

CITY OF COLLINSVILLE, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2015

CITY OF COLLINSVILLE, ILLINOIS

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www.collinsvilleil.org

May 24, 2016

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, 2015, 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, 2015, 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, 2015 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.

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 2015 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 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 31st. Department heads, with the City Manager's approval, may transfer funds within departmental programs. The legal level of control of the City Council extends to the program level. The City Manager is authorized to move funds within a department between programs up to \$10,000. The City Council must authorize transfers between departments or any increase in a fund's budget. Budget-to-actual comparisons for the General Fund and Major Special Revenue Funds are provided in this report on page 67 through 70 as required supplementary information. The 2014/2015 biennial budget document may be found on the City's website at <http://www.collinsvilleil.org/docs/finance/2014-2015BUDGET.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, but the unemployment rate remains relatively high. The City will continue to closely monitor income tax and sales tax, which are the primary sources of General Fund revenue, as they are easily influenced by the unemployment rate.

Long-term Financial Planning. Unassigned fund balance in the General Fund (29.8% of total General Fund revenues) exceeds the policy guidelines set by the City Council for budgetary and planning purposes (i.e., between 15 and 20 percent of total General Fund revenues.)

The City includes five-year revenue, expense/expenditure and fund balance projections in its budget in an effort to facilitate long-term financial planning and anticipate future problems. Staff uses the five-year projections to plan operational changes and capital projects as well as analyze the City's ability to react to its changing environment.

Major Initiatives. The City's water treatment plant is an aging facility originally constructed in 1958 and reaching its production capacity. Engineering has begun for a \$17 million renovation that will be financed with a low-interest EPA loan. Project completion is anticipated in 2017.

The water line along Main Street is in aged condition and undersized to provide adequate service. Water mains from Summit Avenue to South Morrison and Vandalia to Aurora will be replaced. The project consists of 6,500 linear feet of 12" and 8" water mains, the addition of one fire hydrant, the replacement of ten existing hydrants, and five connections to branch mains between Main Street and Clay. Project completion is anticipated in 2016.

The water line along Church Street is in aged condition and undersized to provide adequate service. 4" cast iron water mains from South Seminary Street to South Aurora Street will be replaced with 6" PVC and new fire hydrants will be installed on every block. Project completion is anticipated in 2016.

The Keebler/Beltline intersection improvements includes widening the north and south Keebler Avenue approaches to the Beltline Road intersection to provide for right turn lanes, left turn

lanes and through movement lanes. The project also will include construction of some storm sewer drainage improvements. Project completion is anticipated in 2016.

Streetscape improvements will be continued along Vandalia Street, East Clay Street, Main Street and Aurora to compliment what's already been accomplished in the Uptown area. Project completion is anticipated in 2016.


Clay Street is in poor condition and requires resurfacing to avoid a complete reconstruction of the roadway. Resurfacing will stretch from Summit Avenue to North Aurora. Project completion is anticipated in 2016.

AWARDS AND ACKNOWLEDGEMENTS

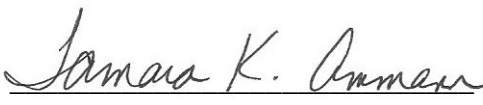
The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report issued for the fiscal year ended December 31, 2014. This is the sixth year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers' Association (GFOA), a governmental unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. Such reports must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe this report conforms to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for its determination.

This report could not have been completed without the assistance of the entire staff of the various departments of the City. Special thanks go to the Finance Department for its contributions. We would also like to acknowledge our auditors, 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,



Mitchell Bair
City Manager



Tamara K. Ammann
Director of Finance

CITY OF COLLINSVILLE, ILLINOIS

CITY OFFICIALS

DECEMBER 31, 2015

MAYOR

John Miller

INTERIM CITY MANAGER

Mitchell Bair

CITY TREASURER

Tamara Ammann

CITY ATTORNEY

Marshall Hilmes

CORPORATE COUNSEL

Steven Giacoletto

CITY COUNCIL

Nancy Moss

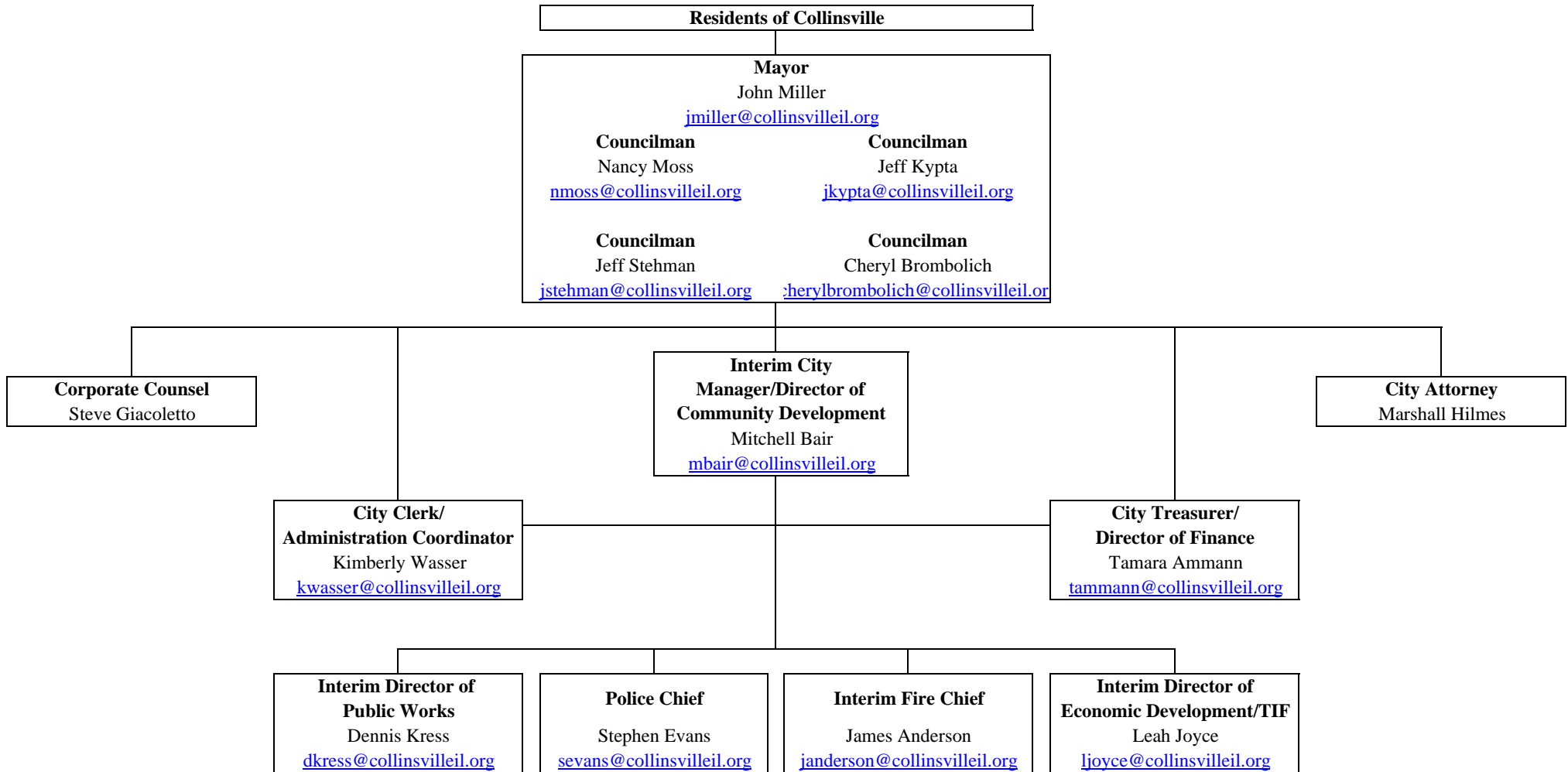
Jeff Stehman

Jeff Kypta

Cheryl Brombolich

CITY OF COLLINSVILLE, ILLINOIS

ORGANIZATIONAL CHART
DECEMBER 31, 2015





Government Finance Officers Association

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

Presented to

**City of Collinsville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
Collinsville, IL

Report on the Financial Statements

We have audited the accompanying financial statements of the of the City of Collinsville, Illinois as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 18 to the financial statements, in 2015 the City of Collinsville adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 to 12), budgetary comparison information (pages 67 to 70) and required schedules related to pensions and OPEB (pages 71 to 79) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City 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 combining and individual nonmajor fund financial statements and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and other schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2016 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* in considering the City of Collinsville, Illinois' internal control over financial reporting and compliance.

 C. J. Schlemmer & Co., L.L.C.

Certified Public Accountants
Alton, Illinois

June 25, 2016

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

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, 2015.

FINANCIAL HIGHLIGHTS

On a government-wide basis, the assets of the City of Collinsville exceeded its liabilities for the most recent fiscal year by \$20,442,100.

- The City's total net position decreased by \$3,593,233.
- At the end of 2015, unassigned fund balance for the General Fund was \$6,122,739 or 29.7% of total General Fund expenditures for the year.
- Net position of the City's business-type activities decreased by \$329,094.
- The City's total bonded debt decreased by \$1,635,000.

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

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 13 and 14 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 twelve 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 three major funds: General Fund, Tax Increment Financing Fund and Collinsville Crossings Fund. Data from the other governmental funds are combined into a single, aggregated presentation called "Other Governmental Funds." Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules in the other supplementary information section of this report.

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

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 15 and 17 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 19, 20 and 21 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 22 and 23 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 24 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 67 through 79 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 80 through 101 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the thirteenth 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*.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$20,442,100 at the close of the most recent fiscal year (December 31, 2015).

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

By far the largest portion of the City's net position (253.9%) 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 position is as follows:

	Governmental Activities		Business-type Activities		Total	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
ASSETS						
Current and other assets	\$ 18,425,691	19,213,017	6,213,638	5,080,956	24,639,329	24,293,973
Capital assets, net	31,096,683	29,733,191	35,179,289	36,801,129	66,275,972	66,534,320
Total assets	<u>49,522,374</u>	<u>48,946,208</u>	<u>41,392,927</u>	<u>41,882,085</u>	<u>90,915,301</u>	<u>90,828,293</u>
DEFERRED OUTFLOWS OF RESOURCES						
Future Pension Expense	4,696,576	-	740,123	-	5,436,699	-
Loss on Bond Refunding	405,912	441,209	925,660	1,067,255	1,331,572	1,508,464
Total deferred outflows of resources	<u>5,102,488</u>	<u>441,209</u>	<u>1,665,783</u>	<u>1,067,255</u>	<u>6,768,271</u>	<u>1,508,464</u>
LIABILITIES						
Long-term liabilities	49,188,105	25,408,860	14,872,223	15,104,887	64,060,328	40,513,747
Other liabilities	11,090,316	9,234,966	2,090,828	2,133,690	13,181,144	11,368,656
Total liabilities	<u>60,278,421</u>	<u>34,643,826</u>	<u>16,963,051</u>	<u>17,238,577</u>	<u>77,241,472</u>	<u>51,882,403</u>
NET POSITION						
Invested in capital assets, net of related debt	30,142,602	28,653,484	21,767,625	21,326,364	51,910,227	49,979,848
Restricted	5,259,701	7,196,024	-	-	5,259,701	7,196,024
Unrestricted	(41,055,862)	(21,105,917)	4,328,034	4,384,399	(36,727,828)	(16,721,518)
Total net position	<u>\$ (5,653,559)</u>	<u>14,743,591</u>	<u>26,095,659</u>	<u>25,710,763</u>	<u>20,442,100</u>	<u>40,454,354</u>

A portion of the City's net position (25.7%) represent resources that are subject to external restrictions on how they may be used. Unrestricted net position 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 position for its governmental activities and all three categories of net position for its business-type activities. The negative amount of unrestricted net position in governmental activities is due to outstanding long-term debt.

The City of Collinsville's net position decreased by \$3,593,233 during 2015. This decrease represents the degree to which expenses outpaced revenues.

Governmental activities. Governmental activities decreased the City's net position by \$3,264,139. Revenues increased by \$1,583,110 from 2014 to 2015 while expenditures increased by \$6,302,201. It is important to note that GASB 68 was implemented during 2015, which has a significant impact on the public safety expenses and caused the beginning net position to be restated.

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

Business-type activities. Business-type activities decreased the City's net position by \$329,094. Water and sewer fees are adjusted each year to insure that revenues keep up with inflation as expenses do. It is important to note that GASB 68 was implemented during 2015, which caused the beginning net position to be restated. The condensed statement of activities is as follows:

	Governmental Activities		Business-type Activities		Total	
	For The Year Ended December 31, 2015	For The Year Ended December 31, 2014	For The Year Ended December 31, 2015	For The Year Ended December 31, 2014	For The Year Ended December 31, 2015	For The Year Ended December 31, 2014
REVENUES						
Program revenues:						
Charges for services	\$ 5,194,260	5,101,120	8,723,993	8,807,956	13,918,253	13,909,076
Operating grants	119,444	187,587	-	-	119,444	187,587
Capital grants	1,930,518	1,170,692	-	133,116	1,930,518	1,303,808
General revenues:						
Property taxes	5,376,334	5,335,681	-	-	5,376,334	5,335,681
Sales and use tax	7,681,760	7,267,476	-	-	7,681,760	7,267,476
Home rule sales tax	3,758,167	3,793,196	-	-	3,758,167	3,793,196
Replacement tax	311,592	287,699	-	-	311,592	287,699
State income taxes	2,765,835	2,422,384	-	-	2,765,835	2,422,384
Motor fuel taxes	625,340	633,664	-	-	625,340	633,664
Telecommunications taxes	798,293	767,125	-	-	798,293	767,125
Utility taxes	352,187	377,378	-	-	352,187	377,378
Franchise fees	436,722	422,402	-	-	436,722	422,402
Other taxes	401,383	382,567	-	-	401,383	382,567
Investment earnings	10,404	7,932	2,635	1,203	13,039	9,135
Gain on Sale of Assets	-	16,566	-	-	-	16,566
Miscellaneous	67,115	72,775	-	-	67,115	72,775
Total revenues	<u>29,829,354</u>	<u>28,246,244</u>	<u>8,726,628</u>	<u>8,942,275</u>	<u>38,555,982</u>	<u>37,188,519</u>
EXPENSES						
Governmental activities:						
General government	4,012,953	3,667,032	-	-	4,012,953	3,667,032
Public safety	16,680,952	13,517,895	-	-	16,680,952	13,517,895
Public works	4,431,379	4,460,286	-	-	4,431,379	4,460,286
Health and sanitation	1,631,883	1,459,591	-	-	1,631,883	1,459,591
Community development	4,594,607	1,759,411	-	-	4,594,607	1,759,411
Community services	933,423	1,062,598	-	-	933,423	1,062,598
Interest on long-term debt	1,468,868	1,615,051	-	-	1,468,868	1,615,051
Business-type activities:						
Water and sewer	-	-	8,395,150	8,028,603	8,395,150	8,028,603
Total expenses	<u>33,754,065</u>	<u>27,541,864</u>	<u>8,395,150</u>	<u>8,028,603</u>	<u>42,149,215</u>	<u>35,570,467</u>
Change in net assets before transfers	(3,924,711)	704,380	331,478	913,672	(3,593,233)	1,618,052
Transfers	<u>660,572</u>	<u>648,019</u>	<u>(660,572)</u>	<u>(648,019)</u>	<u>-</u>	<u>-</u>
Change in net assets	(3,264,139)	1,352,399	(329,094)	265,653	(3,593,233)	1,618,052
Net position - beginning	<u>(2,389,420)</u>	<u>13,391,192</u>	<u>26,424,753</u>	<u>25,445,110</u>	<u>24,035,333</u>	<u>38,836,302</u>
Net position - ending	<u>\$ (5,653,559)</u>	<u>14,743,591</u>	<u>26,095,659</u>	<u>25,710,763</u>	<u>20,442,100</u>	<u>40,454,354</u>

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

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 2015, the City's governmental funds reported combined ending fund balances of \$13,861,001, a decrease of \$1,320,274 in comparison with the prior year. Approximately 1.6% of this total amount (\$215,822) constitutes nonspendable fund balance, which is entirely inventory. Approximately 37.9% of this total amount (\$5,259,701) constitutes restricted fund balance, which is restricted primarily for economic development, motor fuel tax or police purposes. Approximately 16.3% of this total amount (\$2,262,739) constitutes committed fund balance, which is earmarked by the City Council for future capital projects in various special revenue and capital projects funds. Approximately 44.2% of this total amount (\$6,122,739) constitutes unassigned fund balance, which is available for spending at the City's discretion.

The General Fund is the chief operating fund of the City of Collinsville. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$6,122,739 while total fund balance was \$6,726,632. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 29.7% of total General Fund expenditures, while total fund balance represents 32.7% of that same amount.

The fund balance of the City's General Fund increased by \$500,699 during the current fiscal year. Management took the opportunity to reorganize and consolidate some vacant positions during 2015, which resulted in some temporary savings as well as long-term savings.

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 \$1,846,161, which is a decrease of \$2,203,422 compared to 2014. Significant capital projects funded by the TIF during 2015 included: Clay Street Water Tower Rehabilitation, Summit Avenue Bridge Reconstruction, Uptown Streetscape, Main Street Water and Sewer Main Replacement, Clay Street Water and Sewer Main Replacement, Collins House Relocation, and Collins House Park.

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

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

2007 revenue bonds related to the Collinsville Crossings development. At the end of the current fiscal year, the fund balance of the Collinsville Crossings Fund was \$2,059,729.

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 position of the water and sewer fund at the end of the year amounted to \$4,328,034, a decrease of \$56,365 or 1.3%. 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 2015 expenditure budget for the City's General Fund represents an original budget of \$19,164,200 increased by \$129,000 to \$19,293,200, an adjustment of approximately 0.7%. Actual, cash basis expenditures in the General Fund were \$18,207,479 which is \$1,085,721 less than the final, amended budgeted. The changes during the year were as follows:

- Increase of \$12,000 in the Information Technology Program of the Administration Department to provide funds for the full-time Cable/Video Coordinator position, which was upgraded the prior year.
- Increase of \$50,000 in the Police Administration Program of the Police Department to provide funds for compensation of two retiring employees.
- Increase of \$25,000 in the Fire Administration Program of the Fire Department to add a part-time Fire Marshall position.
- Increase of \$32,000 in the Economic Development Program of the Community Development Department to conduct a TIF study for the St. Louis Road area.
- Increase of \$10,000 in the Shuttle Bus Program of the Community Services Department for reorganization and addition of part-time staff.

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, 2015, amounts to \$66,629,654, 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 \$95,334 or 0.1% (a \$1,363,492 or 4.6% increase for governmental activities and a \$1,268,158 or 3.4% decrease for business-type activities.)

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

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

	Governmental Activities		Business-type Activities		Total	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Land	\$ 3,800,519	3,773,219	382,980	382,980	4,183,499	4,156,199
Construction in progress	-	-	673,497	673,497	673,497	673,497
Buildings and improvements	5,238,989	5,457,859	23,967,552	24,731,546	29,206,541	30,189,405
Equipment	601,223	606,538	396,709	501,692	997,932	1,108,230
Vehicles	518,947	663,853	568,920	298,660	1,087,867	962,513
Infrastructure	20,937,005	19,231,722	9,543,313	10,212,754	30,480,318	29,444,476
Total capital assets	\$ <u>31,096,683</u>	<u>29,733,191</u>	<u>35,532,971</u>	<u>36,801,129</u>	<u>66,629,654</u>	<u>66,534,320</u>

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of 2015. Fund financial statements record capital asset purchases as expenditures.

Additional information on the City's capital assets can be found in Note 8 on pages 39 and 40 of this report.

Long-term Debt

At the end of 2015, the City of Collinsville had total long-term debt obligations for governmental and business-type activities in the amount of \$43,065,000 compared to \$44,700,000 at the end of 2014. During 2015, the City made scheduled debt service payments. General obligation bonds are backed by the full faith and credit of the City.

