



CITY OF COLLINSVILLE, ILLINOIS

Comprehensive Annual Financial Report

For The Year Ended December 31, 2018



CITY OF COLLINSVILLE, ILLINOIS

**Comprehensive Annual Financial Report
For The Year Ended December 31, 2018**

Prepared by:
Finance Department
Pamela Reid, Director of Finance

CITY OF COLLINSVILLE, ILLINOIS
FINANCIAL REPORT

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INTRODUCTORY SECTION

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June 25, 2019

To the Citizens of the City of Collinsville:

Pursuant to City policy and in conformance with State law, the Comprehensive Annual Financial Report (CAFR) of the City of Collinsville, Illinois (the City), for the fiscal year ending December 31, 2018, is hereby transmitted. This report was prepared in accordance with Accounting Principles Generally Accepted in the United States of America (GAAP) and audited by an independent firm of licensed certified public accountants.

This report is the City management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City's financial statements in conformance with GAAP. This internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

1. The cost of a control should not exceed the benefits likely to be derived; and
2. The valuation of costs and benefits require estimates and judgments by management.

As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended December 31, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Accounting Principles Generally Accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

Responsibility for both the accuracy of presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

PROFILE OF THE CITY

The City is located approximately twelve miles east of downtown St. Louis, Missouri. The three Collins brothers (for whom the City was named) arrived in the area in 1817. A village was platted in 1837 and a village charter was adopted in 1850. In 1872, the City of Collinsville was incorporated.

Through its history, the City has been the site of zinc works, lead works, coal mines, knitting mill, cow bell factory, and canning plants. The bulk of these industries were gone by the 1950's. Collinsville is now the sixth-largest Metro East City with a 2010 census population of 25,579 and an estimated 2017 population (based on City building permit data) of 25,838.

Besides being a residential community, the City has a hospitality district with over 1,300 hotel/ motel rooms and the Gateway Convention Center (Southwestern Illinois' largest convention and visitor's center). The City is also home to Ameren Illinois Corporate Headquarters, the District 11 Illinois State Police, Illinois Department of Transportation headquarters, Cahokia Mounds State Historic Site, and Fairmount Park Race-track.

Pursuant to a special census, the City was certified by the State of Illinois as a home rule unit, as of August 24, 2005, under Section 6 of Article VII of the 1970 Illinois Constitution. Approximately 90% of the City's 2018 Equalized Assessed Valuation is in Madison County, with the remainder in St. Clair County. The City encompasses nearly ten square miles and is bordered by a number of unincorporated areas. Incorporated areas that border the City include the Village of Maryville on the north and the Village of Caseyville on the south.

The City is a municipality operating under the City Council-Manager form of government. The adoption of this form of government was approved by a public referendum in 1991. The City Council is the governing legislative and policy making body for the City and consists of a Mayor and four Council members, all elected at large, with the Mayor voting on all issues and without veto power. The City Council has purely legislative powers, through which it establishes policy and makes all laws, rules, and regulations. The City Manager, City Clerk, Corporate Counsel, City Attorney, and City Treasurer are appointed by the Mayor with the approval of the City Council. The City Manager is the Chief Executive Officer for the City and is responsible for implementing the legislation and policies adopted by the City Council as well as all aspects of City operations.

The City provides a full range of municipal services, including police, fire, emergency medical services, public works (streets, sanitary sewer, and water), community development, community services, park and recreation, convention center, and general administration. The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. The City does not currently have any component units.

The budget serves as a complete business plan for the City that includes the financial and operational plans for the following year. All departments of the City are required to submit requests for appropriation to the City Manager who uses these requests as a starting point for development of a proposed budget. The Director of Finance presents to the City Manager estimates detailing the various revenues, grants, bond proceeds, and other funding sources that are anticipated. The budget is prepared on a fund basis and is broken down further by department, programs within each department, then objects of expenditure (i.e.; salary, benefits, contractual services, commodities, debt service, capital) within programs, and finally line items within the objects. After consultation with the department heads and Finance Director, the City Manager presents a proposed budget to the Mayor and City Council. The Mayor and City Council hold workshops and a public hearing prior to adopting the budget by December 31st. Department heads, with the City Manager's approval, may transfer funds within departmental programs. The legal level of control of the City Council extends to the program level. The City Manager is authorized to move funds within a department between programs up to \$10,000. The City Council must authorize transfers between departments or any increase in a fund's budget. Budget-to-actual comparisons for the General Fund and Major Special Revenue Funds are provided in this report as required supplemental information. Budget-to-actual comparisons for the non-major funds are provided in this report as other supplemental information. The 2018/2019 biennial budget document may be found on the City's website at <http://www.collinsvilleil.org/docs/finance/2018-2019%20BUDGET.pdf>

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The recession that struck the nation's economy full-force in the fall of 2008 was unlike any previous adjustment or correction experienced in the past. The recession was spurred by a collapse in the credit and housing markets, asset liquidation by manufacturers and retailers, and falling consumption and purchasing by consumers. The regional economy is now in full recovery mode and is improving at a solid pace. The Equalized Assessed Value (EAV) of the City's real estate increased by \$32,295,479 (3.0%) while the City's sales tax revenues increased by \$533,761 (4.4%), both of these increases are dramatic improvements for the City's market and economy. It should also be noted that according to statistics prepared by the Illinois Department of Employment Security the City's unemployment rate hovers around 4.2% which is very close to being considered "full employment".

Long-term Financial Planning. Unassigned fund balance in the General Fund for 2018 was 40.7% of total General Fund revenues and exceeded the policy guidelines set by the City Council for budgetary and planning purposes of between 15%-20% of total General Fund revenues. The City includes five-year revenue, expense/expenditure, and fund balance projections in its budget in an effort to facilitate long-term financial planning and anticipate future problems. Staff uses the five-year projections to plan operational changes and capital projects as well as analyze the City's ability to react to its changing environment. This increase in unassigned fund balance allows the City to fund additional Capital Improvement Projects and address operational issues in a financially responsible manner that does not require increasing the City's property tax

levy above the corresponding increase correlated to the increase in the EAV. The long term financial strategy of the City Council is to maintain a low and competitive property tax levy while leveraging its locational strength to grow other revenue sources related to hospitality and retail sales.

Major Initiatives. The City is committed to several major initiatives that are anticipated to result in positive secondary economic and financial impacts for the City. These efforts are focused on serving the overall City Business Plan through focusing on two guiding principles; 1) increasing operational efficiency, and 2) providing a positive financial impact. These major initiatives include the following:

1. New Water Treatment Plant Construction: The City's water treatment plant is an aging facility originally constructed in 1958 and reaching its production capacity. Construction has begun on the \$18 million new water treatment that is being financed with a low-interest EPA loan. This project was completed in April 2019 with the new plant being placed into service.
2. Gateway Convention Center: The City recently merged the Gateway Convention Center and assumed the responsibility for both ownership and operations. This decision was a pure business decision as the Gateway Center provided approximately \$36 million in annual economic impacts to the City in 2016. This merger provides a positive impact to the City's financial fund balance by \$2,946,627. There was approximately \$21 million of physical assets less accumulated depreciation of \$12 million resulting in a net addition of \$9 million. With the \$9 million of assets and \$3 million in fund balance offset by the approximate \$4 million in debt was a positive impact to the City of \$8 million. This action also provides more efficient operations of the Gateway Center through consolidation of employment positions. It is estimated that this consolidation will save approximately \$400,000 annually on the operational costs for the Gateway Center thereby allowing these savings to be reinvested into the capital of the Gateway Center to ensure and grow its position in the market.
3. Parks and Recreation Development: The City received contributed assets from the Collinsville Area Recreation District and as a consequence was required to create a Parks and Recreation Department for the first time since 1991. Two items of note make a direct positive impact to the City's financial position:
 - a. Splash City Water Park and Park Equipment: This net asset is valued (Asset Cost less Accumulated Depreciation) at \$5.2 million and the ownership was transferred to the City absent any associated debt. This action was a net benefit to the financial position of the City of the full appraised value of the asset; and
 - b. Willoughby Heritage Farm: This net asset is valued at \$1.5 million and the ownership was transferred to the City absent any associated debt. This action was a net benefit to the financial position of the City of the full appraised value of the asset.
4. Strategic Financial Actions: Given the strategic economic development strategy focused in tourism and hospitality with the acquisition of the Gateway Convention Center and the creation of a Parks and Recreation Department, the following financial strategies were adopted by the City Council in an effort to maintain the City's low property tax level:
 - a. Hotel Occupancy Tax: The City raised the Hotel Occupancy Tax from 7% to 9% to aid in financing tourism and hospitality efforts. This increase is projected to yield an additional \$600,000 in revenues; and

- b. Food and Beverage Tax: This tax was limited to a defined hospitality district located along SR 157 (North Bluff Road) and included Eastport Business Park and Collinsville Crossing. The City extended this 1% tax to the entirety of the City to aid in funding tourism and hospitality efforts. This increase is projected to yield an additional \$300,000 in revenues.
5. Street and Sidewalk Investment: The City is committed to substantial investments into the complete transportation system through investing \$750,000 in local road improvements and \$200,000 into the sidewalk network.
6. Utility System Investment: The City is committed to maintaining and expanding its utility system to serve current customers as well as to attract new customers (economic development) through investing approximately \$1.5 million per year over the next 6 years in the sewer and water systems.
7. Development of a consolidated Public Works Facility: The City is committed to developing consolidated Public Works Facility that will consolidate satellite operations and increase efficiencies for both work and aged facilities. The City acquired approximately 19 acres for this project in 2017 with the property being strategically located in the center of the City. Full efforts for this project are expected to start in 2019 and finish in 2020.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report issued for the fiscal year ended December 31, 2017. This is the ninth year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers' Association (GFOA), a governmental unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. Such reports must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe this report conforms to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for its determination.

This report could not have been completed without the assistance of the entire staff of the various departments of the City. Special thanks go to the Finance Department for its contributions. We would also like to acknowledge our auditors, Hochschild, Bloom & Company LLP, for their assistance in compiling this report. Our sincere gratitude is extended to the Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Mitchell Bair
City Manager



Pamela Reid, CPA
Director of Finance

CITY OF COLLINSVILLE, ILLINOIS
PRINCIPAL CITY OFFICIALS

MAYOR

John Miller

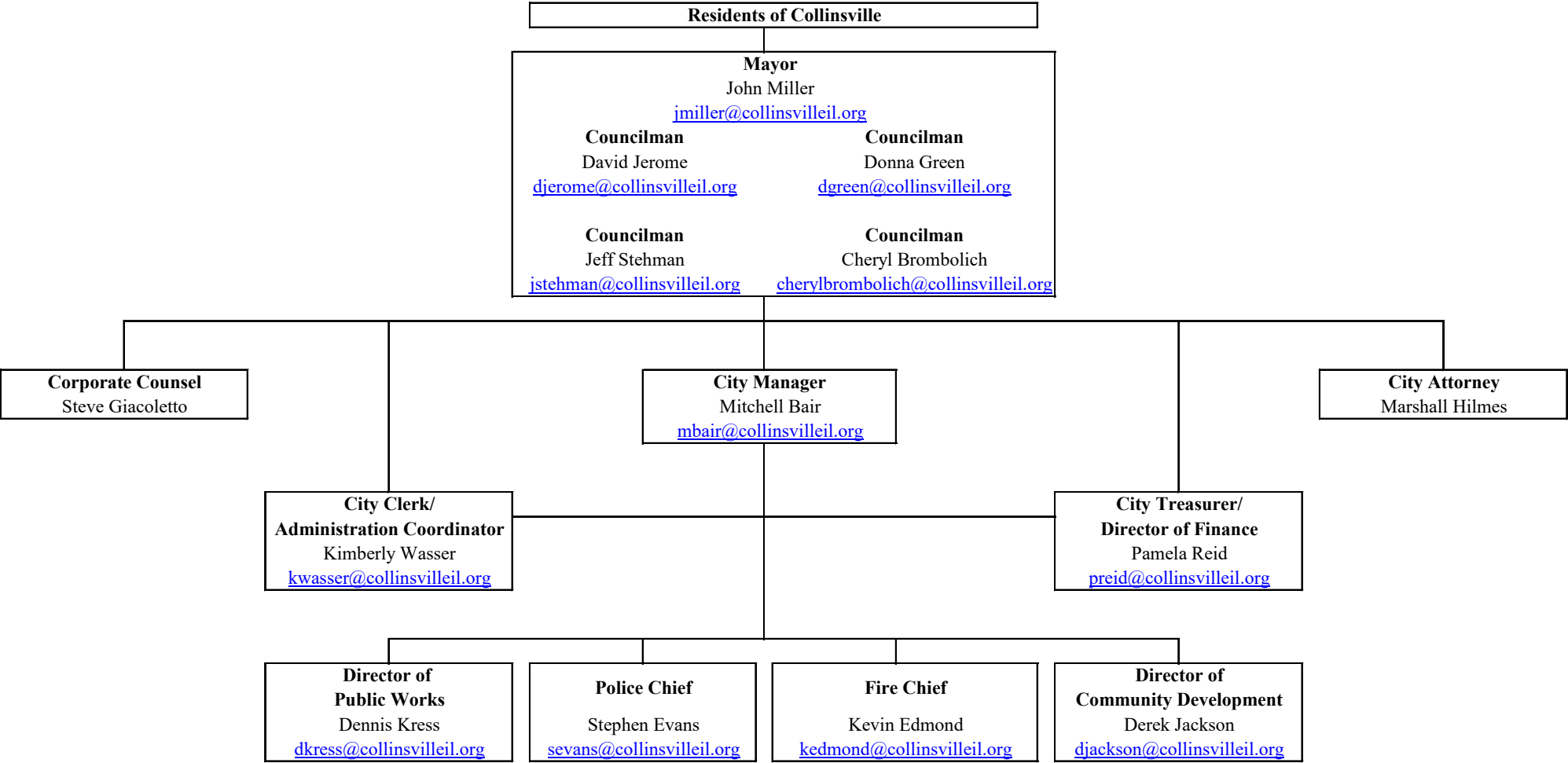
CITY COUNCIL

Jeff Stehman
Cheryl Brombolich
David Jerome
Donna Green

CITY ADMINISTRATION

City Manager	Mitchell Bair
City Clerk/Administration Coordinator	Kimberly Wasser
City Treasurer/ Director of Finance	Pamela Reid
Police Chief	Stephen Evans
Fire Chief	Kevin Edmond
Director of Public Works	Dennis Kress
Director of Community Development	Derek Jackson
City Attorney	Marshall Hilmes
Corporate Counsel	Steve Giacoletto

**CITY OF COLLINSVILLE, ILLINOIS
ORGANIZATIONAL CHART**





Government Finance Officers Association

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

Presented to

**City of Collinsville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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Hochschild, Bloom & Company LLP
Certified Public Accountants
Consultants and Advisors

INDEPENDENT AUDITOR'S REPORT

June 25, 2019

Honorable Mayor and Members of the City Council
CITY OF COLLINSVILLE, ILLINOIS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **CITY OF COLLINSVILLE, ILLINOIS** (the City), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the as-

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing

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

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hochschild, Bloom & Company LLP

CERTIFIED PUBLIC ACCOUNTANTS

Michael D. Williams, CPA

Chesterfield, Missouri

CITY OF COLLINSVILLE, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2018

As management of the City of Collinsville, Illinois (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2018.

FINANCIAL HIGHLIGHTS

- In the government-wide financial statements, the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources for the most recent fiscal year by \$29,340,457 (net position).
- The City's total net position increased by \$15,439,370.
- At the end of 2018, unassigned fund balance for the General Fund was \$10,307,198 or 37.6% of total General Fund expenditures for the year.
- Net position of the City's governmental activities increased \$14,792,528 and the business-type activities increased by \$646,842.
- The City merged with the Collinsville Metropolitan Exposition, Auditorium and Office Building Authority (the Authority) resulting in a special item of \$7,868,952 that increased the net position as of December 31, 2017, which included total assets of \$13,075,885 and liabilities of \$5,206,933. The merger resulted in a \$2,946,627 increase in the General Fund.
- The City's total debt increased by \$9,997,971. The increase resulted from the merger of the Authority of \$4,714,789. An additional IEPA Loan of \$8,296,929 offset by the reduction from the City debt payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the City's basic financial statements. There are three components to the basic statements:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains required supplemental information and other supplemental information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

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

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

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, public works, health and sanitation, community and economic development, community services, and parks and recreation. The business-type activities include water and sewer.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental funds. Governmental funds are used to account for essential functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the government-wide governmental activities.

The City maintains thirteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for four major funds: General Fund, Tax Increment Financing Fund, Collinsville Crossings Fund, and Capital Projects Fund. Data from the other governmental funds are combined into a single, aggregated presentation called "Other Governmental Funds". Individual fund data for each of these nonmajor government-

CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

tal funds is provided in the form of combining schedules in the other supplemental information section of this report.

The City adopts an annual budget for all governmental funds. Budgetary comparison schedules for the major funds have been provided to demonstrate legal compliance with the adopted budget.

Proprietary funds. Enterprise funds are used to report the same functions and the same type of information presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Required supplemental information. This MD&A, budgetary comparison schedule and notes to the schedule for the General Fund, Tax Increment Financing Fund, and Collinsville Crossings Fund, and information concerning the City's progress in funding its obligation to provide pension benefits to its employees represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the government-wide financial statements, fund financial statements, and notes to the financial statements.

Other supplemental information. This part of the annual report includes financial information such as combining statements for the nonmajor governmental funds and budgetary comparison schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$29,340,457 at December 31, 2018.

By far the largest portion of the City's net position (243.3%) reflects its investment in capital assets (e.g., land, buildings and improvements, equipment, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position (28.9%) represents resources that are subject to external restrictions on how it may be used. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

At the end of the current fiscal year, the City is able to report positive balances in two of the three categories of net position for its governmental activities and all three categories of net position for its business-type activities. The negative amount of unrestricted net position in governmental activities is due to outstanding long-term debt not used for capital assets.

The condensed statement of net position is as follows:

	December 31					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
ASSETS						
Current and other assets	\$ 26,886,240	23,843,942	7,192,473	6,932,562	34,078,713	30,776,504
Capital assets, net	50,701,068	33,615,406	49,172,269	41,995,832	99,873,337	75,611,238
Total Assets	<u>77,587,308</u>	<u>57,459,348</u>	<u>56,364,742</u>	<u>48,928,394</u>	<u>133,952,050</u>	<u>106,387,742</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>12,298,044</u>	<u>2,674,732</u>	<u>2,232,133</u>	<u>1,181,227</u>	<u>14,530,177</u>	<u>3,855,959</u>
LIABILITIES						
Long-term liabilities	79,212,983	55,133,996	27,529,245	18,769,677	106,742,228	73,903,673
Other liabilities	4,267,049	3,319,922	3,129,476	3,309,759	7,396,525	6,629,681
Total Liabilities	<u>83,480,032</u>	<u>58,453,918</u>	<u>30,658,721</u>	<u>22,079,436</u>	<u>114,138,753</u>	<u>80,533,354</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,149,586</u>	<u>4,688,109</u>	<u>853,431</u>	<u>1,332,345</u>	<u>5,003,017</u>	<u>6,020,454</u>
NET POSITION						
Net investment in capital assets	45,996,059	32,815,136	24,784,354	24,831,510	70,780,413	57,646,646
Restricted	8,471,101	6,918,719	-	-	8,471,101	6,918,719
Unrestricted	<u>(52,211,426)</u>	<u>(42,741,802)</u>	<u>2,300,369</u>	<u>1,866,330</u>	<u>(49,911,057)</u>	<u>(40,875,472)</u>
Total Net Position	<u>\$ 2,255,734</u>	<u>(3,007,947)</u>	<u>27,084,723</u>	<u>26,697,840</u>	<u>29,340,457</u>	<u>23,689,893</u>

Governmental activities. Governmental activities increased the City's net position by \$14,792,528. Included in that increase is a \$7,868,952 increase related to the merger with the Authority. Revenues increased by \$10,934,027 from 2017 to 2018 while expenses increased by \$5,322,178. The increase in revenue is mainly attributed to the increase in capital grants and contributions from the transfer of operations for the Collinsville Area Recreation District and increase in charges of services from the merger with the Authority. The increase in expenses primarily reflects increased parks and recreation and community services expenses for the convention center.

Business-type activities. Business-type activities increased the City's net position by \$646,842. Water and sewer fees are adjusted each year to insure that revenues keep up with inflation as expenses do.

The condensed statement of activities is as follows:

CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	December 31					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
REVENUES						
Program revenues:						
Charges for services	\$ 7,573,196	5,899,434	9,142,518	8,727,973	16,715,714	14,627,407
Operating grants and contributions	247,859	114,747	-	-	247,859	114,747
Capital grants and contributions	8,568,108	354,092	127,750	902,000	8,695,858	1,256,092
General revenues:						
Property tax	5,972,089	5,386,785	-	-	5,972,089	5,386,785
Intergovernmental	17,441,008	17,393,678	-	-	17,441,008	17,393,678
Utility tax	1,317,444	1,203,867	-	-	1,317,444	1,203,867
Franchise fees	351,517	365,090	-	-	351,517	365,090
Other taxes	187,488	162,687	-	-	187,488	162,687
Investment income	270,344	110,980	121,902	39,324	392,246	150,304
Gain on sale of assets	44,625	44,855	-	15,000	44,625	59,855
Other	193,013	196,449	-	-	193,013	196,449
Total Revenues	<u>42,166,691</u>	<u>31,232,664</u>	<u>9,392,170</u>	<u>9,684,297</u>	<u>51,558,861</u>	<u>40,916,961</u>
EXPENSES						
General government	3,873,694	4,496,437	-	-	3,873,694	4,496,437
Public safety	16,913,272	15,671,649	-	-	16,913,272	15,671,649
Public works	4,753,374	4,624,721	-	-	4,753,374	4,624,721
Health and sanitation	1,503,961	1,473,222	-	-	1,503,961	1,473,222
Community/economic development	2,600,125	2,431,943	-	-	2,600,125	2,431,943
Community services	3,501,338	673,129	-	-	3,501,338	673,129
Parks and recreation	1,523,332	3,305	-	-	1,523,332	3,305
Interest on long-term debt	1,537,425	1,509,937	-	-	1,537,425	1,509,937
Water and sewer	-	-	7,781,922	7,755,922	7,781,922	7,755,922
Total Expenses	<u>36,206,521</u>	<u>30,884,343</u>	<u>7,781,922</u>	<u>7,755,922</u>	<u>43,988,443</u>	<u>38,640,265</u>
EXCESS (DEFICIENCY) BEFORE SPECIAL ITEM AND TRANSFERS	5,960,170	348,321	1,610,248	1,928,375	7,570,418	2,276,696
SPECIAL ITEM	7,868,952	-	-	-	7,868,952	-
TRANSFERS	963,406	931,777	(963,406)	(931,777)	-	-
CHANGE IN NET POSITION	14,792,528	1,280,098	646,842	996,598	15,439,370	2,276,696
NET POSITION, JANUARY 1	(3,007,947)	(4,288,045)	26,697,840	25,701,242	23,689,893	21,413,197
RESTATEMENT	(9,528,847)	-	(259,959)	-	(9,788,806)	-
NET POSITION, JANUARY 1, AS RESTATED	<u>(12,536,794)</u>	<u>(4,288,045)</u>	<u>26,437,881</u>	<u>25,701,242</u>	<u>13,901,087</u>	<u>21,413,197</u>
NET POSITION, DECEMBER 31	<u>\$ 2,255,734</u>	<u>(3,007,947)</u>	<u>27,084,723</u>	<u>26,697,840</u>	<u>29,340,457</u>	<u>23,689,893</u>

CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

FUNDS FINANCIAL ANALYSIS

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

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

At the end of 2018, the City's governmental funds reported combined ending fund balances of \$21,179,538, an increase of \$2,979,189 in comparison with the prior year. Approximately 2.6% of this total amount (\$556,393) constitutes nonspendable fund balance, which is inventory, deposits, and prepaid items. Approximately 39.0% of this total amount (\$8,251,420) constitutes restricted fund balance, which is restricted primarily for economic development, motor fuel tax, or police purposes. Approximately 4.1% of this total amount (\$869,692) constitutes committed fund balance, which is earmarked by the City Council for future capital projects in various special revenue and capital projects funds. Approximately 5.6% of this total amount (\$1,195,360) constitutes assigned fund balance, which has been authorized by the City Council to be spent during the subsequent fiscal year. Approximately 48.7% of this total amount (\$10,306,673) constitutes unassigned fund balance, which is available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$10,307,198 while total fund balance was \$12,233,371. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 37.6% of total General Fund expenditures, while total fund balance represents 44.6% of that same amount.

