

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED  
DECEMBER 31, 2003**

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bloomington,  
Indiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# 2003

**City of Bloomington, Indiana**

**Comprehensive Annual  
Financial Report  
(CAFR)**

**For the Year Ended  
December 31, 2003**

Prepared by:  
Office of the Controller  
P.O. Box 100  
Bloomington, IN 47402  
(812) 349-3412  
(812) 349-3456 (fax)



## Table of Contents

<b>I. INTRODUCTION</b>	<b>PAGE</b>
Mayor's Letter of Transmittal	I - 1
Controller's Letter of Transmittal	I - 2
Organizational Chart	I - 6
Elected Officials	I - 7
City Boards and Commissions	I - 8
Acknowledgments	I-14
<b>II. FINANCIAL SECTION</b>	
Independent Auditors' Opinion on General Purpose Financial Statements	II- 1
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	II- 2
Management's Discussion and Analysis	II- 3
<i>Basic Financial Statements:</i>	
Government-wide Financial Statements:	
Statement of Net Assets	II-14
Statement of Activities	II-15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	II-16
Reconciliation of the Balance Sheet to the Statement of Net Assets	II-17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	II-18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	II-19
Statement of Net Assets - Proprietary Funds	II-20
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	II-21
Statement of Cash Flows - Proprietary Funds	II-22
Statement of Fiduciary Net Assets	II-23
Statement of Changes in Fiduciary Net Assets	II-24
<i>Notes to the Financial Statements</i>	
Summary of Significant Accounting Policies	II-25
Deposits and Investments	II-27
Interfund Transactions and Balances	II-28

<b>II. FINANCIAL SECTION (Continued)</b>	<b>PAGE</b>
Property Taxes	II-28
Inventories and Prepaid Items	II-28
Restricted Assets	II-28
Capital Assets	II-28
Compensated Absences	II-29
Long-Term Obligations	II-29
Fund Equity	II-30
Stewardship, Compliance and Accountability	II-30
Budget Information	II-30
Encumbrances	II-30
Deficit Fund Equity	II-30
Detailed Notes on All Funds	II-31
Deposits and Investments	II-31
Capital Assets	II-32
Construction Commitments	II-35
Interfund Balances and Activity	II-35
Leases	II-36
Long-Term Liabilities	II-37
Reclassifications	II-41
Other Information	II-41
Pension Plans	II-44

### **III. REQUIRED SUPPLEMENTARY INFORMATION**

Budgetary Comparison Schedule- General Fund	III- 1
Budgetary Comparison Schedule- Major Special Revenue Funds	III- 2
Budget/ GAAP Reconciliation- General Fund and Major Special Revenue Funds	III- 4
Schedule of Funding Progress	III- 5
Schedule of Contribution From the Employer and Other Contributing Entities	III- 6
Notes to Required Supplementary Information	III- 7

### **IV. SUPPLEMENTARY INFORMATION**

<i>Major Governmental Funds</i>	IV- 1
Schedule of Expenditures- Budget and Actual- General Fund	IV- 2
<i>Non-major Governmental Funds</i>	IV- 5
<i>Governmental Funds</i>	
Combining Sheet Non-major Governmental Funds	IV- 9

<b>IV. SUPPLEMENTARY INFORMATION (Continued)</b>	<b>PAGE</b>
Combining Statement of Revenues, Expenditures and Other Changes in Fund Balances- Non-major Governmental Funds	IV-10
<i>Special Revenue Funds</i>	
Combining Balance Sheet Non-major Special Revenue Funds	IV-12
Combining Statement of Revenues, Expenditures and Other Changes in Fund Balances- Non-major Special Revenue Funds	IV-18
<i>Debt Service Funds</i>	
Combining Balance Sheet Non-major Debt Service Funds	IV-24
Combining Statement of Revenues, Expenditures and Other Changes in Fund Balances- Non-major Debt Service Funds	IV-25
<i>Capital Projects Funds</i>	
Combining Balance Sheet Non-major Capital Projects Funds	IV-26
Combining Statement of Revenues, Expenditures and Other Changes in Fund Balances- Non-major Capital Projects Funds	IV-30
Budgetary Comparison Schedules- Other Non-major Budgeted Governmental Funds	IV-34
<i>Proprietary Funds</i>	
Combining Statement of Net Assets- Non-major Proprietary Funds	IV-39
Combining Statement of Revenues, Expenditures and other Changes in Fund Net Assets- Non-major Proprietary Funds	IV-40
Combining Statement Of Cash Flows- Non-major Proprietary Funds	IV-41
Budgetary Comparison Schedules- Other Non-major Budgeted Proprietary Funds	IV-42
<i>Fiduciary Funds</i>	
Non-major Fiduciary Funds	IV-43
Budgetary Comparison Schedules- Other Non-major Budgeted Fiduciary Funds	IV-44

#### **V. STATISTICAL SECTION**

General Governmental Expenditures By Function - Table I	V - 1
General Revenues By Source - Table II	V - 2
Property Tax Levies and Collections - Table III	V - 3
Assessed and True Tax Value of Taxable Property - Table IV	V - 6
Property Tax Rates - Direct and Overlapping Governments - Table V	V - 9
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Table VI	V -12
Ratio of Annual Debt Service Expenditures for General Bonded Debt to General Expenditures - Table VII	V -13

<b>V. STATISTICAL SECTION (Continued)</b>	<b>PAGE</b>
Computation of Legal Debt Margin - Table VIII	V -14
Computation of Direct and Overlapping Debt - Table IX	V -15
Water Revenue Bond Coverage - Table X	V -16
Wastewater Revenue Bond Coverage - Table X	V -17
Wastewater Utility Historical Data - Table XI	V -18
Water Utility Historical Data - Table XI	V -19
Stormwater Utility Historical Data - Table XI	V -20
Comparison of Growth Rates in Personal Income - Table XII	V -21
County Option Income Tax (COIT) Historical Data - Table XIII	V -22
Principal Taxpayers - Table XIV	V -23
Property Value, Construction, and Bank Deposits - Table XV	V -24
Demographic Statistics - Table XVI	V -25
Fire and Police Protection - Table XVII	V -26
Miscellaneous Statistics - Table XVIII	V -27
City of Bloomington and Indiana University - Table XIX	V -28





**MARK KRUZAN  
MAYOR**

CITY OF BLOOMINGTON

OFFICE OF THE MAYOR

401 N Morton St  
Post Office Box 100  
Bloomington IN 47402

p 812.349.3406  
f 812.349.3455  
mayor@bloomington.in.gov

August 23, 2004

Dear Citizens,

I am pleased to present to you Bloomington's 2003 Comprehensive Annual Financial Report, an in-depth account of the City's financial status. This report demonstrates the City's willingness to provide you with a full and detailed explanation of how your tax dollars are managed.

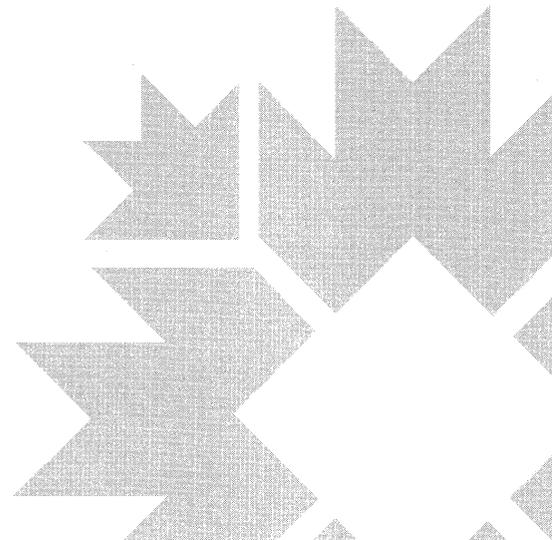
We are committed to fiscally responsible management of your tax dollars.

If you have any suggestions for improving our Comprehensive Annual Financial Report or for better managing your tax dollars, please contact the City Controller's Office at (812) 349-3412.

Thank you,



Mark Kruzan  
Mayor





## City of Bloomington Office of the Controller

August 23, 2004

### Honorable Mark Kruzan, Mayor, and Members of the Bloomington Common Council:

I am pleased to submit to you the Comprehensive Annual Financial Report of the City of Bloomington, Indiana, for the fiscal year ended December 31, 2003 (2003 CAFR). The Office of the Controller has prepared this report to present the financial position of the funds and account groups of the City and the results of their respective financial operations. Responsibility for the accuracy of the data contained within this report and the completeness and fairness of its presentation, including all disclosures, rests with the City. I believe that the data as presented is accurate in all material aspects, and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

### Overview

#### Economic Development

The City of Bloomington's approach to economic development is through strategic partnerships that preserve, promote and strengthen our economy and our community as a whole.

Bloomington and Monroe County serve as the economic hub for south central Indiana. In 2003, the annual average unemployment rate for the State of Indiana was 4.7%. However, the annual average unemployment rate for the Bloomington Metropolitan Statistical Area (MSA) for that same time period was 2.6%. The total resident labor force for the Bloomington MSA during this time period was 66,290.

Bloomington has many diversified industrial and non-industrial employers which are well established in the community. These employers include Cook, Inc., Baxter Pharmaceuticals, General Electric Corporation, Otis Elevator Company and many others. Some notable non-industrial employers are Indiana University (Bloomington's largest employer), Bloomington Hospital, City of Bloomington and Hoosier Energy.

Despite experiencing some effects of the state and national recession through the loss of some manufacturing jobs, Bloomington has also experienced job growth in advanced manufacturing, professional services and commercial retail. Moreover, with increased investment in the City's technical infrastructure, innovative economic development tools and a focused effort towards growing the life sciences sector Bloomington is well-positioned to attract private investment and new jobs to the area in the coming years.

#### Report Format

The 2003 CAFR is presented in five sections, as follows:

Part I, the Introduction Section, includes letters of transmittal from the Mayor and the Controller that present summarized information about the City organization and its accomplishments during 2003. The Introduction Section presents the organization chart of the City, a list of elected officials, boards and commissions and acknowledgements.

Part II, the Financial Section, includes the results of the annual State Board of Accounts audit, including their audit opinion, financial statements, notes to the financial statements, and account groups and Management's Discussion and Analysis.

Part III, the Required Supplementary Information (RSI) including Budgetary Comparison Schedules for major budgeted funds and financial information and disclosures for the City's pension trust funds.

Part IV, the Supplementary Information section includes Schedules of Expenditures for Non-Major Funds and budgetary comparison schedules for the City's budgeted Non-Major Funds.

Part V, the Statistical Section, includes a number of unaudited tables presenting financial, statistical, and demographic information that provide the user with a broad perspective on the City of Bloomington.

### **Continuing Disclosure**

Rule 15c2-12 under the Securities Exchange Act of 1934 concerning municipal securities financial disclosure requires, in part, the annual filing of certain information and data with each nationally recognized municipal securities information repository (NRMSIR) and any state information repository if one is in existence in the issuer's state. The state of Indiana currently has no such repository.

Since 1993, the City has participated in a similar voluntary program of continuing disclosure sponsored originally by the National Federation of Municipal Analysts. It is the City's intent, where possible, to include the required information in our Comprehensive Annual Financial Report for filing with the designated repositories.

### **Agencies Included**

This report includes all funds, agencies, boards, and commissions that are considered to be a part of the City of Bloomington (the primary government). In addition, one significant component unit – the Public Transportation Corporation – is included because of its operational and financial relationships with the City. The criteria for inclusion are discussed in the accompanying notes to the financial statements. Certain organizations have been excluded such as the Bloomington Housing Authority and the Bloomington Municipal Facilities Corporation.

### **Annual Audit**

Indiana state law requires an independent audit of the financial transactions and records of the City to be made by the Indiana State Board of Accounts. This requirement has been complied with and the results of the audit have been included in this report. The City is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133. Information related to this single audit is not included in this report, but is available as a supplement to this report.

### **Financial Reporting Standards, Awards**

Each year, the Government Finance Officers Association (GFOA) awards Certificates of Achievement for Excellence in Financial Reporting to governmental units that publish easily readable and efficiently organized annual financial reports whose contents satisfy generally accepted accounting principles, applicable legal requirements and conform to program standards. For the fiscal year ended December 31, 2002, the City received a Certificate of Achievement for its Comprehensive Annual Financial Report. The City of Bloomington has been the recipient of 15 consecutive awards.

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; thus, we are submitting this report to the GFOA for its review and determination of eligibility for another certificate.

### **Financial Management**

#### **Accounting System**

The City maintains its records on a cash basis to comply with State statutes and regulations, and adjusts this data to an accrual or modified accrual basis to conform with generally accepted accounting principles applicable to governments. The City's accounting system is organized on a "fund basis." Each fund is a distinct self-balancing

entity, and the funds are organized in the financial statements in this report into three broad fund categories (Governmental, Proprietary and Fiduciary) and nine generic fund types (General, Special Revenue, Debt Service, Capital Projects, Permanent, Enterprise, Internal Service, Pension Trust, and Private-purpose Trust). Funds are also separated into Major Governmental and Non-Major Governmental Funds. Our Major funds include the General Fund, Park, Street and Road, and Municipal Improvement.

### **Internal Controls**

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized user disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived; and that the evaluation of cost and benefits requires estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Budgetary Preparation and Control**

Prior to June 1, all departments develop budgets for the subsequent calendar year. The proposed budgets are reviewed during June by an internal budget committee which is chaired by the Mayor. In July, the budget is submitted to the Common Council for preliminary review and approval. Final approval of the budget by Council is completed in September. The City's adopted budget is then submitted to the Indiana Department of Local Government Finance for its final review and approval.

The City is required by state statute to adopt budgets for all departments of the General Fund and for a number of other funds by no later than September 30 of each year. Budgets are adopted on a cash basis to the department level of control within the General Fund, and to the fund level of control in other funds. Budgetary control is also maintained through an encumbrance system.

### **Debt Administration**

The City's General Obligation debt is subject to a State constitutional debt limitation of 2% of one-third of true tax valuations. There are three such general obligation taxing districts within the City. At December 31, 2003, the City's net combined general obligation bonded debt of \$18 million was 34% of the legal limit of \$52 million. Net bonded debt per capita equaled \$243. During 2003, the City maintained its favorable ratings from Standard and Poor's (AA-), Moody's (Aa2) and Fitch (AA).

### **Cash Management**

The City's investment policy, subject to state statutory restrictions governing allowable investments, is to minimize credit and market risks while maintaining competitive yields on its investments. Cash temporarily idle is invested in securities which are backed by the full faith and credit of the United States Treasury and fully insured Certificates of Deposits. Each week idle funds are invested or re-invested in securities of various maturities.

### **Risk Management and Health Insurance**

The division of Risk Management, which was established in 1989, administers a self-insured program for worker's compensation. In addition, the Division is responsible for the procurement of all City liability insurance coverages, the City safety program, and all loss control activities. The Division is administered by a risk manager and a risk management committee, which provides general oversight to the risk management program. The Risk Management fund continued to perform very well, ending the year with exceptional balances for unforeseen contingencies.

The City also maintains its own health insurance trust fund for the purpose of providing employee medical benefits. This fund is funded with a combination of employee premiums and City-funded employer contribution. At the end

of fiscal year 2003, the health insurance trust fund closed with an unencumbered balance of \$949,786, equal to more than three months of health claims coverage.

## **Pensions**

The pre-1977 police and fire pension plans are financed on a "pay-as-you-go" basis. These pension plans are funded as a part of the City property tax levy and periodic allocation from county option income tax (COIT) revenues. In 1989, the City established an "advance funding" plan and created a supplemental trust fund to more effectively manage this long-term obligation. Excess COIT revenues are periodically allocated to the supplemental trust fund. No monies were transferred to the supplemental trust fund in 2003, but excess COIT funds were deposited in the individual police and fire plan funds. For reporting purposes the supplemental trust fund assets are allocated between the Police and Fire Pension Trust Funds.

Recently, the Indiana Legislature passed a bill that permits local pension funds to be invested through the state's Public Employees Retirement Fund (PERF). Unlike local units of government, PERF is permitted by law to invest pension funds in equities as well as bonds and other investment instruments. As a result PERF is able to generate a much higher return on invested funds than local units. The City of Bloomington has invested \$1.1 million in the external investment pool administered by PERF.

## **2003 Financial Results**

### **Government-wide Financial Statements**

Due to requirements established by the Governmental Accounting Standards Board (GASB), the City's 2003 financial statements include a Government-Wide Financial Statement for the first time. This section presents information on all of the City's financial activities. In 2003, total net assets in the Governmental Activity Funds were \$251.3 million. Total assets were \$391.6 million and total liabilities were \$140.2 million. Please refer to Management's Discussion and Analysis for further discussion.

### **General Fund Balance**

In 2003, the General Fund balance decreased from \$6.3 million to \$3.2 million, a total drop of \$3.1 million which represented a 49.8% decrease. This decrease includes a \$1 million decrease in cash. Please refer to Management's Discussion and Analysis.

### **Enterprise Operations**

The City's enterprise operations are comprised of a water and wastewater utility. The total net assets as of December, 31 2003 were \$95.6 million. That represents a change of net assets of \$6.4 million.

In 2003, operating revenues increased by \$3.9 million to \$ 23.4 million, which represented a 20% increase. Operating expenses increased by \$239 thousand to \$17 million in 2003, which represented a 1% increase.

### **Acknowledgments**

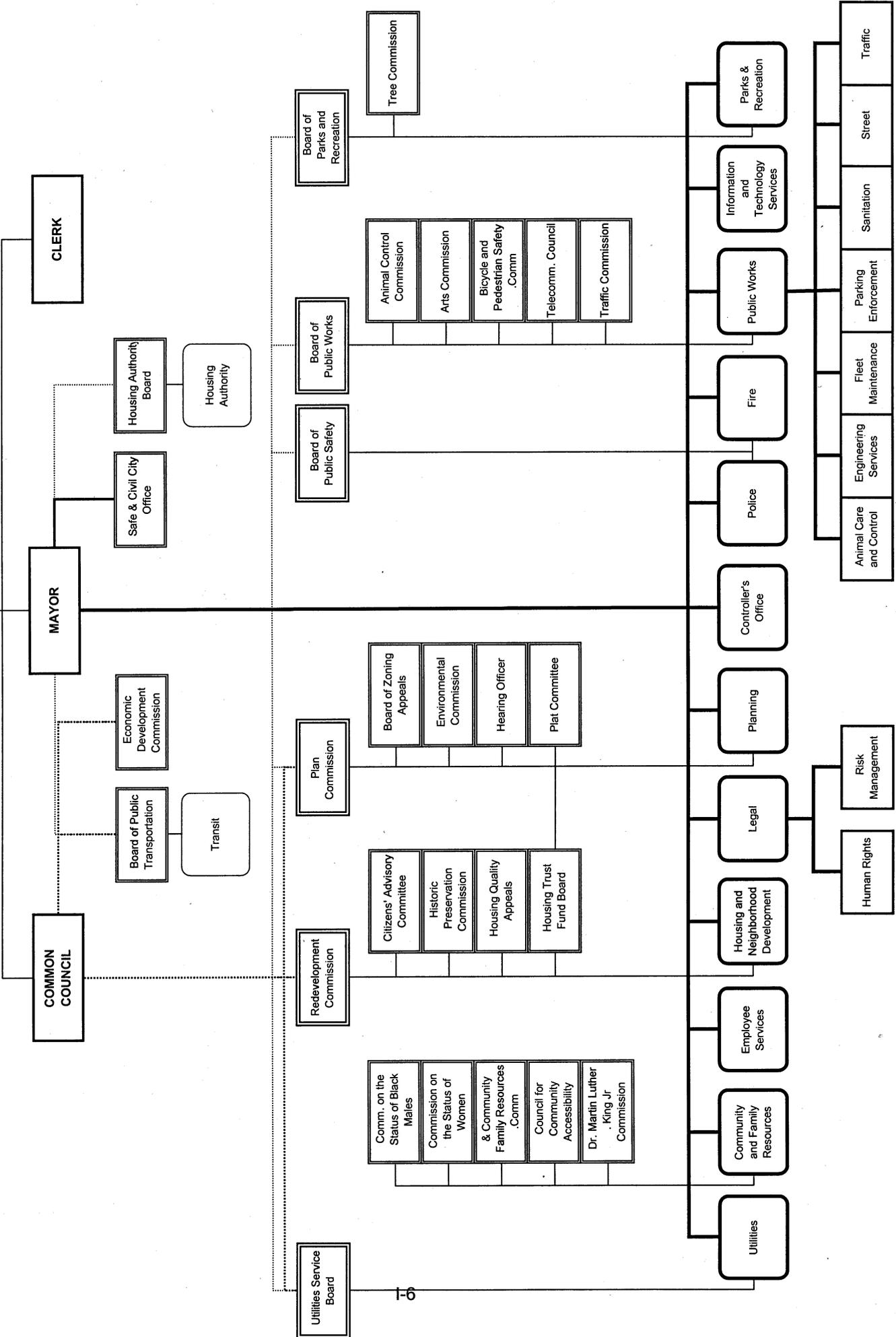
The preparation of this report could not have been accomplished without the dedicated services and assistance of the staff of the Office of the Controller and the Indiana State Board of Accounts. (See Acknowledgment)

Respectfully submitted,



Mary Susan Clark  
Interim Controller

**VOTING RESIDENTS OF THE CITY OF BLOOMINGTON**



**ELECTED OFFICIALS**

**MAYOR:** John Fernandez

**CITY CLERK:** Regina Moore

**COMMON COUNCIL**

District 1	Patricia Cole
District 2	Jason R. Banach
District 3	Michael Diekhoff, Vice President
District 4	Jeffrey Willsey (January – March) Dave Rollo (April – December)
District 5	L. David Sabbagh
District 6	Chris Gaal, President
At Large	Tim Mayer Anthony Pizzo, Parliamentarian Andy Ruff

**CITY DEPARTMENT HEADS**

Deputy Mayor, James McNamara  
Corporation Counsel, Linda Runkle  
Controller, Thomas Guevara  
Council Administrator, Dan Sherman  
Fire Chief, Jeff Barlow  
Housing Authority, Peggy Gudal (January – August)  
Housing Authority, Lisa Parsley, Interim Director (September – December)  
Community and Family Resources, Pete Giordano  
Parks and Recreation, Mick Renneisen  
Employee Services, Daniel Grundmann  
Chief Information Officer, Greg Volan  
Housing and Neighborhood Development, Susie Johnson  
Planning, Tom Micuda  
Police Chief, Mike Hostetler  
Public Works, John Freeman  
Animal Shelter, Laurie Ringquist  
Manager of Engineering Services, Justin Wykoff  
Fleet Shop Foreman, Mike Young  
Sanitation, Jason Hatfield  
Street Commissioner, Bob Chestnut  
Transit, Lew May  
Utilities, Mike Philips

## **CITY BOARDS AND COMMISSIONS**

### Animal Control Commission

Patricia Abplanalp  
Theresa Block  
Sarah DeLone (June – December)  
Vicky Myers (January – May)  
Stacy Scherr  
Gretchen Scott

### Bicycle/Pedestrian Safety Commission

Steve Cotter  
Michael Gavin  
Mitch Rice  
Jim Rosenbarger  
Gayle Stuebe

### Bloomington Community Arts Commission

Michael S. Cagle  
Margaret Contompasis  
Kathy Foster  
Rosemary Fraser  
Peter Jacobi  
Valda Meijers  
Patricia Pizzo  
Paul Puzzello  
Chris Smith

### Commission on the Status of Black Males

Larry Brown  
Cedric Harris  
William R. Knox  
Frank Motley  
Jim Sims  
Genevieve Manset Williams

### Community & Family Resources Commission

Laurie Eynon  
Jack Harlow  
Dr. Kenneth Heller  
Walter Keller  
Fran Moore  
James H. Stewart

Economic Development Commission

Dick McGarvey  
Joyce Poling  
Anthony Pizzo  
Dick Schmalz  
Rod Young

Environmental Commission

Kelly Boatman  
Keith Clay  
Christian Freitag  
Tim Hanson  
Kriste Lindberg  
Michael Litwin  
Heather Reynolds  
Kenneth Richards  
David Rollo  
Jim Shelton  
Linda Thompson  
Matt Weber

Historic Preservation Commission

Doug Bruce  
Jeannine Butler  
Sandra Clothier  
Henry Glassio  
Marjorie Hudgins  
Rosemary Miller  
Matthew Reckard  
James Stewart  
Chris Sturbaum  
Sue Zabriskie  
**Advisory Members:**  
Duncan Campbell  
Henry Glassie

Housing Authority

Tim Ball  
Kenneth Carmichael  
Randy Lloyd  
Darryl E. Marshall  
Richard Rampley  
Tom Risen  
Lindsey Smith

Housing Quality Appeals Board

Elizabeth Adedokun (August – December)

Beth Gallman

Peggy Gudal

Richard Harter (July – December)

Ben Mitchell

Rachel Nichols (January – June)

Ben Piper (January – July)

Brent Thompson

Paula Gordon White

Housing Trust Fund Board

Nancy Brinegar

Jason Banach

Mae Cassady

Susan Dabkowski

Iris Kiesling

Tim Mayer

Roger Sepanski

Steve Wyatt

Human Rights Commission

Byron Bangert

Emily Bowman

Carolyn Calloway-Thomas

Jeff Harlig

Pam Huggins

Vicki Pappas

Industrial Development Advisory Council

Nathan Hadley (January – May)

Kirk Hobbs

Roger Kent

Joyce Poling

Senator Vi Simpson

Richard Rampley

Doris Sims

Maren McGrane (June – December)

Martin Luther King Birthday Commission

Wendy Bernstein  
Beverly Calendar-Anderson  
Gloria Gibson  
Nicole Griffin  
Elizabeth Mitchell  
Robert Motley  
Rabbi Mira Wasserman

Board of Park Commissioners

Mary Catherine Carmichael  
John Carter  
Les Coyne  
Joe Hoffmann

Plan Commission

Scott Burgins  
Marcia Donnerstein  
Susan Fernandes  
Joseph Hoffmann  
Milan Pece  
Dave Rollo  
Tom Seeber  
Jim Sims  
Bill Stuebe  
Jeffrey Willsey  
Kurt Zorn

Board of Public Safety

Marc Carmichael  
Fred Schultz  
Doris Sims  
Jason Vencel  
Betsy Walsh

Board of Public Works

Dr. Frank Hrisomalos, President  
Beth Hollingsworth  
James McNamara

Redevelopment Commission

Michael Gentile  
Don Griffin  
Tim Hanson  
Jerry Hays  
David Walter

Telecommunications Council

Duane Busick  
Rick Dietz  
Henry Robbin  
Jesse Stryker  
Carl Zager

Traffic Commission

Mike Avila  
Buff Brown  
Nancy Harms  
Bill Hayden  
Jim Rosenbarger  
Sidney Smith  
Jack Davis, Ex-officio  
Randy Williamson (Police), ex officio  
Justin Wykoff (Engineering), ex officio

Tree Commission

Kelly Boatman  
William Carmichael (January – August)  
Tom Coleman  
Michael Crowe (January – July)  
Sean Gorman (September – December)  
Jim Roach  
Bob Sullivan Jr.  
Pamela Warren (July – December)  
Mia P. Williams

Public Transportation Corporation

John Bates  
Pat Gross (August – December)  
Monika Kroener  
Ray McConn  
Kent McDaniel  
Patrick Murphy (January – July)

Urban Enterprise Association

Jack Baker  
Andy Dodds  
Harold Dumes  
Nathan Hadley (January – May)  
Deanna Jeffrion  
Roger Kent  
Maren McGrane (June – December)  
David Sabbagh  
Tom Seeber  
Senator Vi Simpson  
Chris Smith  
Terry Sossong  
Doug Wissing

Utilities Service Board

Richard L. Eherenman  
Jeff Ehman  
Tim Henke  
Tom Swafford  
Frona Powell  
Samuel Vaught  
Jeffrey R. White  
Tom Micuda (Mayor), ex officio  
Tim Mayer (Council), ex officio

Commisson on Status of Women

Hannia Burke-Aguero  
Melanie Castillo-Cullather  
Cath Crabtree (August – December)  
Paige Freitag (January – July)  
Jillian Kinzie  
Andra Klemkowsky  
Dorothy Saltzman  
Aneta Sperber  
Toby Strout

Board of Zoning Appeals

Sue Aguila  
Marc Cornett (January – March)  
Patrick Murray (April – December)  
Milan Pece  
Tom Seeber  
Jim Silberstein

## **ACKNOWLEDGMENTS**

Our appreciation is extended to the various elected officials, department heads and employees responsible for contributing to the sound financial position of the City of Bloomington. In particular, we would like to acknowledge the efforts of a fine staff in the office of the Controller led by Deputy Controller, Sharon Williams; Brad Underwood, Systems Manager; Jeff McMillian, Accounting and Procurement Manager; Patrick Stoffers, Financial Analyst; Susan Truelock, Accounts Processor; Tamara Mitchner, Accounts Coordinator; and Alicia Terrell, Research Assistant. Data Processing support is provided by the Department of Information and Technology Services.

Appreciation is also due to the audit team of the Indiana State Board of Accounts:

Todd Austin, C.P.A., Field Supervisor  
Kerry Fleming, C.P.A., Auditor-in-Charge  
Rebecca Suhrheinrich, Field Examiner  
Christa Browning, Field Examiner  
Jeffrey Arthur, C.P.A., Field Examiner  
Beth Goss, Field Examiner  
Chris Sanders, Field Examiner

The Controller's Office alone could not manage the fiscal affairs of the city without the support of those employees charged with the responsibility of overseeing the financial operations of their departments and agencies:

**Animal Shelter:**  
Danyale Carpenter

**Common Council:**  
Dan Sherman

**City Clerk:**  
Regina Moore

**Employee Services:**  
Janice Chestnut

**Engineering:**  
Rosha Hardin

**Fire:**  
Joyce Franklin

**Fleet Maintenance:**  
Sue Hammock

**H.A.N.D.:**  
Janet Roberts  
Christina Finley  
Rhonda Helms

**C.A.F.R.:**  
Edie Hays

**Legal:**  
Pat Houser  
Karen Wells

**Mayor:**  
Martha Wainscott  
Laurel Waters

**Parking Meter:**  
Amy Smith  
Lori Beasley

**Parks and Recreation:**  
Renee Langley  
Judy Seigle

**Planning:**

Carmen Lillard  
Jane Weiser

**Police:**

Elaine Helms  
Jamie Jahnke

**Public Works:**

Denise Henderson  
Lisa Lazell  
Penny Myers

**Risk Management:**

Rebecca Brock

**Street:**

Danna Workman

**Traffic:**

Debbie Vollmer

**Utilities:**

Steve Saulter  
Julie Martindale  
Margaret Marko  
Kim Robertson

This annual report includes statistical data from a variety of sources. We would like to thank Barbara Clark, Monroe County Auditor, and her staff for their help in collecting much of this data. We would also like to express our appreciation to Indiana University and the Greater Bloomington Chamber of Commerce for their help in collecting this data.





**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513

Fax: (317) 232-4711

Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

**INDEPENDENT AUDITOR'S REPORT**

TO: THE OFFICIALS OF THE CITY OF BLOOMINGTON, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bloomington (City), as of and for the year ended December 31, 2003, which collectively comprise the City's city basic financial statements. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States.

Management's Discussion and Analysis, Schedules of Funding Progress, Schedules of Contributions from the Employer and Other Contributing Entities and Budgetary Comparison Schedules as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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, combining non-major fund financial statements, other budgetary comparison schedules and statistical tables are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The combining non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, other budgetary comparison schedules and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

In accordance with Government Auditing Standards we have also issued our report dated June 30, 2004, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

STATE BOARD OF ACCOUNTS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513

Fax: (317) 232-4711

Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

**INDEPENDENT AUDITORS REPORT ON COMPLIANCE AND ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

TO: THE OFFICIALS OF THE CITY OF BLOOMINGTON, INDIANA

We have audited the financial statements of the City of Bloomington (City) as of and for the year ended December 31, 2003, and have issued our report thereon dated June 30, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the City's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 30, 2004

## Management's Discussion and Analysis

As management of the City of Bloomington (the City), we offer the following discussion as insight into the financial performance of the City for the fiscal year ended December 31, 2003. To gain a fair understanding of the City's financial position, this discussion and analysis should be read in conjunction with our letter of transmittal, the basic financial statements, and the notes to the basic financial statements.

