



**CITY OF COLLINSVILLE, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2010**

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# CITY OF COLLINSVILLE, ILLINOIS

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May 13, 2011

To the Citizens of the City of Collinsville:

Pursuant to City policy and in conformation with State law, the Comprehensive Annual Financial Report (CAFR) of the City of Collinsville, Illinois (the City), for the fiscal year ending December 31, 2010, 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 C. J. Schlosser & Company, L.L.C., 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, 2010, 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 unqualified

opinion that the City's financial statements for the year ended December 31, 2010 are fairly presented in conformity with GAAP. The independent auditors' 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 auditors' report. The Director of Finance prepared this 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, are 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 a zinc works, a lead works, coal mines, a knitting mill, a 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.

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

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 2010 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 of Collinsville 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 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 provides a full range of municipal services, including police, fire, public works, community development and general administration. The City defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board Statement No. 12, *The Financial Reporting Entity* (GASB No. 14). GASB No. 14 requirements for inclusion of component units are primarily based on whether the City's governing body has any significant amount of financial accountability for Potential Component Units (PCU). The City has determined that there are no PCU's that meet the requirements of GASB No. 14 and, as a result, this report includes all activities for which the City is financially accountable.

The annual budget serves as a complete financial and operational plan 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 by fund. It is broken down further by department, programs within the 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, the City Manager presents a proposed budget to the Mayor and City Council. The Mayor and Council hold workshops and a public hearing prior to adopting the budget by December 31<sup>st</sup>. 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 on pages 54 through 56 as required supplementary information. The 2010/2011 biennial budget document may be found on the City's website at <http://www2.collinsvilleil.org/images/docs/budget/2010-2011Budget.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 now

seems to be slowly improving. Consumer confidence levels appear to be moving up, but at a slow pace. The GDP has shown little growth recently, but a stronger upswing is still anticipated. Unemployment is expected to remain high for the next few years. The City will be most concerned with the affect of unemployment on income tax revenue and sales tax, which is the primary source of General Fund revenue.

**Long-term Financial Planning.** As part of the biennial Financial Plan, the City updates its five-year community investment plan (CIP), which details the capital projects anticipated. The CIP contains information about the category, priority and funding for each capital project. The CIP document can be found on the City's website at <http://www2.collinsvilleil.org/images/docs/administration/CommunityInvestmentPlan2010.pdf>.

Unfortunately, the economic climate during 2010 forced the elimination of capital expenditures so that General Fund personnel and operations could continue and minimize disruption in basic services. The impact on the CIP was that many projects had to be rescheduled and the pending projects stretched over a longer period of time. Capital projects continued in other funds. Management is aware that neglecting capital expenditures is a short-term solution and is reviewing other funding sources and/or operational changes to reinstate its aggressive investment in infrastructure, equipment and facilities.

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.

## AWARDS AND ACKNOWLEDGEMENTS

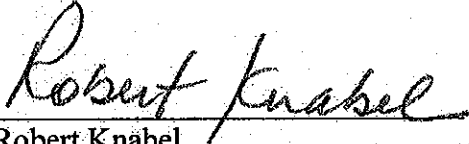
The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report issued for the fiscal year ended December 31, 2009. This is the first year that the 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.

In addition, the City has also received the GFOA's Distinguished Budget Presentation Award for its 2010/2011 Biennial Financial Plan. In order to qualify for the award, the City's budget document must be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

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, C. J. Schlosser & Company, L.L.C., for their help

in formulating 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,



Robert Knabel  
City Manger



Tamara K. Ammann  
Director of Finance

**CITY OF COLLINSVILLE, ILLINOIS**

**CITY OFFICIALS**

**DECEMBER 31, 2010**

**MAYOR**

John Miller

**CITY MANAGER**

Robert Knabel

**CITY TREASURER**

Tamara Ammann

**CITY ATTORNEY**

Paul Welch

**CORPORATE COUNSEL**

Steven Giacoletto

**CITY COUNCIL**

Nancy Moss

David Jerome

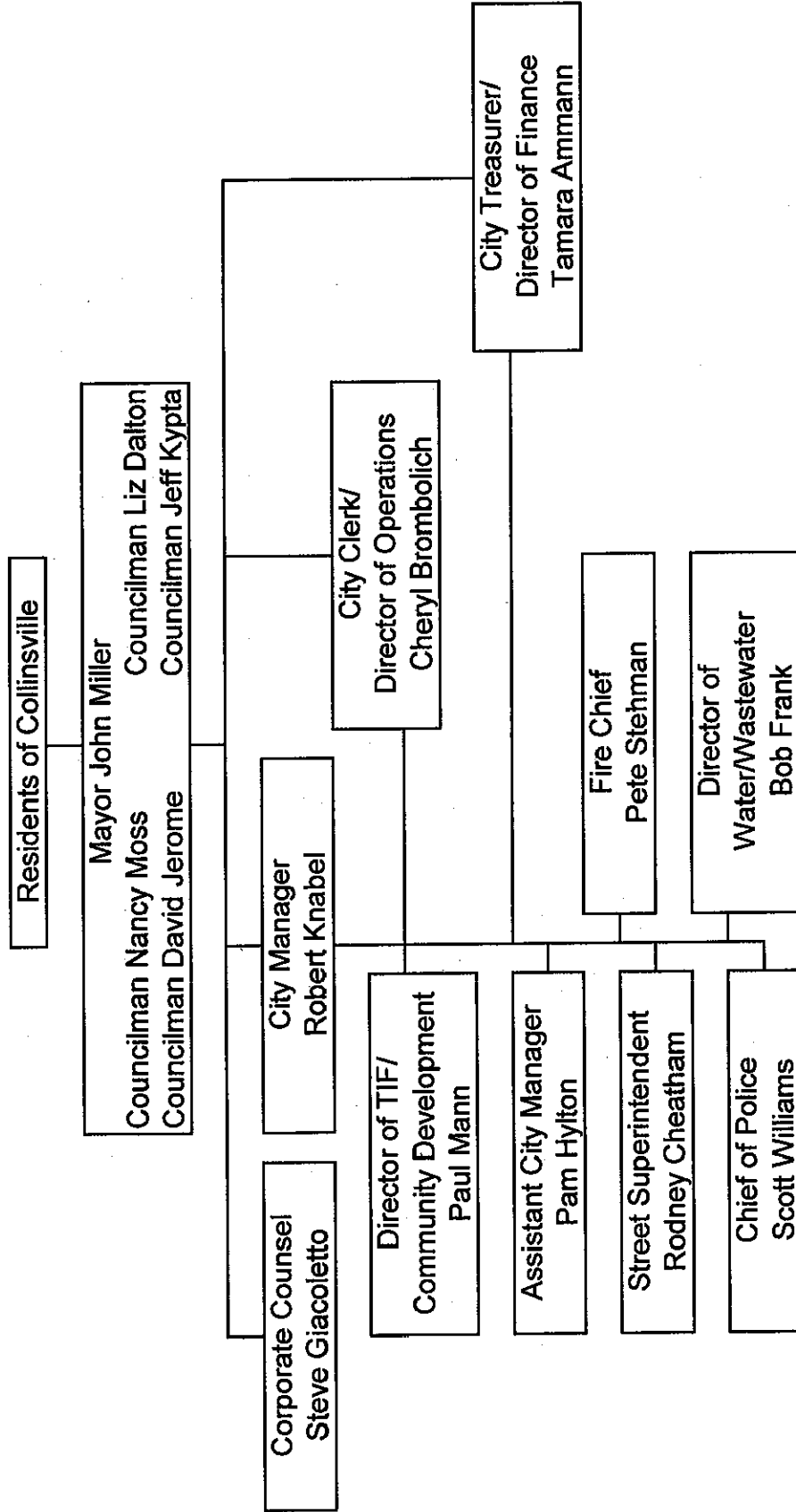
Jeff Kypta

Liz Dalton

**CITY OF COLLINSVILLE**

Organizational Chart

December 31, 2010



# 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, 2009

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



President

Executive Director



C. J. SCHLOSSER  
& COMPANY, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

J. Terry Dooling  
David L. Kamler  
David M. Bartosiak  
Cindy A. Tefeller  
Kevin J. Tepen

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members  
of the City Council  
Collinsville, Illinois

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 as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Collinsville, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Collinsville, Illinois as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 13, 2011 on our consideration of the City of Collinsville, Illinois' 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* and should be considered in assessing the results of our audit.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3 to 11), budgetary comparison information (pages 54 to 56) and schedules of funding progress and employer contributions (pages 57 to 59) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Collinsville, Illinois' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also not a required part of the financial statements of the City of Collinsville, Illinois. The combining and individual nonmajor fund financial statements, other schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory section and the statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

C. J. Schwan & Co., LLC.  
Certified Public Accountants

May 13, 2011

# CITY OF COLLINSVILLE, ILLINOIS

## Management's Discussion and Analysis

For the year ended December 31, 2010

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, 2010.

### FINANCIAL HIGHLIGHTS

On a government-wide basis, the assets of the City of Collinsville exceeded its liabilities for the most recent fiscal year by \$35,822,826.

- The City's total net assets increased by \$2,494,792.
- At the end of 2010, unreserved fund balance for the General Fund was \$3,725,822 or 21.3% of total General Fund expenditures for the year.
- At the end of 2010, unreserved fund balance for all governmental funds combined was \$5,968,374 or 24.9% of total expenditures for the year.
- Net assets of the City's business-type activities increased by \$140,429.
- The City's total bonded debt decreased by \$1,105,000.

### 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 supplementary information and other supplementary 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.

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

# CITY OF COLLINSVILLE, ILLINOIS

## Management's Discussion and Analysis

For the year ended December 31, 2010

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets 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 and community services. The business-type activities include water and sewer.

The government-wide financial statements can be found on pages 12 and 13 of this report.

### 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 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 fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and the government-wide governmental activities.

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

# CITY OF COLLINSVILLE, ILLINOIS

## Management's Discussion and Analysis

For the year ended December 31, 2010

for each of these nonmajor governmental funds is provided in the form of combining schedules in the other supplementary 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.

The governmental fund financial statements can be found on pages 14 and 16 of this report.

**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 of Collinsville uses an enterprise fund to account for its water and sewer operations.

The basic proprietary fund financial statements can be found on pages 18, 19 and 20 of this report.

**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.

The fiduciary fund financial statements can be found on pages 21 and 22 of this report.

**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. The notes to the basic financial statements can be found beginning on page 23 of this report.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, certain required supplementary information can be found on pages 54 through 59 of this report.

**Other supplementary information.** The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 60 through 83 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the eighth year that the City has presented its financial statements under the reporting model pursuant to Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

**CITY OF COLLINSVILLE, ILLINOIS**

Management's Discussion and Analysis

For the year ended December 31, 2010

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$35,822,826 at the close of the most recent fiscal year (December 31, 2010).

By far the largest portion of the City's net assets (73.9%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequentially, 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. The condensed statement of net assets is as follows:

	Governmental Activities		Business-type Activities		Total	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
<b>ASSETS</b>						
Current and other assets	\$ 15,784,999	\$ 13,498,129	\$ 7,976,602	\$ 14,083,951	\$ 23,761,601	\$ 27,582,080
Capital assets, net	<u>28,921,239</u>	<u>28,182,312</u>	<u>38,436,809</u>	<u>33,152,543</u>	<u>67,358,048</u>	<u>61,334,855</u>
Total assets	<u>44,706,238</u>	<u>41,680,441</u>	<u>46,413,411</u>	<u>47,236,494</u>	<u>91,119,649</u>	<u>88,916,935</u>
<b>LIABILITIES</b>						
Long-term liabilities	29,817,489	30,427,793	17,468,899	18,185,299	47,286,388	48,613,092
Other liabilities	<u>5,500,924</u>	<u>4,219,186</u>	<u>2,509,511</u>	<u>2,756,623</u>	<u>8,010,435</u>	<u>6,975,809</u>
Total liabilities	<u>35,318,413</u>	<u>34,646,979</u>	<u>19,978,410</u>	<u>20,941,922</u>	<u>55,296,823</u>	<u>55,588,901</u>
<b>NET ASSETS</b>						
Invested in capital assets, net of related debt	27,069,921	27,107,312	23,207,196	23,766,488	50,277,117	50,873,800
Restricted	7,349,027	5,770,782	-	-	7,349,027	5,770,782
Unrestricted	<u>(25,031,123)</u>	<u>(25,844,632)</u>	<u>3,227,805</u>	<u>2,528,084</u>	<u>(21,803,318)</u>	<u>(23,316,548)</u>
Total net assets	<u>\$ 9,387,825</u>	<u>\$ 7,033,462</u>	<u>\$ 26,435,001</u>	<u>\$ 26,294,572</u>	<u>\$ 35,822,826</u>	<u>\$ 33,328,034</u>

A portion of the City's net assets (20.5%) represent resources that are subject to external restrictions on how they may be used. Unrestricted net assets may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in two of the three categories of net assets for its governmental activities and all three categories of net assets for its business-type activities. The negative amount of unrestricted net assets in governmental activities is due to outstanding long-term debt.

The City of Collinsville's net assets increased by \$2,494,792 during 2010. This increase represents the degree to which revenues have outpaced expenditures.

# CITY OF COLLINSVILLE, ILLINOIS

## Management's Discussion and Analysis

For the year ended December 31, 2010

**Governmental activities.** Governmental activities increased the City's net assets by \$2,354,363. Management deliberately reduced expenditures and even held vacant positions open through attrition in response to declining and uncertain revenue streams. Income tax revenue has been a major concern being the second-largest revenue source in the General Fund. However, the State of Illinois administers income tax and has withheld distributions to delay its own financial shortages. Revenues increased by \$2,599,511 in 2010 while expenditures decreased by \$2,275,875.

**Business-type activities.** Business-type activities increased the City's net assets by \$140,429. 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:

	Governmental Activities		Business-type Activities		Total	
	For The Year Ended December 31, 2010	For The Year Ended December 31, 2009	For The Year Ended December 31, 2010	For The Year Ended December 31, 2009	For The Year Ended December 31, 2010	For The Year Ended December 31, 2009
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 4,645,061	\$ 4,320,533	\$ 7,027,785	\$ 6,973,798	\$ 11,672,846	\$ 11,294,331
Operating grants	344,336	392,021			344,336	392,021
Capital grants	1,387,511	322,196	-	-	1,387,511	322,196
General revenues:						
Property taxes	4,245,218	4,232,317	-	-	4,245,218	4,232,317
Sales and use tax	5,995,069	5,847,463	-	-	5,995,069	5,847,463
Home rule sales tax	3,754,669	3,524,667	-	-	3,754,669	3,524,667
Replacement tax	64,971	48,664	-	-	64,971	48,664
State income taxes	1,974,281	2,052,414	-	-	1,974,281	2,052,414
Motor fuel taxes	654,745	660,266	-	-	654,745	660,266
Telecommunications taxes	1,083,623	1,064,333	-	-	1,083,623	1,064,333
Utility taxes	377,363	363,431	-	-	377,363	363,431
Franchise fees	331,463	340,362	-	-	331,463	340,362
Other taxes	387,477	199,162	-	-	387,477	199,162
Investment earnings	17,442	19,198	40,773	104,260	58,215	123,458
Miscellaneous	500,952	65,546	-	-	500,952	65,546
Transfers	587,943	300,000	(587,943)	(300,000)	-	-
Total revenues	<u>26,352,124</u>	<u>23,752,573</u>	<u>6,480,615</u>	<u>6,778,058</u>	<u>32,832,739</u>	<u>30,530,631</u>
<b>EXPENSES</b>						
Governmental activities:						
General government	3,270,285	3,691,084	-	-	3,270,285	3,691,084
Public safety	10,802,030	10,568,120	-	-	10,802,030	10,568,120
Public works	3,976,489	4,041,241	-	-	3,976,489	4,041,241
Health and sanitation	1,353,435	1,426,460	-	-	1,353,435	1,426,460
Community development	1,920,748	4,016,787	-	-	1,920,748	4,016,787
Community services	990,128	768,055	-	-	990,128	768,055
Interest on long-term debt	1,684,646	1,761,889	-	-	1,684,646	1,761,889
Business-type activities:						
Water and sewer	-	-	6,340,186	6,326,386	6,340,186	6,326,386
Total expenses	<u>23,997,761</u>	<u>26,273,636</u>	<u>6,340,186</u>	<u>6,326,386</u>	<u>30,337,947</u>	<u>32,600,022</u>
Change in net assets	2,354,363	(2,521,063)	140,429	451,672	2,494,792	(2,069,391)
Net assets - beginning	<u>7,033,462</u>	<u>9,554,525</u>	<u>26,294,572</u>	<u>25,842,900</u>	<u>33,328,034</u>	<u>35,397,425</u>
Net assets - ending	<u>\$ 9,387,825</u>	<u>\$ 7,033,462</u>	<u>\$ 26,435,001</u>	<u>\$ 26,294,572</u>	<u>\$ 35,822,826</u>	<u>\$ 33,328,034</u>

# CITY OF COLLINSVILLE, ILLINOIS

## Management's Discussion and Analysis

For the year ended December 31, 2010

### FUNDS FINANCIAL ANALYSIS

As noted earlier, the City of Collinsville 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 2010, the City's governmental funds reported combined ending fund balances of \$13,317,401, an increase of \$2,233,496 in comparison with the prior year. Approximately 44.8% of this total amount (\$5,968,374) constitutes unreserved fund balance, which is available for spending at the City's discretion. However, \$7,349,027 (55.2% of the total unreserved governmental funds fund balance) has been designated for specific purposes. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed or is subject to external restrictions:

1. For inventory (\$140,580)
2. For police forfeitures (\$354,760)
3. For fire equipment (\$4,834)
4. For economic development (\$6,848,853)

The General Fund is the chief operating fund of the City of Collinsville. At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$3,725,822, while total fund balance was \$4,225,996. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 21.3% of total General Fund expenditures, while total fund balance represents 24.2% of that same amount.

The fund balance of the City's General Fund increased by \$1,383,724 during the current fiscal year. Expenditure reductions were necessary during 2010 to replenish the fund balance of the General Fund that fell below its target in 2009 due to lagging revenues. A retirement incentive was offered to move eligible employees with costly longevity off of the payroll, service cuts were implemented (such as tree limb pickup and the City Scoop newsletter), and vacant positions were left unfilled to ensure that revenues would exceed expenditures.

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 three tax increment financing districts. At the end of the current fiscal year, the fund balance of the TIF fund was \$5,349,654, which is an increase of \$354,362 compared to 2009. The incremental revenues generated by the TIF districts continue to grow each year.

# CITY OF COLLINSVILLE, ILLINOIS

## Management's Discussion and Analysis

For the year ended December 31, 2010

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

Unrestricted net assets of the water and sewer fund at the end of the year amounted to \$3,227,805 an increase of \$699,721 or 27.7%. Factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

### GENERAL FUND BUDGETARY HIGHLIGHTS

The 2010 expenditure budget for the City's General Fund represents an original budget of \$18,358,330 with no subsequent changes to the total budget. Actual expenditures in the general fund were \$16,993,509, which is \$1,364,821 less than the final, amended budgeted.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

The City of Collinsville's investment in capital assets for its governmental and business-type activities as of December 31, 2010, amounts to \$67,358,048, net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, equipment, vehicles and infrastructure. The total increase in capital assets for the current year was \$6,023,192 or 9.8% (a \$738,927 or 2.6% increase for governmental activities and a \$5,284,265 or 15.9% increase for business-type activities.)

The major portion of the increase for business-type activities was due to the sewer plant expansion, which is being funded by the 2006 bond issue.

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of 2010. Fund financial statements record capital asset purchases as expenditures. The City's capital assets, net of depreciation, are as follows:

	Governmental Activities		Business-type Activities		Total	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
Land	\$ 898,665	\$ 898,665	\$ 382,980	\$ 382,980	\$ 1,281,645	\$ 1,281,645
Construction in progress	-	-	14,581,322	8,520,306	14,581,322	8,520,306
Buildings and improvement:	6,357,639	6,549,900	10,611,374	10,814,363	16,969,013	17,364,263
Equipment	1,423,719	1,251,238	1,027,292	1,075,758	2,451,011	2,326,996
Vehicles	903,846	778,046	105,286	83,301	1,009,132	861,347
Infrastructure	19,337,370	18,704,463	11,728,555	12,275,836	31,065,925	30,980,299
<b>Total capital assets</b>	<b>\$ 28,921,239</b>	<b>\$ 28,182,312</b>	<b>\$ 38,436,809</b>	<b>\$ 33,152,544</b>	<b>\$ 67,358,048</b>	<b>\$ 61,334,856</b>

Additional information on the City's capital assets can be found in Note 4 on pages 35 and 36 of this report.