The fund balance of the City's General Fund increased by \$2,036,474 during the current fiscal year. The increase in the fund balance is mainly attributed to the merger for the Gateway convention Center as a special item amounting to \$2,946,627, an increase in charges for services primarily related to the income from the convention center. General fund expense reflects increases primarily related to parks and recreations and community services relating to the expenditures of managing the recently added convention center and additional parks for the current fiscal year.

The Tax Increment Financing (TIF) Fund is a major special revenue fund of the City. Its resources are to be used entirely for leveraging development within the boundaries of the City's four tax increment financing districts. At the end of the current fiscal year, the fund balance of the TIF Fund was \$2,371,577, which is an increase of \$363,849 compared to 2017. Significant capital projects funded by the TIF during 2018 included: Mill and Repaving Projects and Church Street Water Main Replacement.

The Collinsville Crossings Fund is a major special revenue fund of the City. Its resources are to be used for debt service payments on the 2014 general obligation bonds (originally Series 2007A) related to the Collinsville Crossings development and the debt service payments on the 2007 revenue bonds related to the Collinsville Crossings development. At the end of the current fiscal year, the fund balance of the Collinsville Crossings

CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

Fund was \$3,067,848, which is an increase of \$292,057 compared to 2017. Sales tax generated in the development is more than the required debt service payments.

The Capital Projects Fund is used to account for the acquisition or construction of capital facilities and certain debt related to capital assets. At the end of the current fiscal year, the fund balance of the Capital Projects Fund was \$1,201,630, which is a decrease of \$485,657. The decrease is due to a planned use of fund balance to purchase various equipment and infrastructure projects.

Proprietary fund. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to \$2,300,369 increase of \$434,039 or 23.6%. No significant change in the net investment in capital assets component of net position.

GENERAL FUND BUDGETARY HIGHLIGHTS

The 2018 expenditure budget for the City's General Fund represents an original budget of \$22,368,690 increased by \$2,420,052 to \$24,788,742, an adjustment of approximately 10.8%. Actual, budget basis expenditures in the General Fund were \$23,656,196 which is \$1,132,546 less than the final, amended budgeted. The changes during the year were as follows:

- Increase of \$2,512,653 for expenditures for managing the convention center which was a merger in 2018 with the Authority. However, this increase was offset by a decrease in City Council Program of \$1,045,650 of cost for the payments to the Authority for apportion of the taxes allocated to pay the debt of the convention center. Net increase to the City of \$1,467,003.
- Increase of \$213,234 in the Human Resources Program of the Administration Department for additional legal services related to union contracts and hiring personnel.
- Increase of \$446,204 in the Parks and Recreation Program for the following:
 - \$205,309 for maintenance activities and a significant workers' compensation related accident resulting in claims to worker's compensation that the City will attempt recovery from the accident suspect.
 - \$178,685 for expenditures for the Willoughby Farm which was contributed to the City in 2018 from the Collinsville Area Recreation District.
 - \$62,210 for expenditures for the Aquatic Center which was contributed to the City in 2018 from the Collinsville Area Recreation District.
- Increase of \$204,825 in the Fire Program primarily for workers' compensation payments.
- Increase of \$41,245 in Operating Program related to janitorial services which was budgeted to be brought in-house but was delayed.
- Increase of \$31,274 in the Finance Program for additional accounting services and professional services for support related to the expanded responsibilities related to the additional facilities.
- Increase of \$16,267 in Economic Development Program for the expanding into the Great River & Routes Tourism Bureau.

**CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2018, amounts to \$99,873,337, net of accumulated depreciation. This investment in capital assets includes land, construction in progress, buildings and improvements, land improvements, equipment, vehicles, and infrastructure. The total increase in capital assets for the current year was \$24,262,099 (\$17,085,662 increase for governmental activities and \$7,176,437 increase for business-type activities). The increase in the governmental activities was largely due to the merger with the Authority resulting in net capital asset increase of \$9,637,117 and the contributed assets of \$7,921,984 from the Collinsville Area Recreation District.

The City's capital assets, net of depreciation, are as follows:

	December 31					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 6,081,542	4,161,749	451,329	451,329	6,532,871	4,613,078
Construction in progress	2,190,327	71,156	18,293,080	10,073,595	20,483,407	10,144,751
Buildings and improvements	17,515,023	4,700,014	21,687,768	22,442,010	39,202,791	27,142,024
Land improvements	270,024	-	-	-	270,024	-
Equipment	2,471,072	706,487	257,728	316,123	2,728,800	1,022,610
Vehicles	2,029,617	2,013,129	266,652	243,879	2,296,269	2,257,008
Infrastructure	20,143,463	21,962,871	8,215,712	8,468,896	28,359,175	30,431,767
 Total Capital Assets, Net	 <u>\$ 50,701,068</u>	 <u>33,615,406</u>	 <u>49,172,269</u>	 <u>41,995,832</u>	 <u>99,873,337</u>	 <u>75,611,238</u>

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of 2018. Fund financial statements record capital asset purchases as expenditures.

Additional information for capital assets can be found in Note C in the notes to the financial statements.

Long-term Debt

At the end of 2018, the City had total long-term debt obligations for governmental and business-type activities in the amount of \$59,272,455 compared to \$49,112,229 at the end of 2017. During 2018, the City made scheduled debt service payments and issued new debt of \$8,296,929 for the construction of the new water plant. The City also acquired the convention center revenue bonds of \$4,714,789 as part of the merger with the Authority.

The general obligation bonds included on the following schedule are covered by insurance policies insuring the payment of principal and interest when due. Consequently, they have been assigned a rating of "Aaa" by Moody's Investor Services, Inc. General obligation bonds are backed by the full faith and credit of the City.

**CITY OF COLLINSVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	December 31					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Taxable GO Bonds:						
Series 2009	\$ -	170,000	-	-	-	170,000
Series 2017B	1,850,000	1,885,000	-	-	1,850,000	1,885,000
Non-taxable GO Bonds:						
Series 2017A	330,000	430,000	-	-	330,000	430,000
Bond premium	8,036	10,715	-	-	8,036	10,715
GO Refunding Bonds:						
Series 2012	-	-	9,315,000	9,380,000	9,315,000	9,380,000
Bond premium	-	-	168,232	201,038	168,232	201,038
GO Refunding Bonds:						
Series 2013A	-	-	1,225,000	2,290,000	1,225,000	2,290,000
Bond premium	-	-	69,285	118,193	69,285	118,193
GO Refunding Bonds:						
Series 2014	4,910,000	5,345,000	-	-	4,910,000	5,345,000
Bond premium	44,461	49,692	-	-	44,461	49,692
LIST Revenue Bonds:						
Series 2007	19,820,000	20,015,000	-	-	19,820,000	20,015,000
Revenue Bonds:						
Series 2003	1,987,847	-	-	-	1,987,847	-
Series 2004	2,046,942	-	-	-	2,046,942	-
Capital leases	670,220	800,270	-	2,901	670,220	803,171
Note payable	473,914	520,086	-	-	473,914	520,086
IEPA loan	-	-	14,112,221	5,815,292	14,112,221	5,815,292
Compensated absences	1,611,589	1,438,289	629,708	640,753	2,241,297	2,079,042
Total Long-term Debt	<u>\$ 33,753,009</u>	<u>30,664,052</u>	<u>25,519,446</u>	<u>18,448,177</u>	<u>59,272,455</u>	<u>49,112,229</u>

Additional information regarding the City's long-term debt can be found in Note E in the notes to the financial statements.

REQUESTS 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 financial information should be addressed to the City of Collinsville, Director of Finance, 125 South Center Street, Collinsville, IL 62234.

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	Primary Government		Totals
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 5,480,261	1,358,849	6,839,110
Investments	11,997,810	2,981,656	14,979,466
Receivables, net:			
Property tax	731,106	-	731,106
Intergovernmental	4,636,033	-	4,636,033
Services	797,087	1,985,716	2,782,803
Other	483,854	-	483,854
Inventory	30,200	228,652	258,852
Deposits	520,086	-	520,086
Prepaid items	6,107	-	6,107
Restricted cash	860,722	637,600	1,498,322
Insurance trust	1,342,974	-	1,342,974
Capital assets:			
Land and construction in progress	8,271,869	18,744,409	27,016,278
Other capital assets, net of accumulated depreciation	42,429,199	30,427,860	72,857,059
Total Assets	<u>77,587,308</u>	<u>56,364,742</u>	<u>133,952,050</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	363,276	501,823	865,099
Deferred amounts related to pensions	11,934,768	1,730,310	13,665,078
Total Deferred Outflows Of Resources	<u>12,298,044</u>	<u>2,232,133</u>	<u>14,530,177</u>
LIABILITIES			
Accounts payable	2,198,799	2,203,655	4,402,454
Accrued payroll and benefits	554,438	99,348	653,786
Other payables	68,805	-	68,805
Customer deposits payable	357,024	637,600	994,624
Unearned revenue	678,486	-	678,486
Accrued interest payable	409,497	188,873	598,370
Noncurrent liabilities:			
Due within one year	2,884,279	2,076,057	4,960,336
Due in more than one year	30,868,730	23,443,389	54,312,119
Due in more than one year - total OPEB liability	10,331,686	547,867	10,879,553
Due in more than one year - net pension liability	35,128,288	1,461,932	36,590,220
Total Liabilities	<u>83,480,032</u>	<u>30,658,721</u>	<u>114,138,753</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	3,318,609	836,223	4,154,832
Deferred amounts related to OPEB	830,977	17,208	848,185
Total Deferred Inflows Of Resources	<u>4,149,586</u>	<u>853,431</u>	<u>5,003,017</u>
NET POSITION			
Net investment in capital assets	45,996,059	24,784,354	70,780,413
Restricted for:			
Economic development	5,562,773	-	5,562,773
Restricted tax revenues	2,175,094	-	2,175,094
Forfeitures and seizures	733,234	-	733,234
Unrestricted	<u>(52,211,426)</u>	<u>2,300,369</u>	<u>(49,911,057)</u>
Total Net Position	<u>\$ 2,255,734</u>	<u>27,084,723</u>	<u>29,340,457</u>

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net Revenues (Expenses) And Changes In Net Position		
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 3,873,694	566,258	33,700	86,731	(3,187,005)	-	(3,187,005)
Public safety	16,913,272	1,771,754	176,977	-	(14,964,541)	-	(14,964,541)
Public works	4,753,374	4,278	11,464	339,926	(4,397,706)	-	(4,397,706)
Health and sanitation	1,503,961	1,515,269	-	-	11,308	-	11,308
Community/economic development	2,600,125	2,175,473	-	219,467	(205,185)	-	(205,185)
Community services	3,501,338	1,365,832	25,718	-	(2,109,788)	-	(2,109,788)
Parks and recreation	1,523,332	174,332	-	7,921,984	6,572,984	-	6,572,984
Interest on long-term debt	1,537,425	-	-	-	(1,537,425)	-	(1,537,425)
Total Governmental Activities	<u>36,206,521</u>	<u>7,573,196</u>	<u>247,859</u>	<u>8,568,108</u>	<u>(19,817,358)</u>	<u>-</u>	<u>(19,817,358)</u>
Business-type activities:							
Water and sewer	7,781,922	9,142,518	-	127,750	-	1,488,346	1,488,346
Total Primary Government	<u>\$ 43,988,443</u>	<u>16,715,714</u>	<u>247,859</u>	<u>8,695,858</u>	<u>(19,817,358)</u>	<u>1,488,346</u>	<u>(18,329,012)</u>
General Revenues							
Property tax					5,972,089	-	5,972,089
Intergovernmental:							
Sales and use tax					9,284,917	-	9,284,917
Home rule sales tax					4,144,382	-	4,144,382
State income tax					2,453,701	-	2,453,701
Telecommunications tax					636,417	-	636,417
Motor fuel tax					654,711	-	654,711
Replacement tax					266,880	-	266,880
Utility tax					1,317,444	-	1,317,444
Franchise fees					351,517	-	351,517
Other taxes					187,488	-	187,488
Investment income					270,344	121,902	392,246
Gain on sale of capital assets					44,625	-	44,625
Other					193,013	-	193,013
Special item - merger					7,868,952	-	7,868,952
Transfers					963,406	(963,406)	-
Total General Revenues, Special Item, And Transfers					<u>34,609,886</u>	<u>(841,504)</u>	<u>33,768,382</u>
CHANGE IN NET POSITION					14,792,528	646,842	15,439,370
NET POSITION, JANUARY 1, AS RESTATED					(12,536,794)	26,437,881	13,901,087
NET POSITION, DECEMBER 31					<u>\$ 2,255,734</u>	<u>27,084,723</u>	<u>29,340,457</u>

See notes to financial statements

CITY OF COLLINSVILLE, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	General Fund	Tax Increment Financing Fund	Collinsville Crossings Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 3,352,221	1,099,224	-	158,509	870,307	5,480,261
Investments	6,239,401	1,157,352	2,695,587	662,327	1,243,143	11,997,810
Receivables, net:						
Property tax	571,725	159,381	-	-	-	731,106
Intergovernmental	3,780,794	7,971	519,435	-	327,833	4,636,033
Services	797,087	-	-	-	-	797,087
Other	365,634	3,158	-	115,062	-	483,854
Due from other funds	53,861	-	-	-	-	53,861
Inventory	30,200	-	-	-	-	30,200
Deposits	-	-	-	520,086	-	520,086
Prepaid items	6,107	-	-	-	-	6,107
Restricted cash	860,722	-	-	-	-	860,722
Total Assets	\$ 16,057,752	2,427,086	3,215,022	1,455,984	2,441,283	25,597,127
LIABILITIES						
Accounts payable	\$ 539,907	15,608	-	254,354	39,678	849,547
Accrued payroll and benefits	544,412	10,026	-	-	-	554,438
Other payables	68,805	-	-	-	-	68,805
Customer deposits payable	357,024	-	-	-	-	357,024
Unearned revenue	678,486	-	-	-	-	678,486
Due to other funds	-	-	53,701	-	160	53,861
Total Liabilities	2,188,634	25,634	53,701	254,354	39,838	2,562,161
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues:						
Ambulance fees	328,294	-	-	-	-	328,294
Intergovernmental revenues	1,289,230	2,737	93,473	-	96,333	1,481,773
Property tax	18,223	27,138	-	-	-	45,361
Total Deferred Inflows Of Resources	1,635,747	29,875	93,473	-	96,333	1,855,428
FUND BALANCES						
Nonspendable:						
Inventory	30,200	-	-	-	-	30,200
Deposits	-	-	-	520,086	-	520,086
Prepaid items	6,107	-	-	-	-	6,107
Restricted for:						
Forfeiture funds	686,756	-	-	-	-	686,756
Police inventory savings	7,750	-	-	-	-	7,750
TIF economic development	-	2,371,577	-	-	-	2,371,577
Collinsville Crossings debt	-	-	3,067,848	-	-	3,067,848
Motor fuel tax	-	-	-	-	1,104,872	1,104,872
DUI court fines	-	-	-	-	18,770	18,770
Police vehicles	-	-	-	-	19,958	19,958
Business districts	-	-	-	-	973,889	973,889
Committed to:						
Tree memorial	-	-	-	-	3,817	3,817
Collinsville animal shelter	-	-	-	-	184,331	184,331
Capital projects	-	-	-	681,544	-	681,544
Assigned for:						
Subsequent year's budget	1,195,360	-	-	-	-	1,195,360
Unassigned	10,307,198	-	-	-	(525)	10,306,673
Total Fund Balances	12,233,371	2,371,577	3,067,848	1,201,630	2,305,112	21,179,538
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	\$ 16,057,752	2,427,086	3,215,022	1,455,984	2,441,283	25,597,127

CITY OF COLLINSVILLE, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018

Total Fund Balances - Governmental Funds \$ 21,179,538

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$104,769,571 and the accumulated depreciation is \$54,068,503. 50,701,068

Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:

Net pension liability	(35,128,288)
Deferred outflows related to pensions	11,934,768
Deferred inflows related to pensions	(3,318,609)
Net OPEB liability	(10,331,686)
Deferred inflows related to OPEB	(830,977)
Insurance trust	1,342,974
Workers compensation payable	(1,349,252)

Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds. 1,855,428

Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Accrued interest payable	(409,497)
Accrued compensated absences	(1,611,589)
Capital leases payable	(670,220)
Note payable	(473,914)
General obligation bonds	(7,090,000)
Revenue bonds	(23,854,789)
Unamortized bond premium	(52,497)
Unamortized bond deferred charges	363,276

Total Net Position Of Governmental Activities \$ 2,255,734

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	Tax Increment Financing Fund	Collinsville Crossings Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property tax	\$ 3,351,017	2,631,365	-	-	-	5,982,382
Intergovernmental	14,270,559	128,328	2,167,181	75,000	1,752,491	18,393,559
Other local taxes	2,097,870	62,452	-	1,317,444	-	3,477,766
Licenses and permits	724,393	-	-	-	-	724,393
Charges for services	3,333,887	-	-	-	-	3,333,887
Fines and forfeitures	275,952	-	-	-	16,855	292,807
Investment income	156,854	41,735	29,466	12,360	29,929	270,344
Gifts and donations	77,705	9,761	-	25,000	650	113,116
Other	1,054,967	-	-	-	9,550	1,064,517
Total Revenues	<u>25,343,204</u>	<u>2,873,641</u>	<u>2,196,647</u>	<u>1,429,804</u>	<u>1,809,475</u>	<u>33,652,771</u>
EXPENDITURES						
Current:						
General government	3,367,158	-	-	19,999	4,723	3,391,880
Public safety	14,596,787	-	-	-	13	14,596,800
Public works	2,372,687	-	-	-	377,321	2,750,008
Health and sanitation	1,503,961	-	-	-	-	1,503,961
Community/economic development	673,466	1,455,740	41,500	-	399,144	2,569,850
Community services	2,609,702	-	-	-	-	2,609,702
Parks and recreation	905,879	-	-	-	-	905,879
Capital outlay	607,921	667,844	-	1,760,638	22,653	3,059,056
Debt service:						
Principal	681,691	249,955	630,000	129,576	100,000	1,791,222
Interest and fiscal charges	117,536	58,936	1,233,090	32,768	12,434	1,454,764
Total Expenditures	<u>27,436,788</u>	<u>2,432,475</u>	<u>1,904,590</u>	<u>1,942,981</u>	<u>916,288</u>	<u>34,633,122</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,093,584)</u>	<u>441,166</u>	<u>292,057</u>	<u>(513,177)</u>	<u>893,187</u>	<u>(980,351)</u>
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	21,987	-	-	27,520	-	49,507
Transfers in	1,163,444	-	-	-	79,317	1,242,761
Transfers out	(2,000)	(77,317)	-	-	(200,038)	(279,355)
Total Other Financing Sources (Uses)	<u>1,183,431</u>	<u>(77,317)</u>	<u>-</u>	<u>27,520</u>	<u>(120,721)</u>	<u>1,012,913</u>
NET CHANGE IN FUND BALANCES BEFORE SPECIAL ITEM	<u>(910,153)</u>	<u>363,849</u>	<u>292,057</u>	<u>(485,657)</u>	<u>772,466</u>	<u>32,562</u>
SPECIAL ITEM - MERGER	<u>2,946,627</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,946,627</u>
NET CHANGE IN FUND BALANCES	<u>2,036,474</u>	<u>363,849</u>	<u>292,057</u>	<u>(485,657)</u>	<u>772,466</u>	<u>2,979,189</u>
FUND BALANCES, JANUARY 1, AS RESTATED	<u>10,196,897</u>	<u>2,007,728</u>	<u>2,775,791</u>	<u>1,687,287</u>	<u>1,532,646</u>	<u>18,200,349</u>
FUND BALANCES, DECEMBER 31	<u>\$ 12,233,371</u>	<u>2,371,577</u>	<u>3,067,848</u>	<u>1,201,630</u>	<u>2,305,112</u>	<u>21,179,538</u>

CITY OF COLLINSVILLE, ILLINOIS
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, 2018

Net Change In Fund Balances - Governmental Funds \$ 2,979,189

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

Capital outlays are reported in the governmental funds 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 over the capitalization threshold (\$2,850,393) exceeded depreciation (\$3,803,775) in the current period. (953,382)

The net effect of various transactions involving capital assets:
 Cost of disposals, net of accumulated depreciation (54,385)
 Contributed capital assets 8,348,641

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 120,654

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, the governmental funds report the effect of 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.

