE FUND

This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on general long-term debt.

General Debt Service Fund - Accounts for the payment of principal and interest on general obligation bonds.

NONMAJOR CAPITAL PROJECTS FUNDS

These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Capital Improvement Fund - Accounts for expenditures of funds transferred in from the General Fund, and Special Revenue Funds for various capital improvement projects.

Neighborhood Improvement Fund - Accounts for expenditures of funds transferred in from the General Fund, and the Waterworks And Sewerage Fund for various neighborhood street improvements.

Performance Bonds Fund - Accounts for expenditures for monies received from taxpayers for their portion of property improvement expenditures.

CITY OF JOLIET, ILLINOIS

All Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2015

	Special Revenue Funds					
	Block Grant Fund	Grants and Special Revenue Fund	Special Revenue Revolving Fund	Foreign Fire Tax Fund	Special Service Area Fund	
ASSETS						
Cash	\$ 10,922	\$ -	\$ 1,207,138	\$ 406,385	\$ 180,843	\$ 29,937
Escrow Deposits	-	-	-	-	-	-
Investments	-	2,701,542	-	-	-	24,750
Receivables						
Property Taxes, Net of Allowance for Uncollectible Amounts	-	-	-	-	493,968	-
Intergovernmental	-	7,723	-	-	-	29,408
Accrued Interest	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	28,003	-
Inventory	-	60,500	-	-	-	-
Internal Receivables	-	6,077	-	-	-	-
Total Assets	<u>\$ 10,922</u>	<u>\$ 2,775,842</u>	<u>\$ 1,207,138</u>	<u>\$ 406,385</u>	<u>\$ 702,814</u>	<u>\$ 84,095</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Vouchers Payable	\$ 2,446	\$ 943,839	\$ 3,028	\$ -	\$ 750	\$ 13,681
Customer Deposits and Credits	-	711,500	-	-	-	-
Unearned Revenue	-	46,538	-	-	24,443	-
Internal Payables	-	-	-	-	-	-
Total Liabilities	<u>2,446</u>	<u>1,701,877</u>	<u>3,028</u>	<u>-</u>	<u>25,193</u>	<u>13,681</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Taxes	-	-	-	-	493,968	-
Deferred Other Income	-	-	-	-	-	8,311
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>493,968</u>	<u>8,311</u>
FUND BALANCES						
Nonspendable	-	60,500	-	-	-	-
Restricted	8,476	1,013,465	1,204,110	406,385	183,550	62,103
Assigned	-	-	-	-	103	-
Total Fund Balances	<u>8,476</u>	<u>1,073,965</u>	<u>1,204,110</u>	<u>406,385</u>	<u>183,653</u>	<u>62,103</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 10,922</u>	<u>\$ 2,775,842</u>	<u>\$ 1,207,138</u>	<u>\$ 406,385</u>	<u>\$ 702,814</u>	<u>\$ 84,095</u>

Tax Incremental Financing Fund #2	Tax Incremental Financing Fund #3	Total Special Revenue Funds	Debt Service Fund	Capital Projects Funds			Total Capital Projects Funds	Total
			General Debt Service Fund	Capital Improvement Fund	Neighbor- hood Improvement Fund	Performance Bonds Fund		
\$ 447,231	\$ 46,222	\$ 2,328,678	\$ 34,800	\$ -	\$ -	\$ -	\$ -	\$ 2,363,478
-	-	-	511,950	-	-	-	-	511,950
201,059	-	2,927,351	-	1,771,377	-	3,988,458	5,759,835	8,687,186
591,000	68,950	1,153,918	1,627,516	-	-	-	-	2,781,434
-	-	37,131	-	-	-	-	-	37,131
-	-	-	-	10,916	-	-	10,916	10,916
-	-	28,003	-	-	-	-	-	28,003
-	-	60,500	-	-	-	-	-	60,500
-	-	6,077	-	-	-	-	-	6,077
<u>\$ 1,239,290</u>	<u>\$ 115,172</u>	<u>\$ 6,541,658</u>	<u>\$ 2,174,266</u>	<u>\$ 1,782,293</u>	<u>\$ -</u>	<u>\$ 3,988,458</u>	<u>\$ 5,770,751</u>	<u>\$ 14,486,675</u>
\$ -	\$ -	\$ 963,744	\$ -	\$ 29,524	\$ -	\$ -	\$ 29,524	\$ 993,268
-	-	711,500	-	150,000	-	17,983	167,983	879,483
-	-	70,981	-	-	-	-	-	70,981
-	-	-	43,170	-	-	-	-	43,170
-	-	1,746,225	43,170	179,524	-	17,983	197,507	1,986,902
591,000	68,950	1,153,918	1,627,516	-	-	-	-	2,781,434
-	-	8,311	-	-	-	-	-	8,311
591,000	68,950	1,162,229	1,627,516	-	-	-	-	2,789,745
-	-	60,500	-	-	-	-	-	60,500
630,043	46,222	3,554,354	503,580	-	-	3,907,957	3,907,957	7,965,891
18,247	-	18,350	-	1,602,769	-	62,518	1,665,287	1,683,637
648,290	46,222	3,633,204	503,580	1,602,769	-	3,970,475	5,573,244	9,710,028
<u>\$ 1,239,290</u>	<u>\$ 115,172</u>	<u>\$ 6,541,658</u>	<u>\$ 2,174,266</u>	<u>\$ 1,782,293</u>	<u>\$ -</u>	<u>\$ 3,988,458</u>	<u>\$ 5,770,751</u>	<u>\$ 14,486,675</u>

CITY OF JOLIET, ILLINOIS

All Nonmajor Governmental Funds
Combining Statement of Revenue, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2015

	Special Revenue Funds					
	Block Grant Fund	Grants and Special Revenue Fund	Special Revenue Revolving Fund	Foreign Fire Tax Fund	Special Service Area Fund	
Revenue						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 381,520	\$ -
Intergovernmental State Shared Revenue Federal, State and Private	-	-	-	179,773	-	37,514
Grants and Allotments	47,183	7,558,857	-	-	-	-
Interest Earnings	-	5,376	293	339	-	17
Rentals and Fees	495	-	77,868	-	-	-
Fines and Forfeitures	-	-	284,491	-	-	-
Special Assessments	-	-	-	-	29,505	-
Other	275	-	13,668	-	831	-
Total Revenue	47,953	7,564,233	376,320	180,112	411,856	37,531
Expenditures						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	362,984	144,569	114,961	-	-
Public Works	-	-	-	-	-	-
Community Development	50,977	541,596	-	-	477,737	-
Capital Outlay	-	4,569,062	53,150	-	3,137	-
Debt Service - Principal	-	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-	-
Total Expenditures	50,977	5,473,642	197,719	114,961	480,874	-
Revenue Over (Under) Expenditures	(3,024)	2,090,591	178,601	65,151	(69,018)	37,531
Other Financing Sources (Uses)						
Issuance of Refunding Bonds	-	-	-	-	-	-
Premium on Refunding Bonds	-	-	-	-	-	-
Transfer to Debt Escrow Agent	-	-	-	-	-	-
Transfers In	-	-	1,025,509	-	-	-
Transfers Out	-	(2,103,299)	-	-	-	-
Total Other Financing Sources (Uses)	-	(2,103,299)	1,025,509	-	-	-
Net Change in Fund Balance	(3,024)	(12,708)	1,204,110	65,151	(69,018)	37,531
Fund Balances (Deficit), Beginning of Year	11,500	1,086,673	-	341,234	252,671	24,572
Fund Balances, End of Year	\$ 8,476	\$ 1,073,965	\$ 1,204,110	\$ 406,385	\$ 183,653	\$ 62,103

Tax Incremental Financing Fund #2	Tax Incremental Financing Fund #3	Total Special Revenue Funds	Debt Service Fund		Capital Projects Funds			Total
			General Debt Service Fund	Capital Improvement Fund	Neighbor- hood Improvement Fund	Performance Bonds Fund	Total Capital Projects Funds	
\$ 176,553	\$ 19,976	\$ 578,049	\$ 1,722,587	\$ -	\$ -	\$ -	\$ -	\$ 2,300,636
-	-	217,287	-	-	-	-	-	217,287
-	-	7,606,040	-	-	-	-	-	7,606,040
83	-	6,108	-	19,304	-	1,629	20,933	27,041
-	-	78,363	-	-	-	-	-	78,363
-	-	284,491	-	-	-	-	-	284,491
-	-	29,505	-	-	-	-	-	29,505
-	-	14,774	-	-	-	99,869	99,869	114,643
<u>176,636</u>	<u>19,976</u>	<u>8,814,617</u>	<u>1,722,587</u>	<u>19,304</u>	<u>-</u>	<u>101,498</u>	<u>120,802</u>	<u>10,658,006</u>
-	-	-	116,520	-	-	-	-	116,520
-	-	622,514	-	-	-	-	-	622,514
-	-	-	-	-	-	249,739	249,739	249,739
5,463	1,235	1,077,008	-	-	-	-	-	1,077,008
78,782	-	4,704,131	-	5,420,698	-	83,430	5,504,128	10,208,259
-	-	-	910,000	-	-	-	-	910,000
-	-	-	301,569	-	-	-	-	301,569
<u>84,245</u>	<u>1,235</u>	<u>6,403,653</u>	<u>1,328,089</u>	<u>5,420,698</u>	<u>-</u>	<u>333,169</u>	<u>5,753,867</u>	<u>13,485,609</u>
92,391	18,741	2,410,964	394,498	(5,401,394)	-	(231,671)	(5,633,065)	(2,827,603)
-	-	-	6,775,000	-	-	-	-	6,775,000
-	-	-	267,221	-	-	-	-	267,221
-	-	-	(6,925,701)	-	-	-	-	(6,925,701)
-	-	1,025,509	-	2,649,175	-	-	2,649,175	3,674,684
-	-	(2,103,299)	-	-	(199,175)	-	(199,175)	(2,302,474)
-	-	(1,077,790)	116,520	2,649,175	(199,175)	-	2,450,000	1,488,730
92,391	18,741	1,333,174	511,018	(2,752,219)	(199,175)	(231,671)	(3,183,065)	(1,338,873)
<u>555,899</u>	<u>27,481</u>	<u>2,300,030</u>	<u>(7,438)</u>	<u>4,354,988</u>	<u>199,175</u>	<u>4,202,146</u>	<u>8,756,309</u>	<u>11,048,901</u>
<u>\$ 648,290</u>	<u>\$ 46,222</u>	<u>\$ 3,633,204</u>	<u>\$ 503,580</u>	<u>\$ 1,602,769</u>	<u>\$ -</u>	<u>\$ 3,970,475</u>	<u>\$ 5,573,244</u>	<u>\$ 9,710,028</u>

CITY OF JOLIET, ILLINOIS

Block Grant Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
Revenue				
Federal Grants	\$ 1,315,818	\$ 62,230	\$ 47,183	(\$ 15,047)
Fees	-	500	495	(5)
Miscellaneous Revenue	-	150	275	125
Total Revenue	1,315,818	62,880	47,953	(14,927)
Expenditures				
Community Development				
Other Employee Costs	2,700	500	1,501	(1,001)
Professional Services	2,093,684	60,000	45,824	14,176
Property Services	1,000	-	-	-
Other Services	-	80	3,652	(3,572)
Property and Projects	-	2,300	-	2,300
Total Expenditures	2,097,384	62,880	50,977	11,903
Net Change in Fund Balance	(\$ 781,566)	\$ -	(3,024)	(\$ 3,024)
Fund Balance, Beginning of Year			11,500	
Fund Balance, End of Year			\$ 8,476	