**CITY OF COLLINSVILLE, ILLINOIS**

Management's Discussion and Analysis

For the year ended December 31, 2010

**Long-term Debt**

At the end of 2010, the City of Collinsville had total long-term debt obligations for governmental and business-type activities in the amount of \$48,995,000 compared to \$50,100,000 at the end of 2009. During 2010, the City made scheduled debt service payments. General obligation bonds are backed by the full faith and credit of the City.

The following bonds are covered by insurance policies insuring the payment of principal and interest when due. Consequently, the bonds have been assigned a rating of "Aaa" by Moody's Investor Services, Inc.

	Governmental Activities		Business-type Activities		Total	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
General Obligation Debt:						
Taxable GO Bonds						
Series 2009	\$ 2,665,000	\$ 2,700,000	\$ -	\$ -	\$ 2,665,000	\$ 2,700,000
LIST Revenue Bonds						
Series 2007	20,250,000	20,250,000	-	-	20,250,000	20,250,000
Taxable GO Bonds						
Series 2007A	7,015,000	7,175,000	-	-	7,015,000	7,175,000
Non-taxable GO Bonds						
Series 2007B	1,020,000	1,090,000	-	-	1,020,000	1,090,000
Refunding Bonds (Tax						
Increment Alternate						
Revenue) Series 2003B	250,000	325,000	-	-	250,000	325,000
Alternative Revenue						
Series 2006	-	-	17,795,000	18,560,000	17,795,000	18,560,000
<b>Total Debt</b>	<b>\$ 31,200,000</b>	<b>\$ 31,540,000</b>	<b>\$ 17,795,000</b>	<b>\$ 18,560,000</b>	<b>\$ 48,995,000</b>	<b>\$ 50,100,000</b>

During 2010, the City retired a loan from the Illinois Environmental Protection Agency. The original loan of \$946,000 was used for filter system improvements at the City's wastewater plant. Repayment was funded with user fees.

Additional information regarding the City's long-term debt can be found in Note 6 on pages 37 through 41 of this report.

**CITY OF COLLINSVILLE, ILLINOIS**

**Management's Discussion and Analysis**

**For the year ended December 31, 2010**

**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.

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**CITY OF COLLINSVILLE, ILLINOIS**

STATEMENT OF NET ASSETS  
DECEMBER 31, 2010

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	\$ 10,530,474	\$ 3,350,068	\$ 13,880,542
Investments	-	2,326,100	2,326,100
Receivables (Net of allowance for uncollectibles):	4,021,444	1,328,352	5,349,796
Inventory	140,580	171,991	312,571
Prepaid Expenses	-	79,270	79,270
Restricted Assets:			
Cash and Cash Equivalents	157,320	443,585	600,905
Capital Assets:			
Land	898,665	382,980	1,281,645
Buildings and Improvements	8,549,483	18,231,584	26,781,067
Equipment	4,419,341	2,875,977	7,295,318
Vehicles	3,504,197	615,583	4,119,780
Infrastructure	36,407,106	45,341,818	81,748,924
Less: Accumulated Depreciation	(24,857,553)	(29,011,133)	(53,868,686)
Net Capital Assets	<u>28,921,239</u>	<u>38,436,809</u>	<u>67,358,048</u>
Other Assets:			
Unamortized Debt Issuance Costs	935,181	277,236	1,212,417
Total Assets	<u>44,706,238</u>	<u>46,413,411</u>	<u>91,119,649</u>
<b><u>Liabilities</u></b>			
Accounts Payable	843,745	1,027,600	1,871,345
Accrued Wages	211,367	48,173	259,540
Accrued Interest Payable	463,011	31,033	494,044
Liabilities Payable from Restricted Assets	151,808	443,585	595,393
Noncurrent Liabilities:			
Due Within One Year	3,830,993	959,120	4,790,113
Due in More Than One Year	29,817,489	17,468,899	47,286,388
Total Liabilities	<u>35,318,413</u>	<u>19,978,410</u>	<u>55,296,823</u>
<b><u>Net Assets</u></b>			
Invested in Capital Assets, Net of Related Debt	27,069,921	23,207,196	50,277,117
Restricted for:			
Economic Development	6,848,853	-	6,848,853
Other Purposes	500,174	-	500,174
Unrestricted	(25,031,123)	3,227,805	(21,803,318)
Total Net Assets	<u>\$ 9,387,825</u>	<u>\$ 26,435,001</u>	<u>\$ 35,822,826</u>

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

**CITY OF COLLINSVILLE, ILLINOIS**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary Government:							
Governmental Activities:							
General Government	\$ 3,270,285	\$ 306,831	\$ -	\$ -	\$ (2,963,454)	\$ -	\$ (2,963,454)
Public Safety	10,802,030	1,442,359	320,621	51,648	(8,987,402)	-	(8,987,402)
Public Works	3,976,489	31,416	-	1,335,863	(2,609,210)	-	(2,609,210)
Health and Sanitation	1,353,435	1,330,220	-	-	(23,215)	-	(23,215)
Community and Economic Development	1,920,748	1,534,235	-	-	(386,513)	-	(386,513)
Community Services	990,128	-	23,715	-	(966,413)	-	(966,413)
Interest on Long-term Debt	1,684,646	-	-	-	(1,684,646)	-	(1,684,646)
Total Governmental Activities (see Note 1)	23,997,761	4,645,061	344,336	1,387,511	(17,620,853)	-	(17,620,853)
Business-type Activities:							
Water and Sewer	6,340,186	7,027,785	-	-	\$ 687,599	\$ 687,599	687,599
Total Business-type Activities	6,340,186	7,027,785	-	-	687,599	687,599	687,599
Total Primary Government	\$ 30,337,947	\$ 11,672,846	\$ 344,336	\$ 1,387,511	(17,620,853)	687,599	(16,933,254)

General Revenues:	Property Tax, Levied for General Purposes	Intergovernmental Revenues:	Sales and Use Tax	Home Rules Sales Tax	Replacement Tax	State Income Tax	Motor Fuel Tax	Telecommunications Tax	Utility Tax	Franchise Fees	Other Taxes	Unrestricted Investment Earnings	Miscellaneous Transfers	Total General Revenues and Transfers	Change in Net Assets	Net Assets - Beginning	Net Assets - Ending
	4,245,218		5,995,069	3,754,669	64,971	1,974,281	654,745	1,083,623	377,363	331,463	387,477	40,773	500,952	19,975,216	2,354,363	7,033,462	\$ 9,387,825
	-		-	-	-	-	-	-	-	-	-	-	(587,943)	(547,170)	140,429	26,294,572	\$ 26,435,001
														19,428,046	2,494,792	33,328,034	\$ 35,822,826

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

**CITY OF COLLINSVILLE, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010

	<u>General</u> <u>Fund</u>	<u>Tax Increment</u> <u>Financing</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<u>Assets</u>				
Cash and Cash Equivalents:				
Cash	\$ 34,403	\$ 1,754,114	\$ 666,208	\$ 2,454,725
Seized Funds Escrow	157,320	-	-	157,320
Investments	<u>1,323,737</u>	<u>3,030,458</u>	<u>3,721,554</u>	<u>8,075,749</u>
Total Cash and Cash Equivalents	<u>1,515,460</u>	<u>4,784,572</u>	<u>4,387,762</u>	<u>10,687,794</u>
Receivables (Net, where applicable, of allowances for uncollectibles):				
Property Tax	1,200,629	173,777	-	1,374,406
Services	602,035	-	36,494	638,529
Intergovernmental	2,491,463	5,447	341,657	2,838,567
Other	201,940	-	-	201,940
Interfund Receivable	76,917	700,254	-	777,171
Inventory	140,580	-	-	140,580
Total Assets	<u>\$ 6,229,024</u>	<u>\$ 5,664,050</u>	<u>\$ 4,765,913</u>	<u>\$ 16,658,987</u>
<u>Liabilities and Fund Equity</u>				
Liabilities:				
Accounts Payable	\$ 284,420	\$ 312,334	\$ 246,991	\$ 843,745
Accrued Wages and Compensated Absences	209,305	2,062	-	211,367
Interfund Payable	-	-	777,171	777,171
Liabilities Payable from Restricted Assets:				
Seized Fund Escrow Liability	151,808	-	-	151,808
Deferred Revenue	<u>1,357,495</u>	<u>-</u>	<u>-</u>	<u>1,357,495</u>
Total Liabilities	<u>2,003,028</u>	<u>314,396</u>	<u>1,024,162</u>	<u>3,341,586</u>
Fund Equity:				
Fund Balance:				
Reserved For:				
Inventory	140,580	-	-	140,580
Forfeited Funds	354,760	-	-	354,760
Fire Equipment	4,834	-	-	4,834
Economic Development	-	5,349,654	1,499,199	6,848,853
Unreserved	3,725,822	-	-	3,725,822
Unreserved, Reported In:				
Special Revenue Funds	-	-	1,950,972	1,950,972
Debt Service Funds	-	-	5,982	5,982
Capital Projects Fund	-	-	285,598	285,598
Total Fund Equity	<u>4,225,996</u>	<u>5,349,654</u>	<u>3,741,751</u>	<u>13,317,401</u>
Total Liabilities and Fund Equity	<u>\$ 6,229,024</u>	<u>\$ 5,664,050</u>	<u>\$ 4,765,913</u>	<u>\$ 16,658,987</u>

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

**CITY OF COLLINSVILLE, ILLINOIS**

**RECONCILIATION OF THE BALANCE SHEET OF THE  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 13,317,401
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	28,921,239
The amount of compensated absences is not recorded as a liability on the balance sheet of the governmental funds.	(1,026,626)
The amount of postemployment health care benefits is not recorded as a liability on the balance sheet of the governmental funds.	(777,441)
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	(31,817,845)
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(463,011)
Net pension liabilities/assets are not reported on the balance sheet of the governmental funds.	(26,570)
Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net assets.	325,497
Debt issuance costs are not reported as an asset to be amortized on the balance sheet of the governmental funds.	935,181
Net assets of governmental activities	<u><u>\$ 9,387,825</u></u>

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

**CITY OF COLLINSVILLE, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>General Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Property Tax	\$ 1,556,217	\$ 2,689,001	\$ -	\$ 4,245,218
<b>Intergovernmental:</b>				
Sales and Use Tax	3,763,180	344,787	1,887,102	5,995,069
Home Rule Sales Tax	3,754,669	-	-	3,754,669
Replacement Tax	64,971	-	-	64,971
State Income Tax	2,076,192	-	-	2,076,192
Motor Fuel Tax	-	-	654,745	654,745
Telecommunications Tax	1,083,623	-	-	1,083,623
Grants	344,336	-	535,863	880,199
Other	348,794	38,683	-	387,477
Other Local Taxes	1,267,755	-	377,363	1,645,118
Drug Forfeiture Revenue	310,608	-	-	310,608
Licenses, Fees and Permits	577,085	-	-	577,085
Charges for Services	2,282,887	-	-	2,282,887
Fines	90,023	-	12,586	102,609
Investment Earnings	2,519	10,277	4,646	17,442
Gifts and Donations	16,930	5,456	59,020	81,406
Miscellaneous Revenues/Reimbursements	253,083	265,330	215,360	733,773
<b>Total Revenues</b>	<u>17,792,872</u>	<u>3,353,534</u>	<u>3,746,685</u>	<u>24,893,091</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	3,126,658	-	19,778	3,146,436
Public Safety	10,065,461	-	14,808	10,080,269
Public Works	2,110,718	-	323,783	2,434,501
Health and Sanitation	1,353,435	-	-	1,353,435
Community and Economic Development	360,043	1,513,315	45,011	1,918,369
Community Services	122,080	854,362	-	976,442
<b>Debt Service:</b>				
Principal	-	66,181	306,565	372,746
Interest and Fees	-	149,621	1,500,402	1,650,023
Capital Outlay	337,980	555,437	1,179,851	2,073,268
<b>Total Expenditures</b>	<u>17,476,375</u>	<u>3,138,916</u>	<u>3,390,198</u>	<u>24,005,489</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>316,497</u>	<u>214,618</u>	<u>356,487</u>	<u>887,602</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Debt	312,108	324,490	-	636,598
Proceeds from Sale of Assets	22,788	-	98,565	121,353
Operating Transfers In	735,000	-	-	735,000
Operating Transfers Out	-	(184,746)	37,689	(147,057)
<b>Total Other Financing Sources</b>	<u>1,069,896</u>	<u>139,744</u>	<u>136,254</u>	<u>1,345,894</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	1,386,393	354,362	492,741	2,233,496
Fund Balance, Beginning of Year	2,842,272	4,995,292	3,249,010	11,086,574
Decrease in Reserve for Inventory	(2,669)	-	-	(2,669)
<b>Fund Balance, End of Year</b>	<u>\$ 4,225,996</u>	<u>\$ 5,349,654</u>	<u>\$ 3,741,751</u>	<u>\$ 13,317,401</u>

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



**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, 2010**

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

Net change in fund balances - total governmental funds \$ 2,233,496

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$2,924,916 exceeded depreciation expense of \$2,185,989 in the current year. The City reports contributed capital of \$851,648 in the fixed asset additions.

738,927

The amount of compensated absences is not recorded as expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the various functional expense categories. This amount is the difference between beginning and ending compensated absences balances that has been included in the statement of activities.

72,220

The amount of net pension liabilities/assets related to the police and fire departments are not recorded as an expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the public safety expense category. This amount is the difference between beginning and ending net pension liabilities/assets balances that has been included in the statement of activities.

(26,570)

The amount of postemployment healthcare benefits is not recorded as expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the various functional expense categories. This amount is the difference between beginning and ending compensated absences balances that has been included in the statement of activities.

(260,655)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.

(298,475)

Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net assets. This amount is the difference between beginning and ending deferred revenues that has been included in the statement of activities.

(101,911)

The governmental funds report the changes in inventory as a direct change to fund balances. The statement of activities reports the change in inventory as a change to the supplies expense account where the purchases were recorded. This amount is the change in inventory balances between the beginning and end of the year.

(2,669)

Change in net assets of governmental activities

\$ 2,354,363

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



**CITY OF COLLINSVILLE, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
PROPRIETARY FUND - WATER AND SEWER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>Operating Revenues:</b>	
Charges for Services	\$ 6,862,773
Fees	122,999
Miscellaneous Revenue	42,013
Total Operating Revenues	<u>7,027,785</u>
<b>Operating Expenses:</b>	
Salaries	2,121,272
Employee Benefits	825,740
Maintenance	119,259
Contractual Services	1,338,202
Commodities	570,792
Depreciation	1,338,567
Total Operating Expenses	<u>6,313,832</u>
Operating Income	<u>713,953</u>
<b>Nonoperating Revenues (Expenses):</b>	
Amortization of Deferred Refunding and Bond Issuance Costs	(17,327)
Investment Earnings	40,773
Interest and Fiscal Charges	(9,027)
Total Nonoperating Revenues (Expenses)	<u>14,419</u>
Income Before Capital Contributions and Transfers	728,372
Transfers Out	<u>(587,943)</u>
Change in Net Assets	140,429
Net Assets - Beginning of Year	<u>26,294,572</u>
Net Assets - End of Year	<u>\$ 26,435,001</u>

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

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## CITY OF COLLINSVILLE, ILLINOIS

### STATEMENT OF CASH FLOWS PROPRIETARY FUND TYPE - WATER AND SEWER FUND FOR THE YEAR ENDED DECEMBER 31, 2010

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 7,096,857
Payments to Suppliers	(2,574,127)
Payments to Employees	(2,065,170)
Net Cash Provided by Operating Activities	<u>2,457,560</u>
Cash Flows from Noncapital Financing Activities:	
Payments to Other Funds	(587,943)
Net Cash Used by Noncapital Financing Activities	<u>(587,943)</u>
Cash Flows from Capital and Related Financing Activities:	
Capital Expenditures	(6,063,273)
Principal Payments on Bonds	(765,000)
Interest Payments and Fiscal Charges	(784,421)
Principal Payments on Loan/Lease	(199,499)
Net Cash Used by Capital and Related Financing Activities	<u>(7,812,193)</u>
Cash Flows from Investing Activities:	
Interest Received	52,766
Net Sale of Long-Term Investments	6,748,447
Net Cash Provided by Investing Activities	<u>6,801,213</u>
Net Increase in Cash and Cash Equivalents	858,637
Cash and Cash Equivalents, Beginning of Year	<u>2,935,016</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,793,653</u>
Reconciliation of Operating Income to Net Cash Provided	
by Operating Activities:	
Operating Income	\$ 713,953
Adjustments to Reconcile Net Income to	
Net Cash Provided by Operating Activities:	
Depreciation	1,338,567
(Increase) Decrease in Assets:	
Services Receivables	68,898
Inventory	(24,243)
Prepaid Expenses	143,564
Increase (Decrease) in Liabilities:	
Accrued Wages and Compensated Absences	56,102
Postemployment Healthcare Benefits	22,924
Accounts Payable	137,621
Restricted Customer Deposits	174
Net Cash Provided by Operating Activities	<u>\$ 2,457,560</u>

The City has entered into a capital lease of \$42,283 for an addition to fixed assets and is not reflected above.

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

**CITY OF COLLINSVILLE, ILLINOIS**

**STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS - PENSION TRUST FUNDS  
DECEMBER 31, 2010**

**Assets:**

**Cash and Cash Equivalents:**

Cash \$ 861,231

Investments 12

Investments 32,033,743

**Receivables:**

Property Tax 1,566,568

Employee Contributions 11,703

Accrued Interest 72,676

Total Assets 34,545,933

**Liabilities:**

Accounts Payable 15,000

Total Liabilities 15,000

**Net Assets:**

Held in Trust For Pension  
Benefits and Other Purposes \$ 34,530,933

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

**CITY OF COLLINSVILLE, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS - PENSION TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>Additions:</b>	
Taxes	\$ 1,673,227
Employee Contributions	517,039
Pension Transfers	225,162
<b>Investment Earnings:</b>	
Investment Earnings	3,218,456
Less: Investment Expense	(102,463)
Net Investment Earnings	<u>3,115,993</u>
Total Additions	<u>5,531,421</u>
<b>Deductions:</b>	
Benefit Payments	2,084,480
Refund of Contributions	66,048
Contractual Services	40,987
Total Deductions	<u>2,191,515</u>
Change in Net Assets	3,339,906
Net Assets - Beginning of Year	<u>31,191,027</u>
Net Assets - End of Year	<u>\$ 34,530,933</u>

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

# **CITY OF COLLINSVILLE, ILLINOIS**

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2010**

### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Collinsville, Illinois was incorporated November 30, 1872. The City operates under a City Manager form of government and provides the following services: public safety (police and fire), highways and streets, health and sanitation, community and economic development, community services, water and sewerage and general administrative services. The City Manager and council members exercise oversight responsibility for all of these governmental services.

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

(a) **The financial reporting entity**

The City is a political subdivision of the State of Illinois. An elected board of four council members and a mayor governs the City. The council members are elected at large. These financial statements present all the fund types and account groups of the City. Component units are legally separate entities for which the City is financially accountable. The City did not report any component units in the City's financial statements.

**Related organization**

The City's Mayor and Council are responsible for appointing and approving the members of the Collinsville Metropolitan Exposition Auditorium and Office Building Authority. However, the City's accountability for the Authority does not extend beyond making the appointments. The Authority's operations, capital and debt service expenditures are financed entirely from the Authority's operations. The City has no involvement in the determination of the Authority's budget and rental rates and no obligations for the Authority's outstanding debts.



CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the City. 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

(c) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

government 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 and 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 government.

The City reports the following major governmental funds:

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

The Tax Increment Financing Fund accounts for incremental taxes and other revenues as well as all expenses related to improvements and promotional costs connected to the tax increment financing areas.

The City reports the following major proprietary fund:

The Water and Sewer Fund accounts for all activities related to the billing, administration, distribution and collection processes of the water and sewer utilities. The City operates the water distribution system as well as the sewage treatment plant, sewage pumping stations and collection systems.