### Financial Highlights

- The City's total assets at December 31, 2003 were \$391.5 million. The assets of the City exceeded its liabilities at the end of 2003 by \$251.3 million. Of this amount, \$15.9 million is considered unrestricted.
- The City's total liabilities at December 31, 2003 were \$140.2 million.
- At the end of 2003, the City's governmental funds reported a combined ending fund balance of \$31.6 million. The combined governmental funds' fund balance decreased by \$4.1 million from the prior year's ending fund balance. Approximately \$15.8 million of the \$31.6 million fund balance is considered unreserved at December 31, 2003.
- The City's total debt increased by \$8.5 million (6 percent). This includes additions of \$40.6 million and reductions of \$31.6 million. This increase is due to increases in loans payable, capital leases and net pension obligations.

### Using this Annual Report

This discussion and analysis is intended to serve as an introduction to the City of Bloomington's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. In addition to the basic financial statements this Comprehensive Annual Financial Report (CAFR) includes other supplementary information along with the statistical section.

#### Government-wide financial statements

The government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting, in a manner similar to the private-sector. The government-wide financial statements are composed of two statements: the statement of net assets and the statement of activities.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between them reported as net assets. Net assets are then broken down between governmental and business-type activities. Over time, increases or decreases in net assets will show fluctuation in the City's financial position.

The *statement of activities* presents information on all of the City's revenues and expenses, showing how the government's general expenses less the program revenues equal net expenses for the most recent fiscal year. General revenues are then subtracted from net expenses to get the change in net assets. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide 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 governmental activities of the City include general government, public safety, highways and streets, sanitation, health and welfare, economic opportunity, economic development, culture and recreation, urban redevelopment and housing, capital outlay, and interest on long-term debt. The business-type activities of the City include a water utility and a wastewater utility.

The government-wide financial statements include not only the City itself (primary government), but also the legally separate unit the Public Transportation Corporation for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The financial statements of this component unit can be found in their entirety on file in the City Controller's office at 401 N. Morton Street, Bloomington, Indiana 47404.

The government-wide financial statements can be found on pages II-14 through II-15 of this report.

### **Fund financial statements**

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, with its related liabilities, and corresponding equity balances. Some funds are required to be established by State Law and by bond covenants, while others are adopted to help control monies set aside for a specific purpose. The City of Bloomington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for most of the City's basic services. These funds generally do not provide enough revenue to completely cover their expenses; therefore, they need taxes, fees, interest or any other intergovernmental revenue to help support them. These funds use the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund financial statements focus on near-term inflows and outflows of unrestricted resources, as well as on balances of unrestricted resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. At the government-wide level, these funds are accounted for in the governmental activities column on the financial statements. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement. The basic governmental fund financial statements can be found on pages II-16 through II-19 of this report.

**Proprietary funds.** A fund is classified as a proprietary fund when the City charges a fee to cover the entire cost of an operation, whether to outside customers or to other units of the City. There are two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. These funds are completely self-supported by providing services to *outside customers* of the City. The City uses enterprise funds to account for its water and wastewater operations. Internal Service funds are used to report activities that provide services and supplies for the other City departments. The City uses internal services funds to account for its risk management, fleet maintenance, and health insurance trust. The internal service funds are reported within the governmental activities section of the government-wide financial statements. The basic proprietary fund financial statements can be found on pages II-20 through II-22 of this report.

**Fiduciary funds.** Fiduciary funds are funds held by a governmental unit as an agent or trustee. They are not reflected in the government-wide statements because the resources of those funds are not available to support the City's own programs. The City holds two types of fiduciary funds: pension trust funds and a private-purpose trust fund. Pension trust funds are used to account for pension plans held by the City on behalf of its employees. The City uses pension trust funds to report the police pension and the fire pension funds. The private-purpose trust fund is used to account for monies held by the City for an external party, the Howard Young Bicentennial Trust. The basic fiduciary fund financial statement can be found on pages II-23 through II-24 of this report.

**Notes to the financial statements.** The notes are a required part of the basic financial statements that provide necessary information for the understanding of the City's financial report. The notes to the financial statements can be found on pages II-25 through II-50 of this report.

**Other information.** The City is also required to provide more detailed information about certain issues disclosed in required supplementary information (RSI) schedules. The City's RSI schedules include: Budgetary Comparison Schedule for General Fund and Budgeted Major Special Revenue Funds, Budget/GAAP Reconciliation for the General Fund and Budgeted Major Special Revenue Funds, the schedule of funding progress, schedule of contributions from the employer and other contributing entities, and the Notes to Required Supplementary Information. The combining financial statements for the non-major governmental funds and the internal service funds are found immediately following the RSI schedules listed above. The RSI schedules can be found on pages III-1 through III-7 of this report.

**City of Bloomington**  
**Net Assets**  
(in thousands)

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>		<u>Component units</u>	
	2003	2002*	2003	2002*	2003	2002*	2003	2002*
Current and other assets	\$ 36,934	N/A	\$ 7,113	N/A	\$ 44,047	N/A	\$ 5,999	N/A
Capital assets	192,011	N/A	155,495	N/A	\$ 347,506	N/A	10,004	N/A
<b>Total assets</b>	<b>\$ 228,945</b>	<b>\$ -</b>	<b>\$ 162,608</b>	<b>\$ -</b>	<b>\$ 391,553</b>	<b>\$ -</b>	<b>\$ 16,002</b>	<b>\$ -</b>
Long-term liabilities outstanding	65,273	N/A	62,237	N/A	127,510	N/A	-	N/A
Other liabilities	7,910	N/A	4,737	N/A	12,647	N/A	2,239	N/A
<b>Total liabilities</b>	<b>73,183</b>	<b>-</b>	<b>66,974</b>	<b>-</b>	<b>140,157</b>	<b>-</b>	<b>2,239</b>	<b>-</b>
<b>Net Assets</b>								
Invested in capital assets, net of related debt	142,750	N/A	88,961	N/A	231,711	N/A	10,004	N/A
Restricted	1,904	N/A	1,766	N/A	3,670	N/A	-	N/A
Unrestricted	11,108	N/A	4,907	N/A	16,015	N/A	3,760	N/A
<b>Total Net Assets</b>	<b>\$ 155,762</b>	<b>\$ -</b>	<b>\$ 95,634</b>	<b>\$ -</b>	<b>\$ 251,396</b>	<b>\$ -</b>	<b>\$ 13,764</b>	<b>\$ -</b>

\* The comparative data for 2002 is not available because this is the initial year of implementation of GASB Statement No. 34.

## **Government-wide Financial Analysis**

The City's (primary government) net assets totaled \$251.3 million at the close of 2003. Of the City's net assets (total assets less total liabilities), \$231.7 million (92 percent) reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements other than buildings, machinery and equipment, infrastructure, utility plant acquisition adjustment, and transportation equipment), less any debt used to acquire these assets that is still outstanding. These assets are designated as invested in capital assets because they are used to provide the everyday services the citizens of the City expect. These assets are not liquid and are not available for future spending. The debt associated with these capital assets must be paid from sources other than the capital assets themselves because as stated before they cannot be used as a liquid asset.

The remainder of the City's net assets is designated as either restricted or unrestricted. The restricted portions, \$3.7 million (1.5 percent), are dollars that are subject to an external restriction and cannot be spent on everyday operations. The unrestricted portion, \$15.9 million (6.4 percent), may be used by the City for normal operations of providing services to the citizens of Bloomington.

At the end of 2003, the City shows a positive net asset figure as a whole as well as in the governmental and business-type activities sections individually. This shows that the City has been able to make sound financial decisions over the past several years, leaving them with a solid equity base to build on.

The City's net assets increased by \$6 million during 2003. There was an increase in the City's net asset figure for the business-type activities of \$6.4 million and a decrease in the governmental activities of \$.4 million. Because this is the initial year of GASB Statement No. 34 implementation and, therefore, the first time the City has prepared a government-wide financial statement, detailed analysis of the reasons for this increase is unavailable. In following years a comparative analysis of the statement of net assets will be available.

The City's component unit showed assets exceeding liabilities by \$13.8 million at the end of 2003. Of the net assets (total assets less total liabilities), \$10 million (72.7 percent), the largest portion, reflects its investment in capital assets. These assets are designated as invested in capital assets because they are used to provide the everyday services to the users of the component units. These assets are not liquid and are not available for future spending.

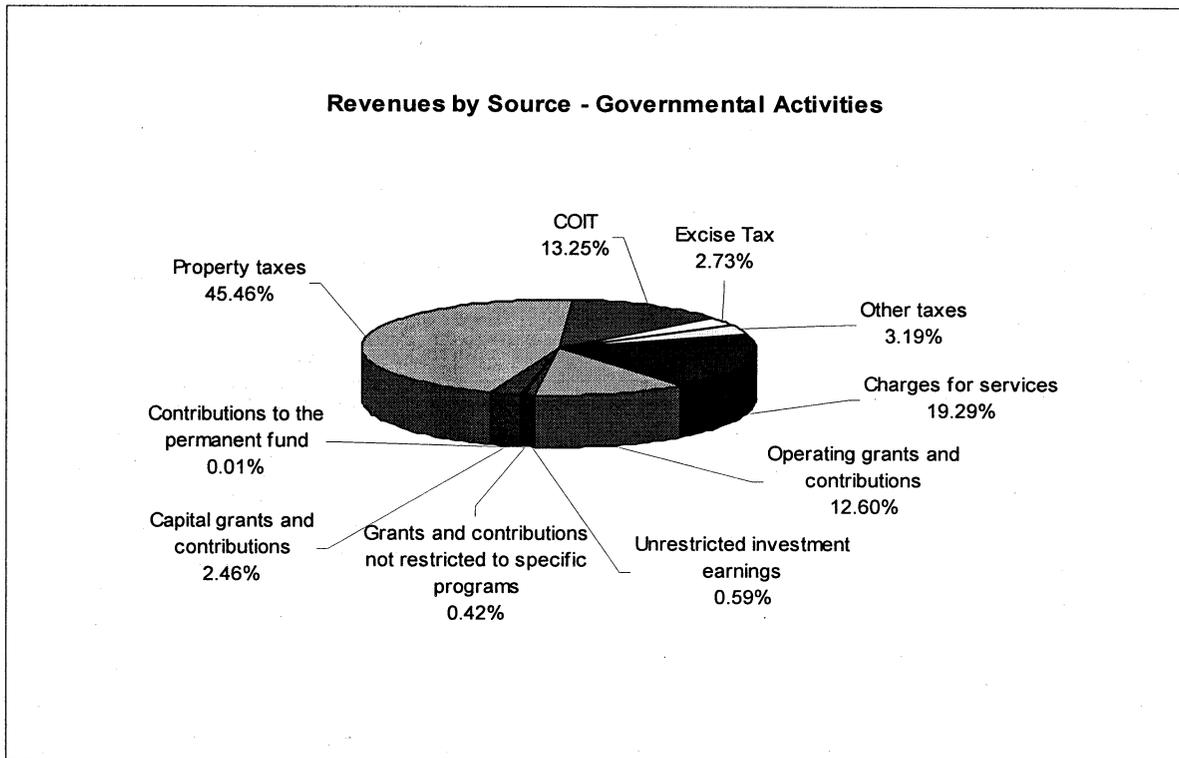
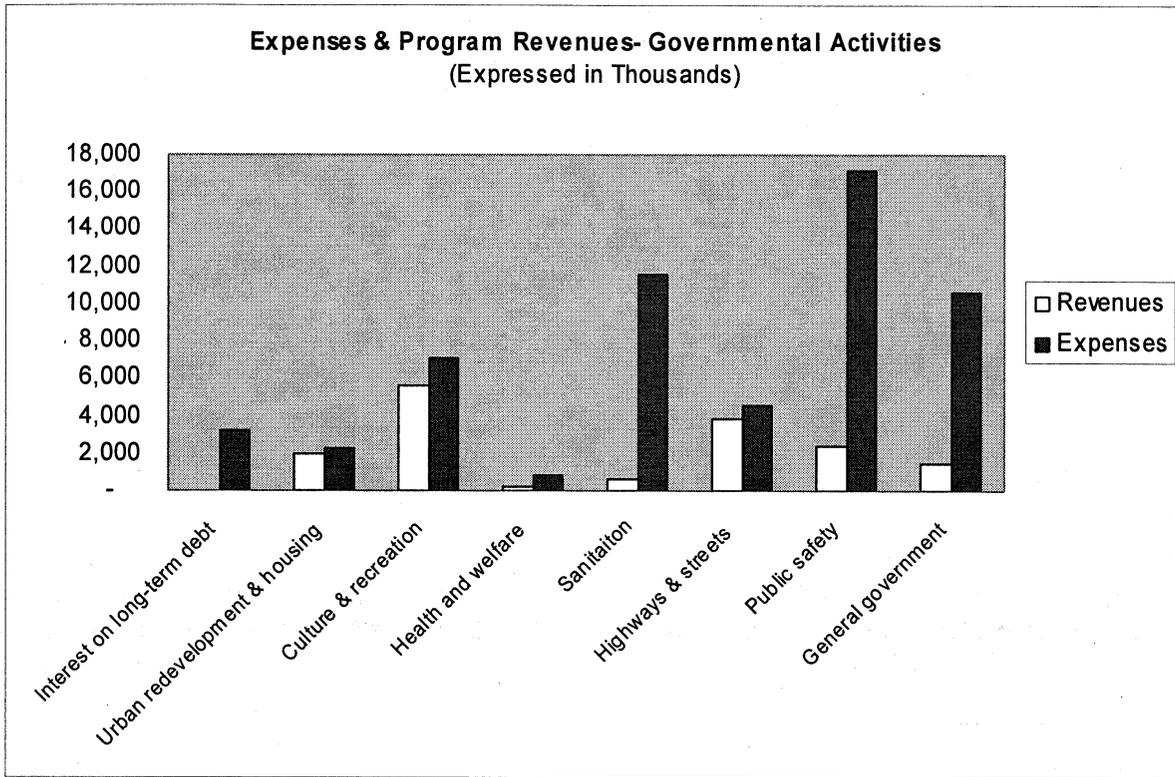
**City of Bloomington**  
**Changes in Net Assets**  
(in thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>activities</u>		<u>Total</u>		<u>Component units</u>	
	2003	2002*	2003	2002*	2003	2002*	2003	2002*
<b>Revenues</b>								
<b>Program Revenues:</b>								
Charges for services	\$ 9,038	N/A	\$ 23,375	N/A	\$ 32,413	N/A	\$ 1,013	N/A
Operating grants and contributions	5,902	N/A	-	N/A	5,902	N/A	1,705	N/A
Capital grants and contributions	1,154	N/A	1,948	N/A	3,102	N/A	1,643	N/A
<b>General Revenues:</b>								
Property taxes	21,300	N/A	-	N/A	21,300	N/A	1,099	N/A
County Option Income Tax	6,210	N/A	-	N/A	6,210	N/A	-	N/A
Excise Tax	1,281	N/A	-	N/A	1,281	N/A	-	N/A
Other taxes	1,494	N/A	-	N/A	1,494	N/A	-	N/A
Contributions to the permanent fund	6	N/A	-	N/A	6	N/A	-	N/A
Grants and contributions not restricted to specific programs	195	N/A	-	N/A	195	N/A	-	N/A
Unrestricted investment earnings	277	N/A	40	N/A	317	N/A	-	N/A
Other	-	N/A	519	N/A	519	N/A	52	N/A
<b>Total revenues</b>	<b>\$ 46,857</b>	<b>\$ -</b>	<b>\$ 25,882</b>	<b>\$ -</b>	<b>\$ 72,739</b>	<b>\$ -</b>	<b>\$ 5,512</b>	<b>\$ -</b>
<b>Expenses:</b>								
General government	\$ 10,642	N/A	\$ -	N/A	\$ 10,642	N/A	\$ -	N/A
Public safety	17,119	N/A	-	N/A	17,119	N/A	-	N/A
Highways and streets	4,547	N/A	-	N/A	4,547	N/A	-	N/A
Sanitation	1,542	N/A	-	N/A	1,542	N/A	-	N/A
Health and welfare	799	N/A	-	N/A	799	N/A	-	N/A
Culture and recreation	7,108	N/A	-	N/A	7,108	N/A	-	N/A
Urban Redevelopment and Housing	2,321	N/A	-	N/A	2,321	N/A	-	N/A
Interest on long-term debt	3,223	N/A	-	N/A	3,223	N/A	-	N/A
Water	-	N/A	7,729	N/A	7,729	N/A	-	N/A
Wastewater	-	N/A	11,932	N/A	11,932	N/A	-	N/A
Bloomington Transit	-	N/A	-	N/A	-	N/A	4,797	N/A
<b>Total Expenses</b>	<b>\$ 47,301</b>	<b>\$ -</b>	<b>\$ 19,661</b>	<b>\$ -</b>	<b>\$ 66,962</b>	<b>\$ -</b>	<b>\$ 4,797</b>	<b>\$ -</b>
Increase in net assets before transfers	(444)	-	6,221	-	5,777	-	715	-
Special and extraordinary items								
Extraordinary gain - Utility service building fire	-	N/A	193	N/A	193	N/A	-	N/A
Increase in net assets	(444)	N/A	6,414	N/A	5,970	N/A	715	N/A
<b>Net assets -- January 1<sup>st</sup></b>	<b>\$156,206</b>	<b>\$ -</b>	<b>\$ 89,219</b>	<b>\$ -</b>	<b>\$245,425</b>	<b>\$ -</b>	<b>\$13,049</b>	<b>\$ -</b>
<b>Net assets -- December 31<sup>st</sup></b>	<b>\$155,762</b>	<b>\$ -</b>	<b>\$ 95,633</b>	<b>\$ -</b>	<b>\$251,395</b>	<b>\$ -</b>	<b>\$13,764</b>	<b>\$ -</b>

\* The comparative data for 2002 is not available because this is the initial year of implementation of GASB Statement No. 4.

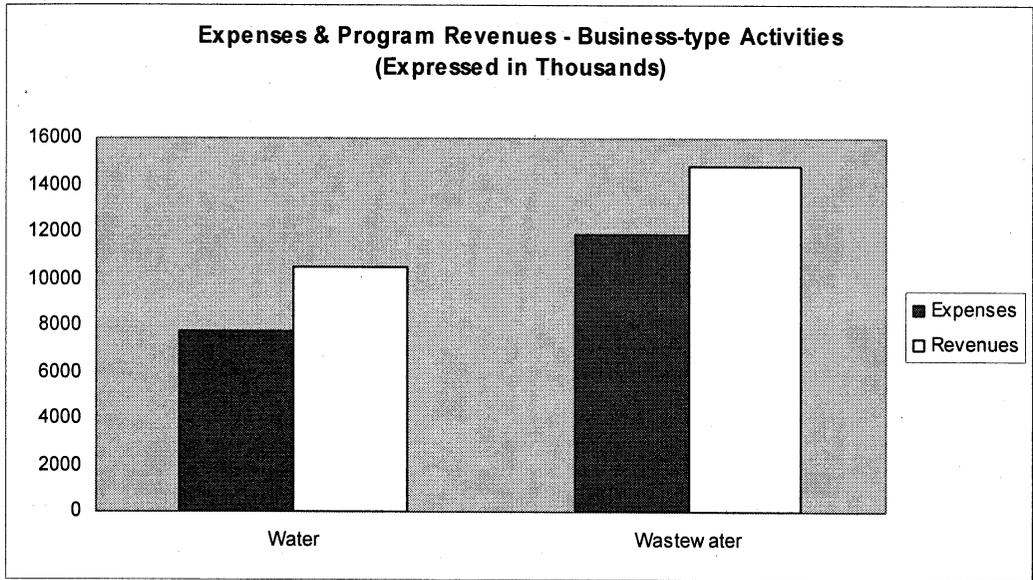
**Governmental Activities.** The net assets decreased \$415,820 in governmental activities. As seen in the graph of revenues by source for governmental activities the City's main source of revenue is its taxes.

This next chart compares program revenues and expenses for the individual governmental activities for the current year. As the chart reflects, most governmental activities relied on general revenues to support the function.

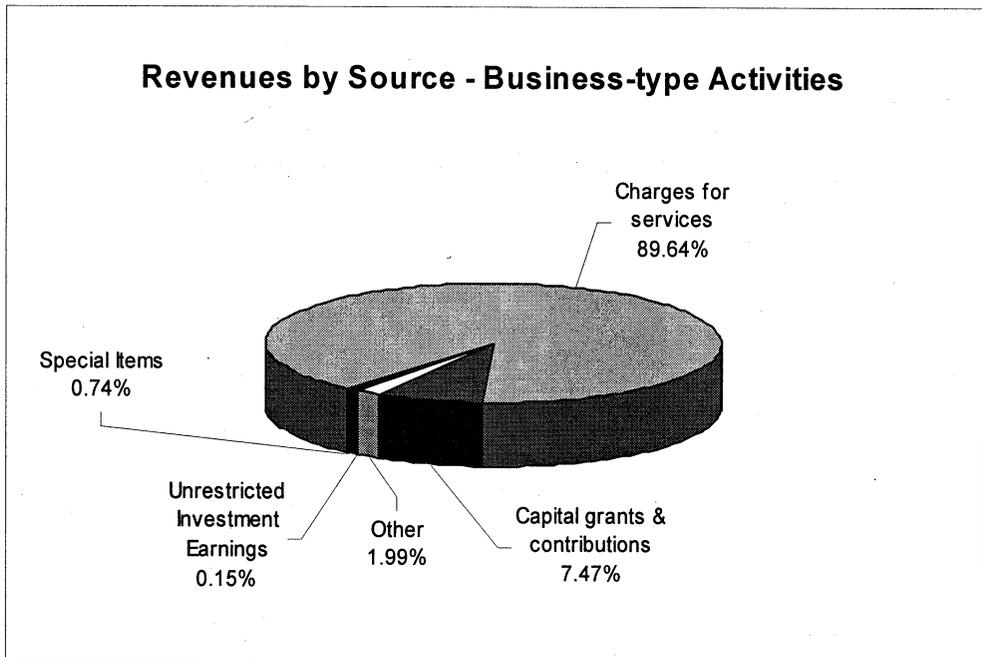


**Business-type Activities.** The business-type activities of the City increased net assets by \$6.4 million. Business-type activities represent 36 percent of the Primary Government's revenues and 29 percent of the expenses.

This chart compares program revenues to expenses by individual business-type activities for the current year.



The following chart shows that almost 98 percent of revenues for business-type activities are generated by charges for services and capital grants and contributions.



## Financial Analysis of the Government's Funds

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

**Governmental funds.** The City's fund financial statements use modified accrual accounting providing information on near-term inflows, outflows, and balances of available resources. This provides the reader with useful information regarding the City's financial position. The unreserved fund balance on the City's governmental funds gives good insight into its ability to meet current obligations as well as meet the City's ongoing service needs.

At the end of 2003, the City's governmental funds reported combined ending fund balances of \$31.6 million, a decrease of \$4.1 million in comparison with the prior year. Of that total about \$15.8 million (50 percent) is unreserved fund balance. The remaining \$15.8 million (50 percent) is reserved for prior commitments. The reserved amount is for encumbrances (\$2.3 million), non-current loans receivable (\$2.2 million), debt service (\$1.9 million), capital projects (\$9.1 million), the permanent fund (\$5,870) and assets held for resale (\$210,317).

The largest portion of the City's governmental fund total is made up of the General fund, the City's chief operating fund. At the end of 2003, the General fund had an unreserved fund balance of \$2.8 million and a total fund balance of \$3.2 million. As a measure of the General fund's liquidity, you can compare the total fund balance and unreserved fund balance to the total fund expenditures. The General fund expenditures for fiscal year ended 2003 were \$21.3 million. The General fund also had other financing uses (OFU) of \$850,000. The total fund balance represents 15 percent of General fund expenditures, while the unreserved fund balance is 13 percent of that same amount.

According to the Budgetary Comparison Schedule found on page III-1, expenditures exceeded revenues by \$1 million.

The fund balance of the City's general fund decreased \$3,148,618 from \$6,319,566 to \$3,170,948 (49.82 percent) during fiscal year ended 2003. Expenditures exceeded revenues by \$2.3 million, and net transfers out were \$820,916. The total amount receivable decreased from \$3,794,849 in 2002 to \$1,076,192 in 2003. The decrease in receivables is mainly attributed to a change in the distribution method used by the State of Indiana. Prior to 2003, County Option Income Tax (COIT) distributions to local governments were based on the State's forecasts. In 2003, Senate Enrolled Act 166-2003 changed Indiana law to require that COIT distributions made to local governments be based on actual amounts of COIT reported on tax returns. As a result of the change in law, the amount that the state reports as COIT receivable ends on June 30 rather than December 31. This new reporting method resulted in a decrease of the City's COIT receivable from \$2,747,930 in 2002 to \$528,498 in 2003.

In addition to the General Fund, the City has three other funds that meet the major fund criteria: Parks, Streets and Roads, and Municipal Improvement. The combined fund balance at the end of 2003 for the other major funds is \$5.2 million (Parks \$799,943, Streets and Roads \$4.4 million, and Municipal Improvement \$1,643) with the Non-major governmental funds having a combined fund balance of \$23.2 million. The fund balance of the City's other major funds increased by \$29,081 during fiscal year ended 2003 with the Non-major funds decreasing \$985,983.

**Proprietary funds.** The City's proprietary funds use full accrual accounting to report information in their fund financial statements similar to the way things are reported in the government-wide financial statements.

Net assets of the City's major proprietary funds at the end of 2003 were \$95.6 million. Of that amount \$4.9 million is unrestricted. During 2003, net assets increased a total of \$6.4 million. Net assets of the City's non-major proprietary funds at the end of 2003 were \$2.5 million. That total amount is considered unrestricted. This is a total decrease of \$84,138.

### General Fund Budgetary Highlights

The original adopted budget for 2003 expenditures was \$22.1 million, and the final amended budget was \$22.5 million including additional appropriations and prior year encumbrances. This is an increase of \$379,490 (or 1.7 percent). Actual expenditures were \$1 million lower than the final amended budget.

The original adopted budget for 2003 revenues was \$21.3 million, and the final amended budget was \$20.8 million. This is a decrease of \$421,568. Actual revenues were \$416,370 higher than the final amended budget.

### Capital Asset and Debt Administration

**Capital Assets.** The City's Primary Government's capital assets as of December 31, 2003, equal \$347,505,737 (net of accumulated depreciation). Capital assets include land, infrastructure, buildings and improvements, machinery and equipment, construction in progress, and transportation equipment. The total increase in the City's capital assets for the current fiscal year was \$17,816,286 or 5.4 percent (a 6.7 percent increase for governmental activities and a 3.8 percent increase for business-type activities).

**Governmental activities.** Capital assets for the governmental activities total \$247.7 million with an accumulated depreciation figure of \$55.7 million for a net book value of \$192 million. The amount includes \$3.2 million in construction in progress reflecting capital projects in various stages of completion. During 2003, approximately \$15.2 million was spent on capital projects. The City chose to report its infrastructure assets using the depreciation method.

**Business-type activities.** Capital assets for business-type activities total \$225 million and have a net book value of \$155.5 million. The amount also includes \$10.6 million in construction in progress reflecting capital projects in various stages of completion.

	Primary Government					
	Capital Assets, net of depreciation					
	Governmental Activities		Business-type activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$ 97,387,402	\$ 93,631,826	\$ 1,537,242	\$ 1,495,686	\$ 98,924,644	\$ 95,127,512
Construction in progress	3,156,432	5,139,085	10,640,220	17,489,903	13,796,652	22,628,988
Buildings	29,357,620	24,158,592	21,500,297	15,207,883	50,857,917	39,366,475
Improvements other than buildings	10,142,163	10,331,557	112,669,824	107,026,242	122,811,987	117,357,799
Machinery and equipment	7,295,663	8,438,208	7,409,182	6,758,656	14,704,845	15,196,864
Infrastructure	44,671,648	38,227,944	-	-	44,671,648	38,227,944
Utility plant acquisition adjustment	-	-	47,622	50,662	47,622	50,662
Transportation equipment	-	-	1,690,422	1,733,207	1,690,422	1,733,207
<b>Total</b>	<b>\$192,010,928</b>	<b>\$179,927,212</b>	<b>\$155,494,809</b>	<b>\$149,762,239</b>	<b>\$347,505,737</b>	<b>\$329,689,451</b>

**Long-term debt.** At the end of the current fiscal year, the City's Primary Government had total bonded debt outstanding of \$52.8 million. Of this amount, \$18 million is considered to be general obligation bonds. The City is responsible to pay for this debt with general revenues. The remaining \$34.8 million is revenue bonds that are paid for from the revenues earned by the business-type fund that is responsible for the debt.

**Primary Government  
Long-term Debt**

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	2003	2002	2003	2002	2003	2002
General obligation bonds	\$ 17,980,000	\$ 18,660,000	\$ -	\$ -	\$ 17,980,000	\$ 18,660,000
Compensated absences payable	441,989	431,599	134,581	152,913	576,570	584,512
Revenue bonds payable	-	-	34,795,144	36,608,611	34,795,144	36,608,611
Notes and loans payable	-	-	28,276,009	25,893,308	28,276,009	25,893,308
Capital lease obligations	31,281,006	25,005,137	786,137	760,116	32,067,143	25,765,253
Net pension obligation	17,949,541	15,587,455	-	-	17,921,691	15,587,455
<b>Total</b>	<b>\$ 67,652,536</b>	<b>\$ 59,684,191</b>	<b>\$ 63,991,871</b>	<b>\$ 63,414,948</b>	<b>\$ 131,616,557</b>	<b>\$ 123,099,139</b>

During the current fiscal year, the City's total debt increased by \$8.5 million. This net increase is due to increases in loans payable, capital leases and net pension obligations and decreases in general obligations and revenue bonds payable.

The City of Bloomington currently maintains a AA- rating from Standard & Poor's, AA from Fitch, and Aa3 from Moody's.

Additional information on the City's long-term debt can be found in Notes III-E through III-F on pages II-36 through II-41 of this report.

**Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the City is currently 3.4, which is up from a rate of 3.1 percent a year ago. This is below the state's average unemployment rate of 5.1 percent, and is below the national average of 5.8 percent.
- The City's prorated share of COIT tax dollars will decrease due to an increase in the County's 2004 property tax levy; therefore it will entitle the City to a smaller percentage of the COIT tax dollars.
- The City does not anticipate any utility or property tax increases for 2004.
- A mandatory increase in the City's contribution to the Public Employees' Retirement Fund created an increase of \$140,000 including a \$72,542 increase to the General Fund Budget.
- Additional personnel in the Fire Department (General Fund) budget added \$160,724.
- An increase of \$195,692 is required for expansion of the City's Animal Shelter.

These factors along with others were considered when preparing the City's budget for the 2004 fiscal year.

## **Request for Information**

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the City's Controller's Office, 401 N. Morton Street, Bloomington, Indiana, 47404.