CITY OF JOLIET, ILLINOIS

Grants and Special Revenue Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
Revenue				
Federal Grants	\$ -	\$ 3,349,032	\$ 3,489,949	\$ 140,917
State Grants	10,000,000	3,010,736	4,068,908	1,058,172
Interest	4,000	3,000	5,376	2,376
	10,004,000	6,362,768	7,564,233	1,201,465
Expenditures				
Public Safety				
Other Employee Costs	-	2,158	1,079	1,079
Professional Services	-	1,406	-	1,406
Property Services	-	4,262	2,131	2,131
Supplies	-	403,190	358,234	44,956
Other Expenditures	-	3,080	1,540	1,540
Public Works				
Property and Projects	-	1,255,410	733,015	522,395
Community Development				
Other Employee Costs	-	-	45 (	45)
Professional Services	-	42,226	199,842 (	157,616)
Property Services	-	660	330	330
Other Services	-	6,390	7,416 (	1,026)
Supplies	-	6,098	19,858 (	13,760)
Other Expenditures	-	217,178	314,105 (	96,927)
Property and Projects	10,000,000	3,763,496	3,836,047 (	72,551)
	10,000,000	5,705,554	5,473,642	231,912
Revenue Over Expenditures	4,000	657,214	2,090,591	1,433,377
Other Financing (Uses)				
Transfers Out	-	-	(2,103,299)	(2,103,299)
Total Other Financing (Uses)	-	-	(2,103,299)	(2,103,299)
Net Change in Fund Balance	\$ 4,000	\$ 657,214	(12,708)	(\$ 669,922)
Fund Balance, Beginning of Year			1,086,673	
Fund Balance, End of Year			\$ 1,073,965	

CITY OF JOLIET, ILLINOIS

Special Revenue Revolving Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue				
Fees	\$ -	\$ -	\$ 77,868	\$ 77,868
Forfeitures	-	111,871	228,470	116,599
Fines	-	75,932	56,021	(19,911)
Interest	-	-	293	293
Miscellaneous Revenue	-	2,693	13,668	10,975
Total Revenue	<u>-</u>	<u>190,496</u>	<u>376,320</u>	<u>185,824</u>
Expenditures				
Public Safety				
Other Employee Costs	-	23,458	15,844	7,614
Professional Services	-	15,904	29,371	(13,467)
Property Services	-	-	10,500	(10,500)
Other Services	-	12,106	9,197	2,909
Supplies	-	28,664	55,290	(26,626)
Other Expenditures	-	18,734	24,367	(5,633)
Property and Projects	-	-	53,150	(53,150)
Total Expenditures	<u>-</u>	<u>98,866</u>	<u>197,719</u>	<u>(98,853)</u>
Revenue Over Expenditures	-	91,630	178,601	86,971
Other Financing Sources				
Transfers In	-	-	1,025,509	1,025,509
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>1,025,509</u>	<u>1,025,509</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 91,630</u>	1,204,110	<u>\$ 1,112,480</u>
Fund Balance, Beginning of Year			<u>-</u>	
Fund Balance, End of Year			<u>\$ 1,204,110</u>	

CITY OF JOLIET, ILLINOIS

Foreign Fire Tax Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue				
State Shared Revenue	\$ 300,000	\$ -	\$ 179,773	\$ 179,773
Interest	-	-	339	339
Total Revenue	<u>300,000</u>	<u>-</u>	<u>180,112</u>	<u>180,112</u>
Expenditures				
Public Safety				
Professional Services	-	-	1,796	(1,796)
Property Services	-	-	2,512	(2,512)
Supplies	<u>300,000</u>	<u>-</u>	<u>110,653</u>	<u>(110,653)</u>
Total Expenditures	<u>300,000</u>	<u>-</u>	<u>114,961</u>	<u>(114,961)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	65,151	<u>\$ 65,151</u>
Fund Balance, Beginning of Year			<u>341,234</u>	
Fund Balance, End of Year			<u>\$ 406,385</u>	

CITY OF JOLIET, ILLINOIS

Special Service Area Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
Revenue				
Property Taxes	\$ 461,390	\$ 432,436	\$ 431,625	(\$ 811)
Less Rebates	-	-	(50,105)	(50,105)
Property Taxes, Net	461,390	432,436	381,520	(50,916)
Special Assessments	-	-	29,505	29,505
Miscellaneous Revenue	-	-	831	831
Total Revenue	461,390	432,436	411,856	(20,580)
Expenditures				
Community Development				
Professional Services	-	9,180	9,507	(327)
Property Services	-	7,400	8,150	(750)
Supplies	-	5,847	-	5,847
Other Expenditures	459,850	510,185	460,080	50,105
Property and Projects	-	12,921	3,137	9,784
Total Expenditures	459,850	545,533	480,874	64,659
Net Change in Fund Balance	\$ 1,540	(\$ 113,097)	(69,018)	\$ 44,079
Fund Balance, Beginning of Year			252,671	
Fund Balance, End of Year			\$ 183,653	

CITY OF JOLIET, ILLINOIS

Business District Tax Allocation Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
Revenue				
State Shared Revenue	\$ -	\$ 53,000	\$ 118,401	\$ 65,401
Less Rebates	-	(53,005)	(80,887)	(27,882)
State Shared Revenue, Net	-	(5)	37,514	37,519
Interest	-	5	17	12
 Total Revenue	-	-	37,531	37,531
 Expenditures				
Total Expenditures	-	-	-	-
 Net Change in Fund Balance	\$ -	\$ -	37,531	\$ 37,531
 Fund Balance, Beginning of Year			24,572	
 Fund Balance, End of Year			\$ 62,103	

CITY OF JOLIET, ILLINOIS

Tax Incremental Financing Fund #2
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
Revenue				
Property Taxes	\$ 600,000	\$ 406,000	\$ 636,149	\$ 230,149
Less Rebates	(600,000)	(350,000)	(459,596)	(109,596)
Property Taxes, Net	-	56,000	176,553	120,553
Interest	100	60	83	23
Total Revenue	100	56,060	176,636	120,576
 Expenditures				
Community Development				
Professional Services	-	6,000	5,463	537
Property and Projects	-	80,000	78,782	1,218
Total Expenditures	-	86,000	84,245	1,755
Net Change in Fund Balance	\$ 100	(\$ 29,940)	92,391	\$ 122,331
Fund Balance, Beginning of Year			555,899	
Fund Balance, End of Year			\$ 648,290	

CITY OF JOLIET, ILLINOIS

Tax Incremental Financing Fund #3
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue				
Property Taxes	\$ 63,400	\$ 36,831	\$ 75,550	\$ 38,719
Less Rebates	(63,400)	(36,831)	(55,574)	(18,743)
Property Taxes, Net	<u>-</u>	<u>-</u>	<u>19,976</u>	<u>19,976</u>
 Total Revenue	 <u>-</u>	 <u>-</u>	 <u>19,976</u>	 <u>19,976</u>
 Expenditures				
Community Development				
Professional Services	<u>-</u>	<u>-</u>	<u>1,235</u>	<u>(1,235)</u>
 Total Expenditures	 <u>-</u>	 <u>-</u>	 <u>1,235</u>	 <u>(1,235)</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 <u>\$ -</u>	 18,741	 <u>\$ 18,741</u>
 Fund Balance, Beginning of Year			 <u>27,481</u>	
 Fund Balance, End of Year			 <u>\$ 46,222</u>	

CITY OF JOLIET, ILLINOIS

General Debt Service Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
Revenue				
Property Taxes	\$ 1,165,256	\$ 1,731,871	\$ 1,722,587	(\$ 9,284)
Total Revenue	1,165,256	1,731,871	1,722,587	(9,284)
Expenditures				
General Government				
Debt Issuance Costs	-	-	116,520	(116,520)
Debt Principal	860,000	1,375,000	910,000	465,000
Debt Interest	305,256	348,517	301,569	46,948
Total Expenditures	1,165,256	1,723,517	1,328,089	395,428
Revenue Over Expenditures	-	8,354	394,498	386,144
Other Financing Sources (Uses)				
Issuance of Refunding Bonds	-	-	6,775,000	6,775,000
Bond Premium	-	-	267,221	267,221
Transfer to Escrow Agent	-	-	(6,925,701)	(6,925,701)
Total Other Financing Sources (Uses)	-	-	116,520	116,520
Net Change in Fund Balance	\$ -	\$ 8,354	511,018	\$ 502,664
Fund Balance (Deficit), Beginning of Year			(7,438)	
Fund Balance, End of Year			\$ 503,580	

CITY OF JOLIET, ILLINOIS

Capital Improvement Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue				
Interest	\$ 3,000	\$ 500	\$ 19,304	\$ 18,804
Miscellaneous Revenue	<u>98,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue	<u>101,000</u>	<u>500</u>	<u>19,304</u>	<u>18,804</u>
Expenditures				
General Government				
Property and Projects	2,035,150	2,412,508	1,998,097	414,411
Public Safety				
Property and Projects	880,400	1,442,319	1,447,557	(5,238)
Public Works				
Property and Projects	1,636,000	821,068	1,911,512	(1,090,444)
Community Development				
Property and Projects	<u>-</u>	<u>-</u>	<u>63,532</u>	<u>(63,532)</u>
Total Expenditures	<u>4,551,550</u>	<u>4,675,895</u>	<u>5,420,698</u>	<u>(744,803)</u>
Revenue (Under) Expenditures	(4,450,550)	(4,675,395)	(5,401,394)	(725,999)
Other Financing Sources				
Transfers In	<u>2,450,000</u>	<u>2,649,175</u>	<u>2,649,175</u>	<u>-</u>
Total Other Financing Sources	<u>2,450,000</u>	<u>2,649,175</u>	<u>2,649,175</u>	<u>-</u>
Net Change in Fund Balance	<u>(\$ 2,000,550)</u>	<u>(\$ 2,026,220)</u>	<u>(2,752,219)</u>	<u>(\$ 725,999)</u>
Fund Balance, Beginning of Year			<u>4,354,988</u>	
Fund Balance, End of Year			<u>\$ 1,602,769</u>	

CITY OF JOLIET, ILLINOIS

Performance Bonds Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue				
Interest	\$ -	\$ 500	\$ 1,629	\$ 1,129
Miscellaneous Revenue	<u>1,000,000</u>	<u>100,000</u>	<u>99,869</u>	<u>(131)</u>
Total Revenue	<u>1,000,000</u>	<u>100,500</u>	<u>101,498</u>	<u>998</u>
Expenditures				
Public Works				
Other Expenditures	-	-	249,739	(249,739)
Property and Projects	<u>5,000,000</u>	<u>1,000,000</u>	<u>83,430</u>	<u>916,570</u>
Total Expenditures	<u>5,000,000</u>	<u>1,000,000</u>	<u>333,169</u>	<u>666,831</u>
Net Change in Fund Balance	<u>(\$ 4,000,000)</u>	<u>(\$ 899,500)</u>	<u>(231,671)</u>	<u>\$ 667,829</u>
Fund Balance, Beginning of Year			<u>4,202,146</u>	
Fund Balance, End of Year			<u>\$ 3,970,475</u>	

TRUST AND AGENCY FUNDS

These funds are used to accumulate resources for the payment of retirement benefits.