CITY OF COLLINSVILLE, ILLINOIS

Management's Discussion and Analysis

For the year ended December 31, 2015

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, 2015	December 31, 2014	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
General Obligation Debt:						
Taxable GO Bonds						
Series 2009	\$ 2,210,000	2,330,000	-	-	2,210,000	2,330,000
LIST Revenue Bonds						
Series 2007	20,250,000	20,250,000	-	-	20,250,000	20,250,000
Taxable GO Bonds						
Series 2007A	-	300,000	-	-	-	300,000
Non-taxable GO Bonds						
Series 2007B	615,000	705,000	-	-	615,000	705,000
GO Refunding Bonds						
Series 2012	-	-	9,505,000	9,565,000	9,505,000	9,565,000
GO Refunding Bonds						
Series 2013A	-	-	4,335,000	5,325,000	4,335,000	5,325,000
GO Refunding Bonds						
Series 2014	6,150,000	6,225,000	-	-	6,150,000	6,225,000
Total Debt	\$ <u>29,225,000</u>	<u>29,810,000</u>	<u>13,840,000</u>	<u>14,890,000</u>	<u>43,065,000</u>	<u>44,700,000</u>

Additional information regarding the City's long-term debt can be found in Note 9 on pages 40 through 43 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Collinsville, Director of Finance, 125 South Center Street, Collinsville, IL 62234.

CITY OF COLLINSVILLE, ILLINOIS

STATEMENT OF NET POSITION
DECEMBER 31, 2015

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 11,352,817	\$ 3,354,748	\$ 14,707,565
Receivables (Net of allowance for uncollectibles):	4,993,180	1,735,128	6,728,308
Prepaid Expenses	-	299,468	299,468
Inventory	215,822	236,875	452,697
Restricted Assets:			
Cash and Cash Equivalents	71,475	587,419	658,894
Capital Assets:			
Land	3,800,519	382,980	4,183,499
Buildings and Improvements	8,972,792	35,347,659	44,320,451
Equipment	3,928,065	3,048,516	6,976,581
Vehicles	3,911,090	997,704	4,908,794
Infrastructure	45,868,541	32,566,817	78,435,358
Less: Accumulated Depreciation	<u>(35,384,324)</u>	<u>(37,164,387)</u>	<u>(72,548,711)</u>
Net Capital Assets	<u>31,096,683</u>	<u>35,179,289</u>	<u>66,275,972</u>
Other Assets:			
Insurance Trust	<u>1,792,397</u>	<u>-</u>	<u>1,792,397</u>
Total Assets	<u>49,522,374</u>	<u>41,392,927</u>	<u>90,915,301</u>
<u>Deferred Outflows of Resources</u>			
Future Pension Expense	4,696,576	740,123	5,436,699
Loss on Bond Refunding	<u>405,912</u>	<u>925,660</u>	<u>1,331,572</u>
Total Deferred Outflows of Resources	<u>5,102,488</u>	<u>1,665,783</u>	<u>6,768,271</u>
<u>Liabilities</u>			
Accounts Payable	1,006,655	110,460	1,117,115
Accrued Wages	366,683	104,586	471,269
Accrued Interest Payable	453,501	16,752	470,253
Liabilities Payable from Restricted Assets	64,296	587,419	651,715
Noncurrent Liabilities:			
Due Within One Year	9,199,181	1,271,611	10,470,792
Due in More Than One Year	<u>49,188,105</u>	<u>14,872,223</u>	<u>64,060,328</u>
Total Liabilities	<u>60,278,421</u>	<u>16,963,051</u>	<u>77,241,472</u>
<u>Net Position</u>			
Net Investment in Capital Assets	30,142,602	21,767,625	51,910,227
Restricted for:			
Economic Development	3,905,890	-	3,905,890
Restricted Tax Revenues	940,787	-	940,787
Forfeitures and Seizures	413,024	-	413,024
Unrestricted	<u>(41,055,862)</u>	<u>4,328,034</u>	<u>(36,727,828)</u>
Total Net Position	<u>\$ (5,653,559)</u>	<u>\$ 26,095,659</u>	<u>\$ 20,442,100</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, 2015

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Functions/Programs						
Primary Government:						
Governmental Activities:						
General Government	\$ 4,012,953	\$ 382,583	\$ -		\$ (3,630,370)	\$ (3,630,370)
Public Safety	16,680,952	1,310,274	92,074	-	(15,278,604)	(15,278,604)
Public Works	4,431,379	3,131	5,724	1,930,518	(2,492,006)	(2,492,006)
Health and Sanitation	1,631,883	1,512,201	-	-	(119,682)	(119,682)
Community and Economic Development	4,594,607	1,980,976	-	-	(2,613,631)	(2,613,631)
Community Services	933,423	5,095	21,646	-	(906,682)	(906,682)
Interest on Long-term Debt	1,468,868	-	-	-	(1,468,868)	(1,468,868)
Total Governmental Activities (see Note 1)	<u>33,754,065</u>	<u>5,194,260</u>	<u>119,444</u>	<u>1,930,518</u>	<u>(26,509,843)</u>	<u>(26,509,843)</u>
Business-type Activities:						
Water and Sewer	<u>8,395,150</u>	<u>8,723,993</u>	<u>-</u>	<u>-</u>	<u>\$ 328,843</u>	<u>328,843</u>
Total Business-type Activities	<u>8,395,150</u>	<u>8,723,993</u>	<u>-</u>	<u>-</u>	<u>328,843</u>	<u>328,843</u>
Total Primary Government	<u>\$ 42,149,215</u>	<u>\$ 13,918,253</u>	<u>\$ 119,444</u>	<u>\$ 1,930,518</u>	<u>(26,509,843)</u>	<u>328,843</u> <u>(26,181,000)</u>
General Revenues:						
Property Tax, Levied for General Purposes					5,376,334	- 5,376,334
Intergovernmental Revenues:						
Sales and Use Tax					7,681,760	- 7,681,760
Home Rule Sales Tax					3,758,167	- 3,758,167
Replacement Tax					311,592	- 311,592
State Income Tax					2,765,835	- 2,765,835
Motor Fuel Tax					625,340	- 625,340
Telecommunications Tax					798,293	- 798,293
Utility Tax					352,187	- 352,187
Franchise Fees					436,722	- 436,722
Other Taxes					401,383	- 401,383
Unrestricted Investment Earnings					10,404	2,635 13,039
Miscellaneous					67,115	- 67,115
Transfers					660,572	(660,572) -
Total General Revenues and Transfers					<u>23,245,704</u>	<u>(657,937)</u> 22,587,767
Change in Net Position					<u>(3,264,139)</u>	<u>(329,094)</u> (3,593,233)
Net Position - Beginning, as Restated					<u>(2,389,420)</u>	<u>26,424,753</u> 24,035,333
Net Position - Ending					<u>\$ (5,653,559)</u>	<u>\$ 26,095,659</u> \$ 20,442,100

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

CITY OF COLLINSVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	<u>General Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Collinsville Crossings Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents:					
Cash	\$ 342,520	\$ 161,095	\$ -	\$ 122,992	\$ 626,607
Seized Funds Escrow	71,475	-	-	-	71,475
Investments	<u>4,279,676</u>	<u>1,095,914</u>	<u>2,318,537</u>	<u>3,032,083</u>	<u>10,726,210</u>
Total Cash and Cash Equivalents	<u>4,693,671</u>	<u>1,257,009</u>	<u>2,318,537</u>	<u>3,155,075</u>	<u>11,424,292</u>
Receivables (Net, where applicable, of allowances for uncollectibles):					
Property Tax	832,610	153,298	-	-	985,908
Services	570,911	-	-	-	570,911
Intergovernmental	3,224,798	8,102	412,345	189,599	3,834,844
Other	281,598	64,675	-	27,353	373,626
Interfund Receivable	113,349	466,637	-	26,774	606,760
Inventory	<u>215,822</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,822</u>
Total Assets	<u>\$ 9,932,759</u>	<u>\$ 1,949,721</u>	<u>\$ 2,730,882</u>	<u>\$ 3,398,801</u>	<u>\$ 18,012,163</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Equity</u>					
Liabilities:					
Accounts Payable	\$ 788,381	\$ 98,018	\$ -	\$ 120,256	\$ 1,006,655
Accrued Wages and Compensated Absences	361,141	5,542	-	-	366,683
Interfund Payable	26,774	-	579,986	-	606,760
Liabilities Payable from Restricted Assets:					
Seized Fund Escrow Liability	<u>64,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,296</u>
Total Liabilities	<u>1,240,592</u>	<u>103,560</u>	<u>579,986</u>	<u>120,256</u>	<u>2,044,394</u>
Deferred Inflows of Resources:					
Deferred Revenue	<u>1,965,535</u>	<u>-</u>	<u>91,167</u>	<u>50,066</u>	<u>2,106,768</u>
Fund Equity:					
Fund Balance:					
Nonspendable	215,822	-	-	-	215,822
Restricted	388,071	1,846,161	2,059,729	965,740	5,259,701
Committed	-	-	-	2,262,739	2,262,739
Unassigned	<u>6,122,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,122,739</u>
Total Fund Equity	<u>6,726,632</u>	<u>1,846,161</u>	<u>2,059,729</u>	<u>3,228,479</u>	<u>13,861,001</u>
Total Liabilities, Deferred Inflows of Resources and Fund Equity	<u>\$ 9,932,759</u>	<u>\$ 1,949,721</u>	<u>\$ 2,730,882</u>	<u>\$ 3,398,801</u>	<u>\$ 18,012,163</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 POSITION
FOR THE YEAR ENDED DECEMBER 31, 2015

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 13,861,001
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	31,096,683
The balance of the pooled insurance trust is not recorded as an asset on the balance sheet of the governmental funds.	1,792,397
The amount of compensated absences is not recorded as a liability on the balance sheet of the governmental funds.	(1,130,312)
The amount of postemployment health care benefits is not recorded as a liability on the balance sheet of the governmental funds.	(2,041,306)
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	(29,431,076)
The loss on debt refunding is not reported as an asset on the balance sheet of the governmental funds.	405,912
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(453,501)
Future pension expense is not reported on the balance sheet of the governmental funds.	4,696,576
Net pension liabilities are not reported on the balance sheet of the governmental funds.	(25,784,592)
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 position.	<u>1,334,659</u>
Net position of governmental activities	<u>\$ (5,653,559)</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, 2015

	General Fund	Tax Increment Financing Fund	Collinsville Crossings Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Tax	\$ 2,794,976	\$ 2,581,358	\$ -	\$ -	\$ 5,376,334
Intergovernmental:					
Sales and Use Tax	4,908,329	30,025	2,296,837	504,679	7,739,870
Home Rule Sales Tax	3,154,773	-	-	600,000	3,754,773
Replacement Tax	311,592	-	-	-	311,592
State Income Tax	2,721,688	-	-	-	2,721,688
Motor Fuel Tax	-	-	-	625,340	625,340
Telecommunications Tax	777,206	-	-	-	777,206
Grants	119,444	-	-	-	119,444
Other	401,383	-	-	-	401,383
Other Local Taxes	1,664,429	62,155	-	352,187	2,078,771
Drug Forfeiture Revenue	254,912	-	-	-	254,912
Licenses, Fees and Permits	699,035	-	-	-	699,035
Charges for Services	2,357,410	-	-	-	2,357,410
Fines	107,288	-	-	21,165	128,453
Investment Earnings	2,753	4,601	200	2,850	10,404
Gifts and Donations	16,204	3,300	-	1,249	20,753
Miscellaneous Revenues/Reimbursements	255,123	247,742	-	8,085	510,950
Total Revenues	<u>20,546,545</u>	<u>2,929,181</u>	<u>2,297,037</u>	<u>2,115,555</u>	<u>27,888,318</u>
Expenditures:					
Current:					
General Government	3,574,269	-	-	13,434	3,587,703
Public Safety	13,068,363	-	-	69,382	13,137,745
Public Works	1,679,115	-	-	570,827	2,249,942
Health and Sanitation	1,631,883	-	-	-	1,631,883
Community and Economic Development	458,852	3,165,195	-	556,161	4,180,208
Community Services	142,867	779,492	-	-	922,359
Debt Service:					
Principal	1,492	156,902	375,000	106,494	639,888
Interest and Fees	271	129,703	1,280,066	29,826	1,439,866
Capital Outlay	35,438	820,029	-	1,010,235	1,865,702
Total Expenditures	<u>20,592,550</u>	<u>5,051,321</u>	<u>1,655,066</u>	<u>2,356,359</u>	<u>29,655,296</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(46,005)</u>	<u>(2,122,140)</u>	<u>641,971</u>	<u>(240,804)</u>	<u>(1,766,978)</u>
Other Financing Sources (Uses):					
Transfers In	760,572	-	-	(18,718)	741,854
Transfers Out	-	(81,282)	-	-	(81,282)
Total Other Financing Sources	<u>760,572</u>	<u>(81,282)</u>	<u>-</u>	<u>(18,718)</u>	<u>660,572</u>
Net Change in Fund Balances	714,567	(2,203,422)	641,971	(259,522)	(1,106,406)
Fund Balance, Beginning of Year	6,225,933	4,049,583	1,417,758	3,488,001	15,181,275
Decrease in Reserve for Inventory	<u>(213,868)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(213,868)</u>
Fund Balance, End of Year	<u>\$ 6,726,632</u>	<u>\$ 1,846,161</u>	<u>\$ 2,059,729</u>	<u>\$ 3,228,479</u>	<u>\$ 13,861,001</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, 2015

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

Net change in fund balances - total governmental funds \$ (1,106,406)

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 \$1,865,702 and contributed capital of \$1,930,518 exceeded depreciation expense of \$2,432,728 in the current year.

1,363,492

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.

44,711

The amount of net pension liabilities/future pension expense 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/future pension expense balances that has been included in the statement of activities.

(2,643,875)

The amount of the net pension liability/future pension expense related to IMRF is not recorded as an expense in the fund financial statements. In the statement of activities, this amount is included and recorded currently in the appropriate expense category. This amount is the difference between the beginning and ending net pension liability/future pension expense balances that has been included in the statement of activities.

(1,119,360)

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.

(208,547)

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 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.

610,886

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.

10,518

The balance of the City's portion of the pooled insurance trust is not recorded as an asset in the fund financial statements. In the statement of net assets, this amount is included and adjusted through the general functional expense category. This amount is the difference between beginning and ending insurance trust balance.

(1,690)

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.

(213,868)

Change in net position of governmental activities

\$ (3,264,139)

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

CITY OF COLLINSVILLE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND - WATER AND SEWER FUND
DECEMBER 31, 2015

Assets:

Current Assets:

Cash and Cash Equivalents:

Cash	\$ 987,863
Investments	<u>2,366,885</u>
Total Cash and Cash Equivalents	<u>3,354,748</u>

Receivables (Net, where applicable, of allowances for uncollectible):

Services	1,735,128
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Prepaid Insurance	299,468
-------------------	---------

Inventory	<u>236,875</u>
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Total Current Assets	<u>5,626,219</u>
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Noncurrent Assets - Restricted:

Cash and Cash Equivalents - Customer Deposits	<u>587,419</u>
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Capital Assets:

Land	382,980
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Buildings and Improvements	35,347,659
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Equipment	3,048,516
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Vehicles	997,704
----------	---------

Water and Sewer Lines	31,893,321
-----------------------	------------

Construction in Progress	<u>673,496</u>
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Total	72,343,676
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Less - Accumulated Depreciation	<u>(37,164,387)</u>
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Net Capital Assets	<u>35,179,289</u>
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Total Noncurrent Assets	<u>35,766,708</u>
-------------------------	-------------------

Total Assets	<u>\$ 41,392,927</u>
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Deferred Outflows of Resources:

Future Pension Expense	\$ 740,123
------------------------	------------

Loss on Bond Refunding	<u>925,660</u>
------------------------	----------------

	<u>\$ 1,665,783</u>
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Liabilities:

Current Liabilities:

Accounts Payable	\$ 110,460
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Accrued Wages	104,586
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Current Portion - Lease Payable	5,026
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Current Portion - Bonds Payable	1,070,000
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Accrued Compensated Absences	196,585
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Accrued Interest Payable	<u>16,752</u>
--------------------------	---------------

Total Current Liabilities	<u>1,503,409</u>
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Noncurrent Liabilities:

Accrued Compensated Absences	371,245
------------------------------	---------

Net Pension Liability	999,178
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Postemployment Healthcare Benefits	239,502
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Lease Payable	9,239
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General Obligation Bonds	13,253,059
--------------------------	------------

Customer Deposits	<u>587,419</u>
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Total Noncurrent Liabilities	<u>15,459,642</u>
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Total Liabilities	<u>16,963,051</u>
-------------------	-------------------

Net Position:

Net Investment in Capital Assets	21,767,625
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Unrestricted	<u>4,328,034</u>
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Total Net Position	<u>\$ 26,095,659</u>
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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 POSITION
PROPRIETARY FUND - WATER AND SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

Operating Revenues:	
Charges for Services	\$ 8,504,286
Fees	196,595
Miscellaneous Revenue	<u>23,112</u>
Total Operating Revenues	<u>8,723,993</u>
Operating Expenses:	
Salaries	2,286,377
Employee Benefits	1,832,580
Maintenance	182,044
Contractual Services	1,229,678
Commodities	696,744
Depreciation	<u>1,743,782</u>
Total Operating Expenses	<u>7,971,205</u>
Operating Income	<u>752,788</u>
Nonoperating Revenues (Expenses):	
Investment Earnings	2,635
Interest and Fiscal Charges	<u>(423,945)</u>
Total Nonoperating Revenues (Expenses)	<u>(421,310)</u>
Income Before Capital Contributions and Transfers	331,478
Transfers Out	<u>(660,572)</u>
Change in Net Position	(329,094)
Net Position - Beginning of Year, As Restated	<u>26,424,753</u>
Net Position - End of Year	<u><u>\$ 26,095,659</u></u>

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

CITY OF COLLINSVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND - WATER AND SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 8,680,568
Payments to Suppliers	(3,251,187)
Payments to Employees	(2,230,004)
Net Cash Provided by Operating Activities	<u>3,199,377</u>
Cash Flows from Noncapital Financing Activities:	
Payments to Other Funds	(660,572)
Net Cash Used by Noncapital Financing Activities	<u>(660,572)</u>
Cash Flows from Capital and Related Financing Activities:	
Capital Expenditures	(62,451)
Principal Payments on Bonds	(1,050,000)
Capital Grants	83,116
Interest Payments and Fiscal Charges	(424,815)
Principal Payments on Loan/Lease	(5,337)
Net Cash Used by Capital and Related Financing Activities	<u>(1,459,487)</u>
Cash Flows from Investing Activities:	
Interest Received	2,635
Net Cash Provided by Investing Activities	<u>2,635</u>
Net Change in Cash and Cash Equivalents	1,081,953
Cash and Cash Equivalents, Beginning of Year	<u>2,860,214</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,942,167</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 752,788
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	1,743,782
(Increase) Decrease in Assets:	
Services Receivables	(86,965)
Inventory	2,607
Prepaid Expenses	(49,487)
Increase (Decrease) in Liabilities:	
Accrued Wages and Compensated Absences	56,373
Postemployment Healthcare Benefits	25,515
Net Pension Liability/Future Pension Expense	839,774
Accounts Payable	(128,550)
Restricted Customer Deposits	43,540
Net Cash Provided by Operating Activities	<u>\$ 3,199,377</u>
Reconciliation of Total Cash and Cash Equivalents	
Current Assets	\$ 3,354,748
Restricted Assets	587,419
Total Cash and Cash Equivalents	<u><u>3,942,167</u></u>

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

CITY OF COLLINSVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

Additions:

Employer Contributions	\$ 1,936,924
Employee Contributions	549,785
Reimbursements	1,920
Investment Earnings:	
Investment Earnings	317,701
Less: Investment Expense	<u>(154,198)</u>
Net Investment Earnings	<u>163,503</u>
Total Additions	<u>2,652,132</u>

Deductions:

Benefit Payments	2,902,359
Refund of Contributions	-
Contractual Services	<u>38,441</u>
Total Deductions	<u>2,940,800</u>

Change in Net Position	(288,668)
Net Position - Beginning of Year	<u>43,504,322</u>
Net Position - End of Year	<u><u>\$ 43,215,654</u></u>

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

CITY OF COLLINSVILLE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION TRUST FUNDS
DECEMBER 31, 2015

Assets:	
Cash and Cash Equivalents:	
Cash	\$ 1,751,663
Investments - Illinois Funds	12
Investments:	
Corporate Bonds	3,660,012
U.S. Government Securities	13,155,155
Common Stock	10,078,331
Mutual Funds	12,672,228
Receivables:	
Property Tax	1,820,476
Accrued Interest	<u>92,777</u>
Total Assets	<u>43,230,654</u>
Liabilities:	
Accounts Payable	<u>15,000</u>
Total Liabilities	<u>15,000</u>
Net Position - Restricted for Pension Benefits	<u><u>\$ 43,215,654</u></u>

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

CITY OF COLLINSVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2015

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, including a financial benefit or burden. 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 position and the statement of activities) 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 Collinsville Crossings Fund accounts for sales taxes that are restricted to pay debt service costs of the related economic development area.