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF NET ASSETS  
December 31, 2003

Assets	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Cash and cash equivalents	\$ 27,950,012	\$ 3,828,600	31,778,612	\$ 2,975,478
Cash with fiscal agent	446,527	-	446,527	-
Receivables (net of allowances for uncollectibles):				
Interest	11,290	-	11,290	4,727
Taxes	648,152	-	648,152	21,911
Accounts	4,380	797,739	802,119	11,698
Other	31,657	8,776	40,433	-
Intergovernmental	832,316	-	832,316	1,525,915
Loans	3,862,644	-	3,862,644	-
Internal balances	2,594,986	(2,594,986)	-	-
Land held for resale	210,317	-	210,317	-
Inventories	342,212	511,112	853,324	304,417
Prepaid expense	-	1,895	1,895	-
Restricted assets:				
Cash with fiscal agent	-	2,298,814	2,298,814	-
Construction	-	1,406,196	1,406,196	1,154,356
Debt service reserve	-	306,706	306,706	-
Bond and interest	-	52,806	52,806	-
Deferred debit	-	495,083	495,083	-
Capital assets:				
Land, improvements and construction in progress	100,543,834	12,225,084	112,768,918	11,179
Other capital assets, net of depreciation	91,467,094	143,269,725	234,736,819	9,992,543
<b>Total assets</b>	<b>228,945,421</b>	<b>162,607,550</b>	<b>391,552,971</b>	<b>16,002,224</b>
<b>Liabilities</b>				
Accounts payable	1,486,951	1,346,818	2,833,769	2,070,030
Accrued payroll and withholdings payable	672,921	230,038	902,959	146,444
Compensated absences payable	134,569	44,140	178,709	-
Taxes payable	-	21,044	21,044	-
Accrued interest payable	3,080,011	-	3,080,011	-
Deferred revenue	-	113,038	113,038	22,324
General obligation bonds payable	605,000	-	605,000	-
Capital lease obligations	1,639,570	305,268	1,944,838	-
Notes and loans payable	-	369,734	369,734	-
Payable from restricted assets:				
Customer deposits	-	8,500	8,500	-
Accrued bond interest	-	728,814	728,814	-
Revenue bonds - due within one year	-	1,570,000	1,570,000	-
Estimated unfilled claims	290,794	-	290,794	-
Long term liabilities:				
General obligation bonds payable	17,375,000	-	17,375,000	-
Advances for construction	-	534,077	534,077	-
Compensated absences payable	307,420	90,441	397,861	-
Revenue bonds payable	-	33,225,144	33,225,144	-
Notes and loans payable	-	27,906,275	27,906,275	-
Capital lease obligations	29,641,436	480,869	30,122,305	-
Net pension obligation	17,949,541	-	17,949,541	-
<b>Total liabilities</b>	<b>73,183,213</b>	<b>66,974,200</b>	<b>140,157,413</b>	<b>2,238,798</b>
<b>Net assets</b>				
Invested in capital assets, net of related debt	142,749,922	88,960,595	231,710,517	10,003,722
Restricted for:				
Debt service	1,904,449	306,706	2,211,155	-
Other purposes	-	1,459,002	1,459,002	-
Unrestricted	11,107,837	4,907,047	16,014,884	3,759,704
<b>Total net assets</b>	<b>\$ 155,762,208</b>	<b>\$ 95,633,350</b>	<b>\$ 251,395,558</b>	<b>\$ 13,763,426</b>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF ACTIVITIES  
For The Year Ended December 31, 2003

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 10,642,606	\$ 890,581	\$ 601,754	\$ -	\$ (9,150,271)	\$ -	\$ (9,150,271)	\$ -
Public safety	17,118,995	1,938,745	412,957	-	(14,767,293)	-	(14,767,293)	-
Highways and streets	4,546,811	499,852	3,300,479	-	(746,480)	-	(746,480)	-
Sanitation	1,541,878	594,330	29,545	-	(918,003)	-	(918,003)	-
Health and welfare	798,947	-	251,353	-	(547,594)	-	(547,594)	-
Culture and recreation	7,108,000	5,017,587	432,466	119,578	(1,538,369)	-	(1,538,369)	-
Urban Redevelopment and Housing	2,320,791	97,026	873,625	1,033,933	(316,208)	-	(316,208)	-
Interest on long-term debt	3,222,747	-	-	-	(3,222,747)	-	(3,222,747)	-
Total governmental activities	47,300,775	9,038,121	5,902,178	1,153,512	(31,206,964)	-	(31,206,964)	-
Business-type activities:								
Water	7,728,523	9,632,833	-	896,781	-	2,801,091	2,801,091	-
Wastewater	11,932,088	13,742,035	-	1,051,303	-	2,861,250	2,861,250	-
Total business-type activities	19,660,611	23,374,868	-	1,948,084	-	5,662,341	5,662,341	-
Total primary government	\$ 66,961,386	\$ 32,412,989	\$ 5,902,178	\$ 3,101,596	(31,206,964)	5,662,341	(25,544,623)	-
Component units:								
Bloomington Transit	4,797,489	1,013,165	1,704,963	1,643,238	-	-	-	(436,123)
General revenues:								
Property taxes					21,299,697	-	21,299,697	1,099,036
County option income tax					6,210,060	-	6,210,060	-
Excise tax					1,281,285	-	1,281,285	-
Other taxes					1,493,825	-	1,493,825	-
Contributions to the permanent fund					5,870	-	5,870	-
Grants and contributions not restricted to specific programs					195,419	-	195,419	-
Unrestricted investment earnings					277,138	40,241	317,379	-
Other					-	518,715	518,715	51,817
Special and extraordinary items:								
Extraordinary gain - Utility service building fire					-	193,134	193,134	-
Total general revenues, special items, and transfers					30,763,294	752,090	31,515,384	1,150,853
Change in net assets					(443,670)	6,414,431	5,970,761	714,730
Net assets - beginning					156,205,878	89,218,919	245,424,797	13,048,696
Net assets - ending					\$ 155,762,208	\$ 95,633,350	\$ 251,395,558	\$ 13,763,426

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2003

<u>Assets</u>	<u>General</u>	<u>Park</u>	<u>Street &amp; Road</u>	<u>Municipal Improvement</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
Cash and cash equivalents	\$ 3,626,790	\$ 917,092	\$ 3,586,237	\$ -	\$ 18,097,692	\$ 26,227,811
Cash with fiscal agent	-	-	-	386,527	60,000	446,527
Receivables (net of allowances for uncollectibles):						
Interest	4,060	-	-	-	6,729	10,789
Taxes	333,140	124,585	-	-	190,427	648,152
Accounts	-	-	-	-	4,380	4,380
Intergovernmental	517,889	-	236,327	-	78,100	832,316
Loans	-	-	-	-	3,862,644	3,862,644
Other	8,151	4,283	1,687	-	6,029	20,150
Interfund receivable	212,952	-	657,103	-	1,929,634	2,799,689
Land held for resale	-	-	-	-	210,317	210,317
<b>Total assets</b>	<b>\$ 4,702,982</b>	<b>\$ 1,045,960</b>	<b>\$ 4,481,354</b>	<b>\$ 386,527</b>	<b>\$ 24,445,952</b>	<b>\$ 35,062,775</b>
 <u>Liabilities and fund balances</u>						
Liabilities:						
Accounts payable	\$ 38,212	\$ 33,555	\$ 77,545	\$ 384,884	\$ 884,957	\$ 1,419,153
Accrued payroll and withholdings payable	672,921	-	-	-	-	672,921
Interfund payable	15,284	87,877	48,413	-	73,127	224,701
Deferred revenue - Unavailable	805,617	124,585	-	-	246,448	1,176,650
<b>Total liabilities</b>	<b>1,532,034</b>	<b>246,017</b>	<b>125,958</b>	<b>384,884</b>	<b>1,204,532</b>	<b>3,493,425</b>
Fund balances:						
Reserved for:						
Encumbrances	392,875	169,306	256,904	-	1,509,379	2,328,464
Land held for resale	-	-	-	-	210,317	210,317
Noncurrent loans receivables	-	-	-	-	2,224,782	2,224,782
Debt service funds	-	-	-	-	1,904,449	1,904,449
Capital projects funds	-	-	-	1,643	9,139,355	9,140,998
Permanent fund	-	-	-	-	5,870	5,870
Unreserved, reported in:						
General fund	2,778,073	-	-	-	-	2,778,073
Special revenue funds	-	630,637	4,098,492	-	8,244,077	12,973,206
Permanent funds	-	-	-	-	3,191	3,191
<b>Total fund balances</b>	<b>3,170,948</b>	<b>799,943</b>	<b>4,355,396</b>	<b>1,643</b>	<b>23,241,420</b>	<b>31,569,350</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,702,982</b>	<b>\$ 1,045,960</b>	<b>\$ 4,481,354</b>	<b>\$ 386,527</b>	<b>\$ 24,445,952</b>	<b>\$ 35,062,775</b>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
 Reconciliation of the Balance Sheet to the Statement of Net Assets  
 Governmental Funds  
 December 31, 2003

Total fund balances for governmental funds \$ 31,569,350

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

Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore, are not reported in the funds.

Those assets consist of:

Land	97,387,402	
Infrastructure, net of \$33,608,606 accumulated depreciation	44,671,648	
Construction in progress	3,156,432	
Improvements other than buildings, net of \$2,310,880 accumulated depreciation	10,142,163	
Buildings, net of \$11,522,441 accumulated depreciation	28,751,026	
Machinery and equipment, net of \$7,949,624 accumulated depreciation	<u>7,200,198</u>	
Total capital assets		191,308,869

Internal services funds are used by the City to account for the financing of goods or services provided by one department or agency to other City departments or agencies, generally on a cost reimbursement basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets are:

2,463,836

City collections and expenditures related to 2003 will be collected or expended beyond the 60 day period used to record revenue and expenditures in the fund statements. Revenue and a corresponding receivable and expenditure and a corresponding payable for this amount are included in the government-wide statements.

(24,447)

Property tax collections and state shared revenue appropriated during 2003 will be collected beyond the 60 day period used to record revenue in the fund statements. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2002 are included in the government-wide statements.

1,176,650

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and therefore, are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net assets. Also, during the year the City entered into new capital leases.

Balances at December 31, 2003 are:

Bonds payable	(17,980,000)	
Bond interest payable	(829,294)	
Leases payable	(31,281,006)	
Lease interest payable	(2,250,717)	
Compensated absences payable	<u>(441,492)</u>	
Total long-term liabilities		(52,782,509)

Net pension obligations, including the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan and PERF are not due and payable in the current period and therefore, are not reported in the funds, but are included in the government-wide statements.

(17,949,541)

Total net assets of governmental activities \$ 155,762,208

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2003

	General	Park	Street & Road	Municipal Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes	\$ 10,750,283	\$ 4,502,107	\$ -	\$ -	\$ 5,927,338	\$ 21,179,728
Licenses and permits	201,476	-	-	-	-	201,476
Intergovernmental	6,024,949	382,390	3,939,389	-	5,982,960	16,329,688
Charges for services	1,465,036	1,043,169	-	-	2,442,883	4,951,088
Fines and forfeits	110,151	-	-	-	686,718	796,869
Other	434,767	34,505	46,214	1,724	1,086,559	1,603,769
<b>Total revenues</b>	<b>18,986,662</b>	<b>5,962,171</b>	<b>3,985,603</b>	<b>1,724</b>	<b>16,126,458</b>	<b>45,062,618</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	5,950,040	-	-	-	201,690	6,151,730
Public safety	13,772,773	-	-	-	1,760,918	15,533,691
Highways and streets	358,020	-	4,144,276	-	64,480	4,566,776
Sanitation	-	-	-	-	1,411,570	1,411,570
Health and welfare	532,080	-	-	-	266,627	798,707
Culture and recreation	-	5,586,512	-	-	1,478,546	7,065,058
Urban redevelopment and housing	701,451	-	-	-	1,602,540	2,303,991
<b>Debt service:</b>						
Principal	-	-	-	2,741	1,615,647	1,618,388
Interest	-	-	-	451,772	2,502,030	2,953,802
Capital outlay	-	-	-	7,381,273	7,149,309	14,530,582
<b>Total expenditures</b>	<b>21,314,364</b>	<b>5,586,512</b>	<b>4,144,276</b>	<b>7,835,786</b>	<b>18,053,357</b>	<b>56,934,295</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(2,327,702)</b>	<b>375,659</b>	<b>(158,673)</b>	<b>(7,834,062)</b>	<b>(1,926,899)</b>	<b>(11,871,677)</b>
<b>Other financing sources (uses):</b>						
Transfers in	29,084	-	-	-	2,403,595	2,432,679
Transfers out	(850,000)	(120,000)	-	-	(1,462,679)	(2,432,679)
Capital leases	-	-	-	7,766,157	-	7,766,157
<b>Total other financing sources and uses</b>	<b>(820,916)</b>	<b>(120,000)</b>	<b>-</b>	<b>7,766,157</b>	<b>940,916</b>	<b>7,766,157</b>
<b>Net change in fund balances</b>	<b>(3,148,618)</b>	<b>255,659</b>	<b>(158,673)</b>	<b>(67,905)</b>	<b>(985,983)</b>	<b>(4,105,520)</b>
<b>Fund balances - beginning</b>	<b>6,319,566</b>	<b>544,284</b>	<b>4,514,069</b>	<b>69,548</b>	<b>24,227,403</b>	<b>35,674,870</b>
<b>Fund balances - ending</b>	<b>\$ 3,170,948</b>	<b>\$ 799,943</b>	<b>\$ 4,355,396</b>	<b>\$ 1,643</b>	<b>\$ 23,241,420</b>	<b>\$ 31,569,350</b>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For The Year Ended December 31, 2003

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

Net change in fund balances - total governmental funds (Statement of Revenues, Expenditures and Changes in Fund Balances).	\$ (4,105,520)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>	
Land	3,777,170
Infrastructure, net of \$3,052,333 depreciation expense	6,443,704
Construction in progress	(1,982,653)
Improvements other than buildings, net of \$519,283 depreciation expense	(147,358)
Buildings, net of \$799,953 depreciation expense	5,147,200
Machinery and equipment, net of \$1,316,489 accumulated depreciation	<u>(515,808)</u>
Total capital assets	12,722,255
<p>The increases in net pension obligations for the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan and the Public Employees' Retirement Fund, reported as expenses in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds</p>	
	(2,362,086)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
	(1,018,312)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
	(5,595,869)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.</p>	
	<u>(84,138)</u>
Change in net assets of governmental activities (statement of activities)	<u>\$ (443,670)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
December 31, 2003

Assets	Business-Type Activities - Enterprise Funds			Governmental
	Water Utility	Wastewater Utility	Total	Activities - Internal Service Funds
<b>Current assets:</b>				
Cash and cash equivalents	\$ 1,772,638	\$ 2,055,962	\$ 3,828,600	\$ 1,722,201
Interest receivable	-	-	-	501
Accounts receivable (net of allowance)	183,348	614,391	797,739	11,507
Other receivable	-	8,776	8,776	-
Interfund receivables:				
Interfund loans	122,377	454,255	576,632	-
Interfund services provided and used	-	-	-	34,842
Inventories	511,112	-	511,112	342,212
Prepaid items	273	1,622	1,895	-
<b>Total current assets</b>	<b>2,589,748</b>	<b>3,135,006</b>	<b>5,724,754</b>	<b>2,111,263</b>
<b>Noncurrent assets:</b>				
Restricted cash and cash equivalents:				
Cash with fiscal agent	645,957	1,652,857	2,298,814	-
Construction	-	1,406,196	1,406,196	-
Debt Service Reserve	-	306,706	306,706	-
Bond and Interest	2,806	50,000	52,806	-
<b>Total restricted assets:</b>	<b>648,763</b>	<b>3,415,759</b>	<b>4,064,522</b>	<b>-</b>
Deferred charges	115,139	379,944	495,083	-
<b>Capital assets:</b>				
Land, improvements to land and construction in	4,245,746	7,979,338	12,225,084	-
Other capital assets (net of accumulated depreciation)	55,444,449	87,825,276	143,269,725	702,059
<b>Total capital assets</b>	<b>59,690,195</b>	<b>95,804,614</b>	<b>155,494,809</b>	<b>702,059</b>
<b>Total noncurrent assets</b>	<b>60,454,097</b>	<b>99,600,317</b>	<b>160,054,414</b>	<b>702,059</b>
<b>Total assets</b>	<b>63,043,845</b>	<b>102,735,323</b>	<b>165,779,168</b>	<b>2,813,322</b>
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts payable	665,060	681,758	1,346,818	43,351
Accrued payroll and withholdings	80,648	149,390	230,038	-
Taxes payable	21,044	-	21,044	-
Interfund payables:				
Interfund loans	454,255	122,377	576,632	-
Interfund services provided and used	3,689	2,591,297	2,594,986	14,844
Compensated absences payable	18,738	25,402	44,140	497
Capital lease payable	104,581	200,687	305,268	-
Notes and loans payable	177,734	192,000	369,734	-
Unearned revenue	25,999	87,039	113,038	-
Current liabilities payable from restricted assets:				
Customer deposits	-	8,500	8,500	-
Revenue bonds payable	505,000	1,065,000	1,570,000	-
Accrued interest payable	140,957	587,857	728,814	-
Estimated Unfiled Claims	-	-	-	290,794
<b>Total current liabilities</b>	<b>2,197,705</b>	<b>5,711,307</b>	<b>7,909,012</b>	<b>349,486</b>
<b>Noncurrent liabilities:</b>				
Revenue bonds payable (net of unamortized discounts and premium and deferral of loss on refunding)	8,956,169	24,268,975	33,225,144	-
Note payable	88,843	-	88,843	-
Loans payable	12,682,816	15,134,616	27,817,432	-
Capital leases payable	247,601	233,268	480,869	-
Compensated absences payable	41,868	48,573	90,441	-
Advances for Construction	534,077	-	534,077	-
<b>Total noncurrent liabilities</b>	<b>22,551,374</b>	<b>39,685,432</b>	<b>62,236,806</b>	<b>-</b>
<b>Total liabilities</b>	<b>24,749,079</b>	<b>45,396,739</b>	<b>70,145,818</b>	<b>349,486</b>
<b>Net assets</b>				
Invested in capital assets, net of related debt	36,044,014	52,916,581	88,960,595	-
Restricted for:				
Construction	-	1,406,196	1,406,196	-
Debt Service Reserve	-	306,706	306,706	-
Bond and Interest	2,806	50,000	52,806	-
Unrestricted	2,247,946	2,659,101	4,907,047	2,463,836
<b>Total net assets</b>	<b>\$ 38,294,766</b>	<b>\$ 57,338,584</b>	<b>\$ 95,633,350</b>	<b>\$ 2,463,836</b>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
For The Year Ended December 31, 2003

	Enterprise Funds			Internal Service Funds
	Water Utility	Wastewater Utility	Total	
<b>Operating Revenues:</b>				
Metered water revenue	\$ 8,663,376	\$ -	\$ 8,663,376	\$ -
Charges for services	-	-	-	5,392,977
Fire protection revenue	724,694	-	724,694	-
Penalties	41,274	-	41,274	-
Measured revenue:				
Storm revenue	-	11,248,610	11,248,610	-
Tap fees	-	1,395,736	1,395,736	-
Other	-	924,986	924,986	-
	203,489	172,703	376,192	66,514
<b>Total operating revenues</b>	<b>9,632,833</b>	<b>13,742,035</b>	<b>23,374,868</b>	<b>5,459,491</b>
<b>Operating expenses:</b>				
<b>Administrative and general expense:</b>				
Salaries and wages	764,719	706,115	1,470,834	507,098
Employee pensions and benefits	403,098	521,628	924,726	3,420,811
Insurance	137,200	177,030	314,230	-
Maintenance	153,022	123,751	276,773	-
General office and miscellaneous expense	110,705	198,740	309,445	357,469
Contractual services	209,051	87,334	296,385	-
Utilities	38,357	43,847	82,204	-
Taxes	283,551	270,052	553,603	-
Depreciation	1,514,353	2,785,655	4,300,008	62,160
Materials and supplies	-	-	-	779,371
Other Services	-	14,850	14,850	454,398
<b>Stormwater</b>				
Salaries and wages	-	201,721	201,721	-
Materials and supplies	-	71,299	71,299	-
General office and miscellaneous	-	84,979	84,979	-
Contractual services	-	14,215	14,215	-
Maintenance stormwater facilities	-	67,579	67,579	-
Transportation	-	2,354	2,354	-
<b>Source of supply and expense/collection system expense - operations and maintenance:</b>				
Purchased water	163,980	-	163,980	-
Salaries and wages	-	617,789	617,789	-
Purchased power	468,194	-	468,194	-
Telemetering and miscellaneous expense	10,802	-	10,802	-
Maintenance structures and improvements	20,424	-	20,424	-
Maintenance pumping equipment	9,540	-	9,540	-
Lake Lemon expense	5,966	-	5,966	-
Materials and supplies	-	25,317	25,317	-
Maintenance collector lines	-	436,366	436,366	-
<b>Transmission and distribution/pumping expense - operations and maintenance:</b>				
Salaries and wages	450,532	16,829	467,361	-
Storage Facilities	14,558	-	14,558	-
Maintenance transmission and distribution lines	257,011	-	257,011	-
Maintenance services	198,011	-	198,011	-
Maintenance meters	299,462	-	299,462	-
Materials and supplies	28,512	-	28,512	-
Maintenance hydrants	69,653	-	69,653	-
Purchased power	-	107,674	107,674	-
Telemetering and utilities	-	2,926	2,926	-
Maintenance pumping equipment	-	88,549	88,549	-
<b>Treatment and disposal expense - operations and maintenance:</b>				
Salaries and wages	509,052	1,338,438	1,847,490	-
Operation expense	182,369	810,150	992,519	-
Maintenance structures and improvements	34,879	138,687	173,566	-
Maintenance treatment equipment	29,299	192,597	221,896	-
Treatment PCB	-	93,414	93,414	-
Sludge removal expense	-	159,780	159,780	-
Chemicals	189,240	98,998	288,238	-
<b>Customer accounts expense:</b>				
Salaries and wages	169,766	118,597	288,363	-
Meter reading	3,174	199,092	202,266	-
User billing accounts	-	72,202	72,202	-
Maintenance meters	-	16,072	16,072	-
Bad debt expense	180,778	234,636	415,414	-
<b>Total operating expenses</b>	<b>6,909,258</b>	<b>10,139,262</b>	<b>17,048,520</b>	<b>5,581,307</b>
<b>Operating income (loss)</b>	<b>2,723,575</b>	<b>3,602,773</b>	<b>6,326,348</b>	<b>(121,816)</b>
<b>Nonoperating revenues (expenses):</b>				
Interest and investment revenue	5,969	34,272	40,241	30,006
Miscellaneous revenue	316,986	122,735	439,721	-
Gain on the sale of assets	25,962	53,032	78,994	7,672
PCB Litigation	-	(1,270)	(1,270)	-
Utility amortization expense	(3,040)	-	(3,040)	-
Amortization of bond issue costs	(13,209)	(16,958)	(30,167)	-
Interest expense	(797,985)	(1,767,855)	(2,565,840)	-
Miscellaneous expense	(5,031)	(6,743)	(11,774)	-
<b>Total nonoperating revenue (expenses)</b>	<b>(470,348)</b>	<b>(1,582,787)</b>	<b>(2,053,135)</b>	<b>37,678</b>
<b>Income (loss) before contributions, transfers, special and extraordinary items</b>	<b>2,253,227</b>	<b>2,019,986</b>	<b>4,273,213</b>	<b>(84,138)</b>
<b>Capital contributions</b>	<b>896,781</b>	<b>1,051,303</b>	<b>1,948,084</b>	<b>-</b>
<b>Extraordinary gain - Utility service building fire</b>	<b>96,567</b>	<b>96,567</b>	<b>193,134</b>	<b>-</b>
<b>Change in net assets</b>	<b>3,246,575</b>	<b>3,167,856</b>	<b>6,414,431</b>	<b>(84,138)</b>
<b>Total net assets - beginning</b>	<b>35,048,191</b>	<b>54,170,728</b>	<b>89,218,919</b>	<b>2,547,974</b>
<b>Total net assets - ending</b>	<b>\$ 38,294,766</b>	<b>\$ 57,338,584</b>	<b>\$ 95,633,350</b>	<b>2,463,836</b>

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For The Year Ended December 31, 2003

	Enterprise Funds			Internal Service Funds
	Water Utility	Wastewater Utility	Total	
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ 9,316,459	\$ 13,391,726	\$ 22,708,185	\$ 5,451,023
Receipts from interfund services provided	20,046	775,808	795,854	-
Payments to suppliers	(2,749,386)	(3,569,428)	(6,318,814)	(4,947,355)
Payments to employees	(2,282,792)	(3,489,005)	(5,771,797)	(507,178)
Other Receipts	203,489	172,703	376,192	-
Payments for interfund services used	(1,072,537)	(462,969)	(1,535,506)	-
Net cash provided (used) by operating activities	<u>3,435,279</u>	<u>6,818,835</u>	<u>10,254,114</u>	<u>(3,510)</u>
<b>Cash flows from noncapital financing activities:</b>				
Other income	311,955	114,720	426,675	-
Insurance claim proceeds	96,567	96,567	193,134	-
Net cash provided (used) by noncapital financing activities	<u>408,522</u>	<u>211,287</u>	<u>619,809</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>				
Proceeds from capital debt	1,326,419	474,214	1,800,633	-
Debt refunding costs	-	(461,475)	(461,475)	-
Defeased cash received	57,747	-	57,747	-
Capital contributions	114,957	71,921	186,878	-
Acquisition and construction of capital assets	(1,722,977)	(2,886,330)	(4,609,307)	-
Principal paid on capital debt	(966,906)	(1,557,769)	(2,524,675)	-
Interest paid on capital debt	(915,786)	(1,611,600)	(2,527,386)	-
Proceeds from sales of capital assets	35,347	62,247	97,594	7,672
Net cash provided (used) by capital and related financing activities	<u>(2,071,199)</u>	<u>(5,908,792)</u>	<u>(7,979,991)</u>	<u>7,672</u>
<b>Cash flows from investing activities:</b>				
Proceeds from sales and maturities of investments	-	-	-	81,000
Interest received	5,969	34,406	40,375	30,862
Net cash provided by investing activities	<u>5,969</u>	<u>34,406</u>	<u>40,375</u>	<u>111,862</u>
Net increase in cash and cash equivalents	1,778,571	1,155,736	2,934,307	116,024
Cash and cash equivalents, January 1 (Including \$642,830 and \$4,100,585 for the water and wastewater utility, respectively, reported in restricted accounts)	642,830	4,315,985	4,958,815	1,606,177
Cash and cash equivalents, December 31 (Including \$648,763 and \$3,415,759 for the water and wastewater utility, respectively, reported in restricted accounts)	<u>\$ 2,421,401</u>	<u>\$ 5,471,721</u>	<u>\$ 7,893,122</u>	<u>\$ 1,722,201</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>				
Operating income	\$ 2,723,575	\$ 3,602,773	\$ 6,326,348	\$ (121,816)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	1,514,353	2,785,655	4,300,008	62,160
Bad debt expense	180,778	234,636	415,414	-
Change in assets and liabilities:				
Accounts receivable	(2,385)	146,286	143,901	610
Accounts receivable - other	2,766	(2,893)	(127)	-
Interfund receivables	20,046	775,808	795,854	(9,078)
Inventories	(27,166)	-	(27,166)	24,279
Prepaid items	755	(1,046)	(291)	-
Customer deposits	(1,063)	(11,230)	(12,293)	-
Accounts payable	196,241	29,472	225,713	(5,671)
Accrued payroll and withholdings	24,685	40,134	64,819	-
Taxes payable	(2,256)	-	(2,256)	-
Compensated absence payable	(10,310)	(8,022)	(18,332)	(80)
Interfund payables	(1,072,537)	(462,969)	(1,535,506)	(248)
Unearned revenue	(112,203)	(309,769)	(421,972)	-
Estimated unfilled claims	-	-	-	46,334
Total adjustments	<u>711,704</u>	<u>3,216,062</u>	<u>3,927,766</u>	<u>118,306</u>
Net cash provided by operating activities	<u>\$ 3,435,279</u>	<u>\$ 6,818,835</u>	<u>\$ 10,254,114</u>	<u>\$ (3,510)</u>
<b>Noncash investing, capital and financing activities:</b>				
Assets acquired by capital lease	\$ 167,994	\$ 280,703	\$ 448,697	\$ -
Contributions of capital assets from government	-	-	-	111,948
Loans payable acquired by direct State payment to contractors	750,397	113,670	864,067	-

On July 23, 2003, the Water Utility issued \$10,220,000 in refunding revenue bonds to advance refund \$9,550,000 of outstanding 1993 and 1995 series bonds. The net proceeds of \$10,230,314 (after payment of \$117,538 in issuance costs and receipts of \$127,852 in bond premium) and transfer of \$57,747 to the bond and interest fund were deposited in an irrevocable trust with an escrow agent. The accounting loss of \$901,842 has been recognized as a component of bonds payable and will be amortized using the straight line method and charged to interest expense over the next 17 years.

On March 27, 2003, the Wastewater Utility issued \$19,095,000 in refunding revenue bonds to advance refund \$17,805,000 of outstanding 1989 and 1995 series bonds. The net proceeds of \$19,170,334 (after payment of \$313,116 in issuance costs and receipt of \$388,450 in bond premium) and local contributions of \$461,475 were deposited in an irrevocable trust with an escrow agent. The accounting loss of \$1,857,540 has been recognized as a component of bonds payable and will be amortized using the straight line method and charged to interest expense over the next 23 years.

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
December 31, 2003

<u>Assets</u>	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Fund</u>
Cash and cash equivalents	\$ 4,327,237	\$ -
Receivables:		
Taxes	18,237	-
Interest	4,421	-
Other	195	-
Total receivables	<u>22,853</u>	<u>-</u>
Investments at fair value:		
Certificate of deposit	-	7,597
Participation in investment pools of other governments	1,298,531	-
Total investments	<u>1,298,531</u>	<u>7,597</u>
Total assets	<u>\$ 5,648,621</u>	<u>\$ 7,597</u>
 <u>Liabilities</u>		
Refunds payable	\$ 18,237	\$ -
Total liabilities	<u>\$ 18,237</u>	<u>\$ -</u>
 <u>Net assets</u>		
Held in trust for:		
Employees' pension benefits	\$ 5,630,384	\$ -
Individuals, organizations and other governments	-	7,597
Total net assets	<u>\$ 5,630,384</u>	<u>\$ 7,597</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
For The Year Ended December 31, 2003

<u>Additions</u>	<u>Pension Trust Funds</u>	<u>Private-Purpose Trust Fund</u>
<b>Contributions:</b>		
Employer made by City	\$ 779,581	\$ -
Employer contributed by State	1,403,255	-
Plan members	19,262	-
Other contributions	<u>771</u>	<u>-</u>
Total contributions	<u>2,202,869</u>	<u>-</u>
<b>Investment income:</b>		
Interest	<u>207,352</u>	<u>278</u>
Total investment income	<u>207,352</u>	<u>278</u>
<b>Total additions</b>	<u>2,410,221</u>	<u>278</u>
<b><u>Deductions</u></b>		
Benefits	2,456,846	-
Administrative expense	<u>6,543</u>	<u>-</u>
Total deductions	<u>2,463,389</u>	<u>-</u>
Changes in net assets	(53,168)	278
<b>Other additions (deductions):</b>		
Transfers in	303,067	-
Transfers out	<u>(303,067)</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>
Net change in net assets	(53,168)	278
Net assets - beginning	<u>5,683,552</u>	<u>7,319</u>
Net assets - ending	<u>\$ 5,630,384</u>	<u>\$ 7,597</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Bloomington (city) was established under the laws of the State of Indiana. The city operates under a Council-Mayor form of government and provides the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services water, sewer, urban redevelopment and housing, and sanitation.

The accompanying financial statements present the activities of the city and its significant component unit. The component unit discussed below is included in the city's reporting entity because of the significance of its operational or financial relationship with the city. Discretely presented component units are involved in activities of an operational nature independent from the city; their transactions are reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the city.

Discretely Presented Component Unit

The Public Transportation Corporation (Transit) is a significant discretely presented component unit of the city. The city appoints a voting majority of Transit's board and a financial benefit/burden relationship exists between the city and Transit.

Transit is a significant discretely presented component unit of the city. Transit is fiscally dependent on the city. It would be misleading to exclude Transit from the city's financial statements because of its relationship with the city.

Complete financial statements of the individual component unit may be obtained from its administrative office.

Administrative Office:

Bloomington Public Transportation Corporation  
130 West Grimes Lane  
Bloomington, IN 47401

B. Government-Wide and Fund Financial Statements

Government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the city and its component unit.

For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the city is reported separately from certain legally separate component units for which the city is financially accountable.

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

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

#### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the city receives cash.

The government reports the following major governmental funds:

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

The Street and Road Fund (special revenue) accounts for the financial resources and expenses for construction, operation and maintenance of local and arterial road and street systems. The Motor Vehicle Highway and Local Road and Street Funds have been combined to form the Street and Road Fund.

The Park Fund (special revenue) accounts for the financial resources and expenses for the construction, operation and maintenance of the City's park system.