Joliet Police Pension Fund and Joliet Firefighters' Pension Fund - Account for property tax revenue and contributions from participants used to fund the respective pension plans and payments to beneficiaries in accordance with the Illinois Pension Code.

This fund is used to account for assets temporarily held by the City on behalf of other governmental agencies.

Agency Fund - Account for resources held for future distributions to other governmental agencies.

CITY OF JOLIET, ILLINOIS

Pension Trust Funds Combining Statement of Net Position December 31, 2015

	Joliet Police Pension Fund	Joliet Firefighters' Pension Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 15,076	\$ 1,216	\$ 16,292
Investments, at Fair Value			
U.S. Government and Agency Securities	13,386,917	24,366,131	37,753,048
U.S. Government Sponsored Agency Securities	11,413,537	5,227,726	16,641,263
State and Local Government Securities	1,332,186	795,330	2,127,516
Certificates of Deposit	1,188,340	-	1,188,340
Money Market Mutual Funds	13,357,346	14,104,167	27,461,513
Mutual Funds	111,253,556	16,462,286	127,715,842
Common Stock	-	40,835,988	40,835,988
Corporate Bonds	22,601,369	16,340,665	38,942,034
Total Investments	<u>174,533,251</u>	<u>118,132,293</u>	<u>292,665,544</u>
Accrued Interest Receivable	377,063	297,237	674,300
Internal Receivables	259,571	-	259,571
Total Assets	<u>175,184,961</u>	<u>118,430,746</u>	<u>293,615,707</u>
LIABILITIES			
Accrued Investment Expenses	41,911	77,654	119,565
Internal Payables	-	140,014	140,014
Total Liabilities	<u>41,911</u>	<u>217,668</u>	<u>259,579</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 175,143,050</u>	<u>\$ 118,213,078</u>	<u>\$ 293,356,128</u>

CITY OF JOLIET, ILLINOIS

Pension Trust Funds Combining Statement of Changes in Net Position For the Year Ended December 31, 2015

	Joliet Police Pension Fund	Joliet Firefighters' Pension Fund	Total
Additions			
Contributions			
Employer Contributions	\$ 13,884,298	\$ 12,021,687	\$ 25,905,985
Plan Member Contributions	3,160,099	2,215,794	5,375,893
Total Contributions	<u>17,044,397</u>	<u>14,237,481</u>	<u>31,281,878</u>
Investment Income			
Net Increase (Decrease) in Fair Value of Investments	(8,424,847)	(3,494,305)	(11,919,152)
Interest and Dividends	7,356,122	3,072,494	10,428,616
Less Investment Expenses	(1,068,725)	(421,811)	(1,490,536)
Net Investment Income	<u>(1,307,614)</u>	<u>(1,051,514)</u>	<u>(2,359,128)</u>
Miscellaneous Income	4,863	725	5,588
Total Additions	<u>15,741,646</u>	<u>13,186,692</u>	<u>28,928,338</u>
Deductions			
Benefit Payments (Including Refunds of Plan Member Contributions)	12,167,696	9,726,302	21,893,998
Administrative and Other Expenses	79,676	77,628	157,304
Total Deductions	<u>12,247,372</u>	<u>9,803,930</u>	<u>22,051,302</u>
Net Increase In Net Position	3,494,274	3,382,762	6,877,036
Net Position Restricted for Pensions			
Beginning of Year	<u>171,648,776</u>	<u>114,830,316</u>	<u>286,479,092</u>
End of Year	<u>\$ 175,143,050</u>	<u>\$ 118,213,078</u>	<u>\$ 293,356,128</u>

CITY OF JOLIET, ILLINOIS

Schedule of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2015

	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
Assets				
Cash and Cash Equivalents	\$ 227,305	\$ 100,292	\$ 131,506	\$ 196,091
Total Assets	<u>\$ 227,305</u>	<u>\$ 100,292</u>	<u>\$ 131,506</u>	<u>\$ 196,091</u>
Liabilities				
Due to Other Governments	\$ 227,305	\$ 100,292	\$ 131,506	\$ 196,091
Total Liabilities	<u>\$ 227,305</u>	<u>\$ 100,292</u>	<u>\$ 131,506</u>	<u>\$ 196,091</u>

Other Schedules

CITY OF JOLIET, ILLINOIS

General Obligation Bonds
 Schedule of Debt Service Requirements
 December 31, 2015

Due in Fiscal Year	Series 2014C		Series 2014D		Series 2015A	
	Interest	Principal	Interest	Principal	Interest	Principal
2016	\$ 43,350	\$ -	\$ 45,900	\$ 465,000	\$ 187,700	\$ 905,000
2017	43,350	-	35,313	475,000	169,600	925,000
2018	43,350	-	23,313	485,000	141,850	960,000
2019	43,350	-	9,750	500,000	113,050	995,000
2020	36,750	440,000	1,125	75,000	83,200	1,020,000
2021	22,200	530,000	-	-	42,400	1,060,000
2022	7,125	475,000	-	-	-	-
	<u>\$ 239,475</u>	<u>\$ 1,445,000</u>	<u>\$ 115,401</u>	<u>\$ 2,000,000</u>	<u>\$ 737,800</u>	<u>\$ 5,865,000</u>

Total G. O. Bonds		
Interest	Principal	Total
\$ 276,950	\$ 1,370,000	\$ 1,646,950
248,263	1,400,000	1,648,263
208,513	1,445,000	1,653,513
166,150	1,495,000	1,661,150
121,075	1,535,000	1,656,075
64,600	1,590,000	1,654,600
<u>7,125</u>	<u>475,000</u>	<u>482,125</u>
<u>\$ 1,092,676</u>	<u>\$ 9,310,000</u>	<u>\$ 10,402,676</u>

CITY OF JOLIET, ILLINOIS

Water and Sewer Fund Revenue Bonds
 Schedule of Debt Service Requirements
 December 31, 2015

<u>Due in Fiscal Year</u>	<u>Series 2010</u>		<u>Series 2011</u>		<u>Series 2012</u>	
	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>
2016	\$ 196,100	\$ 920,000	\$ 364,800	\$ -	\$ 110,300	\$ 4,120,000
2017	148,225	1,310,000	294,000	3,540,000	3,650	365,000
2018	81,625	1,485,000	141,400	4,090,000	-	-
2019	22,250	890,000	29,800	1,490,000	-	-
2020	-	-	-	-	-	-
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-
2024	-	-	-	-	-	-
	<u>\$ 448,200</u>	<u>\$ 4,605,000</u>	<u>\$ 830,000</u>	<u>\$ 9,120,000</u>	<u>\$ 113,950</u>	<u>\$ 4,485,000</u>

<u>Series 2014A</u>		<u>Series 2014B</u>		<u>Total</u>		<u>Total</u>
<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	
\$ 94,400	\$ 625,000	\$ 168,350	\$ 70,000	\$ 933,950	\$ 5,735,000	\$ 6,668,950
88,150	-	167,650	-	701,675	5,215,000	5,916,675
88,150	-	167,650	-	478,825	5,575,000	6,053,825
83,900	340,000	158,400	740,000	294,350	3,460,000	3,754,350
72,825	455,000	127,900	1,700,000	200,725	2,155,000	2,355,725
62,850	210,000	80,475	1,745,000	143,325	1,955,000	2,098,325
56,700	200,000	27,150	1,810,000	83,850	2,010,000	2,093,850
37,650	1,070,000	-	-	37,650	1,070,000	1,107,650
10,800	720,000	-	-	10,800	720,000	730,800
<u>\$ 595,425</u>	<u>\$ 3,620,000</u>	<u>\$ 897,575</u>	<u>\$ 6,065,000</u>	<u>\$ 2,885,150</u>	<u>\$ 27,895,000</u>	<u>\$ 30,780,150</u>

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STATISTICAL SECTION (UNAUDITED)

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

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources, gaming tax and property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

CITY OF JOLIET, ILLINOIS

Net Position by Component Last Ten Fiscal Years

	2015	2014	2013	2012
Governmental Activities				
Net Investment in Capital Assets	\$ 378,506,323	\$ 376,649,499	\$ 377,188,517	\$ 374,635,842
Restricted	18,655,939	19,541,759	21,276,963	20,263,209
Unrestricted	(398,698,215)	(73,536,818)	(65,588,191)	(58,751,206)
 Total Governmental Activities				
Net Position	<u>(\$ 1,535,953)</u>	<u>\$ 322,654,440</u>	<u>\$ 332,877,289</u>	<u>\$ 336,147,845</u>
 Business-Type Activities				
Net Investment in Capital Assets	\$ 250,648,934	\$ 235,856,362	\$ 244,064,609	\$ 234,034,466
Restricted	5,722,109	6,079,544	8,681,359	8,019,154
Unrestricted	(6,066,613)	22,132,491	10,979,892	19,569,328
 Total Business-Type Activities				
Net Position	<u>\$ 250,304,430</u>	<u>\$ 264,068,397</u>	<u>\$ 263,725,860</u>	<u>\$ 261,622,948</u>
 Primary Government				
Net Investment in Capital Assets	\$ 629,155,257	\$ 612,505,861	\$ 621,253,126	\$ 608,670,308
Restricted	24,378,048	25,621,303	29,958,322	28,282,363
Unrestricted	(404,764,828)	(51,404,327)	(54,608,299)	(39,181,878)
 Total Primary Government				
Net Position	<u>\$ 248,768,477</u>	<u>\$ 586,722,837</u>	<u>\$ 596,603,149</u>	<u>\$ 597,770,793</u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 379,531,425	\$ 373,509,063	\$ 381,901,309	\$ 377,669,877	\$ 364,334,790	\$ 352,424,325
19,314,093	244,185	414,923	1,370,429	2,091,174	73,947
(53,366,863)	(14,349,723)	(9,890,018)	6,508,615	37,208,326	39,660,871
<u>\$ 345,478,655</u>	<u>\$ 359,403,525</u>	<u>\$ 372,426,214</u>	<u>\$ 385,548,921</u>	<u>\$ 403,634,290</u>	<u>\$ 392,159,143</u>
\$ 222,493,984	\$ 220,816,972	\$ 222,692,317	\$ 216,776,933	\$ 209,109,400	\$ 191,243,475
9,594,342	8,655,872	9,548,247	9,414,994	13,756,137	21,801,551
23,703,071	23,903,213	20,064,730	28,122,539	39,139,071	45,382,111
<u>\$ 255,791,397</u>	<u>\$ 253,376,057</u>	<u>\$ 252,305,294</u>	<u>\$ 254,314,466</u>	<u>\$ 262,004,608</u>	<u>\$ 258,427,137</u>
\$ 602,025,409	\$ 594,326,035	\$ 604,593,626	\$ 594,446,810	\$ 573,444,190	\$ 543,667,800
28,908,435	8,900,057	9,963,170	10,785,423	15,847,311	21,875,498
(29,663,792)	9,553,490	10,174,712	34,631,154	76,347,397	85,042,982
<u>\$ 601,270,052</u>	<u>\$ 612,779,582</u>	<u>\$ 624,731,508</u>	<u>\$ 639,863,387</u>	<u>\$ 665,638,898</u>	<u>\$ 650,586,280</u>