Additionally, the City reports the following fund type:

The pension trust fund accounts for the activities of the Police and Fire Pension Funds, which accumulate resources for pension benefit payments to qualified public safety employees.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are 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.

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

(d) Assets, liabilities and net assets or equity

Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposits and short-term investments with original maturities of three months or less. All short-term cash surpluses are maintained in 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

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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.

Fixed-income securities are recorded in all funds 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.

Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles.

The allowance for uncollectibles, which has been deducted from the related receivable on the statement of net assets, consists of the following amounts.

General Fund	Garbage Receivables	\$ 45,530
General Fund	Ambulance Receivables	556,661
Proprietary Fund	Water and Sewer Receivables	<u>294,700</u>
Total		<u>\$ 896,891</u>

Unbilled water and sewer utility receivables related to the business-type activities are recorded at year-end. They are determined by taking cycle billings subsequent to December 31 and prorating the applicable number of days to the current fiscal year.

Unbilled garbage receivables related to the governmental activities are recorded and reported in the same manner as the water and sewer billings.

The City levied its 2009 property taxes on December 14, 2009 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.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Property taxes for 2010 become an enforceable lien in January 2011. Because this tax levy will be used to pay expenses budgeted in 2011, no part of this tax levy is shown as a receivable as of December 31, 2010 in the statement of activities.

Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures 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.

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

Restricted assets

At December 31, 2010, the following amounts are reported as restricted assets by the City:

Waterworks and Sewerage Customer Deposits	\$ 443,585
General Fund - Police Savings - Inventory	157,320

Capital assets

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

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The City recorded capitalized interest of \$774,119 in the current year related to the interest incurred on the construction related debt.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Property, plant and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	7 - 40
Public domain infrastructure	20 - 40
System infrastructure	20 - 50
Vehicles	5 - 10
Office and other equipment	5 - 15

Compensated absences

Accumulated unpaid vacation and sick pay amounts are accrued when incurred. The City's policy permits employees to earn one to four weeks of vacation per year, based on length of service. In addition, employees earn sick leave at the rate of eighteen days per year. The maximum accumulation for any employee is one year vacation earned and ninety days of sick leave. Accumulated unused sick leave is paid to an employee upon retirement.

At December 31, 2010, the City estimated that the accumulated liability for unused vacation and sick leave for governmental fund employees totaled \$567,769 and \$458,857, respectively. Amounts reflected in the financial statements at December 31, 2010 for Enterprise Fund employees related to unused vacation and sick leave benefits totaled \$155,038 and \$356,042, respectively

Long-term obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt 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.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Fund equity

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

The following details the description and amount of all reserves recorded by the City in the fund financial statements:

Governmental Funds

Reserved for Inventory	\$ 140,580
Reserved for Economic Development	6,848,853
Reserved for Forfeited Funds	354,760
Reserved for Fire Equipment	<u>4,834</u>
	<u>\$ 7,349,027</u>

Fiduciary Funds

Reserved for Employees' Pension Benefits	<u>\$ 34,530,933</u>
--	----------------------

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

**NOTE 2: BUDGETARY AND LEGAL COMPLIANCE**

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.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 budget and all transactions are presented in accordance with the City's method (budget basis) in the required supplementary information for the major governmental funds to provide a meaningful comparison of actual results with the budget.

The City has no funds with actual expenditures in excess of the budgeted amounts.

**NOTE 3: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**General Government & Business-Like Activities**

At December 31, 2010, the carrying amount of the City's deposits was \$9,032,685 and the bank balance was \$10,780,102. The deposits were comprised of checking, interest checking, savings, money market and certificates of deposit.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the City's name. The City had bank balances of \$2,560,663 that exceeded FDIC coverage. \$2,424,575 was collateralized by investments held by the bank in the City's name. \$136,088 was uncollateralized at December 31, 2010.



**CITY OF COLLINSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

As of December 31, 2010, the City had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Metropolitan Investment Fund	Daily	\$ 1,268,195
The Illinois Funds (external investment pool)	Daily	4,531,646
Money Market Mutual Funds	Daily	<u>1,974,541</u>
		7,774,382
Cash on Hand		480
Deposits as reported above		<u>9,032,685</u>
Total deposits and investments		<u>\$ 16,807,547</u>
As Reported in the Statement of Net Assets:		
Cash and Cash Equivalents		\$ 13,880,542
Cash and Cash Equivalents - Restricted		600,905
Investments		<u>2,326,100</u>
		<u>\$ 16,807,547</u>

**Interest Rate Risk.** The City's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** As of December 31, 2010, the credit rating of the City's investments was as follows:

<u>Investment</u>	<u>Standard &amp; Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Illinois Metropolitan Investment Fund	--	Aaa
The Illinois Funds	AAAm	--
Federal Home Loan Bank	AAA	Aaa

**Concentration of Credit Risk.** As of December 31, 2010, the City's investments are concentrated as follows:

<u>Investment</u>	<u>Percentage</u>
Illinois Metropolitan Investment Fund	7.55%
The Illinois Funds	26.96%

**Foreign Currency Risk.** As of December 31, 2010, the City has no foreign currency risk.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Firefighter's Pension Fund**

At December 31, 2010, the carrying amount of the Firefighter's Pension Fund deposits was \$4,410,411 and the bank balance was \$4,428,573. The deposits were comprised of interest checking, money market and certificates of deposit.

**Custodial Credit Risk.** Custodial credit risk is the risk that in the event of a bank failure, the Firefighter's Pension Fund's deposits may not be returned to it. The Firefighter's Pension Fund requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Fire Pension's name.

As of December 31, 2010, the Firefighter's Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
The Illinois Funds	Daily	\$ 12
U.S. Treasury Notes	3.92	1,542,051
Federal National Mortgage Association	14.39	1,019,124
Corporate Debt	1.68	185,664
Federal Home Loan Mortgage Corp.	26.60	38,590
Mutual Funds	--	9,056,592
BAB Income Trust	--	965,426
		<u>12,807,459</u>
Deposits as reported above		<u>4,410,411</u>
Total deposits and investments		<u>\$ 17,217,870</u>

**Interest Rate Risk.** The Firefighter's Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** As of December 31, 2010, the Firefighter's Pension Fund's investments credit ratings were as follows:

<u>Investment</u>	<u>Standard &amp; Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
The Illinois Funds	AAAm	--
Federal National Mortgage Association	AAA	Aaa
Federal Home Loan Mortgage Corp.	AAA	Aaa

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Concentration of Credit Risk. As of December 31, 2010, the Firefighter's Pension Fund had a concentration of credit risk related to investing 5.92% of the Fund's investments in Federal National Mortgage Associations.

Foreign Currency Risk. As of December 31, 2010, the Firefighter's Pension Fund has no foreign currency risk.

**Police Pension Fund**

At December 31, 2010, the carrying amount of the Police Pension Fund's deposits was \$722,384 and the bank balance was \$706,408. The deposits were comprised of checking and interest checking accounts.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Police Pension Fund's name.

As of December 31, 2010, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
U.S. Treasury Notes	3.32	\$ 4,896,501
Federal National Mortgage Association	1.19	186,861
Federal Home Loan Mortgage	4.13	1,002,907
Government National Mortgage Association	18.54	114,314
Federal Home Loan Bank	1.98	925,793
Federal Farm Credit Bank	0.71	305,790
Municipal Bonds	3.06	730,180
Mutual Fund	--	1,690,208
Domestic Equities	--	<u>5,102,178</u>
		14,954,732
Deposits as reported above		<u>722,384</u>
Total deposits and investments		<u>\$ 15,677,116</u>

Interest Rate Risk. The Police Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Credit Risk. As of December 31, 2010, the Police Pension Fund's investments credit ratings were as follows:

<u>Investment</u>	<u>Standard &amp; Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Federal National Mortgage Association	AAA	Aaa
Federal Home Loan Mortgage	AAA	Aaa
Federal Home Loan Bank	AAA	Aaa

Concentration of Credit Risk. As of December 31, 2010, the Police Pension Fund's investments are concentrated as follows:

<u>Investment</u>	<u>Percentage</u>
Federal National Mortgage Association	5.92%
Federal Home Loan Mortgage Corp.	6.40%

Foreign Currency Risk. As of December 31, 2010, the Police Pension Fund has no foreign currency risk.

**NOTE 4: CAPITAL ASSETS**

Capital asset activity for governmental activities for the year ended December 31, 2010 was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 898,665	\$ -	\$ -	\$ 898,665
Capital assets, being depreciated:				
Buildings and improvements	8,456,907	92,576	-	8,549,483
Equipment	3,977,110	445,316	3,085	4,419,341
Vehicles	3,159,102	356,580	11,485	3,504,197
Infrastructure	34,376,662	2,030,444	-	36,407,106
Total capital assets being depreciated	49,969,781	2,924,916	14,570	52,880,127
Less accumulated depreciation for:				
Buildings and improvements	1,907,007	284,837	-	2,191,844
Equipment	2,725,872	272,835	3,085	2,995,622
Vehicles	2,381,056	230,780	11,485	2,600,351
Infrastructure	15,672,199	1,397,537	-	17,069,736
Total accumulated depreciation	22,686,134	2,185,989	14,570	24,857,553
Total capital assets, being depreciated, net	27,283,647	738,927	-	28,022,574
Governmental activities capital assets, net	\$ 28,182,312	\$ 738,927	\$ -	\$ 28,921,239

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Capital asset activity for business-type activities for the year ended December 31, 2010 was as follows:

<u>Business-type activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 382,980	\$ -	\$ -	\$ 382,980
Construction in progress	8,520,306	6,061,016	-	14,581,322
	<u>8,903,286</u>	<u>6,061,016</u>	<u>-</u>	<u>14,964,302</u>
Capital assets, being depreciated:				
Buildings and improvements	18,225,074	246,587	240,077	18,231,584
Infrastructure	30,651,169	109,327	-	30,760,496
Equipment	3,010,690	129,278	263,991	2,875,977
Vehicles	1,083,285	76,624	544,326	615,583
Total capital assets being depreciated	<u>52,970,218</u>	<u>561,816</u>	<u>1,048,394</u>	<u>52,483,640</u>
Less accumulated depreciation for:				
Buildings and improvements	7,410,711	449,576	240,077	7,620,210
Infrastructure	18,375,333	656,608	-	19,031,941
Equipment	1,934,932	177,744	263,991	1,848,685
Vehicles	999,984	54,639	544,326	510,297
Total accumulated depreciation	<u>28,720,960</u>	<u>1,338,567</u>	<u>1,048,394</u>	<u>29,011,133</u>
Total capital assets, being depreciated, net	<u>24,249,258</u>	<u>(776,751)</u>	<u>-</u>	<u>23,472,507</u>
Business-type activities capital assets, net	<u>\$ 33,152,544</u>	<u>\$ 5,284,265</u>	<u>\$ -</u>	<u>\$ 38,436,809</u>

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

General government	\$ 137,949
Public safety	466,108
Highways and streets, including depreciation of general infrastructure assets	1,566,566
Community and economic development	5,036
Community services	10,330
Total depreciation expense - governmental activities	<u>\$ 2,185,989</u>
Business-type activities:	
Water and sewer	<u>\$ 1,338,567</u>

**CITY OF COLLINSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 5: RECEIVABLES**

The City reports the following receivables in the statement of net assets as of December 31, 2010. These amounts are reported net of the applicable allowances for uncollectible accounts.

	<u>General</u>	<u>Other Major Funds</u>	<u>Water and Sewer</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Interest	\$ -	\$ -	\$ 5,609	\$ -	\$ 5,609
Local Taxes	109,986	-	-	36,494	146,480
Fines/Franchise Fees	91,954	-	-	-	91,954
Accounts	1,204,226	-	1,617,443	-	2,821,669
Property taxes	168,631	173,777	-	-	342,408
Intergovernmental	<u>2,491,463</u>	<u>5,447</u>	<u>-</u>	<u>341,657</u>	<u>2,838,567</u>
Gross Receivables	4,066,260	179,224	1,623,052	378,151	6,246,687
Less: Allowance for uncollectible	<u>602,191</u>	<u>-</u>	<u>294,700</u>	<u>-</u>	<u>896,891</u>
Net Total Receivables	<u>\$ 3,464,069</u>	<u>\$ 179,224</u>	<u>\$ 1,328,352</u>	<u>\$ 378,151</u>	<u>\$ 5,349,796</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable	\$ 1,031,998	\$ --
Intergovernmental taxes	325,497	--

**NOTE 6: LONG-TERM DEBT**

**Bond Issues**

The City issues bonds to provide funds for the acquisition and construction of major capital facilities and development purposes. Bonds have been issued for both governmental and business-type activities. The City has the following outstanding bond issues:

\$715,000 General Obligation Refunding Bonds (Tax Increment Alternate Revenue Source), Series 2003B dated September 3, 2003, due in annual installments of \$80,000 to \$85,000 through December 1,

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2013; interest at 3.70% to 4.00%. These bonds were issued to refund a portion of prior outstanding Series 1993B TIF bonds. The amount of bonds outstanding as of December 31, 2010 is \$250,000.

\$20,000,000 General Obligation Bonds, Series 2006 dated February 1, 2006, due in annual installments of \$800,000 to \$1,490,000 through December 15, 2026; interest at 4.00% to 4.45%. The proceeds were used to finance certain capital improvements to the City's water and sewer systems. The amount of bonds outstanding as of December 31, 2010 is \$17,795,000.

\$7,300,000 Taxable General Obligation Bonds, Series 2007A dated October 31, 2007, due in annual installments of \$200,000 to \$670,000 through December 15, 2027; interest at 5.20% to 5.80%. The proceeds were used to reimburse or pay redevelopment costs associated with the Collinsville Crossing Shopping Center. The amount of bonds outstanding as of December 31, 2010 is \$7,015,000.

\$1,215,000 General Obligation Bonds, Series 2007B dated October 31, 2007, due in annual installments of \$75,000 to \$115,000 through December 15, 2021; interest at 3.65% to 4.00%. The proceeds were used to reimburse or pay redevelopment costs associated with the Fournie Lane redevelopment. The amount of bonds outstanding as of December 31, 2010 is \$1,020,000.

\$20,250,000 Local Government Program Revenue Bonds, Series 2007 dated July 23, 2007, due in semiannual installments of \$390,000 to \$2,455,000 through March 1, 2023; interest at 5.00% to 5.35%. 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 Crossing Shopping Center. The amount of bonds outstanding as of December 31, 2010 is \$20,250,000.

\$2,700,000 Taxable General Obligation Bonds, Series 2009 dated January 12, 2009, due in annual installments of \$50,000 to \$245,000 through December 15, 2028; interest at 3.75% to 5.95%. The proceeds were used to reimburse or pay redevelopment costs associated with the Eastport Plaza Drive Business District for work related to the Doubletree Inn. The amount of bonds outstanding as of December 31, 2010 is \$2,665,000.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The annual requirements to retire outstanding bond issues as of December 31, 2010 are as follows:

Fiscal Year Ended December 31,	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 3,015,000	\$ 1,879,225	\$ 800,000	\$ 744,794
2012	1,350,000	1,461,554	835,000	712,794
2013	1,475,000	1,395,457	870,000	679,394
2014	1,525,000	1,323,223	905,000	644,594
2015	1,655,000	1,247,700	945,000	608,394
2016 - 2020	10,540,000	4,838,328	5,355,000	2,440,775
2021 - 2025	9,855,000	1,701,109	6,595,000	1,218,294
2026 - 2028	1,785,000	172,098	1,490,000	66,305
	<u>\$ 31,200,000</u>	<u>\$ 14,018,694</u>	<u>\$ 17,795,000</u>	<u>\$ 7,115,344</u>

Capital Lease Agreements

The City has entered into several capital lease agreements. The following are descriptions of the City's outstanding capital lease agreements:

\$23,343 capital lease through Dell Financial Services, Inc., dated December 19, 2008, for a server, bears interest at 6.63%; annual principal and interest payments of \$12,845 are due through February 2011. The principal amount of the lease outstanding as of December 31, 2010 is \$12,046.

\$3,409 capital lease through Dell Financial Services, Inc., dated November 11, 2008, for 6 computers, bears interest at 7.06%; annual principal and interest payments of \$1,703 are due through November 2010 with a final payment of \$409 due November 2011. The principal amount of the lease outstanding as of December 31, 2010 is \$382.

\$157,942 capital lease through The Bank of Edwardsville, dated September 10, 2010, for a 2010 GMC Type III ambulance, bears interest at 3.95%; with one annual principal and interest payment of \$162,967 on July 1, 2011. The principal amount of the lease outstanding as of December 31, 2010 is \$157,942.

\$379,721 capital lease through PNC Equipment Finance, dated December 18, 2009, for energy efficient equipment, bears interest at 4.25%; annual principal and interest payments of \$51,653 are due through December 2018. The principal amount of the lease outstanding



CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

as of December 31, 2010 is \$344,206. A portion of this capital lease is being retired by both governmental activities and business-type activities based upon the actual initial costs that were used for the respective fund types.

\$110,845 capital lease through The Bank of Edwardsville, dated January 10, 2011, for 5 police pursuit vehicles, bears interest at 4.94%; annual principal and interest payments of \$39,243 are due April 2011 through April 2013. The principal amount of the lease outstanding as of December 31, 2010 is \$110,845.

\$30,373 capital lease through The Bank of Edwardsville, dated January 12, 2011, for 7 Panasonic laptops with docking stations, bears interest at 5.47%; quarterly principal and interest payments of \$2,117 are due beginning March 2011 with the last payment on December 2014. The principal amount of the lease outstanding as of December 31, 2010 is \$30,373.

The annual debt requirements to retire capital lease agreements as of December 31, 2010 are as follows:

Fiscal Year Ended December 31,	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 248,224	\$ 21,665	\$ 4,082	\$ 1,613
2012	77,313	16,355	4,255	1,439
2013	80,953	12,714	4,436	1,258
2014	45,509	8,916	4,625	1,070
2015	38,910	7,048	4,821	873
2016-2018	<u>126,936</u>	<u>10,940</u>	<u>15,730</u>	<u>1,356</u>
	<u>\$ 617,845</u>	<u>\$ 77,638</u>	<u>\$ 37,949</u>	<u>\$ 7,609</u>

**CITY OF COLLINSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

The following is a summary of changes in long-term liabilities for the year ended December 31, 2010:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental Activities:</u></b>					
<b>Bonds and notes payable:</b>					
General obligation bonds	\$ 11,290,000	\$ -	\$ 340,000	\$ 10,950,000	\$ 405,000
Revenue bonds	20,250,000	-	-	20,250,000	2,610,000
<b>Other liabilities:</b>					
Capital leases	13,993	636,598	32,746	617,845	248,224
Post-employment healthcare benefits	516,786	260,655	-	777,441	-
Pension benefit obligation	(427,501)	454,071	-	26,570	-
Compensated absences	<u>1,098,846</u>	<u>-</u>	<u>72,220</u>	<u>1,026,626</u>	<u>567,769</u>
	1,202,124	1,351,324	104,966	2,448,482	815,993
<b>Governmental activities long-term liabilities</b>	<b><u>\$ 32,742,124</u></b>	<b><u>\$ 1,351,324</u></b>	<b><u>\$ 444,966</u></b>	<b><u>\$ 33,648,482</u></b>	<b><u>\$ 3,830,993</u></b>
<b><u>Business-type Activities:</u></b>					
<b>Bonds and notes payable:</b>					
General obligation bonds	\$ 18,560,000	\$ -	\$ 765,000	\$ 17,795,000	\$ 800,000
Capital lease	89,448	42,283	93,782	37,949	4,082
IEPA loan	<u>105,717</u>	<u>-</u>	<u>105,717</u>	<u>-</u>	<u>-</u>
<b>Total bonds and notes payable</b>	<b>18,755,165</b>	<b>42,283</b>	<b>964,499</b>	<b>17,832,949</b>	<b>804,082</b>
<b>Other liabilities:</b>					
Post-employment healthcare benefits	61,066	22,924	-	83,990	-
Compensated absences	<u>468,473</u>	<u>42,607</u>	<u>-</u>	<u>511,080</u>	<u>155,038</u>
<b>Business-type activities long-term liabilities</b>	<b><u>\$ 19,284,704</u></b>	<b><u>\$ 107,814</u></b>	<b><u>\$ 964,499</u></b>	<b><u>\$ 18,428,019</u></b>	<b><u>\$ 959,120</u></b>

**NOTE 7: 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 8: 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 (CONTINUED)

**NOTE 9: INTERGOVERNMENTAL AGREEMENT**

The City entered into an intergovernmental agreement with the Collinsville Metropolitan Exposition, Auditorium and Office Building Authority (the "Authority"). This agreement, as amended on April 7, 1988, requires the City to collect Hotel-Motel Tax and Food and Beverages Tax. All proceeds from the taxes shall be used for the support, construction, maintenance or financing of a facility of the "Authority".