The Municipal Improvement Fund (Capital Project) accounts for assets acquired by capital leases.

The government reports the following major proprietary funds:

The Water Utility Fund accounts for the operation of the city's water distribution system.

The Wastewater Utility Fund accounts for the operation of the city's wastewater treatment plant, pumping stations and collection systems.

Additionally, the government reports the following fund types:

The internal service funds account for administering Worker's Compensation, Fleet Maintenance, and Health Insurance Trust services provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the 1925 police officers' and 1937 firefighters' pension funds which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income are to be used for sidewalks and improvements in the year 2076.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water, wastewater, and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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

#### D. Assets, Liabilities and Net Assets or Equity

##### 1. Cash and Cash Equivalents and Investments

The city's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statute (IC 5-13-9) authorizes the city to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units, including the authorization to invest local pension funds in an external investment pool administered by the state public employee retirement system.

Nonparticipating interest bearing investment contracts, certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost.

The investments of the city consisted of amounts invested with an external investment pool reported at fair value and nonparticipating interest earning investment contracts reported at cost.

The investments of Transit consisted entirely of nonparticipating interest earning investment contracts and are reported at cost.

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

## 2. Interfund Transactions and Balances

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

## 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the city in June and in December. State statutes (IC 6-1.1-17-16) require the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the city prior to December 31 of the year collected. Delinquent property taxes outstanding at year end for governmental and/or proprietary funds, net of allowances for uncollectible accounts, are recorded as a receivable with an offset to deferred revenue since the amounts are not considered available.

## 4. Inventories and Prepaid Items

Inventories for proprietary funds are valued at the lower of cost (first-in, first-out) or market, and consist of maintenance supplies and replacement parts held for consumption. The City does not record inventories in its governmental funds. Materials and supplies purchased from these funds are recorded as expenditures at the time of purchase.

Inventories for Transit consist of materials and supplies for repair and maintenance and are recorded using the average cost method.

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

## 5. Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because they are maintained separately and their use is limited by ordinance or applicable bond covenants.

## 6. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The City's retroactive infrastructure has been included in the capital assets beginning balance.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
<b>Governmental Activities:</b>			
Buildings	\$ 10,000	Straight-line	50
Improvements	10,000	Straight-line	10-25
Equipment	10,000	Straight-line	2 to 15
Infrastructure	10,000	Straight-line	5 to 50
<b>Business-type Activities – Fleet</b>			
Maintenance and Risk Management			
Buildings	10,000	Straight-line	50
Improvements	10,000	Straight-line	10-25
Equipment	10,000	Straight-line	2 to 15
<b>Business-type Activities – Utilities</b>			
Buildings	5,000	Straight-line	40 to 60
Improvements	5,000	Straight-line	10 to 80
Equipment	5,000	Straight-line	5 to 30
<b>Component Unit - Transit</b>			
Buildings	10,000	Straight-line	50
Improvements	10,000	Straight-line	10-25
Equipment	10,000	Straight-line	2 to 15

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

#### 7. Compensated Absences

Paid time off (PTO) is earned by part and full-time employees based on the number of years employed and ranges from seven days to twenty-two days per year. PTO leave may be used for any purpose. PTO leave must be used within the calendar year earned unless otherwise requested by the employee's department head. PTO leave carried forward, due to these special requests, that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported as a long-term liability.

PTO leave not carried forward is converted to sick leave for employees not covered under a collective bargaining agreement. The employees under the agreement earn sick leave at the rate of one day per full-time equivalent month worked. The accumulation of sick leave is unlimited, but any unused balance is not paid to employees upon separation from employment. No liability is reported for unpaid accumulated sick leave.

#### 8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs and loss on defeasance, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on the cash basis which is not consistent with accounting principles generally accepted in the United States. All annual appropriations lapse at fiscal year end.

On or before August 31, the City Controller submits to the Common Council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the Common Council to obtain taxpayer comments. In September of each year, the Common Council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City Controller receives approval of the Indiana Department of Local Government Finance.

The city's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the Common Council. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

B. Deficit Fund Equity

At December 31, 2003, the following fund reported a deficit in fund equity:

	<u>Deficit</u>
Governmental Funds:	
Non-major Special Revenue Fund:	
Child Care Development	\$ <u>12,513</u>

Fund equity deficits arose primarily from expenditures or expenses exceeding revenues due to the underestimate of current requirements; these deficits will be repaid from future revenues.

### III. Detailed Notes on All Funds

#### A. Deposits and Investments

At year end, the City's bank balances, including certificates of deposit, were entirely insured by federal depository insurance or by the Indiana Public Deposit Fund.

At year end, Transit's bank balances, including certificates of deposit, were entirely insured by federal depository insurance or by the Indiana Public Deposit Fund.

The City has invested \$1,298,531 from the Police and Fire Pension Trust Funds in an external investment pool administered by the Public Employees' Retirement Fund Board of Trustees in accordance with IC 5-11-10.3-4.7. The fair value of the position in the pool is the same as the value of the pool shares. There is no regulatory oversight of the pool. The changes in fair value of investments included in the net investment earnings of the Police Pension Trust and Fire Pension Trust funds were \$62,805 and \$81,578, respectively.

#### B. Capital Assets

Effective January 1, 2003, the City adopted a new capital asset policy for the city- governmental activities. The policy was instituted to include infrastructure assets as part of the new reporting model, Governmental Accounting Standards Board (GASB) Statement No. 34. Included in the capital asset policy is a change in the capitalization threshold, from \$5,000 to \$10,000. Capital asset activity for the year ended December 31, 2003, was as follows:

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Capital Asset Policy Change Deletions</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 93,631,826	\$ 21,594	\$ 4,185,711	\$ 408,541	\$ 97,387,402
Construction in progress	<u>5,139,085</u>	<u>-</u>	<u>2,648,669</u>	<u>4,631,322</u>	<u>3,156,432</u>
Total capital assets, not being depreciated	<u>98,770,911</u>	<u>21,594</u>	<u>6,834,380</u>	<u>5,039,863</u>	<u>100,543,834</u>
Capital assets, being depreciated:					
Buildings	35,067,903	68,775	7,707,800	1,640,044	41,066,884
Improvements other than buildings	12,123,154	42,036	1,126,818	754,893	12,453,043
Machinery and equipment	15,261,715	575,229	2,040,869	1,351,826	15,375,529
Infrastructure	<u>68,784,217</u>	<u>-</u>	<u>9,496,037</u>	<u>-</u>	<u>78,280,254</u>
Totals	<u>131,236,989</u>	<u>686,040</u>	<u>20,371,524</u>	<u>3,746,763</u>	<u>147,175,710</u>
Less accumulated depreciation for:					
Buildings	10,909,311	-	799,953	-	11,709,264
Improvements other than buildings	1,791,597	-	519,283	-	2,310,880
Machinery and equipment	6,823,507	-	1,316,489	60,130	8,079,866
Infrastructure	<u>30,556,273</u>	<u>-</u>	<u>3,052,333</u>	<u>-</u>	<u>33,608,606</u>
Totals	<u>50,080,688</u>	<u>-</u>	<u>5,688,058</u>	<u>60,130</u>	<u>55,708,616</u>
Total capital assets, being depreciated, net	<u>81,156,301</u>	<u>686,040</u>	<u>14,683,466</u>	<u>3,686,633</u>	<u>91,467,094</u>
Total governmental activity capital assets, net	<u>\$ 179,927,212</u>	<u>\$ 707,634</u>	<u>\$ 21,517,846</u>	<u>\$ 8,726,496</u>	<u>\$ 192,010,928</u>

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,495,686	\$ 41,556	\$ -	\$ 1,537,242
Utility plant acquisition adjustment	50,662	-	3,040	47,622
Construction in progress	<u>17,489,903</u>	<u>5,532,372</u>	<u>12,382,055</u>	<u>10,640,220</u>
Total capital assets, not being depreciated	<u>19,036,251</u>	<u>5,573,928</u>	<u>12,385,095</u>	<u>12,225,084</u>
Capital assets, being depreciated:				
Buildings	29,049,538	7,467,480	-	36,517,018
Improvements other than buildings	135,769,358	7,641,959	61,166	143,350,151
Transportation equipment	3,613,879	470,302	184,618	3,899,563
Machinery and equipment	<u>27,733,219</u>	<u>1,343,860</u>	<u>99,487</u>	<u>28,977,592</u>
Totals	<u>196,165,994</u>	<u>16,923,601</u>	<u>345,271</u>	<u>212,744,324</u>
Less accumulated depreciation for:				
Buildings	13,841,655	1,175,066	-	15,016,721
Improvements other than buildings	28,743,116	1,937,211	-	30,680,327
Transportation equipment	1,880,672	549,493	221,024	2,209,141
Machinery and equipment	<u>20,974,563</u>	<u>638,238</u>	<u>44,391</u>	<u>21,568,410</u>
Totals	<u>65,440,006</u>	<u>4,300,008</u>	<u>265,415</u>	<u>69,474,599</u>
Total capital assets, being depreciated, net	<u>130,725,988</u>	<u>12,623,593</u>	<u>79,856</u>	<u>143,269,725</u>
Total business-type activity capital assets, net	<u>\$ 149,762,239</u>	<u>\$ 18,197,521</u>	<u>\$ 12,464,951</u>	<u>\$ 155,494,809</u>

<u>Discretely presented component unit</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Construction in progress	\$ 6,177	\$ 11,179	\$ 6,177	\$ 11,179
Capital assets, being depreciated:				
Buildings	6,353,480	-	-	6,353,480
Office equipment	481,031	21,856	4,199	498,688
Shop equipment	69,055	6,242	719	74,578
Motor equipment	6,119,354	1,958,620	-	8,077,974
Totals	<u>13,022,920</u>	<u>1,986,718</u>	<u>4,918</u>	<u>15,004,720</u>
Less accumulated depreciation for:				
Buildings	1,049,926	212,017	-	1,261,943
Office equipment	110,099	60,189	4,199	166,089
Shop equipment	53,694	4,342	719	57,317
Motor equipment	2,970,165	556,663	-	3,526,828
Totals	<u>4,183,884</u>	<u>833,211</u>	<u>4,918</u>	<u>5,012,177</u>
Total capital assets, being depreciated, net	<u>8,839,036</u>	<u>1,153,507</u>	<u>-</u>	<u>9,992,543</u>
Total discretely presented component unit capital assets, net	<u>\$ 8,845,213</u>	<u>\$ 1,164,686</u>	<u>\$ 6,177</u>	<u>\$ 10,003,722</u>

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

Governmental activities:	
General government	\$ 3,720,102
Public safety	549,706
Highways and Streets	339,293
Culture and recreation	942,875
Urban Redevelopment and Housing	3,421
Sanitation	<u>132,661</u>
Total depreciation expense - governmental activities	<u>\$ 5,688,058</u>
Business-type activities:	
Water	\$ 1,514,353
Wastewater	<u>2,785,655</u>
Total depreciation expense - business-type activities	<u>\$ 4,300,008</u>

C. Construction Commitments

Construction work in progress is composed of the following:

Project	Total Project Authorized	Expended to December 31, 2003	Committed	Required Future Funding
Wastewater Projects	\$ 26,706,079	\$ 7,037,794	\$ 19,668,285	\$ -
Water Projects	<u>11,222,679</u>	<u>3,602,426</u>	<u>7,620,253</u>	<u>-</u>
Totals	<u>\$ 37,928,758</u>	<u>\$ 10,640,220</u>	<u>\$ 27,288,538</u>	<u>\$ -</u>

D. Interfund Balances and Activity

1. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2003, is as follows:

Interfund Payable	Interfund Receivable				Total
	General Fund	Street and Road	Non-major Governmental	Internal Service Fund	
General Fund	\$ -	\$ -	\$ -	\$ 15,284	\$ 15,284
Park	86,179	-	-	1,698	87,877
Street and Road	41,921	-	-	6,492	48,413
Non-major Governmental	70,046	-	-	3,081	73,127
Internal Service Funds	14,806	-	-	38	14,844
Enterprise Funds:					
Water Utility	-	-	-	3,689	3,689
Wastewater Utility	<u>-</u>	<u>657,103</u>	<u>1,929,634</u>	<u>4,560</u>	<u>2,591,297</u>
Total	<u>\$ 212,952</u>	<u>\$ 657,103</u>	<u>\$ 1,929,634</u>	<u>\$ 34,842</u>	<u>\$ 2,834,531</u>

Interfund balances resulted from the time lag between the dates that (1) Interfund loans are repaid, (2) Interfund goods and services are provided or reimbursable expenditures occur, (3) transactions are recorded in the accounting system and (4) payments between funds are made.

2. Interfund Transfers

Interfund transfers during, 2003, were as follows:

Transfer From	Transfer To			Total
	General Fund	Non-major Governmental	Fiduciary Funds	
General Fund	\$ -	\$ 850,000	\$ -	\$ 850,000
Park	-	120,000	-	120,000
Non-major Governmental	29,084	1,433,595	-	1,462,679
Fiduciary Funds	-	-	303,067	-
<b>Total</b>	<b>\$ 29,084</b>	<b>\$ 2,403,595</b>	<b>\$ 303,067</b>	<b>\$2,432,679</b>

The city typically uses transfers to fund ongoing operating subsidies and to transfer the portion of state-shared revenues from the general fund to the debt service fund for current-year debt service requirements.

E. Leases

1. Operating Leases

The City has no significant operating leases.

2. Capital Leases

The government has entered into various capital leases for buildings, transportation equipment, and various other improvements. The government has also financed power and transportation equipment and various building improvements for the Water and Wastewater Utilities by capital leases. Future minimum lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2003, are as follows:

	Governmental Activities	Business-type Activities
2004	\$ 3,890,287	\$ 349,056
2005	3,643,975	266,273
2006	3,583,952	121,999
2007	3,456,128	43,908
2008	3,089,224	43,908
2009-2013	14,684,092	21,953
2014-2018	12,090,371	-
2019-2023	5,695,873	-
2024-2028	4,019,179	-
2029-2033	3,110,063	-
<b>Total minimum lease payments</b>	<b>57,263,144</b>	<b>847,097</b>
<b>Less amount representing interest</b>	<b>25,982,138</b>	<b>60,960</b>
<b>Present value of net minimum lease payments</b>	<b>\$ 31,281,006</b>	<b>\$ 786,137</b>

Assets acquired through capital leases still in effect are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 3,368,473	\$ -
Buildings	25,399,510	261,209
Improvements other than buildings	1,386,196	74,444
Machinery and equipment	2,495,243	633,379
Transportation equipment	-	357,800
	<hr/>	<hr/>
Totals	32,649,422	1,326,832
Accumulated depreciation	<u>3,231,144</u>	<u>138,202</u>
	<hr/>	<hr/>
Totals	<u>\$ 29,418,278</u>	<u>\$ 1,188,630</u>

F. Long-Term Liabilities

1. General Obligation Bonds

The city issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the city. General obligation bonds currently outstanding at year end are as follows:

<u>Governmental Activities</u>	<u>Interest Rates</u>	<u>Amount</u>
\$7,750,000 1998 Street Construction general obligation bonds; payable from the Street Bond Fund in installments of \$60,000 to \$900,000 plus interest through January 1, 2017	4.38% to 5.00%	\$ 7,495,000
\$2,460,000 1999 Park District Golf Course Construction general obligation bonds payable from the Park District Golf Course Bond Fund in installments of \$10,000 to \$325,000 plus interest through February 1, 2019	4.35% to 5.00%	2,460,000
\$2,430,000 2000 Redevelopment District general obligation bonds payable from the Redevelopment Bond Fund in installments of \$130,000 to \$250,000 plus interest through February 1, 2015	4.65% to 5.70%	2,235,000
\$6,200,000 2001 Park District general obligation bonds payable from the Park District Bond Fund in installments of \$410,000 to \$420,000 plus interest through January 15, 2017	4.20% to 4.70%	<u>5,790,000</u>
Total		<u>\$ 17,980,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2004	\$ 605,000	\$ 829,294
2005	635,000	802,290
2006	845,000	769,704
2007	875,000	731,516
2008	965,000	690,485
2009-2013	6,975,000	2,590,522
2014-2018	6,755,000	770,332
2019-2023	325,000	8,125
Total	<u>\$ 17,980,000</u>	<u>\$ 7,192,268</u>

2. Revenue Bonds

The city issues bonds to be paid by income derived from the acquired or constructed assets. Revenue bonds outstanding at year end are as follows:

Business-Type Activities	Interest Rates	Amount
\$10,220,000 2003 Waterworks Refunding Revenue Bonds payable from the Waterworks Utility Bond and Interest Fund in installments of \$180,000 to \$525,000 plus interest through January 1, 2020	2.00% to 4.50%	\$10,220,000
\$19,095,000 2003 Wastewater Refunding Revenue Bonds payable from the Wastewater Utility Bond and Interest Fund in installments of \$550,000 to \$1,310,000 plus interest through January 1, 2025	5.75% to 5.875%	19,095,000
\$8,200,000 1999 Wastewater Revenue Bonds payable from the Wastewater Utility Bond and Interest Fund in installments of \$165,000 to \$505,000 plus interest through January 1, 2029	4.75% to 5.20%	<u>7,735,000</u>
Total		<u>\$ 37,050,000</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ended December 31	Business-Type Activities	
	Principal	Interest
2004	\$ 2,035,000	\$ 1,264,497
2005	2,355,000	1,430,559
2006	1,690,000	1,385,415
2007	1,740,000	1,342,340
2008	1,790,000	1,291,259
2009-2013	6,600,000	5,695,224
2014-2018	7,735,000	4,238,358
2019-2023	7,850,000	2,275,316
2024-2028	4,750,000	550,337
2029-2033	<u>505,000</u>	<u>13,130</u>
Total	<u>\$ 37,050,000</u>	<u>\$ 19,486,434</u>

### 3. Notes and Loans Payable

#### Business-type Activities – Note Payable

The Water Utility has entered into a note for the purchase of the Russell Road Utility. Annual debt service requirements to maturity for the note are as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2004	\$ 16,734	\$ 4,408
2005	17,502	3,640
2006	18,306	2,836
2007	19,147	1,995
2008	20,027	1,115
2009-2013	<u>13,861</u>	<u>234</u>
Total	<u>\$ 105,577</u>	<u>\$ 14,228</u>

#### Business-type Activities – Loans Payable

The Water and Wastewater Utilities have made loan agreements with the State of Indiana through its revolving loan program to finance various construction projects. The funds are loaned as the construction costs are incurred.

The agreements provide for maximum loans of \$22,950,000 for the Water Utility and \$15,907,000 for the Wastewater Utility. As of December 31, 2003, the loan principal balances were \$12,843,816 for the Water Utility and \$15,326,616 for the Wastewater Utility with the outstanding principal balance of completed projects being \$10,845,000 for Water and \$12,041,000 for Wastewater.

Annual debt service requirements for the uncompleted loans will not be established until the construction projects are completed. As for the completed loans, the annual debt service requirements to maturity is as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2004	\$ 1,000	\$ 331,847
2005	193,000	660,881
2006	607,000	649,281
2007	624,000	631,431
2008	639,000	613,118
2009-2013	7,086,000	2,568,516
2014-2018	8,554,000	1,418,781
2019-2023	5,182,000	227,810
Total	<u>\$ 22,886,000</u>	<u>\$ 7,101,665</u>

#### 4. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2003, was as follows:

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation	\$ 18,660,000	\$ -	\$ 680,000	\$ 17,980,000	\$ 605,000
Capital leases	25,005,137	7,766,157	1,490,288	31,281,006	1,639,570
Compensated absences	431,599	134,347	123,957	441,989	134,569
Net Pension Obligation	15,253,470	2,696,071	-	17,949,541	-
Total governmental activities					
Long-term liabilities	<u>\$ 59,350,206</u>	<u>\$ 10,596,575</u>	<u>\$ 2,294,245</u>	<u>\$ 67,652,536</u>	<u>\$ 1,774,139</u>

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Revenue bonds payable:					
Water Utility	\$ 10,280,000	\$ 10,220,000	\$ 10,280,000	\$10,220,000	\$ 505,000
Wastewater Utility	26,630,000	19,095,000	18,895,000	26,830,000	1,065,000
Add Unamortized Premium	-	516,302	16,641	499,661	-
Less Unamortized Discount	301,390	-	223,797	77,593	-
Less deferred amount on refunding	-	2,759,382	82,458	2,676,924	-
 Total revenue bonds payable	 36,608,610	 27,071,920	 28,885,386	 34,795,144	 1,570,000
Loans Payable	25,771,732	2,664,700	266,000	28,170,432	353,000
Capital Leases	760,116	448,697	422,676	786,137	305,268
Note Payable	121,576	-	15,999	105,577	16,734
Compensated absences	152,913	44,140	62,472	134,581	44,140
 Total business-type activities Long-term liabilities	 <u>\$ 63,414,947</u>	 <u>\$ 30,229,457</u>	 <u>\$ 29,652,533</u>	 <u>\$63,991,871</u>	 <u>\$ 2,289,142</u>

Compensated absences for governmental activities typically have been liquidated from the general fund and special revenue funds.

#### G . Reclassifications

For the year ended December 31, 2003, certain changes have been made to the financial statements to comply with the reporting and accounting requirements of Statement 34 of the Governmental Accounting Standards Board. The Rosehill Cemetery Trust Fund has been reclassified from a Nonexpendable Trust Fund to a Permanent Fund. The Howard Young Bicentennial Trust Fund has been reclassified from a Nonexpendable Trust Fund to a Private-Purpose Trust Fund.

#### H. Other Information

##### 1. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees and dependents; and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

### Health Insurance

The City has chosen to establish a risk financing fund for risks associated with employee health claims. The risk financing fund is accounted for in the Health Insurance Trust Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$85,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund by all covered employees and by all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon the percentage of each fund's current year eligible employees as it relates to the total eligible employees, and are reported as quasi-external interfund transactions. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of pay outs and other economic and social factors.

Changes in the balance of claim liabilities during the past two years are as follows:

	<u>2002</u>	<u>2003</u>
Unpaid claims, beginning of fiscal year	\$ 208,460	\$ 200,583
Incurred claims and changes in estimates	2,519,035	3,427,460
Claim payments	<u>2,526,912</u>	<u>3,359,792</u>
Unpaid claims, end of fiscal year	<u>\$ 200,583</u>	<u>\$ 268,251</u>

### Workers Compensation

The City has chosen to establish a risk financing fund for risks associated with compensation claims. The risk financing fund is accounted for in the Risk Management Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$300,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund for all covered employees and for all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums for workers compensation are based primarily upon the percentage of each fund's current year payroll as it relates to the total payroll and the fund's past claim experience, and are reported as quasi-external interfund transactions. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of pay outs and other economic and social factors.

Changes in the balance of claim liabilities during the past two years are as follows:

	<u>2002</u>	<u>2003</u>
Unpaid claims, beginning of fiscal year	\$ 10,604	\$ 43,877
Incurred claims and changes in estimates	249,133	189,811
Claim payments	<u>215,860</u>	<u>211,145</u>
Unpaid claims, end of fiscal year	<u>\$ 43,877</u>	<u>\$ 22,543</u>

## 2. Subsequent Events

On January 22, 2004, the Wastewater Utility received proceeds of \$2,609,340 from Bond Anticipation Note, Series 2004, in order to reimburse the City for the Wastewater/Stormwater costs of the College Mall Road and Miller-Showers Park Projects.

On July 23, 2003, the Wastewater Utility entered into a Guaranteed Energy Savings 20-year lease for the amount of \$2,371,493. Work on the project commenced in 2004.

## 3. Bond Defeasance

On July 23, 2003, the Water Utility issued \$10,220,000 in refunding revenue bonds with an average interest rate of 3.5% to advance refund \$9,550,000 of outstanding 1993 and 1995 series bonds with an average interest rate of 5.55%. The net proceeds of \$10,230,314 (after payment of \$117,538 in issuance costs and receipts of \$127,852 in bond premium and transfer of \$57,747 into the bond and interest fund) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1993 and 1995 series bonds. As a result, these bonds are considered to be defeased and the liability for those bonds has been removed from the Balance Sheet. The advance refunding resulted in the accounting loss of \$901,842, which has been netted against the new debt. This amount will be amortized using the straight line method and charged to interest expense over the next 17 years. The Water Utility in effect decreased its aggregate debt service payment by \$706,156 over the next 17 years and realized an economic gain (difference between the present values of the old and new debt service payments) of \$530,078.

On March 27, 2003, the Wastewater Utility issued \$19,095,000 in refunding revenue bonds with an average interest rate of 4.% to advance refund \$17,805,000 of outstanding 1989 and 1995 series bonds with an average interest rate of 5.8%. The net proceeds of \$19,170,334 (after payment of \$313,116 in issuance costs and receipt of \$388,450 in bond premium) and local contributions of \$461,475 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1989 and 1995 series bonds. As a result, these bonds are considered to be defeased and the liability for those bonds has been removed from the Balance Sheet. The advance refunding resulted in the accounting loss of \$1,857,540, which has been netted against the new debt. This amount will be amortized using the straight line method and charged to interest expense over the next 23 years. The Wastewater Utility in effect decreased its aggregate debt service payment by \$971,500 over the next 23 years and realized an economic gain (difference between the present values of the old and new debt service payments) of \$842,642.

#### 4. Conduit Debt Obligation

From time to time, the city has issued Economic Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the city, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2003, there were three series of Economic Development Revenue Bonds outstanding with an aggregate principal amount payable of \$17,405,000.

#### 5. Extraordinary Item

During the year, the Utility incurred a fire in the administration and service building. The utility received a preliminary insurance settlement for building contents that exceeds its net book value.

### H. Pension Plans

#### a. Public Employees' Retirement Fund

##### Plan Description

The city, including its Water and Wastewater Utilities and Transit, contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the city authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

##### Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The city's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the city, the Utilities and Transit is not available. Therefore, the liability for Net Pension Obligation (NPO) is considered an obligation of the city and is presented in the governmental activities of the financial statements and is not presented as an asset/liability of the proprietary funds.

b. 1925 Police Officers' Pension Plan

Plan Description

The city contributes to the 1925 Police Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan covers police officers and firefighters hired before May 1, 1977 and are closed to new members. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. Benefits are subject to increase beyond the statutory level by action of the City Council. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute at 6% of covered wages. All administrative costs of the plan are paid from plan assets. The city's annual pension cost and related information as provided by the actuary, is presented in this note. The Net Pension Obligation (NPO) is considered an obligation of the City as a whole and is reflected in the Statement of Net Assets

c. 1937 Firefighters' Pension Plan

Plan Description

The city contributes to the 1937 Firefighters' Pension Plan which is a single-employer defined benefit pension plan. The plan covers police officers and firefighters hired before May 1, 1977 and are closed to new members. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. . Benefits are subject to increase beyond the statutory level by action of the City Council. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute at 6% of covered wages. All administrative costs of the plan are paid from plan assets. The city's annual pension cost and related information, as provided by the actuary, is presented in this note. The Net Pension Obligation (NPO) is considered an obligation of the City as a whole and is reflected in the Statement of Net Assets

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Annual required contribution	\$ 998,555	\$ 2,167,800	\$ 3,104,100
Interest on net pension obligation	(24,214)	436,500	615,600
Adjustment to annual required contribution	<u>27,594</u>	<u>(699,100)</u>	<u>(986,000)</u>
Annual pension cost	1,001,935	1,905,200	2,733,700
Contributions made	<u>640,100</u>	<u>1,011,022</u>	<u>1,293,642</u>
Increase (decrease) in net pension obligation	361,835	894,178	1,440,058
Net pension obligation, beginning of year	<u>(333,985)</u>	<u>6,466,887</u>	<u>9,120,568</u>
Net pension obligation, end of year	<u>\$ 27,850</u>	<u>\$ 7,361,065</u>	<u>\$ 10,560,626</u>

	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Contribution rates:			
Government	4.25%	432%	410%
Plan Members	3%	6%	6%
Actuarial valuation date	07-01-03	01-01-03	01-01-03
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed 40 years	Level percentage of projected payroll, closed 40 years	Level percentage of projected payroll, closed 40 years
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-1-97	12-31-77	12-31-77
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

<u>Actuarial Assumptions</u>	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	0%	0%

The financial statements of the pension trust funds are as follows:

STATEMENT OF NET ASSETS

	Pension Trust Funds		
	Police Pension	Fire Pension	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 1,635,770	\$ 2,691,467	\$ 4,327,237
Receivables:			
Taxes	7,215	11,022	18,237
Interest	1,682	2,739	4,421
Other	-	195	195
Total receivables	<u>8,897</u>	<u>13,956</u>	<u>22,853</u>
Investments at fair value:			
Participation in investment pools of other governments	<u>564,847</u>	<u>733,684</u>	<u>1,298,531</u>
Total investments	<u>564,847</u>	<u>733,684</u>	<u>1,298,531</u>
Total assets	<u>\$ 2,209,514</u>	<u>\$ 3,439,107</u>	<u>\$ 5,648,621</u>
<u>Liabilities</u>			
Deferred revenue - Unavailable	<u>\$ 7,215</u>	<u>\$ 11,022</u>	<u>\$ 18,237</u>
Total liabilities	<u>\$ 7,215</u>	<u>\$ 11,022</u>	<u>\$ 18,237</u>
<u>Net assets</u>			
Held in trust for:			
Employees' pension benefits	<u>\$ 2,202,299</u>	<u>\$ 3,428,085</u>	<u>\$ 5,630,384</u>
Total net assets	<u>\$ 2,202,299</u>	<u>\$ 3,428,085</u>	<u>\$ 5,630,384</u>

STATEMENT OF CHANGES IN NET ASSETS

	Pension Trust Funds		
	Police Pension	Fire Pension	Total
<u>Additions</u>			
Contributions:			
Employer made by City	\$ 154,205	\$ 625,376	\$ 779,581
Employer contributed by State	588,668	814,587	1,403,255
Plan members	6,954	12,308	19,262
Other contributions	771	-	771
Total contributions	<u>750,598</u>	<u>1,452,271</u>	<u>2,202,869</u>
Investment income:			
Interest	<u>87,867</u>	<u>119,485</u>	<u>207,352</u>
Total investment income	<u>87,867</u>	<u>119,485</u>	<u>207,352</u>
Total additions	<u>838,465</u>	<u>1,571,756</u>	<u>2,410,221</u>
<u>Deductions</u>			
Benefits	983,381	1,473,465	2,456,846
Administrative expense	<u>3,281</u>	<u>3,262</u>	<u>6,543</u>
Total deductions	<u>986,662</u>	<u>1,476,727</u>	<u>2,463,389</u>
Changes in net assets	<u>(148,197)</u>	<u>95,029</u>	<u>(53,168)</u>
Other additions (deductions):			
Transfers in	-	303,067	303,067
Transfers out	<u>(303,067)</u>	<u>-</u>	<u>(303,067)</u>
Total other financing sources and uses	<u>(303,067)</u>	<u>303,067</u>	<u>-</u>
Net change in net assets	(451,264)	398,096	(53,168)
Net assets - beginning	<u>2,653,563</u>	<u>3,029,989</u>	<u>5,683,552</u>
Net assets - ending	<u>\$ 2,202,299</u>	<u>\$ 3,428,085</u>	<u>\$ 5,630,384</u>

Three Year Trend Information

PERF			
<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06-30-01	\$ 418,867	122%	\$ (472,391)
06-30-02	692,435	80%	(333,985)
06-30-03	1,001,935	64%	27,850

1925 Police Officers' Pension Plan			
<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12-31-00	\$ 1,858,500	21%	\$ 5,891,114
12-31-01	1,936,700	70%	6,466,887
12-31-02	1,905,200	53%	7,361,065

1937 Firefighters' Pension Plan			
<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12-31-00	\$ 2,699,000	33%	\$ 8,051,903
12-31-01	2,746,600	61%	9,120,568
12-31-02	2,733,700	47%	10,560,626

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at January 1, 2003, was comprised of the following:

	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Retirees and beneficiaries currently receiving benefits	52	72
Current active employees	10	15

d. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The city contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age fifty-five with twenty years of service. An employee with twenty years of service may leave service, but will not receive benefits until reaching age fifty-five. The plan also provides for death and disability benefits.