CITY OF JOLIET, ILLINOIS

Changes in Net Position Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses				
Governmental Activities:				
General Government	\$ 19,877,213	\$ 15,751,882	\$ 14,552,182	\$ 17,298,465
Public Safety	127,358,059	114,186,347	112,863,777	116,695,006
Public Works	27,987,446	36,393,134	35,550,897	27,907,922
Refuse Disposal	12,460,715	11,845,815	11,407,720	10,978,538
Culture and Recreation	447,329	1,714,220	2,166,555	2,788,463
Community Development	7,135,386	7,870,988	7,141,386	9,663,232
Interest on Long-Term Debt	374,713	468,967	514,305	561,864
Total Governmental Activities Expenses	<u>195,640,861</u>	<u>188,231,353</u>	<u>184,196,822</u>	<u>185,893,490</u>
Business-Type Activities:				
Water and Sewer	39,426,756	42,778,789	43,034,733	37,202,721
Parking Facilities	1,204,871	1,466,101	1,504,329	1,639,633
Total Business-Type Activities Expenses	<u>40,631,627</u>	<u>44,244,890</u>	<u>44,539,062</u>	<u>38,842,354</u>
Total Primary Government Expenses	<u>\$ 236,272,488</u>	<u>\$ 232,476,243</u>	<u>\$ 228,735,884</u>	<u>\$ 224,735,844</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
General Government	\$ 8,632,591	\$ 3,340,855	\$ 2,512,469	\$ 2,880,989
Public Safety	2,014,236	7,284,876	8,686,164	7,164,844
Public Works	274,524	1,382,069	1,381,998	926,339
Refuse Disposal	12,541,922	12,383,990	12,188,081	12,240,215
Culture and Recreation	13,645	153,326	146,768	476,079
Community Development	2,509,717	9,089	20,729	24,569
Operating Grants and Contributions	2,080,544	1,137,998	1,601,715	824,300
Capital Grants and Contributions	10,029,451	11,936,775	16,887,444	19,506,531
Total Governmental Activities Program Revenues	<u>38,096,630</u>	<u>37,628,978</u>	<u>43,425,368</u>	<u>44,043,866</u>
Business-Type Activities:				
Charges for Services				
Water and Sewer	44,337,491	43,332,748	44,374,858	42,480,156
Parking Facilities	1,193,106	1,302,072	1,433,678	1,405,190
Operating Grants and Contributions	184,299	98,419	820,000	-
Capital Grants and Contributions	-	-	-	757,740
Total Business-Type Activities Program Revenues	<u>45,714,896</u>	<u>44,733,239</u>	<u>46,628,536</u>	<u>44,643,086</u>
Total Primary Government Program Revenues	<u>\$ 83,811,526</u>	<u>\$ 82,362,217</u>	<u>\$ 90,053,904</u>	<u>\$ 88,686,952</u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 22,061,979	\$ 17,545,676	\$ 23,144,672	\$ 27,069,722	\$ 22,932,619	\$ 21,878,761
108,979,553	105,344,768	105,967,623	98,063,825	90,944,778	85,980,530
31,889,815	34,953,065	30,827,138	51,196,479	37,908,724	32,034,838
10,546,940	10,588,260	10,222,673	9,852,028	9,459,051	8,266,788
3,249,607	3,697,898	3,491,107	4,481,841	6,372,833	4,593,641
4,708,194	7,841,765	8,325,682	8,775,716	8,890,826	8,098,295
439,371	469,555	498,314	522,772	546,196	552,000
<u>181,875,459</u>	<u>180,440,987</u>	<u>182,477,209</u>	<u>199,962,383</u>	<u>177,055,027</u>	<u>161,404,853</u>
37,821,535	35,704,270	33,661,521	36,651,247	36,640,643	27,438,111
1,422,352	1,588,954	1,393,857	1,423,655	1,458,763	1,136,609
<u>39,243,887</u>	<u>37,293,224</u>	<u>35,055,378</u>	<u>38,074,902</u>	<u>38,099,406</u>	<u>28,574,720</u>
<u>\$ 221,119,346</u>	<u>\$ 217,734,211</u>	<u>\$ 217,532,587</u>	<u>\$ 238,037,285</u>	<u>\$ 215,154,433</u>	<u>\$ 189,979,573</u>
\$ 2,495,764	\$ 2,703,606	\$ 2,168,967	\$ 2,682,279	\$ 4,264,712	\$ 5,118,941
6,023,522	6,983,331	8,240,120	6,437,350	6,863,317	5,361,136
906,232	1,175,970	836,177	1,550,996	2,741,548	3,208,114
12,162,774	12,112,871	10,518,900	9,072,301	7,302,364	5,458,214
171,270	135,430	306,679	304,173	452,068	387,962
6,623	5,335	22,860	140,922	208,240	121,832
6,670,230	7,613,958	10,794,819	3,983,962	5,081,147	4,521,406
9,345,254	7,621,589	14,916,322	18,849,370	18,088,538	31,230,684
<u>37,781,669</u>	<u>38,352,090</u>	<u>47,804,844</u>	<u>43,021,353</u>	<u>45,001,934</u>	<u>55,408,289</u>
41,929,836	38,851,226	30,192,054	27,975,227	32,504,462	34,758,371
1,448,573	1,514,746	1,124,409	1,135,680	1,164,001	1,051,746
-	-	-	-	-	-
<u>174,674</u>	<u>157,782</u>	<u>5,005,153</u>	<u>2,504,453</u>	<u>7,377,108</u>	<u>10,831,934</u>
<u>43,553,083</u>	<u>40,523,754</u>	<u>36,321,616</u>	<u>31,615,360</u>	<u>41,045,571</u>	<u>46,642,051</u>
<u>\$ 81,334,752</u>	<u>\$ 78,875,844</u>	<u>\$ 84,126,460</u>	<u>\$ 74,636,713</u>	<u>\$ 86,047,505</u>	<u>\$ 102,050,340</u>

(Continued)

CITY OF JOLIET, ILLINOIS

Changes in Net Position Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net (Expense)/Revenue				
Governmental Activities	(\$ 157,544,231)	(\$ 150,602,375)	(\$ 140,771,454)	(\$ 141,849,624)
Business-Type Activities	5,083,269	488,349	2,089,474	5,800,732
Total Primary Government Net Expense	<u>(\$ 152,460,962)</u>	<u>(\$ 150,114,026)</u>	<u>(\$ 138,681,980)</u>	<u>(\$ 136,048,892)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes	\$ 35,032,713	\$ 35,410,013	\$ 35,125,574	\$ 34,661,294
Intergovernmental Revenues				
Gaming Taxes	18,725,838	19,193,131	19,735,099	20,827,811
State Sales Taxes	20,748,216	20,889,677	19,927,122	18,966,737
State Income Taxes	15,941,799	13,962,209	14,217,853	11,214,456
Other Intergovernmental	5,939,035	5,871,823	5,125,494	4,663,790
Home Rule Sales Taxes	24,693,377	24,225,098	23,564,369	22,095,309
Utility Taxes	9,960,388	9,045,029	8,632,678	9,109,210
Other Taxes	7,978,752	9,592,338	8,791,217	8,596,419
Interest and Investment Earnings	51,268	41,295	49,366	94,512
Other General Revenues	1,373,583	1,994,967	2,332,126	2,289,276
Transfers	3,885,289	153,946	-	-
Total Governmental Activities General Revenues and Other	<u>144,330,258</u>	<u>140,379,526</u>	<u>137,500,898</u>	<u>132,518,814</u>
Business-Type Activities:				
Interest and Investment Earnings	14,874	8,134	13,438	30,819
Other General Revenues	102,621	-	-	-
Transfers	(3,885,289)	(153,946)	-	-
Total Business-Type Activities General Revenues and Other	<u>(3,767,794)</u>	<u>(145,812)</u>	<u>13,438</u>	<u>30,819</u>
Total Primary Government General Revenues and Other	<u>\$ 140,562,464</u>	<u>\$ 140,233,714</u>	<u>\$ 137,514,336</u>	<u>\$ 132,549,633</u>
Change In Net Position				
Governmental Activities	(\$ 13,213,973)	(\$ 10,222,849)	(\$ 3,270,556)	(\$ 9,330,810)
Business-Type Activities	1,315,475	342,537	2,102,912	5,831,551
Total Primary Government	<u>(\$ 11,898,498)</u>	<u>(\$ 9,880,312)</u>	<u>(\$ 1,167,644)</u>	<u>(\$ 3,499,259)</u>
Other Changes In Net Position				
Governmental Activities:				
Adjustment to Beginning of the Year Net Position to Record Pensions and Other	<u>(\$ 310,976,420)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities				
Adjustment to Beginning of the Year Net Position to Record Pensions	<u>(\$ 15,079,442)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustment to Beginning of the Year Net Position to Reduce Liability/Deferrals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
(\$ 144,093,790)	(\$ 142,088,897)	(\$ 134,672,365)	(\$ 156,941,030)	(\$ 132,053,093)	(\$ 105,996,564)
<u>4,309,196</u>	<u>3,230,530</u>	<u>1,266,238</u>	<u>(6,459,542)</u>	<u>2,946,165</u>	<u>18,067,331</u>
<u>(\$ 139,784,594)</u>	<u>(\$ 138,858,367)</u>	<u>(\$ 133,406,127)</u>	<u>(\$ 163,400,572)</u>	<u>(\$ 129,106,928)</u>	<u>(\$ 87,929,233)</u>
\$ 36,213,525	\$ 36,128,857	\$ 31,324,337	\$ 33,781,957	\$ 29,210,224	\$ 25,955,040
21,834,751	22,975,414	23,573,344	28,335,881	36,168,333	34,864,387
20,636,612	19,979,488	19,515,274	20,914,827	20,563,871	21,070,529
13,644,198	14,155,166	10,058,532	13,786,109	13,015,939	11,703,021
4,510,534	4,102,381	3,772,932	3,947,347	3,576,222	3,318,814
15,414,536	15,125,451	14,719,562	15,750,282	16,391,645	17,018,542
7,049,102	6,907,977	6,895,665	7,138,173	7,716,126	6,400,816
5,976,160	5,448,077	6,827,936	7,615,427	9,866,765	10,111,945
97,622	182,897	693,152	2,672,413	2,334,715	2,219,941
2,865,110	1,848,337	415,103	1,082,713	683,045	608,008
<u>1,926,770</u>	<u>2,212,163</u>	<u>3,753,822</u>	<u>3,830,533</u>	<u>4,001,355</u>	<u>1,335,395</u>
<u>130,168,920</u>	<u>129,066,208</u>	<u>121,549,659</u>	<u>138,855,662</u>	<u>143,528,240</u>	<u>134,606,438</u>
32,914	52,396	478,411	1,600,997	4,632,661	4,902,468
(1,926,770)	(2,212,163)	(3,753,822)	(3,830,533)	(4,001,355)	(1,335,395)
(1,893,856)	(2,159,767)	(3,275,411)	(2,229,536)	631,306	3,567,073
<u>\$ 128,275,064</u>	<u>\$ 126,906,441</u>	<u>\$ 118,274,248</u>	<u>\$ 136,626,126</u>	<u>\$ 144,159,546</u>	<u>\$ 138,173,511</u>
(\$ 13,924,870)	(\$ 13,022,689)	(\$ 13,122,706)	(\$ 18,085,368)	\$ 11,475,147	\$ 28,609,874
<u>2,415,340</u>	<u>1,070,763</u>	<u>(2,009,173)</u>	<u>(8,689,078)</u>	<u>3,577,471</u>	<u>21,634,404</u>
<u>(\$ 11,509,530)</u>	<u>(\$ 11,951,926)</u>	<u>(\$ 15,131,879)</u>	<u>(\$ 26,774,446)</u>	<u>\$ 15,052,618</u>	<u>\$ 50,244,278</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 998,936</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF JOLIET, ILLINOIS