Repayments:
 General obligation bonds 740,000
 Revenue bonds 875,000
 Capital leases 130,050
 Note payable 46,172
 Amortization (33,635)

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 the governmental funds.
 Accrued interest on long-term debt (49,026)
 Accrued compensated absences (173,300)
 OPEB expense 820,064
 Pension expense (2,067,774)
 Insurance trust (241,283)
 Workers compensation payable (616,782)

In the statement of activities, the net position of the merging entity is reported as a special item, whereas in the governmental funds, the fund balance of the merging entity is reported as a special item. This amount is the change in equity balances. 4,922,325

Change In Net Position Of Governmental Activities \$ 14,792,528

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF NET POSITION - PROPRIETARY FUND
DECEMBER 31, 2018

	Water And Sewer Fund
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 1,358,849
Investments	2,981,656
Accounts receivables, net:	
Services	1,985,716
Inventory	228,652
Total Current Assets	6,554,873
Noncurrent Assets	
Capital assets:	
Land and construction in progress	18,744,409
Other capital assets, net of accumulated depreciation	30,427,860
Total Capital Assets	49,172,269
Restricted cash	637,600
Total Noncurrent Assets	49,809,869
Total Assets	56,364,742
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	501,823
Deferred amounts related to pensions	1,730,310
Total Deferred Outflows Of Resources	2,232,133
LIABILITIES	
Current Liabilities	
Accounts payable	2,203,655
Accrued payroll and benefits	99,348
Customer deposits payable	637,600
Accrued interest payable	188,873
Compensated absences - current	302,831
IEPA loan payable - current	608,226
Bond payable - current	1,165,000
Total Current Liabilities	5,205,533
Noncurrent Liabilities	
Compensated absences	326,877
Total OPEB liability	547,867
Net pension liability	1,461,932
IEPA loan payable	13,503,995
Bond payable	9,612,517
Total Noncurrent Liabilities	25,453,188
Total Liabilities	30,658,721
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pensions	836,223
Deferred amounts related to other post employment benefits	17,208
Total Deferred Inflows Of Resources	853,431
NET POSITION	
Net investment in capital assets	24,784,354
Unrestricted	2,300,369
Total Net Position	\$ 27,084,723

See notes to financial statements

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGE
IN NET POSITION - PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Water And Sewer Fund
OPERATING REVENUES	
Charges for services	\$ 8,791,481
Fees	248,513
Other	102,524
Total Operating Revenues	9,142,518
OPERATING EXPENSES	
Personnel services	3,377,875
Contractual services	1,278,133
Commodities	677,449
Maintenance	229,853
Depreciation	1,633,132
Total Operating Expenses	7,196,442
OPERATING INCOME	1,946,076
NONOPERATING REVENUES (EXPENSES)	
Investment income	121,902
Interest expense	(585,480)
Total Nonoperating Revenues (Expenses)	(463,578)
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,482,498
CAPITAL CONTRIBUTIONS	127,750
TRANSFERS OUT	(963,406)
CHANGE IN NET POSITION	646,842
NET POSITION, JANUARY 1, AS RESTATED	26,437,881
NET POSITION, DECEMBER 31	\$ 27,084,723

See notes to financial statements

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	Water And Sewer Fund
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	
Cash flows from operating activities:	
Receipts from customers and users	\$ 8,833,249
Payments to suppliers	(1,881,734)
Payments to employees	(3,554,465)
Other receipts	102,524
Net Cash Provided By Operating Activities	3,499,574
Cash flows used in noncapital financing activities:	
Transfers to other funds	(963,406)
Cash flows from capital and related financing activities:	
Purchase of capital assets	(9,063,724)
Proceeds from IEPA loan payable	8,296,929
Principal payments on long-term debt	(1,132,901)
Interest paid on long-term debt	(352,371)
Net Cash Used In Capital And Related Financing Activities	(2,252,067)
Cash flows from investing activities:	
Investment income	121,902
Proceeds from sale of investments	3,754,027
Purchases of investments	(2,981,656)
Net Cash Provided By Investing Activities	894,273
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,178,374
CASH AND CASH EQUIVALENTS, JANUARY 1	818,075
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,996,449
ENDING CASH AND CASH EQUIVALENTS RECONCILIATION	
Cash and cash equivalents	\$ 1,358,849
Restricted cash	637,600
Total Ending Cash And Cash Equivalents	\$ 1,996,449

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF CASH FLOWS - PROPRIETARY FUND (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Water And Sewer Fund</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 1,946,076
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,633,132
(Increase) decrease in:	
Accounts receivable	(233,123)
Inventory	(55,443)
Prepaid items	327,156
Deferred outflows related to pensions	(1,192,185)
Increase (decrease) in:	
Accounts payable	31,988
Accrued payroll and benefits	(7,713)
Customer deposits payable	26,378
Compensated absences	(11,045)
Total OPEB liability	(14,455)
Net pension liability	1,546,859
Deferred inflows related to pensions	(496,122)
Deferred inflows related to OPEB	(1,929)
Total Adjustments	<u>1,553,498</u>
 Net Cash Provided By Operating Activities	 <u><u>\$ 3,499,574</u></u>

**SCHEDULE OF NONCASH CAPITAL AND RELATED
FINANCING ACTIVITIES**

Capital contributions	\$ 127,750
Capital asset acquisitions through accounts payable	2,094,979

CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
DECEMBER 31, 2018

ASSETS

Cash	\$ 410,542
Investments:	
Common stock	6,783,251
Corporate bonds	4,792,069
Government securities	12,022,801
Money market funds	839,678
Mutual funds	19,084,274
The Illinois Funds	12
Receivables:	
Property tax	2,288,548
Interest	107,915
Total Assets	<u>46,329,090</u>

LIABILITIES

Accounts payable	<u>15,000</u>
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NET POSITION

Restricted for pensions	<u><u>\$ 46,314,090</u></u>
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CITY OF COLLINSVILLE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

ADDITIONS

Contributions:

Employer:

Property tax

\$ 2,215,041

Replacement tax

226,752

Employee

619,998

Total Contributions

3,061,791

Reimbursements

1,920

Interest and dividends

819,744

Net decrease in the fair value of investments

(3,616,132)

Less - Investment management and custodial fees

(161,140)

Net Investment Income

(2,957,528)

Total Additions

106,183

DEDUCTIONS

Benefit payments

3,361,748

Refunds of contributions

20,038

Administrative expenses

45,765

Total Deductions

3,427,551

CHANGE IN NET POSITION

(3,321,368)

NET POSITION - RESTRICTED FOR PENSIONS, JANUARY 1

49,635,458

NET POSITION - RESTRICTED FOR PENSIONS, DECEMBER 31

\$ 46,314,090

CITY OF COLLINSVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The CITY OF COLLINSVILLE, ILLINOIS (the City) was incorporated on November 30, 1872. The City operates under a City Council - Manager form of government and provides the following services: general government, public safety (police and fire), public works, health and sanitation, community and economic development, community services, and water and sewer. The City Manager and council members exercise oversight responsibility for all of these governmental services.

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

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. The City does not currently have any component units.

2. Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges for services to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. 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.

3. 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 related cash flows. Property taxes are recognized as revenues 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.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental funds 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 measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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, claims, and judgments, are recorded only when payment is due.

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

The City reports the following major governmental funds:

General Fund -- This fund is the primary operating fund of the City. It accounts for all financial resources except those required to be accounted for in another fund.

Tax Increment Financing Fund -- This fund is a special revenue fund used to account for incremental taxes, other revenues, and all expenditures related to the tax increment financing areas.

Collinsville Crossings Fund -- This fund is a special revenue fund used to account for sales taxes that are restricted to pay debt service costs of the related economic development area.

Capital Projects Fund -- This fund is a capital projects fund used to account for the acquisition or construction of capital facilities and certain debt related to capital assets.

The other governmental funds of the City are considered nonmajor. They are special revenue funds which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, and one debt service fund.

The City reports the following major proprietary fund:

Water and Sewer Fund -- This fund is used to account for the operations of the City's water and sewer department.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the City reports the following fund type:

Pension Trust Funds -- These funds accounts for the activities of the Police and Firefighter's Pension Funds, which accumulate resources for pension benefit payments to qualified public safety employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. 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 fund are charges to customers. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation and amortization. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Cash, Cash Equivalents, and Investments

For cash flow statement purposes, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The City maintains a cash and investment pool and interest allocated to each fund based on month-end balances and investment policies.

The City is authorized by State Statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America, the Illinois Funds, the Illinois Metropolitan Investment Fund, and repurchase agreements of government securities. The Pension Trust Funds are also allowed to invest limited percentages of their monies in mutual funds and equity securities.

Investments are stated at fair value. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Allowance for Doubtful Accounts

The allowance for uncollectible receivables is as follows:

Funds	Receivables	December 31 2018
General Fund	Garbage receivables	\$ 46,548
General Fund	Ambulance receivables	370,284
Proprietary Fund	Water and sewer receivables	298,591
Total		\$ 715,423

6. Interfund Transactions

The City has the following types of transactions among funds:

Transfers -- Transfers of resources from a fund receiving revenue to the fund through which resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses).

Due To/From Other Funds -- Current portions of long-term interfund loans receivable/payable are considered “available spendable resources” and are reported as assets and liabilities of the appropriate funds.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported on the government-wide statement of net position as “internal balances”.

7. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

8. Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories are recorded as expenditures/expenses when consumed rather than when purchased. Inventory in the governmental fund consists of expendable street department supplies held for consumption. Inventory in the business-type fund consists of waterworks and sewerage supplies.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Restricted Assets

Certain cash and cash equivalents are restricted as to use for police seizure escrow, debt payments, and water and sewer customer deposits.

10. Capital Assets

Capital assets, which include property, equipment, intangibles, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

Depreciation is being computed on the straight-line method, using asset lives as follows:

Assets	Years
Buildings and improvements	7 – 40
Land improvements	10 - 40
Equipment	5 - 15
Vehicles	5 - 10
Infrastructure	20 - 50

11. Compensated Absences

Accumulated unpaid vacation and sick pay amounts are accrued when incurred. The City's policy permits employees to earn one to five weeks of vacation per year, based on length of service. In addition, employees earn sick leave at the rate of one and one-half working days for each calendar month of employment or 18 days per year. The maximum accumulation for any employee is one year vacation earned and 60 days of sick leave. Annually, unused sick leave over 60 days is paid to an employee at a rate of 50%. Accumulated unused sick leave is paid to an employee upon retirement.

12. Long-term Obligations

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Long-term Obligations (Continued)

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 issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

13. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has deferred outflows of resources related to charges on refunding of long-term and debt pensions reported on the statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City currently has deferred inflows of resources for unavailable revenues from various sources reported on the governmental funds balance sheet. The City also has deferred inflows of resources related to OPEB and pension reported on the statement of net position.

14. Property Taxes

The City levied its 2018 property taxes in December 2018 based upon the assessed valuation as of the previous January 1. Property taxes are due in four installments in the following year, usually beginning in June, and are considered delinquent after the due dates. Property taxes for 2018 become an enforceable lien in January 2019. Because this tax levy will be used to pay expenditures budgeted in 2019, no part of this tax levy is shown as a revenue.

15. Fund Balance Policies

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive:

Nonspendable -- The portion of fund balance that cannot be spent because they are either: 1) not in spendable form or 2) legally or contractually required to remain intact.

Restricted -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Fund Balance Policies (Continued)

Committed -- The portion of fund balance that are to be only used for specific purposes pursuant to constraints imposed by formal approval of an ordinance by the City Council, which has the highest level of decision-making authority. Formal Council approval is required to establish and amend or remove any specific committed balances.

Assigned -- The portion of fund balance that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Assigned balances are authorized by the City Council or by the City Manager under the direction of the City Council.

Unassigned -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When an expenditure is incurred in governmental funds which may be paid using either restricted and unrestricted resources, the City's policy is to pay the expenditures from the restricted fund balance and then from less restrictive classification - committed, assigned, and unassigned fund balances.

The fund balance of the City has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an ending fund balance of between 15% and 20% of estimated annual revenues for both the General Fund and Enterprise Fund. Should the fund balance fall below 10% of revenues, a plan for expenditure reductions and/or revenue increases shall be submitted to the City Council by the City Manager. If the balance should exceed 20%, the excess shall be utilized for one-time expenditures as recommended by the City Manager to the City Council. If the fund balance falls below 10%, the City shall rebuild the balance within two fiscal years.

16. Use of Estimates

The preparation of basic financial statements in conformity with GAAP requires the City to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

17. Pensions

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

NOTE B - CASH AND INVESTMENTS

1. Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City requires that all deposits not covered by the Federal Deposit Insurance Corporation (FDIC) insurance be collateralized with investments held by the financial institution in the City's name. The value of the securities must amount to the total of the City's cash not insured by FDIC.

As of December 31, 2018, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

2. Investments

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

As of December 31, 2018, the City had the following investments:

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Investments	Fair Value	Maturities					Credit Risk
		No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years	
Primary Government							
Illinois Metropolitan Investment Fund	\$ 1,309,890	1,309,890	-	-	-	-	AAA
The Illinois Funds	11,652,905	11,652,905	-	-	-	-	AAA
Money market funds	2,016,671	2,016,671	-	-	-	-	Not rated
Repurchase agreements	6,053,000	-	6,053,000	-	-	-	N/A
Total Primary Government	21,032,466	14,979,466	6,053,000	-	-	-	
Fiduciary Funds							
Firefighter's Pension Fund							
The Illinois Funds	12	12	-	-	-	-	AAA
Money market funds	157,874	157,874	-	-	-	-	Not rated
Mutual funds	11,905,184	11,905,184	-	-	-	-	N/A
Government securities:							
Federal National Mortgage Association	1,205,064	-	-	516,239	311,701	377,124	AAA
Federal Home Loan Mortgage Corporation	482,597	-	-	328,687	153,910	-	AAA
U.S. Treasury notes	5,725,217	-	899,170	3,839,845	986,202	-	N/A
Total Firefighter's Pension Fund	19,475,948	12,063,070	899,170	4,684,771	1,451,813	377,124	
Police Pension Fund							
Common stock	6,783,251	6,783,251	-	-	-	-	N/A
Corporate bonds	132,339	-	-	132,339	-	-	AAA
Corporate bonds	616,159	-	-	539,946	76,213	-	AA
Corporate bonds	2,608,631	-	-	2,277,047	331,584	-	A
Corporate bonds	1,434,940	-	-	1,301,653	133,287	-	BBB
Money market funds	681,804	681,804	-	-	-	-	Not rated
Mutual funds	7,179,090	7,179,090	-	-	-	-	N/A
Government securities:							
Government National Mortgage Association	26,910	-	-	-	19,263	7,647	N/A
Federal Home Loan Mortgage Corporation	1,478,222	-	238,327	250,571	126,164	863,160	AAA
Federal National Mortgage Association	1,262,363	-	98	495,153	249	766,863	AAA
Municipal bonds	24,525	-	-	24,525	-	-	AAA
Municipal bonds	460,640	-	164,441	296,199	-	-	AA
Municipal bonds	55,295	-	-	55,295	-	-	A
U.S. Treasury notes	1,301,968	-	193,549	597,380	511,039	-	N/A
Total Police Pension Fund	24,046,137	14,644,145	596,415	5,970,108	1,197,799	1,637,670	
Total Fiduciary Funds	43,522,085	26,707,215	1,495,585	10,654,879	2,649,612	2,014,794	
Total Investments	\$ 64,554,551	41,686,681	7,548,585	10,654,879	2,649,612	2,014,794	

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Investment Policies

The City's formal investment policies are as follows:

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk, it is the City's policy to: 1) limit investments to the safest type of security; 2) prequalify the institution's brokers/dealers, intermediaries, and advisors with which the City will conduct business; and 3) diversify the portfolio, to the extent necessary, in order to minimize potential losses on individual securities.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City minimizes concentration of credit risk by diversifying the investment portfolio.

Concentration of credit risk is required to be disclosed by the City for investments in any one issuer that represent 5% or more of total investments (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments are exempt). Defined benefit plans are required to disclose investments in any one issuer that represent 5% or more of total plan net position with the same exemptions as above. At December 31, 2018, the City had the following investment concentrations:

<u>Investments</u>	<u>Fair Value</u>	<u>Percent Of Total Investments</u>
Primary Government		
Money market funds	\$ 2,016,671	9.59 %
Repurchase agreements	6,053,000	28.78
<u>Investments</u>	<u>Fair Value</u>	<u>Percent Of Total Plan Net Position</u>
Fiduciary Funds		
Federal National Mortgage Association	\$ 2,467,427	5.33 %

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

3. Fair Value Measurements

The City classifies its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

The City has the following recurring fair value level measurements as of December 31, 2018:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Primary Government				
Investments by fair value level:				
Illinois Metropolitan Investment Fund	\$ 1,309,890	1,309,890	-	-
The Illinois Funds	11,652,905	-	11,652,905	-
Total Investments By Fair Value Level	<u>12,962,795</u>	<u>1,309,890</u>	<u>11,652,905</u>	<u>-</u>
Investments not subject to fair value level classification:				
Money market funds	2,016,671			
Repurchase agreements	<u>6,053,000</u>			
Total Primary Government Investments	<u>\$ 21,032,466</u>			

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

3. Fair Value Measurements (Continued)

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fiduciary Funds				
Investments by fair value level:				
Common stock	\$ 6,783,251	6,783,251	-	-
Corporate bonds	4,792,069	-	4,792,069	-
The Illinois Funds	12	-	12	-
Mutual funds:				
Equity	18,219,264	18,219,264	-	-
Bond	865,010	-	865,010	-
Government securities:				
Government National Mortgage Association	26,910	26,910	-	-
Federal Home Loan Mortgage Corporation	1,960,819	-	1,960,819	-
Federal National Mortgage Association	2,467,427	-	2,467,427	-
Municipal bonds	540,460	-	540,460	-
U.S. Treasury notes	7,027,185	7,027,185	-	-
Total Investments By Fair Value Level	42,682,407	<u>32,056,610</u>	<u>10,625,797</u>	<u>-</u>
Investments not subject to fair value level classification:				
Money market funds	839,678			
Total Fiduciary Funds Investments	<u>\$ 43,522,085</u>			

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS

Capital asset activity for the governmental activities was as follows:

	For The Year Ended December 31, 2018			Balance December 31 2018
	Balance December 31 2017	Increases	Decreases	
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 4,161,749	1,919,793	-	6,081,542
Construction in progress	173,742	2,127,739	111,154	2,190,327
Total Capital Assets Not Being Depreciated	<u>4,335,491</u>	<u>4,047,532</u>	<u>111,154</u>	<u>8,271,869</u>
Capital assets being depreciated:				
Buildings and improvements	9,076,805	22,562,379	89,124	31,550,060
Land improvements	-	1,022,056	19,478	1,002,578
Equipment	4,074,617	4,508,157	389,894	8,192,880
Vehicles	4,855,728	482,645	143,134	5,195,239
Infrastructure	50,524,916	32,029	-	50,556,945
Total Capital Assets Being Depreciated	<u>68,532,066</u>	<u>28,607,266</u>	<u>641,630</u>	<u>96,497,702</u>
Less - Accumulated depreciation for:				
Buildings and improvements	4,376,791	9,735,479	77,233	14,035,037
Land improvements	-	750,858	18,304	732,554
Equipment	3,368,130	2,707,133	353,455	5,721,808
Vehicles	2,837,511	466,364	138,253	3,165,622
Infrastructure	28,562,045	1,851,437	-	30,413,482
Total Accumulated Depreciation	<u>39,144,477</u>	<u>15,511,271</u>	<u>587,245</u>	<u>54,068,503</u>
Total Capital Assets Being Depreciated, Net	<u>29,387,589</u>	<u>13,095,995</u>	<u>54,385</u>	<u>42,429,199</u>
Governmental Activities Capital Assets, Net	<u>\$ 33,723,080</u>	<u>17,143,527</u>	<u>165,539</u>	<u>50,701,068</u>

Beginning capital assets were increased by \$107,674 to reflect a prior period adjustment for capital assets that were not capitalized in the prior year. During 2018, the City merged the operations of the Collinsville Metropolitan Exposition Auditorium and Office Building Authority with the General Fund. In conjunction with this merger, the City recorded \$21,344,610 in capital additions and \$11,707,496 in depreciation expense.

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

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

	For The Year Ended December 31 2018
Governmental Activities	
General government	\$ 154,054
Public safety	605,576
Public works, including infrastructure	1,978,913
Community and economic development	51,527
Community services	650,232
Parks and recreation	363,473
	<u>3,803,775</u>
Total	<u>\$ 3,803,775</u>

Capital asset activity for the business-type activities was as follows:

	For The Year Ended December 31, 2018			
	Balance December 31 2017	Increases	Decreases	Balance December 31 2018
Business-type Activities				
Capital assets not being depreciated:				
Land	\$ 451,329	-	-	451,329
Construction in progress	10,096,170	8,340,696	143,786	18,293,080
Total Capital Assets Not Being Depreciated	10,547,499	8,340,696	143,786	18,744,409
Capital assets being depreciated:				
Buildings and improvements	35,347,659	-	-	35,347,659
Equipment	3,075,125	30,510	-	3,105,635
Vehicles	1,183,628	152,307	36,495	1,299,440
Infrastructure	32,138,512	407,267	-	32,545,779
Total Capital Assets Being Depreciated	71,744,924	590,084	36,495	72,298,513
Less - Accumulated depreciation for:				
Buildings and improvements	12,905,649	754,242	-	13,659,891
Equipment	2,759,002	88,905	-	2,847,907
Vehicles	939,749	129,534	36,495	1,032,788
Infrastructure	23,669,616	660,451	-	24,330,067
Total Accumulated Depreciation	40,274,016	1,633,132	36,495	41,870,653
Total Capital Assets Being Depreciated, Net	31,470,908	(1,043,048)	-	30,427,860
Total Business-type Activities Capital Assets, Net	<u>\$ 42,018,407</u>	<u>7,297,648</u>	<u>143,786</u>	<u>49,172,269</u>

Beginning capital assets were increased by \$22,575 to reflect a prior period adjustment for capital assets.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the business-type activities as follows:

	For The Year Ended December 31 2018
Business-type Activities	
Water and sewer	\$ 1,633,132

NOTE D - INTERFUND TRANSACTIONS

Interfund transfers are as follows:

Transfers In	Transfers Out	For The Year Ended December 31 2018
General Fund	Motor Fuel Tax Fund	\$ 200,038
General Fund	Water and Sewer Fund	963,406
Collins House Fund	General Fund	2,000
Fournie Lane Business District Fund	Tax Increment Financing Fund	77,317
Total		\$ 1,242,761

The General Fund receives transfers for reimbursement of expenses paid by that fund for expenses related to other funds. The transfer between the Tax Increment Financing Fund and the Fournie Lane Business District Fund provided funds for debt service purposes.

Individual interfund assets and liabilities balances are as follows:

Receivable Fund	Payable Fund	December 31 2018
General Fund	Collinsville Crossings Fund	\$ 53,701
General Fund	Collins House Fund	160
Total		\$ 53,861

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All interfund balances are expected to be repaid during the fiscal year ending December 31, 2019.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE E - LONG-TERM DEBT

A summary of changes in long-term debt is as follows:

	For The Year Ended December 31, 2018			Amounts Due Within One Year	
	Balance December 31 2017	Additions	Reductions		Balance December 31 2018
	Governmental Activities				
General obligation bonds	\$ 7,830,000	-	740,000	7,090,000	790,000
List revenue bonds	20,015,000	-	195,000	19,820,000	195,000
Convention center revenue bonds	-	4,714,789	680,000	4,034,789	730,000
Bond premium	60,407	-	7,910	52,497	-
Capital leases	800,270	-	130,050	670,220	85,727
Note payable	520,086	-	46,172	473,914	47,275
Compensated absences	1,438,289	1,130,020	956,720	1,611,589	1,036,277
Total Governmental Activities	\$ 30,664,052	5,844,809	2,755,852	33,753,009	2,884,279
Business-type Activities					
General obligation bonds	\$ 11,670,000	-	1,130,000	10,540,000	1,165,000
Bond premium	319,231	-	81,714	237,517	-
Capital leases	2,901	-	2,901	-	-
IEPA loan	5,815,292	8,296,929	-	14,112,221	608,226
Compensated absences	640,753	272,521	283,566	629,708	302,831
Total Business- type Activities	\$ 18,448,177	8,569,450	1,498,181	25,519,446	2,076,057

Compensated absences are generally liquidated by the General Fund and Water and Sewer Fund.

The City has the following bond issues outstanding:

On July 23, 2007, the City issued \$20,250,000 of Limited Incremental Sales Tax (LIST) Revenue Bonds, Series 2007 with interest at 5% to 5.35% and maturing on March 1, 2031. The maturity dates may be extended if projected revenues are not met and sufficient funds to make debt payments are not available. The proceeds were used to reimburse or pay redevelopment costs associated with the Collinsville Crossings Shopping Center. The bonds are liquidated by the Collinsville Crossings Fund. The amount of bonds outstanding as of December 31, 2018 is \$19,820,000.

On January 12, 2009, the City issued \$2,700,000 of Taxable General Obligation Bonds, Series 2009 with interest at 4.7% to 5.95% and maturing on December 15, 2028. The proceeds were used to pay redevelopment costs in the Eastport Plaza Drive Business District for work related to the Doubletree Inn. The bonds are liquidated by the Tax Increment Financing Fund. The bonds were partially refunded during the year December 31, 2017. Final payment on the bonds was made during the year December 31, 2018.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE E - LONG-TERM DEBT (Continued)

On September 27, 2012, the City issued \$9,625,000 of General Obligation Refunding Bonds, Series 2012 with interest at 1.8% to 3% and maturing on December 15, 2026. The proceeds were used to advance refund a portion of the Series 2006 Bonds. The bonds are liquidated by the Water and Sewer Fund. The amount of bonds outstanding as of December 31, 2018 is \$9,315,000.

On June 4, 2013, the City issued \$5,480,000 of General Obligation Refunding Bonds, Series 2013A with interest at 3% and maturing on December 15, 2020. The proceeds were used to advance refund a portion of the Series 2006 Bonds. The bonds are liquidated by the Water and Sewer Fund. The amount of bonds outstanding as of December 31, 2018 is \$1,225,000.

On July 9, 2014, the City issued \$6,260,000 of Taxable General Obligation Refunding Bonds, Series 2014 with interest at 2% to 4% and maturing on December 15, 2027. The proceeds were used to advance refund a portion of the Series 2007A Bonds. The bonds are liquidated by the Collinsville Crossings Fund. The amount of bonds outstanding as of December 31, 2018 is \$4,910,000.

On December 13, 2017, the City issued \$430,000 of General Obligation Refunding Bonds, Series 2017A with interest at 3% and maturing on December 15, 2021. The proceeds were used to refund the 2007B Fournie Lane redevelopment. The bonds are liquidated by the Fournie Lane Business District Fund. The amount of bonds outstanding as of December 31, 2018 is \$330,000.

On December 13, 2017, the City issued \$1,885,000 of Taxable General Obligation Refunding Bonds, Series 2017B with interest at 2% to 3.4% and maturing on December 15, 2028. The proceeds were used to refund a portion of the 2009 bonds for Eastport Plaza Drive redevelopment. The bonds are liquidated by the Tax Increment Financing Fund. The amount of bonds outstanding as of December 31, 2018 is \$1,850,000.