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 Firefighter's Pension Funds, which accumulate resources for pension benefit payments to qualified public safety employees.

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

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 position 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 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.

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

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 uncollectible amounts.

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

General Fund	Garbage Receivables	\$ 46,581
General Fund	Ambulance Receivables	203,637
Proprietary Fund	Water and Sewer Receivables	<u>295,388</u>
Total		<u>\$ 545,606</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 2015 property taxes on December 14, 2015 based upon the assessed valuation as of the previous January 1. Property taxes are due in four installments in the following year, usually beginning in June, and are considered delinquent after the due dates. Property taxes for 2015 become an enforceable lien in January 2016. Because this tax levy will be used to pay expenses budgeted in 2016, no part of this tax levy is shown as a receivable as of December 31, 2015 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.

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

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, 2015, the following amounts are reported as restricted assets by the City:

Waterworks and Sewerage Customer Deposits	\$ 587,419
General Fund - Police Savings - Inventory	71,475

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 did not record any capitalized interest in the current year.

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

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

to an employee upon retirement. The liability related to the governmental funds is retired by the General Fund.

At December 31, 2015, the City estimated that the accumulated liability for unused vacation and sick leave for governmental activities employees totaled \$621,095 and \$509,217, respectively. Amounts reflected in the financial statements at December 31, 2015 for business-type activities employees related to unused vacation and sick leave benefits totaled \$196,585 and \$371,245, 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 position. Bond premiums and discounts 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 expensed in the year of issuance.

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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding and deferred outflows related to pension in the government wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included

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

in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources related to pensions in the government-wide statement of net position. A deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and other intergovernmental taxes. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

Fund equity

In the fund financial statements, the City classifies the fund balances based upon the following criteria:

Nonspendable - includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to remain intact.

Restricted - balances with constraints that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

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

Assigned - balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted

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

nor committed. Assigned balances are authorized by the City Council or by the City Manager under the direction of the City Council. The City does not maintain any assigned balances as of December 31, 2015.

Unassigned - the residual classification of the General Fund balance.

When expenditures are incurred for which the City has both restricted and unrestricted funds available, the City spends any restricted funds before using unrestricted sources. Likewise, the City uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available. The following details the description and amount of all constraints recorded by the City in the fund financial statements:

<u>Governmental Funds</u>	
Nonspendable:	
Inventory	\$ 215,822
Restricted:	
Forfeiture Funds	\$ 380,892
Police Inventory Savings	7,179
TIF Economic Development	1,846,161
Collinsville Crossings Debt	2,059,729
Business Districts	772,707
Motor Fuel Tax	168,080
Police Vehicle Fund	24,953
	<u>\$ 5,259,701</u>
Committed:	
Tree Memorial	4,132
DUI Court Fines	17,832
Collins House	8,702
Collinsville Animal Shelter	211,175
Capital Projects	2,020,898
	<u>\$ 2,262,739</u>
<u>Fiduciary Funds</u>	
Reserved for Employees' Pension Benefits	<u>\$ 43,215,654</u>

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

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.

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.

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

NOTE 3: CASH AND CASH EQUIVALENTS AND INVESTMENTS

General Government & Business-Like Activities

At December 31, 2015, the carrying amount of the City's deposits was \$1,710,362 and the bank balance was \$2,858,368. The deposits were comprised of checking, interest checking, savings, and money markets.

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 did not have any bank balances that exceeded FDIC coverage or was uncollateralized at December 31, 2015.

As of December 31, 2015, the City had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Metropolitan Investment Fund	Daily	\$ 1,271,255
The Illinois Funds (external investment pool)	Daily	10,282,719
Money Market Mutual Funds	Daily	<u>2,101,643</u>
		13,655,617
Cash on Hand		480
Deposits as reported above		<u>1,710,362</u>
Total deposits and investments		<u>\$ 15,366,459</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 14,707,565
Cash and Cash Equivalents - Restricted		<u>658,894</u>
		<u>\$ 15,366,459</u>

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

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.

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

Credit Risk As of December 31, 2015, the credit rating of the City's investments was as follows:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Illinois Metropolitan Investment Fund	--	Aaa
The Illinois Funds	AAAm	--

To minimize credit risk, it is the City's policy to 1) limit investments to the safest type of security; 2) prequalify the institution's brokers/dealers, intermediaries, and advisors with which the City will conduct business; and 3) diversify the portfolio, to the extent necessary, in order to minimize potential losses on individual securities

Concentration of Credit Risk As of December 31, 2015, the City did not have a concentration of credit risk related to investments.

Foreign Currency Risk As of December 31, 2015, the City has no foreign currency risk.

Firefighter's Pension Fund

At December 31, 2015, the carrying amount of the Firefighter's Pension Fund deposits was \$309,284 and the bank balance was \$311,604. The deposits were comprised of interest checking and money market accounts.

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, 2015, 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	3.50	7,367,437
Federal National Mortgage Association	5.40	844,766
Federal Home Loan Mortgage Corp.	6.04	334,584
Mutual Funds	--	<u>10,764,187</u>
		19,310,986
Deposits as reported above		<u>309,284</u>
Total deposits and investments		<u>\$ 19,620,270</u>

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

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, 2015, the Firefighter's Pension Fund's investments credit ratings were as follows:

<u>Investment</u>	<u>Standard & 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

Concentration of Credit Risk As of December 31, 2015, the Firefighter's Pension Fund investments did not have a concentration of credit risk.

Foreign Currency Risk As of December 31, 2015, the Firefighter's Pension Fund has no foreign currency risk.

Police Pension Fund

At December 31, 2015, the carrying amount and bank balance of the Police Pension Fund's deposits were \$1,442,379. 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, 2015, 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	4.81	\$ 1,658,402
Federal National Mortgage Association	20.48	1,140,091
Federal Home Loan Mortgage	19.69	1,760,366
Government National Mortgage Association	13.56	49,509
Corporate Debt	4.06	3,660,012
Mutual Fund	--	1,908,041
Domestic Equities	--	<u>10,078,331</u>
		20,254,752
Deposits as reported above		<u>1,442,379</u>
Total deposits and investments		<u>\$ 21,697,131</u>

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

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.

Credit Risk As of December 31, 2015, the Police Pension Fund’s investments credit ratings were as follows:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Federal National Mortgage Association	AAA	Aaa
Federal Home Loan Mortgage	AAA	Aaa
Corporate Bonds	--	Aaa to Baa3

Concentration of Credit Risk As of December 31, 2015, the Police Pension Fund’s investments did not have a concentration of credit risk.

Foreign Currency Risk As of December 31, 2015, the Police Pension Fund has no foreign currency risk.

NOTE 4: 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.

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

NOTE 5: RECEIVABLES

The City reports the following receivables in the statement of net position as of December 31, 2015. 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:					
Local Taxes	\$ 171,905	\$ -	\$ -	\$ 27,353	\$ 199,258
Fines/Franchise Fees	116,052	-	-	-	116,052
Accounts	821,129	64,675	2,030,516	-	2,916,320
Property taxes	60,501	153,298	-	-	213,799
Intergovernmental	<u>3,218,439</u>	<u>420,447</u>	<u>-</u>	<u>189,599</u>	<u>3,828,485</u>
Gross Receivables	4,388,026	638,420	2,030,516	216,952	7,273,914
Less: Allowance for uncollectible	<u>250,218</u>	<u>-</u>	<u>295,388</u>	<u>-</u>	<u>545,606</u>
Net Total Receivables	<u>\$ 4,137,808</u>	<u>\$ 638,420</u>	<u>\$ 1,735,128</u>	<u>\$ 216,952</u>	<u>\$ 6,728,308</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	\$ 772,109	\$ --
Intergovernmental taxes	1,334,659	--

NOTE 6: 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, 2015 is \$71,475.

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.

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

NOTE 8: CAPITAL ASSETS

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

<u>Governmental activities:</u>	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Capital assets, not being depreciated:				
Land	\$ 3,773,219	\$ 27,300	\$ -	\$ 3,800,519
Capital assets, being depreciated:				
Buildings and improvements	8,871,703	101,089	-	8,972,792
Equipment	3,954,295	174,486	200,716	3,928,065
Vehicles	3,915,484	81,897	86,291	3,911,090
Infrastructure	<u>42,457,093</u>	<u>3,411,448</u>	<u>-</u>	<u>45,868,541</u>
Total capital assets being depreciated	<u>59,198,575</u>	<u>3,768,920</u>	<u>287,007</u>	<u>62,680,488</u>
Less accumulated depreciation for:				
Buildings and improvements	3,413,844	319,959	-	3,733,803
Equipment	3,347,757	179,801	200,716	3,326,842
Vehicles	3,251,631	226,803	86,291	3,392,143
Infrastructure	<u>23,225,371</u>	<u>1,706,165</u>	<u>-</u>	<u>24,931,536</u>
Total accumulated depreciation	<u>33,238,603</u>	<u>2,432,728</u>	<u>287,007</u>	<u>35,384,324</u>
Total capital assets, being depreciated, net	<u>25,959,972</u>	<u>1,336,192</u>	<u>-</u>	<u>27,296,164</u>
Governmental activities capital assets, net	<u>\$ 29,733,191</u>	<u>\$ 1,363,492</u>	<u>\$ -</u>	<u>\$ 31,096,683</u>

Capital asset activity for business-type activities for the year ended December 31, 2015 was as follows:

<u>Business-type activities:</u>	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Capital assets, not being depreciated:				
Land	\$ 382,980	\$ -	\$ -	\$ 382,980
Construction in progress	<u>673,497</u>	<u>-</u>	<u>-</u>	<u>673,497</u>
	<u>1,056,477</u>	<u>-</u>	<u>-</u>	<u>1,056,477</u>
Capital assets, being depreciated:				
Buildings and improvements	35,347,659	-	-	35,347,659
Infrastructure	31,893,320	-	-	31,893,320
Equipment	3,010,746	62,451	24,681	3,048,516
Vehicles	<u>997,704</u>	<u>353,682</u>	<u>-</u>	<u>1,351,386</u>
Total capital assets being depreciated	<u>71,249,429</u>	<u>416,133</u>	<u>24,681</u>	<u>71,640,881</u>
Less accumulated depreciation for:				
Buildings and improvements	10,616,113	763,994	-	11,380,107
Infrastructure	21,680,566	669,441	-	22,350,007
Equipment	2,509,054	167,434	24,681	2,651,807
Vehicles	<u>699,044</u>	<u>83,422</u>	<u>-</u>	<u>782,466</u>
Total accumulated depreciation	<u>35,504,777</u>	<u>1,684,291</u>	<u>24,681</u>	<u>37,164,387</u>
Total capital assets, being depreciated, net	<u>35,744,652</u>	<u>(1,268,158)</u>	<u>-</u>	<u>34,476,494</u>
Business-type activities capital assets, net	<u>\$ 36,801,129</u>	<u>\$ (1,268,158)</u>	<u>\$ -</u>	<u>\$ 35,532,971</u>

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

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

Governmental activities:	
General government	\$ 157,447
Public safety	409,738
Highways and streets, including depreciation of general infrastructure assets	1,828,630
Community and economic development	<u>36,913</u>
Total depreciation expense - governmental activities	<u>\$ 2,432,728</u>
Business-type activities:	
Water and sewer	<u>\$ 1,684,291</u>

NOTE 9: 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:

\$1,215,000 General Obligation Bonds, Series 2007B dated October 31, 2007, due in annual installments of \$90,000 to \$115,000 through December 15, 2021; interest at 3.70% to 4.00%. The proceeds were used to reimburse or pay redevelopment costs associated with the Fournie Lane redevelopment. The bonds are being retired by the Fournie Lane Business District Fund. The amount of bonds outstanding as of December 31, 2015 is \$615,000.

\$20,250,000 Local Government Program Revenue Bonds, Series 2007 dated July 23, 2007, due in semiannual installments of \$540,000 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 Crossings Shopping Center. The bonds are being retired by the Collinsville Crossings Fund. The amount of bonds outstanding as of December 31, 2015 is \$20,250,000.

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

\$2,700,000 Taxable General Obligation Bonds, Series 2009 dated January 12, 2009, due in annual installments of \$130,000 to \$245,000 through December 15, 2028; interest at 4.50% to 5.95%. The proceeds were used to pay redevelopment costs in the Eastport Plaza Drive Business District for work related to the Doubletree Inn. The bonds are being retired by the Tax Increment Financing Fund. The amount of bonds outstanding as of December 31, 2015 is \$2,210,000.

\$9,625,000 General Obligation Refunding Bonds, Series 2012 dated September 27, 2012, due in annual installments of \$60,000 to \$1,460,000 through December 15, 2026; interest at 1.80% to 3.00%. The proceeds were used to advance refund a portion of the Series 2006 Bonds. The bonds are being retired by the Water and Sewer Fund. The amount of bonds outstanding as of December 31, 2015 is \$9,505,000.

\$5,480,000 General Obligation Refunding Bonds, Series 2013A dated June 4, 2013, due in annual installments of \$1,010,000 to \$1,100,000 through December 15, 2020; interest at 2.00% to 3.00%. The proceeds were used to advance refund a portion of the Series 2006 Bonds. The bonds are being retired by the Water and Sewer Fund. The amount of bonds outstanding as of December 31, 2013 is \$4,335,000.

\$6,260,000 Taxable General Obligation Refunding Bonds, Series 2014 dated July 9, 2014, due in annual installments of \$400,000 to \$650,000 through December 15, 2027; interest at 2.00% to 4.00%. The proceeds were used to advance refund a portion of the Series 2007A Bonds. The bonds are being retired by the Collinsville Crossings Fund. The amount of bonds outstanding as of December 31, 2015 is \$6,150,000.

The annual requirements to retire outstanding bond issues as of December 31, 2015 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>
2016	\$ 8,520,000	\$ 1,054,989	\$ 1,070,000	\$ 402,040
2017	1,995,000	974,382	1,100,000	380,760
2018	2,160,000	886,127	1,130,000	348,540
2019	2,340,000	783,072	1,165,000	315,420
2020	2,495,000	668,441	1,200,000	281,250
2020-2024	9,955,000	1,438,001	6,715,000	835,050
2025-2026	<u>1,760,000</u>	<u>134,748</u>	<u>1,460,000</u>	<u>43,800</u>
	<u>\$ 29,225,000</u>	<u>\$ 5,939,760</u>	<u>\$ 13,840,000</u>	<u>\$ 2,606,860</u>

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

Capital Lease Agreements

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

\$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. This capital lease is being retired by both the governmental activities and business-type activities based upon actual initial costs. The principal amount of the lease outstanding as of December 31, 2015 is \$142,665.

\$52,628 capital lease through Dell Financial Services, dated October 11, 2013, for servers, bears interest at 6.23%; annual principal and interest payments of \$18,613 are due February 2014 through February 2016. The principal amount of the lease outstanding as of December 31, 2015 is \$17,522.

The annual debt requirements to retire capital lease agreements as of December 31, 2015 are as follows:

Fiscal Year Ended <u>December 31,</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 58,085	\$ 6,486	\$ 5,026	\$ 668
2017	42,288	3,671	5,240	454
2018	<u>45,549</u>	<u>1,874</u>	<u>3,999</u>	<u>232</u>
	<u>\$ 145,922</u>	<u>\$ 12,031</u>	<u>\$ 14,265</u>	<u>\$ 1,354</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, 2015:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Bonds and notes payable:					
General obligation bonds	\$ 9,560,000	\$ -	\$ 585,000	\$ 8,975,000	\$ 625,000
Revenue bonds	20,250,000	-	-	20,250,000	7,895,000
Bond premium	65,385	-	5,231	60,154	-
Other liabilities:					
Capital leases	200,810	-	54,888	145,922	58,086
OPEB liability	1,832,759	208,547	-	2,041,306	-
Accrued pension liability	19,829,178	6,446,150	490,736	25,784,592	-
Compensated absences	1,175,023	56,617	101,328	1,130,312	621,095
	23,037,770	6,711,314	646,952	29,102,132	679,181
Governmental activities long-term liabilities	<u>\$ 52,913,155</u>	<u>\$ 6,711,314</u>	<u>\$ 1,237,183</u>	<u>\$ 58,387,286</u>	<u>\$ 9,199,181</u>
<u>Business-type Activities:</u>					
Bonds and notes payable:					
General obligation bonds	\$ 14,890,000	\$ -	\$ 1,050,000	\$ 13,840,000	\$ 1,070,000
Bond premium	565,163	-	82,104	483,059	-
Other liabilities:					
Capital lease	19,602	-	5,337	14,265	5,026
OPEB liability	213,987	25,515	-	239,502	-
Accrued pension liability	355,652	643,526	-	999,178	-
Compensated absences	526,589	49,148	7,907	567,830	196,585
	1,115,830	718,189	13,244	1,820,775	201,611
Business-type activities long-term liabilities	<u>\$ 16,570,993</u>	<u>\$ 718,189</u>	<u>\$ 1,145,348</u>	<u>\$ 16,143,834</u>	<u>\$ 1,271,611</u>

The liabilities related to the pension benefit obligation, the OPEB liability and the compensated absences in the governmental activities are being retired by the General 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.

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

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.
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 Special Tax Allocation Funds and redevelopment project costs are to be paid from these funds.

On October 22, 2001, the City established TIF District #2 to provide funds to attract development in the vacant southwest quadrant of the interchange of I-255 and Horseshoe Lake Road. This 150-acre area is suitable for retail and commercial use. This TIF District 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. This TIF District 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: 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. The City has not recorded a liability for future costs due to the uncertainty of any additional procedures and any possible related costs. Any costs would be an estimate subject to changes resulting from inflation, deflation, technology, or changes in laws or regulations.

NOTE 12: FEDERAL DRUG FORFEITURE REVENUE AND EXPENSES

During the year, the City received \$250,585 in federal drug forfeiture revenue and from those funds expended \$109,932. 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 13: INTERFUND TRANSFERS

The City made the following interfund transfers during the year ended December 31, 2015:

General Fund Transfer From:	
MFT Fund	\$ 100,000
Water/Sewer Fund	660,572
Tax Increment Financing Fund Transfer To:	
Water/Sewer Fund	12,144
Fournie Lane Business District Fund From:	
Tax Increment Financing Fund	81,282
Northeast Business District Fund From:	
Motor Fuel Tax Fund	25,082

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

NOTE 14: INTERFUND RECEIVABLES/PAYABLES

The City has the following interfund receivables/payables as of December 31, 2015:

General Fund	\$ 113,349	\$ 26,774
Collinsville Crossings Fund	--	579,986
Tax Increment Financing Fund	466,637	--
Motor Fuel Tax Fund	26,774	--

The balances are short-term interfund receivables which will be transferred in fiscal year 2016.