Fund Balances, Governmental Funds Last Ten Fiscal Years

	2015	2014	2013	2012
General Fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	9,211,661	8,677,323	1,304,614	733,274
Unassigned	47,388,659	43,911,182	47,757,166	39,994,486
 Total General Fund	 \$ 56,600,320	 \$ 52,588,505	 \$ 49,061,780	 \$ 40,727,760
 All Other Governmental Funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, Reported in:				
Special Revenue Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Nonspendable	60,500	185,000	957,500	912,101
Restricted	18,710,710	19,541,759	21,277,120	20,263,209
Assigned	1,683,637	4,633,318	5,648,767	7,631,348
Unassigned	(2,822,608)	(2,391,627)	(1,982,508)	-
 Total All Other Governmental Funds	 \$ 17,632,239	 \$ 21,968,450	 \$ 25,900,879	 \$ 28,806,658
 Total All Governmental Funds	 \$ 74,232,559	 \$ 74,556,955	 \$ 74,962,659	 \$ 69,534,418

Beginning in 2011, the City adopted the provisions of GASB Statement No. 54, which required reporting fund balances in new classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned. The City also consolidated certain special revenue funds into the General Fund. Information was not available to restate prior year amounts.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ -	\$ 4,765,478	\$ 3,639,311	\$ 3,451,512	\$ 9,979,794	\$ 3,204,129
-	36,723,856	35,931,604	42,415,343	46,075,575	47,019,728
856,382	-	-	-	-	-
8,662,751	-	-	-	-	-
5,223,867	-	-	-	-	-
43,076,645	-	-	-	-	-
<u>\$ 57,819,645</u>	<u>\$ 41,489,334</u>	<u>\$ 39,570,915</u>	<u>\$ 45,866,855</u>	<u>\$ 56,055,369</u>	<u>\$ 50,223,857</u>
\$ -	\$ 4,381,426	\$ 3,530,553	\$ 2,986,663	\$ 7,118,551	\$ 4,512,388
-	20,425,627	15,044,931	13,156,953	15,621,865	12,205,079
-	20	2,290	2,283	2,260	52,716
-	244,165	237,510	(1,201,339)	(2,535,607)	(2,890,802)
-	-	-	-	-	-
10,651,342	-	-	-	-	-
2,092,069	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,743,411</u>	<u>\$ 25,051,238</u>	<u>\$ 18,815,284</u>	<u>\$ 14,944,560</u>	<u>\$ 20,207,069</u>	<u>\$ 13,879,381</u>
<u>\$ 70,563,056</u>	<u>\$ 66,540,572</u>	<u>\$ 58,386,199</u>	<u>\$ 60,811,415</u>	<u>\$ 76,262,438</u>	<u>\$ 64,103,238</u>

CITY OF JOLIET, ILLINOIS

Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues				
Property Taxes	\$ 35,414,233	\$ 35,410,013	\$ 35,125,574	\$ 34,661,294
Other Taxes	42,562,509	40,369,572	41,048,080	36,471,063
Intergovernmental State Shared Revenue Federal, State and Private Grants and Allotments	65,463,314	63,816,190	62,899,002	59,630,062
Charges for Services	8,065,503	8,588,222	13,727,117	9,387,986
Interest Earnings	8,809,756	6,994,409	8,057,811	6,681,320
Licenses, Permits, Rentals and Fees	51,268	41,295	49,366	94,512
Fines	15,624,983	18,178,809	16,595,345	17,268,228
Special Assessments	1,750,861	1,241,385	1,070,712	1,314,072
Other	29,505	76,876	137,753	53,370
Total Revenues	<u>179,261,410</u>	<u>177,230,833</u>	<u>183,733,446</u>	<u>173,416,587</u>
Expenditures				
Current:				
General Government	16,947,843	9,636,620	8,627,123	10,325,895
Public Safety	64,768,510	62,600,079	62,407,135	62,553,750
Public Works	12,724,464	18,771,628	18,825,891	15,058,690
Refuse Disposal	12,460,715	11,845,815	11,407,720	10,978,538
Culture and Recreation	257,448	1,519,372	1,946,028	3,169,416
Employee Benefits and Pension Plans	53,285,862	51,708,771	50,903,221	48,571,619
Community Development	5,088,528	6,174,112	5,828,196	3,642,130
Capital Projects	17,185,910	13,588,883	16,647,740	23,498,279
Debt Service - Principal	910,000	1,480,893	1,210,503	955,435
Debt Service - Interest and Fees	301,569	524,307	510,648	478,382
Total Expenditures	<u>183,930,849</u>	<u>177,850,480</u>	<u>178,314,205</u>	<u>179,232,134</u>
Revenue Over (Under) Expenditures	(4,669,439)	(619,647)	5,419,241	(5,815,547)
Other Financing Sources (Uses)				
Issuance of Bonds	6,775,000	3,445,000	-	-
Premium on Bonds Sold	267,221	116,060	-	-
Issuance of Loans and Leases	-	-	-	4,778,677
Proceeds from Sale of Capital Assets	2,000	783	9,000	8,232
Transfer to Escrow Paying Agent	(6,925,701)	(3,501,846)	-	-
Transfers In	8,637,763	2,153,946	2,020,803	-
Transfers Out	(4,752,474)	(2,000,000)	(2,020,803)	-
Total Other Financing Sources (Uses)	<u>4,003,809</u>	<u>213,943</u>	<u>9,000</u>	<u>4,786,909</u>
Net Change in Fund Balances	<u>(\$ 665,630)</u>	<u>(\$ 405,704)</u>	<u>\$ 5,428,241</u>	<u>(\$ 1,028,638)</u>
Other Change in Fund Balances				
Adjustments to Prior Year Balances	\$ 341,234	\$ -	\$ -	\$ -
Debt Service as a Percentage of Noncapital Expenditures				
	<u>0.7%</u>	<u>1.2%</u>	<u>1.1%</u>	<u>0.9%</u>
Expenditures Capitalized as Assets	<u>\$ 17,185,910</u>	<u>\$ 13,588,883</u>	<u>\$ 16,647,740</u>	<u>\$ 23,498,279</u>

The cumulative effect of fund balance adjustments was reported as a restatement of the beginning fund balance, as restating all prior periods was not practicable.

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	36,213,525	\$ 36,128,857	\$ 31,324,337	\$ 33,781,957	\$ 29,210,224	\$ 25,955,040
	28,812,236	27,393,330	26,884,195	30,551,905	32,265,050	32,119,882
	62,215,533	63,271,652	60,245,479	70,194,410	78,086,436	75,450,274
	10,224,214	6,394,606	4,996,695	3,480,798	4,818,561	4,331,969
	5,490,192	6,257,956	7,438,158	5,421,214	6,125,613	4,459,979
	97,622	182,897	693,151	2,672,413	2,334,715	2,219,941
	16,580,245	17,121,743	14,634,261	14,380,443	15,102,761	14,715,231
	1,010,342	1,059,806	1,175,943	1,359,202	1,562,620	1,176,800
	66,474	107,611	158,098	138,174	193,267	242,658
	5,066,549	4,224,717	6,497,394	1,682,323	1,495,643	1,272,442
	<u>165,776,932</u>	<u>162,143,175</u>	<u>154,047,711</u>	<u>163,662,839</u>	<u>171,194,890</u>	<u>161,944,216</u>
	9,965,638	11,036,782	10,866,938	14,030,951	12,308,246	11,821,623
	58,822,833	57,229,089	59,466,192	60,119,513	57,388,366	54,508,454
	16,960,881	20,460,810	20,094,756	35,412,435	25,499,068	21,410,705
	10,546,940	10,588,005	10,222,430	9,840,329	9,445,833	8,254,884
	2,760,278	2,766,683	3,197,550	4,257,142	5,720,398	4,240,117
	49,876,205	46,001,220	46,726,908	38,338,617	36,346,596	31,974,841
	5,117,148	5,674,347	5,999,950	6,218,589	6,667,331	5,548,019
	10,435,236	3,127,228	4,753,006	15,539,943	10,475,444	10,551,061
	873,960	838,980	804,165	774,460	745,016	585,000
	427,196	456,681	484,771	508,677	531,746	538,044
	<u>165,786,315</u>	<u>158,179,825</u>	<u>162,616,666</u>	<u>185,040,656</u>	<u>165,128,044</u>	<u>149,432,748</u>
(	9,383)	3,963,350	(8,568,955)	(21,377,817)	6,066,846	12,511,468
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	696,581
-	1,760	16,345	4,600	37,475	35,360	-
-	-	-	-	-	-	-
	5,919,943	13,262,417	21,225,209	22,814,883	21,691,679	19,957,908
(	1,888,076)	(9,073,154)	(15,097,814)	(16,892,688)	(15,636,800)	(17,026,488)
	<u>4,031,867</u>	<u>4,191,023</u>	<u>6,143,740</u>	<u>5,926,795</u>	<u>6,092,354</u>	<u>3,663,361</u>
\$	<u>4,022,484</u>	<u>\$ 8,154,373</u>	<u>(\$ 2,425,215)</u>	<u>(\$ 15,451,022)</u>	<u>\$ 12,159,200</u>	<u>\$ 16,174,829</u>
\$	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,170,718</u>
	<u>0.8%</u>	<u>0.8%</u>	<u>0.8%</u>	<u>0.7%</u>	<u>0.8%</u>	<u>0.8%</u>
\$	<u>10,435,236</u>	<u>\$ 3,058,400</u>	<u>\$ 7,587,716</u>	<u>\$ 12,739,623</u>	<u>\$ 11,611,339</u>	<u>\$ 11,807,784</u>

CITY OF JOLIET, ILLINOIS

Gaming Tax Collections Last Ten Fiscal Years

Year	Gaming Privilege Tax	Gaming Admissions Tax	Video Gaming Tax	Total Gaming Tax Revenues
2015	\$ 15,566,534	\$ 2,634,383	\$ 524,921	\$ 18,725,838
2014	16,082,640	2,728,561	381,930	19,193,131
2013	16,686,389	2,896,733	151,977	19,735,099
2012	17,681,081	3,144,886	1,844	20,827,811
2011	18,537,648	3,297,103	-	21,834,751
2010	19,495,987	3,479,427	-	22,975,414
2009	19,939,459	3,633,885	-	23,573,344
2008	24,086,643	4,249,238	-	28,335,881
2007	31,066,684	5,101,649	-	36,168,333
2006	30,069,186	4,795,201	-	34,864,387

Source of Information: Illinois Gaming Board

Two casinos operate within the City's municipal boundaries, Hollywood and Harrah's. The City receives gaming taxes from the State of Illinois based on amounts deposited in the State Gaming Fund by the two casinos in accordance with the Illinois Compiled Statutes - the "Riverboat Gambling Act" (230 ILCS 10).