During 2018, the City merged the operations of the Collinsville Metropolitan Exposition, Auditorium, and Office Building Authority with the General Fund. In conjunction with this merger, the City recorded the related convention center refunding revenue bonds originally issued in 2003 and 2004. The terms of the bonds were amended in 2015 with an interest rate at 2.685% and maturing on January 1, 2023. The original proceeds were used for costs related to the convention center. The bonds are liquidated by the General Fund with the City's hospitality tax. The balance outstanding on these bonds as of December 31, 2018 is \$4,034,789.

The LIST revenue bonds which are generally paid based upon the sales tax collections per the applicable ordinance with certain mandatory redemptions. A summary of the minimum debt service requirements for the bonds is as follows:

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE E - LONG-TERM DEBT (Continued)

For The Years Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,520,000	1,372,589	2,892,589	1,165,000	315,420	1,480,420
2020	1,600,000	1,330,195	2,930,195	1,200,000	281,250	1,481,250
2021	1,690,000	1,285,391	2,975,391	1,265,000	245,250	1,510,250
2022	1,675,000	1,234,857	2,909,857	1,305,000	207,300	1,512,300
2023	1,479,789	1,186,579	2,666,368	1,340,000	168,150	1,508,150
2024 - 2028	11,280,000	4,225,840	15,505,840	4,265,000	258,150	4,523,150
2029 - 2031	11,700,000	1,564,875	13,264,875	-	-	-
Total	<u>\$30,944,789</u>	<u>12,200,326</u>	<u>43,145,115</u>	<u>10,540,000</u>	<u>1,475,520</u>	<u>12,015,520</u>

Capital Lease Agreements

On December 18, 2009, the City entered into a \$379,721 capital lease for energy efficient equipment. The City makes annual payments of \$51,653 with interest at 4.25% until maturity in December 2018. This capital lease is liquidated by both the governmental activities and business-type activities based upon actual initial costs. Final payment on the lease was made during the year December 31, 2018.

On February 22, 2016, the City entered into a \$900,233 capital lease dated for a fire truck. The City makes monthly payments of \$8,590 with interest at 2.25% until maturity in February 2026. The lease is liquidated by the Capital Projects Fund. The principal amount of the lease outstanding as of December 31, 2018 is \$670,220.

Assets acquired through capital lease agreements are as follows:

	<u>December 31 2018</u>
Equipment	\$ 337,438
Vehicles	905,059
Less - Accumulated depreciation	<u>(428,337)</u>
Total	<u>\$ 814,160</u>

Loan Agreements and Note Payable

On June 19, 2017, the City entered into an \$18,505,957 Illinois Environmental Protection Agency (IEPA) loan for construction of a new water treatment plant, interest at 1.64%, payment amounts to be determined upon project completion, loan proceeds paid to City as construction progresses, which matures on January 22, 2039. The loan is liquidated by the Water and Sewer Fund. The amount of loan outstanding as of December 31, 2018 is \$14,112,221.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE E - LONG-TERM DEBT (Continued)

On December 12, 2017, the City entered into a \$520,086 note payable to bank, due in installments through December 12, 2027; interest at 2.65%. The proceeds were used to purchase a fire vehicle. The note payable is liquidated by the Capital Projects Fund. The amount of note payable outstanding as of December 31, 2018 is \$473,914.

A summary of the debt requirements for the capital lease and note payable are as follows:

For The Years Ending December 31	Capital Leases			Note Payable		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 85,727	17,353	103,080	47,275	11,990	59,265
2020	88,111	14,969	103,080	48,512	10,753	59,265
2021	90,568	12,511	103,079	49,844	9,420	59,264
2022	93,091	9,989	103,080	51,181	8,083	59,264
2023	95,683	7,397	103,080	52,554	6,711	59,265
2024 - 2027	217,040	6,300	223,340	224,548	12,379	236,927
Total	\$ 670,220	68,519	738,739	473,914	59,336	533,250

NOTE F - LEGAL DEBT MARGIN

The City was certified as a home rule unit by the State of Illinois as of August 24, 2005. Under Section 6 of Article VII of the 1970 Illinois Constitution, home rule units have no debt limitation.

NOTE G - PENSION PLANS

1. Illinois Municipal Retirement Fund (IMRF)

Plan Description

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

NOTE G - PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (IMRF) (Continued)

Benefits Provided

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

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

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

Employees Covered by Benefit Terms

As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	74
Inactive employees entitled to but not yet receiving benefits	30
Active employees	<u>118</u>
Total	<u><u>222</u></u>

NOTE G - PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (IMRF) (Continued)

Contributions

As set by statute, the City's Regular Plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2018 was 9.73%. For the fiscal year ended December 31, 2018, the City contributed \$706,172 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability (Asset)

The City's net pension liability (asset) was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- **Actuarial Cost Method** used was Entry Age Normal.
- **Asset Valuation Method** used was Market Value of Assets.
- **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.5%, including inflation.
- **Investment Rate of Return** was assumed to be 7.5%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF - specific rates for **Mortality** (for nondisabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for nondisabled lives.

NOTE G - PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (IMRF) (Continued)

- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- **Long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2018:

Asset Class	Target Percentage	Long-term Expected Real Rate Of Return
Domestic equity	37.00 %	7.15 %
International equity	18.00	7.25
Fixed income	28.00	3.75
Real estate	9.00	6.25
Alternative investments	7.00	3.20 - 8.50
Cash equivalents	1.00	2.25

Single Discount Rate

A single discount rate of 7.5% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.5%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.5%.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (IMRF) (Continued)

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a)-(b)
Balances at December 31, 2017	<u>\$ 29,161,754</u>	<u>29,366,837</u>	<u>(205,083)</u>
Changes for the year:			
Service cost	577,866	-	577,866
Interest on the total pension liability	2,156,841	-	2,156,841
Difference between expected and actual experience	606,212	-	606,212
Changes of assumptions	881,543	-	881,543
Contributions - employer	-	706,172	(706,172)
Contributions - employee	-	317,661	(317,661)
Net investment income	-	(1,496,688)	1,496,688
Benefit payments, including refunds	(1,385,623)	(1,385,623)	-
Other	-	468,884	(468,884)
Net Changes	<u>2,836,839</u>	<u>(1,389,594)</u>	<u>4,226,433</u>
Balances at December 31, 2018	<u>\$ 31,998,593</u>	<u>27,977,243</u>	<u>4,021,350</u>

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

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.5%, as well as what the City's net pension liability (asset) would be using a discount rate that is 1% point lower (6.5%) or 1% point higher (8.5%) than the current rate.

	Current Single Discount Rate Assumption		
	<u>1% Decrease</u>	<u>Assumption</u>	<u>1% Increase</u>
Net pension liability (asset)	\$ 8,010,052	4,021,350	733,785

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (IMRF) (Continued)

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

For the year ended December 31, 2018, the City recognized pension expense of \$555,350 for the IMRF plan, and a total of \$5,074,292 for all three plans. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
Differences between expected and actual experience	\$ 639,617	(197,126)	442,491
Assumption changes	750,070	(561,860)	188,210
Net difference between projected and actual earnings on pension plan investments	<u>3,369,893</u>	<u>(1,541,221)</u>	<u>1,828,672</u>
Total	<u>\$4,759,580</u>	<u>(2,300,207)</u>	<u>2,459,373</u>

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

**For The
Years Ending
December 31**

2019	\$ 686,074
2020	363,980
2021	419,787
2022	<u>989,532</u>
Total	<u>\$ 2,459,373</u>

Payable to the Pension Plan

At December 31, 2018, the City reported a payable of \$21,572 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2018.

NOTE G - PENSION PLANS (Continued)

2. Firefighters' Pension Fund

Plan Description

The Firefighters' Pension Plan is a single-employer defined benefit pension that covers all sworn fire personnel. Although this plan is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a Pension Trust Fund.

The Plan is administered by a Board of Trustees. The Board consists of two members appointed by the City, two active members of the fire department elected by the membership, and one retired member of the fire department elected by the membership.

Benefits Provided

The Plan provides retirement, termination, disability, and death benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011, and Tier 2 is for employees hired after January 1, 2011.

Tier 1 employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of annual salary attached to rank on last day of service. The pension shall be increased by 2.5% of annual salary for each year over 20 years up to 30 years, up to a maximum of 75% of salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The retiree's annual benefit payment should be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees attaining the age of 55 or more with 10 years or more years of creditable service are entitled to 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced benefit. The retiree's annual benefit payment should be increased annually equal to the lessor of 3% per year or one-half the annual unadjusted percentage increase in the consumer price index for the 12 months ending with the September preceding each November 1, after attaining the age of 60.

Employees Covered by Benefit Terms

As of January 1, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	35
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>33</u>
Total	<u>68</u>

NOTE G - PENSION PLANS (Continued)

2. Firefighters' Pension Fund (Continued)

Contributions

Employees contribute a fixed percentage of their base salary to the plan. For the year ended December 31, 2018, the contribution percentage was 9.455%. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined. Effective January 1, 2011, the City's contributions must accumulate to the point where the plan is 90% funded by the year 2040.

Net Pension Liability

The City's net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was measured by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

Inflation	2.5%
Salary increase	Service based
Investment rate of return	6.75%

Mortality rates were based on the RP-2014 Combined Healthy Mortality Table with a blue collar adjustment, projected 5 years past the valuation date with Scale MO-2018. The disabled mortality rates were based on 115% of the RP-2014 Disabled Retiree Mortality Table, projected 5 years past the valuation date with Scale MO-2018.

The actuarial assumptions used in the January 1, 2018, valuation were based on the results of actuarial experience study performed by the State of Illinois Department of Insurance in 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. For 2018, the inflation rate assumption of the investment advisor was 3%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

2. Firefighters' Pension Fund (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
T Bill	1.00 %	0.40 %
Short government/credit	5.00	1.90
Intermediate government	36.00	1.70
Large	6.00	4.45
Large value	6.00	4.70
Mid value	7.00	5.20
Small	7.00	5.60
Small value	7.00	6.50
International developed	5.00	4.45
International value	5.00	6.60
International small	5.00	7.45
Emerging markets	7.00	7.50
REIT	3.00	3.90

Discount Rate

A discount rate of 6.75% was used to measure the total pension liability. The projection of cash flows used to determine this discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.75%, the municipal bond rate is 4.10%, and the resulting single discount rate is 6.75%.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

2. Firefighters' Pension Fund (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2017	\$ 31,327,690	22,884,836	8,442,854
Changes for the year:			
Service cost	712,235	-	712,235
Interest on the total pension liability	2,104,968	-	2,104,968
Difference between expected and actual experience	403,525	-	403,525
Changes of assumptions	1,670,171	-	1,670,171
Contributions - employer	-	1,019,701	(1,019,701)
Contributions - employee	-	254,982	(254,982)
Net investment income	-	(1,566,330)	1,566,330
Benefit payments, including refunds	(1,710,423)	(1,710,423)	-
Administrative expense	-	(21,335)	21,335
Net Changes	<u>3,180,476</u>	<u>(2,023,405)</u>	<u>5,203,881</u>
Balances at December 31, 2018	<u>\$ 34,508,166</u>	<u>20,861,431</u>	<u>13,646,735</u>

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

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be using a discount rate that is 1% point lower (5.75%) or 1% point higher (7.75%) than the current rate.

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
Net pension liability	\$ 18,451,496	13,646,735	9,732,451

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

2. Firefighters' Pension Fund (Continued)

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

For the year ended December 31, 2018, the City recognized pension expense of \$2,092,524 for the Firefighters' Pension Fund, and a total of \$5,074,292 for all three plans. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences between expected and actual experience	\$ 345,876	(482,383)	(136,507)
Assumption changes	2,014,263	(501,415)	1,512,848
Net difference between projected and actual earnings on pension plan investments	2,284,993	-	2,284,993
Total	\$4,645,132	(983,798)	3,661,334

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

**For The
Years Ending
December 31**

2019	\$ 1,038,266
2020	685,470
2021	718,315
2022	756,858
2023	166,183
Thereafter	296,242
Total	\$ 3,661,334

3. Police Pension Fund

Plan Description

The Police Pension Plan is a single-employer defined benefit pension that covers all sworn police personnel. Although this plan is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a Pension Trust Fund.

NOTE G - PENSION PLANS (Continued)

3. Police Pension Fund (Continued)

The plan is administered by a Board of Trustees. The Board consists of two members appointed by the City, two active members of the police department elected by the membership, and one re-tired member of the police department elected by the membership.

Benefits Provided

The Plan provides retirement, termination, disability, and death benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011, and Tier 2 is for employees hired after January 1, 2011.

Tier 1 employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of annual salary attached to rank on last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of annual salary for each year over 20 years up to 30 years, up to a maximum of 75% of salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The retiree's annual benefit payment should be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees attaining the age of 55 or more with 10 years or more years of creditable service are entitled to 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced benefit. The retiree's annual benefit payment should be increased annually equal to the lessor of 3% per year or one-half the annual unadjusted percentage increase in the consumer price index for the 12 months ending with the September preceding each November 1, after attaining the age of 60.

Employees Covered by Benefit Terms

As of January 1, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	41
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>43</u>
Total	<u>85</u>

NOTE G - PENSION PLANS (Continued)

3. Police Pension Fund (Continued)

Contributions

Employees contribute a fixed percentage of their base salary to the plan. For the year ended December 31, 2018, the contribution percentage was 9.91%. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined. Effective January 1, 2011, the City's contributions must accumulate to the point where the plan is 90% funded by the year 2040.

Net Pension Liability

The City's net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was measured by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

Inflation	2.5%
Salary increase	Service based
Investment rate of return	6.75%

Mortality rates were based on the RP-2014 Combined Healthy Mortality Table with a blue collar adjustment, projected 5 years past the valuation date with Scale MO-2018. The disabled mortality rates were based on 115% of the RP-2014 Disabled Retiree Mortality Table, projected 5 years past the valuation date with Scale MO-2018.

The actuarial assumptions used in the January 1, 2018, valuation were based on the results of actuarial experience study performed by the State of Illinois Department of Insurance in 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. For 2018, the inflation rate assumption of the investment advisor was 2.18%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

3. Police Pension Fund (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Fixed income and cash	41 %	2.7 %
Foreign equities	19	5.4
Large cap equities	30	5.0
Small cap equities	10	5.9

Discount Rate

A discount rate of 6.75% was used to measure the total pension liability. The projection of cash flows used to determine this discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.75%, the municipal bond rate is 4.10%, and the resulting single discount rate is 6.75%.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

3. Police Pension Fund (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2017	\$ 40,454,081	26,750,622	13,703,459
Changes for the year:			
Service cost	894,555	-	894,555
Interest on the total pension liability	2,734,624	-	2,734,624
Difference between expected and actual experience	43,363	-	43,363
Changes of assumptions	1,919,534	-	1,919,534
Contributions - employer	-	1,422,092	(1,422,092)
Contributions - employee	-	365,016	(365,016)
Reimbursements	-	1,920	(1,920)
Net investment income	-	(1,391,198)	1,391,198
Benefit payments, including refunds	(1,671,363)	(1,671,363)	-
Administrative expense	-	(24,430)	24,430
Net Changes	<u>3,920,713</u>	<u>(1,297,963)</u>	<u>5,218,676</u>
Balances at December 31, 2018	<u>\$ 44,374,794</u>	<u>25,452,659</u>	<u>18,922,135</u>

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

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be using a discount rate that is 1% point lower (5.75%) or 1% point higher (7.75%) than the current rate.

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
	Net pension liability	\$ 25,640,633	18,922,135

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

3. Police Pension Fund (Continued)

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

For the year ended December 31, 2018, the City recognized pension expense of \$2,426,418 for the Police Pension Fund, and a total of \$5,074,292 for all three plans. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences between expected and actual experience	\$ 57,487	(476,363)	(418,876)
Assumption changes	2,069,586	(394,464)	1,675,122
Net difference between projected and actual earnings on pension plan investments	2,133,293	-	2,133,293
Total	\$ 4,260,366	(870,827)	3,389,539

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

**For The
Years Ending
December 31**

2019	\$ 946,572
2020	747,812
2021	494,529
2022	873,477
2023	327,149
Total	\$ 3,389,539

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

4. Combining Statement of Fiduciary Net Position

	December 31, 2018		
	Firefighters' Pension	Police Pension	Total
ASSETS			
Cash	\$ 410,542	-	410,542
Investments:			
Common stock	-	6,783,251	6,783,251
Corporate bonds	-	4,792,069	4,792,069
Government securities	7,412,878	4,609,923	12,022,801
Money market funds	157,874	681,804	839,678
Mutual funds	11,905,184	7,179,090	19,084,274
The Illinois Funds	12	-	12
Receivables:			
Property tax	938,046	1,350,502	2,288,548
Interest	41,895	66,020	107,915
Total Assets	20,866,431	25,462,659	46,329,090
LIABILITIES			
Accounts payable	5,000	10,000	15,000
NET POSITION			
Restricted for pensions	\$ 20,861,431	25,452,659	46,314,090

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE G - PENSION PLANS (Continued)

5. Combining Statement of Changes in Fiduciary Net Position

	For The Year Ended December 31, 2018		
	Firefighters' Pension	Police Pension	Total
ADDITIONS			
Contributions:			
Employer:			
Property tax	\$ 910,998	1,304,043	2,215,041
Replacement tax	108,703	118,049	226,752
Employee	254,982	365,016	619,998
Total Contributions	<u>1,274,683</u>	<u>1,787,108</u>	<u>3,061,791</u>
Reimbursements	-	1,920	1,920
Interest and dividend income	159,051	660,693	819,744
Net decrease in the fair value of investment	(1,683,239)	(1,932,893)	(3,616,132)
Less - Investment management and custodial fees	(42,142)	(118,998)	(161,140)
Net Investment Income	<u>(1,566,330)</u>	<u>(1,391,198)</u>	<u>(2,957,528)</u>
Total Additions	<u>(291,647)</u>	<u>397,830</u>	<u>106,183</u>
DEDUCTIONS			
Benefit payments	1,694,324	1,667,424	3,361,748
Refunds of contributions	16,099	3,939	20,038
Administrative expenses	21,335	24,430	45,765
Total Deductions	<u>1,731,758</u>	<u>1,695,793</u>	<u>3,427,551</u>
CHANGE IN NET POSITION	(2,023,405)	(1,297,963)	(3,321,368)
NET POSITION - RESTRICTED FOR PENSIONS, JANUARY 1	<u>22,884,836</u>	<u>26,750,622</u>	<u>49,635,458</u>
NET POSITION - RESTRICTED FOR PENSIONS, DECEMBER 31	<u>\$ 20,861,431</u>	<u>25,452,659</u>	<u>46,314,090</u>

NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS

Plan Description

The City's OPEB plan (the Plan) provides OPEB for retirees of the City. The Plan is a single-employer defined benefit healthcare plan administered by the City. No assets are accumulated in a trust for the Plan. The City does not issue a separate report related to post-retirement healthcare benefits. The OPEB liability is generally liquidated by the General Fund and Water and Sewer Fund.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)

Benefits Provided

The City provides pre- and post-Medicare post-retirement healthcare benefits to all retirees who worked for the City, were enrolled in one of the City’s healthcare plans at the time of employment, and receive a pension from the City through IMRF, the Police Pension Fund, or the Firefighters’ Pension Fund. The various eligibility requirements vary with the type of retirement plan the employee was associated with.

Employee Covered by Benefit Terms

At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	25
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>192</u>
Total	<u>217</u>

Total OPEB Liability

The City’s total OPEB liability was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Salary increase	3.00% including inflation
Discount rate	4.10%
Healthcare cost trend rates	2.0% for 2018, increasing to an ultimate rate of 5.0% for 2026 and later years

The discount rate was based on the 20 year bond GO index at the end of the fiscal year. The rate for the prior fiscal year was 3.44%.

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table for males and females, as appropriate, with generational projection based on Scale MP-2016.

The Plan has not had a formal actuarial experience study performed.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2017	<u>\$ 11,620,912</u>
Changes for the year:	
Service cost	240,225
Interest on the total pension liability	392,597
Changes of assumptions	(943,274)
Benefit payments	<u>(430,907)</u>
Net Changes	<u>(741,359)</u>
Balances at December 31, 2018	<u><u>\$ 10,879,553</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.44% in 2017 to 4.10% in 2018.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.10%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (3.10%) or 1% point higher (5.10%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 12,369,080	10,879,553	9,669,083

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, calculated using the healthcare cost trend rates of 2.0% increasing to 5.0%, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (1.0% decreasing to 4.0%) or 1% point higher (3.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 9,464,549	10,879,553	12,620,726

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the City recognized OPEB expense of \$537,733. Deferred outflows and inflows of resources related to OPEB are from the following sources:

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Inflows</u>
Assumption changes	\$ -	(848,185)	(848,185)

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

**For The
Years Ending
December 31**

2019		\$ (95,089)
2020		(95,089)
2021		(95,089)
2022		(95,089)
2023		(95,089)
Thereafter		(372,740)
Total		\$ (848,185)

NOTE I - COMMITMENTS AND CONTINGENCIES

At December 31, 2018, the City construction commitments for the construction of a new water treatment plant and various capital projects in the amount of \$1,883,184.

The City is subject to various lawsuits. Although the outcome of these lawsuits is not presently determinable, City management believes the resolution of these matters will not have a material adverse effect on the financial condition of the City.

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

NOTE J - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverages in the past three years.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE J - RISK MANAGEMENT (Continued)

The City is a member of the Intergovernmental Personnel Benefit Cooperative (IPBC). The IPBC is a pooled insurance cooperative established by certain units of local government in Illinois to administer personnel benefit programs to the participating members.

As a member of the IPBC, the City has made contributions to the insurance plan, some of which are being maintained by the IPBC for future claims or for return to the City. The funds are being held in several accounts and the balances as of December 31 for each of the past three years are as follows:

	December 31		
	2018	2017	2016
Administrative Account	\$ 5,222	788	7,357
Benefit Account	698,923	940,007	977,245
HMO Account	8,354	5,530	5,839
Terminal Reserve Account	630,475	637,932	641,002
Total	\$1,342,974	1,584,257	1,631,443

The City is self-insured with respect to workers' compensation benefits. A third-party administers the plan and provides information to the City regarding the claims incurred. The City retains the risk for the first \$600,000 of an individual claim. Excess insurance coverage is purchased to cover individual claims in excess of \$600,000 for workers' compensation benefits. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years. Unpaid claims as of December 31, 2018 were \$1,349,252.

Balance As Of January 1, 2016	\$ 730,479
Add - Claims incurred	284,826
Less - Claims paid	(565,858)
Balance As Of December 31, 2016	449,447
Add - Claims incurred	644,091
Less - Claims paid	(334,072)
Balance As Of December 31, 2017	759,466
Add - Claims incurred	862,315
Less - Claims paid	(272,529)
Balance As Of December 31, 2018	\$1,349,252

NOTE K - SOLID WASTE LANDFILL

The City maintained a solid waste landfill east of the City. This disposal facility was closed in 1986 and was determined by the Illinois Environmental Protection Agency (IEPA) to be satisfactorily closed and covered on October 24, 1986.

NOTE K - SOLID WASTE LANDFILL (Continued)

The IEPA requires the City to have sufficient operable equipment, personnel, and supervision available to comply with applicable regulations; to provide a final cover of adequate depth; and adequate monitoring and control over leachate, gas, water, and settling. In the inspection made by the Madison County Building, Zoning, and Environmental Department, the City was found to be in compliance with applicable regulations.

In 1998, the IEPA notified the City that an inspection revealed possible environmental violations. At that time, the City hired an engineer to examine the cause of the violations and provide further guidance on what measures, if any, need to be taken by the City. The City has since dug wells and performed extensive testing to remedy the situation. The City has filed for official permanent closure but, at this time, the IEPA has not granted that status. The City has not recorded a liability for future costs due to the uncertainty of any additional procedures and any possible related costs. Any costs would be an estimate subject to changes resulting from inflation, deflation, technology, or changes in laws or regulations.

NOTE L - TAX INCREMENT FINANCING DISTRICTS

In 1986, the City established a Tax Increment Financing (TIF) District. Provisions for the establishment and operation of a TIF District are in the Illinois Compiled Statutes, Chapter 65, Act 5, Article 11, Division 74.4. The goals of the TIF District are defined in a redevelopment plan adopted by the City and dated December 26, 1986.