The City has agreed to allow these funds to be used to:

1. Pay the principal and interest on the revenue bonds of the Authority, and
2. Establish and maintain a reserve fund at \$300,000 for the payment of deficits as they become due.

The City's Hotel-Motel Tax Ordinance provides for the payment of an administration fee to the City in the amount of \$12,500 per annum after the payments noted above have been provided for.

The Authority has allowed the City to withhold the administrative fee of \$12,500 for the year regardless of the balance in the reserve fund.

**NOTE 10: TAX INCREMENT FINANCING DISTRICT**

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 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 of Collinsville 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.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 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 District compared to the base period.
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 a Special Tax Allocation Fund and redevelopment project costs are to be paid from this fund.

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. The objectives are primarily the same as those set forth in establishing the initial TIF District. The 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. The objectives are primarily the same as those set forth in establishing the initial TIF District. The TIF District #3 will be financed only with increases in property values within the district and the related incremental taxes.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 11: SEIZED FUND ESCROW**

The City maintains a seized fund escrow account where it deposits monies seized by the police department until a determination is made regarding the distribution of those funds. The balance in this account at December 31, 2010 is \$157,320. The escrow liability directly offsets this account except for net interest income and bank service charges in the amount of \$5,512.

**NOTE 12: SOLID WASTE LANDFILL**

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

The Illinois Environmental Protection Agency 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 engineer has now filed for official permanent closure but, at this time, the EPA has not granted that status. Future required testing costs for this project is expected to be approximately \$35,000 per year for the foreseeable future.

**NOTE 13: FEDERAL DRUG FORFEITURE REVENUE AND EXPENSES**

During the year, the City received \$266,988 in federal drug forfeiture revenue and from those funds expended \$115,924. 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.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 14: RETIREMENT AND PENSION FUND COMMITMENTS**

1. Illinois Municipal Retirement Fund

*Plan Description.* The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, members are required to contribute 4.50 percent 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 employer contribution rate for calendar year 2010 was 8.57 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2010 was 10.89 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* For fiscal year ending December 31, 2010, the City's actual contributions for pension cost for Regular were \$438,337. Its required contribution for calendar year 2010 was \$557,000.

**Three-Year Trend Information for IMRF**

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/10	\$ 557,000	79%	\$ 118,663
12/31/09	386,576	100%	-
12/31/08	368,778	100%	-

The required contribution for 2010 was determined as part of the December 31, 2008 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008 included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The City's Regular plan's unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 30 year basis.

*Funded Status and Funding Progress.* As of December 31, 2010, the most recent actuarial valuation date, the plan was 76.48 percent funded. The actuarial accrued liability for benefits was \$12,606,508 and the actuarial value of assets was \$9,641,916, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,964,592. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$5,114,786 and the ratio of the UAAL to the covered payroll was 58 percent.

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

2. Police Pension Fund and Firefighters' Pension Fund

a) Plan Description and Contribution Information

Information is shown at various dates, which presents the most current information available.

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 – Act 5, Article 3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The City's payroll for employees covered by the Police Pension Plan for the year ended December 31, 2010 was \$3,156,484.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

At December 31, 2010, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	31
Current Employees	<u>44</u>
Total	<u>75</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. 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 the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the current pension.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded. The City is required to contribute the remaining amount necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033, the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

Fire sworn personnel are covered by the Firefighter's Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40 – Act 5, Article 4) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The City's payroll for employees covered by the Firefighters' Pension Plan for the year ended December 31, 2010 was \$2,160,034.



CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

At December 31, 2010, the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	28
Current Employees	<u>31</u>
Total	<u>59</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly 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 retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching at least the age of 55, by 3% of the original pension and an additional 3% annually, in January thereafter.

Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. 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 by an enrolled actuary. By the year 2033, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

b) Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Method Used to Value Investments

Fixed-income and equity securities are reported at fair value in accordance with GASB 25. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

c) Annual Pension Cost and Net Pension Obligation

The City's annual pension cost and net pension obligation for the current year were as follows:

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Annual required contribution	\$ 1,017,576	\$ 753,676
Interest on net pension obligation	(21,251)	(8,674)
Adjustment to annual required contribution	<u>15,019</u>	<u>6,130</u>
Annual pension cost	1,011,344	751,132
Contributions made	<u>796,046</u>	<u>512,359</u>
Increase (decrease) in net pension obligation	215,298	238,773
Net pension obligation beginning of year	<u>(303,588)</u>	<u>(123,913)</u>
Net pension obligation end of year	<u>\$ (88,290)</u>	<u>\$ 114,860</u>

Actuarial Valuation Date - December 31, 2010

Actuarial Value of Assets	\$ 15,057,594	\$ 16,018,330
Actuarial Accrued Liability	25,219,721	19,886,124
Total Unfunded Actuarial Liability	10,162,127	3,867,794
Actuarial Value of Assets as a % of the Actuarial Accrued Liability	59.71%	80.55%
Annual Covered Payroll	3,012,878	2,151,441
Ratio of the Unfunded Actuarial Liability to Annual Covered Payroll	337.29%	179.78%

The annual required contribution for the current year was determined as part of the December 31, 2008, actuarial valuation using the entry age normal cost method. The actuarial assumptions included (a) 7.0% investment rate of return (net of administrative expenses) and (b) projected salary increases of 5.5% per year. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of assets was determined using amortized costs. The unfunded actuarial

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2009, was 23.4986 years.

**Three-Year Trend Information**

	<u>Fiscal</u> <u>Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
Police Pension	12/31/08	\$ 1,011,344	78.71%	\$ (88,290)
	12/31/07	707,205	100.01%	(303,588)
	12/31/06	593,160	100.06%	(302,829)
Fire Pension	12/31/08	\$ 751,132	68.21%	\$ 114,860
	12/31/07	459,076	100.01%	(123,913)
	12/31/06	363,586	100.05%	(123,436)

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

d) Concentration

The City has a concentration of 5% or more investments in the following organizations:

Police Pension:	
US Treasury Note 08/31/12	\$ 1,422,663
US Treasury Bond 03/31/15	879,950
Dodge & Cox International Fund	1,674,232
Firefighter's Pension:	
Bank of Edwardsville	\$ 2,736,783
First Collinsville Bank	935,649
DFA Enhanced US Large Co. Portfolio	1,527,805
DFA Small Cap Value Portfolio	900,732
DFA Large Cap Value Portfolio	1,735,414
DFA Emerging Markets Core Equity	1,305,662
DFA Real Estate Portfolio	912,619

e) Legally Required Reserves

The City has the following legally required reserves:

Police Pension	\$ 16,690,525
Firefighter's Pension	17,840,408

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 15: INTERFUND TRANSFERS**

The City made the following interfund transfers during the year ended December 31, 2010:

General Fund Transfer From:	
MFT Fund	\$ 100,000
Water/Sewer Fund	635,000
Water/Sewer Fund Transfer From:	
Capital Projects	47,057
TIF Debt Service Fund Transfer From:	
Tax Increment Financing Fund	87,183
Fournie Lane Business District Fund From:	
Tax Increment Financing Fund	97,563

The General Fund receives transfers for reimbursement of expenses paid by that fund for expenses related to other funds. The Water/Sewer Fund receives transfer for capital projects. The transfer between the Tax Increment Financing funds provided funds for debt service purposes.

**NOTE 16: INTERFUND RECEIVABLES/PAYABLES**

The City has the following interfund receivables/payables as of December 31, 2010:

General Fund	\$ 76,917	\$ --
Collinsville Crossings Fund	--	777,171
Tax Increment Financing Fund	700,254	--

The balances are short-term interfund receivables which will be transferred in fiscal year 2011.

**NOTE 17: POSTEMPLOYMENT HEALTHCARE PLAN**

*Plan Description.* The City maintains a single-employer defined benefit healthcare plan available for retirees. 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 Firefighter's Pension Fund. The various eligibility requirements vary with the type of retirement plan the employee was associated with. The City does not issue a separate report related to post-retirement healthcare benefits.

*Funding Policy.* The contribution requirements are as determine by the contracts with City employees and are funded as a pay-as-you-go basis.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following shows the components of the annual OPEB for the year, the actual amount contributed to the plan, and the change in the OPEB obligation.

Annual required contribution	\$ 464,327
Interest on OPEB obligation	23,114
Adjustment to ARC	<u>(19,262)</u>
Annual OPEB cost	468,179
Contributions made	<u>(184,600)</u>
Increase in OPEB	283,579
Net OPEB – Beg of Year	<u>577,852</u>
Net OPEB – End of Year	<u>\$ 861,431</u>

The City's annual OPEB costs, the percentages of annual OPEB cost contributed to the plan, and the net OPEB obligations for 2009 and 2010 are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/10	\$ 468,179	39.43%	\$ 861,431
12/31/09	501,941	42.81%	577,852
12/31/08	477,749	39.13%	290,814

Actuarial Valuation Date - December 31, 2010

Actuarial Value of Assets	\$ -
Actuarial Accrued Liability	5,196,326
Total Unfunded Actuarial Liability	5,196,326
Actuarial Value of Assets as a % of the Actuarial Accrued Liability	0.00%
Annual Covered Payroll	10,353,558
Ratio of the Unfunded Actuarial Liability to Annual Covered Payroll	50.19%

*Funding Status and Funding Progress.* As of December 31, 2010, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability is \$5,196,326. The plan has no assets as payments are made on a pay-as-you-go basis. The covered payroll was \$10,353,558 and the ratio of the UAAL to the covered payroll was 50.19 percent.

CITY OF COLLINSVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

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

In the December 31, 2010 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 8.50 percent to be reduced by .5 increments to an ultimate rate of 4.50 percent after ten years. These rates include a 3.0 percent inflation assumption. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, was 30 years. The wage inflation rate was 4.00 percent and the discount rate is also 4.00 percent.

**NOTE 18: SUBSEQUENT EVENT**

The City has evaluated events occurring after the financial statement date through May 13, 2011 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

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**CITY OF COLLINSVILLE, ILLINOIS**

**REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Budgeted Amounts		Actual (Budget Basis)
	Original	Final	
<b>Receipts:</b>			
Property Tax	\$ 1,568,520	\$ 1,568,520	\$ 2,065,909
<b>Intergovernmental:</b>			
Sales and Use Tax	7,436,630	7,436,630	7,352,893
Replacement Tax	103,460	103,460	69,344
State Income Tax	2,407,840	2,407,840	1,686,672
Telecommunications Tax	1,111,000	1,111,000	1,070,447
Grants	349,160	349,160	369,214
Other	323,710	323,710	343,906
Other Local Taxes	1,369,190	1,369,190	1,288,103
Licenses, Fees and Permits	698,110	698,110	565,599
Charges for Services	2,544,590	2,544,590	2,135,597
Fines	186,350	186,350	90,119
Investment Earnings	2,000	2,000	915
Gifts and Donations	14,100	14,100	16,930
Miscellaneous Revenues and Reimbursements	96,970	96,970	255,169
<b>Total Receipts</b>	<b>18,211,630</b>	<b>18,211,630</b>	<b>17,310,817</b>
<b>Disbursements:</b>			
<b>Administration:</b>			
City Council	2,071,280	2,071,280	1,623,764
Boards	49,480	49,480	31,203
City Manager	333,790	333,790	299,818
Operations	252,040	252,040	238,339
Human Resources	276,800	276,800	246,454
Information Technology	163,990	163,990	130,113
<b>Total Administration</b>	<b>3,147,380</b>	<b>3,147,380</b>	<b>2,569,691</b>
<b>Police:</b>			
Police Administration	788,060	788,060	766,755
Police Operations	4,274,620	4,274,620	4,178,551
Police Support	1,375,170	1,375,170	1,316,493
Animal Control	157,480	157,480	149,599
<b>Total Police</b>	<b>6,595,330</b>	<b>6,595,330</b>	<b>6,411,398</b>
<b>Fire:</b>			
Fire Administration	353,890	353,890	321,350
Fire Operations	3,051,240	3,079,240	2,873,494
Ambulance	267,990	267,990	295,420
Emergency Management	72,510	44,510	33,366
<b>Total Fire</b>	<b>3,745,630</b>	<b>3,745,630</b>	<b>3,523,630</b>



**CITY OF COLLINSVILLE, ILLINOIS**

**REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (continued):			
Public Works:			
Streets	2,016,530	2,016,530	1,977,013
Garbage	1,357,390	1,357,390	1,357,389
Inspections	259,550	259,550	121,461
Total Public Works	<u>3,633,470</u>	<u>3,633,470</u>	<u>3,455,863</u>
Finance	<u>606,570</u>	<u>606,570</u>	<u>545,486</u>
Community Development	<u>488,280</u>	<u>488,280</u>	<u>365,668</u>
Community Services - Shuttle Bus	<u>141,670</u>	<u>141,670</u>	<u>121,773</u>
Total Disbursements	<u>18,358,330</u>	<u>18,358,330</u>	<u>16,993,509</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(146,700)</u>	<u>(146,700)</u>	<u>317,308</u>
Other Financing Sources:			
Operating Transfers In	440,000	440,000	735,000
Proceeds from Sale of Assets	10,100	10,100	10,584
Total Other Financing Sources	<u>450,100</u>	<u>450,100</u>	<u>745,584</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ 303,400</u>	<u>\$ 303,400</u>	1,062,892
Change in intergovernmental revenue on modified accrual basis			477,118
Change in other local taxes and fees			15,556
Change in accrued salaries on modified accrual basis			(48,084)
Change in accounts payable on modified accrual basis			7,444
Change in franchise fees receivable on modified accrual basis			11,486
Change in property tax receivable on modified accrual basis			(509,692)
Change in unbilled garbage services on modified accrual basis			9,472
Adjustment for ambulance fees and allowance of uncollectible amounts			137,260
Inclusion of drug forfeiture monies			222,941
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 1,386,393</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**TAX INCREMENT FINANCING FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Final</u>	
<b>Receipts:</b>			
Intergovernmental Revenues	\$ -	\$ -	\$ 572,712
Property Tax	3,010,950	3,010,950	2,564,312
Other Local Taxes	20,200	20,200	38,683
Investment Earnings	20,100	20,100	10,277
Miscellaneous Revenues & Reimbursements	411,200	411,200	270,786
<b>Total Receipts</b>	<u>3,462,450</u>	<u>3,462,450</u>	<u>3,456,770</u>
<b>Disbursements:</b>			
Community Development	1,803,880	1,803,880	1,468,984
Community Services	1,719,600	1,719,600	854,362
Capital Outlay	2,159,800	2,159,800	324,626
Debt Service	175,000	175,000	215,802
<b>Total Disbursements</b>	<u>5,858,280</u>	<u>5,858,280</u>	<u>2,863,774</u>
<b>Excess (Deficiency) of Receipts Over Disbursements</b>	<u>(2,395,830)</u>	<u>(2,395,830)</u>	<u>592,996</u>
<b>Other Financing Sources (Uses):</b>			
Operating Transfers Out	(248,300)	(248,300)	(184,746)
<b>Total Other Financing Sources (Uses)</b>	<u>(248,300)</u>	<u>(248,300)</u>	<u>(184,746)</u>
<b>Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)</b>	<u>\$ (2,644,130)</u>	<u>\$ (2,644,130)</u>	408,250
Change in sales tax receivable on modified accrual basis			(151,848)
Change in intergovernmental receivable on modified accrual basis			(76,077)
Change in property tax receivable on modified accrual basis			124,689
Change in accrued salaries on modified accrual basis			(401)
Change in accounts payable on modified accrual basis			49,749
<b>As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance</b>			<u>\$ 354,362</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**SCHEDULE OF POLICE AND FIREFIGHTERS' PENSION  
FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
DECEMBER 31, 2010**

	Calendar Year					
	2009	2008	2007	2006	2005	2004
<b>Police Pension:</b>						
Actuarial Value of Assets	\$ 15,057,594	\$ 13,519,191	\$ 15,706,991	\$ 15,126,733	\$ 14,576,874	\$ 14,093,038
Actuarial Accrued Liability (AAL)	25,219,721	23,732,447	21,858,511	19,941,012	18,502,336	17,700,042
Unfunded AAL (UAAL)	10,162,127	10,213,256	6,151,520	4,814,279	3,925,462	3,607,004
Funded Ratio	59.71%	56.97%	71.86%	75.86%	78.78%	79.62%
Covered Payroll	3,012,878	3,159,498	2,541,262	2,256,688	1,972,350	1,854,508
UAAL as a % of Covered Payroll	337.29%	323.26%	242.07%	213.33%	199.02%	194.50%
<b>Employer Contributions:</b>						
Required	1,012,337	1,011,344	707,205	593,160	494,634	459,044
Made	-	796,046	707,964	596,515	497,064	462,539
Percentage of Employer Contributions Made to Required Contributions	0.00%	78.71%	100.11%	100.57%	100.49%	100.76%
<b>Firefighters' Pension:</b>						
Actuarial Value of Assets	16,018,330	13,635,644	16,734,717	16,349,698	14,667,104	13,823,041
Actuarial Accrued Liability (AAL)	19,886,124	19,944,574	18,112,773	16,208,457	15,498,437	14,623,654
Unfunded AAL (UAAL)	3,867,794	6,308,930	1,378,056	(141,241)	831,333	800,613
Funded Ratio	80.55%	68.37%	92.39%	100.87%	94.64%	94.53%
Covered Payroll	2,151,441	2,025,438	1,785,006	1,660,095	1,587,511	1,490,479
UAAL as a % of Covered Payroll	179.78%	311.48%	77.20%	-8.51%	52.37%	53.72%
<b>Employer Contributions:</b>						
Required	665,745	751,132	459,076	363,586	393,851	369,973
Made	-	512,359	459,553	365,578	395,650	372,443
Percentage of Employer Contributions Made to Required Contributions	0.00%	68.21%	100.10%	100.55%	100.46%	100.67%

2008 is the latest year for which a tax was levied and collected. The 2009 actuarial estimate is levied in 2010 and collected in 2011.

The actuarial valuations presented are prepared by the Illinois Department of Insurance using the following parameters:

Actuarial Cost Method:	Entry Age Normal Cost
Amortization Method:	Level Percentage of Payroll
Remaining Amortization Period:	23.4986 Years
Asset Valuation Method:	Cost or Amortized Cost
<b>Actuarial Assumptions:</b>	
Interest Rate	7.0 %
Salary Progression	5.5 %
Cost of Living Adjustments	3.0 %

**CITY OF COLLINSVILLE, ILLINOIS**

**SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT  
FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
DECEMBER 31, 2010**

	Calendar Year					
	2010	2009	2008	2007	2006	2005
<b>Regular:</b>						
Actuarial Value of Assets	\$ 9,641,916	\$ 10,730,617	\$ 9,946,893	\$ 11,378,769	\$ 10,423,916	\$ 9,824,662
Actuarial Accrued Liability (AAL)	12,606,508	13,026,616	12,119,365	11,025,997	10,144,425	9,406,657
Unfunded AAL (UAAL)	2,964,592	2,295,999	2,172,472	(352,772)	(279,491)	(418,005)
Funded Ratio	76.48%	82.37%	82.07%	103.20%	102.76%	104.44%
Covered Payroll	5,114,786	4,962,470	4,673,993	3,953,902	3,578,496	3,449,434
UAAL as a % of Covered Payroll	57.96%	46.27%	46.48%	0.00%	0.00%	0.00%
Employer Contributions:						
Required	557,000	386,576	368,778	313,149	188,587	174,552
Made	438,337	386,576	368,778	313,149	188,587	174,552
Percentage of Employer Contributions						
Made to Required Contributions	78.70%	100.00%	100.00%	100.00%	100.00%	100.00%

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$10,378,763. On a market basis, the funded ratio would be 82.33%.