PERF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Costs

Plan members are required to contribute 6% of the first-class police officers' and firefighters' salary and the city is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the city are established by the Board of Trustees of PERF. The city's contributions to the plan for the years ending December 31, 2003, 2002 and 2001 were \$1,266,159, \$1,171,884, and \$1,081,432, respectively, equal to the required contributions for each year.



CITY OF BLOOMINGTON, INDIANA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 For The Year Ended December 31, 2003

	General Fund			Variance with Final Budget- Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 11,538,149	\$ 11,097,678	\$ 10,750,283	\$ (347,395)
Licenses and permits	161,000	161,000	201,476	40,476
Intergovernmental	7,527,387	7,546,290	8,266,425	720,135
Charges for services	1,581,024	1,581,024	1,470,148	(110,876)
Fines and forfeits	95,000	95,000	110,151	15,151
Other	349,081	349,081	447,960	98,879
<b>Total revenues</b>	<b>21,251,641</b>	<b>20,830,073</b>	<b>21,246,443</b>	<b>416,370</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	6,913,527	7,070,939	6,513,460	557,479
Public safety	14,047,482	14,230,459	13,882,182	348,277
Highways and streets	388,863	391,068	358,050	33,018
Urban Redevelopment	756,387	793,283	705,298	87,985
<b>Total expenditures</b>	<b>22,106,259</b>	<b>22,485,749</b>	<b>21,458,990</b>	<b>1,026,759</b>
<b>Other financing sources (uses):</b>				
Operating transfers in	30,000	30,000	29,084	(916)
Operating transfers out	(850,000)	(850,000)	(850,000)	-
<b>Total other financing sources (uses)</b>	<b>(820,000)</b>	<b>(820,000)</b>	<b>(820,916)</b>	<b>(916)</b>
<b>Net change in fund balance</b>	<b>(1,674,618)</b>	<b>(2,475,676)</b>	<b>(1,033,463)</b>	<b>1,442,213</b>
<b>Fund balance - beginning</b>	<b>4,660,253</b>	<b>4,660,253</b>	<b>4,660,253</b>	<b>-</b>
<b>Fund balance - ending</b>	<b>\$ 2,985,635</b>	<b>\$ 2,184,577</b>	<b>\$ 3,626,790</b>	<b>\$ 1,442,213</b>

The notes to RSI are an integral part of RSI.

CITY OF BLOOMINGTON, INDIANA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULES  
 MAJOR SPECIAL REVENUE FUNDS  
 For The Year Ended December 31, 2003

	Park			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,735,563	\$ 4,735,563	\$ 4,502,107	\$ (233,456)
Licenses and permits	-	-	-	-
Intergovernmental	397,978	397,978	382,390	(15,588)
Charges for services	1,160,525	1,160,525	1,046,399	(114,126)
Other	65,700	65,700	34,505	(31,195)
Total revenues	<u>6,359,766</u>	<u>6,359,766</u>	<u>5,965,401</u>	<u>(394,365)</u>
Expenditures:				
Current:				
Culture and recreation:				
Personal services	3,518,316	3,508,316	3,366,361	141,955
Supplies	534,462	559,903	478,936	80,967
Other services and charges	1,537,026	1,472,329	1,240,227	232,103
Capital outlay	602,419	726,756	512,007	214,749
Total expenditures	<u>6,192,223</u>	<u>6,267,304</u>	<u>5,597,530</u>	<u>669,774</u>
Other financing sources (uses):				
Operating transfers out	-	-	(120,000)	(120,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(120,000)</u>	<u>(120,000)</u>
Net change in fund balances	167,543	92,462	247,871	155,409
Fund balances - beginning	<u>669,221</u>	<u>669,221</u>	<u>669,221</u>	<u>-</u>
Fund balances - ending	<u>\$ 836,764</u>	<u>\$ 761,683</u>	<u>\$ 917,092</u>	<u>\$ 155,409</u>

The notes to RSI are an integral part of RSI.

CITY OF BLOOMINGTON, INDIANA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULES  
 MAJOR SPECIAL REVENUE FUNDS  
 For The Year Ended December 31, 2003

	Street & Road			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,086,364	3,086,364	3,364,025	277,661
Charges for services	-	-	-	-
Other	-	-	44,977	44,977
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>3,086,364</u>	<u>3,086,364</u>	<u>3,409,002</u>	<u>322,638</u>
Expenditures:				
Current:				
Highways and streets:				
Personal services	1,688,890	1,688,890	1,557,665	131,225
Supplies	871,700	806,512	479,458	327,054
Other services and charges	1,110,353	1,170,863	968,741	202,122
Capital outlay	1,183,293	1,458,868	1,407,516	51,352
	<u>4,854,236</u>	<u>5,125,134</u>	<u>4,413,380</u>	<u>711,753</u>
Total expenditures	<u>4,854,236</u>	<u>5,125,134</u>	<u>4,413,380</u>	<u>711,753</u>
Net change in fund balances	(1,767,872)	(2,038,770)	(1,004,378)	1,034,391
Fund balances - beginning	<u>4,590,615</u>	<u>4,590,615</u>	<u>4,590,615</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,822,743</u>	<u>\$ 2,551,845</u>	<u>\$ 3,586,237</u>	<u>\$ 1,034,391</u>

The notes to RSI are an integral part of RSI.

CITY OF BLOOMINGTON, INDIANA  
 REQUIRED SUPPLEMENTARY INFORMATION

BUDGET/GAAP RECONCILIATION SCHEDULE  
 GENERAL FUND AND BUDGETED MAJOR SPECIAL REVENUE FUNDS  
 For The Year Ended December 31, 2003

The major differences between Budgetary (Non-GAAP) basis and GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

	<u>General</u>	<u>Park</u>	<u>Street &amp; Road</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses (budgetary basis)	\$ (1,033,463)	\$ 247,871	\$ (1,004,378)
Adjustments:			
To adjust revenues for accruals	(2,259,781)	(3,230)	576,601
To adjust expenditures for accruals	<u>144,626</u>	<u>11,018</u>	<u>269,104</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses (GAAP basis)	<u>\$ (3,148,618)</u>	<u>\$ 255,659</u>	<u>\$ (158,673)</u>

The notes to RSI are an integral part of this schedule.

CITY OF BLOOMINGTON, INDIANA  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll
7/1/2001	\$ 15,453,545	\$ 16,049,033	\$ (595,488)	96%	\$ 14,762,010	4%
7/1/2002	15,054,666	18,350,394	(3,295,728)	82%	14,755,159	22%
7/1/2003	15,105,968	17,212,634	(2,106,666)	88%	15,868,524	13%

1925 Police Officers' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll
01-01-98	\$ 2,128,284	\$ 22,790,575	\$(20,662,291)	9%	\$ 662,758	3118%
01-01-99	2,159,396	20,777,100	(18,617,704)	10%	540,700	3443%
01-01-00	2,127,832	19,396,300	(17,268,468)	11%	464,700	3716%
01-01-01	2,043,222	20,391,500	(18,348,278)	10%	400,600	4580%
01-01-02	2,564,611	19,886,900	(17,322,289)	13%	371,400	4664%
01-01-03	2,653,563	16,792,200	(14,138,637)	16%	502,300	2815%

1937 Firefighters' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll
01-01-98	\$ 2,622,785	31,403,262	\$(28,780,477)	8%	\$ 872,856	3297%
01-01-99	2,913,213	28,379,400	(25,466,187)	10%	776,400	3280%
01-01-00	2,790,020	28,092,000	(25,301,980)	10%	727,900	3476%
01-01-01	2,620,971	28,583,200	(25,962,229)	9%	715,500	3629%
01-01-02	3,103,531	28,529,400	(25,425,869)	11%	551,700	4609%
01-01-03	3,029,989	22,783,400	(19,753,411)	13%	756,500	2611%

The notes to RSI are an integral part of this schedule.

CITY OF BLOOMINGTON, INDIANA  
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF CONTRIBUTIONS FROM THE  
EMPLOYER AND OTHER CONTRIBUTING ENTITIES

1925 Police Officers' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/97	\$ 2,183,900	23%	23%
12/31/98	2,265,700	22%	22%
12/31/99	2,101,600	13%	21%
12/31/00	2,005,300	14%	21%
12/31/01	2,152,000	18%	44%
12/31/02	2,167,800	18%	29%

1937 Firefighters' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/97	\$ 2,999,100	24%	23%
12/31/98	3,089,500	23%	22%
12/31/99	2,868,300	10%	21%
12/31/00	2,906,000	11%	19%
12/31/01	3,041,000	14%	40%
12/31/02	3,104,100	14%	28%

The notes to RSI are an integral part of this schedule.

CITY OF BLOOMINGTON, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2003

Note 1. Budgets and Budgetary Accounting

- A. The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:
1. The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
  2. The City advertises the budget prior to adoption and the City Council holds public hearings to obtain taxpayer comments.
  3. The budget is approved in September of each year by the City Council through passage of an ordinance.
  4. Copies of the budget ordinance and advertisements are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City Controller receives approval from the Indiana Department of Local Government Finance. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the City's expenditures budget. The City's maximum tax levy is restricted by Indiana Law, with certain adjustments and exceptions. If the advertised budget exceeds the spending and tax limits of the state control laws, an excess levy can be granted by the Indiana Department of Local Government Finance, upon appeal by the City.
  5. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by object classification for all funds except for the General fund, which is by object classification within each department. The City's management cannot transfer budgeted appropriations between object classifications of a budget, without approval of the City Council. Any revisions that alter the total appropriations for any fund or any department of the General fund must be approved by the City Council and, in some instances, by the Indiana Department of Local Government Finance.

Expenditures did not exceed appropriations for any funds or departments within the General Fund, which required legally, approved budgets.

6. Formal budgetary integration is required by State statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major Funds:

General Fund

Special Revenue Funds:

Park, Street and Road

Non-major Funds:

Special Revenue Funds:

Parking Enforcement, Dispatch Training,

Telecommunications Nonreverting,

Police Education, Solid Waste, Alternative

Transportation, Wireless Enhanced 911 Nonreverting

Debt Service Funds:

Park District Bond, Redevelopment District Bond,

Street Bond, Municipal Facilities, Golf Course Bond

Capital Project Funds:

Cumulative Capital Improvement, Cumulative Capital Development,

Cumulative Capital Equipment

Proprietary Funds (Internal Service):

Risk Management, Fleet Maintenance

Fiduciary Funds (Pension Trust Funds):

Police Pension, Fire Pension

7. The City's budgetary process is based upon the cash basis, which is a basis other than generally accepted accounting principles (GAAP). Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations are carried over and added to the subsequent year's budget.
8. Budgeted amounts are as originally adopted, or as amended by the City Council and approved by the Indiana Department of Local Government Finance in the regular legal manner. Net increases to the original appropriations totaled \$1,506,993 in 2003.
9. There were no excesses of expenditures over appropriations in the general fund or the budgeted major special revenue funds.



## **Major Governmental Funds**

**General Fund** – used to account for all financial resources of the City of Bloomington except those required to be accounted for in another fund. Thus, all general operating revenues which are not restricted as to use by sources outside of the City are recorded in the General Fund.

**Special Revenue Funds** – include funds which are restricted as to use by the Federal or State government and special purpose funds established by the City.

**Park** – To account for the operation of the city park system. Financing is provided by a specific annual property tax levy to the extent that user fees and miscellaneous revenues are insufficient to provide such financing.

**Street and Road** – To account for construction, operation and maintenance of local and arterial street systems and maintenance departments. Financing is provided by State motor vehicle highway distributions, State gasoline tax distributions and federal grants.

**Capital Projects Funds** – used to account for financial resources designated to construct or acquire general fixed assets. Such resources are derived from general obligation bonds of the City, intergovernmental revenues and local property taxes.

**Municipal Improvement** - To account for assets acquired by capital leases.

CITY OF BLOOMINGTON, INDIANA  
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -  
 GENERAL FUND  
 For The Year Ended December 31, 2003

Function and Department	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original Budget	Final Budget		
General government:				
Mayor				
Personal services	\$ 389,730	\$ 389,730	\$ 383,673	\$ 6,057
Supplies	1,900	1,900	1,897	3
Other services and charges	123,375	267,550	260,702	6,848
Capital outlay	5,685	5,685	2,785	2,900
Controller				
Personal services	450,241	450,241	434,207	16,034
Supplies	12,250	9,750	4,468	5,282
Other services and charges	36,296	35,646	25,304	10,342
Capital outlay	5,400	5,400	5,373	27
City Clerk				
Personal services	84,312	84,312	83,629	683
Supplies	2,985	3,877	3,756	121
Other services and charges	2,595	2,575	308	2,267
Public Works				
Personal services	494,641	494,011	448,313	45,698
Supplies	98,700	79,580	53,520	26,060
Other services and charges	1,332,981	1,357,372	1,147,904	209,468
Capital outlay	5,400	5,400	5,347	53
Legal				
Personal services	473,065	473,065	466,954	6,111
Supplies	21,175	21,175	20,772	403
Other services and charges	45,740	45,740	31,206	14,534
Capital outlay	9,800	9,800	9,629	171
City Council				
Personal services	250,851	250,851	245,306	5,545
Supplies	2,100	3,009	2,784	225
Other services and charges	4,850	4,450	3,398	1,052
Capital outlay	3,600	2,818	1,444	1,374
Information and Technology Services				
Personal services	920,663	920,663	877,640	43,023
Supplies	9,000	9,000	6,178	2,822
Other services and charges	353,261	358,787	356,280	2,507
Capital outlay	18,700	18,700	18,453	247
Planning				
Personal services	689,310	689,310	642,222	47,088
Supplies	41,945	41,945	24,209	17,736
Other services and charges	100,744	100,703	82,002	18,701
Capital outlay	11,600	11,600	9,502	2,098

(Continued)

CITY OF BLOOMINGTON, INDIANA  
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -  
 GENERAL FUND  
 For The Year Ended December 31, 2003  
 (Continued)

Function and Department	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original Budget	Final Budget		
General government:				
Community and Family Resources				
Personal services	489,584	495,246	484,626	10,620
Supplies	7,750	7,750	7,648	102
Other services and charges	33,488	33,488	31,740	1,748
Capital outlay	10,800	10,800	9,270	1,530
Employee Services				
Personal services	297,110	297,110	283,345	13,765
Supplies	9,000	9,000	5,863	3,137
Other services and charges	56,800	56,800	27,012	29,788
Capital outlay	6,100	6,100	4,791	1,309
Total General government	6,913,527	7,070,939	6,513,460	557,479
Public safety:				
Fire				
Personal services	5,670,263	5,670,263	5,598,081	72,182
Supplies	201,100	207,857	202,663	5,194
Other services and charges	193,720	193,720	187,584	6,136
Capital outlay	151,500	241,100	240,908	192
Police				
Personal services	6,206,966	6,182,485	6,019,587	162,898
Supplies	238,304	269,577	266,827	2,750
Other services and charges	365,042	391,237	351,185	40,052
Capital outlay	336,900	393,726	383,326	10,400
Board of Public Safety				
Personal services	5,033	5,033	4,330	703
Supplies	250	250	37	213
Other services and charges	1,350	1,350	-	1,350
Animal Care and Control				
Personal services	548,601	548,601	520,678	27,923
Supplies	36,100	36,179	33,452	2,727
Other services and charges	86,953	83,681	68,378	15,303
Capital outlay	5,400	5,400	5,146	254
Total Public safety	14,047,482	14,230,459	13,882,182	348,277

(Continued)

CITY OF BLOOMINGTON, INDIANA  
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -  
 GENERAL FUND  
 For The Year Ended December 31, 2003  
 (Continued)

Function and Department	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original Budget	Final Budget		
Highways and streets:				
City Engineer				
Personal services	343,261	343,261	321,142	22,119
Supplies	11,990	11,961	11,656	305
Other services and charges	28,212	28,052	20,219	7,833
Capital outlay	5,400	7,794	5,033	2,761
Total Highways and streets	<u>388,863</u>	<u>391,068</u>	<u>358,050</u>	<u>33,018</u>
Urban Redevelopment:				
Housing and Neighborhood				
Personal services	502,015	502,015	454,787	47,228
Supplies	9,718	9,718	9,119	599
Other services and charges	235,654	272,550	232,392	40,158
Capital outlay	9,000	9,000	9,000	-
Total Urban Redevelopment	<u>756,387</u>	<u>793,283</u>	<u>705,298</u>	<u>87,985</u>
Total General Fund	<u>\$ 22,106,259</u>	<u>\$ 22,485,749</u>	<u>\$ 21,458,990</u>	<u>\$ 1,026,759</u>

## **Non-major Governmental Funds**

**Special Revenue Funds** – include funds which are restricted as to use by the Federal or State government and special purpose funds established by the City.

**Parking Enforcement** - To account for all parking related revenues, including meter collections, violations collections and off street parking revenues.

**Park and Recreation Nonreverting Operating** - To account for special community recreation programs.

**CDBG** - To account for all resources related to Federal Community Development Block Grant program.

**Park and Recreation Nonreverting Capital** - To account for revenues received from concessions and golf course fees and used for improvements to Cascades Golf Course and supporting facilities.

**Child Care Development** - To account for Federal and State grants used for subsidized childcare.

**Law Enforcement** – To account for grants and donations to the Police Department to be used for public safety purposes.

**Dispatch Training** – To account for the funds received from false emergency alarm charges used for Emergency Medical Dispatch training.

**Telecommunications Nonreverting** - To account for activities related to telecommunication including infrastructure and education.

**Industrial Incentive Loan** - To account for monies loaned to industrial manufacturing and commercial employers as an incentive to maintain and improve the economy of the City of Bloomington.

**Nonreverting Economic Development** - To account for monies used for economic development projects.

**Special Nonreverting Improvement I** - To account for monies received from in-lieu-of-annexation agreements.

**Police Education** - To account for funds received for training of police officers.

**Amethyst House** - To account for monies received from sale of property to provide for affording housing programs.

**Park and Recreation Land Acquisition** - To account for monies received to assist with the purchase of land for the Parks Department.

**H.O.M.E.** - To account for federal grant monies received for affordable housing activities that benefit low and moderate-income residents of the City.

**Unsafe Housing** - To account for fines and cost reimbursements to the City received in connection with enforcement of the Unsafe Building Law.

**Solid Waste** - To account for yard waste fees, trash fees and other monies used to provide sanitation and recycling services.

**Community Services** - To account for monies raised through fundraising activities by and in support of the Farmer's Market, Car Seat Lending Program, and Commission of the Status of Women.

**Alternative Transportation** - To account for monies received to assist with alternative transportation planning.

**Rainy Day** - To account for monies transfers from unused and unencumbered funds.

**Public Technology** - To account for monies received to assist with electronic mapping.

**Arts Commission Operating** - To include works of art and design services of artists in capital projects of the city and to account for expenses and revenues of the bi-annual postcard competition.

**Wireless Enhanced 911 Nonreverting** - To account for Wireless Enhanced Emergency 911 Funds - shared revenue from State.

**Debt Service Funds** – used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest. They are funded principally from local property taxes.

**Park District Bond** - To account for the accumulation of resources for, and the payment of, general long-term principal, interest and related costs of bond issues benefiting the taxpayers of the park district.

**Redevelopment District Bond** - To account for the accumulation of resources, for and the payment of, general long-term principal, interest and related costs of bond issues benefiting the taxpayers of the redevelopment district.

**Street Bond** - To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of the street improvement bond issue of the City.

**Municipal Facilities** - To account for the accumulation of resources for, and the payment of, long-term lease rental payments for the assets acquired by capital leases and other capital projects.

**Golf Course Bond** - To account for the accumulation of resources for, and the payment of, general long-term debt principle, interest and related costs of the golf course bond issue of the City.

**Capital Projects Funds** – used to account for financial resources designated to construct or acquire general fixed assets. Such resources are derived from general obligation bonds of the City, intergovernmental revenues and local property taxes.

**Cumulative Capital Improvement** - To account for resources accumulating from State cigarette tax distributions to provide for the cost of construction, maintenance, acquisition and repair for certain facilities and other items of a capital nature.

**Cumulative Capital Development** - To account for resources accumulating from a dedicated property tax levy to provide for the cost of construction maintenance, acquisition and repair of certain facilities and other items of a capital nature.

**Redevelopment TIF Downtown** - To account for property tax revenues received from tax increment financing (TIF) of the Downtown Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

**Cumulative Capital Equipment** - To account for resources accumulated from a property tax levy to provide primarily for the acquisition of equipment and other items of a capital nature.

**Street Construction** - To account for resources accumulating to provide for the cost of construction of the streets.

**Fire Capital** - To account for resources received from the sale of the old Headquarters Fire Station to be used for acquisition of equipment for the new Headquarters Fire Station.

**Redevelopment TIF Southwest** - To account for property tax revenues received from tax increment financing (TIF) of the Southwest Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

**Redevelopment TIF Adams** - To account for property tax revenues received from tax increment financing (TIF) of the Adams Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

**Redevelopment TIF Prow** - To account for property tax revenues received from tax increment financing (TIF) of the Prow Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

**Technology Park** - To increase the opportunities of industries in the community.

**Industrial Development** - To increase the opportunities of industries in the community.

**Redevelopment TIF Whitehall** - To account for property tax revenues received from tax increment financing (TIF) of the Whitehall Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

**Golf Course Construction** - To account for resources accumulating to provide for the cost of construction of the nine hole expansion at Cascades Golf Course.

**Gates Construction** - To account for resources accumulating to provide for the cost of construction of infrastructure for new commercial development.

**Redevelopment TIF Thomson/Winslow/Walnut** - To account for property tax revenues received from tax increment financing (TIF) of the Thomson/Winslow/Walnut Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

**Parks Construction** - To account for resources accumulating to provide for the cost of construction of the Parks.

**Permanent Fund** – To account for the financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

**Rosehill Cemetery** - To account for all resources for operation and maintenance of the City's cemeteries

CITY OF BLOOMINGTON, INDIANA  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 December 31, 2003

	Total Non-major Special Revenue Funds	Total Non-major Debt Service Funds	Total Non-major Capital Projects Funds	Non-major Permanent Fund	Totals
<b>Assets</b>					
Cash and cash equivalents	\$ 7,475,343	\$ 1,843,814	\$ 8,769,484	\$ 9,051	\$ 18,097,692
Cash with fiscal agent	-	60,000	-	-	60,000
Receivables (net of allowances for uncollectibles):					
Interest	2,529	635	3,555	10	6,729
Taxes	-	41,283	149,144	-	190,427
Accounts	4,380	-	-	-	4,380
Intergovernmental	31,592	46,508	-	-	78,100
Loans	3,862,644	-	-	-	3,862,644
Other	3,947	-	2,082	-	6,029
Interfund receivable	-	-	1,929,634	-	1,929,634
Land held for resale	210,317	-	-	-	210,317
<b>Total assets</b>	<b>\$ 11,590,752</b>	<b>\$ 1,992,240</b>	<b>\$ 10,853,899</b>	<b>\$ 9,061</b>	<b>\$ 24,445,952</b>
<b>Liabilities and fund balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 198,772	\$ -	\$ 686,185	\$ -	\$ 884,957
Interfund payable	73,127	-	-	-	73,127
Deferred revenue - Unavailable	9,513	87,791	149,144	-	246,448
<b>Total liabilities</b>	<b>281,412</b>	<b>87,791</b>	<b>835,329</b>	<b>-</b>	<b>1,204,532</b>
<b>Fund balances:</b>					
<b>Reserved for:</b>					
Encumbrances	630,164	-	879,215	-	1,509,379
Land held for resale	210,317	-	-	-	210,317
Noncurrent loans receivables	2,224,782	-	-	-	2,224,782
Debt service funds	-	1,904,449	-	-	1,904,449
Capital projects funds	-	-	9,139,355	-	9,139,355
Permanent fund	-	-	-	5,870	5,870
<b>Unreserved, reported in:</b>					
Special revenue funds	8,244,077	-	-	-	8,244,077
Permanent funds	-	-	-	3,191	3,191
<b>Total fund balances</b>	<b>11,309,340</b>	<b>1,904,449</b>	<b>10,018,570</b>	<b>9,061</b>	<b>23,241,420</b>
<b>Total liabilities and fund balances</b>	<b>\$ 11,590,752</b>	<b>\$ 1,992,240</b>	<b>\$ 10,853,899</b>	<b>\$ 9,061</b>	<b>\$ 24,445,952</b>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 December 31, 2003

	Total Non-major Special Revenue Funds	Total Non-major Debt Service Funds	Total Non-major Capital Projects Funds	Non-major Permanent Fund	Totals
<b>Revenues:</b>					
Taxes	\$ -	\$ 1,116,968	\$ 4,810,370	\$ -	\$ 5,927,338
Intergovernmental	2,310,296	864,331	2,808,333	-	5,982,960
Charges for services	2,442,883	-	-	-	2,442,883
Fines and forfeits	686,718	-	-	-	686,718
Other	480,151	23,921	576,516	5,971	1,086,559
<b>Total revenues</b>	<b>5,920,048</b>	<b>2,005,220</b>	<b>8,195,219</b>	<b>5,971</b>	<b>16,126,458</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	201,690	-	-	-	201,690
Public safety	1,760,918	-	-	-	1,760,918
Highways and streets	64,480	-	-	-	64,480
Sanitation	1,411,570	-	-	-	1,411,570
Health and welfare	266,627	-	-	-	266,627
Culture and recreation	1,395,594	-	82,952	-	1,478,546
Urban redevelopment and ho	1,602,540	-	-	-	1,602,540
<b>Debt service:</b>					
Principal	-	1,472,105	143,542	-	1,615,647
Interest	-	2,485,629	16,401	-	2,502,030
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>7,149,309</b>	<b>-</b>	<b>7,149,309</b>
<b>Total expenditures</b>	<b>6,703,419</b>	<b>3,957,734</b>	<b>7,392,204</b>	<b>-</b>	<b>18,053,357</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(783,371)</b>	<b>(1,952,514)</b>	<b>803,015</b>	<b>5,971</b>	<b>(1,926,899)</b>
<b>Other financing sources (uses):</b>					
Transfers in	958,647	1,399,418	45,530	-	2,403,595
Transfers out	(93,647)	(29,084)	(1,339,948)	-	(1,462,679)
<b>Total other financing sources</b>	<b>865,000</b>	<b>1,370,334</b>	<b>(1,294,418)</b>	<b>-</b>	<b>940,916</b>
<b>Net change in fund balances</b>	<b>81,629</b>	<b>(582,180)</b>	<b>(491,403)</b>	<b>5,971</b>	<b>(985,983)</b>
<b>Fund balances - beginning</b>	<b>11,227,711</b>	<b>2,486,629</b>	<b>10,509,973</b>	<b>3,090</b>	<b>24,227,403</b>
<b>Fund balances - ending</b>	<b>\$ 11,309,340</b>	<b>\$ 1,904,449</b>	<b>\$ 10,018,570</b>	<b>\$ 9,061</b>	<b>\$ 23,241,420</b>

**(This Page intentionally left blank)**

CITY OF BLOOMINGTON, INDIANA  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 December 31, 2003

	Parking Enforcement	Park and Recreation Nonreverting Operating	CDBG
<u>Assets</u>			
Cash and cash equivalents	\$ 710,888	\$ 459,747	\$ 132,214
Receivables (net of allowances for uncollectibles):			
Interest	-	-	-
Accounts	-	-	-
Intergovernmental	-	-	-
Loans	-	-	1,004,735
Other	700	1,080	634
Land held for resale	-	-	210,317
<b>Total assets</b>	<b>\$ 711,588</b>	<b>\$ 460,827</b>	<b>\$ 1,347,900</b>
<u>Liabilities and fund balances</u>			
Liabilities:			
Accounts payable	\$ 27,489	\$ 6,347	\$ 82,819
Interfund payable	11,883	-	4,691
Deferred revenue - Unavailable	-	-	-
<b>Total liabilities</b>	<b>39,372</b>	<b>6,347</b>	<b>87,510</b>
Fund balances:			
Reserved for:			
Encumbrances	135,933	2,000	-
Land held for resale	-	-	210,317
Noncurrent loans receivables	-	-	377,312
Unreserved:			
Undesignated	536,283	452,480	672,761
<b>Total fund balances</b>	<b>672,216</b>	<b>454,480</b>	<b>1,260,390</b>
<b>Total liabilities and fund balances</b>	<b>\$ 711,588</b>	<b>\$ 460,827</b>	<b>\$ 1,347,900</b>

<u>Park and Recreation Nonreverting Capital</u>	<u>Child Care Development</u>	<u>Law Enforcement</u>	<u>Dispatch Training</u>	<u>Telecommunications Nonreverting</u>
\$ 61,801	\$ -	\$ 159,870	\$ 36,273	\$ 770,056
-	-	10	-	239
-	-	-	-	-
-	11,955	-	-	-
-	-	-	-	-
-	12	437	-	131
-	-	-	-	-
<u>\$ 61,801</u>	<u>\$ 11,967</u>	<u>\$ 160,317</u>	<u>\$ 36,273</u>	<u>\$ 770,426</u>

\$ -	\$ 2,966	\$ -	\$ -	\$ 5,165
-	21,514	-	-	-
-	-	-	-	-
-	24,480	-	-	5,165
-	-	-	-	99,486
-	-	-	-	-
-	-	-	-	-
<u>61,801</u>	<u>(12,513)</u>	<u>160,317</u>	<u>36,273</u>	<u>665,775</u>
<u>61,801</u>	<u>(12,513)</u>	<u>160,317</u>	<u>36,273</u>	<u>765,261</u>
<u>\$ 61,801</u>	<u>\$ 11,967</u>	<u>\$ 160,317</u>	<u>\$ 36,273</u>	<u>\$ 770,426</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 December 31, 2003

	Industrial Incentive Loan	Nonreverting Economic Development	Special Nonreverting Improvement I
<u>Assets</u>			
Cash and cash equivalents	\$ 640,892	\$ 11,350	\$ 764,778
Receivables (net of allowances for uncollectibles):			
Interest	283	-	480
Accounts	-	-	-
Intergovernmental	-	-	-
Loans	52,932	-	-
Other	-	-	27
Land held for resale	-	-	-
<b>Total assets</b>	<b><u>\$ 694,107</u></b>	<b><u>\$ 11,350</u></b>	<b><u>\$ 765,285</u></b>
 <u>Liabilities and fund balances</u>			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 31,062
Interfund payable	-	-	-
Deferred revenue - Unavailable	-	-	-
<b>Total liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>31,062</u></b>
Fund balances:			
Reserved for:			
Encumbrances	-	-	-
Land held for resale	-	-	-
Noncurrent loans receivables	20,144	-	-
Unreserved:			
Undesignated	673,963	11,350	734,223
<b>Total fund balances</b>	<b><u>694,107</u></b>	<b><u>11,350</u></b>	<b><u>734,223</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 694,107</u></b>	<b><u>\$ 11,350</u></b>	<b><u>\$ 765,285</u></b>

<u>Police Education</u>	<u>Amethyst House</u>	<u>Park and Recreation Land Acquisition</u>	<u>H.O.M.E.</u>	<u>Unsafe Housing</u>
\$ 53,908	\$ 2,833	\$ 592,126	\$ 100,233	\$ 145,211
-	-	387	-	-
-	-	-	-	-
-	-	-	5,579	-
-	1,634	-	2,803,343	-
77	-	-	57	26
-	-	-	-	-
<u>\$ 53,985</u>	<u>\$ 4,467</u>	<u>\$ 592,513</u>	<u>\$ 2,909,212</u>	<u>\$ 145,237</u>

\$ -	\$ -	\$ -	\$ 4,045	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	4,045	-
-	-	-	-	-
-	-	-	-	-
-	1	-	1,827,325	-
<u>53,985</u>	<u>4,466</u>	<u>592,513</u>	<u>1,077,842</u>	<u>145,237</u>
<u>53,985</u>	<u>4,467</u>	<u>592,513</u>	<u>2,905,167</u>	<u>145,237</u>
<u>\$ 53,985</u>	<u>\$ 4,467</u>	<u>\$ 592,513</u>	<u>\$ 2,909,212</u>	<u>\$ 145,237</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 December 31, 2003