NOTE 15: 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.

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

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 annual required contribution rate for calendar year 2015 was 10.80 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.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	68
Inactive, non-Retired Members	28
Active Members	<u>80</u>
Total	<u>176</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.57%; and the resulting single discount rate is 7.49%.

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

Actuarial Valuation Date	12/31/15
Measurement Date of the Net Pension Liability	12/31/15
Fiscal Year End	12/31/15

Development of the Single Discount Rate as of December 31, 2014	
Long-Term Expected Rate of Investment Return	7.50%
Long-Term Municipal Bond Rate	3.57%
Last year ending December 31 in the 2016 to 2115 projection period for which projected benefit payments are fully funded	2087
Resulting Single Discount Rate based on the above development	7.49%

Single Discount Rate calculated using December 31, 2014 Measurement Date 7.50%

The Long-Term Municipal Bond Rate is based on the Bond Buyer 20-Bond Index of general obligation municipal bonds as of December 31, 2015.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10 year rolling period Taxing bodies: 28 year closed period until remaining period reaches 15 years (then 15 year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	4.00%
Price Inflation	3.0% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 Combined Health Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

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

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 574,104
Interest on the Total Pension Liability	1,930,824
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(216,563)
Changes of assumptions	33,231
Benefit payments, including refunds of employee contributions	<u>(1,043,363)</u>
Net change in total pension liability	\$ 1,278,233
Total pension liability - beginning	<u>25,978,954</u>
Total pension liability - ending	<u><u>\$ 27,257,187</u></u>
Plan fiduciary net position	
Contributions - employer	\$ 577,364
Contributions - employee	233,456
Net investment income	125,178
Benefit payments, including refunds of employee contributions	(1,043,363)
Other (Net Transfer)	<u>(110,975)</u>
Net change in plan fiduciary net position	\$ (218,340)
Plan fiduciary net position - beginning	<u>25,151,857</u>
Plan fiduciary net position - ending	<u><u>\$ 24,933,517</u></u>
Net pension liability/(asset)	<u><u>\$ 2,323,670</u></u>
Plan fiduciary net position as a percentage of the total pension liability	91.48%
Covered valuation payroll	\$ 5,187,904
Net pension liability as a percentage of covered valuation payroll	44.79%

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

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.49%</u>	<u>7.49%</u>	<u>8.49%</u>
Total Pension Liability	\$ 30,852,577	\$ 27,257,187	\$ 24,303,701
Plan Fiduciary Net Position	<u>24,933,517</u>	<u>24,933,517</u>	<u>24,933,517</u>
Net Pension Liability/(Asset)	<u>\$ 5,919,060</u>	<u>\$ 2,323,670</u>	<u>\$ (629,816)</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ -	\$ 467,945
Changes in assumptions	591,534	-
Net difference between projected and actual earnings on pension plan investments	<u>1,597,627</u>	<u>-</u>
Total	<u>\$ 2,189,161</u>	<u>\$ 467,945</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of <u>Resources</u>
2016	\$ 462,561
2017	462,561
2018	462,562
2019	334,919
2020	<u>(1,387)</u>
	<u>\$ 1,721,216</u>

As a result of implementing GASB 68, beginning net position increased by \$1,660,443 to record the net effect of recording the net pension liability and related deferred outflows of resources. GASB 68 became effective for years beginning after June 15, 2014.

2. Firefighters' Pension Fund

Plan Description. The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees. The Board consists of two members appointed by the City, two active members of the fire department elected by the membership, and one retired member of the fire department elected by the membership. The plan is established and

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

administered as prescribed by “Article 4. Firefighters’ Pension Fund – Municipalities 500,000 and Under” of the Illinois Pension Code.

Plan Membership as of January 1, 2015:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	30
Inactive Plan Members Entitled to but not Receiving Benefits	0
Active Plan Members	<u>32</u>
Total	<u>62</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,159.27 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Disabled Retirees: An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00 of the original benefit amount for each year since benefit commencement upon reaching age 60. Tier 2: An annual increase each January 1 equal to 3.00 per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

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

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Seven years of service required for non-service connected disability. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 54% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is based on the monthly salary attached to the Member's rank at separation from service. The following schedule applies:

<u>Service</u>	<u>% of Salary</u>
10	15.0%
11	17.6%
12	20.4%
13	23.4%
14	26.6%
15	30.0%
16	33.6%
17	37.4%
18	41.4%
19	45.6%

Contributions.

Employee: 9.455% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability by December 31, 2040.

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

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of December 31, 2015:

<u>Asset Class</u>	<u>Target Allocation</u>
T Bill	1%
Short Govt/Credit	5%
Intermediate Govt	44%
Large	5%
Large Value	5%
Mid Value	5%
Small	6%
Small Value	6%
International Developed	4%
International Value	5%
International Small	5%
Emerging Markets	6%
REIT	<u>3%</u>
Total	<u>100%</u>

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended December 31, 2015, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was -1.68%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Sponsor

The measurement date is December 31, 2015. The measurement period for the pension expense was January 1, 2015 to December 31, 2015. The reporting period is January 1, 2015 through December 31, 2015. The components of the net pension liability of the sponsor on December 31, 2015 were as follows:

Total Pension Liability	\$ 29,937,705
Plan Fiduciary Net Position	<u>(20,330,327)</u>
Net Pension Liability	<u>\$ 9,607,468</u>
Plan Fiduciary Net Position	
as a % of Total Pension Liability	67.91%

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

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of January 1, 2015 updated to December 31, 2015 using the following actuarial assumptions.

Inflation	2.50%
Salary Increases	Graded Schedule Based on Age
Discount Rate	6.75%
Investment Rate of Return	6.75%
Mortality Rate: RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment, projected to the valuation date using Scale BB.	
Disabled Mortality Rate: RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.	

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
T Bill	0.5%
Short Govt/Credit	2.0%
Intermediate Govt	2.0%
Large	4.5%
Large Value	5.0%
Mid Value	5.0%
Small	6.0%
Small Value	7.0%
International Developed	4.5%
International Value	7.0%
International Small	8.0%
Emerging Markets	8.0%
REIT	4.0%

Discount Rate:

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate

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

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

For purpose of this valuation, the expected rate of return on pension plan investments is 6.75 percent; the municipal bond rate is 3.57 percent (based on the weekly rate closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve); and the resulting single discount rate is 6.75%.

Changes in Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances as of December 31, 2014	\$ 27,846,316	\$ 21,109,731	\$ 6,736,585
Changes for a year			
Service Cost	751,669	-	751,669
Interest	1,883,432	-	1,883,432
Differences between expected and actual experience	(512,634)	-	(512,634)
Changes of assumptions	1,359,601	-	1,359,601
Changes of benefit terms	-	-	-
Contributions - employer	-	743,056	(743,056)
Contributions - employee	-	234,908	(234,908)
Net investment income	-	(353,447)	353,447
Benefit payments, including refunds	(1,390,589)	(1,390,589)	-
Administrative	-	(13,332)	13,332
Net Changes	<u>2,091,479</u>	<u>(779,404)</u>	<u>2,870,883</u>
Balances as of December 31, 2015	<u>\$ 29,937,795</u>	<u>\$ 20,330,327</u>	<u>\$ 9,607,468</u>

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Discount		
	1% Decrease <u>5.75%</u>	Rate <u>6.75%</u>	1% Increase <u>7.75%</u>
Net Pension Liability	\$ 13,717,602	\$ 9,607,468	\$ 6,235,607

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

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. For the year ended December 31, 2015, the City recognized a pension expense of \$1,476,783. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ -	\$ 439,400
Changes in assumptions	1,165,373	-
Net difference between projected and actual earnings on pension plan investments	<u>1,411,183</u>	<u>-</u>
Total	<u>\$ 2,576,556</u>	<u>\$ 439,400</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of <u>Resources</u>
2016	\$ 473,789
2017	473,789
2018	473,791
2019	473,792
2020	473,792
2021	<u>(231,797)</u>
	<u>\$ 2,137,156</u>

As a result of implementing GASB 68, beginning net position decreased by \$6,053,640 to record the net effect of recording the net pension liability and related deferred outflows of resources. GASB 68 became effective for years beginning after June 15, 2014.

3. Police Pension Fund

Plan Description. The Plan is a single-employer defined benefit pension plan administered by the Plan’s Board of Trustees. The Board consists of two members appointed by the City, two active members of the police department elected by the membership, and one retired member of the police department elected by the membership. The Plan is established and administered as prescribed by “Article 3. Police Pension Fund – Municipalities 500,000 and Under” of the Illinois Pension Code.

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

Plan Membership as of January 1, 2015:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	37
Inactive Plan Members Entitled to but not Receiving Benefits	1
Active Plan Members	<u>40</u>
Total	<u>78</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: An annual increase each January 1 equal to 3.00 per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 50% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50. For non-

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

service deaths with less than 10 years of service, a refund of member contributions is provided.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times creditable service.

Contributions.

Employee: 9.91% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over a period ending in 2040.

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of December 31, 2015:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	45%
U. S. Equity	45%
International Equity	<u>10%</u>
Total	<u>100%</u>

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended December 31, 2015, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 2.45%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on December 31, 2015 were as follows:

Total Pension Liability	\$ 37,737,959
Plan Fiduciary Net Position	<u>(22,885,327)</u>
Net Pension Liability	<u>\$ 14,852,632</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	60.64%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of January 1, 2015 updated to December 31, 2015 using the following actuarial assumptions.

Inflation	2.50%
Salary Increases	Service Based
Discount Rate	6.75%
Investment Rate of Return	6.75%
Mortality Rate: RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment, projected to the valuation date using Scale BB.	
Disabled Mortality Rate: RP-2000 Disabled Retiree Mortality Tabled, projected to the valuation date using Scale BB.	

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Fixed Income	2.50%
U. S. Equity	5.00%
International Equity	6.00%

Discount Rate:

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current

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

contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For purpose of this valuation, the expected rate of return on pension plan investments is 6.75 percent; the municipal bond rate is 3.57 percent (based on the weekly rate closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve); and the resulting single discount rate is 6.75%.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of December 31, 2014	\$ 35,015,739	\$ 22,394,591	\$ 12,621,148
Changes for a year			
Service Cost	917,645	-	917,645
Interest	2,374,481	-	2,374,481
Differences between expected and actual experience	(469,983)	-	(469,983)
Changes of assumptions	1,409,927	-	1,409,927
Changes of benefit terms	-	-	-
Contributions - employer	-	1,193,868	(1,193,868)
Contributions - employee	-	314,877	(314,877)
Contributions - buyback	1,920	1,920	-
Net investment income	-	516,950	(516,950)
Benefit payments, including refunds	(1,511,770)	(1,511,770)	-
Administrative	-	(25,109)	25,109
Net Changes	<u>2,722,220</u>	<u>490,736</u>	<u>2,231,484</u>
Balances as of December 31, 2015	<u>\$ 37,737,959</u>	<u>\$ 22,885,327</u>	<u>\$ 14,852,632</u>

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

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Discount		
	1% Decrease	Rate	1% Increase
	<u>5.75%</u>	<u>6.75%</u>	<u>7.75%</u>
Net Pension Liability	\$ 20,530,457	\$ 14,852,632	\$ 10,240,054

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. For the year ended December 31, 2015, the City recognized a pension expense of \$1,847,025. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 391,653
Changes in assumptions	1,174,940	-
Net difference between projected and actual earnings on pension plan investments	<u>795,040</u>	<u>-</u>
Total	<u>\$ 1,969,980</u>	<u>\$ 391,653</u>

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2016	\$ 355,417
2017	355,418
2018	355,418
2019	355,417
2020	355,417
2021	<u>(198,760)</u>
	<u>\$ 1,578,327</u>

As a result of implementing GASB 68, beginning net position decreased by \$12,047,102 to record the net effect of recording the net pension liability and related deferred outflows of resources. GASB 68 became effective for years beginning after June 15, 2014.

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

Following are the financial statements for the individual pension trust funds.

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Assets:		
Cash and Cash Equivalents:		
Cash	\$ 1,442,379	\$ 309,284
Investments - Illinois Funds	-	12
Investments:		
Corporate Bonds	3,660,012	-
U.S. Government Securities	4,608,368	8,546,787
Common Stock	10,078,331	-
Mutual Funds	1,908,041	10,764,187
Receivables:		
Taxes	1,146,117	674,359
Accrued Interest	52,079	40,698
Total Assets	<u>22,895,327</u>	<u>20,335,327</u>
Liabilities:		
Accounts Payable	<u>10,000</u>	<u>5,000</u>
Total Liabilities	<u>10,000</u>	<u>5,000</u>
Net Position -		
Restricted for Pension Benefits	<u>\$22,885,327</u>	<u>\$20,330,327</u>
Additions:		
Employer Contributions:		
Property Tax	\$ 1,076,690	\$ 635,155
Replacement Tax	117,178	107,901
Employee Contributions	314,877	234,908
Reimbursements	1,920	-
Investment Earnings:		
Investment Earnings	628,360	(310,659)
Less: Investment Expense	<u>(111,410)</u>	<u>(42,788)</u>
Net Investment Earnings	<u>516,950</u>	<u>(353,447)</u>
Total Additions	<u>2,027,615</u>	<u>624,517</u>
Deductions:		
Benefit Payments	1,511,770	1,390,589
Contractual Services	<u>25,109</u>	<u>13,332</u>
Total Deductions	<u>1,536,879</u>	<u>1,403,921</u>
Change in Net Position	490,736	(779,404)
Net Position, Beginning of Year	<u>22,394,591</u>	<u>21,109,731</u>
Net Position, End of Year	<u>\$22,885,327</u>	<u>\$20,330,327</u>

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

NOTE 16: 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.

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

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

	Balances as of December 31,	
	<u>2015</u>	<u>2014</u>
Administrative Account	\$ 6,414	\$ 6,073
Benefit Account	1,178,039	1,198,266
HMO Account	(8,770)	15,183
Terminal Reserve Account	<u>616,714</u>	<u>574,565</u>
	<u>\$ 1,792,397</u>	<u>\$ 1,794,087</u>

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 determined by the contracts with City employees and are funded as a pay-as-you-go basis.

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

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

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	\$ 440,228
Interest on OPEB obligation	72,507
Adjustment to ARC	<u>(60,423)</u>
Annual OPEB cost	452,312
Contributions made	<u>(218,250)</u>
Increase in OPEB	234,062
Net OPEB – Beg of Year	<u>2,046,746</u>
Net OPEB – End of Year	<u>\$ 2,280,808</u>

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

<u>Fiscal</u> <u>Year Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
12/31/15	\$ 452,312	48.25%	\$ 2,280,808
12/31/14	456,284	43.94%	2,046,746
12/31/13	571,489	41.26%	1,812,684

Actuarial Valuation Date - December 31, 2014

Actuarial Value of Assets	\$ -
Actuarial Accrued Liability	6,037,835
Total Unfunded Actuarial Liability	6,037,835
Actuarial Value of Assets as a % of the Actuarial Accrued Liability	0.00%
Annual Covered Payroll	12,414,523
Ratio of the Unfunded Actuarial Liability to Annual Covered Payroll	48.64%

Funding Status and Funding Progress. As of December 31, 2014, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability is \$6,037,835. The plan has no assets as payments are made on a pay-as-you-go basis. The covered payroll was \$12,414,523 and the ratio of the UAAL to the covered payroll was 48.64 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of

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

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, 2014 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 7.50 percent to be reduced by .5 increments to an ultimate rate of 5.50 percent after ten years. The UAAL is being amortized as a level percentage of projected pay on an open basis. The remaining amortization period at December 31, 2014, was 30 years. The wage inflation rate was 4.00 percent and the discount rate is also 4.00 percent.

NOTE 18: RESTATEMENT OF NET POSITION

The City has restated the net position of both the Governmental Activities and Business-type Activities as a result of implementing GASB 68.

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
Net Position as of December 31, 2014	\$ 14,743,591	\$25,710,763
Eliminate Net Pension Obligation per GASB 27	191,770	133,271
Record Deferred Outflows for Pensions per GASB 68	2,504,397	939,024
Record Net Pension Liability per GASB 68	<u>(19,829,178)</u>	<u>(358,305)</u>
Restated Net Position as of December 31, 2014	<u>\$ (2,389,420)</u>	<u>\$26,424,753</u>

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

NOTE 19: SUBSEQUENT EVENT

The City has evaluated events occurring after the financial statement date through June 25, 2016 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.

CITY OF COLLINSVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual (Budget Basis)	Variance -
	Original	Final		Actual vs. Budget Final
Receipts:				
Property Tax	\$ 1,110,190	\$ 1,110,190	\$ 1,086,107	\$ (24,083)
Intergovernmental:				
Sales and Use Tax	8,335,770	8,335,770	7,954,025	(381,745)
Replacement Tax	58,260	58,260	86,513	28,253
State Income Tax	2,514,650	2,514,650	2,701,550	186,900
Telecommunications Tax	1,006,070	1,006,070	774,632	(231,438)
Grants	184,090	184,090	105,236	(78,854)
Other	327,970	327,970	499,688	171,718
Other Local Taxes	1,433,260	1,433,260	1,593,373	160,113
Licenses, Fees and Permits	609,870	609,870	699,991	90,121
Charges for Services	2,381,450	2,381,450	2,380,821	(629)
Fines	210,720	210,720	364,742	154,022
Investment Earnings	1,220	1,220	2,753	1,533
Gifts and Donations	22,850	22,850	16,204	(6,646)
Miscellaneous Revenues and Reimbursements	254,360	254,360	373,126	118,766
Total Receipts	18,450,730	18,450,730	18,638,761	188,031
Disbursements:				
Administration:				
City Council	1,755,300	1,755,300	1,837,571	(82,271)
Boards	45,360	45,360	34,597	10,763
City Manager	237,220	237,220	214,995	22,225
Operations	264,780	264,780	219,710	45,070
Human Resources	210,310	210,310	116,820	93,490
Information Technology	268,580	280,580	280,421	159
Total Administration	2,781,550	2,793,550	2,704,114	89,436
Police:				
Police Administration	1,196,350	1,246,350	1,223,595	22,755
Police Operations	4,527,760	4,527,760	4,009,546	518,214
Police Support	1,574,660	1,569,660	1,366,294	203,366
Animal Control	197,700	202,700	202,492	208
Total Police	7,496,470	7,546,470	6,801,927	744,543
Fire:				
Fire Administration	364,890	389,890	389,472	418
Fire Operations	3,426,770	3,426,770	3,338,108	88,662
Ambulance	269,640	269,640	258,031	11,609
Emergency Management	25,510	25,510	22,083	3,427
Total Fire	4,086,810	4,111,810	4,007,694	104,116

CITY OF COLLINSVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance -
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>	<u>Actual vs.</u>
				<u>Budget Final</u>
Disbursements (continued):				
Public Works:				
Streets	1,793,290	1,793,290	1,739,043	54,247
Garbage	1,534,200	1,534,200	1,490,519	43,681
Inspections	161,460	161,460	157,215	4,245
Total Public Works	<u>3,488,950</u>	<u>3,488,950</u>	<u>3,386,777</u>	<u>102,173</u>
Finance	<u>718,810</u>	<u>718,810</u>	<u>701,013</u>	<u>17,797</u>
Community Development	<u>346,330</u>	<u>346,330</u>	<u>319,631</u>	<u>26,699</u>
Economic Development	<u>111,820</u>	<u>143,820</u>	<u>143,713</u>	<u>107</u>
Community Services - Shuttle Bus	<u>133,460</u>	<u>143,460</u>	<u>142,610</u>	<u>850</u>
Total Disbursements	<u>19,164,200</u>	<u>19,293,200</u>	<u>18,207,479</u>	<u>1,085,721</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(713,470)</u>	<u>(842,470)</u>	<u>431,282</u>	<u>1,273,752</u>
Other Financing Sources:				
Contingency	(100,000)	(100,000)	-	100,000
Transfers In	<u>749,090</u>	<u>749,090</u>	<u>760,572</u>	<u>11,482</u>
Total Other Financing Sources	<u>649,090</u>	<u>649,090</u>	<u>760,572</u>	<u>111,482</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (64,380)</u>	<u>\$ (193,380)</u>	1,191,854	<u>\$ 1,385,234</u>
Change in intergovernmental revenue on modified accrual basis			139,746	
Change in other local taxes and fees			(126,827)	
Change in accrued salaries on modified accrual basis			(38,679)	
Change in accounts payable on modified accrual basis			(506,470)	
Change in prepaid expenses on modified accrual basis			(120,258)	
Change in franchise fees receivable on modified accrual basis			(956)	
Change in property tax receivable on modified accrual basis			(2,976)	
Change in unbilled garbage services on modified accrual basis			13,262	
Adjustment to investment account			(16,728)	
Interfund activity related to inventory			213,868	
Adjustment for ambulance fees and allowance of uncollectible amounts			<u>(31,269)</u>	
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 714,567</u>	