The actuarial valuations presented are prepared by the Illinois Municipal Retirement Fund using the following parameters:

Actuarial Cost Method:	Entry Age Actuarial Cost
Amortization Method:	Level Percentage of Projected Payroll
Remaining Amortization Period:	30 Years Open
Asset Valuation Method:	Techniques that smooth the effects of short-term volatility in the market value.
Actuarial Assumptions:	
Interest Rate	7.5 %
Salary Progression	4.4 - 14.0 %
Cost of Living Adjustments	3.0 %

**CITY OF COLLINSVILLE, ILLINOIS**

**SCHEDULE OF POST-EMPLOYMENT HEALTHCARE  
FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
DECEMBER 31, 2010**

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarial Value of Assets	\$ -	\$ -	\$ -
Actuarial Accrued Liability (AAL)	5,196,326	6,282,430	5,950,116
Unfunded AAL (UAAL)	5,196,326	6,282,430	5,950,116
Funded Ratio	0.00%	0.00%	0.00%
Covered Payroll	10,353,558	8,505,184	8,178,062
UAAL as a % of Covered Payroll	50.19%	73.87%	72.76%
Employer Contributions:			
Required	468,179	501,941	477,749
Made	184,600	214,903	186,935
Percentage of Employer Contributions Made to Required Contributions	39.43%	42.81%	39.13%

The actuarial valuations presented are prepared for the post-retirement healthcare benefits using the following parameters:

Actuarial Cost Method:	Entry Age Normal Cost
Amortization Method:	Level Percentage of Projected Payroll
Remaining Amortization Period:	28 Years
Actuarial Assumptions:	
Discount Rate	4.0%
Wage Inflation	4.0%
Healthcare Trend	8.50% in 2010 decreasing to 4.50 % in ten years
Price Inflation	3.0 %

**CITY OF COLLINSVILLE, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2010**

	Special Revenue Funds					Capital Project Funds		Debt Service Funds			Total Nonmajor Governmental Funds	
	Tree Memorial Fund	Motor Fuel Tax Fund	DUI Court Fine Fund	Police Vehicle Fund	Collinsville House Fund	Northeast Business District Fund	Collinsville Animal Shelter Fund	Capital Projects Fund	TIF Debt Service Fund	Collinsville Crossings Fund		Fourme Lane Business District
Cash and Cash Equivalents:												
Cash	\$ 524	\$ 374,821	\$ 20,550	\$ 10,439	\$ 4,734	\$ -	\$ 5,504	\$ 249,636	\$ -	\$ -	\$ -	\$ 666,208
Investments	4,648	1,111,881	-	-	-	530,356	-	1,646,885	-	2,072,783	1,886	3,721,554
Total Cash and Cash Equivalents	5,172	1,486,702	20,550	10,439	4,734	530,356	5,504	2,063,457	-	2,072,783	1,886	4,387,762
Receivables:												
Accounts Receivable Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	36,494
	-	54,381	-	-	-	79,593	-	133,974	-	203,587	4,096	341,657
Total Assets	\$ 5,172	\$ 1,541,083	\$ 20,550	\$ 10,439	\$ 4,734	\$ 609,949	\$ 5,504	\$ 2,197,431	\$ -	\$ 2,276,370	\$ 5,982	\$ 4,765,913
<b>Liabilities and Fund Balance</b>												
Liabilities:												
Accounts Payable Interfund Payable	\$ -	\$ 246,319	\$ -	\$ -	\$ -	\$ 140	\$ -	\$ 246,459	\$ -	\$ -	\$ -	\$ 246,991
Total Liabilities	-	246,319	-	-	-	140	-	246,459	-	777,171	-	777,171
Fund Balance:												
Reserved:												
Future Projects	-	-	-	-	-	-	-	-	-	-	-	285,598
Economic Development	-	-	-	-	-	-	-	-	-	1,499,199	-	1,499,199
Debt Service	-	-	-	-	-	-	-	-	-	-	5,982	5,982
Unreserved:												
Undesignated	5,172	1,294,764	20,550	10,439	4,734	609,809	5,504	1,950,972	-	-	-	1,950,972
Total Fund Balance	5,172	1,294,764	20,550	10,439	4,734	609,809	5,504	1,950,972	-	1,499,199	5,982	3,741,751
Total Liabilities and Fund Balance	\$ 5,172	\$ 1,541,083	\$ 20,550	\$ 10,439	\$ 4,734	\$ 609,949	\$ 5,504	\$ 2,197,431	\$ -	\$ 2,276,370	\$ 5,982	\$ 4,765,913

**CITY OF COLLINSVILLE, ILLINOIS**

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Special Revenue Funds							Capital Project Funds			Debt Service Funds			Total Nonmajor Governmental Funds
	Tree Memorial Fund	Motor Fuel Tax Fund	DUI Court Fine Fund	Police Vehicle Fund	Collins House Fund	Northeast		Capital Projects Fund	Collinsville Animal Shelter Fund	TIF Debt Service Fund	Collinsville Crossings Fund	Fournite		
						Business District Fund	Animal Shelter Fund					Lane Business District	Total	
Revenues:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 377,363
Utility Tax	-	-	-	-	-	-	466,185	-	-	-	1,404,137	16,780	-	1,887,102
Sales Tax	-	-	-	-	-	-	634,745	-	-	-	-	-	-	634,745
Motor Fuel Tax	-	654,745	-	-	-	-	12,586	-	-	-	-	-	-	12,586
Fines and Forfeitures	-	-	5,911	6,675	-	-	535,863	-	-	-	-	-	-	535,863
Grant Revenue	-	535,863	-	-	-	-	4,046	21	-	-	174	5	-	4,646
Investment Earnings	8	3,397	35	28	9	548	-	-	-	-	-	-	-	215,360
Reimbursements	-	360	-	-	-	-	360	-	-	-	-	-	-	98,565
Proceeds from Sales	-	42,165	-	-	-	-	42,165	-	-	-	-	-	-	98,565
Gifts and Donations	200	-	-	-	300	-	7,710	7,210	-	-	-	-	-	59,020
Total Revenues	208	1,236,530	5,946	6,703	309	466,733	1,723,660	7,231	-	-	1,404,311	16,785	-	3,845,250
Expenditures:														
General Government	-	-	-	-	825	680	1,505	-	-	-	-	-	-	19,778
Public Safety	-	-	-	-	-	14,808	14,808	-	-	-	-	-	-	14,808
Public Works	-	323,783	-	-	-	-	323,783	-	-	-	-	-	-	323,783
Community/Economic Development	299	-	-	-	-	44,712	45,011	-	-	-	-	-	-	45,011
Capital Outlay	-	782,740	-	16,342	-	-	799,082	-	-	-	-	-	-	1,179,851
Debt Service	-	1,106,523	-	16,342	-	-	1,703	-	-	87,183	1,606,688	111,393	-	1,806,967
Total Expenditures	299	1,106,523	-	16,342	825	45,392	1,184,189	14,808	-	87,183	1,606,688	111,393	-	3,390,198
Excess (Deficiency) of Revenues Over Expenditures	(91)	130,007	5,946	(9,639)	(516)	421,341	539,471	(7,577)	-	(87,183)	(202,377)	(94,608)	-	455,052
Other Financing Sources (Uses):														
Operating Transfers In (Out)	-	(100,000)	-	-	-	-	(100,000)	-	-	87,183	-	97,563	-	37,689
Total Other Financing Sources (Uses)	-	(100,000)	-	-	-	-	(100,000)	-	-	87,183	-	97,563	-	37,689
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	(91)	30,007	5,946	(9,639)	(516)	421,341	439,471	(7,577)	-	-	(202,377)	2,955	-	492,741
Fund Balance, Beginning of Year	5,263	1,264,757	14,604	20,078	5,250	188,468	1,511,501	13,081	-	-	1,701,576	3,027	-	3,249,010
Fund Balance, End of Year	\$ 5,172	\$ 1,294,764	\$ 20,550	\$ 10,439	\$ 4,734	\$ 609,809	\$ 1,950,972	\$ 5,504	\$ -	\$ -	\$ 1,499,199	\$ 5,982	\$ -	\$ 3,741,751

**CITY OF COLLINSVILLE, ILLINOIS**

TREE MEMORIAL FUND  
BALANCE SHEET  
DECEMBER 31, 2010

Assets

Cash and Cash Equivalents:

Cash	\$	524
Investments		4,648
Total Cash and Cash Equivalents		<u>5,172</u>

Total Assets	\$	<u>5,172</u>
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Liabilities and Fund Balance

Liabilities:

None	\$	-
Total Liabilities		<u>-</u>

Fund Balance:

Unreserved:		
Undesignated		5,172
Total Fund Balance		<u>5,172</u>

Total Liabilities and Fund Balance	\$	<u>5,172</u>
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**CITY OF COLLINSVILLE, ILLINOIS**

**TREE MEMORIAL FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
<b>Receipts:</b>			
Investment Earnings	\$ 20	\$ 20	\$ 8
Miscellaneous Revenues & Reimbursements	500	500	200
<b>Total Receipts</b>	<u>520</u>	<u>520</u>	<u>208</u>
<b>Disbursements:</b>			
Community Development	1,500	1,500	299
<b>Total Disbursements</b>	<u>1,500</u>	<u>1,500</u>	<u>299</u>
<b>Excess (Deficiency) of Receipts Over</b>			
<b>Disbursements</b>	<u>\$ (980)</u>	<u>\$ (980)</u>	<u>(91)</u>
 No change on modified accrual basis			-
 As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (91)</u>

CITY OF COLLINSVILLE, ILLINOIS

MOTOR FUEL TAX FUND  
BALANCE SHEET  
DECEMBER 31, 2010

Assets

Cash and Cash Equivalents:

Cash	\$ 374,821
Investments	<u>1,111,881</u>
Total Cash and Cash Equivalents	<u>1,486,702</u>

Receivables:

Intergovernmental	<u>54,381</u>
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Total Assets	<u>\$ 1,541,083</u>
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Liabilities and Fund Balance

Liabilities:

Accounts Payable	\$ <u>246,319</u>
Total Liabilities	<u>246,319</u>

Fund Balance:

Unreserved:	
Undesignated	<u>1,294,764</u>
Total Fund Balance	<u>1,294,764</u>

Total Liabilities and Fund Balance	<u>\$ 1,541,083</u>
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**CITY OF COLLINSVILLE, ILLINOIS**

MOTOR FUEL TAX FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
<b>Receipts:</b>			
Motor Fuel Tax	\$ 707,000	\$ 707,000	\$ 652,307
Intergovernmental Revenues	80,000	80,000	169,125
Investment Earnings	5,000	5,000	3,397
Miscellaneous Revenues & Reimbursements	90,000	90,000	360
Proceeds Capital Asset Sale	-	-	42,165
Total Receipts	<u>882,000</u>	<u>882,000</u>	<u>867,354</u>
<b>Disbursements:</b>			
Public Works	755,000	755,000	538,253
Capital Outlay	830,000	830,000	339,298
Total Disbursements	<u>1,585,000</u>	<u>1,585,000</u>	<u>877,551</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(703,000)</u>	<u>(703,000)</u>	<u>(10,197)</u>
<b>Other Financing Sources (Uses):</b>			
Operating Transfers Out	<u>(146,000)</u>	<u>(146,000)</u>	<u>(100,000)</u>
Total Other Financing Sources (Uses)	<u>(146,000)</u>	<u>(146,000)</u>	<u>(100,000)</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ (849,000)</u>	<u>\$ (849,000)</u>	(110,197)
Change in motor fuel tax receivable on modified accrual basis			2,438
Change in intergovernmental receivable on modified accrual basis			366,738
Change in accounts payable on modified accrual basis			(228,972)
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 30,007</u>

**CITY OF COLLINSVILLE, ILLINOIS**

DUI COURT FINE FUND  
BALANCE SHEET  
DECEMBER 31, 2010

Assets

Cash	\$ 20,550
Total Assets	<u>\$ 20,550</u>

Liabilities and Fund Balance

Liabilities:	
None	\$ -
Total Liabilities	<u>-</u>
Fund Balance:	
Unreserved:	
Undesignated	20,550
Total Fund Balance	<u>20,550</u>
Total Liabilities and Fund Balance	<u>\$ 20,550</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**DUI COURT FINE FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Fines	\$ 8,000	\$ 8,000	\$ 5,911
Investment Earnings	100	100	35
Total Receipts	<u>8,100</u>	<u>8,100</u>	<u>5,946</u>
Disbursements:			
Capital Outlay	<u>22,500</u>	<u>22,500</u>	-
Total Disbursements	<u>22,500</u>	<u>22,500</u>	-
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (14,400)</u>	<u>\$ (14,400)</u>	<u>5,946</u>
No change on modified accrual basis			-
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 5,946</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**POLICE VEHICLE FUND  
BALANCE SHEET  
DECEMBER 31, 2010**

**Assets**

Cash	\$ 10,439
Total Assets	<u>\$ 10,439</u>

**Liabilities and Fund Balance**

<b>Liabilities:</b>	
None	\$ -
Total Liabilities	<u>-</u>
<b>Fund Balance:</b>	
<b>Unreserved:</b>	
Undesignated	10,439
Total Fund Balance	<u>10,439</u>
Total Liabilities and Fund Balance	<u>\$ 10,439</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**POLICE VEHICLE FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
<b>Receipts:</b>			
Fines	\$ 10,000	\$ 10,000	\$ 6,675
Investment Earnings	100	100	28
<b>Total Receipts</b>	<u>10,100</u>	<u>10,100</u>	<u>6,703</u>
<b>Disbursements:</b>			
Vehicles	25,000	25,000	16,342
<b>Total Disbursements</b>	<u>25,000</u>	<u>25,000</u>	<u>16,342</u>
<b>Excess (Deficiency) of Receipts Over Disbursements</b>	<u>\$ (14,900)</u>	<u>\$ (14,900)</u>	<u>(9,639)</u>
 No change on modified accrual basis			-
 As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (9,639)</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**COLLINS HOUSE FUND  
BALANCE SHEET  
DECEMBER 31, 2010**

**Assets**

Cash	\$ 4,734
Total Assets	<u>\$ 4,734</u>

**Liabilities and Fund Balance**

**Liabilities:**

None	\$ -
Total Liabilities	<u>-</u>

**Fund Balance:**

**Unreserved:**

Undesignated	4,734
Total Fund Balance	<u>4,734</u>

Total Liabilities and Fund Balance	<u>\$ 4,734</u>
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**CITY OF COLLINSVILLE, ILLINOIS**

**COLLINS HOUSE FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Intergovernmental	\$ 65,000	\$ 65,000	\$ -
Investment Earnings	-	-	9
Gifts and Donations	-	-	300
Total Receipts	<u>65,000</u>	<u>65,000</u>	<u>309</u>
Disbursements:			
General Government	-	-	825
Capital Outlay	<u>65,000</u>	<u>65,000</u>	-
Total Disbursements	<u>65,000</u>	<u>65,000</u>	<u>825</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ -</u>	<u>\$ -</u>	<u>(516)</u>
No change on modified accrual basis			-
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (516)</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**NORTHEAST BUSINESS DISTRICT FUND  
BALANCE SHEET  
DECEMBER 31, 2010**

Assets

Investments	\$ 530,356
Receivables:	
Intergovernmental	<u>79,593</u>
Total Assets	<u>\$ 609,949</u>

Liabilities and Fund Balance

Liabilities:	
Accounts Payable	<u>\$ 140</u>
Total Liabilities	<u>140</u>
Fund Balance:	
Unreserved:	
Undesignated	<u>609,809</u>
Total Fund Balance	<u>609,809</u>
Total Liabilities and Fund Balance	<u>\$ 609,949</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**NORTHEAST BUSINESS DISTRICT FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Intergovernmental	\$ 400,000	\$ 400,000	\$ 464,852
Investment Earnings	100	100	548
Total Receipts	<u>400,100</u>	<u>400,100</u>	<u>465,400</u>
Disbursements:			
Community Development	<u>421,120</u>	<u>421,120</u>	<u>45,252</u>
Total Disbursements	<u>421,120</u>	<u>421,120</u>	<u>45,252</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (21,020)</u>	<u>\$ (21,020)</u>	<u>420,148</u>
Change in sales tax receivable on modified accrual basis			1,333
Change in accounts payable on modified accrual basis			(140)
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 421,341</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**COLLINSVILLE ANIMAL SHELTER FUND  
BALANCE SHEET  
DECEMBER 31, 2010**

Assets

Cash	\$ 5,504
Total Assets	<u>\$ 5,504</u>

Liabilities and Fund Balance

Liabilities:

None	\$ -
Total Liabilities	<u>-</u>

Fund Balance:

Unreserved:

Undesignated	5,504
Total Fund Balance	<u>5,504</u>

Total Liabilities and Fund Balance	<u>\$ 5,504</u>
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**CITY OF COLLINSVILLE, ILLINOIS**

**COLLINSVILLE ANIMAL SHELTER FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
<b>Receipts:</b>			
Investment Earnings	\$ -	\$ -	\$ 21
Miscellaneous Revenues & Reimbursements	-	-	7,210
<b>Total Receipts</b>	<u>-</u>	<u>-</u>	<u>7,231</u>
<b>Disbursements:</b>			
Capital Outlay	17,540	20,540	19,928
<b>Total Disbursements</b>	<u>17,540</u>	<u>20,540</u>	<u>19,928</u>
<b>Excess (Deficiency) of Receipts Over Disbursements</b>	<u>\$ (17,540)</u>	<u>\$ (20,540)</u>	<u>(12,697)</u>
Change in accounts payable on modified accrual basis			5,120
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (7,577)</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**CAPITAL PROJECTS FUND  
BALANCE SHEET  
DECEMBER 31, 2010**

**Assets**

Cash	\$ 249,636
Accounts Receivable	<u>36,494</u>
Total Assets	<u>\$ 286,130</u>

**Liabilities and Fund Balance**

**Liabilities:**

Accounts Payable	\$ 532
Total Liabilities	<u>532</u>

**Fund Balance:**

**Reserved:**

Future Projects	<u>285,598</u>
Total Fund Balance	<u>285,598</u>

**Total Liabilities and  
Fund Balance**

**\$ 286,130**

**CITY OF COLLINSVILLE, ILLINOIS**

**CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
<b>Receipts:</b>			
Utility Tax	\$ 400,000	\$ 400,000	\$ 374,733
Intergovernmental Revenues	500,000	500,000	-
Investment Earnings	1,010	1,010	421
Sales of Fixed Assets	250,000	250,000	56,400
Miscellaneous Revenues & Reimbursements	-	51,310	266,310
Total Receipts	<u>1,151,010</u>	<u>1,202,320</u>	<u>697,864</u>
 <b>Disbursements:</b>			
Capital Outlay	<u>745,000</u>	<u>796,310</u>	<u>401,171</u>
Total Disbursements	<u>745,000</u>	<u>796,310</u>	<u>401,171</u>
 <b>Excess (Deficiency) of Receipts Over Disbursements</b>	 <u>406,010</u>	 <u>406,010</u>	 <u>296,693</u>
 <b>Other Financing Sources (Uses):</b>			
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>(47,057)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(47,057)</u>
 <b>Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)</b>	 <u>\$ 406,010</u>	 <u>\$ 406,010</u>	 249,636
Change in utility tax receivable on modified accrual basis			2,630
Change in accounts payable on modified accrual basis			426
 <b>As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance</b>			 <u>\$ 252,692</u>

**CITY OF COLLINSVILLE, ILLINOIS**

TIF DEBT SERVICE FUND  
BALANCE SHEET  
DECEMBER 31, 2010

Assets

Assets	\$ -
	<hr/>
Total Assets	<u>\$ -</u>

Liabilities and Fund Balance

Liabilities:

None	\$ -
Total Liabilities	<hr/> <u>-</u>

Fund Balance:

Unreserved:	
Undesignated	<hr/> -
Total Fund Balance	<hr/> <u>-</u>

Total Liabilities and Fund Balance	<hr/> <u>\$ -</u>
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**CITY OF COLLINSVILLE, ILLINOIS**

**TIF DEBT SERVICE FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
None	\$ -	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:			
Debt Service	87,410	87,410	87,183
Total Disbursements	<u>87,410</u>	<u>87,410</u>	<u>87,183</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(87,410)</u>	<u>(87,410)</u>	<u>(87,183)</u>
Other Financing Sources (Uses):			
Operating Transfers Out	87,410	87,410	87,183
Total Other Financing Sources (Uses)	<u>87,410</u>	<u>87,410</u>	<u>87,183</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ -</u>	<u>\$ -</u>	-
No change on modified accrual basis			-
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ -</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**COLLINSVILLE CROSSINGS FUND  
BALANCE SHEET  
DECEMBER 31, 2010**