The Riverboat Gambling Act is a complex set of laws governing the operation and taxes related to gaming. The Act provides for the collection of two separate taxes, an admissions tax and a privilege tax, each of which have changed in amounts and percentages throughout the years.

Currently, the City receives an admissions tax - per 230 ILCS 10/12(b), "a municipality shall receive from the State \$1 for each person embarking on a riverboat docked within the municipality".

The City also receives a privilege tax based on the annual adjusted gross receipts received from gambling games - per 230 ILCS 10/13(b), "Beginning January 1, 1998, from the tax revenue deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross receipts generated by a riverboat shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat.

CITY OF JOLIET, ILLINOIS

Principal Gaming Taxpayers in the City Taxes Collected Last Ten Fiscal Years

Hollywood Casino Joliet

Start Date: June 17, 1992

Year	Admissions	Taxable AGR	Taxes Collected	
			State	City
2015	\$ 1,094,526	\$ 125,325,182	\$ 29,794,181	\$ 7,360,785
2014	1,097,781	122,578,335	28,908,521	7,226,698
2013	1,237,432	131,183,854	32,023,169	7,802,556
2012	1,346,101	141,806,184	35,559,920	8,421,904
2011	1,411,387	146,401,419	37,214,541	8,736,399
2010	1,265,691	143,440,540	36,016,732	8,437,235
2009	1,116,396	119,954,225	28,105,729	7,116,061
2008	1,678,360	183,930,419	52,566,025	10,876,398
2007	2,109,545	240,209,935	84,512,628	14,120,042
2006	2,141,534	253,770,225	93,387,301	14,830,045

Harrah's Joliet Casino & Hotel

Start Date: May 4, 1993

Year	Admissions	Taxable AGR	Taxes Collected	
			State	City
2015	\$ 1,539,857	\$ 186,005,491	\$ 53,106,911	\$ 10,840,132
2014	1,630,780	199,074,466	58,654,892	11,584,503
2013	1,659,301	202,369,258	60,034,982	11,780,566
2012	1,798,785	211,995,581	64,670,074	12,404,063
2011	1,885,716	223,714,297	69,921,372	13,098,352
2010	2,213,736	246,417,859	80,972,451	14,538,179
2009	2,517,489	278,730,833	96,118,118	16,457,283
2008	2,570,878	297,674,723	104,767,205	17,459,483
2007	2,992,104	381,123,736	143,114,888	22,048,291
2006	2,653,667	347,613,495	127,358,407	20,034,342

Total Two Casinos Combined

Year	Admissions	Taxable AGR	Taxes Collected	
			State	City
2015	\$ 2,634,383	\$ 311,330,673	\$ 82,901,092	\$ 18,200,917
2014	2,728,561	321,652,801	87,563,413	18,811,201
2013	2,896,733	333,553,112	92,058,151	19,583,122
2012	3,144,886	353,801,765	100,229,994	20,825,967
2011	3,297,103	370,115,716	107,135,913	21,834,751
2010	3,479,427	389,858,399	116,989,183	22,975,414
2009	3,633,885	398,685,058	124,223,847	23,573,344
2008	4,249,238	481,605,142	157,333,230	28,335,881
2007	5,101,649	621,333,671	227,627,516	36,168,333
2006	4,795,201	601,383,720	220,745,708	34,864,387

Source of Information: Illinois Gaming Board

Taxable AGR - Taxable Adjusted Gross Receipts - Gross gaming receipts, less winnings paid to wagerers.

CITY OF JOLIET, ILLINOIS

Equalized Assessed Valuation and Estimated Actual Valuation Last Ten Tax Years

Will County					
Tax Year	Railroad Property	Farm Property	Non-Farm Property	Total Equalized Assessed Value	Railroad Property
2015	\$ 38,681,579	\$ 10,920,794	\$ 2,333,492,731	\$ 2,383,095,104	\$ -
2014	36,674,807	11,880,938	2,284,912,129	2,333,467,874	-
2013	36,240,029	11,766,292	2,325,535,824	2,373,542,145	-
2012	32,021,870	12,203,072	2,453,106,920	2,497,331,862	-
2011	32,801,711	12,166,258	2,651,488,319	2,696,456,288	-
2010	5,491,200	4,267,654	2,833,703,353	2,843,462,207	-
2009	1,745,831	3,631,514	3,010,545,603	3,015,922,948	-
2008	1,607,353	4,247,413	2,969,406,313	2,975,261,079	-
2007	1,379,424	3,095,309	2,754,727,137	2,759,201,870	-
2006	1,172,661	3,217,504	2,459,656,829	2,464,046,994	-

Source of Information: Office of Will County Clerk and Office of Kendall County Clerk

Kendall County			Total Equalized Assessed Value Both Counties	City Direct Tax Rate	Total Estimated Actual Taxable Value	Equalized Assessed Value as a Percentage of Estimated Actual Taxable Value
Farm Property	Non-Farm Property	Total Equalized Assessed Value				
\$ 2,199,167	\$ 190,366,250	\$ 192,565,417	\$ 2,575,660,521	1.5517	\$ 7,726,981,563	33.33%
2,118,622	171,197,075	173,315,697	2,506,783,571	1.5645	7,520,350,713	33.33%
2,009,352	168,368,546	170,377,898	2,543,920,043	1.5224	7,631,760,129	33.33%
1,910,432	177,102,961	179,013,393	2,676,345,255	1.4466	8,029,035,765	33.33%
1,823,078	193,972,979	195,796,057	2,892,252,345	1.3291	8,676,757,035	33.33%
1,875,136	210,934,803	212,809,939	3,056,272,146	1.2669	9,168,816,438	33.33%
1,963,407	223,154,953	225,118,360	3,241,041,308	1.1969	9,723,123,924	33.33%
1,823,467	216,547,266	218,370,733	3,193,631,812	1.0639	9,580,895,436	33.33%
723,845	189,032,411	189,756,256	2,948,958,126	1.0637	8,846,874,378	33.33%
780,585	130,665,722	131,446,307	2,595,493,301	1.0590	7,786,479,903	33.33%

CITY OF JOLIET, ILLINOIS

Direct and Overlapping Property Tax Rates Last Ten Tax Years

Tax Rates Per \$100 Assessed Valuation (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
City of Joliet (2)	1.5517	1.5645	1.5224	1.4466	1.3291
Will County (Including Forest Preserve)	0.8295	0.8410	0.8186	0.7767	0.7244
Joliet Township	0.4139	0.4164	0.3867	0.3437	0.2994
School District #204	2.8675	2.8749	2.7030	2.4858	2.2280
School District #86	4.6426	4.6168	4.2949	3.7592	3.2405
Community College #525	0.3065	0.3085	0.2943	0.2724	0.2447
Joliet Park District	<u>0.4855</u>	<u>0.4893</u>	<u>0.3966</u>	<u>0.3657</u>	<u>0.3265</u>
Total (3)	<u>11.0972</u>	<u>11.1114</u>	<u>10.4165</u>	<u>9.4501</u>	<u>8.3926</u>
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
City of Joliet (2)	1.2669	1.1969	1.0639	1.0637	1.0590
Will County (Including Forest Preserve)	0.6841	0.6543	0.6387	0.6367	0.6523
Joliet Township	0.2757	0.2523	0.2509	0.2520	0.2672
School District #204	2.0560	1.8972	1.8868	1.9572	2.0244
School District #86	2.8963	2.6112	2.5429	2.5248	2.6346
Community College #525	0.2271	0.2144	0.1896	0.1901	0.1936
Joliet Park District	<u>0.3008</u>	<u>0.2772</u>	<u>0.2782</u>	<u>0.2879</u>	<u>0.3184</u>
Total (3)	<u>7.7069</u>	<u>7.1035</u>	<u>6.8510</u>	<u>6.9124</u>	<u>7.1495</u>

Notes:

- (1) Source of Information: Office of Will County Clerk
- (2) The City is a home rule unit under the 1970 Illinois State Constitution and, as such, has no statutory tax rate limitations
- (3) Representative tax rates for other governmental units are from Joliet Township tax code #3011, which represents approximately 25% of the City's 2015 EAV, the latest available.

CITY OF JOLIET, ILLINOIS

Principal Property Taxpayers in the City Most Current Year Available and Nine Years Prior

Taxpayer	Type of Business, Property	2014 Equalized Assessed Valuation	Percentage of Total 2014 Equalized Assessed Valuation	2014 Rank
Centerpoint Joliet Trml RR LLC	Intermodal Center	\$ 31,219,725	1.25%	1
Desplaines Development LP	Harrah's/Gaming	24,071,770	0.96%	2
Star-West Louis Joliet LLC	Westfield Louis Joliet Mall	23,716,445	0.95%	3
GLP Capital LP	Hollywood/Gaming	17,878,186	0.71%	4
Wal-Mart RE Business Trust	Retail Store	13,238,793	0.53%	5
Teachers Insurance & Annuity Assoc.	Financial Services	12,767,219	0.51%	6
GCI Joliet LLC	Central Grocers Distribution Cntr.	11,427,216	0.46%	7
Dollar Tree Distribution Inc.	Dollar Tree Distribution Center	11,335,089	0.45%	8
2700 Ellis Road Acquisiton Corp.	Northern Builders Warehousing	11,112,432	0.44%	9
HDPark Joliet Building 1 LLC	C T Corp System / Prof. Services	<u>7,688,667</u>	0.31%	10
		<u>\$ 133,235,817</u>	<u>4.36%</u>	
Total City Assessed Valuation		<u>\$ 2,506,783,571</u>		

Taxpayer	Type of Business, Property	2005 Equalized Assessed Valuation	Percentage of Total 2005 Equalized Assessed Valuation	2005 Rank
Louis Joliet LLC	Westfield Louis Joliet Mall	\$ 20,518,032	0.89%	1
Dollar Tree Distribution Inc.	Dollar Tree Distribution Center	17,288,719	0.75%	2
Teachers Insurance & Annuity Assoc	Rock Run Industrial Park	12,967,275	0.56%	3
Empress River Casino Co.	Empress / Gaming	12,076,661	0.53%	4
Harris Bank Joliet N.A.	Bank	11,282,552	0.49%	5
Raceway Associates, LLC	Race Track	10,414,214	0.45%	6
First Midwest Bank	Bank	10,078,160	0.44%	7
Desplaines Development LP	Harrah's/Gaming	8,569,078	0.37%	8
Menard, Inc.	Jefferson Square Mall	6,628,194	0.29%	9
Equity Ind. Limited Partnership IV	Toys R Us Warehousing	<u>6,252,968</u>	0.27%	10
		<u>\$ 116,075,853</u>	<u>5.04%</u>	
Total City Assessed Valuation		<u>\$ 2,295,978,934</u>		

Note: Every effort has been made to identify the largest taxpayers. However, some taxpayers may have multiple parcels which may have been overlooked. Details for the 2014 EAV is the most current available.