	Solid Waste	Community Services	Alternative Transportation
<u>Assets</u>			
Cash and cash equivalents	\$ 542,508	\$ 45,920	\$ 298,826
Receivables (net of allowances for uncollectibles):			
Interest	96	-	-
Accounts	4,380	-	-
Intergovernmental	4,545	-	9,513
Loans	-	-	-
Other	675	91	-
Land held for resale	-	-	-
<b>Total assets</b>	<b>\$ 552,204</b>	<b>\$ 46,011</b>	<b>\$ 308,339</b>
<u>Liabilities and fund balances</u>			
Liabilities:			
Accounts payable	\$ 23,455	\$ 946	\$ 14,478
Interfund payable	30,067	109	-
Deferred revenue - Unavailable	-	-	9,513
<b>Total liabilities</b>	<b>53,522</b>	<b>1,055</b>	<b>23,991</b>
Fund balances:			
Reserved for:			
Encumbrances	216,765	-	175,980
Land held for resale	-	-	-
Noncurrent loans receivables	-	-	-
Unreserved:			
Undesignated	281,917	44,956	108,368
<b>Total fund balances</b>	<b>498,682</b>	<b>44,956</b>	<b>284,348</b>
<b>Total liabilities and fund balances</b>	<b>\$ 552,204</b>	<b>\$ 46,011</b>	<b>\$ 308,339</b>

<u>Rainy Day</u>	<u>Public Technology</u>	<u>Arts Commission Operating</u>	<u>Wireless Enhanced 911 Nonreverting</u>	<u>Totals</u>
\$ 1,650,613	\$ 7,425	\$ 127,027	\$ 160,844	\$ 7,475,343
1,034	-	-	-	2,529
-	-	-	-	4,380
-	-	-	-	31,592
-	-	-	-	3,862,644
-	-	-	-	3,947
-	-	-	-	210,317
<u>\$ 1,651,647</u>	<u>\$ 7,425</u>	<u>\$ 127,027</u>	<u>\$ 160,844</u>	<u>\$ 11,590,752</u>
\$ -	\$ -	\$ -	\$ -	\$ 198,772
-	-	-	4,863	73,127
-	-	-	-	9,513
-	-	-	4,863	281,412
-	-	-	-	630,164
-	-	-	-	210,317
-	-	-	-	2,224,782
<u>1,651,647</u>	<u>7,425</u>	<u>127,027</u>	<u>155,981</u>	<u>8,244,077</u>
<u>1,651,647</u>	<u>7,425</u>	<u>127,027</u>	<u>155,981</u>	<u>11,309,340</u>
<u>\$ 1,651,647</u>	<u>\$ 7,425</u>	<u>\$ 127,027</u>	<u>\$ 160,844</u>	<u>\$ 11,590,752</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 For The Year Ended December 31, 2003

	Parking Enforcement	Park and Recreation Nonreverting Operating	CDBG
<b>Revenues:</b>			
Intergovernmental	\$ -	\$ 119,578	\$ 928,393
Charges for services	288,046	968,535	-
Fines and forfeits	646,484	-	-
Other	14,032	16,282	83,779
<b>Total revenues</b>	<u>948,562</u>	<u>1,104,395</u>	<u>1,012,172</u>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	1,315,164	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	1,021,162	-
Urban redevelopment and housing	-	-	983,919
<b>Total expenditures</b>	<u>1,315,164</u>	<u>1,021,162</u>	<u>983,919</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(366,602)</u>	<u>83,233</u>	<u>28,253</u>
<b>Other financing sources (uses):</b>			
Transfers in	-	-	-
Transfers out	(50,000)	(15,177)	-
<b>Total other financing sources and uses</b>	<u>(50,000)</u>	<u>(15,177)</u>	<u>-</u>
<b>Net change in fund balances</b>	(416,602)	68,056	28,253
<b>Fund balances - beginning</b>	<u>1,088,818</u>	<u>386,424</u>	<u>1,232,137</u>
<b>Fund balances - ending</b>	<u>\$ 672,216</u>	<u>\$ 454,480</u>	<u>\$ 1,260,390</u>

Park and Recreation Nonreverting Capital	Child Care Development	Law Enforcement	Dispatch Training	Telecommunications Nonreverting
\$ -	\$ 193,143	\$ 23,236	\$ -	\$ -
-	-	-	-	409,289
-	-	-	11,325	-
-	2,333	186,740	-	9,296
-	195,476	209,976	11,325	418,585
-	-	-	-	-
-	-	180,718	3,522	-
-	-	-	-	-
-	222,421	-	-	-
-	-	-	-	374,368
-	-	-	-	-
-	222,421	180,718	3,522	374,368
-	(26,945)	29,258	7,803	44,217
15,177	-	-	28,470	-
-	-	(28,470)	-	-
15,177	-	(28,470)	28,470	-
15,177	(26,945)	788	36,273	44,217
46,624	14,432	159,529	-	721,044
\$ 61,801	\$ (12,513)	\$ 160,317	\$ 36,273	\$ 765,261

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 For The Year Ended December 31, 2003

	Industrial Incentive Loan	Nonreverting Economic Development	Special Nonreverting Improvement I
<b>Revenues:</b>			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	-	-	198,460
Fines and forfeits	100	-	-
Other	14,213	-	9,980
<b>Total revenues</b>	<b>14,313</b>	<b>-</b>	<b>208,440</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	-	-	201,690
Public safety	-	-	-
Highways and streets	-	-	-
Sanitation	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	-	-
Urban redevelopment and housing	25,000	-	-
<b>Total expenditures</b>	<b>25,000</b>	<b>-</b>	<b>201,690</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(10,687)</b>	<b>-</b>	<b>6,750</b>
<b>Other financing sources (uses):</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources and uses</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(10,687)</b>	<b>-</b>	<b>6,750</b>
<b>Fund balances - beginning</b>	<b>704,794</b>	<b>11,350</b>	<b>727,473</b>
<b>Fund balances - ending</b>	<b>\$ 694,107</b>	<b>\$ 11,350</b>	<b>\$ 734,223</b>

Police Education	Amethyst House	Park and Recreation Land Acquisition	H.O.M.E.	Unsafe Housing
\$ -	\$ -	\$ -	\$ 830,721	\$ -
-	-	-	-	-
8,852	-	-	635	19,139
<u>17,187</u>	<u>-</u>	<u>7,527</u>	<u>56,756</u>	<u>-</u>
<u>26,039</u>	<u>-</u>	<u>7,527</u>	<u>888,112</u>	<u>19,139</u>
-	-	-	-	-
22,792	-	-	-	8,687
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	2,200	-	591,421	-
<u>22,792</u>	<u>2,200</u>	<u>-</u>	<u>591,421</u>	<u>8,687</u>
<u>3,247</u>	<u>(2,200)</u>	<u>7,527</u>	<u>296,691</u>	<u>10,452</u>
-	-	45,000	-	-
-	-	-	-	-
-	-	45,000	-	-
3,247	(2,200)	52,527	296,691	10,452
<u>50,738</u>	<u>6,667</u>	<u>539,986</u>	<u>2,608,476</u>	<u>134,785</u>
<u>\$ 53,985</u>	<u>\$ 4,467</u>	<u>\$ 592,513</u>	<u>\$ 2,905,167</u>	<u>\$ 145,237</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 For The Year Ended December 31, 2003

	Solid Waste	Community Services	Alternative Transportation
<b>Revenues:</b>			
Intergovernmental	\$ 29,545	\$ 34,240	\$ 50,000
Charges for services	574,999	-	-
Fines and forfeits	-	-	-
Other	18,995	21,644	-
<b>Total revenues</b>	<b>623,539</b>	<b>55,884</b>	<b>50,000</b>
<b>Expenditures:</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	-	-	64,480
Sanitation	1,411,570	-	-
Health and welfare	-	44,206	-
Culture and recreation	-	-	-
Urban redevelopment and housing	-	-	-
<b>Total expenditures</b>	<b>1,411,570</b>	<b>44,206</b>	<b>64,480</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(788,031)</b>	<b>11,678</b>	<b>(14,480)</b>
<b>Other financing sources (uses):</b>			
Transfers in	820,000	-	50,000
Transfers out	-	-	-
<b>Total other financing sources and uses</b>	<b>820,000</b>	<b>-</b>	<b>50,000</b>
<b>Net change in fund balances</b>	<b>31,969</b>	<b>11,678</b>	<b>35,520</b>
<b>Fund balances - beginning</b>	<b>466,713</b>	<b>33,278</b>	<b>248,828</b>
<b>Fund balances - ending</b>	<b>\$ 498,682</b>	<b>\$ 44,956</b>	<b>\$ 284,348</b>

<u>Rainy Day</u>	<u>Public Technology</u>	<u>Arts Commission Operating</u>	<u>Wireless Enhanced 911 Nonreverting</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 101,440	\$ 2,310,296
-	2,712	842	-	2,442,883
-	183	-	-	686,718
<u>21,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,151</u>
<u>21,387</u>	<u>2,895</u>	<u>842</u>	<u>101,440</u>	<u>5,920,048</u>
-	-	-	-	201,690
-	-	-	230,035	1,760,918
-	-	-	-	64,480
-	-	-	-	1,411,570
-	-	-	-	266,627
-	-	64	-	1,395,594
-	-	-	-	1,602,540
-	-	<u>64</u>	<u>230,035</u>	<u>6,703,419</u>
<u>21,387</u>	<u>2,895</u>	<u>778</u>	<u>(128,595)</u>	<u>(783,371)</u>
-	-	-	-	958,647
-	-	-	-	(93,647)
-	-	-	-	865,000
<u>21,387</u>	<u>2,895</u>	<u>778</u>	<u>(128,595)</u>	<u>81,629</u>
<u>1,630,260</u>	<u>4,530</u>	<u>126,249</u>	<u>284,576</u>	<u>11,227,711</u>
<u>\$ 1,651,647</u>	<u>\$ 7,425</u>	<u>\$ 127,027</u>	<u>\$ 155,981</u>	<u>\$ 11,309,340</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING BALANCE SHEET  
 NON-MAJOR DEBT SERVICE FUNDS  
 December 31, 2003

	Park District Bond	Redevelopment District Bond	Street Bond	Municipal Facilities	Golf Course Bond	Totals
<u>Assets</u>						
Cash and cash equivalents	\$ 264,842	\$ 262,197	\$ -	\$ 946,081	\$ 370,694	\$ 1,843,814
Cash with fiscal agent	-	-	60,000	-	-	60,000
Investments	-	-	-	-	-	-
Receivables (net of allowances for uncollectibles):						
Interest	-	-	-	473	162	635
Taxes	15,231	-	10,955	15,097	-	41,283
Intergovernmental	-	-	-	46,508	-	46,508
<b>Total assets</b>	<b>\$ 280,073</b>	<b>\$ 262,197</b>	<b>\$ 70,955</b>	<b>\$ 1,008,159</b>	<b>\$ 370,856</b>	<b>\$ 1,992,240</b>
<u>Liabilities and fund balances</u>						
Liabilities:						
Deferred revenue - Unavailable	\$ 15,231	\$ -	\$ 10,955	\$ 61,605	\$ -	\$ 87,791
<b>Total liabilities</b>	<b>15,231</b>	<b>-</b>	<b>10,955</b>	<b>61,605</b>	<b>-</b>	<b>87,791</b>
Fund balances:						
Reserved for:						
Debt service	264,842	262,197	60,000	946,554	370,856	1,904,449
<b>Total fund balances</b>	<b>264,842</b>	<b>262,197</b>	<b>60,000</b>	<b>946,554</b>	<b>370,856</b>	<b>1,904,449</b>
<b>Total liabilities and fund balances</b>	<b>\$ 280,073</b>	<b>\$ 262,197</b>	<b>\$ 70,955</b>	<b>\$ 1,008,159</b>	<b>\$ 370,856</b>	<b>\$ 1,992,240</b>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
 NON-MAJOR DEBT SERVICE FUNDS  
 For The Year Ended December 31, 2003

	Park District Bond	Redevelopment District Bond	Street Bond	Municipal Facilities	Golf Course Bond	Totals
<b>Revenues:</b>						
Taxes	\$ 548,203	\$ -	\$ 382,976	\$ 185,789	\$ -	\$ 1,116,968
Intergovernmental	46,563	-	33,965	783,803	-	864,331
Other	187	3,907	165	14,612	5,050	23,921
<b>Total revenues</b>	<b>594,953</b>	<b>3,907</b>	<b>417,106</b>	<b>984,204</b>	<b>5,050</b>	<b>2,005,220</b>
<b>Expenditures:</b>						
Debt service:						
Principal	410,000	130,000	140,000	792,105	-	1,472,105
Interest	258,595	121,918	358,063	1,627,923	119,130	2,485,629
<b>Total expenditures</b>	<b>668,595</b>	<b>251,918</b>	<b>498,063</b>	<b>2,420,028</b>	<b>119,130</b>	<b>3,957,734</b>
Excess (deficiency) of revenues over (under) expenditures	(73,642)	(248,011)	(80,957)	(1,435,824)	(114,080)	(1,952,514)
<b>Other financing sources (uses):</b>						
Transfers in	-	270,918	-	1,008,500	120,000	1,399,418
Transfers out	(29,084)	-	-	-	-	(29,084)
<b>Total other financing sources and uses</b>	<b>(29,084)</b>	<b>270,918</b>	<b>-</b>	<b>1,008,500</b>	<b>120,000</b>	<b>1,370,334</b>
Net change in fund balances	(102,726)	22,907	(80,957)	(427,324)	5,920	(582,180)
Fund balances - beginning	367,568	239,290	140,957	1,373,878	364,936	2,486,629
Fund balances - ending	\$ 264,842	\$ 262,197	\$ 60,000	\$ 946,554	\$ 370,856	\$ 1,904,449

CITY OF BLOOMINGTON, INDIANA  
 COMBINING BALANCE SHEET  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 December 31, 2003

	Cumulative Capital Improvement	Cumulative Capital Development	Redevelopment TIF Downtown	Cumulative Capital Equipment
<u>Assets</u>				
Cash and cash equivalents	\$ 78,679	\$ 924,614	\$ 531,610	\$ 724,131
Receivables (net of allowances for uncollectibles):				
Interest	-	-	-	-
Taxes	-	18,972	15,217	13,281
Other	1,438	235	25	-
Interfund receivable	-	-	-	-
<b>Total assets</b>	<b><u>\$ 80,117</u></b>	<b><u>\$ 943,821</u></b>	<b><u>\$ 546,852</u></b>	<b><u>\$ 737,412</u></b>
<u>Liabilities and fund balances</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 44,319	\$ 50,783	\$ 37,013	\$ -
Deferred revenue - Unavailable	-	18,972	15,217	13,281
<b>Total liabilities</b>	<b><u>44,319</u></b>	<b><u>69,755</u></b>	<b><u>52,230</u></b>	<b><u>13,281</u></b>
<u>Fund balances:</u>				
Reserved for:				
Encumbrances	-	565,408	-	313,807
Capital projects funds	35,798	308,658	494,622	410,324
<b>Total fund balances</b>	<b><u>35,798</u></b>	<b><u>874,066</u></b>	<b><u>494,622</u></b>	<b><u>724,131</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 80,117</u></b>	<b><u>\$ 943,821</u></b>	<b><u>\$ 546,852</u></b>	<b><u>\$ 737,412</u></b>

<u>Street Construction</u>	<u>Fire Capital</u>	<u>Redevelopment TIF Southwest</u>	<u>Redevelopment TIF Adams</u>	<u>Redevelopment TIF Prow</u>	<u>Technology Park</u>
\$ 88	\$ 103,681	\$ 1,344,566	\$ 321,676	\$ 210,775	\$ 42,170
-	70	1,788	10	215	58
-	-	6,181	10,052	1,361	-
-	-	-	-	-	-
<u>165,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 165,088</u>	<u>\$ 103,751</u>	<u>\$ 1,352,535</u>	<u>\$ 331,738</u>	<u>\$ 212,351</u>	<u>\$ 42,228</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	6,181	10,052	1,361	-
-	-	6,181	10,052	1,361	-
-	-	-	-	-	-
<u>165,088</u>	<u>103,751</u>	<u>1,346,354</u>	<u>321,686</u>	<u>210,990</u>	<u>42,228</u>
<u>165,088</u>	<u>103,751</u>	<u>1,346,354</u>	<u>321,686</u>	<u>210,990</u>	<u>42,228</u>
<u>\$ 165,088</u>	<u>\$ 103,751</u>	<u>\$ 1,352,535</u>	<u>\$ 331,738</u>	<u>\$ 212,351</u>	<u>\$ 42,228</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING BALANCE SHEET  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 December 31, 2003

	<u>Industrial Development</u>	<u>Redevelopment TIF Whitehall</u>	<u>Gates Construction</u>	<u>Redevelopment TIF Thomson - Winslow - Walnut</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 1,070,134	\$ 1,570,093	\$ -	\$ 1,178,698
Receivables (net of allowances for uncollectibles):				
Interest	797	65	-	295
Taxes	-	62,186	-	21,894
Other	-	-	-	-
Interfund receivable	-	-	-	-
<b>Total assets</b>	<u>\$ 1,070,931</u>	<u>\$ 1,632,344</u>	<u>\$ -</u>	<u>\$ 1,200,887</u>
 <u>Liabilities and fund balances</u>				
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ 6,050
Deferred revenue - Unavailable	-	62,186	-	21,894
<b>Total liabilities</b>	<u>-</u>	<u>62,186</u>	<u>-</u>	<u>27,944</u>
 <u>Fund balances:</u>				
<u>Reserved for:</u>				
Encumbrances	-	-	-	-
Capital projects funds	1,070,931	1,570,158	-	1,172,943
<b>Total fund balances</b>	<u>1,070,931</u>	<u>1,570,158</u>	<u>-</u>	<u>1,172,943</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,070,931</u>	<u>\$ 1,632,344</u>	<u>\$ -</u>	<u>\$ 1,200,887</u>

<u>Park Construction</u>	<u>Totals</u>
\$ 668,569	\$ 8,769,484
257	3,555
-	149,144
384	2,082
<u>1,764,634</u>	<u>1,929,634</u>
<u>\$ 2,433,844</u>	<u>\$ 10,853,899</u>

\$ 548,020	\$ 686,185
-	149,144
<u>548,020</u>	<u>835,329</u>

-	879,215
<u>1,885,824</u>	<u>9,139,355</u>
<u>1,885,824</u>	<u>10,018,570</u>
<u>\$ 2,433,844</u>	<u>\$ 10,853,899</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 For The Year Ended December 31, 2003

	<u>Cumulative Capital Improvement</u>	<u>Cumulative Capital Development</u>	<u>Redevelopment TIF Downtown</u>	<u>Cumulative Capital Equipment</u>
Revenues:				
Taxes	\$ -	\$ 680,119	\$ 698,061	\$ 927,036
Intergovernmental	250,492	57,767	-	78,435
Other	<u>1,439</u>	<u>234</u>	<u>4,753</u>	<u>8,000</u>
Total revenues	<u>251,931</u>	<u>738,120</u>	<u>702,814</u>	<u>1,013,471</u>
Expenditures:				
Current:				
Culture and recreation	-	-	82,952	-
Debt service:				
Principal	-	-	143,542	-
Interest	-	-	16,401	-
Capital outlay	<u>295,045</u>	<u>654,675</u>	<u>723,325</u>	<u>696,722</u>
Total expenditures	<u>295,045</u>	<u>654,675</u>	<u>966,220</u>	<u>696,722</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(43,114)</u>	<u>83,445</u>	<u>(263,406)</u>	<u>316,749</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>(45,000)</u>	<u>(164,500)</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>(45,000)</u>	<u>(164,500)</u>	<u>-</u>
Net change in fund balances	(43,114)	38,445	(427,906)	316,749
Fund balances - beginning	<u>78,912</u>	<u>835,621</u>	<u>922,528</u>	<u>407,382</u>
Fund balances - ending	<u>\$ 35,798</u>	<u>\$ 874,066</u>	<u>\$ 494,622</u>	<u>\$ 724,131</u>

<u>Street Construction</u>	<u>Fire Capital</u>	<u>Redevelopment TIF Southwest</u>	<u>Redevelopment TIF Adams</u>	<u>Redevelopment TIF Prow</u>	<u>Technology Park</u>
\$ -	\$ -	\$ 200,387	\$ 298,944	\$ 54,246	\$ -
165,000	-	-	-	-	-
<u>473,517</u>	<u>1,290</u>	<u>15,299</u>	<u>1,326</u>	<u>2,143</u>	<u>530</u>
<u>638,517</u>	<u>1,290</u>	<u>215,686</u>	<u>300,270</u>	<u>56,389</u>	<u>530</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>473,571</u>	<u>-</u>	<u>18,771</u>	<u>1,083</u>	<u>1,083</u>	<u>-</u>
<u>473,571</u>	<u>-</u>	<u>18,771</u>	<u>1,083</u>	<u>1,083</u>	<u>-</u>
<u>164,946</u>	<u>1,290</u>	<u>196,915</u>	<u>299,187</u>	<u>55,306</u>	<u>530</u>
-	30,000	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>30,000</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>
164,946	31,290	196,915	99,187	55,306	530
<u>142</u>	<u>72,461</u>	<u>1,149,439</u>	<u>222,499</u>	<u>155,684</u>	<u>41,698</u>
<u>\$ 165,088</u>	<u>\$ 103,751</u>	<u>\$ 1,346,354</u>	<u>\$ 321,686</u>	<u>\$ 210,990</u>	<u>\$ 42,228</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 For The Year Ended December 31, 2003

	<u>Industrial Development</u>	<u>Redevelopment TIF Whitehall</u>	<u>Gates Construction</u>	<u>Redevelopment TIF Thomson - Winslow - Walnut</u>
Revenues:				
Taxes	\$ -	\$ 1,204,498	\$ -	\$ 747,079
Intergovernmental	492,005	-	-	-
Other	<u>7,272</u>	<u>8,879</u>	-	<u>14,861</u>
Total revenues	<u>499,277</u>	<u>1,213,377</u>	-	<u>761,940</u>
Expenditures:				
Current:				
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	<u>2,583</u>	-	<u>627,552</u>
Total expenditures	<u>-</u>	<u>2,583</u>	-	<u>627,552</u>
Excess (deficiency) of revenues over (under) expenditures	<u>499,277</u>	<u>1,210,794</u>	-	<u>134,388</u>
Other financing sources (uses):				
Transfers in	-	15,530	-	-
Transfers out	-	<u>(459,918)</u>	<u>(15,530)</u>	<u>(455,000)</u>
Total other financing sources and uses	<u>-</u>	<u>(444,388)</u>	<u>(15,530)</u>	<u>(455,000)</u>
Net change in fund balances	499,277	766,406	(15,530)	(320,612)
Fund balances - beginning	<u>571,654</u>	<u>803,752</u>	<u>15,530</u>	<u>1,493,555</u>
Fund balances - ending	<u>\$ 1,070,931</u>	<u>\$ 1,570,158</u>	<u>\$ -</u>	<u>\$ 1,172,943</u>

<u>Park Construction</u>	<u>Totals</u>
\$ -	\$ 4,810,370
1,764,634	2,808,333
<u>36,973</u>	<u>576,516</u>
<u>1,801,607</u>	<u>8,195,219</u>
-	82,952
-	143,542
-	16,401
<u>3,654,899</u>	<u>7,149,309</u>
<u>3,654,899</u>	<u>7,392,204</u>
<u>(1,853,292)</u>	<u>803,015</u>
-	45,530
<u>-</u>	<u>(1,339,948)</u>
<u>-</u>	<u>(1,294,418)</u>
(1,853,292)	(491,403)
<u>3,739,116</u>	<u>10,509,973</u>
<u>\$ 1,885,824</u>	<u>\$ 10,018,570</u>



CITY OF BLOOMINGTON, INDIANA  
 BUDGETARY COMPARISON SCHEDULES  
 NON-MAJOR BUDGETED DEBT SERVICE FUNDS  
 For The Year Ended December 31, 2003

	Municipal Facilities				Park District Bond			
	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes	\$ 527,139	\$ 527,139	\$ 500,789	\$ (26,350)	\$ 576,378	\$ 576,378	\$ 548,203	\$ (28,175)
Intergovernmental	769,304	769,304	783,803	14,499	48,439	48,439	46,563	(1,876)
Other	1,025,000	1,025,000	25,524	(999,476)	-	-	968	968
<b>Total revenues</b>	<b>2,321,443</b>	<b>2,321,443</b>	<b>1,310,116</b>	<b>(1,011,327)</b>	<b>624,817</b>	<b>624,817</b>	<b>595,734</b>	<b>(29,083)</b>
<b>Expenditures:</b>								
<b>Current:</b>								
<b>Debt Service:</b>								
Principal Retirement	792,105	792,105	792,105	-	410,000	410,000	410,000	-
Interest and Fiscal Charges	1,627,923	1,627,923	1,627,923	-	259,195	259,195	258,595	600
<b>Total expenditures</b>	<b>2,420,028</b>	<b>2,420,028</b>	<b>2,420,028</b>	<b>-</b>	<b>669,195</b>	<b>669,195</b>	<b>668,595</b>	<b>600</b>
<b>Other financing sources (uses):</b>								
Transfers in	-	-	1,008,500	1,008,500	-	-	-	-
Transfers out	-	-	-	-	-	-	(29,084)	(29,084)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,008,500</b>	<b>1,008,500</b>	<b>-</b>	<b>-</b>	<b>(29,084)</b>	<b>(29,084)</b>
<b>Net change in fund balances</b>	<b>(98,585)</b>	<b>(98,585)</b>	<b>(101,412)</b>	<b>(2,827)</b>	<b>(44,378)</b>	<b>(44,378)</b>	<b>(101,945)</b>	<b>(57,567)</b>
Fund balances - beginning	1,047,493	1,047,493	1,047,493	-	366,787	366,787	366,787	-
Fund balances - ending	\$ 948,908	\$ 948,908	\$ 946,081	\$ (2,827)	\$ 322,409	\$ 322,409	\$ 264,842	\$ (57,567)

	Street Bond				Golf Course Bond			
	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes	\$ 402,595	\$ 402,595	\$ 382,976	\$ (19,619)	\$ -	\$ -	\$ -	\$ -
Intergovernmental	33,835	33,835	33,965	130	-	-	-	-
Other	1,000	1,000	165	(835)	125,000	125,000	8,179	(116,821)
<b>Total revenues</b>	<b>437,430</b>	<b>437,430</b>	<b>417,106</b>	<b>(20,324)</b>	<b>125,000</b>	<b>125,000</b>	<b>8,179</b>	<b>(116,821)</b>
<b>Expenditures:</b>								
<b>Current:</b>								
<b>Debt Service:</b>								
Principal Retirement	60,000	60,000	60,000	-	-	-	-	-
Interest and Fiscal Charges	359,063	359,063	358,063	1,000	119,130	119,130	119,130	-
<b>Total expenditures</b>	<b>419,063</b>	<b>419,063</b>	<b>418,063</b>	<b>1,000</b>	<b>119,130</b>	<b>119,130</b>	<b>119,130</b>	<b>-</b>
<b>Other financing sources (uses):</b>								
Transfers in	-	-	-	-	-	-	120,000	120,000
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120,000</b>	<b>120,000</b>
<b>Net change in fund balances</b>	<b>18,367</b>	<b>18,367</b>	<b>(957)</b>	<b>(19,324)</b>	<b>5,870</b>	<b>5,870</b>	<b>9,049</b>	<b>3,179</b>
Fund balances - beginning	957	957	957	-	361,645	361,645	361,645	-
Fund balances - ending	\$ 19,324	\$ 19,324	\$ 0	\$ (19,324)	\$ 367,515	\$ 367,515	\$ 370,694	\$ 3,179

CITY OF BLOOMINGTON, INDIANA  
 BUDGETARY COMPARISON SCHEDULES  
 NON-MAJOR BUDGETED DEBT SERVICE FUNDS  
 For The Year Ended December 31, 2003

	Redevelopment District Bond			Variance with Final Budget- Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 6,350	\$ 6,350
Total revenues	-	-	6,350	6,350
Expenditures:				
Current:				
Debt Service:				
Principal Retirement	130,000	130,000	130,000	-
Interest and Fiscal Charges	121,918	121,918	121,918	-
Total expenditures	251,918	251,918	251,918	-
Other financing sources (uses):				
Transfers in	-	-	270,918	270,918
Total other financing sources (uses)	-	-	270,918	270,918
Net change in fund balances	(251,918)	(251,918)	25,350	277,268
Fund balances - beginning	236,847	236,847	236,847	-
Fund balances - ending	\$ (15,071)	\$ (15,071)	\$ 262,197	\$ 277,268

CITY OF BLOOMINGTON, INDIANA  
 BUDGETARY COMPARISON SCHEDULES  
 NON-MAJOR BUDGETED CAPITAL PROJECTS FUNDS  
 For The Year Ended December 31, 2003

	Cumulative Capital Improvement				Cumulative Capital Development			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 715,404	\$ 715,404	\$ 680,119	\$ (35,285)
Intergovernmental	274,365	274,365	250,492	(23,873)	60,122	60,122	57,767	(2,355)
Other	-	-	561	561	-	-	91	91
Total revenues	<u>274,365</u>	<u>274,365</u>	<u>251,053</u>	<u>(23,312)</u>	<u>775,526</u>	<u>775,526</u>	<u>737,977</u>	<u>(37,549)</u>
Expenditures:								
Current:								
Capital Outlays								
Supplies	280,000	280,000	250,726	29,274	-	-	-	-
Other services and charges	-	-	-	-	144,000	116,437	62,053	54,384
Capital Outlays	-	-	-	-	758,606	946,504	786,091	160,413
Total expenditures	<u>280,000</u>	<u>280,000</u>	<u>250,726</u>	<u>29,274</u>	<u>902,606</u>	<u>1,062,941</u>	<u>848,144</u>	<u>214,797</u>
Other financing sources (uses):								
Transfers out	-	-	-	-	-	-	(45,000)	(45,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(45,000)</u>	<u>(45,000)</u>
Net change in fund balances	(5,635)	(5,635)	327	5,962	(127,080)	(287,415)	(155,167)	132,248
Fund balances - beginning	78,352	78,352	78,352	-	1,079,781	1,079,781	1,079,781	-
Fund balances - ending	<u>\$ 72,717</u>	<u>\$ 72,717</u>	<u>\$ 78,679</u>	<u>\$ 5,962</u>	<u>\$ 952,701</u>	<u>\$ 792,366</u>	<u>\$ 924,614</u>	<u>\$ 132,248</u>

	Cumulative Capital Equipment			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,051,382	\$ 1,051,382	\$ 927,036	\$ (124,346)
Intergovernmental	88,358	88,358	78,435	(9,923)
Other	-	-	8,060	8,060
Total revenues	<u>1,139,740</u>	<u>1,139,740</u>	<u>1,013,531</u>	<u>(126,209)</u>
Expenditures:				
Current:				
Capital Outlays				
Other services and charges	100,000	52,750	51,503	1,247
Capital outlay	715,000	908,444	864,582	43,862
Total expenditures	<u>815,000</u>	<u>961,194</u>	<u>916,085</u>	<u>45,109</u>
Net change in fund balances	324,740	178,546	97,446	(81,100)
Fund balances - beginning	626,685	626,685	626,685	-
Fund balances - ending	<u>\$ 951,425</u>	<u>\$ 805,231</u>	<u>\$ 724,131</u>	<u>\$ (81,100)</u>

## **Non-major Proprietary Funds**

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

**Risk Management** - To account for revenues generated by assessing premiums on each City department and the Bloomington Public Transit Corporation, for the purpose of administering a self-insurance program for Worker's Compensation.

**Fleet Maintenance** - To account for the financing of goods and services provided by the Fleet Maintenance department to other departments and agencies of the City.

**Health Insurance Trust** - To account for revenues generated and expenses incurred for the administration of the City's self-insured employee health plan.