**Assets**

Investments	\$ 2,072,783
Receivables:	
Intergovernmental	<u>203,587</u>
Total Assets	<u><u>\$ 2,276,370</u></u>

**Liabilities and Fund Balance**

Liabilities:	
Interfund Payable	\$ 777,171
Total Liabilities	<u>777,171</u>
Fund Balance:	
Reserved:	
Economic Development	<u>1,499,199</u>
Total Fund Balance	<u>1,499,199</u>
Total Liabilities and Fund Balance	<u><u>\$ 2,276,370</u></u>

**CITY OF COLLINSVILLE, ILLINOIS**

**COLLINSVILLE CROSSINGS FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
<b>Receipts:</b>			
Sales Tax	\$ 1,454,400	\$ 1,454,400	\$ 1,438,114
Investment Earnings	-	-	174
<b>Total Receipts</b>	<u>1,454,400</u>	<u>1,454,400</u>	<u>1,438,288</u>
<b>Disbursements:</b>			
Community Development	41,500	41,500	37,350
Debt Service	1,764,810	1,764,810	1,606,688
<b>Total Disbursements</b>	<u>1,806,310</u>	<u>1,806,310</u>	<u>1,644,038</u>
<b>Excess (Deficiency) of Receipts Over Disbursements</b>	<u>\$ (351,910)</u>	<u>\$ (351,910)</u>	<u>(205,750)</u>
Change in sales tax receivable on modified accrual basis			3,373
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (202,377)</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**FOURNIE LANE BUSINESS DISTRICT FUND  
BALANCE SHEET  
DECEMBER 31, 2010**

**Assets**

Investments	\$ 1,886
Receivables:	
Intergovernmental	<u>4,096</u>
Total Assets	<u><u>\$ 5,982</u></u>

**Liabilities and Fund Balance**

Liabilities:	
None	\$ -
Total Liabilities	<u>-</u>
Fund Balance:	
Reserved:	
Debt Service	<u>5,982</u>
Total Fund Balance	<u><u>5,982</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 5,982</u></u>

**CITY OF COLLINSVILLE, ILLINOIS**

**FOURNIE LANE BUSINESS DISTRICT FUND  
STATEMENT OF REVENUES AND EXPENDITURES  
WITH BUDGETARY COMPARISON  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Final</u>	
Receipts:			
Intergovernmental Revenues	\$ 15,150	\$ 15,150	\$ 15,711
Investment Earnings	-	-	5
Total Receipts	<u>15,150</u>	<u>15,150</u>	<u>15,716</u>
Disbursements:			
Debt Service	<u>111,470</u>	<u>111,470</u>	<u>111,393</u>
Total Disbursements	<u>111,470</u>	<u>111,470</u>	<u>111,393</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(96,320)</u>	<u>(96,320)</u>	<u>(95,677)</u>
Other Financing Sources (Uses):			
Operating Transfers In	<u>160,900</u>	<u>160,900</u>	<u>97,563</u>
Total Other Financing Sources (Uses)	<u>160,900</u>	<u>160,900</u>	<u>97,563</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ 64,580</u>	<u>\$ 64,580</u>	1,886
Change in sales tax receivable on modified accrual basis			1,069
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 2,955</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2010**

	<u>Pension Trust Funds</u>		
	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
<b>Assets:</b>			
<b>Cash and Cash Equivalents:</b>			
Cash	\$ 522,382	\$ 338,849	\$ 861,231
Investments	-	12	12
Investments	15,154,734	16,879,009	32,033,743
<b>Receivables:</b>			
Property Tax	966,529	600,039	1,566,568
Employee Contribution	11,703	-	11,703
Accrued Interest	45,177	27,499	72,676
<b>Total Assets</b>	<u>16,700,525</u>	<u>17,845,408</u>	<u>34,545,933</u>
<b>Liabilities:</b>			
Accounts Payable	10,000	5,000	15,000
<b>Total Liabilities</b>	<u>10,000</u>	<u>5,000</u>	<u>15,000</u>
<b>Net Assets:</b>			
Held in Trust For Pension Benefits and Other Purposes	<u>\$ 16,690,525</u>	<u>\$ 17,840,408</u>	<u>\$ 34,530,933</u>

**CITY OF COLLINSVILLE, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Pension Trust Funds</u>		
	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
<b>Additions:</b>			
Property Tax	\$ 893,667	\$ 556,937	\$ 1,450,604
Replacement Tax	115,896	106,727	222,623
Employee Contributions	312,808	204,231	517,039
Pension Transfers	225,162	-	225,162
<b>Investment Earnings:</b>			
Investment Earnings	1,274,564	1,943,892	3,218,456
Less: Investment Expense	(95,425)	(7,038)	(102,463)
Net Investment Earnings	<u>1,179,139</u>	<u>1,936,854</u>	<u>3,115,993</u>
Total Additions	<u>2,726,672</u>	<u>2,804,749</u>	<u>5,531,421</u>
<b>Deductions:</b>			
Benefit Payments	1,073,824	1,010,656	2,084,480
Refund of Contributions	57,551	8,497	66,048
Contractual Services	32,947	8,040	40,987
Total Deductions	<u>1,164,322</u>	<u>1,027,193</u>	<u>2,191,515</u>
Change in Net Assets	1,562,350	1,777,556	3,339,906
Net Assets, Beginning of Year	<u>15,128,175</u>	<u>16,062,852</u>	<u>31,191,027</u>
Net Assets, End of Year	<u>\$ 16,690,525</u>	<u>\$ 17,840,408</u>	<u>\$ 34,530,933</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS (CONTINUED)**  
DECEMBER 31, 2010

Levy Date - Calendar Year	2005		2006		2007		2008		2009	
	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	12/31/06	12/31/06	12/31/07	12/31/07	12/31/08	12/31/08	12/31/09	12/31/09	12/31/09	12/31/09
Assessed Valuation	\$ 297,847,563	\$ 32,369,890	\$ 325,590,789	\$ 34,738,302	\$ 349,026,741	\$ 37,499,115	\$ 364,253,981	\$ 38,101,665	\$ 355,483,094	\$ 38,702,681
Tax Rates (Per \$100 Equalized Assessed Valuation):										
General Government	\$ 0.0792	\$ 0.0786	\$ 0.0775	\$ 0.0770	\$ 0.0819	\$ 0.0800	\$ 0.3787	\$ 0.3826	\$ 0.3539	\$ 0.3544
Fire Protection	0.0557	0.0553	0.0546	0.0542	0.0605	0.0563	-	-	-	-
Police Protection	0.0557	0.0553	0.0546	0.0542	0.0605	0.0563	-	-	-	-
Garbage	0.0550	0.0546	0.0517	0.0514	0.0300	0.0298	-	-	-	-
Retirement	0.0305	0.0316	0.0257	0.0267	0.0391	0.0389	-	-	-	-
Police Pension	0.1093	0.1129	0.1079	0.1115	0.1251	0.1242	0.1472	0.1470	0.1730	0.1797
Firefighters' Pension	0.0871	0.0900	0.0819	0.0847	0.0671	0.0666	0.0878	0.0876	0.1031	0.1071
Tort Liability	0.1326	0.1370	0.1331	0.1375	0.1156	0.1147	-	-	-	-
Social Security	0.0596	0.0616	0.0587	0.0607	0.0522	0.0518	-	-	-	-
Audit	0.0070	0.0070	0.0065	0.0064	0.0053	0.0052	-	-	-	-
Unemployment	0.0075	0.0078	0.0073	0.0076	0.0063	0.0062	-	-	-	-
<b>Total Tax Rates</b>	<b>\$ 0.6792</b>	<b>\$ 0.6917</b>	<b>\$ 0.6595</b>	<b>\$ 0.6719</b>	<b>\$ 0.6436</b>	<b>\$ 0.6300</b>	<b>\$ 0.6137</b>	<b>\$ 0.6172</b>	<b>\$ 0.6300</b>	<b>\$ 0.6412</b>
Tax Extensions:										
General Government	\$ 235,895	\$ 25,443	\$ 252,333	\$ 26,749	\$ 285,854	\$ 30,000	\$ 1,379,430	\$ 145,777	\$ 1,258,055	\$ 137,162
Fire Protection	165,901	17,900	177,773	18,828	211,161	21,112	-	-	-	-
Police Protection	165,901	17,900	177,773	18,828	211,161	21,112	-	-	-	-
Garbage	163,816	17,674	168,330	17,856	104,708	11,175	-	-	-	-
Retirement	90,844	10,229	83,677	9,275	136,469	15,187	-	-	-	-
Police Pension	325,547	36,546	351,312	38,733	436,632	48,449	536,182	56,009	614,986	69,549
Firefighters' Pension	259,425	29,133	266,659	29,423	234,197	25,987	319,815	33,377	366,503	41,451
Tort Liability	394,946	44,347	433,361	47,765	403,475	44,736	-	-	-	-
Social Security	177,517	19,940	191,122	21,086	182,192	20,212	-	-	-	-
Audit	20,849	2,266	21,163	2,223	18,498	1,950	-	-	-	-
Unemployment	22,339	2,525	23,768	2,640	21,989	2,437	-	-	-	-
<b>Total Tax Extensions</b>	<b>\$ 2,022,980</b>	<b>\$ 223,903</b>	<b>\$ 2,147,271</b>	<b>\$ 233,406</b>	<b>\$ 2,246,336</b>	<b>\$ 242,357</b>	<b>\$ 2,235,427</b>	<b>\$ 235,163</b>	<b>\$ 2,239,544</b>	<b>\$ 248,162</b>
<b>Total Tax Collections Through Fiscal Year End</b>	<b>\$ 2,016,011</b>	<b>\$ 223,297</b>	<b>\$ 2,133,396</b>	<b>\$ 232,603</b>	<b>\$ 2,237,260</b>	<b>\$ 241,657</b>	<b>\$ 2,215,607</b>	<b>\$ 234,439</b>	<b>\$ 1,975,848</b>	<b>\$ 246,911</b>
<b>Percent of Total Taxes Collected</b>	<b>99.66%</b>	<b>99.73%</b>	<b>99.35%</b>	<b>99.66%</b>	<b>99.60%</b>	<b>99.71%</b>	<b>99.11%</b>	<b>99.69%</b>	<b>88.23%</b>	<b>99.50%</b>



**CITY OF COLLINSVILLE, ILLINOIS**

**ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS  
DECEMBER 31, 2010**

Levy Date - Calendar Year	2000		2001		2002		2003		2004	
	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	12/31/01	12/31/01	12/31/02	12/31/02	12/31/03	12/31/03	12/31/04	12/31/04	12/31/05	12/31/05
Assessed Valuation	\$ 213,195,916	\$ 24,398,588	\$ 230,197,803	\$ 26,009,004	\$ 248,191,846	\$ 27,556,145	\$ 267,010,400	\$ 29,453,927	\$ 278,810,468	\$ 30,013,689

**Tax Rates (Per \$100 Equalized Assessed Valuation):**

General Government	\$ 0.0796	\$ 0.0800	\$ 0.0770	\$ 0.0766	\$ 0.0762	\$ 0.0762	\$ 0.0782	\$ 0.0800	\$ 0.0800	\$ 0.0800
Fire Protection	0.0558	0.0563	0.0543	0.0539	0.0534	0.0534	0.0547	0.0563	0.0563	0.0563
Police Protection	0.0558	0.0563	0.0543	0.0539	0.0534	0.0534	0.0547	0.0563	0.0563	0.0563
Garbage	0.1284	0.1340	0.1116	0.1109	0.0726	0.0726	0.0675	0.0721	0.0486	0.0506
Public Library	0.1492	0.1500	0.1557	0.1547	0.1557	0.1601	0.1528	0.1567	-	-
Retirement	0.0169	0.0177	0.0077	0.0077	0.0061	0.0061	0.0072	0.0076	0.0162	0.0176
Police Pension	0.0699	0.0729	0.0928	0.0923	0.1031	0.1031	0.0983	0.1050	0.1146	0.1240
Firefighters' Pension	0.0852	0.0889	0.0949	0.0943	0.1024	0.1024	0.0976	0.1042	0.0973	0.1052
Tort Liability	0.1344	0.1403	0.1373	0.1365	0.1443	0.1443	0.1410	0.1506	0.1393	0.1506
Social Security	0.0744	0.0776	0.0700	0.0696	0.0664	0.0664	0.0640	0.0683	0.0616	0.0666
Audit	0.0112	0.0117	0.0087	0.0086	0.0084	0.0084	0.0078	0.0083	0.0075	0.0078
Unemployment	0.0039	0.0041	0.0041	0.0040	0.0042	0.0042	0.0036	0.0038	0.0049	0.0053
<b>Total Tax Rates</b>	<b>\$ 0.8647</b>	<b>\$ 0.8898</b>	<b>\$ 0.8684</b>	<b>\$ 0.8630</b>	<b>\$ 0.8462</b>	<b>\$ 0.8506</b>	<b>\$ 0.8274</b>	<b>\$ 0.8692</b>	<b>\$ 0.8626</b>	<b>\$ 0.7203</b>

**Tax Extensions:**

General Government	\$ 169,704	\$ 19,520	\$ 177,252	\$ 19,924	\$ 189,122	\$ 20,998	\$ 208,802	\$ 23,563	\$ 223,048	\$ 24,011
Fire Protection	118,963	13,736	124,997	14,019	132,534	14,715	146,055	16,583	156,970	16,898
Police Protection	118,963	13,736	124,997	14,019	132,534	14,715	146,055	16,583	156,970	16,898
Garbage	273,744	32,694	256,901	28,844	180,187	20,006	180,232	21,236	135,502	15,187
Public Library	318,088	36,598	358,418	40,236	386,435	44,118	407,992	46,154	-	-
Retirement	36,030	4,319	17,725	2,003	15,140	1,681	19,225	2,238	45,167	5,282
Police Pension	149,024	17,787	213,624	24,006	255,886	28,410	262,471	30,927	319,517	37,217
Firefighters' Pension	181,643	21,690	218,458	24,526	254,149	28,217	260,602	30,691	271,283	31,574
Tort Liability	286,535	34,231	316,062	35,502	358,141	39,764	376,485	44,358	388,383	45,201
Social Security	158,618	18,933	161,138	18,102	164,799	18,297	170,887	20,117	171,747	19,989
Audit	23,878	2,855	20,027	2,237	20,848	2,315	20,827	2,445	20,911	2,341
Unemployment	8,315	1,000	9,438	1,040	10,424	1,157	9,611	1,119	13,662	1,591
<b>Total Tax Extensions</b>	<b>\$ 1,843,505</b>	<b>\$ 217,099</b>	<b>\$ 1,999,037</b>	<b>\$ 224,458</b>	<b>\$ 2,100,199</b>	<b>\$ 234,393</b>	<b>\$ 2,209,244</b>	<b>\$ 256,014</b>	<b>\$ 1,903,160</b>	<b>\$ 216,189</b>

**Total Tax Collections Through Fiscal Year End**

Total Tax Collections Through Fiscal Year End	\$ 1,838,481	\$ 210,373	\$ 1,971,345	\$ 200,615	\$ 2,097,812	\$ 232,953	\$ 2,202,899	\$ 244,348	\$ 1,896,172	\$ 213,321
Percent of Total Taxes Collected	99.73%	96.90%	98.61%	89.38%	99.89%	99.39%	99.71%	95.44%	99.63%	98.67%

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C. J. SCHLOSSER  
& COMPANY, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

J. Terry Dooling  
David L. Kamler  
David M. Bartosiak  
Cindy A. Tefeller  
Kevin J. Tepen

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

Honorable Mayor and Members  
of the City Council  
Collinsville, Illinois

We have audited the accompanying financial statements of the City of Collinsville, Illinois for the year ended December 31, 2010, and have issued our report thereon dated May 4, 2011. The financial statements are the responsibility of the City of Collinsville, Illinois' management. Our responsibility is to express an opinion on the financial statements based on our audit.

Our audit was made 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The management of the City of Collinsville, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Collinsville, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Collinsville, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

*C. J. Schlosser & Company, L.L.C.*

Certified Public Accountants

May 13, 2011

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

Honorable Mayor and Members  
of the City Council  
Collinsville, Illinois

We have audited the 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 ("City") as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 13, 2011. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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### Compliance and Other Matters

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

This report is intended solely for the information of the audit committee, management, the City Council and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*C. J. Schuman & Co., LLP*  
Certified Public Accountants

May 13, 2011



C. J. SCHLOSSER  
& COMPANY, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL  
EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Mayor and Members  
of the City Council  
Collinsville, Illinois

**Compliance**

We have audited the City of Collinsville, Illinois' ("City") compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2010. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

**Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and

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material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the audit committee, management, the City Council and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*C. J. Schlem & Co. LLC*  
Certified Public Accountants

May 13, 2011

**CITY OF COLLINSVILLE, ILLINOIS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>Grantor and Program Title</u>	<u>Federal CFDA</u>	<u>Pass-through Project or Grant No.</u>	<u>Award Period</u>	<u>Grant Amount</u>	<u>Expenditures</u>
<b>Department of Health and Human Services:</b>					
<b>Passed through Illinois Department of Human Services:</b>					
Title XX Donated Fund Initiative	93.667	81XL004000	07/01/09 - 06/30/10	24,275	10,957
	93.667	81XM004000	07/01/10 - 06/30/11	24,275	12,758
					<u>23,715</u>
<b>Department of Justice:</b>					
Byrne Formula Grant Program	16.738		10/01/09 - 09/30/10	467,598	272,598
ARRA - Byrne Formula Grant Program	16.803		10/01/10 - 09/30/11	467,598	164,829
					<u>437,427</u>
<b>Department of Transportation:</b>					
<b>Passed through Illinois Department of Transportation:</b>					
<b>Integrated Mini-Grant</b>					
Enforcement Program	20.609	OP0-1205-035	10/01/09 - 09/30/10	38,799	34,487
Additional Holiday Mobilization	20.609	ALO-1205-701	08/01/10 - 09/30/10	5,712	5,554
					<u>40,041</u>
ARRA - Keebler Road Const	20.205	0000AL07170	07/01/09 - 06/30/10	41,600	41,600
ARRA - Ostle Dr Const	20.205	0000AL10110	08/29/09 - 03/30/10	17,868	17,868
					<u>59,468</u>
<b>Department of Homeland Security:</b>					
Assistance to Firefighters	97.044		12/05/08 - 12/04/13	527,125	168,650
<b>Passed through Illinois Emergency Management Agency:</b>					
Citizens Corp Program	97.067		01/01/10 - 12/31/10	5,500	2,511
<b>Total Federal Awards</b>					<u><u>\$ 731,812</u></u>

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF COLLINSVILLE, ILLINOIS**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2010**

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

**General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the City of Collinsville, Illinois. The City's reporting entity is defined in Note 1 to the City's financial statements. Federal awards that have been passed through to other government agencies are included on the schedule.

**Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements.

**Relationship to Basic Financial Statements**

Federal awards received are reflected in the City's financial statements.

**Noncash Assistance, Federal Insurance and Loans/Loan Guarantees**

The City did not receive any noncash assistance, federal guaranteed loans or federal insurance for any of its programs for the year ended December 31, 2010.

**Subrecipient Monitoring**

The City had pass through revenue to subrecipients related to its federal funds during the year ended December 31, 2010. These amounts relate to the MEGSI program and were remitted to the local Metropolitan Enforcement Unit. The total amount remitted for the year ended December 31, 2010 was \$437,427.

**CITY OF COLLINSVILLE, ILLINOIS**

**SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2010**

**Part 1 -- Summary of Auditor's Results**

- a) An unqualified opinion was issued in the report on the financial statements.
- b) No significant deficiencies in internal control were disclosed by the audit of the financial statements of the City.
- c) The audit did not disclose any noncompliance which is material to the financial statements of the City.
- d) No significant deficiencies in internal control over major programs were disclosed by the audit of the financial statements of the City.
- e) An unqualified opinion was issued in the report on compliance for major programs.
- f) The audit did not disclose any audit findings that are required to be reported under Section .510(a).
- g) The City's major programs are:
  - Byrne Formula Grant Program – CFDA #16.738 and CFDA #16.803
- h) The dollar threshold to distinguish between Type A and Type B programs is \$300,000.
- i) The City qualifies as a low-risk auditee under Section .530.