* Prior to enterprise zone tax abatement

Source of Information: Office of Will County Clerk.

CITY OF JOLIET, ILLINOIS

Property Tax Rates - Levies and Collections

Last Ten Tax Years

Rates Extended	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General	0.0076	0.0084	0.0086	0.0108
Police Protection	0.1113	0.1137	0.1337	0.1495
Fire Protection	0.0907	0.1047	0.1192	0.1203
Street and Bridge (Excluding Township Portion)	-	-	-	-
Street Lighting	-	-	-	-
School Crossing Guard	-	-	-	-
E.S.D.A.	-	-	-	-
Illinois Municipal Retirement Fund	-	-	-	-
Coliseum	-	-	-	-
Corporate Purpose Bond and Interest	0.0646	0.0690	0.0458	0.0434
Joliet Police Pension	0.5668	0.5561	0.5230	0.4828
Joliet Firemen Pension	0.4801	0.4815	0.4666	0.4255
Joliet Public Library	0.2306	0.2311	0.2255	0.2143
Total Rates Extended	<u>1.5517</u>	<u>1.5645</u>	<u>1.5224</u>	<u>1.4466</u>
 Levies Extended				
General	\$ 195,655	\$ 210,483	\$ 218,777	\$ 289,048
Police Protection	2,865,478	2,850,213	3,401,221	4,001,174
Fire Protection	2,310,911	2,599,921	3,000,349	3,201,577
Street and Bridge (Excluding Township Portion)	-	-	-	-
Street Lighting	-	-	-	-
School Crossing Guard	-	-	-	-
E.S.D.A.	-	-	-	-
Illinois Municipal Retirement Fund	-	-	-	-
Coliseum	-	-	-	-
Corporate Purpose Bond and Interest	1,663,028	1,729,525	1,165,115	1,161,545
Joliet Police Pension	14,592,836	13,940,224	13,304,702	12,921,516
Joliet Firemen Pension	12,360,567	12,070,111	11,869,931	11,387,956
Joliet Public Library	5,936,927	5,793,107	5,736,540	5,735,462
Total Levies Extended	<u>\$ 39,925,402</u>	<u>\$ 39,193,584</u>	<u>\$ 38,696,635</u>	<u>\$ 38,698,278</u>
 Current Year Collections	\$ -	\$ 39,045,552	\$ 37,963,932	\$ 38,434,584
Subsequent Collections	-	-	7,923	5,055
Total Collections	<u>\$ -</u>	<u>\$ 39,045,552</u>	<u>\$ 37,971,855</u>	<u>\$ 38,439,639</u>
 <u>Percentage of Extensions Collected</u>				
Current Year Collections	0.00%	99.62%	98.11%	99.32%
Total Collections	<u>0.00%</u>	<u>99.62%</u>	<u>98.13%</u>	<u>99.33%</u>

Source of Information: Office of Will County Clerk and Office of Kendall County Clerk

Note: Tax Rates are expressed in dollars per \$100 of Assessed Valuation.

The Special Service Area and Tax Incremental Financing tax levies are not included in this schedule.

2011	2010	2009	2008	2007	2006
0.0513	0.0605	0.0696	0.1087	0.1171	0.1046
0.1443	0.1363	0.1287	0.1479	0.2439	0.2164
0.1243	0.1200	0.1135	0.0957	0.1060	0.0922
-	-	0.0234	-	-	0.0307
-	-	0.0064	0.0264	0.0286	0.0324
-	0.0035	0.0033	0.0036	0.0039	0.0044
-	-	0.0014	0.0006	0.0006	0.0006
-	-	0.0319	0.0172	0.0187	0.0212
-	-	0.0004	0.0026	0.0028	0.0032
0.0396	0.0376	0.0354	-	-	-
0.4077	0.3624	0.3131	0.2432	0.2008	0.2057
0.3649	0.3589	0.2949	0.2202	0.1835	0.1852
0.1970	0.1877	0.1749	0.1775	0.1578	0.1624
<u>1.3291</u>	<u>1.2669</u>	<u>1.1969</u>	<u>1.0436</u>	<u>1.0637</u>	<u>1.0590</u>
\$ 1,494,092	\$ 1,849,045	\$ 2,252,585	\$ 3,471,445	\$ 3,447,660	\$ 2,855,369
4,202,679	4,165,700	4,165,341	4,726,529	7,180,908	5,907,276
3,600,840	3,649,073	3,649,138	3,054,465	3,112,405	2,512,360
-	-	757,335	648,301	-	817,636
-	-	207,134	843,111	842,042	884,415
-	106,970	106,803	114,969	114,824	120,106
-	-	45,311	19,161	17,665	16,377
-	-	1,032,435	549,299	550,566	578,690
-	-	12,946	83,034	82,438	87,349
1,153,334	1,149,159	1,145,711	-	-	-
11,874,097	11,075,933	10,133,397	7,770,032	5,911,957	5,615,201
10,627,564	10,968,963	9,544,359	7,035,504	5,402,610	5,055,617
5,737,545	5,736,624	5,660,591	5,671,836	4,640,062	4,433,253
<u>\$ 38,690,150</u>	<u>\$ 38,701,467</u>	<u>\$ 38,713,086</u>	<u>\$ 33,987,686</u>	<u>\$ 31,303,137</u>	<u>\$ 28,883,649</u>
\$ 38,060,501	\$ 38,521,596	\$ 38,431,133	\$ 33,724,323	\$ 31,127,257	\$ 28,650,484
21,883	44,566	19,393	68,238	74,769	45,222
<u>\$ 38,082,384</u>	<u>\$ 38,566,162</u>	<u>\$ 38,450,526</u>	<u>\$ 33,792,561</u>	<u>\$ 31,202,026</u>	<u>\$ 28,695,706</u>
98.37%	99.54%	99.27%	99.23%	99.44%	99.19%
<u>98.43%</u>	<u>99.65%</u>	<u>99.32%</u>	<u>99.43%</u>	<u>99.68%</u>	<u>99.35%</u>

CITY OF JOLIET, ILLINOIS

Ratio of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities		Total Debt
	General Obligation Bonds	Capital Lease Obligations	Loans	Water/Sewer Revenue Bonds	IEPA Loans	
2015	\$ 9,633,277	\$ -	\$ -	\$ 28,652,953	\$ 41,623,729	\$ 79,909,959
2014	10,505,190	-	-	34,724,358	14,715,409	59,944,957
2013	7,784,390	4,157,739	-	37,231,789	13,772,581	62,946,499
2012	8,591,076	4,578,242	-	43,201,265	11,714,756	68,085,339
2011	9,364,039	-	-	48,398,670	3,437,072	61,199,781
2010	10,108,147	-	148,960	50,950,735	-	61,207,842
2009	10,675,000	-	292,940	54,035,000	-	70,227,105
2008	11,340,000	-	432,105	58,455,000	-	70,227,105
2007	11,980,000	-	566,565	61,260,000	-	73,806,565
2006	12,595,000	-	696,581	63,915,000	-	77,206,581

Fiscal Year	Total Debt as a Percentage of Personal Income	Population	General Bonded Debt Per Capita	Total Debt Per Capita	General Bonded Debt Per Actual Value of Property	Water/Sewer Revenue Bonds Per Number of Water/Sewer Customers
2015	2.22%	147,433	\$ 65	\$ 542	0.12%	\$ 625
2014	1.69%	147,433	71	407	0.14%	769
2013	1.82%	147,433	53	427	0.10%	838
2012	2.03%	147,433	58	462	0.11%	974
2011	1.85%	147,433	64	416	0.11%	1,079
2010	1.88%	147,433	69	415	0.11%	1,138
2009	2.08%	152,813	70	460	0.11%	1,207
2008	1.88%	145,803	78	482	0.12%	1,312
2007	2.04%	145,803	82	506	0.14%	1,437
2006	2.19%	145,803	86	530	0.16%	1,561

Source of Information: Various City Offices

CITY OF JOLIET, ILLINOIS

Computation of Direct and Overlapping Bonded Debt

December 31, 2015

	<u>Total Debt</u>	<u>Applicable Percent (1)</u>	<u>Overlapping Debt</u>
<u>Direct Debt</u>			
City of Joliet*	\$ 9,633,277	100.000%	\$ 9,633,277
<u>Overlapping Debt</u>			
<u>Schools</u>			
<u>Elementary</u>			
Troy Community Consolidated School District #30C	83,315,000	57.690%	48,064,424
Laraway Community Consolidated School District #70C	810,000	42.290%	342,549
Union School District #81	4,669,083	60.660%	2,832,266
Rockdale School District #84	1,500,000	27.310%	409,650
Joliet Public Schools District #86	54,573,953	86.760%	47,348,362
Manhattan School District #114	9,375,715	0.060%	5,625
New Lenox School District #122	128,453,430	7.030%	9,030,276
<u>High Schools and College</u>			
Minooka Community High School District #111	62,075,000	3.700%	2,296,775
Elwood School District #203	690,000	5.760%	39,744
Joliet Township High School District #204	96,860,000	56.950%	55,161,770
Lockport Township High School District #205	7,155,000	0.010%	716
New Lenox Township High School District #210	210,630,843	1.320%	2,780,327
Unit School District #202U	292,605,000	25.180%	73,677,939
Community College District #525	196,205,000	12.770%	25,055,379
Total Schools			<u>267,045,802</u>
<u>Other Than Schools</u>			
Will County (2)	129,715,000	12.550%	16,279,233
Will County Forest Preserve District	134,175,126	12.550%	16,838,978
New Lenox Township	1,253,501	10.150%	127,230
Channahon Park District	7,177,560	1.280%	91,873
Joliet Park District	20,430,000	83.210%	16,999,803
Lockport Park District	2,473,000	0.020%	495
New Lenox Park District	532,000	11.230%	59,744
Plainfield Park District	4,248,000	31.220%	1,326,226
White Oak Library District	22,960,000	0.010%	2,296
Total Other Than Schools			<u>51,725,878</u>
Total Overlapping Debt			<u>\$ 318,771,680</u>
Total Direct and Overlapping Debt			<u>\$ 328,404,957</u>

Notes: (1) Overlapping debt percentages based on 2014 EAV.
(2) Includes the Public Building Commission.

* Amount includes unamortized premium on bonds issued of \$323,277.

CITY OF JOLIET, ILLINOIS

Legal Debt Margin Information

The City of Joliet is a “home rule” municipality under the 1970 Illinois Constitution. As a home rule community, the City has no debt limit nor is it required to seek referendum approval for issuance of general obligation debt. The Illinois General Assembly may, by a three-fifths vote, limit debt incurred which is payable through any funds other than ad valorem property tax receipts. When debt is secured through property taxes, the General Assembly may set limits and require referenda.