The objectives of the Collinsville, Illinois, Tax Increment Redevelopment Plan No. 1 are:

1. To reduce or eliminate those conditions which qualify the areas as a “conservation area”.
2. To prevent the recurrence of those conditions.
3. To enhance the tax base of the City and the other taxing districts which extend into the project area.
4. To preserve and enhance the value of properties adjacent to the project area.
5. To encourage private investment, rehabilitation, and redevelopment in the project area.
6. To provide necessary incentives to attract quality new commercial activities in the project area that are compatible with the land use plan of the City.
7. To participate in planning, studies, professional services, site assembly, demolition, relocation, construction of public works, job training and retraining, financing costs, payment in lieu of taxes, developers’ interest costs, and other qualified project costs to attract the private investment, rehabilitation, and redevelopment in an orderly plan in accordance with the City’s land use plans and regulations.

The redevelopment project costs of the TIF District have been financed from three revenue sources:

1. The real estate property taxes derived from any increment in property tax valuation from an established base period.
2. The sales use and service tax increment, which generally is a state formula computation of the annual state sales tax increment from sales within the TIF District compared to the base period.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE L - TAX INCREMENT FINANCING DISTRICTS (Continued)

3. The “municipal sales tax increment” which is an amount equal to the increase in the aggregate amount of taxes paid to the City from the Local Government Tax Fund compared to the base year which shall be the calendar year immediately prior to the year in which the City adopted tax increment allocation financing.

Funds from the above sources are to be deposited in Special Tax Allocation Funds and redevelopment project costs are to be paid from these funds.

On October 22, 2001, the City established TIF District #2 to provide funds to attract development in the vacant southwest quadrant of the interchange of I-255 and Horseshoe Lake Road. This 150-acre area is suitable for retail and commercial use. TIF District #2 will be financed only with increases in property values within the district and the related incremental taxes.

On January 27, 2003, the City established TIF District #3 to provide funds to attract development in the vacant northeast quadrant of the of I-255 and I-55/70 interchange. This 66-acre area is contiguous to TIF District #1 and is suitable for an industrial park. TIF District #3 will be financed only with increases in property values within the district and the related incremental taxes.

On July 25, 2016, the City established TIF District #4 to provide funds to attract development, redevelopment, and rehabilitation within the area which generally includes the St. Louis Road, Collinsville Road, and Bluff Road Commercial Corridors from Fairmount Racetrack on the west Jefferson Avenue on the east and along Bluff Road north to Interstate 55/70. This 857-acre area is suitable for commercial, retail, office, hospitality, and recreation use. TIF District #4 will be financed only with increases in property values within the district and the related incremental taxes.

The City pledged a portion of future property and sales tax revenues to repay the TIF bonds and other improvements in the TIF Districts. For the year ended December 31, 2018, total revenues in the Tax Increment Financing Fund amounted to \$2,873,641 and principal and interest payments amounted to \$254,553.

NOTE M - FEDERAL DRUG FORFEITURE

During the year, the City received \$161,676 in federal drug forfeiture revenue and from those funds expended \$97,468 for a balance of \$571,034 at December 31, 2018. The City’s police department assists in drug raids and seizes assets during those raids. All seized assets are turned over to Federal governmental agencies and then shared on a percentage basis by municipalities and/or organizations that participated in the drug raids. The governmental agencies require that those funds be used for police operations and, in some cases, drug enforcement.

NOTE N - RESTRICTED NET POSITION

The government-wide statement of net position reports \$8,471,101 of restricted net position, all of which is restricted by enabling legislation.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE O - DEPOSIT

During 2017, the City prepaid a deposit in the amount of \$520,086 for a firetruck. The City issued a note payable to pay the deposit. The firetruck will be placed in service during 2019.

NOTE P - GOVERNMENT COMBINATIONS

Transfer of Operations

Under an intergovernmental agreement between the City and the Collinsville Area Recreation District (CARD), CARD agreed to transfer some of its parks and recreational services to the City for the purpose of enhancing the provision of those services to the City's citizens. On May 1, 2018, CARD transferred the assets comprising its aquatic park and farm to the City. As a result of the transfer, the City recognized \$7,921,984 in capital assets.

Government Merger

In January 2018, the City entered into an intergovernmental agreement whereby the City merged with the Collinsville Metropolitan Exposition Auditorium and Office Building Authority (the Authority). The initial opening balances of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, as of the beginning of the period, were determined on the basis of the carrying values reported in the separate financial statements of the City and the Authority as of December 31, 2017, as follows:

	December 31, 2017		
	<u>City</u>	<u>Authority</u>	<u>Total</u>
ASSETS			
Current and other assets	\$ 23,843,942	3,438,771	27,282,713
Capital assets, net	33,615,406	9,637,114	43,252,520
Total Assets	<u>57,459,348</u>	<u>13,075,885</u>	<u>70,535,233</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>2,674,732</u>	-	<u>2,674,732</u>
LIABILITIES			
Other liabilities	3,319,922	492,144	3,812,066
Long-term liabilities	55,133,996	4,714,789	59,848,785
Total Liabilities	<u>58,453,918</u>	<u>5,206,933</u>	<u>63,660,851</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,688,109</u>	-	<u>4,688,109</u>
NET POSITION			
Net investment in capital assets	32,815,136	4,922,325	37,737,461
Restricted	6,918,719	1,789,351	8,708,070
Unrestricted	<u>(42,741,802)</u>	<u>1,157,276</u>	<u>(41,584,526)</u>
Total Net Position	<u>\$ (3,007,947)</u>	<u>7,868,952</u>	<u>4,861,005</u>

The City recorded a special item of \$7,868,952 on the statement of activities and \$2,946,627 in the General Fund related to this merger.

CITY OF COLLINSVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE Q - FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.
- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.
- GASB Statement No. 88, *Certain Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

NOTE R - RESTATEMENT OF FUND BALANCE/NET POSITION

The previously stated fund balance/net position have been restated as follows:

	Capital Projects Fund	Governmental Activities	Business-type Activities
Fund balance/net position, December 31, 2017, as previously reported	\$ 1,664,712	(3,007,947)	26,697,840
Restatement for:			
Cash and investments	22,575	22,575	(22,575)
Capital assets	-	107,674	22,575
OPEB liability	-	(8,734,959)	(240,822)
Deferred inflow related to OPEB	-	(924,137)	(19,137)
	\$ 1,687,287	(12,536,794)	26,437,881
Fund Balance/Net Position, Decem- ber 31, 2017, As Restated			

NOTE S - DEFICIT BALANCE

At December 31, 2018, the Collins House Fund's accumulated deficit of \$525 is the result of expenditures which exceeded revenues in 2018 plus prior years. The accumulated deficit will be offset by future revenues received by the fund.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property tax	\$ 1,140,380	1,140,380	1,131,542	(8,838)
Intergovernmental:				
Sales and use tax	9,765,270	9,765,270	10,265,552	500,282
State income tax	2,397,750	2,397,750	2,449,600	51,850
Telecommunications tax	733,880	733,880	648,989	(84,891)
Replacement tax	79,950	79,950	39,976	(39,974)
Grants	120,700	120,700	153,051	32,351
Other	479,740	479,740	490,060	10,320
Other local taxes	1,732,570	1,732,570	2,044,632	312,062
Licenses and permits	716,420	716,420	724,399	7,979
Charges for services	2,687,890	2,687,890	3,006,211	318,321
Fines and forfeitures	335,110	335,110	277,338	(57,772)
Investment income	31,020	31,020	155,270	124,250
Gifts and donations	29,370	29,370	44,705	15,335
Other	312,010	312,010	833,548	521,538
Total Revenues	<u>20,562,060</u>	<u>20,562,060</u>	<u>22,264,873</u>	<u>1,702,813</u>
EXPENDITURES				
General government:				
City council	2,104,850	1,059,200	575,840	(483,360)
Boards	25,400	25,400	19,556	(5,844)
City manager	487,490	487,490	463,648	(23,842)
Operations	205,070	246,315	246,315	-
Human resources	306,350	519,584	520,391	807
Information technology	462,490	462,490	449,248	(13,242)
Finance	898,510	929,784	929,883	99
Total General Government	<u>4,490,160</u>	<u>3,730,263</u>	<u>3,204,881</u>	<u>(525,382)</u>
Public safety:				
Police administration	1,214,530	1,214,530	1,157,270	(57,260)
Police operations	4,676,310	4,676,310	4,673,372	(2,938)
Police support	1,638,500	1,638,500	1,468,877	(169,623)
Animal control	217,040	217,040	199,483	(17,557)
Fire administration	496,490	496,490	503,805	7,315
Fire operations	3,693,820	3,898,645	3,898,644	(1)
Emergency medical services	294,270	294,270	285,225	(9,045)
Emergency management	18,660	18,660	22,486	3,826
Total Public Safety	<u>12,249,620</u>	<u>12,454,445</u>	<u>12,209,162</u>	<u>(245,283)</u>
Public works:				
Public works administration	171,310	171,310	164,408	(6,902)
Facilities maintenance	193,370	193,370	88,249	(105,121)
Streets	2,179,540	2,179,540	2,086,286	(93,254)
Fleet maintenance	151,730	151,730	22,920	(128,810)
Total Public Works	<u>2,695,950</u>	<u>2,695,950</u>	<u>2,361,863</u>	<u>(334,087)</u>

(Continued)

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES (Continued)				
Health and sanitation:				
Garbage service	1,541,260	1,541,260	1,492,768	(48,492)
Community/economic development:				
Community development	289,880	289,880	189,312	(100,568)
Economic development	110,500	126,767	126,766	(1)
Inspections	409,990	409,990	357,915	(52,075)
Total Community/Economic Development	810,370	826,637	673,993	(152,644)
Community services:				
Shuttle bus	150,160	150,160	127,942	(22,218)
Convention center	-	2,512,653	2,470,596	(42,057)
Total Community Services	150,160	2,662,813	2,598,538	(64,275)
Parks and recreation:				
Parks and recreation administration	431,170	636,479	874,049	237,570
Willoughby farm	-	178,685	178,732	47
Aquatic center	-	62,210	62,210	-
Total Parks And Recreation	431,170	877,374	1,114,991	237,617
Total Expenditures	22,368,690	24,788,742	23,656,196	(1,132,546)
REVENUES UNDER EXPENDITURES	(1,806,630)	(4,226,682)	(1,391,323)	2,835,359
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	1,000	1,000	21,987	20,987
Transfers in	1,049,190	1,049,190	1,163,444	114,254
Transfer out	-	(2,000)	(2,000)	-
Total Other Financing Sources (Uses)	1,050,190	1,048,190	1,183,431	135,241
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (756,440)	(3,178,492)	(207,892)	2,970,600
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			(87,667)	
Expenditure accrual adjustments			(409,404)	
Unbudgeted merger adjustment			2,741,437	
Total Adjustments To Reconcile To GAAP Basis			2,244,366	
NET CHANGE IN FUND BALANCE - GAAP BASIS			2,036,474	
FUND BALANCE, JANUARY 1			10,196,897	
FUND BALANCE, DECEMBER 31			\$ 12,233,371	

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
TAX INCREMENT FINANCING FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property tax	\$ 2,898,770	2,898,770	2,574,660	(324,110)
Intergovernmental:				
Sales and use tax	27,740	27,740	28,040	300
Grants	-	-	100,000	100,000
Other local taxes	70,230	70,230	63,204	(7,026)
Investment income	6,410	6,410	41,735	35,325
Gifts and donations	3,370	3,370	9,761	6,391
Other	311,200	311,200	62,936	(248,264)
Total Revenues	3,317,720	3,317,720	2,880,336	(437,384)
EXPENDITURES				
Community development	1,382,530	1,413,157	1,461,026	47,869
Community services	750,000	750,000	2,110	(747,890)
Capital outlay	2,460,000	2,460,000	708,869	(1,751,131)
Debt service	274,650	274,650	359,489	84,839
Total Expenditures	4,867,180	4,897,807	2,531,494	(2,366,313)
REVENUES OVER (UNDER) EXPENDITURES	(1,549,460)	(1,580,087)	348,842	1,928,929
OTHER FINANCING USES				
Transfers out	(87,000)	(87,000)	(77,317)	9,683
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (1,636,460)	(1,667,087)	271,525	1,938,612
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			(6,695)	
Expenditure accrual adjustments			99,019	
Total Adjustments To Reconcile To GAAP Basis			92,324	
NET CHANGE IN FUND BALANCE - GAAP BASIS			363,849	
FUND BALANCE, JANUARY 1			2,007,728	
FUND BALANCE, DECEMBER 31			\$ 2,371,577	

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
COLLINSVILLE CROSSINGS FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental:				
Sales and use tax	\$ 2,222,940	2,222,940	2,055,194	(167,746)
Investment income	3,250	3,250	29,466	26,216
Total Revenues	2,226,190	2,226,190	2,084,660	(141,530)
EXPENDITURES				
Community development	41,500	41,500	41,500	-
Debt service	1,824,590	1,863,090	1,863,090	-
Total Expenditures	1,866,090	1,904,590	1,904,590	-
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ 360,100	321,600	180,070	(141,530)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			111,987	
NET CHANGE IN FUND BALANCE - GAAP BASIS			292,057	
FUND BALANCE, JANUARY 1			2,775,791	
FUND BALANCE, DECEMBER 31			\$ 3,067,848	

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note to Budgetary Schedules

City ordinance requires that a legally adopted annual budget be prepared for all funds. The City Manager compiles a budget of estimated revenues and expenditures for the City and submits the budget to the City Council prior to January 1 each year. Copies of the proposed budget are made available for public inspection for at least 10 days prior to passage of the budget. A public hearing is held on the budget by the City Council. Notice of the hearing is given by publication in a newspaper with general circulation in the City.

The legal level of budgetary control is defined as the budgeted appropriation amount at the program level of expenditures within a department.

Subsequent transfers within a fund may be made as follows:

- With the approval of the City Manager and the Finance Director, department heads may transfer amounts up to \$10,000 between programs within a department.
- City Council approval is required for all other transfers.

Unexpended appropriations lapse at year-end. Supplemental appropriations can be made with the majority vote of the City Council.

The City prepares its annual budget on the cash basis of accounting, which differs from accounting principles generally accepted in the United States of America (GAAP). The City does not budget amounts for the issuance or refunding of debt. The budget and all transactions are presented in accordance with the City's method (budget basis) in the required supplemental information for the major governmental funds to provide a meaningful comparison of actual results with the budget.

For the year ended December 31, 2018, the parks and recreation department in the General Fund had expenditures exceeding appropriations by \$237,617. In addition, the Northeast Business District Fund and the Fournie Lane Business District had expenditures exceeding appropriates by \$20,434 and \$1,443, respectively. These over expenditures were covered by additional current year revenues, available fund balance, or will be recovered by future year's revenues.

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS -
ILLINOIS MUNICIPAL RETIREMENT FUND
FOR THE YEARS ENDED DECEMBER 31

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 577,866	571,611	537,899	574,104	601,096
Interest on the total pension liability	2,156,841	2,103,307	2,021,541	1,930,824	1,794,917
Difference between expected and actual experience	606,212	271,309	(341,745)	(216,563)	(474,909)
Changes of assumptions	881,543	(933,069)	(34,346)	33,231	911,367
Benefit payments, including refunds	<u>(1,385,623)</u>	<u>(1,219,394)</u>	<u>(1,072,546)</u>	<u>(1,043,363)</u>	<u>(970,390)</u>
Net Change In Total Pension Liability	2,836,839	793,764	1,110,803	1,278,233	1,862,081
Total Pension Liability Beginning	<u>29,161,754</u>	<u>28,367,990</u>	<u>27,257,187</u>	<u>25,978,954</u>	<u>24,116,873</u>
Total Pension Liability Ending (a)	<u>\$ 31,998,593</u>	<u>29,161,754</u>	<u>28,367,990</u>	<u>27,257,187</u>	<u>25,978,954</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 706,172	590,978	568,136	577,364	572,068
Contributions - employee	317,661	256,836	252,058	233,456	230,054
Net investment income	(1,496,688)	4,477,518	1,702,493	125,178	1,454,168
Benefit payments, including refunds	(1,385,623)	(1,219,394)	(1,072,546)	(1,043,363)	(970,390)
Other changes	468,884	(751,577)	(371,182)	(110,975)	(56,995)
Net Change In Plan Fiduciary Net Position	<u>(1,389,594)</u>	<u>3,354,361</u>	<u>1,078,959</u>	<u>(218,340)</u>	<u>1,228,905</u>
Plan Fiduciary Net Position Beginning	<u>29,366,837</u>	<u>26,012,476</u>	<u>24,933,517</u>	<u>25,151,857</u>	<u>23,922,952</u>
Plan Fiduciary Net Position Ending (b)	<u>\$ 27,977,243</u>	<u>29,366,837</u>	<u>26,012,476</u>	<u>24,933,517</u>	<u>25,151,857</u>
Net Pension Liability (Asset) Ending (a)-(b)	<u>\$ 4,021,350</u>	<u>(205,083)</u>	<u>2,355,514</u>	<u>2,323,670</u>	<u>827,097</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.43 %	100.70	91.70	91.48	96.82
Covered Payroll	\$ 7,059,117	5,707,457	5,336,237	5,187,904	5,087,396
Net Pension Liability (Asset) as a Percentage of Covered Payroll	56.97 %	(3.59)	44.14	44.79	16.26

Notes:

Information is not available for fiscal years prior to 2014.

The amounts noted above are as of the measurement date which is December 31.

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS -
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST FIVE FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined pension contributions	\$ 686,852	564,467	552,834	560,294	569,280
Contributions in relation to the actuarially determined contributions	<u>706,172</u>	<u>590,978</u>	<u>568,136</u>	<u>577,364</u>	<u>572,068</u>
Contribution Deficiency (Excess)	<u>\$ (19,320)</u>	<u>(26,511)</u>	<u>(15,302)</u>	<u>(17,070)</u>	<u>(2,788)</u>
Covered Payroll	\$ 7,059,117	5,707,457	5,336,237	5,187,904	5,087,396
Contributions as a Percentage of Covered Payroll	10.00 %	10.35	10.65	11.13	11.24

Notes to schedule:

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	26 years closed until remaining period reaches 15 years (then 15 year rolling period)
Asset valuation method	5 years smoothed market; 20% corridor
Wage growth	3.5%
Inflation rate	2.75%
Salary increases	3.75% to 14.5%, including inflation
Investment rate of return	7.5%, net of investment expenses
Retirement age	Experience-based Table of Rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.
Mortality	For nondisabled retirees, an IMRF - specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF - specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF - specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF - specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF - specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF - specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other information:

There were no benefit changes during the year.

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS -
FIREFIIGHTERS' PENSION FUND
FOR THE YEARS ENDED DECEMBER 31

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 712,235	701,995	802,529	751,669	742,354
Interest on the total pension liability	2,104,968	2,088,985	2,023,669	1,883,432	1,803,767
Difference between expected and actual experience	403,525	(208,429)	(199,157)	(512,634)	-
Changes of assumptions	1,670,171	(701,979)	-	1,359,601	-
Benefit payments, including refunds	<u>(1,710,423)</u>	<u>(1,597,620)</u>	<u>(1,520,098)</u>	<u>(1,390,589)</u>	<u>(1,359,863)</u>
Net Change In Total Pension Liability	3,180,476	282,952	1,106,943	2,091,479	1,186,258
Total Pension Liability Beginning	<u>31,327,690</u>	<u>31,044,738</u>	<u>29,937,795</u>	<u>27,846,316</u>	<u>26,660,058</u>
Total Pension Liability Ending (a)	<u>\$ 34,508,166</u>	<u>31,327,690</u>	<u>31,044,738</u>	<u>29,937,795</u>	<u>27,846,316</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 1,019,701	719,265	787,666	743,056	666,611
Contributions - employee	254,982	240,904	227,725	234,908	239,369
Net investment income	(1,566,330)	2,214,956	1,518,767	(353,447)	549,826
Benefit payments, including refunds	(1,710,423)	(1,597,620)	(1,520,098)	(1,390,589)	(1,359,863)
Administrative expense	<u>(21,335)</u>	<u>(15,723)</u>	<u>(21,333)</u>	<u>(13,332)</u>	<u>(11,689)</u>
Net Change In Plan Fiduciary Net Position	(2,023,405)	1,561,782	992,727	(779,404)	84,254
Plan Fiduciary Net Position Beginning	<u>22,884,836</u>	<u>21,323,054</u>	<u>20,330,327</u>	<u>21,109,731</u>	<u>21,025,477</u>
Plan Fiduciary Net Position Ending (b)	<u>\$ 20,861,431</u>	<u>22,884,836</u>	<u>21,323,054</u>	<u>20,330,327</u>	<u>21,109,731</u>
Net Pension Liability Ending (a)-(b)	<u>\$ 13,646,735</u>	<u>8,442,854</u>	<u>9,721,684</u>	<u>9,607,468</u>	<u>6,736,585</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.45 %	73.05	68.68	67.91	75.81
Covered Payroll	\$ 2,547,901	2,408,514	2,408,514	2,484,484	2,430,009
Net Pension Liability as a Percentage of Covered Payroll	535.61 %	350.54	403.64	386.70	277.22

Notes:

Information is not available for fiscal years prior to 2014.

The amounts noted above are as of the measurement date which is December 31.

Changes of assumptions - For the 2015 fiscal year, amounts reported as changes of assumptions were the result of updating the mortality table to better reflect anticipated mortality experience in the future. The Healthy Lives Mortality assumption was updated from the RP-2000 Combined Healthy Mortality Table with a blue collar adjustment to the RP-2000 Combined Healthy Mortality Table with a blue collar adjustment, projected to the valuation date using Scale BB. Similarly, the Disabled Lives Mortality assumption was updated from the RP-2000 Disabled Mortality Table to the RP-2000 Disabled Mortality Table, projected to the valuation date using Scale BB.

Changes of assumptions - For the 2017 fiscal year, amounts reported as changes of assumptions resulted from the following changes:

- The retirement, termination, and disability rates were updated to the rates determined in The State of Illinois Department of Insurance experience study dated October 5, 2017.
- The salary increase rates were updated in accordance with the experience study.
- The percentage of active deaths and disablements assumed to occur in the line of duty were updated to 20% from 80%, respectively, in accordance with the experience study.

Changes of assumptions - For the 2018 fiscal year, amount reported as changes of assumptions resulted from updating the mortality table to reflect the PubS-2010 tables.

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS -
FIREFIIGHTERS' PENSION FUND
LAST FIVE FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined pension contributions	\$ 1,019,756	728,551	783,917	743,824	670,223
Contributions in relation to the actuarially determined contributions	<u>1,019,701</u>	<u>719,265</u>	<u>787,666</u>	<u>743,056</u>	<u>666,611</u>
Contribution Deficiency (Excess)	<u>\$ 55</u>	<u>9,286</u>	<u>(3,749)</u>	<u>768</u>	<u>3,612</u>
Covered Payroll	\$ 2,696,795	2,547,901	2,408,514	2,484,484	2,430,009
Contributions as a Percentage of Covered Payroll	37.81 %	28.23	32.70	29.91	27.43

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of January 1 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected unit credit
Amortization method	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040
Asset valuation method	Investment gains and losses are recognized over a 5-year period
Interest rate	6.50%
Healthy Mortality Rates - Male	RP-2014 Healthy Annuitant Table with a blue collar adjustment
Healthy Mortality Rates - Female	RP-2014 Healthy Annuitant Table with a blue collar adjustment
Disability Mortality Rates - Male	115% of RP-2014 Healthy Annuitant Table with blue collar adjustment
Disability Mortality Rates - Female	115% of RP-2014 Healthy Annuitant Table with blue collar adjustment
Decremets other than mortality	Experience tables
Rate of service related deaths	20%
Rate of service related disabilities	80%
Salary increase	Service related table with rates grading from 12.5% to 3.5% at 31 years of service
Wage growth	3.5%
Tier 2 cost of living adjustment	1.25%
Marital status	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses

Other information:

There were no benefit changes during the year.

The actuarial assumptions used for determining the above amounts are based on experience for all Article 4 funds for the State of Illinois in aggregate. The Department of Insurance has approved the above actuarial assumptions. Contact the Department of Insurance for complete experiences tables.