CITY OF COLLINSVILLE, ILLINOIS

TAX INCREMENT FINANCING FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual (Budget Basis)	Variance -
	Original	Final		Actual vs. Budget Final
Receipts:				
Intergovernmental Revenues	\$ -	\$ -	\$ 29,435	\$ 29,435
Property Tax	2,685,640	2,685,640	2,576,480	(109,160)
Other Local Taxes	45,440	45,440	60,428	14,988
Investment Earnings	4,990	4,990	4,601	(389)
Miscellaneous Revenues & Reimbursement	<u>476,500</u>	<u>476,500</u>	<u>251,595</u>	<u>(224,905)</u>
Total Receipts	<u>3,212,570</u>	<u>3,212,570</u>	<u>2,922,539</u>	<u>(290,031)</u>
Disbursements:				
Community Development	1,341,330	1,349,330	1,232,049	117,281
Community Services	995,050	995,050	779,492	215,558
Capital Outlay	1,456,000	2,462,000	2,762,193	(300,193)
Debt Service	<u>242,670</u>	<u>242,670</u>	<u>286,605</u>	<u>(43,935)</u>
Total Disbursements	<u>4,035,050</u>	<u>5,049,050</u>	<u>5,060,339</u>	<u>(11,289)</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(822,480)</u>	<u>(1,836,480)</u>	<u>(2,137,800)</u>	<u>(301,320)</u>
Other Financing Sources (Uses):				
Proceeds from Capital Asset Sales	1,000,000	1,000,000	-	(1,000,000)
Operating Transfers Out	<u>(93,610)</u>	<u>(93,610)</u>	<u>(81,282)</u>	<u>12,328</u>
Total Other Financing Sources (Uses)	<u>906,390</u>	<u>906,390</u>	<u>(81,282)</u>	<u>(987,672)</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ 83,910</u>	<u>\$ (930,090)</u>	<u>(2,219,082)</u>	<u>\$ (1,288,992)</u>
Change in sales tax receivable on modified accrual basis			590	
Change in other receivable on modified accrual basis			1,174	
Change in property tax receivable on modified accrual basis			4,878	
Change in accrued salaries on modified accrual basis			(2,331)	
Change in accounts payable on modified accrual basis			<u>11,349</u>	
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (2,203,422)</u>	

CITY OF COLLINSVILLE, ILLINOIS

COLLINSVILLE CROSSINGS FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>	<u>Variance - Actual vs. Budget Final</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Sales Tax	\$ 1,938,000	\$ 1,938,000	\$ 2,177,064	\$ 239,064
Investment Earnings	<u>150</u>	<u>150</u>	<u>200</u>	<u>50</u>
Total Receipts	<u>1,938,150</u>	<u>1,938,150</u>	<u>2,177,264</u>	<u>239,114</u>
Disbursements:				
Community Development	41,500	41,500	41,500	-
Debt Service	<u>1,688,730</u>	<u>1,688,730</u>	<u>1,655,066</u>	<u>33,664</u>
Total Disbursements	<u>1,730,230</u>	<u>1,730,230</u>	<u>1,696,566</u>	<u>33,664</u>
Excess of Receipts Over Disbursements	<u>\$ 207,920</u>	<u>\$ 207,920</u>	480,698	<u>\$ 272,778</u>
Change in sales tax receivable on modified accrual basis			<u>161,273</u>	
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 641,971</u>	

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTER'S PENSION FUND
DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
Total Pension Liability:		
Service Cost	\$ 751,669	\$ 742,354
Interest	1,883,432	1,803,767
Differences between Expected and Actual Experience	(512,634)	-
Changes of Assumptions	1,359,601	-
Benefit payments, including refunds	<u>(1,390,589)</u>	<u>(1,359,863)</u>
Net change in total pension liability	2,091,479	1,186,258
Total pension liability - beginning	<u>27,846,316</u>	<u>26,660,058</u>
Total pension liability - ending	<u>\$ 29,937,795</u>	<u>\$ 27,846,316</u>
Plan Fiduciary Net Position		
Contributions - employer	743,056	666,611
Contributions - employee	234,908	239,369
Net investment income	(353,447)	549,826
Benefit payments, including refunds	(1,390,589)	(1,359,863)
Administrative	<u>(13,332)</u>	<u>(11,689)</u>
Net change in plan fiduciary net position	(779,404)	84,254
Plan fiduciary net position - beginning	<u>21,109,731</u>	<u>21,025,477</u>
Plan fiduciary net position - ending	<u>\$ 20,330,327</u>	<u>\$ 21,109,731</u>
Net Pension Liability	<u>\$ 9,607,468</u>	<u>\$ 6,736,585</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>67.91%</u>	<u>75.81%</u>
Covered-employee Payroll	<u>\$ 2,484,484</u>	<u>\$ 2,430,009</u>
Net position liability as a percentage of covered-employee payroll	<u>386.70%</u>	<u>277.22%</u>

Notes to Schedule:

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

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
Total Pension Liability:		
Service Cost	\$ 917,645	\$ 915,669
Interest	2,374,481	2,253,065
Differences between Expected and Actual Experience	(469,983)	-
Changes of Assumptions	1,409,927	-
Contributions - Buy Back	1,920	88,916
Benefit payments, including refunds	<u>(1,511,770)</u>	<u>(1,409,970)</u>
Net change in total pension liability	2,722,220	1,847,680
Total pension liability - beginning	<u>35,015,739</u>	<u>33,168,059</u>
Total pension liability - ending	<u>\$ 37,737,959</u>	<u>\$ 35,015,739</u>
Plan Fiduciary Net Position		
Contributions - employer	1,193,868	1,169,202
Contributions - employee	314,877	319,074
Contributions - Buy Back	1,920	88,916
Net investment income	516,950	739,361
Benefit payments, including refunds	(1,511,770)	(1,409,970)
Administrative	<u>(25,109)</u>	<u>(24,699)</u>
Net change in plan fiduciary net position	490,736	881,884
Plan fiduciary net position - beginning	<u>22,394,591</u>	<u>21,512,707</u>
Plan fiduciary net position - ending	<u>\$ 22,885,327</u>	<u>\$ 22,394,591</u>
Net Pension Liability	<u>\$ 14,852,632</u>	<u>\$ 12,621,148</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>60.64%</u>	<u>63.96%</u>
Covered-employee Payroll	<u>\$ 3,177,366</u>	<u>\$ 3,262,271</u>
Net position liability as a percentage of covered-employee payroll	<u>467.45%</u>	<u>386.88%</u>

Notes to Schedule:

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

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
Total Pension Liability:		
Service Cost	\$ 574,104	\$ 601,096
Interest	1,930,824	1,794,917
Difference between expected and actual	(216,563)	(474,909)
Assumption changes	33,231	911,367
Benefit payments, including refunds	<u>(1,043,363)</u>	<u>(970,390)</u>
Net change in total pension liability	1,278,233	1,862,081
Total pension liability - beginning	<u>25,978,954</u>	<u>24,116,873</u>
Total pension liability - ending	<u>\$ 27,257,187</u>	<u>\$ 25,978,954</u>
Plan Fiduciary Net Position		
Contributions - employer	577,364	572,068
Contributions - employee	233,456	230,054
Net investment income	125,178	1,454,168
Benefit payments, including refunds	(1,043,363)	(970,390)
Other	<u>(110,975)</u>	<u>(56,995)</u>
Net change in plan fiduciary net position	(218,340)	1,228,905
Plan fiduciary net position - beginning	<u>25,151,857</u>	<u>23,922,952</u>
Plan fiduciary net position - ending	<u>\$ 24,933,517</u>	<u>\$ 25,151,857</u>
Net Pension Liability	<u>\$ 2,323,670</u>	<u>\$ 827,097</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>91.48%</u>	<u>96.82%</u>
Covered-employee Payroll	<u>\$ 5,187,904</u>	<u>\$ 5,087,396</u>
Net position liability as a percentage of covered-employee payroll	<u>44.79%</u>	<u>16.26%</u>

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF CONTRIBUTIONS
FIREFIGHTER'S PENSION FUND
DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
Actuarial Determined Contribution	\$ 743,824	\$ 670,223
Contributions in relation to actuarial determined contribution	<u>743,056</u>	<u>666,611</u>
Contribution deficiency (excess)	<u>\$ 768</u>	<u>\$ 3,612</u>
Covered-employee Payroll	<u>2,484,484</u>	<u>2,430,009</u>
Contributions as a percentage of covered-employee payroll	<u>29.91%</u>	<u>27.43%</u>

Actuarial valuations are performed as of January 1 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is January 1, 2015.

The actuarial valuations presented are prepared using the following parameters:

Funding Method:	Projected Unit Cost
Amortization Method:	Normal Cost, plus an additional amount (determined as a level percentage of payroll) to bring funded ratio to 90% by the end of fiscal year 2040.
Healthy Mortality Rates:	RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment
Disability Mortality Rates:	RP-2000 Disabled Retiree Mortality
Rate of Service Related Deaths	5%
Rate of Service Related Disabilities	90%
Remaining Amortization Period:	25 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate (current and prior)	6.75%
Payroll Growth	4.50%
Cost of Living - Tier 2	1.25%

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF CONTRIBUTIONS
POLICE PENSION FUND
DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
Actuarial Determined Contribution	\$ 1,194,147	\$ 1,173,774
Contributions in relation to actuarial determined contribution	<u>1,193,868</u>	<u>1,169,202</u>
Contribution deficiency (excess)	<u>\$ 279</u>	<u>\$ 4,572</u>
Covered-employee Payroll	<u>3,177,366</u>	<u>3,262,271</u>
Contributions as a percentage of covered-employee payroll	<u>37.57%</u>	<u>35.84%</u>

Actuarial valuations are performed as of January 1 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is January 1, 2015.

The actuarial valuations presented are prepared using the following parameters:

Funding Method:	Projected Unit Cost
Amortization Method:	Normal Cost, plus an additional amount (determined as a level percentage of payroll) to bring funded ratio to 90% by the end of fiscal year 2040.
Healthy Mortality Rates:	RP-2000 Combined Healthy Mortality with a Blue Collar Adjustment
Disability Mortality Rates:	RP-2000 Disabled Retiree Mortality
Rate of Service Related Deaths	5%
Rate of Service Related Disabilities	70%
Remaining Amortization Period:	25 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate (current and prior)	6.75%
Payroll Growth	4.50%
Cost of Living - Tier 2	1.25%

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
Actuarial Determined Contribution	\$ 560,294	\$ 569,280
Contributions in relation to actuarial determined contribution	<u>577,364</u>	<u>572,068</u>
Contribution deficiency (excess)	<u>\$ (17,070)</u>	<u>\$ (2,788)</u>
Covered-employee Payroll	<u>5,187,904</u>	<u>5,087,396</u>
Contributions as a percentage of covered-employee payroll	<u>11.13%</u>	<u>11.24%</u>

Actuarial valuations are performed as of January 1 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is January 1, 2015.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	28 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate (current and prior)	7.50%
Payroll Growth	4.00%
Cost of Living	3.00%

CITY OF COLLINSVILLE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTER'S PENSION FUND
DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	-1.68%	2.64%

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND
DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	2.45%	3.43%

CITY OF COLLINSVILLE, ILLINOIS

SCHEDULE OF POST-EMPLOYMENT HEALTHCARE
FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2015

	Calendar Year					
	2015	2014	2013	2012	2011	2010
Actuarial Value of Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actuarial Accrued Liability (AAL)	6,037,835	6,001,458	5,539,259	5,539,259	5,512,804	5,196,326
Unfunded AAL (UAAL)	6,037,835	6,001,458	5,539,259	5,539,259	5,512,804	5,196,326
Funded Ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Payroll	12,414,523	12,325,800	10,301,394	9,869,523	10,767,700	10,353,558
UAAL as a % of Covered Payroll	48.64%	48.69%	53.77%	56.12%	51.20%	50.19%
Employer Contributions:						
Required	452,312	456,284	571,489	569,230	492,262	468,179
Made	218,250	200,511	235,810	230,380	215,538	184,600
Percentage of Employer Contributions						
Made to Required Contributions	48.25%	43.94%	41.26%	40.47%	43.79%	39.43%

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 Percent of Pay
Remaining Amortization Period:	30 Years
Actuarial Assumptions:	
Discount Rate	4.0%
Wage Inflation	4.0%
Healthcare Trend	7.5% decreasing to 5.5% by FY 2024

CITY OF COLLINSVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	Special Revenue Funds							Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds	
	Tree Memorial Fund	Motor Fuel Tax Fund	DUI Court Fine Fund	Police Vehicle Fund	Collins House Fund	Northeast Business District Fund	Collinsville Animal Shelter Fund		Fournie Lane Business District		
<u>Assets</u>											
Cash and Cash Equivalents:											
Cash	\$ 421	\$ -	\$ 17,832	\$ 24,953	\$ 8,702	\$ -	\$ 11,132	\$ 63,040	\$ 59,952	\$ -	\$ 122,992
Investments	3,711	85,166	-	-	-	809,570	200,043	1,098,490	1,933,593	-	3,032,083
Total Cash and Cash Equivalents	<u>4,132</u>	<u>85,166</u>	<u>17,832</u>	<u>24,953</u>	<u>8,702</u>	<u>809,570</u>	<u>211,175</u>	<u>1,161,530</u>	<u>1,993,545</u>	<u>-</u>	<u>3,155,075</u>
Interfund Receivable	-	26,774	-	-	-	-	-	26,774	-	-	26,774
Receivables:											
Other Local Taxes	-	-	-	-	-	-	-	-	27,353	-	27,353
Intergovernmental	-	57,729	-	-	-	122,664	-	180,393	-	9,206	189,599
Total Assets	<u>\$ 4,132</u>	<u>\$ 169,669</u>	<u>\$ 17,832</u>	<u>\$ 24,953</u>	<u>\$ 8,702</u>	<u>\$ 932,234</u>	<u>\$ 211,175</u>	<u>\$ 1,368,697</u>	<u>\$ 2,020,898</u>	<u>\$ 9,206</u>	<u>\$ 3,398,801</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>											
Liabilities:											
Accounts Payable	\$ -	\$ 1,589	\$ -	\$ -	\$ -	\$ 118,667	\$ -	\$ 120,256	\$ -	\$ -	\$ 120,256
Total Liabilities	<u>-</u>	<u>1,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>118,667</u>	<u>-</u>	<u>120,256</u>	<u>-</u>	<u>-</u>	<u>120,256</u>
Deferred Inflows of Resources:											
Deferred Revenue	-	-	-	-	-	47,348	-	47,348	-	2,718	50,066
Fund Balance:											
Restricted	-	168,080	-	24,953	-	766,219	-	959,252	-	6,488	965,740
Committed	4,132	-	17,832	-	8,702	-	211,175	241,841	2,020,898	-	2,262,739
Total Fund Balance	<u>4,132</u>	<u>168,080</u>	<u>17,832</u>	<u>24,953</u>	<u>8,702</u>	<u>766,219</u>	<u>211,175</u>	<u>1,201,093</u>	<u>2,020,898</u>	<u>6,488</u>	<u>3,228,479</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 4,132</u>	<u>\$ 169,669</u>	<u>\$ 17,832</u>	<u>\$ 24,953</u>	<u>\$ 8,702</u>	<u>\$ 932,234</u>	<u>\$ 211,175</u>	<u>\$ 1,368,697</u>	<u>\$ 2,020,898</u>	<u>\$ 9,206</u>	<u>\$ 3,398,801</u>

CITY OF COLLINSVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue Funds							Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds	
	Tree Memorial Fund	Motor Fuel Tax Fund	DUI Court Fine Fund	Police Vehicle Fund	Collins House Fund	Northeast Business District Fund	Collinsville Animal Shelter Fund		Fournie Lane Business District		
Revenues:											
Utility Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 352,187	\$ -	\$ 352,187	
Sales Tax	-	-	-	-	-	466,757	-	466,757	600,000	37,922	1,104,679
Motor Fuel Tax	-	625,340	-	-	-	-	-	625,340	-	-	625,340
Fines and Forfeitures	-	-	6,181	14,984	-	-	-	21,165	-	-	21,165
Investment Earnings	2	1,123	23	28	12	335	185	1,708	1,139	3	2,850
Reimbursements/Misc	-	8,085	-	-	-	-	-	8,085	-	-	8,085
Gifts and Donations	525	-	-	-	724	-	-	1,249	-	-	1,249
Total Revenues	<u>527</u>	<u>634,548</u>	<u>6,204</u>	<u>15,012</u>	<u>736</u>	<u>467,092</u>	<u>185</u>	<u>1,124,304</u>	<u>953,326</u>	<u>37,925</u>	<u>2,115,555</u>
Expenditures:											
General Government	704	-	-	-	350	700	-	1,754	11,680	-	13,434
Public Safety	-	-	-	-	-	-	-	-	69,382	-	69,382
Public Works	-	566,932	-	-	-	-	-	566,932	3,895	-	570,827
Community/Economic Development	-	-	-	-	-	556,161	-	556,161	-	-	556,161
Capital Outlay	-	414,397	-	-	-	-	-	414,397	595,838	-	1,010,235
Debt Service	-	-	-	-	-	-	-	-	18,612	117,708	136,320
Total Expenditures	<u>704</u>	<u>981,329</u>	<u>-</u>	<u>-</u>	<u>350</u>	<u>556,861</u>	<u>-</u>	<u>1,539,244</u>	<u>699,407</u>	<u>117,708</u>	<u>2,356,359</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(177)</u>	<u>(346,781)</u>	<u>6,204</u>	<u>15,012</u>	<u>386</u>	<u>(89,769)</u>	<u>185</u>	<u>(414,940)</u>	<u>253,919</u>	<u>(79,783)</u>	<u>(240,804)</u>
Other Financing Sources (Uses):											
Transfers In (Out)	-	(125,082)	-	-	-	25,082	-	(100,000)	-	81,282	(18,718)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(125,082)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,082</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>81,282</u>	<u>(18,718)</u>
Net Change in Fund Balances	(177)	(471,863)	6,204	15,012	386	(64,687)	185	(514,940)	253,919	1,499	(259,522)
Fund Balance, Beginning of Year	4,309	639,943	11,628	9,941	8,316	830,906	210,990	1,716,033	1,766,979	4,989	3,488,001
Fund Balance, End of Year	<u>\$ 4,132</u>	<u>\$ 168,080</u>	<u>\$ 17,832</u>	<u>\$ 24,953</u>	<u>\$ 8,702</u>	<u>\$ 766,219</u>	<u>\$ 211,175</u>	<u>\$ 1,201,093</u>	<u>\$ 2,020,898</u>	<u>\$ 6,488</u>	<u>\$ 3,228,479</u>

CITY OF COLLINSVILLE, ILLINOIS

TREE MEMORIAL FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Cash and Cash Equivalents:

Cash	\$ 421
Investments	<u>3,711</u>
Total Cash and Cash Equivalents	<u>4,132</u>

Total Assets	<u><u>\$ 4,132</u></u>
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Liabilities and Fund Balance