**Part 2 -- The City has no findings to the financial statements that are required to be reported in accordance with GAGAS.**

**Part 3 -- The City has no findings or questioned costs for Federal awards.**

**CITY OF COLLINSVILLE, ILLINOIS**

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2010**

NONE

**CITY OF COLLINSVILLE, ILLINOIS**

STATISTICAL SECTION  
DECEMBER 31, 2010

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

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	97 - 100
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant revenue sources.	100 - 107
<b>Debt Capacity</b> 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.	108 - 110
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	111 - 112
<b>Operating Information</b> 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.	113 - 114

**CITY OF COLLINSVILLE, ILLINOIS**

**Net Assets by Component  
Last Eight Fiscal Years**

	December 31							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental Activities:</b>								
Invested in Capital Assets, Net of Related Debt	\$ 6,569,884	7,876,775	11,023,768	24,172,976	25,681,657	27,730,589	27,107,312	27,069,921
Restricted for:								
Debt Service	384,010	391,795	385,671	-	-	-	-	-
Economic Development	3,234,090	3,187,179	1,498,965	2,433,271	6,225,360	5,477,490	6,696,868	6,848,853
Other Purposes	363,977	752,729	846,450	815,885	402,674	435,331	293,292	500,174
Unrestricted	3,668,286	4,434,789	4,573,941	5,388,482	(23,192,169)	(24,088,885)	(27,064,010)	(25,031,123)
	<u>14,220,247</u>	<u>16,643,267</u>	<u>18,328,795</u>	<u>32,810,614</u>	<u>9,117,522</u>	<u>9,554,525</u>	<u>7,033,462</u>	<u>9,387,825</u>
<b>Business-type Activities:</b>								
Invested in Capital Assets, Net of Related Debt	19,668,130	19,580,041	20,072,702	21,490,919	20,928,363	22,656,637	23,766,488	23,207,196
Restricted for:								
Debt Service	660,354	627,730	-	-	-	-	-	-
Unrestricted	2,415,253	2,558,341	2,943,436	2,931,277	4,432,403	3,186,263	2,528,084	3,227,805
	<u>\$ 22,743,737</u>	<u>22,766,112</u>	<u>23,016,138</u>	<u>24,422,196</u>	<u>25,360,766</u>	<u>25,842,900</u>	<u>26,294,572</u>	<u>26,435,001</u>
<b>Total Primary Government:</b>								
Invested in Capital Assets, Net of Related Debt	26,238,014	27,456,816	31,096,470	45,663,895	46,610,020	50,387,226	50,873,800	50,277,117
Restricted for:								
Debt Service	1,044,364	1,019,525	385,671	-	-	-	-	-
Economic Development	3,234,090	3,187,179	1,498,965	2,433,271	6,225,360	5,477,490	6,696,868	6,848,853
Other Purposes	363,977	752,729	846,450	815,885	402,674	435,331	293,292	500,174
Unrestricted	6,083,539	6,993,130	7,517,377	8,319,759	(18,759,766)	(20,902,622)	(24,535,926)	(21,803,318)
	<u>36,963,984</u>	<u>39,409,379</u>	<u>41,344,933</u>	<u>57,232,810</u>	<u>34,478,288</u>	<u>35,397,425</u>	<u>33,328,034</u>	<u>35,822,826</u>

2003 was the first year of GASB 34 implementation.

**CITY OF COLLINSVILLE, ILLINOIS**

**Changes in Net Assets  
Last Eight Fiscal Years  
(Accrual basis of accounting)**

	For the year ended December 31							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>EXPENSES</b>								
<b>Governmental Activities:</b>								
General Government	\$ 1,397,254	1,659,517	1,721,188	1,753,162	3,157,710	3,702,069	3,691,084	3,270,285
Public Safety	6,664,343	6,909,889	7,945,928	7,964,007	8,686,394	10,620,814	10,568,120	10,802,030
Public Works	2,081,598	2,421,557	2,393,157	3,213,157	3,615,277	3,832,886	4,041,241	3,976,489
Health and Sanitation	1,169,464	1,198,901	1,252,739	1,333,310	1,310,481	1,354,057	1,426,460	1,353,435
Community and Economic Development	2,367,520	2,175,082	2,175,968	1,974,609	26,934,117	1,746,038	4,016,787	1,920,748
Community Services	187,560	455,202	1,511,882	1,527,626	705,723	986,923	768,055	990,128
Interest on Long-term Debt	135,841	107,016	93,172	79,693	580,512	1,636,717	1,761,889	1,684,646
<b>Total Governmental Activities</b>	<b>14,003,580</b>	<b>14,927,164</b>	<b>17,094,034</b>	<b>17,845,564</b>	<b>44,990,214</b>	<b>23,879,504</b>	<b>26,273,636</b>	<b>23,997,761</b>
<b>Business-type Activities:</b>								
Water and Sewer	4,582,139	4,966,596	5,076,258	5,868,517	6,215,946	6,144,374	6,326,386	6,340,186
<b>Total Business-type Activities</b>	<b>4,582,139</b>	<b>4,966,596</b>	<b>5,076,258</b>	<b>5,868,517</b>	<b>6,215,946</b>	<b>6,144,374</b>	<b>6,326,386</b>	<b>6,340,186</b>
<b>Total Primary Government Expenses</b>	<b>18,585,719</b>	<b>19,893,760</b>	<b>22,170,292</b>	<b>23,714,081</b>	<b>51,206,160</b>	<b>30,023,878</b>	<b>32,600,022</b>	<b>30,337,947</b>
<b>PROGRAM REVENUES</b>								
<b>Governmental Activities:</b>								
<b>Charges for Services:</b>								
General Government	288,551	340,055	346,337	706,549	278,929	327,918	261,689	306,831
Public Safety	846,691	895,689	1,037,823	1,003,935	1,182,173	1,139,367	1,156,229	1,442,359
Public Works	174,713	26,936	45,926	644,145	58,374	89,491	54,807	31,416
Health and Sanitation	920,504	877,067	1,022,320	1,080,129	1,178,636	1,249,091	1,241,273	1,330,220
Community and Economic Development	1,032,919	999,020	1,015,837	945,338	1,562,567	1,527,838	1,606,535	1,534,235
Community Services	3,737	2,748	3,459	-	-	-	-	-
Operating grants and contributions	539,005	299,474	349,805	431,147	535,948	322,275	392,021	344,336
Capital grants and contributions	785,159	813,449	801,437	949,704	514,325	50,000	322,196	1,387,511
<b>Total Governmental Activities</b>	<b>4,591,279</b>	<b>4,254,438</b>	<b>4,622,944</b>	<b>5,760,947</b>	<b>5,310,952</b>	<b>4,705,980</b>	<b>5,034,750</b>	<b>6,376,908</b>
<b>Business-type Activities:</b>								
Water and Sewer	5,020,559	5,246,093	5,546,280	6,660,602	6,409,564	6,468,698	6,973,798	7,027,785
Capital grants and contributions	154,209	-	-	-	50,000	-	-	-
<b>Total Business-type Activities</b>	<b>5,174,768</b>	<b>5,246,093</b>	<b>5,546,280</b>	<b>6,660,602</b>	<b>6,459,564</b>	<b>6,468,698</b>	<b>6,973,798</b>	<b>7,027,785</b>
<b>Total program revenues</b>	<b>9,766,047</b>	<b>9,500,531</b>	<b>10,169,224</b>	<b>12,421,549</b>	<b>11,770,516</b>	<b>11,174,678</b>	<b>12,008,548</b>	<b>13,404,693</b>
<b>Net Revenues (Expenses)</b>	<b>(8,819,672)</b>	<b>(10,393,229)</b>	<b>(12,001,068)</b>	<b>(11,292,532)</b>	<b>(39,435,644)</b>	<b>(18,849,200)</b>	<b>(20,591,474)</b>	<b>(16,933,254)</b>
<b>General Revenues</b>								
Property Tax, Levied for General Purposes	2,738,566	2,945,981	3,258,191	3,537,858	3,871,516	4,302,272	4,232,317	4,245,218
Sales and Use Tax	4,905,114	5,100,145	5,212,653	5,291,641	5,948,214	9,366,452	9,372,130	9,749,738
Replacement Tax	26,042	29,554	79,034	98,288	127,221	101,260	48,664	64,971
State Income Tax	1,518,099	1,581,396	1,865,028	2,068,898	2,254,175	2,387,557	2,052,414	1,974,281
Motor Fuel Tax	733,165	720,021	735,202	741,750	721,310	677,328	660,266	654,745
Telecommunications Tax	417,787	1,158,028	1,101,544	1,046,316	1,091,011	1,088,734	1,064,333	1,083,623
Utility Tax	-	650,621	822,865	733,088	742,387	393,417	363,431	377,363
Franchise Fees	294,217	288,562	269,377	280,356	282,467	282,896	340,362	331,463
Other	83,632	114,540	156,826	160,782	166,207	429,468	199,162	387,477
Grants and Contributions not Restricted	102,413	24,691	1,759	-	-	-	-	-
Unrestricted Investment Earnings	151,815	162,235	330,163	1,276,388	1,425,681	686,182	123,458	58,215
Miscellaneous	96,291	106,549	103,980	40,008	50,933	52,771	65,546	500,952
Transfers	(41,819)	(43,699)	-	-	-	-	-	-
	<b>11,025,322</b>	<b>12,838,624</b>	<b>13,936,622</b>	<b>15,275,373</b>	<b>16,681,122</b>	<b>19,768,337</b>	<b>18,522,083</b>	<b>19,428,046</b>
<b>Changes in Net Assets</b>	<b>\$ 2,205,650</b>	<b>2,445,395</b>	<b>1,935,554</b>	<b>3,982,841</b>	<b>(22,754,522)</b>	<b>919,137</b>	<b>(2,069,391)</b>	<b>2,494,792</b>

2003 was the first year of GASB 34 implementation.



**CITY OF COLLINSVILLE, ILLINOIS**

**Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual basis of accounting)**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund:										
Reserved For:										
Inventory	\$ 71,240	43,573	70,458	83,440	87,384	96,010	125,941	145,819	143,249	140,580
Forfeited Funds	222,030	243,252	242,570	143,809	166,865	173,669	271,899	284,678	145,209	354,760
Fire Equipment	-	-	-	-	66,224	51,682	4,834	4,834	4,834	4,834
Other	24,985	10,752	5,538	-	-	-	-	-	-	-
Unreserved	3,363,785	2,556,122	2,886,961	3,610,413	3,248,364	3,641,307	3,445,301	3,340,485	2,548,980	3,725,822
Total General Fund	<u>3,682,040</u>	<u>2,833,699</u>	<u>3,205,527</u>	<u>3,837,662</u>	<u>3,568,837</u>	<u>3,962,668</u>	<u>3,847,975</u>	<u>3,775,816</u>	<u>2,842,272</u>	<u>4,225,996</u>

All Other Governmental Funds:

Reserved For:										
Debt Service	466,826	-	391,182	393,488	387,264	-	-	-	-	-
Employees' Retirement Benefit	49,419	47,816	45,411	21,914	14,700	22,091	-	-	-	-
Other	-	-	-	503,566	511,277	472,433	-	-	-	-
Economic Development	-	-	-	-	-	-	6,225,360	5,477,490	4,995,292	6,848,853
Unreserved, Reported In:										
Special Revenue Funds	4,854,795	4,878,782	4,537,055	4,674,416	3,194,228	4,511,993	1,649,436	1,360,737	3,213,077	1,950,972
Debt Service Funds	-	-	-	(42,240)	255,839	285,615	(214)	(72,625)	3,027	5,982
Capital Projects Funds	-	-	-	5,551,144	4,363,308	5,292,132	8,531,224	7,314,210	8,244,302	285,598
Total All Other Governmental Funds	<u>\$ 5,371,040</u>	<u>4,926,598</u>	<u>4,973,648</u>	<u>5,551,144</u>	<u>4,363,308</u>	<u>5,292,132</u>	<u>8,531,224</u>	<u>7,314,210</u>	<u>8,244,302</u>	<u>9,091,405</u>

**CITY OF COLLINSVILLE, ILLINOIS**

**Changes in Fund Balances of Governmental Funds  
Last Eight Fiscal Years  
(Modified accrual basis of accounting)**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>REVENUES</b>								
Property Tax	\$ 2,738,566	2,945,981	3,258,191	3,537,858	3,871,516	4,302,272	4,232,317	4,245,218
Intergovernmental:								
Sales and Use Tax	5,382,240	5,596,686	5,846,639	5,875,055	6,538,905	9,980,820	9,965,497	9,749,738
Replacement Tax	26,042	29,554	79,034	98,288	127,221	101,260	48,664	64,971
State Income Tax	1,518,099	1,581,396	1,865,028	2,068,898	2,254,175	2,387,557	1,625,006	2,076,192
Motor Fuel Tax	733,165	720,021	735,202	741,750	721,310	677,328	660,266	654,745
Telecommunications Tax	417,787	1,158,028	1,101,544	1,046,316	1,091,011	1,088,734	1,064,333	1,083,623
Grants	539,005	399,474	267,416	1,083,501	983,235	294,123	714,217	880,199
Other	83,632	114,540	156,826	160,782	166,207	429,468	199,162	387,477
Other Local Taxes	1,045,049	1,654,663	1,846,616	1,748,995	2,051,613	1,706,896	1,638,521	1,645,118
Drug Forfeiture Revenue	136,954	152,663	227,190	171,719	253,703	105,949	88,999	310,608
Licenses, Fees and Permits	551,871	572,461	553,867	843,304	510,380	566,141	548,694	577,085
Charges for Services	1,395,456	1,487,123	1,704,074	1,732,496	1,817,092	2,037,103	2,178,897	2,282,887
Fines	155,463	166,082	168,391	179,613	180,370	158,028	152,944	102,609
Investment Earnings	108,758	119,357	250,159	362,415	430,729	193,230	19,198	17,442
Gifts and Donations	102,413	524,691	74,451	115,545	67,038	78,152	46,692	81,406
Miscellaneous Revenues/Reimbursements	1,157,989	367,704	982,831	939,226	523,308	488,672	435,125	733,773
<b>Total Revenues</b>	<b>16,092,489</b>	<b>17,590,424</b>	<b>19,117,459</b>	<b>20,705,761</b>	<b>21,587,813</b>	<b>24,595,733</b>	<b>23,618,532</b>	<b>24,893,091</b>
<b>EXPENDITURES</b>								
Current:								
General Government	1,814,955	2,136,175	2,326,619	2,290,003	3,692,063	4,208,526	4,125,095	3,146,436
Public Safety	6,119,357	6,324,141	7,238,406	7,440,201	8,122,335	9,360,084	9,889,604	10,080,269
Public Works	1,864,745	2,069,571	2,001,399	1,873,046	2,201,060	2,323,259	2,417,675	2,434,501
Health and Sanitation	1,169,464	1,198,901	1,252,739	1,333,310	1,310,481	1,354,057	1,426,460	1,353,435
Community and Economic Development	2,362,866	2,166,403	2,169,530	1,968,403	26,926,129	1,710,996	4,009,931	1,918,369
Community Services	176,585	453,231	1,510,631	1,526,744	704,866	986,164	767,672	976,442
Debt service:								
Principal	285,000	324,558	340,442	335,000	355,000	420,000	646,209	372,746
Interest and Fees	132,114	112,495	93,272	79,801	1,082,589	1,695,177	1,727,867	1,650,023
Capital outlay	2,579,556	1,864,602	3,945,026	2,845,224	3,163,822	4,261,865	1,608,901	2,073,268
<b>Total Expenditures</b>	<b>16,504,642</b>	<b>16,650,077</b>	<b>20,878,064</b>	<b>19,691,732</b>	<b>47,558,345</b>	<b>26,320,128</b>	<b>26,619,414</b>	<b>24,005,489</b>
Excess (deficiency) of revenues over (under) expenditures	(412,153)	940,347	(1,760,605)	1,014,029	(25,970,532)	(1,724,395)	(3,000,882)	887,602
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from Debt	-	-	-	-	28,765,000	80,202	2,700,000	636,598
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	121,353
Operating Transfers In	1,108,289	1,050,890	1,132,269	1,616,201	412,091	390,000	689,960	735,000
Operating Transfers Out	(850,108)	(794,589)	(832,269)	(1,316,201)	(112,091)	(54,858)	(389,960)	(147,057)
Proceeds of Lease	50,000	-	-	-	-	-	-	-
Proceeds of Refunding Bonds	715,000	-	-	-	-	-	-	-
Debt Issuance Costs	(16,495)	-	-	-	-	-	-	-
Payment to Refunded Bond	(698,505)	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>308,181</b>	<b>256,301</b>	<b>300,000</b>	<b>300,000</b>	<b>29,065,000</b>	<b>415,344</b>	<b>3,000,000</b>	<b>1,345,894</b>
<b>Net change in fund balances</b>	<b>\$ (103,972)</b>	<b>1,196,648</b>	<b>(1,460,605)</b>	<b>1,314,029</b>	<b>3,094,468</b>	<b>(1,309,051)</b>	<b>(882)</b>	<b>2,233,496</b>
Debt Service as a Percentage of Noncapital Expenditures	3.0%	3.0%	2.6%	2.5%	3.2%	9.6%	9.5%	9.2%

2003 was the first year of GASB 34 implementation.

**CITY OF COLLINSVILLE, ILLINOIS**

**Tax Revenues by Source, Governmental Funds  
Last Ten Fiscal Years  
(Modified accrual basis of accounting)**

	<b><u>Sales</u></b> <b><u>Tax</u></b>	<b><u>Property</u></b> <b><u>Tax</u></b>	<b><u>Other</u></b>	<b><u>Total</u></b>
<b>2010</b>	\$ 9,749,738	\$ 4,245,218	\$ 10,898,135	\$ 24,893,091
<b>2009</b>	9,965,497	4,232,317	9,420,718	23,618,532
<b>2008</b>	9,980,820	4,302,272	10,312,641	24,595,733
<b>2007</b>	6,538,905	3,871,516	11,177,392	21,587,813
<b>2006</b>	5,875,055	3,537,858	11,292,848	20,705,761
<b>2005</b>	5,846,639	3,258,191	10,012,629	19,117,459
<b>2004</b>	5,596,686	2,945,981	9,047,757	17,590,424
<b>2003</b>	5,382,240	2,738,566	7,971,683	16,092,489
<b>2002</b>	4,554,680	2,650,364	7,236,471	14,441,515
<b>2001</b>	4,576,248	2,472,393	7,466,222	14,514,863

**CITY OF COLLINSVILLE, ILLINOIS**

**Sales Tax Rates, Direct and Overlapping  
Last Ten Fiscal Years**

**Madison County**

<b><u>For The Years Ended December 31</u></b>	<b><u>City Direct Rate</u></b>	<b><u>Metro East Transportation District</u></b>	<b><u>Metro East Park and Rec District</u></b>	<b><u>County Flood Prevention</u></b>	<b><u>State of Illinois</u></b>	<b><u>Direct and Overlapping</u></b>
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%
2008	1.250%	0.250%	0.100%	0.000%	6.250%	7.850%
2007	0.000%	0.250%	0.100%	0.000%	6.250%	6.600%
2006	0.000%	0.250%	0.100%	0.000%	6.250%	6.600%
2005	0.000%	0.250%	0.100%	0.000%	6.250%	6.600%
2004	0.000%	0.250%	0.100%	0.000%	6.250%	6.600%
2003	0.000%	0.250%	0.100%	0.000%	6.250%	6.600%
2002	0.000%	0.250%	0.100%	0.000%	6.250%	6.600%
2001	0.000%	0.250%	0.100%	0.000%	6.250%	6.600%

**St. Clair County**

<b><u>For The Years Ended December 31</u></b>	<b><u>City Direct Rate</u></b>	<b><u>Metro East Transportation District</u></b>	<b><u>Metro East Park and Rec District</u></b>	<b><u>County Flood Prevention</u></b>	<b><u>State of Illinois</u></b>	<b><u>Direct and Overlapping</u></b>
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%
2008	1.250%	0.750%	0.100%	0.000%	6.250%	8.350%
2007	0.000%	0.750%	0.100%	0.000%	6.250%	7.100%
2006	0.000%	0.750%	0.100%	0.000%	6.250%	7.100%
2005	0.000%	0.750%	0.100%	0.000%	6.250%	7.100%
2004	0.000%	0.750%	0.100%	0.000%	6.250%	7.100%
2003	0.000%	0.750%	0.100%	0.000%	6.250%	7.100%
2002	0.000%	0.750%	0.100%	0.000%	6.250%	7.100%
2001	0.000%	0.750%	0.100%	0.000%	6.250%	7.100%

In 2008, the City levied a home rule sales tax of one and one-quarter percent (1.25%).