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF ANNUAL
MONEY-WEIGHTED RATE OF RETURN ON INVESTMENTS -
FIREFIGHTERS' PENSION FUND

For The Years Ended December 31

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses	<u>(7.11) %</u>	<u>11.23</u>	<u>7.98</u>	<u>(1.68)</u>	<u>2.64</u>

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS -
POLICE PENSION FUND
FOR THE YEARS ENDED DECEMBER 31

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 894,555	944,258	900,436	917,645	915,669
Interest on the total pension liability	2,734,624	2,643,174	2,555,670	2,374,481	2,253,065
Differences between expected and actual experience	43,363	32,030	(639,399)	(469,983)	-
Changes of assumptions	1,919,534	(591,695)	-	1,409,927	-
Contributions - buy back	-	1,920	1,920	1,920	88,916
Benefit payments, including refunds	(1,671,363)	(1,578,956)	(1,553,236)	(1,511,770)	(1,409,970)
Net Change In Total Pension Liability	<u>3,920,713</u>	<u>1,450,731</u>	<u>1,265,391</u>	<u>2,722,220</u>	<u>1,847,680</u>
Total Pension Liability Beginning	<u>40,454,081</u>	<u>39,003,350</u>	<u>37,737,959</u>	<u>35,015,739</u>	<u>33,168,059</u>
Total Pension Liability Ending (a)	<u>\$ 44,374,794</u>	<u>40,454,081</u>	<u>39,003,350</u>	<u>37,737,959</u>	<u>35,015,739</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 1,422,092	1,178,869	1,148,282	1,193,868	1,169,202
Contributions - employee	365,016	343,441	335,566	314,877	319,074
Reimbursements	1,920	1,920	1,920	1,920	88,916
Net investment income	(1,391,198)	2,969,602	1,058,611	516,950	739,361
Benefit payments, including refunds	(1,671,363)	(1,578,956)	(1,553,236)	(1,511,770)	(1,409,970)
Administrative expense	(24,430)	(18,744)	(21,980)	(25,109)	(24,699)
Net Change In Plan Fiduciary Net Position	<u>(1,297,963)</u>	<u>2,896,132</u>	<u>969,163</u>	<u>490,736</u>	<u>881,884</u>
Plan Fiduciary Net Position Beginning	<u>26,750,622</u>	<u>23,854,490</u>	<u>22,885,327</u>	<u>22,394,591</u>	<u>21,512,707</u>
Plan Fiduciary Net Position Ending (b)	<u>\$ 25,452,659</u>	<u>26,750,622</u>	<u>23,854,490</u>	<u>22,885,327</u>	<u>22,394,591</u>
Net Pension Liability Ending (a)-(b)	<u>\$ 18,922,135</u>	<u>13,703,459</u>	<u>15,148,860</u>	<u>14,852,632</u>	<u>12,621,148</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.36 %	66.13	61.16	60.64	63.96
Covered Payroll	\$ 3,683,310	3,465,600	3,386,135	3,177,366	3,262,271
Net Pension Liability as a Percentage of Covered Payroll	513.73 %	395.41	447.38	467.45	386.88

Notes:

Information is not available for fiscal years prior to 2014.

The amounts noted above are as of the measurement date which is December 31.

Changes of assumptions - For the 2015 fiscal year, amounts reported as changes of assumptions were the result of updating the mortality table to better reflect anticipated mortality experience in the future. The Healthy Lives Mortality assumption was updated from the RP-2000 Combined Healthy Mortality Table with a blue collar adjustment to the RP-2000 Combined Healthy Mortality Table with a blue collar adjustment, projected to the valuation date using Scale BB. Similarly, the Disabled Lives Mortality assumption was updated from the RP-2000 Disabled Mortality Table to the RP-2000 Disabled Mortality Table, projected to the valuation date using Scale BB.

Changes of assumptions - For the 2017 fiscal year, amounts reported as changes of assumptions resulted from the following changes:

- The retirement, termination, and disability rates were updated to the rates determined in The State of Illinois Department of Insurance experience study dated October 5, 2017.
- The salary increase rates were updated in accordance with the experience study.
- The percentage of active deaths and disablements assumed to occur in the line of duty were updated to 10% from 60%, respectively, in accordance with the experience study.

Changes of assumptions - For the 2018 fiscal year, amount reported as changes of assumptions resulted from updating the mortality table to reflect the PubS-2010 tables.

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS -
POLICE PENSION FUND
LAST FIVE FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined pension contributions	\$ 1,422,088	1,190,078	1,144,025	1,194,147	1,173,774
Contributions in relation to the actuarially determined contributions	<u>1,422,092</u>	<u>1,178,869</u>	<u>1,148,282</u>	<u>1,193,868</u>	<u>1,169,202</u>
Contribution Deficiency (Excess)	<u>\$ (4)</u>	<u>11,209</u>	<u>(4,257)</u>	<u>279</u>	<u>4,572</u>
Covered Payroll	\$ 3,683,310	3,465,600	3,386,135	3,177,366	3,262,271
Contributions as a Percentage of Covered Payroll	38.61 %	34.02	33.91	37.57	35.84

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of January 1 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected unit credit
Amortization method	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040
Asset valuation method	Investment gains and losses are recognized over a 5-year period
Interest rate	6.50%
Healthy Mortality Rates - Male	RP-2014 Healthy Annuitant Table with a blue collar adjustment
Healthy Mortality Rates - Female	RP-2014 Healthy Annuitant Table with a blue collar adjustment
Disability Mortality Rates - Male	115% of RP-2014 Healthy Annuitant Table with blue collar adjustment
Disability Mortality Rates - Female	115% of RP-2014 Healthy Annuitant Table with blue collar adjustment
Decrements other than mortality	Experience tables
Rate of service related deaths	10%
Rate of service related disabilities	60%
Salary increases	Service related table with rates grading from 11% to 3.50% at 33 years of service
Wage growth	3.5%
Tier 2 cost of living adjustment	1.25%
Marital status	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses

Other information:

There were no benefit changes during the year.

The actuarial assumptions used for determining the above amounts are based on experience for all Article 3 funds for the State of Illinois in aggregate. The Department of Insurance has approved the above actuarial assumptions. Contact the Department of Insurance for complete experiences tables.

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF ANNUAL
MONEY-WEIGHTED RATE OF RETURN ON INVESTMENTS -
POLICE PENSION FUND

For The Years Ended December 31

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses	<u>(6.21) %</u>	<u>13.34</u>	<u>4.90</u>	<u>2.45</u>	<u>3.43</u>

CITY OF COLLINSVILLE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2018

	2018
Total OPEB Liability	
Service cost	\$ 240,225
Interest	392,597
Changes of assumptions	(943,274)
Benefit payments	(430,907)
Net Change In Total OPEB Liability	(741,359)
Total OPEB Liability Beginning	11,620,912
Total OPEB Liability Ending	\$ 10,879,553
Covered Payroll	\$ 13,740,390
Total OPEB Liability as a Percentage of Covered Payroll	79.18 %

Notes:

Information is not available for fiscal years prior to 2018.

Changes of assumptions. Changes of assumptions reflect the effects of changes in the discount rate from the prior fiscal year. The discount rate decreased from 4.00% to 3.44%.

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OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	Special Revenue Funds								Debt Service Fund	Total Nonmajor Governmental Funds	
	Tree Memorial Fund	Motor Fuel Tax Fund	DUI Court Fine Fund	Police Vehicle Fund	Collins House Fund	Northeast Business District Fund	Southwest Corridors Business District Fund	Collinsville Animal Shelter Fund	Total		Fournie Lane Business District Fund
ASSETS											
Cash and cash equivalents	\$ 920	629,900	18,770	19,958	-	120,658	-	80,101	870,307	-	870,307
Investments	2,897	458,715	-	-	-	48,801	628,487	104,243	1,243,143	-	1,243,143
Receivables, net:											
Intergovernmental	-	55,557	-	-	-	171,441	91,191	-	318,189	9,644	327,833
Total Assets	<u>\$ 3,817</u>	<u>1,144,172</u>	<u>18,770</u>	<u>19,958</u>	<u>-</u>	<u>340,900</u>	<u>719,678</u>	<u>184,344</u>	<u>2,431,639</u>	<u>9,644</u>	<u>2,441,283</u>
LIABILITIES											
Accounts payable	\$ -	39,300	-	-	365	-	-	13	39,678	-	39,678
Due from other funds	-	-	-	-	160	-	-	-	160	-	160
Total Liabilities	<u>-</u>	<u>39,300</u>	<u>-</u>	<u>-</u>	<u>525</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>39,838</u>	<u>-</u>	<u>39,838</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenues:											
Intergovernmental revenues	-	-	-	-	-	63,551	30,558	-	94,109	2,224	96,333
FUND BALANCES											
Restricted for:											
Motor fuel tax	-	1,104,872	-	-	-	-	-	-	1,104,872	-	1,104,872
DUI court fines	-	-	18,770	-	-	-	-	-	18,770	-	18,770
Police vehicles	-	-	-	19,958	-	-	-	-	19,958	-	19,958
Business districts	-	-	-	-	277,349	689,120	-	-	966,469	7,420	973,889
Committed to:											
Tree memorial	3,817	-	-	-	-	-	-	-	3,817	-	3,817
Collinsville animal shelter	-	-	-	-	-	-	-	184,331	184,331	-	184,331
Unassigned	-	-	-	-	(525)	-	-	-	(525)	-	(525)
Total Fund Balances	<u>3,817</u>	<u>1,104,872</u>	<u>18,770</u>	<u>19,958</u>	<u>(525)</u>	<u>277,349</u>	<u>689,120</u>	<u>184,331</u>	<u>2,297,692</u>	<u>7,420</u>	<u>2,305,112</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 3,817</u>	<u>1,144,172</u>	<u>18,770</u>	<u>19,958</u>	<u>-</u>	<u>340,900</u>	<u>719,678</u>	<u>184,344</u>	<u>2,431,639</u>	<u>9,644</u>	<u>2,441,283</u>

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue Funds								Debt Service Fund		
	Tree Memorial Fund	Motor Fuel Tax Fund	DUI Court Fine Fund	Police Vehicle Fund	Collins House Fund	Northeast Business District Fund	Southwest Corridors Business District Fund	Collinsville Animal Shelter Fund	Total	Fournie Lane Business District Fund	Total Nonmajor Governmental Funds
REVENUES											
Intergovernmental:											
Sales and use tax	\$ -	-	-	-	-	570,018	372,921	-	942,939	35,374	978,313
Motor fuel tax	-	654,711	-	-	-	-	-	-	654,711	-	654,711
Grants	-	-	-	-	-	119,467	-	-	119,467	-	119,467
Fines and forfeitures	-	-	6,907	9,948	-	-	-	-	16,855	-	16,855
Investment income	61	16,747	199	194	5	2,062	7,746	2,722	29,736	193	29,929
Gifts and donations	650	-	-	-	-	-	-	-	650	-	650
Other	-	9,550	-	-	-	-	-	-	9,550	-	9,550
Total Revenues	<u>711</u>	<u>681,008</u>	<u>7,106</u>	<u>10,142</u>	<u>5</u>	<u>691,547</u>	<u>380,667</u>	<u>2,722</u>	<u>1,773,908</u>	<u>35,567</u>	<u>1,809,475</u>
EXPENDITURES											
Current:											
General government	638	-	-	-	4,085	-	-	-	4,723	-	4,723
Public safety	-	-	-	-	-	-	-	13	13	-	13
Public works	-	377,321	-	-	-	-	-	-	377,321	-	377,321
Community/economic development	-	-	-	-	-	396,165	2,979	-	399,144	-	399,144
Capital outlay	-	-	-	-	-	18,269	3,780	604	22,653	-	22,653
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	100,000	100,000
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	12,434	12,434
Total Expenditures	<u>638</u>	<u>377,321</u>	<u>-</u>	<u>-</u>	<u>4,085</u>	<u>414,434</u>	<u>6,759</u>	<u>617</u>	<u>803,854</u>	<u>112,434</u>	<u>916,288</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>73</u>	<u>303,687</u>	<u>7,106</u>	<u>10,142</u>	<u>(4,080)</u>	<u>277,113</u>	<u>373,908</u>	<u>2,105</u>	<u>970,054</u>	<u>(76,867)</u>	<u>893,187</u>
OTHER FINANCING SOURCES (USES)											
Transfers in	-	-	-	-	2,000	-	-	-	2,000	77,317	79,317
Transfers out	-	(200,038)	-	-	-	-	-	-	(200,038)	-	(200,038)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(200,038)</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(198,038)</u>	<u>77,317</u>	<u>(120,721)</u>
NET CHANGE IN FUND BALANCES	<u>73</u>	<u>103,649</u>	<u>7,106</u>	<u>10,142</u>	<u>(2,080)</u>	<u>277,113</u>	<u>373,908</u>	<u>2,105</u>	<u>772,016</u>	<u>450</u>	<u>772,466</u>
FUND BALANCES, JANUARY 1	<u>3,744</u>	<u>1,001,223</u>	<u>11,664</u>	<u>9,816</u>	<u>1,555</u>	<u>236</u>	<u>315,212</u>	<u>182,226</u>	<u>1,525,676</u>	<u>6,970</u>	<u>1,532,646</u>
FUND BALANCES, DECEMBER 31	<u>\$ 3,817</u>	<u>1,104,872</u>	<u>18,770</u>	<u>19,958</u>	<u>(525)</u>	<u>277,349</u>	<u>689,120</u>	<u>184,331</u>	<u>2,297,692</u>	<u>7,420</u>	<u>2,305,112</u>

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
TREE MEMORIAL FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Investment income	\$ 20	61	41
Gifts and donations	800	650	(150)
Total Revenues	820	711	(109)
EXPENDITURES			
General government	1,450	638	(812)
NET CHANGE IN FUND BALANCE - BUDGET BASIS			
	\$ (630)	73	703
ADJUSTMENTS TO RECONCILE TO GAAP BASIS			
		-	
NET CHANGE IN FUND BALANCE - GAAP BASIS			
		73	
FUND BALANCE, JANUARY 1		3,744	
FUND BALANCE, DECEMBER 31		\$ 3,817	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
MOTOR FUEL TAX FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Intergovernmental:			
Motor fuel tax	\$ 669,960	655,675	(14,285)
Investment income	1,530	16,747	15,217
Other	-	9,550	9,550
Total Revenues	671,490	681,972	10,482
EXPENDITURES			
Public works	401,600	338,021	(63,579)
Capital outlay	150,000	-	(150,000)
Total Expenditures	551,600	338,021	(213,579)
REVENUES OVER EXPENDITURES	119,890	343,951	224,061
OTHER FINANCING USES			
Transfers out	(100,000)	(200,038)	(100,038)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ 19,890	143,913	124,023
ADJUSTMENTS TO RECONCILE TO GAAP BASIS			
Revenue accrual adjustments		(964)	
Expenditure accrual adjustments		(39,300)	
Total Adjustments To Reconcile To GAAP Basis		(40,264)	
NET CHANGE IN FUND BALANCE - GAAP BASIS		103,649	
FUND BALANCE, JANUARY 1		1,001,223	
FUND BALANCE, DECEMBER 31		\$ 1,104,872	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
DUI COURT FINE FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original And Final Budget	Actual	Over (Under) Budget
REVENUES			
Fines and forfeitures	\$ 8,160	6,907	(1,253)
Investment income	10	199	189
Total Revenues	8,170	7,106	(1,064)
EXPENDITURES			
Capital outlay	-	-	-
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ 8,170	7,106	(1,064)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS		-	
NET CHANGE IN FUND BALANCE - GAAP BASIS		7,106	
FUND BALANCE, JANUARY 1		11,664	
FUND BALANCE, DECEMBER 31		\$ 18,770	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
POLICE VEHICLE FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Fines and forfeitures	\$ 15,300	15,300	9,948	(5,352)
Investment income	20	20	194	174
Total Revenues	15,320	15,320	10,142	(5,178)
EXPENDITURES				
Capital outlay	45,000	45,000	-	(45,000)
NET CHANGE IN FUND BALANCE - BUDGET BASIS				
	\$ (29,680)	(29,680)	10,142	39,822
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
			-	
NET CHANGE IN FUND BALANCE - GAAP BASIS				
			10,142	
FUND BALANCE, JANUARY 1				
			9,816	
FUND BALANCE, DECEMBER 31				
			\$ 19,958	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
COLLINS HOUSE FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ 20	20	5	(15)
Gifts and donations	750	750	-	(750)
Total Revenues	770	770	5	(765)
EXPENDITURES				
General government	3,450	6,950	4,380	(2,570)
REVENUES UNDER EXPENDITURES	(2,680)	(6,180)	(4,375)	1,805
OTHER FINANCING SOURCES				
Transfer in	-	2,000	2,000	-
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (2,680)	(4,180)	(2,375)	1,805
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Expenditure accrual adjustments			295	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(2,080)	
FUND BALANCE, JANUARY 1			1,555	
FUND BALANCE, DECEMBER 31			\$ (525)	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
NORTHEAST BUSINESS DISTRICT FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental:				
Sales and use tax	\$ 461,000	461,000	559,295	98,295
Grants	-	-	119,467	119,467
Investment income	-	-	2,062	2,062
Total Revenues	461,000	461,000	680,824	219,824
EXPENDITURES				
Economic development	494,000	494,000	496,165	2,165
Capital outlay	-	-	18,269	18,269
Total Expenditures	494,000	494,000	514,434	20,434
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (33,000)	(33,000)	166,390	199,390
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			10,723	
Expenditure accrual adjustments			100,000	
Total Adjustments To Reconcile To GAAP Basis			110,723	
NET CHANGE IN FUND BALANCE - GAAP BASIS			277,113	
FUND BALANCE, JANUARY 1			236	
FUND BALANCE, DECEMBER 31			\$ 277,349	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
SOUTHWEST CORRIDORS BUSINESS DISTRICT FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Intergovernmental:			
Sales and use tax	\$ 255,000	367,300	112,300
Investment income	500	7,746	7,246
Total Revenues	<u>255,500</u>	<u>375,046</u>	<u>119,546</u>
EXPENDITURES			
Economic development	100,000	2,979	(97,021)
Capital outlay	-	3,780	3,780
Total Expenditures	<u>100,000</u>	<u>6,759</u>	<u>(93,241)</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 155,500</u>	368,287	<u>212,787</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS			
Revenue accrual adjustments		<u>5,621</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		373,908	
FUND BALANCE, JANUARY 1		<u>315,212</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 689,120</u>	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
COLLINSVILLE ANIMAL SHELTER FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ 100	100	2,722	2,622
EXPENDITURES				
Public safety	10,200	10,200	-	(10,200)
Capital outlay	5,100	9,540	4,439	(5,101)
Total Expenditures	15,300	19,740	4,439	(15,301)
NET CHANGE IN FUND BALANCE - BUDGET BASIS				
	\$ (15,200)	(19,640)	(1,717)	17,923
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Expenditure accrual adjustments			3,822	
NET CHANGE IN FUND BALANCE - GAAP BASIS				
			2,105	
FUND BALANCE, JANUARY 1				
			182,226	
FUND BALANCE, DECEMBER 31				
			\$ 184,331	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
FOURNIE LANE BUSINESS DISTRICT FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Intergovernmental:			
Sales and use tax	\$ 30,500	35,112	4,612
Investment income	-	193	193
Total Revenues	<u>30,500</u>	<u>35,305</u>	<u>4,805</u>
EXPENDITURES			
Debt service	<u>117,500</u>	<u>118,943</u>	<u>1,443</u>
REVENUES UNDER EXPENDITURES	(87,000)	(83,638)	3,362
OTHER FINANCING SOURCES			
Transfers in	<u>87,000</u>	<u>77,317</u>	<u>(9,683)</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ -</u>	<u>(6,321)</u>	<u>(6,321)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS			
Revenue accrual adjustments		262	
Expenditure accrual adjustments		<u>6,509</u>	
Total Adjustments To Reconcile To GAAP Basis		<u>6,771</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		450	
FUND BALANCE, JANUARY 1		<u>6,970</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 7,420</u>	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND - BUDGET BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental	\$ -	-	75,000	75,000
Other local taxes	1,305,600	1,305,600	1,324,422	18,822
Investment income	13,000	13,000	12,360	(640)
Gifts and donations	-	-	25,000	25,000
Total Revenues	1,318,600	1,318,600	1,436,782	118,182
EXPENDITURES				
General government	-	-	19,999	19,999
Capital outlay	1,636,610	1,636,610	1,512,581	(124,029)
Debt service	103,080	103,080	162,344	59,264
Total Expenditures	1,739,690	1,739,690	1,694,924	(44,766)
REVENUES UNDER EXPENDITURES	(421,090)	(421,090)	(258,142)	162,948
OTHER FINANCING SOURCES				
Sale of capital assets	10,000	10,000	27,520	17,520
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (411,090)	(411,090)	(230,622)	180,468
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			(6,978)	
Expenditure accrual adjustments			(248,057)	
Total Adjustments To Reconcile To GAAP Basis			(255,035)	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(485,657)	
FUND BALANCE, JANUARY 1			1,687,287	
FUND BALANCE, DECEMBER 31			\$ 1,201,630	

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF
FIDUCIARY NET POSITION - PENSION TRUST FUNDS
DECEMBER 31, 2018

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
ASSETS			
Cash	\$ 410,542	-	410,542
Investments:			
Common stock	-	6,783,251	6,783,251
Corporate bonds	-	4,792,069	4,792,069
Government securities	7,412,878	4,609,923	12,022,801
Money market funds	157,874	681,804	839,678
Mutual funds	11,905,184	7,179,090	19,084,274
The Illinois Funds	12	-	12
Receivables:			
Property tax	938,046	1,350,502	2,288,548
Interest	41,895	66,020	107,915
Total Assets	20,866,431	25,462,659	46,329,090
 LIABILITIES			
Accounts payable	5,000	10,000	15,000
 NET POSITION			
Restricted for pensions	\$ 20,861,431	25,452,659	46,314,090

CITY OF COLLINSVILLE, ILLINOIS
OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF
CHANGES IN FIDUCIARY NET POSITION - PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
ADDITIONS			
Contributions:			
Employer:			
Property tax	\$ 910,998	1,304,043	2,215,041
Replacement tax	108,703	118,049	226,752
Employee	254,982	365,016	619,998
Total Contributions	<u>1,274,683</u>	<u>1,787,108</u>	<u>3,061,791</u>
Reimbursements	-	1,920	1,920
Interest and dividend income	159,051	660,693	819,744
Net decrease in the fair value of investments	(1,683,239)	(1,932,893)	(3,616,132)
Less - Investment management and custodial fees	(42,142)	(118,998)	(161,140)
Net Investment Income	<u>(1,566,330)</u>	<u>(1,391,198)</u>	<u>(2,957,528)</u>
Total Additions	<u>(291,647)</u>	<u>397,830</u>	<u>106,183</u>
DEDUCTIONS			
Benefit payments	1,694,324	1,667,424	3,361,748
Refunds of contributions	16,099	3,939	20,038
Administrative expenses	21,335	24,430	45,765
Total Deductions	<u>1,731,758</u>	<u>1,695,793</u>	<u>3,427,551</u>
CHANGE IN NET POSITION	(2,023,405)	(1,297,963)	(3,321,368)
NET POSITION - RESTRICTED FOR PENSIONS, JANUARY 1	<u>22,884,836</u>	<u>26,750,622</u>	<u>49,635,458</u>
NET POSITION - RESTRICTED FOR PENSION, DECEMBER 31	<u><u>\$ 20,861,431</u></u>	<u><u>25,452,659</u></u>	<u><u>46,314,090</u></u>

CITY OF COLLINSVILLE, ILLINOIS

OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, TAXES EXTENDED, AND COLLECTIONS
LAST TEN FISCAL YEARS

Levy Date - Calendar Year	2017		2016		2015		2014		2013	
	Madison County	St. Clair County	Madison County	St. Clair County	Madison County	St. Clair County	Madison County	St. Clair County	Madison County	St. Clair County
Revenue Collection Date - Fiscal Year Ended	12/31/2018		12/31/2017		12/31/2016		12/31/2015		12/31/2014	
Assessed Valuation	\$ 337,850,072	37,792,858	329,092,944	37,263,939	319,112,263	36,403,778	322,957,342	35,056,262	331,222,286	35,809,449
Tax Rates (Per \$100 Equalized Assessed Valuation):										
General government	\$ 0.2437	0.2495	0.2135	0.2135	0.2172	0.2149	0.2442	0.2365	0.2671	0.2679
Police pension	0.2854	0.2922	0.2801	0.2801	0.3027	0.3114	0.2949	0.2998	0.2423	0.2431
Firefighters' pension	0.1650	0.1690	0.1843	0.1843	0.1787	0.1838	0.1568	0.1595	0.1652	0.1657
Total Tax Rates	\$ 0.6941	0.7107	0.6779	0.6779	0.6986	0.7101	0.6959	0.6958	0.6746	0.6767
Tax Extensions:										
General government	\$ 823,341	94,293	702,613	79,559	693,112	78,232	788,662	82,908	884,695	95,934
Police pension	964,224	110,431	921,789	104,376	965,953	113,361	952,401	105,099	802,552	87,053
Firefighters' pension	557,453	63,870	606,518	68,677	570,254	66,910	506,397	55,915	547,179	59,336
Total Tax Extensions	\$ 2,345,018	268,594	2,230,920	252,612	2,229,319	258,503	2,247,460	243,922	2,234,426	242,323
Total Tax Collections Through Fiscal Year End	\$ 2,229,637	267,572	2,115,394	252,407	2,094,390	257,287	2,094,408	243,271	2,234,022	249,271
Percent Of Total Taxes Collected	95.08 %	99.62	94.82	99.92	93.95	99.53	93.19	99.73	99.98	102.87

Note: The assessed valuation noted above does not include the TIF District areas.