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF NET ASSETS  
 NON-MAJOR PROPRIETARY FUNDS  
 December 31, 2003

	Governmental-Type Activities - Internal Service Funds			
	Risk Management	Fleet Maintenance	Health Insurance Trust	Total
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 251,981	\$ 520,434	\$ 949,786	\$ 1,722,201
Interest receivable	111	-	390	501
Other receivable	9,117	1,971	419	11,507
Interfund receivables:				
Interfund services provided and used	-	34,842	-	34,842
Inventories	-	342,212	-	342,212
Total current assets	<u>261,209</u>	<u>899,459</u>	<u>950,595</u>	<u>2,111,263</u>
Noncurrent assets:				
Capital assets:				
Other capital assets (net of accumulated depreciation)	<u>26,531</u>	<u>675,528</u>	<u>-</u>	<u>702,059</u>
Total capital assets	<u>26,531</u>	<u>675,528</u>	<u>-</u>	<u>702,059</u>
Total noncurrent assets	<u>26,531</u>	<u>675,528</u>	<u>-</u>	<u>702,059</u>
Total assets	<u>287,740</u>	<u>1,574,987</u>	<u>950,595</u>	<u>2,813,322</u>
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	18,467	24,884	-	43,351
Interfund payables	5,604	9,240	-	14,844
Compensated absences payable	-	497	-	497
Current liabilities payable from restricted assets:				
Estimated Unfiled Claims	<u>22,543</u>	<u>-</u>	<u>268,251</u>	<u>290,794</u>
Total current liabilities	<u>46,614</u>	<u>34,621</u>	<u>268,251</u>	<u>349,486</u>
Total liabilities	<u>46,614</u>	<u>34,621</u>	<u>268,251</u>	<u>349,486</u>
<u>Net assets</u>				
Unrestricted	<u>241,126</u>	<u>1,540,366</u>	<u>682,344</u>	<u>2,463,836</u>
Total net assets	<u>\$ 241,126</u>	<u>\$ 1,540,366</u>	<u>\$ 682,344</u>	<u>\$ 2,463,836</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN FUND NET ASSETS  
 NON-MAJOR PROPRIETARY FUNDS  
 For The Year Ended December 31, 2003

	Governmental-Type Activities - Internal Service Funds			Total
	Risk Management	Fleet Maintenance	Health Insurance Trust	
Operating Revenues:				
Charges for services	\$ 429,931	\$ 1,221,201	\$ 3,741,845	\$ 5,392,977
Other	25,392	2,531	38,591	66,514
Total operating revenues	<u>455,323</u>	<u>1,223,732</u>	<u>3,780,436</u>	<u>5,459,491</u>
Operating expenses:				
Administrative and general:				
General	-	-	357,469	357,469
Salaries	204,244	302,854	-	507,098
Employee benefits	-	-	3,420,811	3,420,811
Materials and supplies	46,717	732,654	-	779,371
Other Services	357,932	96,466	-	454,398
Depreciation	4,513	57,647	-	62,160
Total operating expenses	<u>613,406</u>	<u>1,189,621</u>	<u>3,778,280</u>	<u>5,581,307</u>
Operating income (loss)	<u>(158,083)</u>	<u>34,111</u>	<u>2,156</u>	<u>(121,816)</u>
Nonoperating revenues (expenses):				
Interest and investment revenue	7,132	-	22,874	30,006
Gain on Sale	-	7,672	-	7,672
Total nonoperating revenue (expenses)	<u>7,132</u>	<u>7,672</u>	<u>22,874</u>	<u>37,678</u>
Change in net assets	(150,951)	41,783	25,030	(84,138)
Total net assets - beginning	<u>392,077</u>	<u>1,498,583</u>	<u>657,314</u>	<u>2,547,974</u>
Total net assets - ending	<u>\$ 241,126</u>	<u>\$ 1,540,366</u>	<u>\$ 682,344</u>	<u>\$ 2,463,836</u>

CITY OF BLOOMINGTON, INDIANA  
 COMBINING STATEMENT OF CASH FLOWS  
 NON-MAJOR PROPRIETARY FUNDS  
 For The Year Ended December 31, 2003

	Governmental-Type Activities - Internal Service Funds			Total
	Risk Management	Fleet Maintenance	Health Insurance Trust	
Cash flows from operating activities:				
Receipts from customers and users	\$ 446,803	\$ 1,222,508	\$ 3,781,712	\$ 5,451,023
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(437,577)	(799,166)	(3,710,612)	(4,947,355)
Payments to employees	(204,244)	(302,934)	-	(507,178)
Net cash provided (used) by operating activities	(195,018)	120,408	71,100	(3,510)
Cash flows from capital and related financing activities:				
Proceeds from sales of capital assets	-	7,672	-	7,672
Net cash provided by capital and related financing activities	-	7,672	-	7,672
Cash flows from investing activities:				
Proceeds from sales and maturities of investments	-	-	81,000	81,000
Interest received	7,520	-	23,342	30,862
Net cash provided by investing activities	7,520	-	104,342	111,862
Net increase (decrease) in cash and cash equivalents	(187,498)	128,080	175,442	116,024
Cash and cash equivalents, January 1	439,479	392,354	774,344	1,606,177
Cash and cash equivalents, December 31	\$ 251,981	\$ 520,434	\$ 949,786	\$ 1,722,201
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	\$ (158,083)	\$ 34,111	\$ 2,156	\$ (121,816)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	4,513	57,647	-	62,160
Change in assets and liabilities:				
Other accounts receivable	597	(1,263)	1,276	610
Interfund receivables	(9,117)	39	-	(9,078)
Inventories	-	24,279	-	24,279
Accounts payable	(11,240)	5,569	-	(5,671)
Compensated absence payable	-	(80)	-	(80)
Interfund payables	(354)	106	-	(248)
Estimated unfiled claims	(21,334)	-	67,668	46,334
Total adjustments	(36,935)	86,297	68,944	118,306
Net cash provided (used) by operating activities	\$ (195,018)	\$ 120,408	\$ 71,100	\$ (3,510)
Noncash investing, capital and financing activities:				
Contributions of capital assets from City	\$ -	\$ 111,948	\$ -	\$ 111,948

CITY OF BLOOMINGTON, INDIANA  
 BUDGETARY COMPARISON SCHEDULES  
 NON-MAJOR BUDGETED INTERNAL SERVICE FUNDS  
 For The Year Ended December 31, 2003

	Risk Management				Fleet Maintenance			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
<b>Revenues:</b>								
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	\$ 450,324	\$ 450,324	\$ 429,931	\$ (20,393)	\$ 1,201,697	\$ 1,201,697	\$ 1,221,240	\$ 19,543
Fines and forfeits	-	-	-	-	-	-	-	-
Other	12,000	12,000	24,392	12,392	-	-	8,940	8,940
<b>Total revenues</b>	<b>462,324</b>	<b>462,324</b>	<b>454,323</b>	<b>(8,001)</b>	<b>1,201,697</b>	<b>1,201,697</b>	<b>1,230,180</b>	<b>28,483</b>
<b>Expenditures:</b>								
<b>Current:</b>								
General government:								
Personal services	210,232	210,232	204,598	5,634	314,383	310,783	302,828	7,955
Supplies	47,600	47,600	45,079	2,521	734,700	738,300	699,683	38,617
Other services and charges	265,660	425,938	390,506	35,432	129,573	119,773	99,589	20,184
Capital outlay	1,800	1,800	1,688	112	1,800	1,800	-	1,800
<b>Total expenditures</b>	<b>525,292</b>	<b>685,570</b>	<b>641,871</b>	<b>43,699</b>	<b>1,180,456</b>	<b>1,170,656</b>	<b>1,102,100</b>	<b>68,556</b>
<b>Other financing sources (uses):</b>								
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(62,968)</b>	<b>(223,246)</b>	<b>(187,548)</b>	<b>35,698</b>	<b>21,241</b>	<b>31,041</b>	<b>128,080</b>	<b>97,039</b>
<b>Fund balances - beginning</b>	<b>439,529</b>	<b>439,529</b>	<b>439,529</b>	<b>-</b>	<b>392,354</b>	<b>392,354</b>	<b>392,354</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 376,561</b>	<b>\$ 216,283</b>	<b>\$ 251,981</b>	<b>\$ 35,698</b>	<b>\$ 413,595</b>	<b>\$ 423,395</b>	<b>\$ 520,434</b>	<b>\$ 97,039</b>

## **Non-major Fiduciary Funds**

**Pension Trust Funds** – used to account for assets held by the City for the members and beneficiaries of defined benefit plans.

**Police Pension** - To account for the provision of retirement and disability benefits to police officers hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members, state cigarette tax distributions, and a specific annual property tax levy.

**Fire Pension** - To account for the provision of retirement and disability benefits to firefighters hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members, state cigarette tax distributions, and a specific annual property tax levy.

**Private Purpose Trust Fund** – used to report assets held by the City that benefit individuals, private organizations, or other governments.

**Howard Young Bicentennial Trust** - To account for the Howard Young \$1,000 gift in 1976 to the City and all subsequent investment earnings. The trust agreement provides that the principal and accumulated earnings be used in the year 2076 for sidewalk improvements.

CITY OF BLOOMINGTON, INDIANA  
 BUDGETARY COMPARISON SCHEDULES  
 NON-MAJOR BUDGETED PENSION TRUST FUNDS  
 For The Year Ended December 31, 2003

	Police Pension				Fire Pension			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
<b>Revenues:</b>								
Taxes	\$ 101,373	\$ 101,373	\$ 96,049	\$ (5,324)	\$ 509,761	\$ 509,761	\$ 484,133	\$ (25,628)
Intergovernmental	560,520	560,520	646,824	86,304	830,841	830,841	955,705	124,864
Other	19,273	19,273	99,845	80,572	20,916	20,916	134,320	113,404
<b>Total revenues</b>	<b>681,166</b>	<b>681,166</b>	<b>842,718</b>	<b>161,552</b>	<b>1,361,518</b>	<b>1,361,518</b>	<b>1,574,158</b>	<b>212,640</b>
<b>Expenditures:</b>								
Current:								
Public safety:								
Personal services	3,445	3,445	3,200	245	3,445	3,445	3,200	245
Supplies	550	550	81	469	350	350	62	288
Other services and charges	1,393,368	1,393,368	983,381	409,987	1,826,938	1,826,938	1,473,465	353,473
<b>Total expenditures</b>	<b>1,397,363</b>	<b>1,397,363</b>	<b>986,662</b>	<b>410,701</b>	<b>1,830,733</b>	<b>1,830,733</b>	<b>1,476,727</b>	<b>354,006</b>
<b>Other additions (deductions):</b>								
Transfers in	-	-	-	-	-	-	303,067	303,067
Transfers out	-	-	(303,067)	(303,067)	-	-	-	-
<b>Total other additions (deductions)</b>	<b>-</b>	<b>-</b>	<b>(303,067)</b>	<b>(303,067)</b>	<b>-</b>	<b>-</b>	<b>303,067</b>	<b>303,067</b>
<b>Net change in fund balances</b>	<b>(716,197)</b>	<b>(716,197)</b>	<b>(447,011)</b>	<b>269,186</b>	<b>(469,215)</b>	<b>(469,215)</b>	<b>400,498</b>	<b>869,713</b>
<b>Fund balances - beginning</b>	<b>2,647,628</b>	<b>2,647,628</b>	<b>2,647,628</b>	<b>-</b>	<b>3,024,653</b>	<b>3,024,653</b>	<b>3,024,653</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 1,931,431</b>	<b>\$ 1,931,431</b>	<b>\$ 2,200,617</b>	<b>\$ 269,186</b>	<b>\$ 2,555,438</b>	<b>\$ 2,555,438</b>	<b>\$ 3,425,151</b>	<b>\$ 869,713</b>



**CITY OF BLOOMINGTON**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION\***  
 Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Highways and Streets	Health and Welfare	Sanitation	Culture and Recreation	Urban Redev. and Housing	Capital Outlay (A)	Debt Service	Total
2003	\$6,151,730	\$15,533,691	\$4,566,776	\$798,707	\$1,411,570	\$7,065,058	\$2,303,991	\$14,530,582	\$4,572,190	\$56,934,295
2002	\$6,600,261	\$14,572,378	\$4,397,407	\$2,342,048	\$1,339,918	\$7,734,824	\$2,129,044	\$7,877,344	\$4,664,690	\$51,657,914
2001	5,602,307	13,446,295	4,454,291	3,681,017	1,375,035	6,759,868	2,216,952	15,670,678	3,640,193	56,846,636
2000	6,421,248	12,184,634	4,086,681	4,047,629	1,379,629	6,549,299	1,902,602	12,100,907	3,084,465	51,757,094
1999	5,316,210	10,802,088	2,801,252	3,730,837	1,168,335	5,585,352	2,985,515	7,553,591	3,161,173	43,104,353
1998	5,575,195	10,942,469	3,167,307	2,977,792	1,139,790	4,911,165	1,388,924	3,754,689	3,032,926	36,890,257
1997	3,812,678	9,538,637	3,024,045	1,956,154	1,314,572	5,172,025	1,319,415	5,812,981	3,196,518	35,147,025
1996	3,269,788	9,151,448	2,946,127	1,441,215	1,136,761	4,392,541	1,744,606	2,791,069	3,019,078	29,892,633
1995	3,180,356	9,147,320	3,213,641	1,477,704	1,089,530	3,965,282	1,938,730	12,136,296	2,477,496	38,626,355
1994	3,492,390	7,995,442	3,228,372	1,467,805	977,277	3,707,564	1,966,889	2,777,709	2,131,735	27,745,183

\* Note: Includes the General, Special Revenue, Debt Service, Capital Projects, and Permanent Funds.

(A) The City traditionally utilizes nonrevenue sources of funding to finance capital outlays, namely bond issue proceeds and capital leases. The historical percentage of such other financing sources is approximately 65% for the period covered by this table.

**CITY OF BLOOMINGTON  
GENERAL REVENUES BY SOURCE\*  
Last Ten Fiscal Years**

Fiscal Year	Taxes**	Licenses and Permits	Inter-Governmental	Charges for Services	Fines and Forfeitures	Miscellaneous and Interest Revenue	Total
2003	\$21,179,728	\$201,476	\$16,329,688	\$4,951,088	\$796,869	\$1,603,769	\$45,062,618
2002	31,244,717	22,820	9,925,377	3,873,982	733,119	1,257,905	47,057,920
2001	28,775,881	31,708	9,101,117	5,586,042	689,398	2,090,124	46,274,270
2000	26,155,822	43,067	11,175,925	5,104,014	651,089	2,054,780	45,184,697
1999	24,454,916	117,455	10,630,758	4,301,748	637,162	1,699,992	41,842,031
1998	22,326,754	104,029	8,373,044	5,838,578	470,751	1,629,519	38,742,675
1997	21,239,775	94,842	6,482,749	3,566,838	455,318	2,456,903	34,296,425
1996	20,822,618	434,670	6,670,521	4,356,161	562,072	1,008,250	33,854,292
1995	18,479,610	590,970	6,775,331	4,161,935	476,464	1,035,258	31,519,568
1994	16,674,900	547,069	6,910,089	4,191,947	169,771	939,621	29,433,397

\*Note: Includes the General, Special Revenue, Debt Service, and Capital Projects, and Permanent Funds.  
 \*\* As of 2003, taxes include only property taxes. All other taxes are included as part of intergovernmental.

CITY OF BLOOMINGTON  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Fiscal Years

Fiscal Year	Tax Levy	Current Tax Collections	Percent Of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes To Tax Levy
2003	\$20,400,694	\$19,978,630	97.93%	\$500,036	\$20,478,666	100.38%	\$661,992	3.24%
2002	18,969,814	18,505,961	97.55%	594,256	19,100,216	100.69%	647,749	3.41%
2001	18,537,756	18,072,474	97.49%	390,398	18,462,872	99.60%	720,470	3.89%
2000	17,946,390	17,597,007	98.05%	507,516	18,104,523	100.88%	536,105	2.99%
1999	17,436,672	16,970,500	97.33%	582,421	17,552,922	100.67%	701,996	4.03%
1998	16,933,658	16,439,712	97.08%	351,587	16,791,299	99.16%	742,948	4.39%
1997	15,943,365	15,631,134	98.04%	496,960	16,128,095	101.16%	549,855	3.45%
1996	14,666,632	14,269,163	97.29%	514,408	14,783,570	100.80%	684,443	4.67%
1995	13,535,927	13,186,124	97.42%	439,429	13,625,554	100.66%	729,444	5.39%
1994	12,188,218	11,828,310	97.05%	727,196	12,555,506	103.01%	715,176	5.87%

Note: All property tax collections in excess of 102% of the state approved levy are transferred to a "Levy Excess Fund" and are used either to reduce tax levies in subsequent years or to reimburse any fund for property taxes withheld due to refunds awarded.

Source: Monroe County Auditor's "Apportionment of Taxes Collected," prorated according the City of Bloomington's share.

CITY OF BLOOMINGTON  
PROPERTY TAX LEVIES AND COLLECTIONS  
LISTED BY TOWNSHIP (A)  
Last Ten Fiscal Years

	Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections To Tax Levy	Outstanding Delinquent Taxes	Delinquent Taxes To Tax Levy
<b>Bloomington City</b>								
2003	\$6,858,777	\$6,693,539	97.59%	\$168,691	\$6,862,230	100.05%	\$233,567	3.41%
2002	6,202,020	6,049,897	97.55%	210,090	6,259,986	100.93%	207,610	3.35%
2001	6,129,548	5,966,235	97.34%	178,076	6,144,311	100.24%	258,458	4.22%
2000	6,101,947	5,955,127	97.59%	207,821	6,162,948	101.00%	223,000	3.65%
1999	5,962,957	5,760,191	96.60%	229,388	5,989,579	100.45%	285,615	4.79%
1998	5,860,065	5,671,949	96.79%	131,699	5,803,648	99.04%	279,128	4.76%
1997	5,711,440	5,584,749	97.78%	181,769	5,766,518	100.96%	210,927	3.69%
1996	5,082,901	4,921,364	96.82%	272,777	5,194,141	102.19%	254,447	5.01%
1995	4,982,399	4,831,525	96.97%	175,951	5,007,476	100.50%	340,929	6.84%
1994	4,563,593	4,411,363	96.66%	288,631	4,699,994	102.99%	343,325	7.52%
<b>Perry City</b>								
2003	\$12,290,258	\$12,077,295	98.27%	\$307,603	\$12,384,898	100.77%	\$355,030	2.89%
2002	11,514,772	11,246,396	97.67%	381,937	11,628,333	100.99%	394,948	3.43%
2001	11,215,820	10,914,735	97.32%	207,439	11,122,174	99.17%	458,778	4.09%
2000	10,672,076	10,469,769	98.10%	274,863	10,744,632	100.68%	308,169	2.89%
1999	10,592,000	10,348,866	97.70%	294,801	10,643,668	100.49%	389,317	3.68%
1998	10,246,378	9,994,078	97.54%	198,477	10,192,555	99.47%	406,214	3.96%
1997	9,510,803	9,346,146	98.27%	299,846	9,645,991	101.42%	315,958	3.32%
1996	8,918,064	8,696,223	97.51%	198,520	8,894,743	99.74%	413,901	4.64%
1995	7,745,586	7,583,154	97.90%	245,376	7,828,531	101.07%	326,337	4.21%
1994	7,273,893	7,079,864	97.33%	422,423	7,502,287	103.14%	355,543	4.89%

(A) Note: The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.

Source: Monroe County Auditor's "Apportionment of Taxes Collected," prorated according to Richland City and Van Buren City shares.

CITY OF BLOOMINGTON  
PROPERTY TAX LEVIES AND COLLECTIONS  
LISTED BY TOWNSHIP (A)  
Last Ten Fiscal Years

	Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax		Total Tax Collections	Total Tax Collections To Tax Levy	Outstanding Delinquent Taxes	Delinquent Taxes To Tax Levy
				Delinquent Tax Collections	Delinquent Tax Collections				
<b>Richland City</b>									
2003	\$403,488	\$387,640	96.07%	\$3,471	\$391,111	96.93%	\$16,814	4.17%	
2002	425,562	421,240	98.98%	122	421,362	99.01%	4,423	1.04%	
2001	385,513	385,513	100.00%	54	385,567	100.01%	34	0.01%	
2000	352,382	352,382	100.00%	5,966	358,347	101.69%	8	0.00%	
1999	158,473	152,664	96.33%	26,906	179,570	1.13%	6066	3.83%	
1998	126,634	102,688	81.09%	248	102,936	81.29%	23946	18.91%	
1997	100,927	100,927	100.00%	7,628	108,554	107.56%	0	0.00%	
1996	77,721	70,547	90.77%	1,155	71,703	92.26%	7174	9.23%	
1995	78,780	78,080	99.11%	88	78,169	99.22%	993	1.26%	
1994	97,553	97,473	99.92%	0	97,473	99.92%	303	0.31%	
<b>Van Buren City</b>									
2003	\$848,171	\$820,156	96.70%	\$20,271	\$840,427	99.09%	\$56,581	6.67%	
2002	827,459	788,428	95.28%	2,107	790,535	95.54%	40,767	4.93%	
2001	806,875	805,991	99.89%	4,829	810,820	100.49%	3,200	0.40%	
2000	819,985	819,730	99.97%	18,867	838,596	102.27%	4,928	0.60%	
1999	723,242	708,779	98.00%	31,326	740,105	102.33%	20,998	2.90%	
1998	700,582	670,996	95.78%	21,163	692,159	98.80%	33,659	4.80%	
1997	620,195	599,313	96.63%	7,718	607,031	97.88%	22,970	3.70%	
1996	587,947	581,028	98.82%	41,955	622,983	105.96%	8,921	1.52%	
1995	271,596	245,396	90.35%	3,518	248,914	91.65%	41,907	15.43%	
1994	253,179	239,610	94.64%	16,141	255,751	101.02%	16,005	6.32%	

(A) Note: The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.

Source: Monroe County Auditor's "Apportionment of Taxes Collected," prorated according to Richland City and Van Buren City shares.

**CITY OF BLOOMINGTON**  
**ASSESSED AND TRUE TAX VALUE OF TAXABLE PROPERTY (A)**  
**Last Ten Years**

YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL PROPERTY	
	Assessed Value	True Tax Value	Assessed Value	True Tax Value	Assessed Value	True Tax Value
2003**	\$ -	\$ 2,330,364,854	\$ -	\$ 283,040,182	\$ -	\$ 2,613,405,036
2002 *	-	1,334,645,900	-	253,709,170	-	1,588,355,070
2001	430,941,220	1,292,823,660	79,997,847	239,993,541	510,939,067	1,532,817,201
2000	409,852,445	1,229,557,335	77,198,865	231,596,595	487,051,310	1,461,153,930
1999	395,118,070	1,185,354,210	73,647,381	220,942,143	468,765,451	1,406,296,353
1998	377,586,990	1,132,760,970	72,681,012	218,043,036	450,268,002	1,350,804,006
1997	355,998,890	1,067,996,670	69,518,253	208,554,759	425,517,143	1,276,551,429
1996	325,262,582	975,787,746	64,642,776	193,928,328	389,905,358	1,169,716,074
1995	279,881,185	839,643,555	57,536,583	172,609,749	337,417,768	1,012,253,304
1994	262,278,820	786,836,460	55,512,994	166,538,982	317,791,814	953,375,442

(A) Assessed Value represents the assessment on March 1 of the previous year for taxes due and payable in the year shown above.  
Assessed Value equals one-third of the "true tax value" of the property, which is significantly less than fair market value. As of 2003 True Tax Value is now equal to market value.

The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.

Source: Monroe County Auditor's "Abstract of Property Valuations."

\* Beginning in 2002, Assessed Value equaled True Tax Value in anticipation of a reassessment to market value in 2003. (See note (A) above)  
\*\* Beginning in 2003, Assessed and True Tax Value reflect Market Value

**CITY OF BLOOMINGTON**  
**ASSESSED AND TRUE TAX VALUE OF TAXABLE PROPERTY (A)**  
**LISTED BY TOWNSHIP (B)**  
Last Ten Years

	REAL PROPERTY		PERSONAL PROPERTY		TOTAL PROPERTY	
	Assessed Value	True Tax Value	Assessed Value	True Tax Value	Assessed Value	True Tax Value
<b>Bloomington City</b>						
2003 **	\$ -	\$ 779,913,744	\$ -	\$ 100,656,486	\$ -	\$ 880,570,230
2002 *	-	434,949,965	-	85,684,384	-	520,634,349
2001	142,575,900	427,727,700	26,552,980	79,658,940	169,128,880	507,386,640
2000	138,857,490	416,572,470	26,071,145	78,213,435	164,928,635	494,785,905
1999	136,006,195	408,018,585	25,125,566	75,376,698	161,131,761	483,395,283
1998	129,578,635	388,735,905	25,109,195	75,327,585	154,687,830	464,063,490
1997	127,259,455	381,778,365	23,277,890	69,833,670	150,537,345	451,612,035
1996	115,418,638	346,255,914	20,933,958	62,801,874	136,352,596	409,057,788
1995	100,499,452	301,498,356	22,268,143	66,804,429	122,767,595	368,302,785
1994	96,554,820	289,664,460	22,105,243	66,315,729	118,660,063	355,980,189
<b>Perry City</b>						
2003 **	\$ -	\$ 1,437,237,960	\$ -	\$ 131,865,225	\$ -	\$ 1,569,103,185
2002 *	-	837,547,445	-	125,577,426	-	963,124,871
2001	268,834,150	806,502,450	40,043,177	120,129,531	308,877,327	926,631,981
2000	252,500,955	757,502,865	37,932,450	113,797,350	290,433,405	871,300,215
1999	244,196,435	732,589,305	40,149,300	120,447,900	284,345,735	853,037,205
1998	233,399,635	700,198,905	40,464,407	121,393,221	273,864,042	821,592,126
1997	216,628,205	649,884,615	39,424,773	118,274,319	256,052,978	768,158,934
1996	198,047,764	594,143,292	37,818,258	113,454,774	235,866,022	707,598,066
1995	172,306,203	516,918,609	33,949,130	101,847,390	206,255,333	618,765,999
1994	158,688,720	476,066,160	31,557,871	94,673,613	190,246,591	570,739,773

(A) Assessed Value represents the assessment on March 1 of the previous year for taxes due and payable in the year shown above. Assessed Value equals one-third of the "true tax value" of the property, which is significantly less than fair market value.

(B) The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.

Source: Monroe County Auditor's "Abstract of Property Valuations."

\* Beginning in 2002, Assessed Value equaled True Tax Value in anticipation of a reassessment to market value in 2003. (See note (A) above)

\*\* Beginning in 2003, Assessed and True Tax Value reflect Market Value

**CITY OF BLOOMINGTON**  
**ASSESSED AND TRUE TAX VALUE OF TAXABLE PROPERTY (A)**  
**LISTED BY TOWNSHIP (B)**  
Last Ten Years

	REAL PROPERTY		PERSONAL PROPERTY		TOTAL PROPERTY	
	Assessed Value	True Tax Value	Assessed Value	True Tax Value	Assessed Value	True Tax Value
<b>Richland City</b>						
2003 **	\$ -	\$37,135,800	\$ -	\$ 21,052,250	\$ -	\$ 58,188,050
2002 *	-	18,241,100	-	18,679,600	-	36,920,700
2001	5,228,470	15,685,410	5,821,470	17,464,410	11,049,940	33,149,820
2000	4,459,060	13,377,180	5,362,300	16,086,900	9,821,360	29,464,080
1999	2,025,480	6,076,440	2,240,385	6,721,155	4,265,865	12,797,595
1998	1,797,450	5,392,350	1,493,740	4,481,220	3,291,190	9,873,570
1997	801,560	2,404,680	2,153,210	6,459,630	2,954,770	8,864,310
1996	801,100	2,403,300	1,292,520	3,877,560	2,093,620	6,280,860
1995	957,810	2,873,430	1,018,100	3,054,300	1,975,910	5,927,730
1994	959,930	2,879,790	1,591,870	4,775,610	2,551,800	7,655,400

**Van Buren City**

2003 **	\$ -	\$76,077,350	\$ -	\$ 29,466,221	\$ -	\$ 105,543,571
2002 *	-	43,907,390	-	23,767,760	-	67,675,150
2001	14,302,700	42,908,100	7,580,220	22,740,660	21,882,920	65,648,760
2000	14,034,940	42,104,820	7,832,970	23,498,910	21,867,910	65,603,730
1999	12,889,960	38,669,880	6,132,130	18,396,390	19,022,090	57,066,270
1998	12,811,270	38,433,810	5,613,670	16,841,010	18,424,940	55,274,820
1997	11,309,670	33,929,010	4,662,380	13,987,140	15,972,050	47,916,150
1996	10,995,080	32,985,240	4,598,040	13,794,120	15,593,120	46,779,360
1995	6,117,720	18,353,160	301,210	903,630	6,418,930	19,256,790
1994	6,075,350	18,226,050	258,010	774,030	6,333,360	19,000,080

(A) Assessed Value represents the assessment on March 1 of the previous year for taxes due and payable in the year shown above. Assessed Value equals one-third of the "true tax value" of the property, which is significantly less than fair market value.

(B) The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.

Source: Monroe County Auditor's "Abstract of Property Valuations."

\* Beginning in 2002, Assessed Value equaled True Tax Value in anticipation of a reassessment to market value in 2003. (See note (A) above)

\*\* Beginning in 2003, Assessed and True Tax Value reflect Market Value

CITY OF BLOOMINGTON  
PROPERTY TAX RATES (A)  
Last Ten Fiscal Years

Year	General Fund (B)	Special Revenue Fund (C)	Trust Funds (D)	Capital Projects Fund (E)	Debt Service Fund (F)	Total City Rate (G)
2003	0.4631	0.1880	0.0242	0.0647	0.0598	0.7998
2002	0.6816	0.2965	0.0295	0.0869	0.1142	1.2087
2001	2.1681	0.8511	0.0814	0.3251	0.2215	3.6472
2000	2.2778	0.8309	0.0868	0.3783	0.1495	3.7233
1999	1.8606	0.8420	0.1098	0.5502	0.2111	3.5737
1998	1.6691	0.8422	0.2262	0.5195	0.3390	3.5960
1997	1.8621	0.5514	0.2365	0.5990	0.3539	3.6029
1996	1.7805	0.5565	0.2416	0.5956	0.4234	3.5976
1995	1.9194	0.5992	0.2409	0.5701	0.4753	3.8049
1994	2.0019	0.5492	0.2252	0.3532	0.4996	3.6291

- (A) Per \$100 of Assessed Valuation, which is one-third of "true tax value" for 1993 - 2001. As of 2003, Assessed Value equals Market Value.
- (B) Consists of the Corporation General Fund and TIF Replacement Credit.
- (C) Consists of the Motor Vehicle-Highway Fund and the Park Fund.
- (D) Consists of the Police Pension Fund and the Fire Pension Fund.
- (E) Consists of the Cumulative Capital Equipment Fund, Cumulative Capital Improvement Fund and the Cumulative Capital Development Fund.
- (F) Consists of the Park District Bond Fund, the Redevelopment District Bond Fund, the Municipal Facilities Fund, and the Street Bond Fund.
- (G) Tax rates are for taxes due and payable in the years shown above.

Source: Monroe County Auditor's Office.