Liabilities:

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

Fund Balance:

Committed	<u>4,132</u>
Total Fund Balance	<u>4,132</u>

Total Liabilities and Fund Balance	<u><u>\$ 4,132</u></u>
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CITY OF COLLINSVILLE, ILLINOIS

TREE MEMORIAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Investment Earnings	\$ 10	\$ 10	\$ 2
Miscellaneous Revenues & Reimbursements	<u>1,000</u>	<u>1,000</u>	<u>525</u>
Total Receipts	<u>1,010</u>	<u>1,010</u>	<u>527</u>
Disbursements:			
General Government	<u>1,500</u>	<u>1,500</u>	<u>704</u>
Total Disbursements	<u>1,500</u>	<u>1,500</u>	<u>704</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (490)</u>	<u>\$ (490)</u>	(177)
No change on modified accrual basis			<u>-</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (177)</u>

CITY OF COLLINSVILLE, ILLINOIS

MOTOR FUEL TAX FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Investments	\$	85,166
Interfund Receivable		26,774
Receivables:		
Intergovernmental		<u>57,729</u>
Total Assets	\$	<u><u>169,669</u></u>

Liabilities and Fund Balance

Liabilities:		
Accounts Payable	\$	<u>1,589</u>
Total Liabilities		<u>1,589</u>
Fund Balance:		
Restricted		<u>168,080</u>
Total Fund Balance		<u>168,080</u>
Total Liabilities and Fund Balance	\$	<u><u>169,669</u></u>

CITY OF COLLINSVILLE, ILLINOIS

MOTOR FUEL TAX FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Motor Fuel Tax	\$ 655,450	\$ 655,450	\$ 632,025
Investment Earnings	1,500	1,500	1,123
Miscellaneous Revenues & Reimbursements	<u>-</u>	<u>-</u>	<u>8,085</u>
Total Receipts	<u>656,950</u>	<u>656,950</u>	<u>641,233</u>
Disbursements:			
Public Works	531,500	582,500	364,447
Capital Outlay	<u>245,000</u>	<u>245,000</u>	<u>437,823</u>
Total Disbursements	<u>776,500</u>	<u>827,500</u>	<u>802,270</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(119,550)</u>	<u>(170,550)</u>	<u>(161,037)</u>
Other Financing Sources (Uses):			
Operating Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(125,082)</u>
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(125,082)</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ (219,550)</u>	<u>\$ (270,550)</u>	(286,119)
Change in motor fuel tax receivable on modified accrual basis			(6,685)
Change in interfund activity			(213,868)
Change in accounts payable on modified accrual basis			<u>34,809</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (471,863)</u>

CITY OF COLLINSVILLE, ILLINOIS

DUI COURT FINE FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Cash	\$ 17,832
Total Assets	<u>\$ 17,832</u>

Liabilities and Fund Balance

Liabilities:	
None	\$ -
Total Liabilities	<u>-</u>
Fund Balance:	
Committed	<u>17,832</u>
Total Fund Balance	<u>17,832</u>
Total Liabilities and Fund Balance	<u>\$ 17,832</u>

CITY OF COLLINSVILLE, ILLINOIS

DUI COURT FINE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Fines	\$ 10,400	\$ 10,400	\$ 6,181
Investment Earnings	10	10	23
Total Receipts	<u>10,410</u>	<u>10,410</u>	<u>6,204</u>
Disbursements:			
Capital Outlay	<u>25,000</u>	<u>25,000</u>	-
Total Disbursements	<u>25,000</u>	<u>25,000</u>	-
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (14,590)</u>	<u>\$ (14,590)</u>	6,204
No change on modified accrual basis			-
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 6,204</u>

CITY OF COLLINSVILLE, ILLINOIS

POLICE VEHICLE FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Cash	\$ 24,953
Total Assets	<u>\$ 24,953</u>

Liabilities and Fund Balance

Liabilities:	
None	\$ -
Total Liabilities	<u>-</u>
Fund Balance:	
Restricted	<u>24,953</u>
Total Fund Balance	<u>24,953</u>
Total Liabilities and Fund Balance	<u>\$ 24,953</u>

CITY OF COLLINSVILLE, ILLINOIS

POLICE VEHICLE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Fines	\$ 17,000	\$ 17,000	\$ 14,984
Investment Earnings	20	20	28
Total Receipts	<u>17,020</u>	<u>17,020</u>	<u>15,012</u>
Disbursements:			
Capital Outlay	<u>20,000</u>	<u>20,000</u>	-
Total Disbursements	<u>20,000</u>	<u>20,000</u>	-
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (2,980)</u>	<u>\$ (2,980)</u>	15,012
No change on modified accrual basis			-
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 15,012</u>

CITY OF COLLINSVILLE, ILLINOIS

COLLINS HOUSE FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Cash	\$ 8,702
Total Assets	<u>\$ 8,702</u>

Liabilities and Fund Balance

Liabilities:	
None	\$ -
Total Liabilities	<u>-</u>
Fund Balance:	
Committed	<u>8,702</u>
Total Fund Balance	<u>8,702</u>
Total Liabilities and Fund Balance	<u>\$ 8,702</u>

CITY OF COLLINSVILLE, ILLINOIS

COLLINS HOUSE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual (Budget Basis)
	Original	Final	
Receipts:			
Investment Earnings	\$ 10	\$ 10	\$ 12
Miscellaneous Revenues & Reimbursements	-	-	724
Total Receipts	<u>10</u>	<u>10</u>	<u>736</u>
Disbursements:			
General Government	-	-	350
Capital Outlay	<u>3,000</u>	<u>3,000</u>	-
Total Disbursements	<u>3,000</u>	<u>3,000</u>	<u>350</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (2,990)</u>	<u>\$ (2,990)</u>	386
No change on modified accrual basis			<u>-</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 386</u>

CITY OF COLLINSVILLE, ILLINOIS

NORTHEAST BUSINESS DISTRICT FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Investments	\$ 809,570
Receivables:	
Intergovernmental	<u>122,664</u>
Total Assets	<u>\$ 932,234</u>

Liabilities and Fund Balance

Liabilities:	
Accounts Payable	\$ <u>118,667</u>
Total Liabilities	<u>118,667</u>
Deferred Inflows of Resources:	
Deferred Revenue	<u>47,348</u>
Fund Balance:	
Restricted	<u>766,219</u>
Total Fund Balance	<u>766,219</u>
Total Liabilities and Fund Balance	<u>\$ 932,234</u>

CITY OF COLLINSVILLE, ILLINOIS

NORTHEAST BUSINESS DISTRICT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual (Budget Basis)
	Original	Final	
Receipts:			
Intergovernmental	\$ 506,670	\$ 506,670	\$ 469,422
Investment Earnings	200	200	335
Total Receipts	<u>506,870</u>	<u>506,870</u>	<u>469,757</u>
Disbursements:			
General Government	-	-	700
Economic Development	515,000	515,000	437,495
Capital Outlay	-	830,000	-
Total Disbursements	<u>515,000</u>	<u>1,345,000</u>	<u>438,195</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(8,130)</u>	<u>(838,130)</u>	<u>31,562</u>
Other Financing Sources (Uses):			
Operating Transfers In	-	-	25,082
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>25,082</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ (8,130)</u>	<u>\$ (838,130)</u>	56,644
Change in sales tax receivable on modified accrual basis			(2,664)
Change in accounts payable on modified accrual basis			<u>(118,667)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (64,687)</u>

CITY OF COLLINSVILLE, ILLINOIS

COLLINSVILLE ANIMAL SHELTER FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Cash and Cash Equivalents:

Cash	\$ 11,132
Investments	<u>200,043</u>
Total Cash and Cash Equivalents	<u>211,175</u>

Total Assets	<u>\$ 211,175</u>
--------------	-------------------

Liabilities and Fund Balance

Liabilities:

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

Fund Balance:

Committed	<u>211,175</u>
Total Fund Balance	<u>211,175</u>

Total Liabilities and Fund Balance	<u>\$ 211,175</u>
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CITY OF COLLINSVILLE, ILLINOIS

COLLINSVILLE ANIMAL SHELTER FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Investment Earnings	\$ -	\$ -	\$ 185
Total Receipts	-	-	185
Disbursements:			
Public Safety	52,000	52,000	-
Total Disbursements	52,000	52,000	-
Excess (Deficiency) of Receipts Over Disbursements	\$ (52,000)	\$ (52,000)	185
No change on modified accrual basis			-
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			\$ 185

CITY OF COLLINSVILLE, ILLINOIS

CAPITAL PROJECTS FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Cash and Cash Equivalents:	
Cash	\$ 59,952
Investments	<u>1,933,593</u>
Total Cash and Cash Equivalents	<u>1,993,545</u>
Accounts Receivable	<u>27,353</u>
Total Assets	<u><u>\$ 2,020,898</u></u>

Liabilities and Fund Balance

Liabilities:	
None	\$ <u>-</u>
Total Liabilities	<u>-</u>
Fund Balance:	
Committed	<u>2,020,898</u>
Total Fund Balance	<u>2,020,898</u>
Total Liabilities and Fund Balance	<u><u>\$ 2,020,898</u></u>

CITY OF COLLINSVILLE, ILLINOIS

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Utility Tax	\$ 370,380	\$ 370,380	\$ 358,394
Intergovernmental Revenues	300,000	300,000	600,000
Investment Earnings	390	390	1,139
Miscellaneous Revenues & Reimbursements	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Receipts	<u>770,770</u>	<u>770,770</u>	<u>959,533</u>
Disbursements:			
Capital Outlay	<u>1,086,700</u>	<u>1,086,700</u>	<u>699,407</u>
Total Disbursements	<u>1,086,700</u>	<u>1,086,700</u>	<u>699,407</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ (315,930)</u>	<u>\$ (315,930)</u>	260,126
Change in utility tax receivable on modified accrual basis			<u>(6,207)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 253,919</u>

CITY OF COLLINSVILLE, ILLINOIS

FOURNIE LANE BUSINESS DISTRICT FUND
BALANCE SHEET
DECEMBER 31, 2015

Assets

Receivables:

Intergovernmental \$ 9,206

Total Assets \$ 9,206

Liabilities and Fund Balance

Liabilities:

None \$ -

Total Liabilities -

Deferred Inflows of Resources:

Deferred Revenue 2,718

Fund Balance:

Restricted 6,488

Total Fund Balance 6,488

Total Liabilities and
Fund Balance \$ 9,206

CITY OF COLLINSVILLE, ILLINOIS

FOURNIE LANE BUSINESS DISTRICT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
WITH BUDGETARY COMPARISON
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Intergovernmental Revenues	\$ 23,730	\$ 23,730	\$ 36,423
Investment Earnings	-	-	3
Total Receipts	<u>23,730</u>	<u>23,730</u>	<u>36,426</u>
Disbursements:			
Debt Service	<u>117,340</u>	<u>118,340</u>	<u>117,708</u>
Total Disbursements	<u>117,340</u>	<u>118,340</u>	<u>117,708</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(93,610)</u>	<u>(94,610)</u>	<u>(81,282)</u>
Other Financing Sources (Uses):			
Operating Transfers In	<u>93,610</u>	<u>93,610</u>	<u>81,282</u>
Total Other Financing Sources (Uses)	<u>93,610</u>	<u>93,610</u>	<u>81,282</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ -</u>	<u>\$ (1,000)</u>	-
Change in sales tax receivable on modified accrual basis			<u>1,499</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 1,499</u>

CITY OF COLLINSVILLE, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2015

	<u>Pension Trust Funds</u>		
	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
Assets:			
Cash and Cash Equivalents:			
Cash	\$ 1,442,379	\$ 309,284	\$ 1,751,663
Investments - Illinois Funds	-	12	12
Investments:			
Corporate Bonds	3,660,012	-	3,660,012
U.S. Government Securities	4,608,368	8,546,787	13,155,155
Common Stock	10,078,331	-	10,078,331
Mutual Funds	1,908,041	10,764,187	12,672,228
Receivables:			
Taxes	1,146,117	674,359	1,820,476
Accrued Interest	<u>52,079</u>	<u>40,698</u>	<u>92,777</u>
Total Assets	<u>22,895,327</u>	<u>20,335,327</u>	<u>43,230,654</u>
Liabilities:			
Accounts Payable	<u>10,000</u>	<u>5,000</u>	<u>15,000</u>
Total Liabilities	<u>10,000</u>	<u>5,000</u>	<u>15,000</u>
Net Position -			
Restricted for Pension Benefits	<u>\$ 22,885,327</u>	<u>\$ 20,330,327</u>	<u>\$ 43,215,654</u>

CITY OF COLLINSVILLE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Pension Trust Funds</u>		
	<u>Police</u>	<u>Firefighters'</u>	
	Pension	Pension	<u>Total</u>
Additions:			
Employer Contributions:			
Property Tax	\$ 1,076,690	\$ 635,155	\$ 1,711,845
Replacement Tax	117,178	107,901	225,079
Employee Contributions	314,877	234,908	549,785
Reimbursements	1,920	-	1,920
Investment Earnings:			
Investment Earnings	628,360	(310,659)	317,701
Less: Investment Expense	<u>(111,410)</u>	<u>(42,788)</u>	<u>(154,198)</u>
Net Investment Earnings	<u>516,950</u>	<u>(353,447)</u>	<u>163,503</u>
Total Additions	<u>2,027,615</u>	<u>624,517</u>	<u>2,652,132</u>
Deductions:			
Benefit Payments	1,511,770	1,390,589	2,902,359
Contractual Services	<u>25,109</u>	<u>13,332</u>	<u>38,441</u>
Total Deductions	<u>1,536,879</u>	<u>1,403,921</u>	<u>2,940,800</u>
Change in Net Position	490,736	(779,404)	(288,668)
Net Position, Beginning of Year	<u>22,394,591</u>	<u>21,109,731</u>	<u>43,504,322</u>
Net Position, End of Year	<u>\$ 22,885,327</u>	<u>\$ 20,330,327</u>	<u>\$ 43,215,654</u>

CITY OF COLLINSVILLE, ILLINOIS

ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS (CONTINUED)
DECEMBER 31, 2015

Levy Date - Calendar Year	2010		2011		2012		2013		2014	
	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	12/31/2011	12/31/2011	12/31/2012	12/31/2012	12/31/2013	12/31/2013	12/31/2014	12/31/2014	12/31/2014	12/31/2014
Assessed Valuation	\$ 354,084,288	\$ 38,764,502	\$ 340,132,595	\$ 38,451,631	\$ 335,334,968	\$ 36,913,200	\$ 331,222,286	\$ 35,809,449	\$ 322,957,342	\$ 35,056,262
Tax Rates (Per \$100 Equalized Assessed Valuation):										
General Government	\$ 0.2617	\$ 0.2627	\$ 0.3396	\$ 0.3401	\$ 0.2657	\$ 0.2618	\$ 0.2671	\$ 0.2679	\$ 0.2442	\$ 0.2365
Police Pension	0.2277	0.2368	0.2309	0.2404	0.2518	0.2586	0.2423	0.2431	0.2949	0.2998
Firefighters' Pension	0.1418	0.1475	0.0847	0.0882	0.1501	0.1542	0.1652	0.1657	0.1568	0.1595
Total Tax Rates	\$ 0.6312	\$ 0.6470	\$ 0.6552	\$ 0.6687	\$ 0.6676	\$ 0.6746	\$ 0.6746	\$ 0.6767	\$ 0.6959	\$ 0.6958
Tax Extensions:										
General Government	\$ 926,639	\$ 101,834	\$ 1,155,091	\$ 130,774	\$ 890,985	\$ 96,639	\$ 884,695	\$ 95,934	\$ 788,662	\$ 82,908
Police Pension	806,250	91,794	785,366	92,438	844,373	95,458	802,552	90,562	952,401	105,099
Firefighters' Pension	502,091	57,178	288,092	33,914	503,338	56,920	547,179	61,735	506,397	55,915
Total Tax Extensions	\$ 2,234,980	\$ 250,806	\$ 2,228,549	\$ 257,126	\$ 2,238,696	\$ 249,017	\$ 2,234,426	\$ 248,231	\$ 2,247,460	\$ 243,922
Total Tax Collections Through Fiscal Year End	\$ 2,217,760	\$ 250,780	\$ 2,219,591	\$ 256,328	\$ 2,234,023	\$ 248,260	\$ 2,234,022	\$ 249,271	\$ 2,094,408	\$ 243,271
Percent of Total Taxes Collected	99.23%	99.99%	99.60%	99.69%	99.79%	99.70%	99.98%	100.42%	93.19%	99.73%

CITY OF COLLINSVILLE, ILLINOIS

ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS
DECEMBER 31, 2015

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	12/31/2006	12/31/2006	12/31/2007	12/31/2007	12/31/2008	12/31/2008	12/31/2009	12/31/2009	12/31/2010	12/31/2010
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	-	-	-	-
Total Tax Rates	\$ 0.6792	\$ 0.6917	\$ 0.6595	\$ 0.6719	\$ 0.6436	\$ 0.6300	\$ 0.6137	\$ 0.6172	\$ 0.6300	\$ 0.6412
Tax Extensions:										
General Government	\$ 235,895	\$ 25,443	\$ 252,333	\$ 26,749	\$ 285,854	\$ 30,000	\$ 1,379,430	\$ 145,777	\$ 1,258,085	\$ 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	- #	-	- #	-
Total Tax Extensions	\$ 2,022,980	\$ 223,903	\$ 2,147,271	\$ 233,406	\$ 2,246,336	\$ 242,357	\$ 2,235,427	\$ 235,163	\$ 2,239,574	\$ 248,162
Total Tax Collections Through Fiscal Year End	\$ 2,016,011	\$ 223,297	\$ 2,133,396	\$ 232,603	\$ 2,237,260	\$ 241,657	\$ 2,215,607	\$ 234,439	\$ 2,226,004	\$ 246,911
Percent of Total Taxes Collected	99.66%	99.73%	99.35%	99.66%	99.60%	99.71%	99.11%	99.69%	99.39%	99.50%

CITY OF COLLINSVILLE, ILLINOIS

STATISTICAL SECTION DECEMBER 31, 2015

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.