CITY OF COLLINSVILLE, ILLINOIS

OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, TAXES EXTENDED, AND COLLECTIONS (Continued)
 LAST TEN FISCAL YEARS

Levy Date - Calendar Year	2012		2011		2010		2009		2008	
	Madison County	St. Clair County	Madison County	St. Clair County	Madison County	St. Clair County	Madison County	St. Clair County	Madison County	St. Clair County
Revenue Collection Date - Fiscal Year Ended	12/31/2013		12/31/2012		12/31/2011		12/31/2010		12/31/2009	
Assessed Valuation	\$ 335,334,968	36,913,200	\$340,132,595	38,451,631	354,084,288	38,764,502	355,483,094	38,702,681	364,253,981	38,101,665
Tax Rates (Per \$100 Equalized Assessed Valuation):										
General government	\$ 0.2657	0.2618	0.3396	0.3401	0.2617	0.2627	0.3539	0.3544	0.3787	0.3826
Police pension	0.2518	0.2586	0.2309	0.2404	0.2277	0.2368	0.1730	0.1797	0.1472	0.1470
Firefighters' pension	0.1501	0.1542	0.0847	0.0882	0.1418	0.1475	0.1031	0.1071	0.0878	0.0876
Total Tax Rates	\$ 0.6676	0.6746	0.6552	0.6687	0.6312	0.6470	0.6300	0.6412	0.6137	0.6172
Tax Extensions:										
General government	\$ 890,985	96,639	1,155,090	130,774	926,639	101,834	1,258,055	137,162	1,379,430	145,777
Police pension	844,373	95,458	785,366	92,438	806,250	91,794	614,986	69,549	536,182	56,009
Firefighters' pension	503,338	56,920	288,092	33,914	502,092	57,178	366,503	41,451	319,815	33,377
Total Tax Extensions	\$ 2,238,696	249,017	2,228,548	257,126	2,234,981	250,806	2,239,544	248,162	2,235,427	235,163
Total Tax Collections Through Fiscal Year End	\$ 2,234,023	248,260	2,219,591	256,328	2,217,760	250,780	2,226,004	246,911	2,215,607	234,439
Percent of Total Taxes Collected	99.79 %	99.70	99.60	99.69	99.23	99.99	99.40	99.50	99.11	99.69

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STATISTICAL SECTION

CITY OF COLLINSVILLE, ILLINOIS

STATISTICAL

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

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	102 - 106
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	107 - 113
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	114 - 116
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	117 - 118
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	119 - 121

Sources: Unless otherwise noted, the information in these schedules is derived from the CAFR for the relevant year.

CITY OF COLLINSVILLE, ILLINOIS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	December 31									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental Activities										
Net investment in capital assets	\$ 45,996,059	32,922,810	32,649,334	30,222,716	28,653,484	27,516,251	26,243,390	26,199,136	27,069,921	27,107,312
Restricted for:										
Economic development	5,562,773	4,918,602	4,197,777	3,905,890	5,467,341	6,327,729	6,410,973	7,169,588	6,848,853	6,696,868
Other purposes	-	-	-	-	-	-	-	-	500,174	293,292
Restricted tax revenues	2,175,094	1,412,178	586,839	940,787	1,475,838	1,935,056	2,611,027	2,198,586	-	-
Forfeitures and seizures	733,234	587,939	377,526	413,024	252,845	229,088	398,322	435,282	-	-
Unrestricted	(52,211,426)	(52,378,323)	(42,099,521)	(41,136,239)	(38,238,928)	(22,616,932)	(23,726,270)	(24,787,168)	(25,031,123)	(27,064,010)
Total Governmental Activities Net Position	<u>\$ 2,255,734</u>	<u>(12,536,794)</u>	<u>(4,288,045)</u>	<u>(5,653,822)</u>	<u>(2,389,420)</u>	<u>13,391,192</u>	<u>11,937,442</u>	<u>11,215,424</u>	<u>9,387,825</u>	<u>7,033,462</u>
Business-type Activities										
Net investment in capital assets	\$ 24,784,354	24,854,085	21,539,601	21,767,625	21,326,364	20,771,958	21,305,022	22,981,311	23,207,196	23,766,488
Unrestricted	2,300,369	1,583,796	4,161,641	4,328,034	5,098,389	4,673,152	4,604,246	3,690,694	3,227,805	2,528,084
Total Business-type Activities Net Position	<u>\$ 27,084,723</u>	<u>26,437,881</u>	<u>25,701,242</u>	<u>26,095,659</u>	<u>26,424,753</u>	<u>25,445,110</u>	<u>25,909,268</u>	<u>26,672,005</u>	<u>26,435,001</u>	<u>26,294,572</u>
Primary Government										
Net investment in capital assets	\$ 70,780,413	57,776,895	54,188,935	51,990,341	49,979,848	48,288,209	47,548,412	49,180,447	50,277,117	50,873,800
Restricted for:										
Economic development	5,562,773	4,918,602	4,197,777	3,905,890	5,467,341	6,327,729	6,410,973	7,169,588	6,848,853	6,696,868
Other purposes	-	-	-	-	-	-	-	-	500,174	293,292
Special revenue funds	2,175,094	1,412,178	586,839	940,787	1,475,838	1,935,056	2,611,027	2,198,586	-	-
Forfeitures and seizures	733,234	587,939	377,526	413,024	252,845	229,088	398,322	435,282	-	-
Unrestricted	(49,911,057)	(50,794,527)	(37,937,880)	(36,808,205)	(33,140,539)	(17,943,780)	(19,122,024)	(21,096,474)	(21,803,318)	(24,535,926)
Total Primary Government Net Position	<u>\$ 29,340,457</u>	<u>13,901,087</u>	<u>21,413,197</u>	<u>20,441,837</u>	<u>24,035,333</u>	<u>38,836,302</u>	<u>37,846,710</u>	<u>37,887,429</u>	<u>35,822,826</u>	<u>33,328,034</u>

Notes:

2014 was restated for the implementation of GASB 68.

2015 was restated for various accrual items.

2017 was restated for the implementation of GASB 75 and various accrual items.

CITY OF COLLINSVILLE, ILLINOIS
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	For The Years Ended December 31									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
EXPENSES										
Governmental Activities										
General government	\$ 3,873,694	4,496,437	4,156,991	4,012,953	3,667,032	3,891,863	2,740,990	3,409,165	3,270,285	3,691,084
Public safety	16,913,272	15,671,649	15,204,614	16,680,952	13,517,895	13,164,090	13,240,053	12,995,924	10,802,030	10,568,120
Public works	4,753,374	4,624,721	4,632,542	4,431,379	4,460,286	4,030,653	3,932,367	4,002,295	3,976,489	4,041,241
Health and sanitation	1,503,961	1,473,222	1,496,230	1,631,883	1,459,591	1,511,678	1,491,279	1,416,012	1,353,435	1,426,460
Community/economic development	2,600,125	2,431,943	2,061,689	4,594,607	1,759,411	2,330,004	2,893,966	2,154,758	1,920,748	4,016,787
Community services	3,501,338	673,129	981,231	933,423	1,062,598	1,535,746	864,479	813,871	990,128	768,055
Parks and recreation	1,523,332	3,305	-	-	-	-	-	-	-	-
Interest on long-term debt	1,537,425	1,509,937	1,373,768	1,468,868	1,615,051	1,595,102	1,661,700	1,725,701	1,684,646	1,761,889
Total Governmental Activities Expenses	36,206,521	30,884,343	29,907,065	33,754,065	27,541,864	28,059,136	26,824,834	26,517,726	23,997,761	26,273,636
Business-type Activities										
Water and sewer	7,781,922	7,755,922	8,432,447	8,395,150	8,028,603	7,709,187	7,747,964	6,719,339	6,340,186	6,326,386
Total Primary Government Expenses	43,988,443	38,640,265	38,339,512	42,149,215	35,570,467	35,768,323	34,572,798	33,237,065	30,337,947	32,600,022
PROGRAM REVENUES										
Governmental Activities										
Charges for Services:										
General government	566,258	535,570	603,717	382,583	421,808	427,645	479,558	447,566	306,831	261,689
Public safety	1,771,754	1,838,483	1,492,036	1,310,274	1,287,537	1,449,261	1,109,036	1,242,999	1,442,359	1,156,229
Public works	4,278	6,555	3,289	3,131	2,960	4,277	809	24,752	31,416	54,807
Health and sanitation	1,515,269	1,499,155	1,479,027	1,512,201	1,502,939	1,487,683	1,445,574	1,393,246	1,330,220	1,241,273
Community/economic development	2,175,473	2,016,480	1,910,839	1,980,976	1,882,386	1,694,572	1,795,984	1,591,500	1,534,235	1,606,535
Community services	1,365,832	3,191	3,576	5,095	3,490	4,099	-	-	-	-
Parks and recreation	174,332	-	-	-	-	-	-	-	-	-
Operating grants and contributions	247,859	114,747	153,028	119,444	187,587	406,118	285,237	319,760	344,336	392,021
Capital grants and contributions	8,568,108	354,092	1,665,795	1,930,518	1,170,692	62,320	546,922	559,162	1,387,511	322,196
Total Governmental Activities Program Revenues	16,389,163	6,368,273	7,311,307	7,244,222	6,459,399	5,535,975	5,663,120	5,578,985	6,376,908	5,034,750
Business-type Activities										
Water and sewer	9,142,518	8,727,973	8,771,124	8,723,993	8,807,956	7,866,508	7,802,609	7,515,589	7,027,785	6,973,798
Capital grants and contributions	127,750	902,000	-	-	133,116	-	56,590	50,000	-	-
Total Business-type Activities Program Revenues	9,270,268	9,629,973	8,771,124	8,723,993	8,941,072	7,866,508	7,859,199	7,565,589	7,027,785	6,973,798
Total Primary Government Program Revenues	25,659,431	15,998,246	16,082,431	15,968,215	15,400,471	13,402,483	13,522,319	13,144,574	13,404,693	12,008,548
NET REVENUES (EXPENSES)										
Governmental activities	(19,817,358)	(24,516,070)	(22,595,758)	(26,509,843)	(21,082,465)	(22,523,161)	(21,161,714)	(20,938,741)	(17,620,853)	(21,238,886)
Business-type activities	1,488,346	1,874,051	338,677	328,843	912,469	157,321	111,235	846,250	687,599	647,412
Total Primary Government Net Revenues (Expenses)	(18,329,012)	(22,642,019)	(22,257,081)	(26,181,000)	(20,169,996)	(22,365,840)	(21,050,479)	(20,092,491)	(16,933,254)	(20,591,474)

CITY OF COLLINSVILLE, ILLINOIS
CHANGE IN NET POSITION (Continued)
LAST TEN FISCAL YEARS

	For The Years Ended December 31									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
GENERAL REVENUES										
Governmental Activities And										
Business-type Activities										
Property tax	5,972,089	5,386,785	5,309,000	5,376,334	5,335,681	5,262,251	5,652,052	5,033,701	4,245,218	4,232,317
Intergovernmental:										
Sales and use tax	9,284,917	9,040,495	8,135,442	7,681,760	7,267,476	7,114,464	6,960,734	6,701,081	5,995,069	9,372,130
Home rule sales tax	4,144,382	3,982,918	3,776,307	3,758,167	3,793,196	3,806,590	4,045,647	4,276,149	3,754,669	-
State income tax	2,453,701	2,746,650	2,457,395	2,765,835	2,422,384	2,466,620	2,303,131	1,972,782	1,974,281	2,052,414
Telecommunications tax	636,417	693,004	757,694	798,293	767,125	918,488	1,231,171	1,155,235	1,083,623	1,064,333
Motor fuel tax	654,711	652,434	651,257	625,340	633,664	625,859	648,047	636,920	654,745	660,266
Replacement tax	266,880	278,177	283,562	311,592	287,699	295,965	266,540	260,211	64,971	48,664
Utility tax	1,317,444	1,203,867	1,012,079	352,187	377,378	364,452	331,315	371,807	377,363	363,431
Franchise fees	351,517	365,090	413,785	436,722	422,402	390,144	391,735	358,249	331,463	340,362
Other taxes	187,488	162,687	151,413	401,383	382,567	337,931	259,090	347,815	387,477	199,162
Investment income	392,246	150,304	53,573	13,039	9,135	10,985	18,402	25,152	58,215	123,458
Gain (loss) on sale of assets	44,625	59,855	49,913	-	16,566	(108,145)	-	-	-	-
Other	193,013	196,449	177,021	67,115	72,775	35,320	57,931	87,569	500,952	65,546
Special item	7,868,952	-	-	-	-	-	-	-	-	-
Total General Revenues	<u>33,768,382</u>	<u>24,918,715</u>	<u>23,228,441</u>	<u>22,587,767</u>	<u>21,788,048</u>	<u>21,520,924</u>	<u>22,165,795</u>	<u>21,226,671</u>	<u>19,428,046</u>	<u>18,522,083</u>
CHANGE IN NET POSITION										
Governmental activities	14,792,528	1,280,098	1,365,777	(3,264,139)	1,352,399	(380,758)	1,618,144	897,176	2,354,363	(2,521,063)
Business-type activities	<u>646,842</u>	<u>996,598</u>	<u>(394,417)</u>	<u>(329,094)</u>	<u>265,653</u>	<u>(464,158)</u>	<u>(502,828)</u>	<u>237,004</u>	<u>140,429</u>	<u>451,672</u>
Total Primary Government	<u>\$15,439,370</u>	<u>2,276,696</u>	<u>971,360</u>	<u>(3,593,233)</u>	<u>1,618,052</u>	<u>(844,916)</u>	<u>1,115,316</u>	<u>1,134,180</u>	<u>2,494,792</u>	<u>(2,069,391)</u>

CITY OF COLLINSVILLE, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	December 31									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund										
Reserved	\$ -	-	-	-	-	-	-	-	500,174	293,292
Unreserved	-	-	-	-	-	-	-	-	3,725,822	2,548,980
Nonspendable	36,307	355,614	444,272	533,134	429,690	108,222	60,694	81,235	-	-
Restricted	694,506	566,459	359,741	388,071	242,904	217,313	291,947	435,282	-	-
Assigned	1,195,360	887,220	679,625	-	-	-	-	-	-	-
Unassigned	10,307,198	8,387,604	6,860,900	6,441,116	5,553,339	5,188,655	4,549,074	3,646,001	-	-
Total General Fund	<u>\$ 12,233,371</u>	<u>10,196,897</u>	<u>8,344,538</u>	<u>7,362,321</u>	<u>6,225,933</u>	<u>5,514,190</u>	<u>4,901,715</u>	<u>4,162,518</u>	<u>4,225,996</u>	<u>2,842,272</u>
All Other Governmental Funds										
Reserved	\$ -	-	-	-	-	-	-	-	6,848,853	4,995,292
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	-	-	-	1,950,972	3,213,077
Debt Service Funds	-	-	-	-	-	-	-	-	5,982	3,027
Capital Projects Funds	-	-	-	-	-	-	-	-	285,598	32,906
Nonspendable	520,086	520,086	900,233	-	-	-	-	-	-	-
Restricted	7,556,914	6,128,640	4,639,161	4,871,630	6,953,120	8,274,560	9,053,530	9,368,174	-	-
Committed	869,692	1,332,151	2,310,347	2,262,739	2,002,222	1,368,820	844,992	239,174	-	-
Unassigned	(525)	-	-	-	-	-	-	(16)	-	-
Total All Other Governmental Funds	<u>\$ 8,946,167</u>	<u>7,980,877</u>	<u>7,849,741</u>	<u>7,134,369</u>	<u>8,955,342</u>	<u>9,643,380</u>	<u>9,898,522</u>	<u>9,607,332</u>	<u>9,091,405</u>	<u>8,244,302</u>

The City implemented GASB 54 in 2011.

2015 General Fund was restated for various accrual items.

2017 Capital Projects Fund was restated for various accrual items.

CITY OF COLLINSVILLE, ILLINOIS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	For The Years Ended December 31									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
REVENUES										
Property tax	\$ 5,982,382	5,367,685	5,272,446	5,376,334	5,335,681	5,262,251	5,652,052	5,033,701	4,245,218	4,232,317
Intergovernmental	18,393,559	18,098,635	16,998,204	16,451,296	15,780,093	16,221,795	16,999,171	15,372,017	14,896,945	14,277,145
Other local taxes	3,477,766	2,993,190	2,674,573	2,078,771	1,951,557	1,789,280	1,753,103	1,735,290	1,645,118	1,638,521
Licenses and permits	724,393	712,624	856,163	699,035	702,228	574,861	678,019	645,872	577,085	548,694
Charges for services	3,333,887	2,560,859	2,344,411	2,357,410	2,383,584	2,632,073	2,322,508	2,361,175	2,282,887	2,178,897
Fines and forfeitures	292,807	389,961	192,533	383,365	303,006	171,629	283,081	324,944	413,217	241,943
Investment income	270,344	110,980	33,962	10,404	7,932	8,742	13,056	11,137	17,442	19,198
Gifts and donations	113,116	37,729	35,668	20,753	75,382	227,103	88,572	43,314	81,406	46,692
Other	1,064,517	575,752	667,782	510,950	574,484	954,010	486,659	446,286	733,773	435,125
Total Revenues	33,652,771	30,847,415	29,075,742	27,888,318	27,113,947	27,841,744	28,276,221	25,973,736	24,893,091	23,618,532
EXPENDITURES										
Current:										
General government	3,391,880	4,140,344	3,748,978	3,587,703	3,387,238	3,599,559	3,667,442	3,848,230	3,146,436	4,125,095
Public safety	14,596,800	13,334,787	13,077,952	13,137,745	12,969,826	12,480,892	12,401,624	12,171,164	10,080,269	9,889,604
Public works	2,750,008	2,449,342	2,442,600	2,249,942	2,534,959	2,328,299	2,234,694	2,330,203	2,434,501	2,417,675
Health and sanitation	1,503,961	1,473,222	1,496,230	1,631,883	1,459,591	1,511,678	1,491,279	1,416,012	1,353,435	1,426,460
Community/economic development	2,569,850	2,224,531	1,963,360	4,180,208	2,031,697	2,334,866	2,805,275	2,093,428	1,918,369	4,009,931
Community services	2,609,702	652,071	1,003,547	922,359	1,051,880	1,524,003	849,207	787,703	976,442	767,672
Parks and recreation	905,879	3,305	-	-	-	-	-	-	-	-
Capital outlay	3,059,056	3,781,658	2,988,793	1,865,702	2,554,578	2,241,830	2,190,612	1,097,722	2,073,268	1,608,901
Debt service:										
Principal	1,788,078	907,873	853,012	639,888	573,627	590,954	541,859	653,223	372,746	646,209
Interest and fiscal charges	1,457,908	1,408,160	1,432,110	1,439,866	1,605,475	1,596,208	1,662,710	1,687,518	1,650,023	1,727,867
Cost of issuance	-	77,082	-	-	-	-	-	-	-	-
Total Expenditures	34,633,122	30,452,375	29,006,582	29,655,296	28,168,871	28,208,289	27,844,702	26,085,203	24,005,489	26,619,414
REVENUES OVER (UNDER) EXPENDITURES	(980,351)	395,040	69,160	(1,766,978)	(1,054,924)	(366,545)	431,519	(111,467)	887,602	(3,000,882)
OTHER FINANCING SOURCES (USES)										
Issuance of long-term debt	-	2,835,086	900,233	-	6,328,000	52,628	-	-	636,598	2,700,000
Premium on issuance of long-term debt	-	10,715	-	-	-	-	-	-	-	-
Refunding of long-term debt	-	(2,248,754)	-	-	(6,218,858)	-	-	-	-	-
Sale of capital assets	49,507	44,855	52,352	-	-	-	-	-	121,353	-
Insurance recoveries	-	111,665	-	-	-	-	-	-	-	-
Transfers in	1,242,761	1,117,087	931,278	741,854	746,276	801,539	804,279	808,547	735,000	689,960
Transfers out	(279,355)	(185,310)	(178,573)	(81,282)	(98,257)	(177,817)	(184,870)	(185,286)	(147,057)	(389,960)
Total Other Financing Sources (Uses)	1,012,913	1,685,344	1,705,290	660,572	757,161	676,350	619,409	623,261	1,345,894	3,000,000
NET CHANGE IN FUND BALANCES	\$ 32,562	2,080,384	1,774,450	(1,106,406)	(297,763)	309,805	1,050,928	511,794	2,233,496	(882)
Debt service as a percentage of noncapital expenditures	10.2 %	8.6	8.8	7.5	8.5	8.4	8.6	9.4	9.2	9.5

CITY OF COLLINSVILLE, ILLINOIS
TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

For The Years Ended December 31	Sales Tax	Property Tax	Other	Total
2018	\$ 12,704,051	\$ 5,982,382	\$ 9,167,274	\$ 27,853,707
2017	12,170,290	5,367,685	8,921,535	26,459,510
2016	11,148,440	5,272,446	8,984,494	25,405,380
2015	11,494,643	5,376,334	7,035,424	23,906,401
2014	10,856,571	5,335,681	6,875,079	23,067,331
2013	10,966,546	5,262,251	7,044,529	23,273,326
2012	11,329,783	5,652,052	7,422,491	24,404,326
2011	10,407,848	5,033,701	6,699,459	22,141,008
2010	9,749,738	4,245,218	6,792,325	20,787,281
2009	9,965,497	4,232,317	5,950,169	20,147,983

CITY OF COLLINSVILLE, ILLINOIS
SALES TAX RATES - DIRECT AND OVERLAPPING
LAST TEN FISCAL YEARS

Madison County

For The Years Ended December 31	City Direct Rate	Metro East Transportation District	Metro East Park And Rec District	County Flood Prevention	State Of Illinois	Direct And Overlapping
2018	1.250 %	0.250 %	0.100 %	0.250 %	6.250 %	8.100 %
2017	1.250	0.250	0.100	0.250	6.250	8.100
2016	1.250	0.250	0.100	0.250	6.250	8.100
2015	1.250	0.250	0.100	0.250	6.250	8.100
2014	1.250	0.250	0.100	0.250	6.250	8.100
2013	1.250	0.250	0.100	0.250	6.250	8.100
2012	1.250	0.250	0.100	0.250	6.250	8.100
2011	1.250	0.250	0.100	0.250	6.250	8.100
2010	1.250	0.250	0.100	0.250	6.250	8.100
2009	1.250	0.250	0.100	0.250	6.250	8.100

St. Clair County

For The Years Ended December 31	City Direct Rate	Metro East Transportation District	Metro East Park And Rec District	County Flood Prevention	State Of Illinois	Direct And Overlapping
2018	1.250 %	0.750 %	0.100 %	0.250 %	6.250 %	8.600 %
2017	1.250	0.750	0.100	0.250	6.250	8.600
2016	1.250	0.750	0.100	0.250	6.250	8.600
2015	1.250	0.750	0.100	0.250	6.250	8.600
2014	1.250	0.750	0.100	0.250	6.250	8.600
2013	1.250	0.750	0.100	0.250	6.250	8.600
2012	1.250	0.750	0.100	0.250	6.250	8.600
2011	1.250	0.750	0.100	0.250	6.250	8.600
2010	1.250	0.750	0.100	0.250	6.250	8.600
2009	1.250	0.750	0.100	0.250	6.250	8.600

Additionally, the City receives a 1% sales tax (included in the rates shown above) levied by the State of Illinois.