CITY OF BLOOMINGTON  
PROPERTY TAX RATES (A)  
DIRECT AND OVERLAPPING GOVERNMENTS (B)  
Last Ten Fiscal Years

	City	Township	Library	School District	County	Special Enterprise Fund (C)	Solid Waste District	State	Total
<b>Bloomington City</b>									
2003	0.7998	0.0210	0.1044	1.0208	0.4042	0.0315	0.0237	0.0033	2.4087
2002	1.2087	0.0351	0.1645	1.5726	0.5385	0.0502	0.0366	0.0033	3.6095
2001	3.6472	0.1026	0.4967	4.6495	1.6087	0.1492	0.0878	0.0100	10.7517
2000	3.7233	0.1011	0.5181	4.7216	2.0569	0.1531	0.0871	0.0100	11.3712
1999	3.7245	0.0999	0.5070	4.5996	2.0651	0.1508	0.0846	0.0100	11.2415
1998	3.7766	0.0965	0.5213	4.4520	2.0268	0.1806	0.0891	0.0100	11.1529
1997	3.7781	0.0965	0.5192	4.3963	2.0303	0.1752	0.0937	0.0100	10.9241
1996	3.7766	0.0925	0.4462	4.2369	1.9997	0.179	0.0963	0.0100	10.6582
1995	3.9997	0.0953	0.4190	4.6005	1.9189	0.1948	0.1087	0.0100	11.1521
1994	3.8229	0.0921	0.3439	4.6183	2.0335	0.1938	0.1072	0.0100	11.0279
<b>Perry City</b>									
2003	0.7998	0.0242	0.1044	1.0208	0.4042	0.0315	0.0237	0.0033	2.4119
2002	1.2087	0.0372	0.1645	1.5726	0.5385	0.0502	0.0366	0.0033	3.6116
2001	3.6472	0.1067	0.4967	4.6495	1.6087	0.1492	0.0878	0.0100	10.7558
2000	3.7233	0.1048	0.5181	4.7216	2.0569	0.1531	0.0871	0.0100	11.3749
1999	3.7245	0.0790	0.5070	4.5996	2.0651	0.1508	0.0846	0.0100	11.2206
1998	3.7766	0.1021	0.5213	4.4520	2.0268	0.1806	0.0891	0.0100	11.1585
1997	3.7781	0.1117	0.5192	4.3963	2.0303	0.1752	0.0937	0.0100	10.9393
1996	3.7766	0.0538	0.4462	4.2369	1.9997	0.179	0.0963	0.0100	10.6195
1995	3.9997	0.0889	0.4190	4.6005	1.9189	0.1948	0.1087	0.0100	11.1457
1994	3.8229	0.0590	0.3439	4.6183	2.0335	0.1938	0.1072	0.0100	10.9948

(A) Per \$100 of Assessed Valuation, which is one-third of "true tax value" for 1993 - 2001. As of 2003, Assessed Value equals Market Value.

(B) Consists of the Corporation General Fund and TIF Replacement Credit.

(C) Consists of the Motor Vehicle-Highway Fund and the Park Fund.

(D) Consists of the Police Pension Fund and the Fire Pension Fund.

(E) Consists of the Cumulative Capital Equipment Fund, Cumulative Capital Improvement Fund and the Cumulative Capital Development Fund.

CITY OF BLOOMINGTON  
PROPERTY TAX RATES (A)  
DIRECT AND OVERLAPPING GOVERNMENTS (B)  
Last Ten Fiscal Years

	City	Township	Library	School District	County	Special Enterprise Fund (C)	Solid Waste District	State	Total
<b>Richland City</b>									
2003	0.7998	0.0085	0.1044	1.4512	0.4042	0.0315	0.0237	0.0033	2.8266
2002	1.2087	0.0117	0.1645	1.5259	0.5385	0.0502	0.0366	0.0033	3.5394
2001	3.6472	0.0370	0.4967	4.6344	1.6087	0.1492	0.0878	0.0100	10.6710
2000	3.7233	0.0358	0.5181	4.7731	2.0569	0.1531	0.0871	0.0100	11.3574
1999	3.7245	0.0344	0.5070	4.0634	2.0651	0.1508	0.0846	0.0100	10.6398
1998	3.7766	0.0366	0.5213	4.3608	2.0268	0.1806	0.0891	0.0100	11.0018
1997	3.7781	0.0364	0.5192	4.6463	2.0303	0.1752	0.0937	0.0100	11.1140
1996	3.7766	0.0275	0.4462	4.3713	1.9997	0.179	0.0963	0.0100	10.7276
1995	3.9997	0.0330	0.4190	5.0379	1.9189	0.1948	0.1087	0.0100	11.5272
1994	3.8229	0.0380	0.3439	4.7410	2.0335	0.1938	0.1072	0.0100	11.0965
<b>Van Buren City</b>									
2003	0.7998	0.0507	0.1044	1.0208	0.4042	0.0315	0.0237	0.0033	2.4384
2002	1.2087	0.0557	0.1645	1.5726	0.5385	0.0502	0.0366	0.0033	3.6301
2001	3.6472	0.1560	0.4967	4.6495	1.6087	0.1492	0.0878	0.0100	10.8051
2000	3.7233	0.1526	0.5181	4.7216	2.0569	0.1531	0.0871	0.0100	11.4227
1999	3.7245	0.1379	0.5070	4.5996	2.0651	0.1508	0.0846	0.0100	11.2795
1998	3.7766	0.1286	0.5213	4.4520	2.0268	0.1806	0.0891	0.0100	11.1850
1997	3.7781	0.1336	0.5192	4.3963	2.0303	0.1752	0.0937	0.0100	10.9612
1996	3.7766	0.1240	0.4462	4.2369	1.9997	0.179	0.0963	0.0100	10.6897
1995	3.9997	0.1170	0.4190	4.6005	1.9189	0.1948	0.1087	0.0100	11.1738
1994	3.8229	0.1314	0.3439	4.6183	2.0335	0.1938	0.1072	0.0100	11.0672

(A) Per \$100 of Assessed Valuation, which is one-third of "true tax value" for 1993 - 2001. As of 2003, Assessed Value equals Market Value.

(B) Consists of the Corporation General Fund and TIF Replacement Credit.

(C) Consists of the Motor Vehicle-Highway Fund and the Park Fund.

(D) Consists of the Police Pension Fund and the Fire Pension Fund.

(E) Consists of the Cumulative Capital Equipment Fund, Cumulative Capital Improvement Fund and the Cumulative Capital Development Fund.

**CITY OF BLOOMINGTON**  
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE**  
**AND NET BONDED DEBT PER CAPITA**  
 Last Ten Fiscal Years

Fiscal Year	Population (A)	Assessed Value (B)	Gross Bonded Debt (C)	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2003	69,987	\$2,613,405,036	\$17,980,000	\$957,895	\$17,022,105	0.65%	\$243.22
2002	69,987	1,588,355,070	18,660,000	1,112,751	17,547,249	1.10%	253.24
2001	70,359	508,261,482	19,970,000	985,762	18,984,238	3.74%	273.98
2000	69,291	484,493,510	14,280,000	1,215,599	13,064,401	2.70%	188.54
1999	66,743	468,726,186	12,425,000	916,824	11,508,176	2.46%	172.43
1998	66,479	450,268,002	10,805,000	867,887	9,937,113	2.21%	149.48
1997	66,479	425,517,143	3,860,000	824,481	3,035,519	0.71%	45.66
1996	66,479	389,905,358	4,775,000	960,391	3,814,609	0.98%	57.38
1995	62,560	337,417,768	5,625,000	906,740	4,718,260	1.40%	75.42
1994	62,560	317,791,814	6,420,000	860,871	5,559,129	1.75%	88.86

(A) Source: U.S. Census Bureau. Figures reflect Census Bureau's two-year updated estimates. 1997 reflects the estimated population for 1996. Indiana Business Research C.

(B) Source: Monroe County Auditor's "Abstract of Property Valuations." From 1993 - 2003 taxable property was assessed at one-third of the true tax value on March 1 of the previous year. Taxes are due and payable in the year shown.

(C) Does not include debt payable from Enterprise Revenues, only includes general obligation debt.

**CITY OF BLOOMINGTON**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR**  
**GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**  
 Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures *	Ratio of Debt Service to Total General Expenditures
2003	\$1,615,647	\$2,504,771	\$4,120,418	\$56,934,295	7.24%
2002	2,495,207	2,169,483	4,664,690	51,657,914	9.03%
2001	1,931,385	1,708,808	3,640,193	56,846,636	6.40%
2000	1,599,682	1,484,783	3,084,465	51,757,094	5.96%
1999	1,745,339	1,415,834	3,161,173	43,104,353	7.33%
1998	1,755,655	1,277,271	3,032,926	36,890,257	8.22%
1997	1,933,460	1,263,058	3,196,518	35,147,025	9.09%
1996	1,663,376	1,355,702	3,019,078	29,892,633	10.10%
1995	1,366,158	1,111,338	2,477,496	38,626,355	6.41%
1994	1,221,244	910,491	2,131,735	27,745,183	7.68%

\* Total General Expenditures consists of the General, Special Revenue, Debt Service and Capital Projects funds.

**CITY OF BLOOMINGTON**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
 As Of December 31, 2003

	Civil City	Redevelopment District	Park District
Net Assessed Value (A)	\$2,613,405,036	\$2,613,405,036	\$2,613,405,036
Debt Limit: 2% of 1/3 of True Tax Value (B)	17,422,700	17,422,700	17,422,700
<b>General Obligation Bonds Outstanding</b>	<b>7,495,000</b>	<b>2,235,000</b>	<b>8,250,000</b>
Subtotal	9,927,700	15,187,700	9,172,700
Amount Available In Debt Service Fund	60,000	262,197	635,698
<b>Legal Debt Margin</b>	<b>9,987,700</b>	<b>15,449,897</b>	<b>9,808,398</b>

(A) Source: Monroe County Auditor's "Abstract of Property Valuations."

Net Assessed Value represents the assessed valuation on March 1 of the previous year for taxes due and payable in the year shown. In 2003, True Tax Value changed to market value.

(B) Article XIII, Section 1 of the Indiana Constitution states that debt may not exceed 2% of a municipality's taxable assessed valuation. According to IC 36-1-15-2 - Legislative intent - Sec. 2. It is the intent of the general assembly that the amount of debt incurred by a political subdivision after February 28, 2001, not exceed, in the aggregate, the amount of debt that the political subdivision could have incurred under: (1) Article 13, Section 1 of the Constitution of the State of Indiana; and (2) any statute imposing an assessed value limitation on the aggregate amount of bonds that a political subdivision may issue; if property were assessed at thirty-three and one-third percent (33.33%) of true tax value.

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
As Of December 31, 2003

	Assessed Valuation (A)	Net Debt Outstanding	Percentage Applicable To City Of Bloomington	Amount Applicable To City Of Bloomington
<b>Direct Debt:</b>				
Total City	\$2,613,405,036	\$17,022,105	100.00%	\$17,022,105
<b>Overlapping Debt:</b>				
County	4,977,231,892	3,765,206	52.51%	1,977,110
County Library (B)	4,977,231,892	14,360,000	52.51%	7,540,436
Monroe County Community School District	4,307,011,735	100,210,351	60.00%	60,126,211
Richland-Bean Blossom School District	670,220,157	31,625,000	4.34%	1,372,525
<b>Total Overlapping Debt</b>				<u>71,016,281</u>
<b>Total Direct and Overlapping Debt</b>				<u><u>88,038,386</u></u>

(A) Source: Monroe County Auditor's "Abstract of Property Valuations."

Net Assessed Value represents the assessed valuation on March 1, 2001 for taxes due and payable in 2002.

(B) The County and the County Library jurisdictions are coterminous.

CITY OF BLOOMINGTON  
WATER REVENUE BOND COVERAGE  
Last Ten Fiscal Years

Fiscal Year	Gross Revenue (\$)	Direct Operating Expenses (\$) *	Net Revenue Available For Debt Service (\$)	Debt Service Requirements (\$)		Coverage Ratio
				Principal	Interest	
2003	\$9,981,750	\$5,394,905	\$4,586,845	\$730,000	\$553,798	3.57
2002	8,243,078	5,395,858	2,847,220	700,000	587,703	2.21
2001	8,186,076	5,379,701	2,806,375	655,000	618,582	2.20
2000	8,084,844	5,620,676	2,464,168	625,000	647,138	1.94
1999	7,645,210	5,241,745	2,403,465	600,000	673,865	1.89
1998	7,113,632	4,901,625	2,212,007	575,000	698,425	1.74
1997	7,356,994	4,604,532	2,752,462	545,000	720,893	2.17
1996	7,156,717	4,553,950	2,602,767	1,180,000	350,818	1.70
1995	7,161,536	4,304,310	2,857,226	920,000	399,370	2.17
1994	6,862,225	4,494,094	2,368,131	495,000	292,655	3.01

\* Note: Excludes depreciation expense



CITY OF BLOOMINGTON  
Wastewater Utility

Historical Number of Customers (a)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales	Inter-departmental	Total
2003	20,954	1,471	2	8	0	1	22,436
2002	20,228	2,075	4	4	0	3	22,314
2001	18,419	2,272	13	2	0	3	20,709
2000	16,891	2,054	9	5	0	2	18,961
1999	16,602	1,898	9	157	0	1	18,667
1998	15,743	2,377	4	163	0	1	18,288
1997	15,844	1,748	4	170	1	1	17,768
1996	14,849	2,359	4	133	2	1	17,348
1995	13,862	2,462	6	87	1	1	16,419
1994	13,404	2,410	6	87	1	1	15,909

(a) Average active meters during the indicated year.

Historical Wastewater Volume (in thousands of gallons)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales	Inter-departmental	Total
2003	1,636,022	860,884	40,046	441,789	0	0	2,978,741
2002	1,528,741	830,316	42,508	406,704	0	4,963	2,813,232
2001	1,424,842	875,145	49,369	395,139	0	370	2,744,865
2000	1,387,973	1,036,399	66,564	308,545	0	326	2,799,807
1999	1,785,770	865,750	144,222	1,382,612	0	326	4,178,680
1998	1,258,195	1,131,084	109,774	624,625	0	400	3,124,078
1997	930,218	1,068,503	93,983	700,441	241,052	35,989	3,070,186
1996	102,794	1,332,661	77,270	897,103	212,251	21,856	2,643,935
1995	763,497	1,203,394	75,112	633,951	207,313	1,335	2,884,602
1994	784,600	1,236,661	77,183	625,931	167,701	539	2,892,615

Historical Wastewater Service Revenue  
(Non GAAP Basis)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales	Inter-departmental	Total
2003	\$ 7,277,458	\$ 3,325,046	\$ 188,210	\$ 1,756,628	\$ -	\$ -	\$ 12,547,342
2002	6,153,426	2,908,987	150,656	1,439,885	-	17,667	10,670,620
2001	5,792,668	2,934,350	175,454	1,399,980	-	1,397	10,303,848
2000	5,358,139	3,494,050	223,221	1,037,913	-	1,178	10,114,502
1999	4,949,266	2,236,042	220,320	1,790,458	-	1,041	9,197,127
1998	2,970,150	3,254,753	298,537	1,604,568	-	12,949	8,140,957
1997	3,058,131	3,078,822	213,177	1,447,932	285,553	95,691	8,179,306
1996	2,488,134	3,343,253	135,733	1,496,773	223,179	3,123	7,690,195
1995	2,457,200	3,104,500	189,600	1,543,500	226,800	3,000	7,524,600
1994	2,064,206	2,644,099	168,706	1,335,096	154,371	1,212	6,367,690

CITY OF BLOOMINGTON  
Water Utility

Historical Number of Customers (a)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales (b)	Inter-departmental	Total
2003	23,475	1,618	2	10	9	1	25,115
2002	20,528	2,505	8	4	28	4	23,077
2001	19,999	2,601	19	2	22	5	22,648
2000	19,602	2,607	20	5	22	5	22,261
1999	19,315	2,365	5	199	22	4	21,910
1998	18,317	2,849	5	195	21	5	21,392
1997	18,470	2,156	5	202	21	84	20,938
1996	17,435	2,788	5	159	21	4	20,412
1995	16,849	2,695	5	57	21	4	19,631
1994	16,375	2,636	5	57	20	3	19,096

(a) Average active meters during the indicated year.

Historical Water Consumption (in thousands of gallons)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales	Inter-departmental	Total
2003	1,865,956	1,057,688	43,508	444,016	1,228,612	0	4,639,780
2002	1,827,184	1,029,975	46,016	406,704	1,088,298	7,849	4,406,026
2001	1,657,891	1,078,075	60,407	410,415	1,015,390	6,567	4,228,745
2000	1,615,173	1,258,812	72,987	320,001	1,023,350	4,219	4,294,542
1999	1,843,003	879,995	77,472	1,165,633	1,046,073	17,800	5,029,976
1998	1,617,255	1,261,685	114,492	716,354	1,028,238	12,298	4,750,322
1997	1,092,403	1,165,769	98,898	754,346	1,089,548	77,497	4,278,461
1996	986,337	1,275,050	77,270	762,596	1,033,916	21,856	4,157,025
1995	1,057,000	1,319,000	118,000	807,000	1,003,000	29,000	4,333,000
1994	1,065,488	1,327,227	118,780	811,475	1,008,571	28,910	4,360,451

Historical Water Service Revenue  
(Non GAAP Basis)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales	Inter-departmental	Total
2003	\$ 5,555,514	\$ 2,281,729	\$ 99,206	\$ 595,234	\$ 1,388,878	\$ -	\$ 9,920,561
2002	4,787,700	2,005,080	71,346	474,694	1,298,061	31,064	8,667,945
2001	4,063,225	1,763,570	88,527	440,385	1,080,779	10,996	7,447,483
2000	3,868,006	2,063,393	103,179	340,488	1,070,056	7,714	7,452,836
1999	3,732,730	1,417,773	106,283	881,849	965,238	22,676	7,126,549
1998	2,635,618	2,028,217	145,381	845,465	1,042,442	16,175	6,713,298
1997	2,754,040	1,968,103	126,914	864,631	855,143	108,270	6,677,101
1996	2,851,339	2,385,515	102,507	927,725	1,100,093	27,816	7,394,995
1995	2,553,536	2,074,247	143,175	903,804	976,686	35,122	6,686,570
1994	2,432,074	1,976,357	129,398	855,645	917,648	32,074	6,343,196

CITY OF BLOOMINGTON  
Stormwater Utility

Historical Number of Customers (a)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales	Inter-departmental	Total
2003	18,069	1,265	0	8	0	1	19,343
2002	14,631	1,538	0	1	0	2	16,172
2001	15,530	2,098	10	2	0	3	17,643
2000	14,404	2,026	11	5	0	3	16,449
1999	13,541	2,254	7	182	0	2	15,986

Historical Stormwater Service Revenue  
(Non GAAP Basis)

Year	Residential	Commercial	Industrial	Indiana University	Outside Sales	Inter-departmental	Total
2003	\$ 654,243	\$ 568,907	\$ -	\$ 199,117	\$ -	\$ -	\$ 1,422,267
2002	544,953	481,187	-	156,189	-	2,942	1,185,272
2001	509,232	364,613	19,527	14,100	-	443	907,916
2000	492,497	349,594	19,343	14,100	-	441	875,976
1999	379,915	346,450	19,214	76,198	-	429	822,206

Note: Stormwater service began in 1999

Comparison of Growth Rates in Personal Income for Monroe County,  
the State of Indiana and U.S. Disposable Personal Income

Fiscal Year	<u>\$ in Millions</u>			<u>\$ in Billions</u>			<u>Annual Percentage Increase</u>		
	Monroe Co. Taxable Income	Indiana Taxable Income	U.S. Disposable Personal Income	Monroe Co. Taxable Income	Indiana Taxable Income	U.S. Disposable Personal Income	Monroe Co. Taxable Income	Indiana Taxable Income	U.S. Disposable Personal Income
2002	\$1,778	\$101,021	\$7,816	-1.88%	-2.35%	9.77%			
2001	1,812	103,448	7,120	-3.14%	-2.70%	5.49%			
2000	1,754	103,215	7,031	2.81%	-0.28%	5.27%			
1999	1,706	103,508	6,618	6.89%	5.19%	5.63%			
1998	1,596	98,404	6,356	6.47%	10.09%	5.06%			
1997	1,499	89,388	5,968	5.79%	3.48%	7.13%			
1996	1,417	86,382	5,678	5.98%	6.72%	2.99%			
1995	1,337	80,940	5,423	4.37%	5.49%	8.05%			
1994	1,281	76,726	5,019	6.85%	6.09%	4.80%			
1993	1,199	72,321	4,789	3.68%	6.13%	3.79%			
			<b>Average Annual Growth - Most Recent 5 Years</b>						
									2.23%
			<b>Average Annual Growth - Most Recent 10 Years</b>						
									3.78%
									1.99%
									6.25%
									5.80%

Sources: Indiana Department of Revenue; U.S. Statistical Abstract  
\*Note revised numbers published in 2003 U.S. Statistical Abstract were used to update prior years

Summary of Historical Distributions of Monroe County Option Income Tax

Year Distribution	Monroe County Certified COIT Distribution	Residents		Non-Residents		Percentage Change in COIT Distributions
		Residents	Non-Residents	Residents	Non-Residents	
2003	\$ 19,435,910	1.00%	0.250%	0.250%	-10.65%	
2002	21,751,861	1.00%	0.250%	0.250%	18.86%	
2001	18,301,165	1.00%	0.250%	0.250%	7.00%	
2000	17,103,467	1.00%	0.250%	0.250%	7.25%	
1999	15,946,758	1.00%	0.250%	0.250%	0.27%	
1998	15,903,855	1.00%	0.250%	0.250%	3.27%	
1997	15,400,000	1.00%	0.250%	0.250%	6.38%	
1996	14,476,776	1.00%	0.250%	0.250%	8.22%	
1995	13,377,600	1.00%	0.250%	0.250%	7.53%	
1994	12,444,000	1.00%	0.250%	0.250%	7.20%	

Source: Indiana Department of Revenue, the State Board of Tax Commissioners, and the Monroe County Auditor's Office.

City of Bloomington's Historical Share of COIT Distributions

Year Distribution	Monroe County Certified COIT Distribution	Monroe County COIT Distribution		City of Bloomington Distributive Share	Bloomington Percentage Share of Net Distribution
		Homestead Credit	(Net Distribution After Homestead Credit)		
2003	\$ 19,435,910	\$ 1,311,639	\$ 18,124,271	\$ 6,970,751	38.46%
2002	21,751,861	2,726,167	19,025,694	7,733,268	40.65%
2001	18,301,165	2,626,525	15,674,640	6,482,812	41.36%
2000	17,103,467	2,713,641	14,389,826	5,412,173	37.61%
1999	15,946,758	2,138,511	13,808,247	5,108,725	37.00%
1998	15,903,855	2,463,976	13,439,879	5,049,828	37.57%
1997	15,400,000	2,363,821	13,036,179	4,978,974	38.19%
1996	14,476,776	2,174,239	12,302,537	4,630,918	37.64%
1995	13,377,600	1,812,490	11,565,110	4,500,421	38.91%
1994	12,444,000	1,671,352	10,772,648	3,974,971	36.90%

Source: Indiana Department of Revenue, the State Board of Tax Commissioners, and the Monroe County Auditor's Office.

**CITY OF BLOOMINGTON  
PRINCIPAL TAXPAYERS  
As Of December 31, 2003**

Taxpayer	Type Of Business	Valuation (A) 2003 Assessed	Valuation (B) City's Assessed	Percentage Of Valuation (B) City's Assessed
CFC, Inc.	Rental Properties	\$ 35,739,570		1.37%
Regency Management	Rental Properties	34,221,358		1.31%
Whitehall Crossing	Retail	32,994,600		1.26%
Woodbridge	Rental Properties	28,481,230		1.09%
Simon Property	Retail	22,100,000		0.85%
Indiana Bell/ Ameritech	Utility	14,997,840		0.57%
Regency Steeplechase	Rental Properties	14,892,500		0.57%
PSI/CINERGY	Utility	10,137,760		0.39%
Indiana Gas	Utility	8,751,100		0.33%
Fred Latimer	Real Estate	6,688,400		0.26%
<b>TOTAL</b>		<b>\$ 209,004,358</b>		<b>8.00%</b>

**PAYMENT IN LIEU OF ANNEXATION AGREEMENT (C)**

Industry	Type Of Business	2003 Valuation	Agreement Expires
General Electric	Side-by-side refrigerators	\$ 28,390,610	2012
Miscellaneous Businesses (D)		49,818,200	2012
Otis Elevator	Elevators, escalators	22,867,350	2012
Baxter Healthcare Corporation	Pharmaceuticals	6,487,100	2012
Cook, Inc.	Specialized medical instrument:	39,367,810	2012
Asea Brown Boveri (Westinghouse)	Electrical components	4,408,060	2012
Bloomington LKE, LLC	Food Distribution	5,470,930	2012
<b>TOTAL</b>		<b>\$ 156,810,060</b>	

- (A) Source: Monroe County Auditor's Office; represents the assessment on March 1 of previous year for taxes due and payable in year sho
- (B) The Assessed Valuation for the City of Bloomington on March 1 of 2002 for taxes due and payable in 2003 is \$2,613,405,036.
- (C) The City of Bloomington has negotiated an "In Lieu of Annexation Agreement," pursuant to Indiana Statute, with a number of local in and businesses which lie outside the City corporate limits. The City provides services to the industries for a specified payment, and wi annexation during the period of agreement. Payments are negotiated to approximate a percentage of City property taxes.
- (D) Seven additional parties to the "In Lieu Annexation Agreement" were scheduled to begin payments in 1994.

**CITY OF BLOOMINGTON**  
**PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS**  
 Last Ten Years

Year	True Tax Value Of Property (A)	New Residential Construction (B) Number of Permits Issued	Value	New Commercial & Industrial (B) Number Of Permits Issued	Value	Bank Deposits (C)	Savings & Loan Deposits (C)	Credit Union Deposits (C)
2003	\$ 2,613,405,036	126	\$31,561,153	24	\$ 175,080,185	\$1,151,404,000	\$ 11,725,000	\$ 401,046,805
2002	1,588,355,070	200	29,006,319	20	145,900,154	1,166,894,000	11,601,000	392,088,686
2001	1,524,784,446	211	21,260,600	13	94,835,100	1,177,427,000	12,733,000	376,672,672
2000	1,453,480,530	271	19,219,900	15	92,155,940	1,098,812,000	13,360,000	341,867,676
1999	1,406,178,558	277	35,566,989	40	20,360,834	1,111,763,000	12,909,000	303,288,305
1998	1,350,804,006	155	17,086,800	60	40,624,300	859,736,000	220,439,000	300,835,277
1997	1,276,551,429	221	18,354,800	40	11,092,000	849,989,000	224,480,000	270,097,031
1996	1,169,716,074	326	33,587,787	38	19,537,917	810,472,000	222,594,000	256,221,000
1995	1,012,253,304	417	49,609,467	92	22,064,374	796,997,000	232,163,000	235,194,000
1994	953,375,442	486	55,268,966	87	11,235,851	689,886,000	222,178,000	222,540,000

(A) Source: Monroe County Auditor's "Abstract of Property Valuations" on March 1 of the year prior to the one shown. Reflects general property reassessment in 1990 and appeals settlements in 1991. As of 2003, "True Tax Value" is equal to market value.

(B) Source: Monroe County Building Department and Monroe County Assessor's Office.  
 Note: Due to general reassessment, values of new construction were unavailable. The 2003 CAFR used U.S. Census Bureau to calculate the value of new residential construction in the city by averaging the city proportion of Monroe County construction values for 2001 and 2002.

The value of new commercial construction was calculated by using the average value of commercial construction for 2002.  
 Note: Due to technical problems, the 2000 version of the CAFR showed totals for Monroe County. These figures have been corrected and now reflect the number of permits for the City of Bloomington only.

On July 1, 1996, the City transferred permitting responsibilities for the 2-mile fringe area to Monroe County.  
 On December 31, 1996, the City transferred the remainder of permitting responsibilities to Monroe County.

The figures for 1997 do not include the 2-mile fringe area.

(C) Source: FDIC and NCUA websites.

Note: The figures for bank deposits and saving and loan deposits for years 1994 through 2001 have been updated with the data available from FDIC as of March 10, 2002.

**CITY OF BLOOMINGTON  
DEMOGRAPHIC STATISTICS  
Last Ten Years**

Year	Population (A)	K through 12 School Enrollment (B)	Bloomington MSA Per Capita Income (C)	Bloomington MSA Unemployment Rate (D)	Indiana Unemployment Rate (D)	National Unemployment Rate (D)
2003	69,987	10,785	N/A	2.6%	4.7%	6.0%
2002	69,987	10,600	N/A	3.4%	5.1%	5.8%
2001	70,359	10,611	\$25,302	3.1%	4.4%	4.8%
2000	69,291	10,536	\$24,684	2.0%	3.2%	4.0%
1999	66,743	10,446	\$22,964	2.3%	3.0%	4.2%
1998	66,479	10,451	\$22,308	2.6%	3.1%	4.5%
1997	66,479	10,540	\$21,203	2.4%	3.5%	5.0%
1996	66,479	10,512	\$20,112	2.7%	4.1%	5.4%
1995	62,560	10,533	\$19,339	3.4%	4.7%	5.6%
1994	62,560	10,432	\$18,637	3.9%	4.9%	6.1%

(A) Source: U.S. Census Bureau. Figures reflect Census Bureau's two-year updated estimates. Figures for years 2001 and 2002 were updated using 2003 publication.

(B) Note: Figures are obtained from the Monroe County Community School Corporation (MCCSC), for grades K - 12. The MCCSC encompasses a larger jurisdiction than the City of Bloomington's corporate boundaries.

(C) Source: State Data Resource Center; per capita personal income for the Bloomington/Monroe County Metropolitan Statistical Area (MSA).

Note: Figures for years 1999 through 2001 were updated with data from the Bureau of Economic Analysis

(D) Source: Indiana Department of Employment; U.S. Bureau of Labor Statistics

N/A Figure not Available

CITY OF BLOOMINGTON  
FIRE AND POLICE PROTECTION: 2003

<b>FIRE PROTECTION</b>		<b>POLICE PROTECTION</b>	
Fire Stations	5	Sworn Officers	81
Response Vehicles	23	Full-Time Civilians	37
Firefighters	104	Part-time Civilians	2
<b>Fire Responses</b>		<b>Crime Statistics</b>	
Residential	77	Vehicles	60
Other Structure	32	Grass/Trash	133
Personal Injury/Rescue	997	Miscellaneous Calls	1,466
Total Runs Including EMS	2,765	Arson	17
Total Runs to Indiana Univeristy	626	Assaults	27
		Burglary	441
		Homicide	0
		Larceny	1,930
		Rape	15
		Robbery	27
		Vehicle Theft	114



**CITY OF BLOOMINGTON  
AND INDIANA UNIVERSITY**

Founded in 1820 at Bloomington, Indiana University is one of the largest universities in the nation. The Bloomington campus serves as the core of the eight campus system, and is also the primary residential campus. Because of the presence of Indiana University, Bloomington is able to offer a small city environment with the cultural and economic advantages of a larger city.

The university is Bloomington's largest single employer as well. In the most recent academic year, the Bloomington campus employed 6,925 full-time positions. This included 1,766 administrators, faculty, and lecturers, and 5,159 staff personnel. The relationship between the university's employment and the Bloomington labor force as a whole is shown below.

In addition, the Bloomington campus had a fall enrollment of 38,589 Students contribute an estimated \$30 million annually to the Bloomington area economy.

Year	INDIANA UNIVERSITY - BLOOMINGTON AND BLOOMINGTON LABOR FORCE			Total	Bloomington Labor Force (B)	University as a Percentage of Bloomington Labor Force (C)	INDIANA UNIVERSITY ENROLLMENT COMPARED TO TOTAL BLOOMINGTON POPULATION (D)		
	Adm./Faculty	University Staff	Employment (A)				Year	Enrollment	Bloomington Population
2003	1,766	5,159	6,925	33,300	20.80%	2003	38,589	69,987	
2002	1,691	5,050	6,741	31,620	21.32%	2002	38,903	69,987	
2001	1,655	5,038	6,693	32,040	20.89%	2001	37,963	70,359	
2000	1,615	4,944	6,559	31,450	20.86%	2000	37,076	69,291	
1999	1,618	4,803	6,421	31,710	20.25%	1999	36,201	66,743	
1998	1,614	4,755	6,369	31,930	19.95%	1998	35,600	66,479	
1997	1,608	4,708	6,316	32,153	19.95%	1997	34,937	66,479	
1996	1,576	4,755	6,331	31,744	20.34%	1996	34,700	66,479	
1995	1,539	4,869	6,408	32,051	19.99%	1995	35,063	62,560	
1994	1,529	4,824	6,353	32,365	19.63%	1994	35,594	62,560	

(A) Includes full-time positions only, Bloomington campus.

Source: Indiana University Budget Office

(B) The Bloomington labor force consists of all Bloomington residents, 16 years old or older, who are employed or seeking employment.

Source: Indiana Department of Employment

(C) Although the University draws upon a larger geographic area than the City for its labor force, the percentages reflect the University's position as the area's major employer.

(D) University enrollment as a true percentage of total Bloomington population could not be determined. The number of students actually residing within the corporate limits was unavailable.  
Sources: 1) Indiana University Budget Office for IU-Bloomington September enrollment