CITY OF JOLIET, ILLINOIS

Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	\$ 44,439,639	\$ 27,508,552	\$ 16,931,087	\$ 6,229,832	\$ 1,028,295	2.33
2014	43,332,748	29,413,256	13,919,492	6,551,909	1,364,770	1.76
2013	44,374,858	30,049,364	14,325,494	5,419,678	1,656,345	2.02
2012	42,480,156	25,151,848	17,328,308	5,050,000	1,812,911	2.52
2011	41,929,836	23,550,992	18,378,844	2,645,000	1,923,594	4.02
2010	38,851,226	22,177,782	16,673,444	4,620,000	2,117,040	2.47
2009	30,192,054	19,527,900	10,664,154	4,420,000	2,598,041	1.52
2008	27,975,227	23,115,206	4,860,021	2,805,000	2,852,580	0.86
2007	32,504,462	21,904,482	10,599,980	2,655,000	3,039,915	1.86
2006	34,758,371	15,120,871	19,637,500	2,460,000	3,038,888	3.57

At December 31, 2015, there were five bond issues and five loans with outstanding balances payable from water/sewer revenues. Details about the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses. Debt service principal does not include amounts defeased by new debt.

CITY OF JOLIET, ILLINOIS

Demographic and Economic Statistics Last Ten Years

Year	(a) Population	(b) Per Capita Income	(a) x (b) Personal Income	Unemployment Rate
2015	147,433	\$ 24,461	\$ 3,606,358,613	7.4
2014	147,433	24,118	3,555,789,094	9.0
2013	147,433	23,600	3,479,418,800	12.0
2012	147,433	22,826	3,365,305,658	11.5
2011	147,433	22,572	3,327,857,676	12.4
2010	147,433	22,111	3,259,891,063	12.9
2009	152,813	22,133	3,382,210,129	12.7
2008	145,803	25,617	3,735,035,451	9.3
2007	145,803	24,826	3,619,705,278	6.2
2006	145,803	24,138	3,519,392,814	4.6

Sources of Information: U.S. Census Bureau, Illinois Dept. of Employment Security

Note: Per Capita Income is based on 2000 and 2010 Censuses.

CITY OF JOLIET, ILLINOIS

Principal Employers in the City Current Year and Nine Years Prior

Employer	Type of Business or Property	2015 Number of Employees	2015 Rank	Percentage of 2015 Total Employment
Presence St. Joseph Medical Center	Hospital	2,430	1	1.78%
Will County	County Government	2,269	2	1.66%
Joliet Junior College	Community College District	1,078	3	0.79%
Amazon	Fulfillment Center	1,000	4	0.73%
NRG Energy	Electric Utility Company	987	5	0.72%
Caterpillar	Tractors and Earthmoving Equipment	950	6	0.70%
Harrah's Casino	Riverboat Casino	850	7	0.62%
City of Joliet	City Government	836	8	0.61%
Hollywood Casino	Riverboat Casino	685	9	0.50%
Filtration Group	Filtration	600	10	0.44%

Employer	Type of Business or Property	2006 Number of Employees	2006 Rank	Percentage of 2006 Total Employment
Presence St. Joseph Medical Center	Hospital	2,600	1	4.12%
Will County	County Government	1,666	2	2.64%
Caterpillar Inc	Tractors and Earthmoving Equipment	1,525	3	2.42%
Silver Cross Hospital	Hospital	1,500	4	2.38%
Argosy's Empress Casino	Riverboat Casino	1,400	5	2.22%
Harrah's Casino	Riverboat Casino	1,110	6	1.76%
City of Joliet	City Government	1,027	7	1.62%
Joliet School District # 86	Elementary School District	800	8	1.27%
Joliet Junior College District #525	Community College District	775	9	1.23%
T.J. Lambrecht Construction	Construction	700	10	1.11%

Sources of Information: Will County Center for Economic Development, City of Joliet,

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CITY OF JOLIET, ILLINOIS

City Employment Statistics Last Ten Fiscal Years

Function	2015		2014		2013		2012		2011	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government	41	12	61	25	58	20	68	25	75	27
Public Safety										
Police Department	327	40	319	33	320	33	319	49	336	50
Fire Department	211	1	210	1	204	1	210	2	208	2
Streets and Bridges	45	1	46	-	41	-	42	-	51	-
Refuse Disposal (1)	-	-	-	-	-	-	-	-	-	-
Culture and Recreation (2)	3	-	4	1	5	2	5	-	4	1
Community Development	22	-	23	1	26	4	31	8	31	7
Public Works	18	-	21	-	22	-	20	-	22	-
Water and Sewer (3)	94	5	91	1	79	4	89	1	87	1
Parking Facilities (4)	4	12	1	13	1	11	3	12	3	10
Subtotals	<u>765</u>	<u>71</u>	<u>776</u>	<u>75</u>	<u>756</u>	<u>75</u>	<u>787</u>	<u>97</u>	<u>817</u>	<u>98</u>
TOTAL STAFF		<u>836</u>		<u>851</u>		<u>831</u>		<u>884</u>		<u>915</u>

Function	2010		2009		2008		2007		2006	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government	74	30	86	31	86	31	87	31	85	31
Public Safety										
Police Department	346	54	391	57	391	57	391	57	378	59
Fire Department	210	3	216	3	216	3	216	3	213	3
Streets and Bridges	54	-	54	-	54	-	54	-	52	-
Refuse Disposal (1)	-	-	-	1	-	1	-	1	-	1
Culture and Recreation (2)	4	1	6	1	6	1	6	1	6	1
Community Development	36	2	43	3	43	3	43	3	41	3
Public Works	23	15	28	15	28	15	28	15	33	15
Water and Sewer (3)	92	1	97	1	97	1	99	1	86	1
Parking Facilities (4)	3	15	4	15	4	15	4	15	4	15
Subtotals	<u>842</u>	<u>121</u>	<u>925</u>	<u>127</u>	<u>925</u>	<u>127</u>	<u>928</u>	<u>127</u>	<u>898</u>	<u>129</u>
TOTAL STAFF		<u>963</u>		<u>1,052</u>		<u>1,052</u>		<u>1,055</u>		<u>1,027</u>

- (1) Part-time Recycling Coordinator in Deputy City Manager's Office.
- (2) Includes Visitors' Service Division in 2005-2013, not in 2014-15.
- (3) Includes Customer Services Division Employees.
- (4) Includes One Clerk-Typist position from Collector's Office in 2005-09, not in 2010-15.

Source of Information: City of Joliet Annual Budgets

CITY OF JOLIET, ILLINOIS

Operating Indicators by Function Last Ten Fiscal Years

Function	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Government					
Fiscal					
Purchase Orders Processed	1,607	4,043	4,549	5,391	5,411
Nonpayroll Checks Issued	10,737	8,793	8,290	8,061	8,584
Maintenance					
Square Footage Maintained by Staff (City Hall)	62,007	62,007	62,007	62,007	62,007
Information Technology Services					
Wireless Network Locations	67	67	67	65	65
Point-to-point Networks Monitored	116	116	116	114	114
Public Safety					
Police					
Physical Arrests Made	4,812	5,158	5,005	5,435	6,575
Traffic Violations	18,621	17,135	17,347	17,141	19,051
Parking Violations	19,208	17,325	22,513	19,410	27,464
911 Emergency Calls Received	104,000	98,705	93,252	99,625	93,517
Fire					
Emergency Responses	19,993	19,706	27,131	26,701	26,469
Inspections	1,617	1,494	1,617	1,504	953
Calls For Service	19,993	19,706	19,263	18,958	18,793
Significant Fires Extinguished	40	76	71	65	56
Streets and Bridges					
Lane Miles of Road Resurfaced	19.70	9.34	10.00	13.00	13.00
Potholes Repaired	23,410	22,515	21,513	21,315	15,724
Culture and Recreation					
Programs Sponsored	1	4	3	3	3
Water and Sewer					
Water and Sewer Accounts	45,847	44,826	44,314	44,452	44,350
Water Only Accounts	275	268	261	260	262
Sewer Only Accounts	36	34	32	35	38
New Connections (Net)	1,030	512	(138)	102	(490)
Water Main Breaks	216	304	250	232	258
Average Daily Consumption in Gallons	10,572,418	10,380,387	10,467,059	14,431,978	13,462,570
Parking Facilities					
Parking Spaces	2,835	2,696	3,229	2,801	2,801

Source of Information: Various City Offices

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
5,659	5,863	6,539	6,629	6,701
8,788	9,391	12,888	10,781	11,322
62,007	62,007	62,007	62,007	62,007
37	55	49	34	34
93	93	92	88	80
7,563	7,454	8,583	8,422	7,368
18,974	27,724	32,136	39,697	34,722
19,258	31,487	36,380	41,205	3,551
101,836	112,369	116,491	110,481	118,903
26,422	26,236	26,055	25,056	22,760
953	953	953	952	1,200
18,873	18,740	18,611	17,865	16,330
49	58	59	97	55
15.50	8.60	15.57	13.30	24.95
16,000	16,180	15,922	15,463	3,000
7	10	19	17	16
44,840	44,790	44,770	43,227	42,378
244	233	226	225	224
36	40	39	38	38
50	20	1,543	850	2,055
225	169	200	245	140
10,615,500	11,339,279	12,059,926	13,660,959	12,370,768
2,801	2,983	2,859	2,859	2,689

CITY OF JOLIET, ILLINOIS

Capital Asset Statistics by Function Last Tex Fiscal Years

Function	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety					
Police					
Stations	2	2	2	2	2
Substations	1	1	1	1	1
Patrol Units	341	350	335	334	334
Fire					
Active Stations	9	9	9	9	9
Vehicles	60	60	57	55	60
Streets and Bridges					
Miles of Streets	516	516	513	512	510
Bridges	40	35	31	31	31
Traffic Signals	123	123	123	123	123
Warning Flashers	38	38	38	38	38
Public Works					
Vehicles	139	136	110	114	117
Water and Sewer					
Vehicles	95	87	92	77	93
Water					
Water Mains (Miles)	609	620	550	540	437
Fire Hydrants	7,782	7,655	8,476	7,500	7,500
Storage Capacity in Gallons	16,500,000	16,500,000	16,500,000	16,500,000	16,500,000
Sewer					
Sanitary Sewers (Miles)	569	560	520	406	406
Storm Sewers (Miles)	558	557	557	557	557
Parking Facilities					
Lots	9	9	11	10	10
Decks	2	2	2	2	2

Source of Information: Various City Offices

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
2	2	2	2	2
1	1	1	1	1
334	339	329	334	317
9	9	9	9	9
60	60	57	60	61
510	510	507	510	500
31	31	27	27	27
123	119	118	118	117
38	38	38	38	34
137	138	144	142	139
93	95	93	92	88
437	436	435	430	416
6,850	6,822	6,800	6,608	6,416
16,500,000	16,500,000	14,750,000	14,750,000	14,750,000
406	405	402	400	391
557	557	555	549	540
10	9	7	7	5
2	2	2	2	2

CITY OF JOLIET, ILLINOIS

Miscellaneous Statistics

December 31, 2015

Date of Organization:	January 19, 1852
Form of Government:	City Manager
Governing Body:	City Council
Land Area:	Approximately 63.3 square miles
Number of Housing Units:	46,921 - 2013 data
Number of Registered Voters:	73,067 - 2013 estimate
Number of Townships:	8
Number of School Districts:	8
Number of Community College Districts:	1

Source of Information: City Business Office, City Planning Offices, Will County Clerk's Office and U.S. Census Bureau