CITY OF COLLINSVILLE, ILLINOIS
SALES TAX GENERATED BY INDUSTRY
LAST TEN FISCAL YEARS

Industry	2018		2017		2016		2015		2014	
	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total
General merchandise	\$ 1,143,589	17.51 %	\$ 1,022,821	15.73 %	\$ 944,941	15.95 %	\$ 953,639	17.27 %	\$ 968,639	18.14 %
Food	586,925	8.98	647,719	9.96	660,284	11.14	674,415	12.21	665,305	12.46
Drinking and eating places	693,451	10.62	673,447	10.37	638,183	10.78	626,918	11.35	597,659	11.20
Apparel	11,265	0.17	11,908	0.18	18,657	0.32	19,405	0.35	15,839	0.30
Furniture, household, and radio	101,692	1.56	91,824	1.41	88,684	1.50	92,394	1.67	94,949	1.78
Lumber, building, hardware	297,065	4.55	292,142	4.49	267,988	4.53	247,988	4.49	232,615	4.36
Automotive and filling stations	2,496,941	38.22	2,547,757	39.19	2,199,155	37.14	1,814,744	32.85	1,735,495	32.51
Drugs and miscellaneous retail	634,969	9.72	650,044	10.00	633,881	10.71	616,530	11.16	582,952	10.92
Agriculture and all others	518,684	7.94	512,985	7.89	422,289	7.13	425,413	7.70	409,634	7.67
Manufacturers	48,156	0.73	50,716	0.78	47,247	0.80	52,290	0.95	35,330	0.66
Total	\$ 6,532,737	100.00 %	\$ 6,501,363	100.00 %	\$ 5,921,309	100.00 %	\$ 5,523,736	100.00 %	\$ 5,338,417	100.00 %

Industry	2013		2012		2011		2010		2009	
	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total	Taxable Sales	Percentage Of Total
General merchandise	\$ 1,021,650	20.40 %	\$ 1,088,478	21.50 %	\$ 892,949	18.83 %	\$ 1,101,934	24.18 %	\$ 1,093,399	25.02 %
Food	669,191	13.37	623,345	12.31	612,036	12.91	584,648	12.82	576,093	13.18
Drinking and eating places	580,094	11.59	590,520	11.66	573,325	12.09	562,628	12.34	544,617	12.46
Apparel	16,518	0.33	19,187	0.38	251,482	5.30	21,186	0.46	21,005	0.48
Furniture, household, and radio	113,971	2.28	112,561	2.22	106,519	2.25	107,596	2.36	77,487	1.77
Lumber, building, hardware	236,736	4.73	284,382	5.62	251,056	5.30	231,787	5.08	230,404	5.27
Automotive and filling stations	1,408,691	28.14	1,221,447	24.13	1,100,139	23.20	1,031,318	22.62	1,006,555	23.03
Drugs and miscellaneous retail	546,544	10.92	536,972	10.61	550,747	11.62	535,489	11.74	451,586	10.33
Agriculture and all others	380,192	7.59	556,927	11.00	377,702	7.97	355,206	7.79	330,585	7.56
Manufacturers	32,374	0.65	29,044	0.57	25,028	0.53	27,656	0.61	39,350	0.90
Total	\$ 5,005,961	100.00 %	\$ 5,062,863	100.00 %	\$ 4,740,983	100.00 %	\$ 4,559,448	100.00 %	\$ 4,371,081	100.00 %

Source: Taxable sales by Standard Industry Code reported by the State of Illinois Department of Revenue.

State law prohibits the disclosure of specific taxpayer information. Some categories in St. Clair County have less than four taxpayers, so no data is shown to protect the confidentiality of individual taxpayers. Therefore, only Madison County is included for this presentation.

CITY OF COLLINSVILLE, ILLINOIS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Madison County

Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Other Property	Total Taxable Assessed Value In Madison County	Total Direct Tax Rate	Estimated Actual Value	Annual Percentage Change	Ratio Of Total Assessed Valuation To Estimated Actual Value Of Real Property
											%
2017	\$ 261,214,096	\$ 1,164,380	\$ 99,167,495	\$ 10,902,360	\$ 177,036	\$ 1,230	\$ 372,626,597	0.6779	\$ 1,117,991,590	2.82 %	33.33 %
2016	255,179,712	1,185,670	95,162,375	10,687,360	186,791	1,230	362,403,138	0.6779	1,087,318,146	3.08	33.33
2015	248,562,018	1,141,830	91,260,290	10,423,280	196,795	1,230	351,585,443	0.6986	1,054,861,815	(1.21)	33.33
2014	252,181,453	1,072,940	92,087,460	10,369,100	180,519	1,230	355,892,702	0.6959	1,067,784,884	(2.29)	33.33
2013	258,946,015	1,103,680	93,610,615	10,369,100	189,116	1,230	364,219,756	0.6746	1,092,768,545	(1.41)	33.33
2012	262,390,316	1,207,690	94,587,265	11,022,740	189,727	18,060	369,415,798	0.6676	1,108,358,230	(1.74)	33.33
2011	265,961,142	1,261,950	97,452,635	11,090,460	192,103	9,910	375,968,200	0.6552	1,128,017,402	(3.70)	33.33
2010	278,180,858	1,228,180	99,683,395	11,180,000	150,355	4,240	390,427,028	0.6312	1,171,398,224	(0.36)	33.33
2009	278,226,838	1,149,220	101,586,369	10,760,460	122,637	4,240	391,849,764	0.6300	1,175,666,859	7.58	33.33
2008	275,257,999	900,820	82,050,752	5,933,360	106,810	4,240	364,253,981	0.6137	1,092,871,230	4.36	33.33

St. Clair County

Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Other Property	Total Taxable Assessed Value In St. Clair County	Total Direct Tax Rate	Estimated Actual Value	Annual Percentage Change	Ratio Of Total Assessed Valuation To Estimated Actual Value Of Real Property
											%
2017	\$ 35,159,129	\$ 40,066	\$ 2,215,694	\$ 400,167	\$ -	\$ -	\$ 37,815,056	0.7107	\$ 113,456,514	1.45 %	33.33 %
2016	34,659,804	39,161	2,180,709	394,758	-	-	37,274,432	0.6779	111,834,479	2.39	33.33
2015	33,791,881	38,152	2,187,901	385,844	-	-	36,403,778	0.7101	109,222,256	3.84	33.33
2014	31,765,916	1,013,647	1,909,135	367,564	-	-	35,056,262	0.6958	105,179,304	(2.10)	33.33
2013	32,350,004	1,074,932	2,010,173	374,340	-	-	35,809,449	0.6932	107,439,091	(2.99)	33.33
2012	33,347,145	1,102,287	2,080,929	382,839	-	-	36,913,200	0.6746	110,750,675	(4.00)	33.33
2011	34,591,703	1,155,031	2,307,802	397,095	-	-	38,451,631	0.6687	115,366,430	(0.81)	33.33
2010	34,798,367	1,166,541	2,398,041	401,553	-	-	38,764,502	0.6470	116,305,137	0.16	33.33
2009	34,695,002	1,161,389	2,444,737	401,553	-	-	38,702,681	0.6412	116,119,655	1.58	33.33
2008	33,920,008	1,155,780	2,642,314	383,563	-	-	38,101,665	0.6172	114,316,427	1.61	33.33

CITY OF COLLINSVILLE, ILLINOIS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Madison County

For The Years Ended December 31	City Of Collinsville				Madison County	Collinsville	Collinsville	Collinsville Township	Southwestern	Mississippi	Collinsville	Total
	General	Fire Pension	Police Pension	Total		Road And Bridge	C.U. School District No. 10		IL College No. 522	Valley Library	Area Recreation	
2017	0.2437	0.1650	0.2854	0.6941	0.6157	0.3580	4.3541	0.1872	0.4676	0.2178	0.3804	7.2749
2016	0.2135	0.1843	0.2801	0.6779	0.6514	0.3767	4.5585	0.2302	0.4743	0.2119	0.6338	7.8147
2015	0.2172	0.1787	0.3027	0.6986	0.7073	0.3836	4.5833	0.2371	0.4637	0.2131	0.4742	7.7609
2014	0.2442	0.1568	0.2949	0.6959	0.7329	0.3808	4.4817	0.2341	0.4242	0.2131	0.4974	7.6601
2013	0.2671	0.1652	0.2423	0.6746	0.7210	0.3688	4.4418	0.2209	0.4048	0.2082	0.4452	7.4853
2012	0.2657	0.1501	0.2518	0.6676	0.6974	0.3577	4.3042	0.2170	0.3919	0.2059	0.4498	7.2915
2011	0.3396	0.0847	0.2309	0.6552	0.6864	0.3502	4.2533	0.2080	0.3743	0.2053	0.4511	7.1838
2010	0.2617	0.1418	0.2277	0.6312	0.7145	0.3408	4.2356	0.2034	0.3638	0.2025	0.5922	7.2840
2009	0.3539	0.1031	0.1730	0.6300	0.6781	0.3352	4.2472	0.2025	0.3552	0.2006	0.6122	7.2610
2008	0.3787	0.0878	0.1472	0.6137	0.6534	0.3263	4.2532	0.1920	0.3497	0.2004	0.5303	7.1190

St. Clair County

For The Years Ended December 31	City Of Collinsville				St. Clair County	Caseyville	Collinsville	Caseyville Township	Southwestern	Mississippi	Collinsville	Total
	General	Fire Pension	Police Pension	Total		Road	C.U. School District No. 10		IL College No. 522	Valley Library	Area Recreation	
2017	0.2495	0.1690	0.2922	0.7107	1.1000	0.1160	4.3749	0.1217	0.4696	0.2189	0.3884	7.5002
2016	0.2135	0.1843	0.2801	0.6779	1.0865	0.1135	4.5633	0.1189	0.4749	0.2137	0.6333	7.8820
2015	0.2149	0.1838	0.3114	0.7101	0.9385	0.1170	4.5703	0.1261	0.4727	0.2146	0.4810	7.6303
2014	0.2365	0.1595	0.2998	0.6958	0.9388	0.1177	4.5022	0.1215	0.4285	0.2140	0.5039	7.5224
2013	0.2679	0.1724	0.2529	0.6932	0.9080	0.1074	4.4840	0.1145	0.4106	0.2100	0.4583	7.3860
2012	0.2618	0.1542	0.2586	0.6746	0.9123	0.1041	4.3310	0.1130	0.3942	0.2070	0.4579	7.1941
2011	0.3401	0.0882	0.2404	0.6687	0.9132	0.1019	4.2684	0.1110	0.3786	0.2065	0.4624	7.1107
2010	0.2627	0.1475	0.2368	0.6470	0.9158	0.1023	4.2613	0.1122	0.3689	0.2039	0.6065	7.2179
2009	0.3544	0.1071	0.1797	0.6412	0.9168	0.1017	4.2674	0.1065	0.3608	0.2019	0.5996	7.1959
2008	0.3826	0.0876	0.1470	0.6172	0.9161	0.1033	4.2511	0.1031	0.3574	0.2038	0.5328	7.0848

Note: Rates stated are per \$100 of assessed valuation.

CITY OF COLLINSVILLE, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Tax Levy Year	Net Tax Levy	Collected Within The Fiscal Year Of The Levy		Total Collections To Date	
			Amount	Percent Of Levy Collected	Amount	Percent Of Levy Collected
2018	2017	\$ 2,832,163	\$ 2,829,373	99.90 %	\$ 2,829,373	99.90 %
2017	2016	2,483,604	2,342,638	94.32	2,342,638	94.32
2016	2015	2,487,821	2,351,677	94.53	2,351,677	94.53
2015	2014	2,491,382	2,337,679	93.83	2,337,679	93.83
2014	2013	2,482,657	2,483,293	100.03	2,483,293	100.03
2013	2012	2,487,713	2,482,283	99.78	2,482,283	99.78
2012	2011	2,485,675	2,475,919	99.61	2,475,919	99.61
2011	2010	2,485,786	2,468,540	99.31	2,468,540	99.31
2010	2009	2,487,706	2,472,915	99.41	2,472,915	99.41
2009	2008	2,470,590	2,450,046	99.17	2,450,046	99.17

CITY OF COLLINSVILLE, ILLINOIS
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value
Walmart Stores, Inc.	\$ 6,317,040	1	1.54 %	\$ 5,332,710	1	1.24
Lerch Properties Enterprises LLC	6,221,890	2	1.52	-	-	- %
COLHOT, LLC	3,754,650	3	0.91	3,267,480	4	0.76
Osborn & Osborn, LLC	3,473,050	4	0.85	3,820,140	2	0.89
Sandridge Mannors, LLC	2,917,800	5	0.71	1,966,890	9	0.46
Parkside Commons, LLC	2,892,280	6	0.70	-	-	-
MDC Eastport, LLC	2,504,980	7	0.61	2,231,040	8	0.52
Felfam Lakeside Plaza, LLC	2,338,470	8	0.57	-	-	-
Home Depot USA	1,949,780	9	0.48	3,023,780	6	0.70
Hendricks Commercial Properties LLC	1,875,100	10	0.46	-	-	-
Lakeside Plaza, LLC	-	-	-	3,499,620	3	0.81
Keebler Crossing, LLC	-	-	-	3,238,470	5	0.75
Cedar Ridge Eagle Creek, LLC	-	-	-	2,380,970	7	0.55
Equity Investment Co.	-	-	-	1,863,830	10	0.43
Totals	\$ 34,245,040		6.81 %	\$ 30,624,930		5.87 %

Source: Madison County Clerk's Office

CITY OF COLLINSVILLE, ILLINOIS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage Of Personal Income ¹	Total Debt Per Capita ¹	GO Debt Per Capita ¹
	General Obligation Bonds	Revenue Bonds	Capital Leases	Note Payable	General Obligation Bonds	IEPA Loan	Capital Leases				
2018	\$ 7,142,497	\$ 23,854,789	\$ 670,220	\$ 473,914	\$ 10,777,517	\$ 14,112,221	\$ -	\$ 57,031,158	8.39 %	2,316	728
2017	7,890,407	20,015,000	800,270	520,086	11,989,231	5,815,292	2,901	47,033,187	7.01	1,904	805
2016	8,404,923	20,145,000	923,143	-	13,171,082	-	8,701	42,652,849	6.32	1,704	862
2015	9,035,154	20,250,000	145,922	-	14,323,059	-	14,265	43,768,400	6.15	1,731	924
2014	9,625,385	20,250,000	200,810	-	15,455,163	-	19,602	45,550,960	6.88	1,806	994
2013	9,570,000	20,250,000	264,437	-	16,547,394	-	24,721	46,656,552	6.74	1,810	1,013
2012	10,080,000	20,250,000	292,763	-	17,064,114	-	29,157	47,716,034	6.44	1,854	1,054
2011	10,545,000	20,250,000	369,622	-	16,995,000	-	33,867	48,193,489	6.51	1,871	1,069
2010	10,950,000	20,250,000	617,845	-	17,795,000	-	37,949	49,650,794	7.50	1,934	1,119
2009	11,290,000	20,250,000	13,993	-	18,560,000	105,717	89,448	50,309,158	7.93	1,938	1,150

¹See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF COLLINSVILLE, ILLINOIS
DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2018

	Governmental Activities Debt	Percent* Applicable To Collinsville	Amount Applicable To Collinsville¹
Direct:			
City of Collinsville	\$ 32,141,420	100.00 %	\$ 32,141,420
Overlapping:			
Madison County	-	6.98	-
St. Clair County	102,930,000	1.07	1,096,308
Unit 10 School District (Collinsville)	9,075,000	53.28	4,835,604
Unit 9 School District (Granite City)	13,315,000	0.00	533
Southwestern Illinois Community College	14,865,000	7.28	1,082,474
Collinsville Area Recreation District	20,303,000	64.46	13,087,027
Mississippi Valley Library	-	82.55	-
Caseyville Township	-	5.14	-
Collinsville Township	-	54.72	-
Canteen Township	-	0.04	-
Nameoki Township	-	0.34	-
Metro East Sanitary	-	2.63	-
East Side Health	-	0.01	-
State Park Fire	-	0.50	-
Total Overlapping Debt	160,488,000		20,101,946
Total Direct And Overlapping Debt	\$ 192,629,420		\$ 52,243,366

¹Only portions of the overlapping districts are located within the City boundaries. The applicable amounts refer to that portion of the district that is contained within the City boundaries. Therefore, the applicable amounts refer to portions of the City's taxpayers.

*Based on the percent of total assessed value of a jurisdiction comprising the City's assessed property.

Source: The above-named jurisdictions.

CITY OF COLLINSVILLE, ILLINOIS
PLEGGED REVENUE COVERAGE -
LOCAL GOVERNMENT PROGRAM REVENUE BONDS
LAST TEN FISCAL YEARS

	For The Years Ended December 31									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Limited Incremental Sales Tax Revenue	\$ 1,220,455	1,240,000	1,197,276	1,226,701	1,103,733	1,110,752	1,144,275	1,147,658	1,160,577	1,155,734
Debt service	\$ 1,236,700	1,178,200	1,158,450	1,053,450	1,053,450	1,053,450	1,053,450	1,053,450	1,053,450	1,053,450
Ratio	0.99	1.05	1.03	1.16	1.05	1.05	1.09	1.09	1.10	1.10
Outstanding Balance	\$ 19,820,000	20,015,000	20,145,000	20,250,000	20,250,000	20,250,000	20,250,000	20,250,000	20,250,000	20,250,000

CITY OF COLLINSVILLE, ILLINOIS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income	Per Capita Income	Median Household Income	School Enrollment	Unemployment Rate
2018	24,621	\$ 680,007,399	\$ 27,619	\$ 51,968	6,339	5.1 %
2017	24,703	670,661,747	27,149	52,675	5,594	4.5
2016	25,025	675,374,700	26,988	62,386	6,048	9.1
2015	25,282	712,016,966	28,163	63,361	6,154	10.2
2014	25,221	661,723,377	26,237	59,454	6,226	10.6
2013	25,778	692,165,078	26,851	57,297	6,378	9.1
2012	25,742	740,880,502	28,781	59,543	6,438	8.1
2011	25,757	740,178,909	28,737	57,835	6,336	6.9
2010	25,677	661,798,998	25,774	57,219	5,987	6.7
2009	25,960	634,747,960	24,451	56,129	6,240	6.9

Source: U.S. Census Bureau, American Community Survey
<http://www.census.gov/acs/www/>

CITY OF COLLINSVILLE, ILLINOIS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2018</u>		<u>2009</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Collinsville Unit 10 School District	795	1	710	1
Wal-Mart	359	2	232	4
Fairmont Race Track	325	3	500	3
Illinois Department of Transportation	279	4	594	2
City of Collinsville	193	5	172	5
Laura Buick-GMC	173	6	-	-
Woods Basement Systems	140	7	-	-
Home Depot	110	8	-	-
Schnucks Market	84	9	160	6
Illinois State Police	78	10	-	-
Crop Production	-	-	100	7
K-Mart	-	-	90	8
Tri-Lab, LLC	-	-	70	9
Marsh Shipping Supply Co, LLC	-	-	60	10
Total	<u>2,536</u>		<u>2,688</u>	

Source: Illinois Manufacturers Directory, Illinois Services Directory and a selective telephone survey. The total number of jobs available in the City is not known for calculating a percentage.

CITY OF COLLINSVILLE, ILLINOIS
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	As Of December 31									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government:										
Administration - City Manager	2.5	3.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0
Administration - Operations	1.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administration - Human Resources	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0
Administration - Information Technology	3.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0
Finance	9.0	9.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Public Safety:										
Police administration	7.0	7.0	8.0	7.0	7.0	7.0	7.0	6.0	5.0	5.0
Police operations	38.0	38.0	37.0	34.0	37.0	37.0	37.0	38.0	40.0	40.0
Police support	16.0	15.0	15.0	15.0	15.0	15.0	17.0	17.0	18.0	17.0
Animal shelter	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Fire administration	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Fire operations	30.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0	32.0	32.0
Public Works:										
Engineering	1.0	1.0	1.0	-	-	-	-	2.0	-	-
Streets	16.3	14.3	15.3	13.0	13.0	13.0	12.0	15.0	17.0	19.0
Facilities Maintenance	1.0	-	-	-	-	-	-	-	-	-
Fleet Maintenance	1.0	-	-	-	-	-	-	-	-	-
Water lines	9.3	8.3	9.3	9.5	9.5	9.5	8.5	8.5	9.5	9.5
Water plant	6.5	7.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Waste water lines	6.0	7.0	7.0	8.0	8.0	8.0	7.0	7.0	7.0	7.0
Waste water plant	7.9	7.8	7.8	7.0	7.0	7.0	8.0	8.0	8.0	8.0
Community/Economic Development:										
Community Development	2.5	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Inspections	4.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community Services	15.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks and Recreation:										
Operations	5.0	-	-	-	-	-	-	-	-	-
Parks Maintenance	2.0	-	-	-	-	-	-	-	-	-
Willoughby Farm	2.0	-	-	-	-	-	-	-	-	-
Total	193.0	166.9	164.0	157.0	160.0	160.0	160.0	164.0	170.0	171.0

Source: Payroll Data from Finance Department.

CITY OF COLLINSVILLE, ILLINOIS
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Sectors	3	3	3	3	6	6	6	6	6	6
Marked patrol units	18	18	19	19	18	18	18	18	18	18
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Fire trucks	4	4	4	3	3	3	4	4	4	4
Ambulances	4	4	4	3	3	3	4	4	4	3
Streets:										
Streets (lane miles)	246	246	271	271	262	262	262	254	254	252
Sidewalks (miles)	54	54	74	74	74	74	72	71	71	71
Streetlights	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,404	2,404	2,408
Water:										
Water mains (miles)	188	185	192	181	181	181	181	181	181	181
Water valves	1,833	1,814	1,786	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Fire hydrants	1,509	1,402	1,395	1,398	1,373	1,350	1,343	1,310	1,310	1,310
Waste water:										
Sewer mains (miles)	131.00	131.00	127.16	123.90	120.00	120.00	120.00	120.00	120.00	120.00
Manholes	3,123	3,129	3,120	3,110	3,000	3,000	3,000	3,000	3,000	3,000

Source: Various City Departments

CITY OF COLLINSVILLE, ILLINOIS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police:										
Traffic stops	5,902	7,662	5,959	6,187	5,888	6,326	7,483	9,252	9,198	10,926
Warrant checks/arrests	1,176	773	708	731	633	845	852	849	906	1,123
Bar checks	170	162	153	58	61	91	180	243	230	233
Fire:										
Ambulance bills	2,904	2,765	2,589	2,383	2,176	2,107	2,325	1,903	1,950	1,947
Finance:										
Accounts payable checks written	5,151	4,265	4,140	4,262	4,231	4,456	5,009	4,160	4,080	3,957
Utility payments posted	72,010	71,614	71,382	72,059	72,323	71,765	72,351	71,653	68,882	69,069
Disconnections for non-payment	1,868	1,655	1,658	2,007	2,469	2,162	1,913	3,218	-	-
Inspections:										
Single-family building permits	11	10	20	12	12	4	11	8	4	9
Commercial building permits	1	5	6	4	5	3	2	20	35	17
Water:										
Average daily consumption (mgd)	1.8	1.9	2.1	2.0	2.1	2.1	2.1	2.1	2.2	2.4
Waste water:										
New connections	12	8	12	21	21	9	2	24	8	15
Sewage treatment (mgd)	3.50	3.30	3.80	4.20	3.48	3.90	3.40	1.50	1.50	1.80

Source: Various City Departments