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	104-107
Revenue Capacity These schedules contain information to help the reader assess the City's most significant revenue sources.	108-114
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	115-117
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	118-119
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	120-122

CITY OF COLLINSVILLE, ILLINOIS

**Net Position by Component
Last Ten Fiscal Years**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities:										
Invested in Capital Assets, Net of Related Debt	\$ 24,172,976	25,681,657	27,730,589	27,107,312	27,069,921	26,199,136	26,243,390	27,516,251	28,653,484	30,142,602
Restricted for:										
Debt Service	-	-	-	-	-	-	-	-	-	-
Economic Development	2,433,271	6,225,360	5,477,490	6,696,868	6,848,853	7,169,588	6,410,973	6,327,729	5,467,341	3,905,890
Other Purposes	815,885	402,674	435,331	293,292	500,174	-	-	-	-	-
Restricted Tax Revenues	-	-	-	-	-	2,198,586	2,611,027	1,935,056	1,475,838	940,787
Forfeitures and Seizures	-	-	-	-	-	435,282	398,322	229,088	252,845	413,024
Unrestricted	5,388,482	(23,192,169)	(24,088,885)	(27,064,010)	(25,031,123)	(24,787,168)	(23,726,270)	(22,616,932)	(21,105,917)	(41,055,862)
	<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>	<u>11,215,424</u>	<u>11,937,442</u>	<u>13,391,192</u>	<u>14,743,591</u>	<u>(5,653,559)</u>
Business-type Activities:										
Invested in Capital Assets, Net of Related Debt	21,490,919	20,928,363	22,656,637	23,766,488	23,207,196	22,981,311	21,305,022	20,771,958	21,326,364	21,767,625
Restricted for:										
Debt Service	-	-	-	-	-	-	-	-	-	-
Unrestricted	2,931,277	4,432,403	3,186,263	2,528,084	3,227,805	3,690,694	4,604,246	4,673,152	4,384,399	4,328,034
	<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>	<u>26,672,005</u>	<u>25,909,268</u>	<u>25,445,110</u>	<u>25,710,763</u>	<u>26,095,659</u>
Total Primary Government:										
Invested in Capital Assets, Net of Related Debt	45,663,895	46,610,020	50,387,226	50,873,800	50,277,117	49,180,447	47,548,412	48,288,209	49,979,848	51,910,227
Restricted for:										
Debt Service	-	-	-	-	-	-	-	-	-	-
Economic Development	2,433,271	6,225,360	5,477,490	6,696,868	6,848,853	7,169,588	6,410,973	6,327,729	5,467,341	3,905,890
Other Purposes	815,885	402,674	435,331	293,292	500,174	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	2,198,586	2,611,027	1,935,056	1,475,838	940,787
Forfeitures and Seizures	-	-	-	-	-	435,282	398,322	229,088	252,845	413,024
Unrestricted	8,319,759	(18,759,766)	(20,902,622)	(24,535,926)	(21,803,318)	(21,096,474)	(19,122,024)	(17,943,780)	(16,721,518)	(36,727,828)
	<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>	<u>37,887,429</u>	<u>37,846,710</u>	<u>38,836,302</u>	<u>40,454,354</u>	<u>20,442,100</u>

CITY OF COLLINSVILLE, ILLINOIS

**Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
EXPENSES										
Governmental Activities:										
General Government	\$ 1,753,162	3,157,710	3,702,069	3,691,084	3,270,285	3,409,165	2,740,990	3,891,863	3,667,032	4,012,953
Public Safety	7,964,007	8,686,394	10,620,814	10,568,120	10,802,030	12,995,924	13,240,053	13,164,090	13,517,895	16,680,952
Public Works	3,213,157	3,615,277	3,832,886	4,041,241	3,976,489	4,002,295	3,932,367	4,030,653	4,460,286	4,431,379
Health and Sanitation	1,333,310	1,310,481	1,354,057	1,426,460	1,353,435	1,416,012	1,491,279	1,511,678	1,459,591	1,631,883
Community and Economic Development	1,974,609	26,934,117	1,746,038	4,016,787	1,920,748	2,154,758	2,893,966	2,330,004	1,759,411	4,594,607
Community Services	1,527,626	705,723	986,923	768,055	990,128	813,871	864,479	1,535,746	1,062,598	933,423
Interest on Long-term Debt	79,693	580,512	1,636,717	1,761,889	1,684,646	1,725,701	1,661,700	1,595,102	1,615,051	1,468,868
Total Governmental Activities	17,845,564	44,990,214	23,879,504	26,273,636	23,997,761	26,517,726	26,824,834	28,059,136	27,541,864	33,754,065
Business-type Activities:										
Water and Sewer	5,868,517	6,215,946	6,144,374	6,326,386	6,340,186	6,719,339	7,747,964	7,709,187	8,028,603	8,395,150
Total Business-type Activities	5,868,517	6,215,946	6,144,374	6,326,386	6,340,186	6,719,339	7,747,964	7,709,187	8,028,603	8,395,150
Total Primary Government Expenses	23,714,081	51,206,160	30,023,878	32,600,022	30,337,947	33,237,065	34,572,798	35,768,323	35,570,467	42,149,215
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	706,549	278,929	327,918	261,689	306,831	447,566	479,558	427,645	421,808	382,583
Public Safety	1,003,935	1,182,173	1,139,367	1,156,229	1,442,359	1,242,999	1,109,036	1,449,261	1,287,537	1,310,274
Public Works	644,145	58,374	89,491	54,807	31,416	24,752	809	4,277	2,960	3,131
Health and Sanitation	1,080,129	1,178,636	1,249,091	1,241,273	1,330,220	1,393,246	1,445,574	1,487,683	1,502,939	1,512,201
Community and Economic Development	945,338	1,562,567	1,527,838	1,606,535	1,534,235	1,591,500	1,795,984	1,694,572	1,882,386	1,980,976
Community Services	-	-	-	-	-	-	-	4,099	3,490	5,095
Operating grants and contributions	431,147	535,948	322,275	392,021	344,336	319,760	285,237	406,118	187,587	119,444
Capital grants and contributions	949,704	514,325	50,000	322,196	1,387,511	559,162	546,922	62,320	1,170,692	1,930,518
Total Governmental Activities	5,760,947	5,310,952	4,705,980	5,034,750	6,376,908	5,578,985	5,663,120	5,535,975	6,459,399	7,244,222
Business-type Activities:										
Water and Sewer	6,660,602	6,409,564	6,468,698	6,973,798	7,027,785	7,515,589	7,802,609	7,866,508	8,807,956	8,723,993
Capital grants and contributions	-	50,000	-	-	-	50,000	56,590	-	133,116	-
Total Business-type Activities	6,660,602	6,459,564	6,468,698	6,973,798	7,027,785	7,565,589	7,859,199	7,866,508	8,941,072	8,723,993
Total program revenues	12,421,549	11,770,516	11,174,678	12,008,548	13,404,693	13,144,574	13,522,319	13,402,483	15,400,471	15,968,215
Net Revenues (Expenses)	(11,292,532)	(39,435,644)	(18,849,200)	(20,591,474)	(16,933,254)	(20,092,491)	(21,050,479)	(22,365,840)	(20,169,996)	(26,181,000)
General Revenues										
Property Tax, Levied for General Purposes	3,537,858	3,871,516	4,302,272	4,232,317	4,245,218	5,033,701	5,652,052	5,262,251	5,335,681	5,376,334
Sales and Use Tax	5,291,641	5,948,214	9,366,452	9,372,130	5,995,069	6,701,081	6,960,734	7,114,464	7,267,476	7,681,760
Home Rule Sales Tax	-	-	-	-	3,754,669	4,276,149	4,045,647	3,806,590	3,793,196	3,758,167
Replacement Tax	98,288	127,221	101,260	48,664	64,971	260,211	266,540	295,965	287,699	311,592
State Income Tax	2,068,898	2,254,175	2,387,557	2,052,414	1,974,281	1,972,782	2,303,131	2,466,620	2,422,384	2,765,835
Motor Fuel Tax	741,750	721,310	677,328	660,266	654,745	636,920	648,047	625,859	633,664	625,340
Telecommunications Tax	1,046,316	1,091,011	1,088,734	1,064,333	1,083,623	1,155,235	1,231,171	918,488	767,125	798,293
Utility Tax	733,088	742,387	393,417	363,431	377,363	371,807	331,315	364,452	377,378	352,187
Franchise Fees	280,356	282,467	282,896	340,362	331,463	358,249	391,735	390,144	422,402	436,722
Other	160,782	166,207	429,468	199,162	387,477	347,815	259,090	337,931	382,567	401,383
Grants and Contributions not Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted Investment Earnings	1,276,388	1,425,681	686,182	123,458	58,215	25,152	18,402	10,985	9,135	13,039
Loss on Sale of Assets	-	-	-	-	-	-	-	(108,145)	16,566	-
Miscellaneous	40,008	50,933	52,771	65,546	500,952	87,569	57,931	35,320	72,775	67,115
Transfers	-	-	-	-	-	-	-	-	-	-
Total General Revenues	15,275,373	16,681,122	19,768,337	18,522,083	19,428,046	21,226,671	22,165,795	21,520,924	21,788,048	22,587,767
Changes in Net Assets										
Governmental activities	2,576,783	(23,693,092)	437,003	(2,521,063)	2,354,363	897,176	1,618,144	(380,758)	1,352,399	(3,264,139)
Business-type activities	1,406,058	938,570	482,134	451,672	140,429	237,004	(502,828)	(464,158)	265,653	(329,094)
Total primary government	\$ 3,982,841	(22,754,522)	919,137	(2,069,391)	2,494,792	1,134,180	1,115,316	(844,916)	1,618,052	(3,593,233)

CITY OF COLLINSVILLE, ILLINOIS

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund:										
Reserved For:										
Inventory	\$ 96,010	125,941	145,819	143,249	140,580	-	-	-	-	-
Forfeited Funds	173,669	271,899	284,678	145,209	354,760	-	-	-	-	-
Fire Equipment	51,682	4,834	4,834	4,834	4,834	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Unreserved	3,641,307	3,445,301	3,340,485	2,548,980	3,725,822	-	-	-	-	-
Nonspendable	-	-	-	-	-	81,235	60,694	108,222	429,690	215,822
Restricted	-	-	-	-	-	435,282	291,947	217,313	242,904	388,071
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	3,646,001	4,549,074	5,188,655	5,553,339	6,122,739
Total General Fund	<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>	<u>4,162,518</u>	<u>4,901,715</u>	<u>5,514,190</u>	<u>6,225,933</u>	<u>6,726,632</u>
All Other Governmental Funds:										
Reserved For:										
Debt Service	-	-	-	-	-	-	-	-	-	-
Employees' Retirement Benefit	22,091	-	-	-	-	-	-	-	-	-
Other	472,433	-	-	-	-	-	-	-	-	-
Economic Development	-	6,225,360	5,477,490	4,995,292	6,848,853	-	-	-	-	-
Unreserved, Reported In:										
Special Revenue Funds	4,511,993	1,649,436	1,360,737	3,213,077	1,950,972	-	-	-	-	-
Debt Service Funds	-	(214)	(72,625)	3,027	5,982	-	-	-	-	-
Capital Projects Funds	285,615	656,642	548,608	32,906	285,598	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	9,368,174	9,053,530	8,274,560	6,953,120	4,871,630
Committed	-	-	-	-	-	239,174	844,992	1,368,820	2,002,222	2,262,739
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(16)	-	-	-	-
Total All Other Governmental Funds	<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>	<u>9,607,332</u>	<u>9,898,522</u>	<u>9,643,380</u>	<u>8,955,342</u>	<u>7,134,369</u>

The City implemented GASB 54 in 2011.

CITY OF COLLINSVILLE, ILLINOIS

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Property Tax	\$ 3,537,858	3,871,516	4,302,272	4,232,317	4,245,218	5,033,701	5,652,052	5,262,251	5,335,681	5,376,334
Intergovernmental:										
Sales and Use Tax	5,875,055	6,538,905	9,980,820	9,965,497	5,995,069	6,493,564	7,295,602	7,123,819	7,063,809	7,739,870
Home Rule Sales Tax	-	-	-	-	3,754,669	3,914,284	4,034,181	3,842,727	3,792,762	3,754,773
Replacement Tax	98,288	127,221	101,260	48,664	64,971	260,211	266,540	295,965	287,699	311,592
State Income Tax	2,068,898	2,254,175	2,387,557	1,625,006	2,076,192	1,807,743	2,455,479	2,569,793	2,449,031	2,721,688
Motor Fuel Tax	741,750	721,310	677,328	660,266	654,745	636,920	648,047	625,859	633,664	625,340
Telecommunications Tax	1,046,316	1,091,011	1,088,734	1,064,333	1,083,623	1,071,751	1,208,073	957,263	763,660	777,206
Grants	1,083,501	983,235	294,123	714,217	880,199	878,922	832,159	468,438	406,901	119,444
Other	160,782	166,207	429,468	199,162	387,477	308,622	259,090	337,931	382,567	401,383
Other Local Taxes	1,748,995	2,051,613	1,706,896	1,638,521	1,645,118	1,735,290	1,753,103	1,789,280	1,951,557	2,078,771
Drug Forfeiture Revenue	171,719	253,703	105,949	88,999	310,608	210,241	105,983	36,418	176,523	254,912
Licenses, Fees and Permits	843,304	510,380	566,141	548,694	577,085	645,872	678,019	574,861	702,228	699,035
Charges for Services	1,732,496	1,817,092	2,037,103	2,178,897	2,282,887	2,361,175	2,322,508	2,632,073	2,383,584	2,357,410
Fines	179,613	180,370	158,028	152,944	102,609	114,703	177,098	135,211	126,483	128,453
Investment Earnings	362,415	430,729	193,230	19,198	17,442	11,137	13,056	8,742	7,932	10,404
Gifts and Donations	115,545	67,038	78,152	46,692	81,406	43,314	88,572	227,103	75,382	20,753
Miscellaneous Revenues/Reimbursements	939,226	523,308	488,672	435,125	733,773	446,286	486,659	954,010	574,484	510,950
Total Revenues	20,705,761	21,587,813	24,595,733	23,618,532	24,893,091	25,973,736	28,276,221	27,841,744	27,113,947	27,888,318
EXPENDITURES										
Current:										
General Government	2,290,003	3,692,063	4,208,526	4,125,095	3,146,436	3,848,230	3,667,442	3,599,559	3,387,238	3,587,703
Public Safety	7,440,201	8,122,335	9,360,084	9,889,604	10,080,269	12,171,164	12,401,624	12,480,892	12,969,826	13,137,745
Public Works	1,873,046	2,201,060	2,323,259	2,417,675	2,434,501	2,330,203	2,234,694	2,328,299	2,534,959	2,249,942
Health and Sanitation	1,333,310	1,310,481	1,354,057	1,426,460	1,353,435	1,416,012	1,491,279	1,511,678	1,459,591	1,631,883
Community and Economic Development	1,968,403	26,926,129	1,710,996	4,009,931	1,918,369	2,093,428	2,805,275	2,334,866	2,031,697	4,180,208
Community Services	1,526,744	704,866	986,164	767,672	976,442	787,703	849,207	1,524,003	1,051,880	922,359
Debt service:										
Principal	335,000	355,000	420,000	646,209	372,746	653,223	541,859	590,954	573,627	639,888
Interest and Fees	79,801	1,082,589	1,695,177	1,727,867	1,650,023	1,687,518	1,662,710	1,596,208	1,605,475	1,439,866
Capital outlay	2,845,224	3,163,822	4,261,865	1,608,901	2,073,268	1,097,722	2,190,612	2,241,830	2,554,578	1,865,702
Total Expenditures	19,691,732	47,558,345	26,320,128	26,619,414	24,005,489	26,085,203	27,844,702	28,208,289	28,168,871	29,655,296
Excess (deficiency) of revenues over (under) expenditures	1,014,029	(25,970,532)	(1,724,395)	(3,000,882)	887,602	(111,467)	431,519	(366,545)	(1,054,924)	(1,766,978)
OTHER FINANCING SOURCES (USES)										
Proceeds from Debt	-	28,765,000	80,202	2,700,000	636,598	-	-	52,628	6,328,000	-
Proceeds from Sale of Capital Assets	-	-	-	-	121,353	-	-	-	-	-
Transfers In	1,616,201	412,091	390,000	689,960	735,000	808,547	804,279	801,539	746,276	741,854
Transfers Out	(1,316,201)	(112,091)	(54,858)	(389,960)	(147,057)	(185,286)	(184,870)	(177,817)	(98,257)	(81,282)
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	(6,218,858)	-
Total Other Financing Sources (Uses)	300,000	29,065,000	415,344	3,000,000	1,345,894	623,261	619,409	676,350	757,161	660,572
Net change in fund balances	\$ 1,314,029	3,094,468	(1,309,051)	(882)	2,233,496	511,794	1,050,928	309,805	(297,763)	(1,106,406)
Debt Service as a Percentage of Noncapital Expenditures	2.5%	3.2%	9.6%	9.5%	9.2%	9.4%	8.6%	8.4%	8.5%	7.5%

CITY OF COLLINSVILLE, ILLINOIS

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

	<u>Sales</u> <u>Tax</u>	<u>Property</u> <u>Tax</u>	<u>Other</u>	<u>Total</u>
2015	\$ 11,494,643	\$ 5,376,334	\$ 11,017,341	\$ 27,888,318
2014	10,856,571	5,335,681	10,921,695	27,113,947
2013	10,966,546	5,262,251	11,612,947	27,841,744
2012	11,329,783	5,652,052	11,294,386	28,276,221
2011	10,407,848	5,033,701	10,532,187	25,973,736
2010	9,749,738	4,245,218	10,898,135	24,893,091
2009	9,965,497	4,232,317	9,420,718	23,618,532
2008	9,980,820	4,302,272	10,312,641	24,595,733
2007	6,538,905	3,871,516	11,177,392	21,587,813
2006	5,875,055	3,537,858	11,292,848	20,705,761

CITY OF COLLINSVILLE, ILLINOIS

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

Madison County

<u>For The Years Ended December 31</u>	<u>City Direct Rate</u>	<u>Metro East Transportation District</u>	<u>Metro East Park and Rec District</u>	<u>County Flood Prevention</u>	<u>State of Illinois</u>	<u>Direct and Overlapping</u>
2015	1.250%	0.250%	0.100%	0.250%	6.250%	8.100%
2014	1.250%	0.250%	0.100%	0.250%	6.250%	8.100%
2013	1.250%	0.250%	0.100%	0.250%	6.250%	8.100%
2012	1.250%	0.250%	0.100%	0.250%	6.250%	8.100%
2011	1.250%	0.250%	0.100%	0.250%	6.250%	8.100%
2010	1.250%	0.250%	0.100%	0.250%	6.250%	8.100%
2009	1.250%	0.250%	0.100%	0.250%	6.250%	8.100%
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%

St. Clair County

<u>For The Years Ended December 31</u>	<u>City Direct Rate</u>	<u>Metro East Transportation District</u>	<u>Metro East Park and Rec District</u>	<u>County Flood Prevention</u>	<u>State of Illinois</u>	<u>Direct and Overlapping</u>
2015	1.250%	0.750%	0.100%	0.250%	6.250%	8.600%
2014	1.250%	0.750%	0.100%	0.250%	6.250%	8.600%
2013	1.250%	0.750%	0.100%	0.250%	6.250%	8.600%
2012	1.250%	0.750%	0.100%	0.250%	6.250%	8.600%
2011	1.250%	0.750%	0.100%	0.250%	6.250%	8.600%
2010	1.250%	0.750%	0.100%	0.250%	6.250%	8.600%
2009	1.250%	0.750%	0.100%	0.250%	6.250%	8.600%
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%

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

<u>Industry</u>	<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>2014</u>		<u>2015</u>	
	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>
General Merchandise	\$ 892,949	18.83%	1,088,478	21.50%	1,021,650	20.41%	968,639	18.14%	953,639	17.26%
Food	612,036	12.91%	623,345	12.31%	669,191	13.37%	665,305	12.46%	674,415	12.21%
Drinking and Eating Places	573,325	12.09%	590,520	11.66%	580,094	11.59%	597,659	11.20%	626,918	11.35%
Apparel	251,482	5.30%	19,187	0.38%	16,518	0.33%	15,839	0.30%	19,405	0.35%
Furniture, Household & Radio	106,519	2.25%	112,561	2.22%	113,971	2.28%	94,949	1.78%	92,394	1.67%
Lumber, Building, Hardware	251,056	5.30%	284,382	5.62%	236,736	4.73%	232,615	4.36%	247,988	4.49%
Automotive & Filling Stations	1,100,139	23.20%	1,221,447	24.13%	1,408,691	28.14%	1,735,495	32.51%	1,814,744	32.85%
Drugs & Miscellaneous Retail	550,747	11.62%	536,972	10.61%	546,544	10.92%	582,952	10.92%	616,530	11.16%
Agriculture & All Others	377,702	7.97%	556,927	11.00%	380,192	7.59%	409,634	7.67%	425,413	7.70%
Manufacturers	25,028	0.53%	29,044	0.57%	32,374	0.65%	35,330	0.66%	52,290	0.95%
	<u>4,740,983</u>	<u>100.00%</u>	<u>5,062,862</u>	<u>100.00%</u>	<u>5,005,960</u>	<u>100.00%</u>	<u>5,338,419</u>	<u>100.00%</u>	<u>5,523,735</u>	<u>100.00%</u>