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**

Industry	2006		2007		2008		2009		2010	
	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	\$ 655,088	15.47%	889,741	18.79%	1,076,483	23.02%	1,093,399	25.01%	1,101,934	24.17%
Food	666,359	15.73%	617,645	13.05%	590,991	12.64%	576,093	13.18%	584,648	12.82%
Drinking and Eating Places	502,834	11.87%	522,749	11.04%	531,274	11.36%	544,617	12.46%	562,628	12.34%
Apparel	26,021	0.61%	25,489	0.54%	22,757	0.49%	21,005	0.48%	21,186	0.46%
Furniture, Household & Radio	64,426	1.52%	69,386	1.47%	70,529	1.51%	77,487	1.77%	107,596	2.36%
Lumber, Building, Hardware	67,563	1.60%	287,725	6.08%	276,066	5.90%	230,404	5.27%	231,787	5.08%
Automotive & Filling Stations	1,528,973	36.10%	1,556,003	32.86%	1,303,776	27.88%	1,006,555	23.03%	1,031,318	22.62%
Drugs & Miscellaneous Retail	381,030	9.00%	423,188	8.94%	432,455	9.25%	451,586	10.33%	535,489	11.74%
Agriculture & All Others	286,072	6.75%	288,451	6.09%	322,661	6.90%	330,585	7.56%	355,206	7.79%
Manufacturers	56,707	1.34%	54,284	1.15%	49,327	1.05%	39,350	0.90%	27,656	0.61%
	<u>4,235,073</u>	<u>100.00%</u>	<u>4,734,660</u>	<u>100.00%</u>	<u>4,676,318</u>	<u>100.00%</u>	<u>4,371,080</u>	<u>100.00%</u>	<u>4,559,450</u>	<u>100.00%</u>

Industry	2001		2002		2003		2004		2005	
	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	657,177	16.78%	676,996	16.92%	684,343	16.62%	683,041	16.19%	676,894	16.18%
Food	671,464	17.15%	674,272	16.85%	695,110	16.89%	703,607	16.68%	687,191	16.42%
Drinking and Eating Places	420,762	10.75%	422,859	10.57%	430,666	10.46%	479,633	11.37%	489,342	11.69%
Apparel	30,178	0.77%	29,860	0.75%	27,309	0.66%	26,218	0.62%	27,418	0.66%
Furniture, Household & Radio	73,512	1.88%	75,261	1.88%	77,069	1.87%	74,283	1.76%	69,968	1.67%
Lumber, Building, Hardware	18,040	0.46%	44,960	1.12%	47,588	1.16%	57,211	1.36%	67,476	1.61%
Automotive & Filling Stations	1,499,488	38.29%	1,478,962	36.97%	1,528,328	37.13%	1,487,403	35.25%	1,481,864	35.42%
Drugs & Miscellaneous Retail	255,987	6.54%	265,092	6.63%	307,536	7.47%	370,783	8.79%	346,917	8.29%
Agriculture & All Others	246,102	6.28%	282,055	7.05%	268,728	6.53%	289,409	6.86%	285,004	6.81%
Manufacturers	43,100	1.10%	50,327	1.26%	49,744	1.21%	47,450	1.12%	52,143	1.25%
	<u>3,915,811</u>	<u>100.00%</u>	<u>4,000,645</u>	<u>100.00%</u>	<u>4,116,421</u>	<u>100.00%</u>	<u>4,219,038</u>	<u>100.00%</u>	<u>4,184,219</u>	<u>100.00%</u>

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.

CITY OF COLLINSVILLE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years**

Levy Year	Total Taxable Assessed Value in Madison County										Estimated Actual Value	Annual % Change	Ratio of Total Assessed Valuation to Estimated Actual Value of Real Property
	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Other Property	Value in Madison County						
2009	\$ 278,226,838	1,149,220	101,586,369	10,760,460	122,637	4,240	391,849,764	1,175,666,859	7.58%	33%			
2008	275,257,999	900,820	82,050,752	5,933,360	106,810	4,240	364,253,981	1,092,871,230	4.36%	33%			
2007	264,613,891	838,070	78,524,867	4,966,010	79,663	4,240	349,026,741	1,047,184,941	7.20%	33%			
2006	247,216,860	129,440	73,722,110	4,455,630	66,499	250	325,590,789	976,870,054	9.31%	33%			
2005	227,864,710	164,100	65,611,170	4,148,340	58,993	250	297,847,563	893,632,052	6.83%	33%			
2004	213,214,900	178,590	61,744,080	3,617,170	55,478	250	278,810,468	836,515,056	4.42%	33%			
2003	205,058,710	304,130	58,057,100	3,517,280	72,930	250	267,010,400	801,111,311	7.58%	33%			
2002	186,902,370	344,950	57,565,480	3,308,270	70,526	250	248,191,846	744,650,003	7.82%	33%			
2001	172,215,400	307,100	54,671,050	2,935,870	68,133	250	230,197,803	690,662,475	7.97%	33%			
2000	161,664,530	325,960	49,535,240	1,608,250	61,686	250	213,195,916	639,651,713	4.89%	33%			

**CITY OF COLLINSVILLE, ILLINOIS**

**Property Tax Rates, Direct and Overlapping  
Last Ten Fiscal Years  
(cents per hundred dollars)**

For The Years Ended December 31	City of Collinsville	Madison County									
		Madison County	Collinsville Road & Bridge	Collinsville C.U. School District No. 10	Collinsville Township	Southwestern IL College No. 522	Mississippi Valley Library	Collinsville Area Recreation	Total		
2009	0.6300%	0.6781%	0.3352%	4.2472%	0.2025%	0.3552%	0.2006%	0.6122%	7.2610%		
2008	0.6137%	0.6534%	0.3263%	4.2532%	0.1920%	0.3497%	0.2004%	0.5303%	7.1190%		
2007	0.6436%	0.6518%	0.3270%	4.3018%	0.1931%	0.3734%	0.2374%	0.5549%	7.2830%		
2006	0.6595%	0.6758%	0.3321%	4.3059%	0.1993%	0.3614%	0.2569%	0.5498%	7.3407%		
2005	0.6792%	0.7050%	0.3402%	4.3603%	0.2090%	0.3503%	0.2518%	0.4224%	7.3182%		
2004	0.6826%	0.7372%	0.3453%	4.3880%	0.1302%	0.3429%	0.0000%	0.4045%	7.0307%		
2003	0.8274%	0.7360%	0.3477%	4.3868%	0.1320%	0.3386%	0.0000%	0.3947%	7.1632%		
2002	0.8462%	0.7476%	0.3546%	4.4254%	0.1368%	0.2930%	0.0000%	0.3528%	7.1564%		
2001	0.8684%	0.7893%	0.3538%	4.5592%	0.1429%	0.3020%	0.0000%	0.3336%	7.3492%		
2000	0.8647%	0.8007%	0.3610%	4.1105%	0.1483%	0.2728%	0.0000%	0.3266%	6.8846%		

For The Years Ended December 31	City of Collinsville	St. Clair County									
		St. Clair County	Caseyville Road	Collinsville C.U. School District No. 10	Caseyville Township	Southwestern IL College No. 522	Mississippi Valley Library	Collinsville Area Recreation	Total		
2009	0.6412%	0.9168%	0.1017%	4.2674%	0.1065%	0.3608%	0.2019%	0.5996%	7.1959%		
2008	0.6172%	0.9161%	0.1033%	4.2511%	0.1031%	0.3574%	0.2038%	0.5328%	7.0848%		
2007	0.6463%	0.9120%	0.1096%	4.3319%	0.1102%	0.3689%	0.2402%	0.7523%	7.4714%		
2006	0.6719%	1.0090%	0.1217%	4.3329%	0.1187%	0.3589%	0.2543%	0.4408%	7.3082%		
2005	0.6917%	0.9715%	0.1370%	4.3884%	0.1271%	0.3483%	0.2514%	0.4299%	7.3453%		
2004	0.7000%	0.9909%	0.1515%	4.4290%	0.1346%	0.3474%	0.2542%	0.4129%	7.4205%		
2003	0.6746%	1.0120%	0.1492%	4.3867%	0.1378%	0.3408%	0.0000%	0.3942%	7.0953%		
2002	0.8506%	0.9439%	0.1510%	4.4252%	0.1314%	0.2948%	0.0000%	0.3519%	7.1488%		
2001	0.8630%	0.9488%	0.1587%	4.5512%	0.1180%	0.3006%	0.0000%	0.3304%	7.2707%		
2000	0.8898%	0.9543%	0.1331%	4.1106%	0.1171%	0.2744%	0.0000%	0.3254%	6.8047%		

**CITY OF COLLINSVILLE, ILLINOIS**

**Property Tax Levies and Collections  
Last Ten Fiscal Years**

<b>Tax Levy Year</b>	<b>Tax Levy as Abated</b>	<b>Current Taxes Collected</b>		<b>Collections Through 2010</b>		
		<b>Fiscal Year Collected</b>	<b>Amount</b>	<b>Percent of Levy Collected</b>	<b>Amount</b>	<b>Percent of Levy Collected</b>
2009	\$ 2,487,705	2010	\$ 2,222,759	89.350%	\$ 2,222,759	89.350%
2008	2,470,590	2009	1,687,996	68.324%	2,450,046	99.168%
2007	2,488,693	2008	2,439,420	98.020%	2,478,917	99.607%
2006	2,380,677	2007	2,365,999	99.383%	2,365,999	99.383%
2005	2,246,883	2006	2,239,308	99.663%	2,239,308	99.663%
2004	2,119,349	2005	2,109,493	99.535%	2,109,493	99.535%
2003	2,465,258	2004	2,447,247	99.269%	2,447,247	99.269%
2002	2,334,592	2003	2,330,765	99.836%	2,330,765	99.836%
2001	2,223,495	2002	2,171,960	97.682%	2,171,960	97.682%
2000	2,060,604	2001	2,048,854	99.430%	2,048,854	99.430%



**CITY OF COLLINSVILLE, ILLINOIS**

**Ten Principal Taxpayers of Property Tax  
Current Year and Nine Years Prior**

<u>Taxpayer Name</u>	<u>2001</u>		<u>2010</u>	
	<u>EAV</u>	<u>Rank</u>	<u>EAV</u>	<u>Rank</u>
Wal-Mart			\$ 4,558,670	1
Osborn & Osborn LLC			3,694,510	2
Coholt LLC			3,501,620	3
Felfam Lakeside Plaza LLC			2,448,450	4
Cedar Ridge Eagle Creek LLC			2,444,680	5
Retko Group LLC			2,384,810	6
Home Depot USA			2,329,990	7
Keebler Crossing LLC			2,277,210	8
Parkside Commons LLC			2,197,170	9
Sandridge Mannors LLC			2,107,800	10
LaSalle National Bank	\$ 2,247,390	1		
Desco Investment Co.	2,136,830	2		
Collinsville Property LLC	1,893,540	3		
City of Collinsville	1,192,680	4		
D I Collinsville	1,048,040	5		
AT&T Communications	972,150	6		
American National Bank	953,720	7		
Odgen Fairmount Inc.	921,720	8		
Eastport Executive Park	853,210	9		
Lanter Business Park LLC	830,000	10		
Total	<u>13,049,280</u>		<u>27,944,910</u>	

Source: Madison County Clerk's Office

**CITY OF COLLINSVILLE, ILLINOIS**

**Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b><u>Governmental Activities</u></b>										
General Obligation Bonds	\$ 2,920,000	2,650,000	2,380,000	2,080,000	1,765,000	1,430,000	9,590,000	9,170,000	11,290,000	10,950,000
Revenue Bonds	145,000	-	-	-	-	-	20,250,000	20,250,000	20,250,000	20,250,000
<b>Total Debt Outstanding</b>	<b>3,065,000</b>	<b>2,650,000</b>	<b>2,380,000</b>	<b>2,080,000</b>	<b>1,765,000</b>	<b>1,430,000</b>	<b>29,840,000</b>	<b>29,420,000</b>	<b>31,540,000</b>	<b>31,200,000</b>
Personal Income	54,956	54,956	54,956	54,956	54,956	54,956	57,531	56,129	56,129	57,219
Debt as Percentage of Personal Income	5577.19%	4822.04%	4330.74%	3784.85%	3211.66%	2602.08%	51867.69%	52414.97%	56191.99%	54527.34%
Population	24,707	24,707	24,707	25,384	25,487	25,610	25,895	25,960	25,960	25,677
Per capita Debt	124	107	96	82	69	56	1,152	1,133	1,215	1,215
<b><u>Business-Type Activities</u></b>										
General Obligation Bonds	2,835,000	2,450,000	1,915,000	1,315,000	695,000	20,350,000	20,000,000	19,295,000	18,560,000	17,795,000
<b>Total Debt Outstanding</b>	<b>2,835,000</b>	<b>2,450,000</b>	<b>1,915,000</b>	<b>1,315,000</b>	<b>695,000</b>	<b>20,350,000</b>	<b>20,000,000</b>	<b>19,295,000</b>	<b>18,560,000</b>	<b>17,795,000</b>
Personal Income	54,956	54,956	54,956	54,956	54,956	54,956	57,531	56,129	56,129	57,219
Debt as Percentage of Personal Income	5158.67%	4458.11%	3484.61%	2392.82%	1264.65%	37029.62%	34763.87%	34376.17%	33066.69%	31099.81%
Population	24,707	24,707	24,707	25,384	25,487	25,610	25,895	25,960	25,960	25,677
Per capita Debt	115	99	78	52	27	795	772	743	715	693

Source: U.S. Census Bureau

**CITY OF COLLINSVILLE, ILLINOIS**

**Computation of Direct and Overlapping Debt  
December 31, 2010**

	<b><u>General Obligation Debt</u></b>	<b><u>Percent Applicable to Collinsville</u></b>	<b><u>Amount Applicable to Collinsville</u></b>
City of Collinsville	\$ 28,465,000	100.00 %	\$ 28,465,000
Madison County	1,085,000	7.68	83,279
St. Clair County	137,222,360	1.05	1,436,117
Unit 10 School District (Collinsville)	27,740,000	52.66	14,607,370
Unit 9 School District (Granite City)	14,500,000	0.03	4,329
Southwestern Illinois Community College	20,290,000	7.06	1,431,839
Collinsville Area Recreation District	25,350,000	63.90	16,198,628
Mississippi Valley Library	-	81.31	-
Caseyville Township	-	5.30	-
Collinsville Township	-	53.56	-
Canteen Township	-	0.03	-
Nameoki Township	-	1.44	-
Metro East Sanitary	-	0.02	-
East Side Health	-	0.01	-
State Park Fire	-	15.47	-
Total	<u>\$ 254,652,360</u>		<u>\$ 62,226,563</u>

<sup>1</sup>Only 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.

Source: The above-named jurisdictions.

**CITY OF COLLINSVILLE, ILLINOIS**

**Pledged Revenue Coverage  
Last Four Fiscal Years**

<b>Local Government Program Revenue Bonds</b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>
Limited Incremental Sales Tax Revenue	\$ 345,087	1,087,915	1,155,734	1,160,577
Debt service	-	1,144,164	1,053,450	1,053,450
Ratio	-	0.95	1.10	1.10
Outstanding Balance	\$ 20,250,000	20,250,000	20,250,000	20,250,000

The Local Government Program Revenue Bonds, Series 2007 are dated July 23, 2007.

**CITY OF COLLINSVILLE, ILLINOIS**

**Demographic and Economic Statistics  
Last Ten Calendar Years**

<u>Year</u>	<u>Population</u>	<u>Median Family Income</u>	<u>Per Capita Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2010	25,677	57,219	25,774	5,987	6.70%
2009	25,960	56,129	24,451	6,240	6.90%
2008	25,960	56,129	24,451	6,240	6.90%
2007	25,895	57,531	24,334	5,798	7.50%
2006	25,610	54,956	22,048	5,952	4.70%
2005	25,487	54,956	22,048	5,952	5.20%
2004	25,384	54,956	22,048	5,952	6.70%
2003	24,707	54,956	22,048	5,952	6.40%
2002	24,707	54,956	22,048	5,952	5.90%
2001	24,707	54,956	22,048	5,952	5.00%

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

**CITY OF COLLINSVILLE, ILLINOIS**

**Ten Principal Employers  
Current Year and Nine Years Prior**

<u>Employer</u>	<u>2001</u>		<u>2010</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Collinsville Unit School District Number 10	662	1	772	1
Wal-Mart	175	7	470	2
Fairmont Race Track	500	3	328	3
Illinois Department of Transportation	500	2	250	4
City of Collinsville	188	6	203	5
Schnucks Market	190	5	120	6
Crop Production			100	7
Gateway Industrial Power			90	8
K-Mart	135	8	75	9
Teklab, Inc.			70	10
Marsh Shipping Supply Co., LLC			50	11
Tetra Tech, Inc.			50	12
Auto Dealer's Association	228	4		
S A S I Corp	100	9		
Royster Clark	100	10		
Total	<u>2,778</u>		<u>2,578</u>	

Source: Illinois Manufacturers Directory, Illinois Services Directory and a selective telephone survey. The total number of jobs available in the City of Collinsville 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	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>General Government:</b>										
Administration - City Manager	2.00	2.00	2.00	2.00	1.00	1.00	2.00	3.00	3.00	3.00
Administration - Operations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administration - Human Resources	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Administration - Information Technology	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
Finance	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00
<b>Public Safety:</b>										
Police Administration	2.00	2.00	2.00	3.00	3.00	3.00	3.00	5.00	5.00	5.00
Police Operations	36.00	35.00	35.00	35.00	35.00	37.00	37.00	40.00	40.00	40.00
Police Support	10.00	10.00	10.00	13.00	13.00	13.00	13.00	17.00	17.00	18.00
Animal Shelter	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Fire Operations	28.00	28.00	28.00	28.00	28.00	28.00	28.00	32.00	32.00	32.00
<b>Public Works:</b>										
Streets	13.00	13.00	13.00	13.00	13.00	13.00	15.00	19.00	19.00	17.00
Inspections	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Water Lines	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50
Water Plant	6.00	6.00	6.00	6.00	6.00	6.00	6.50	6.50	6.50	6.50
Waste Water Lines	6.50	6.50	6.50	6.50	6.50	6.50	7.00	7.00	7.00	7.00
Waste Water Plant	6.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00
<b>Community and Economic Development:</b>										
Community Development	1.00	2.00	2.00	1.00	1.00	1.00	3.00	5.00	5.00	5.00
Community Services	7.00	7.00	7.00	7.00	0.00	0.00	0.00	0.00	1.00	1.00
<b>Total</b>	<b>142.00</b>	<b>143.00</b>	<b>143.00</b>	<b>146.00</b>	<b>139.00</b>	<b>141.00</b>	<b>147.00</b>	<b>170.00</b>	<b>171.00</b>	<b>170.00</b>

Source: Payroll Data from Finance Department.

CITY OF COLLINSVILLE, ILLINOIS

Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Sectors	6	6	6	6	6	6	6	6	6	6
Marked patrol units	16	16	16	16	16	16	18	18	18	18
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Fire Trucks	4	4	4	4	4	4	4	4	4	4
Ambulances	3	3	3	3	3	3	3	3	3	4
Streets:										
Streets (lane miles)	251.72	251.72	251.72	251.72	251.72	251.72	251.72	251.72	251.72	253.72
Sidewalks (miles)	71	71	71	71	71	71	71	71	71	71
Streetlights	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,408	2,404
Water										
Water Mains (miles)	1300	1300	1300	1300	1300	1300	1300	1300	1300	1300
Water Valves	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800
Manholes	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200
Fire Hydrants	1300	1300	1300	1300	1300	1300	1300	1300	1300	1300
Waste Water:										
Sewer Mains (miles)	900	900	900	900	900	900	900	900	900	900

Source: Various City Departments