<u>Industry</u>	<u>2006</u>		<u>2007</u>		<u>2008</u>		<u>2009</u>		<u>2010</u>	
	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>	<u>Taxable Sales</u>	<u>Percentage of Total</u>
General Merchandise	655,088	15.47%	889,741	18.79%	1,076,483	23.02%	1,093,399	20.48%	1,101,934	19.95%
Food	666,359	15.73%	617,645	13.05%	590,991	12.64%	576,093	10.79%	584,648	10.58%
Drinking and Eating Places	502,834	11.87%	522,749	11.04%	531,274	11.36%	544,617	10.20%	562,628	10.19%
Apparel	26,021	0.61%	25,489	0.54%	22,757	0.49%	21,005	0.39%	21,186	0.38%
Furniture, Household & Radio	64,426	1.52%	69,386	1.47%	70,529	1.51%	77,487	1.45%	107,596	1.95%
Lumber, Building, Hardware	67,563	1.60%	287,725	6.08%	276,066	5.90%	230,404	4.32%	231,787	4.20%
Automotive & Filling Stations	1,528,973	36.10%	1,556,003	32.86%	1,303,776	27.88%	1,006,555	18.85%	1,031,318	18.67%
Drugs & Miscellaneous Retail	381,030	9.00%	423,188	8.94%	432,455	9.25%	451,586	8.46%	535,489	9.69%
Agriculture & All Others	286,072	6.75%	288,451	6.09%	322,661	6.90%	330,585	6.19%	355,206	6.43%
Manufacturers	56,707	1.34%	54,284	1.15%	49,327	1.05%	39,350	0.74%	27,656	0.50%
	<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>81.88%</u>	<u>4,559,450</u>	<u>82.54%</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. Some categories in St. Clair County have less than four taxpayers, so no data is shown to protect the

CITY OF COLLINSVILLE, ILLINOIS

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

Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Other Property	Total Taxable Assessed Value in Madison County	Total Direct Tax Rate	Estimated Actual Value	Annual % Change	Ratio of Total Assessed Valuation to Estimated Actual Value of Real Property
2014	\$ 252,181,453	1,072,940	92,087,460	10,369,100	180,519	1,230	355,892,702	0.6959%	1,067,784,884	-8.85%	33%
2013	258,946,015	1,103,680	93,610,615	10,369,100	189,116	1,230	364,219,756	0.6746%	1,092,768,545	-7.05%	33%
2012	262,390,316	1,207,690	94,587,265	11,022,740	189,727	18,060	369,415,798	0.6676%	1,108,358,230	-5.73%	33%
2011	265,961,142	1,261,950	97,452,635	11,090,460	192,103	9,910	375,968,200	0.6552%	1,128,017,402	-4.05%	33%
2010	278,180,858	1,228,180	99,683,395	11,180,000	150,355	4,240	390,427,028	0.6312%	1,171,398,224	-0.36%	33%
2009	278,226,838	1,149,220	101,586,369	10,760,460	122,637	4,240	391,849,764	0.6300%	1,175,666,859	7.58%	33%
2008	275,257,999	900,820	82,050,752	5,933,360	106,810	4,240	364,253,981	0.6137%	1,092,871,230	4.36%	33%
2007	264,613,891	838,070	78,524,867	4,966,010	79,663	4,240	349,026,741	0.6436%	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	0.6595%	976,870,054	9.31%	33%
2005	227,864,710	164,100	65,611,170	4,148,340	58,993	250	297,847,563	0.6792%	893,632,052	6.83%	33%

Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Other Property	Total Taxable Assessed Value in St. Clair County	Total Direct Tax Rate	Estimated Actual Value	Annual % Change	Ratio of Total Assessed Valuation to Estimated Actual Value of Real Property
2014	\$ 31,765,916	1,013,647	1,909,135	367,564	-	-	35,056,262	0.6958%	105,179,304	-9.57%	33%
2013	32,350,004	1,074,932	2,010,173	374,340	-	-	35,809,449	0.6932%	107,439,091	-7.48%	33%
2012	33,347,145	1,102,287	2,080,929	382,839	-	-	36,913,200	0.6746%	110,750,675	-4.62%	33%
2011	34,591,703	1,155,031	2,307,802	397,095	-	-	38,451,631	0.6687%	115,366,430	-0.65%	33%
2010	34,798,367	1,166,541	2,398,041	401,553	-	-	38,764,502	0.6470%	116,305,137	0.16%	33%
2009	34,695,002	1,161,389	2,444,737	401,553	-	-	38,702,681	0.6412%	116,119,655	1.58%	33%
2008	33,920,008	1,155,780	2,642,314	383,563	-	-	38,101,665	0.6172%	114,316,427	1.61%	33%
2007	33,263,282	1,178,774	2,684,559	372,500	-	-	37,499,115	0.6463%	112,508,596	7.95%	33%
2006	31,646,717	943,182	2,148,403	-	-	-	34,738,302	0.6719%	104,225,329	7.32%	33%
2005	29,480,561	868,120	2,021,209	-	-	-	32,369,890	0.6917%	97,119,382	7.85%	33%

CITY OF COLLINSVILLE, ILLINOIS

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

Madison County												
For The Years Ended December 31	City of Collinsville				Madison County	Collinsville	Collinsville	Collinsville Township	Southwestern	Mississippi	Collinsville	Total
	General	Fire Pension	Police Pension	Total		Road & Bridge	C.U. School District No. 10		IL College No. 522	Valley Library	Area Recreation	
2014	0.2442%	0.1568%	0.2949%	0.6959%	0.7329%	0.3808%	4.4817%	0.2341%	0.4242%	0.2131%	0.4974%	7.6601%
2013	0.2671%	0.1652%	0.2423%	0.6746%	0.7210%	0.3688%	4.4418%	0.2209%	0.4048%	0.2082%	0.4452%	7.4853%
2012	0.2657%	0.1501%	0.2518%	0.6676%	0.6974%	0.3577%	4.3042%	0.2170%	0.3919%	0.2059%	0.4498%	7.2915%
2011	0.3396%	0.0847%	0.2309%	0.6552%	0.6864%	0.3502%	4.2533%	0.2080%	0.3743%	0.2053%	0.4511%	7.1838%
2010	0.2617%	0.1418%	0.2277%	0.6312%	0.7145%	0.3408%	4.2356%	0.2034%	0.3638%	0.2025%	0.5922%	7.2840%
2009	0.3539%	0.1031%	0.1730%	0.6300%	0.6781%	0.3352%	4.2472%	0.2025%	0.3552%	0.2006%	0.6122%	7.2610%
2008	0.3787%	0.0878%	0.1472%	0.6137%	0.6534%	0.3263%	4.2532%	0.1920%	0.3497%	0.2004%	0.5303%	7.1190%
2007	0.4514%	0.0671%	0.1251%	0.6436%	0.6518%	0.3270%	4.3018%	0.1931%	0.3734%	0.2374%	0.5549%	7.2830%
2006	0.4697%	0.0819%	0.1079%	0.6595%	0.6758%	0.3321%	4.3059%	0.1993%	0.3614%	0.2569%	0.5498%	7.3407%
2005	0.4828%	0.0871%	0.1093%	0.6792%	0.7050%	0.3402%	4.3603%	0.2090%	0.3503%	0.2518%	0.4224%	7.3182%

St. Clair County												
For The Years Ended December 31	City of Collinsville				St. Clair County	Caseyville	Collinsville	Caseyville Township	Southwestern	Mississippi	Collinsville	Total
	General	Fire Pension	Police Pension	Total		Road	C.U. School District No. 10		IL College No. 522	Valley Library	Area Recreation	
2014	0.2365%	0.1595%	0.2998%	0.6958%	0.9388%	0.1177%	4.5022%	0.1215%	0.4285%	0.2140%	0.5039%	7.5224%
2013	0.2679%	0.1724%	0.2529%	0.6932%	0.9080%	0.1074%	4.4840%	0.1145%	0.4106%	0.2100%	0.4583%	7.3860%
2012	0.2618%	0.1542%	0.2586%	0.6746%	0.9123%	0.1041%	4.3310%	0.1130%	0.3942%	0.2070%	0.4579%	7.1941%
2011	0.3401%	0.0882%	0.2404%	0.6687%	0.9132%	0.1019%	4.2684%	0.1110%	0.3786%	0.2065%	0.4624%	7.1107%
2010	0.2627%	0.1475%	0.2368%	0.6470%	0.9158%	0.1023%	4.2613%	0.1122%	0.3689%	0.2039%	0.6065%	7.2179%
2009	0.3544%	0.1071%	0.1797%	0.6412%	0.9168%	0.1017%	4.2674%	0.1065%	0.3608%	0.2019%	0.5996%	7.1959%
2008	0.3826%	0.0876%	0.1470%	0.6172%	0.9161%	0.1033%	4.2511%	0.1031%	0.3574%	0.2038%	0.5328%	7.0848%
2007	0.4478%	0.0693%	0.1292%	0.6463%	0.9120%	0.1096%	4.3319%	0.1102%	0.3689%	0.2402%	0.7523%	7.4714%
2006	0.4757%	0.0847%	0.1115%	0.6719%	1.0090%	0.1217%	4.3329%	0.1187%	0.3589%	0.2543%	0.4408%	7.3082%
2005	0.4888%	0.0900%	0.1129%	0.6917%	0.9715%	0.1370%	4.3884%	0.1271%	0.3483%	0.2514%	0.4299%	7.3453%

The direct General levy includes the library in 2003, which is now a separate taxing district.

CITY OF COLLINSVILLE, ILLINOIS

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

Tax Levy Year	Tax Levy as Abated	Current Taxes Collected			Collections Through 2015	
		Fiscal Year Collected	Amount	Percent of Levy Collected	Amount	Percent of Levy Collected
2014	\$ 2,491,382	2015	\$ 2,337,679	93.831%	\$ 2,337,679	93.831%
2013	2,482,657	2014	2,483,293	100.026%	2,483,293	100.026%
2012	2,487,713	2013	2,482,283	99.782%	2,482,283	99.782%
2011	2,485,675	2012	2,475,919	99.608%	2,475,919	99.608%
2010	2,485,786	2011	2,468,540	99.306%	2,468,540	99.306%
2009	2,487,706	2010	2,472,915	99.405%	2,472,915	99.405%
2008	2,470,590	2009	2,450,046	99.168%	2,450,046	99.168%
2007	2,488,693	2008	2,478,917	99.607%	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%

CITY OF COLLINSVILLE, ILLINOIS

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

<u>Taxpayer Name</u>	<u>2006</u>		<u>2015</u>	
	<u>EAV</u>	<u>Rank</u>	<u>EAV</u>	<u>Rank</u>
Walmart Stores Inc			\$ 4,344,970	1
COLHOT, LLC			3,501,620	2
Parkside Commons LLC			2,648,810	3
Felfam Lakeside Plaza LLC			2,448,450	4
Sandridge Mannors LLC	2,130,360	6	2,185,740	5
Osborn & Osborn LLC	3,156,460	3	1,989,850	6
Retko Group LLC			1,964,340	7
Home Depot USA			1,855,150	8
Equity Investment Co	1,857,020	8	1,810,170	9
Hendricks Commercial Properties LLC	1,607,510	10	1,748,720	10
Collinsville Acquisitions Inc	5,595,760	1		
Lakeside Plaza LLC	3,263,330	2		
LaSalle National Bank	2,958,420	4		
Keebler Crossing LLC	2,932,160	5		
Lanter Business Park LLC	1,953,490	7		
Lerch, Forrest	1,708,520	9		
Total	<u>27,163,030</u>		<u>24,497,820</u>	

Source: Madison County Clerk's Office

CITY OF COLLINSVILLE, ILLINOIS

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

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Total Debt Per Capita ¹	GO Debt Per Capita ¹
	General Obligation Bonds	Revenue Bonds	Capital Leases	General Obligation Bonds	IEPA Loan	Capital Leases				
2015	\$ 9,035,154	20,250,000	145,922	14,323,059	-	14,265	43,768,400	69078%	1,731	930
2014	9,625,385	20,250,000	200,810	15,455,163	-	19,602	45,550,960	76615%	1,806	1,003
2013	9,570,000	20,250,000	264,437	16,547,394	-	24,721	46,656,552	81429%	1,810	1,024
2012	10,080,000	20,250,000	292,763	17,064,114	-	29,157	47,716,034	80137%	1,854	1,067
2011	10,545,000	20,250,000	369,622	16,995,000	-	33,867	48,193,489	83329%	1,871	1,085
2010	10,950,000	20,250,000	617,845	17,795,000	-	37,949	49,650,794	86773%	1,934	1,145
2009	11,290,000	20,250,000	13,993	18,560,000	105,717	89,448	50,309,158	89631%	1,938	1,158
2008	9,170,000	20,250,000	80,202	19,295,000	208,804	-	49,004,006	87306%	1,888	1,108
2007	9,590,000	20,250,000	-	20,000,000	309,327	-	50,149,327	87169%	1,937	1,155
2006	1,430,000	-	-	20,350,000	407,349	-	22,187,349	40373%	866	866

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

CITY OF COLLINSVILLE, ILLINOIS

**Computation of Direct and Overlapping Debt
December 31, 2015**

	<u>Governmental Activities Debt</u>	<u>Percent* Applicable to Collinsville</u>	<u>Amount Applicable to Collinsville¹</u>
Direct:			
City of Collinsville	\$ 29,370,922	100.00 %	\$ 29,370,922
Overlapping:			
Madison County	-	6.75	-
St. Clair County	110,983,877	1.07	1,183,268
Unit 10 School District (Collinsville)	13,090,000	51.32	6,717,373
Unit 9 School District (Granite City)	21,230,000	0.00	329
Southwestern Illinois Community College	22,085,000	6.83	1,508,064
Collinsville Area Recreation District	27,200,600	62.58	17,021,566
Mississippi Valley Library	-	81.31	-
Caseyville Township	-	5.22	-
Collinsville Township	-	52.44	-
Canteen Township	-	0.04	-
Nameoki Township	-	1.36	-
Metro East Sanitary	-	3.28	-
East Side Health	-	0.01	-
State Park Fire	-	13.91	-
Total Overlapping Debt	<u>194,589,477</u>		<u>26,430,599</u>
Total Direct and Overlapping Debt	<u><u>\$ 223,960,399</u></u>		<u><u>\$ 55,801,521</u></u>

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

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

Source: The above-named jurisdictions.

CITY OF COLLINSVILLE, ILLINOIS

**Pledged Revenue Coverage
Last Nine Fiscal Years**

Local Government Program Revenue Bonds	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Limited Incremental Sales Tax Revenue	\$ 345,087	1,087,915	1,155,734	1,160,577	1,147,658	1,144,275	1,110,752	1,103,733	1,226,701
Debt service	-	1,144,164	1,053,450	1,053,450	1,053,450	1,053,450	1,053,450	1,053,450	1,053,450
Ratio	-	0.95	1.10	1.10	1.09	1.09	1.05	1.05	1.16
Outstanding Balance	\$ 20,250,000	20,250,000	20,250,000	20,250,000	20,250,000	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>
2015	25,282	63,361	28,163	6,154	10.20%
2014	25,221	59,454	26,237	6,226	10.60%
2013	25,778	57,297	26,851	6,378	9.10%
2012	25,742	59,543	28,781	6,438	8.10%
2011	25,757	57,835	28,737	6,336	6.90%
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%

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>2006</u>		<u>2015</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Collinsville Unit School District Number 10	710	1	723	1
Illinois Department of Transportation	594	2	511	2
Woods Basement Systems			207	3
Wal-Mart	232	4	167	4
City of Collinsville	180	6	157	5
Laura Buick-GMC			100	6
Gateway Industrial Power, Inc.			92	7
Ameren			73	8
Teklab, Inc.			65	9
Fairmont Race Track	500	3	42	10
Home Depot			42	10
Schnucks Market	160	7	38	
Auto Dealer's Association	228	5		
S A S I Corp	100	8		
Royster Clark	100	9		
K-Mart	90	10		
Total	<u>2,894</u>		<u>2,217</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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government:										
Administration - City Manager	1.00	2.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
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	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Administration - Information Technology	0.00	0.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Finance	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Public Safety:										
Police Administration	3.00	3.00	5.00	5.00	5.00	6.00	7.00	7.00	7.00	7.00
Police Operations	37.00	37.00	40.00	40.00	40.00	38.00	37.00	37.00	37.00	34.00
Police Support	13.00	13.00	17.00	17.00	18.00	17.00	17.00	15.00	15.00	15.00
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	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Fire Operations	28.00	28.00	32.00	32.00	32.00	31.00	31.00	31.00	31.00	31.00
Public Works:										
Engineering	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00
Streets	13.00	15.00	19.00	19.00	17.00	15.00	12.00	13.00	13.00	13.00
Water Lines	9.50	9.50	9.50	9.50	9.50	8.50	8.50	9.50	9.50	9.50
Water Plant	6.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Waste Water Lines	6.50	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00
Waste Water Plant	7.00	7.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00	7.00
Community and Economic Development:										
Community Development	1.00	3.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Inspections	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Community Services	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	141.00	147.00	170.00	171.00	170.00	164.00	160.00	160.00	160.00	157.00

Source: Payroll Data from Finance Department.

CITY OF COLLINSVILLE, ILLINOIS

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Sectors	6	6	6	6	6	6	6	6	6	3
Marked patrol units	16	18	18	18	18	18	18	18	18	19
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Fire Trucks	4	4	4	4	4	4	4	3	3	3
Ambulances	3	3	3	3	4	4	4	3	3	3
Streets:										
Streets (lane miles)	251.72	251.72	251.72	251.72	253.72	253.72	261.8	261.8	261.8	271.4
Sidewalks (miles)	71	71	71	71	71	71	72.1	74	74	74
Streetlights	2,407	2,407	2,407	2,408	2,404	2,404	2,406	2,406	2,406	2,406
Water										
Water Mains (miles)	180.8	180.8	180.8	180.8	180.8	180.8	180.8	180.8	180.8	180.8
Water Valves	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800
Fire Hydrants	1310	1310	1310	1310	1310	1310	1343	1350	1373	1398
Waste Water:										
Sewer Mains (miles)	120	120	120	120	120	120	120	120	120	123.9
Manholes	3000	3000	3000	3000	3000	3000	3000	3000	3000	3110

Source: Various City Departments

CITY OF COLLINSVILLE, ILLINOIS

**Operating Indicators by Function
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police:										
Traffic stops	9,091	8,909	9,721	10,926	9,198	9,252	7,483	6,326	5,888	6,187
Warrant checks/arrests	594	895	834	1,123	906	849	852	845	633	731
Bar checks	82	71	108	233	230	243	180	91	61	58
Fire:										
Ambulance bills	1,573	1,641	1,889	1,947	1,950	1,903	2,325	2,107	2,176	2,383
Finance:										
Accounts payable checks written	3,895	3,994	4,401	3,957	4,080	4,160	5,009	4,456	4,231	4,262
Utility payments posted	-	-	-	69,069	68,882	71,653	72,351	71,765	72,323	72,059
Disconnections for non-payment	-	-	-	-	-	3,218	1,913	2,162	2,469	2,007
Inspections:										
Single-family building permits	45	21	9	9	4	8	11	4	12	12
Commercial building permits	38	31	29	17	35	20	2	3	5	4
Water										
Average daily consumption (mgd)	2.5	2.5	2.3	2.4	2.2	2.1	2.1	2.1	2.1	2.0
Waste Water:										
New connections	79	44	38	15	8	24	2	9	21	21
Sewage treatment (mgd)	1.10	1.30	1.60	1.80	1.50	1.50	3.40	3.90	3.48	4.20

Source: Various City Departments

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

Honorable Mayor and Members
of the City Council
Collinsville, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the of the City of Collinsville, Illinois as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Other Matters

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. Schlusser & Co., L.L.C.

Certified Public Accountants

June 25, 2016

**INDEPENDENT AUDITOR'S 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**

To the Honorable Mayor and Members
of the City Council
Collinsville, Illinois

We have audited, in accordance with the 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, 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 as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Collinsville, Illinois' basic financial statements, and have issued our report thereon dated June 25, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Collinsville, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 of Collinsville, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Collinsville, Illinois' internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Collinsville, Illinois' financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Alton, IL

June 25, 2016