

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

| | |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| Name of Redevelopment Project Area: | Tax Increment Financing District #2 |
| Primary Use of Redevelopment Project Area*: | Combination/Mixed |
| If "Combination/Mixed" List Component Types: | Industrial; Commercial |
| Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): | |
| Tax Increment Allocation Redevelopment Act <u> x </u> | Industrial Jobs Recovery Law <u> </u> |

| | No | Yes |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|-----|
| Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A | X | |
| Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B | | X |
| Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C | | X |
| Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D | | X |
| Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E | X | |
| Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F | X | |
| Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G | X | |
| Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H | | X |
| Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I | X | |
| Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J | X | |
| Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K | | X |
| Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L | | X |
| A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M | X | |

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

Fund Balance at Beginning of Reporting Period \$ 46,525

| Revenue/Cash Receipts Deposited in Fund During Reporting FY: | Reporting Year | Cumulative* | % of Total |
|---------------------------------------------------------------------------|----------------|--------------|------------|
| Property Tax Increment | \$ 73,315 | \$ 1,659,109 | 30% |
| State Sales Tax Increment | | \$ 32,018 | 1% |
| Local Sales Tax Increment | | \$ 9,195 | 0% |
| State Utility Tax Increment | | | 0% |
| Local Utility Tax Increment | | | 0% |
| Interest | \$ 58 | \$ 214,322 | 4% |
| Land/Building Sale Proceeds | | | 0% |
| Bond Proceeds | | \$ 1,252,173 | 23% |
| Transfers from Municipal Sources | | \$ 2,200,580 | 40% |
| Private Sources | | \$ 5,847 | 0% |
| Other (identify source _____; if multiple other sources, attach schedule) | | \$ 70,851 | 1% |

*must be completed where 'Reporting Year' is populated

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 73,373

Cumulative Total Revenues/Cash Receipts \$ 5,444,095 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 85,433

Distribution of Surplus

Total Expenditures/Disbursements \$ 85,433

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ (12,060)

FUND BALANCE, END OF REPORTING PERIOD* \$ 34,465

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

| Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)] | Amounts | Reporting Fiscal Year |
|---------------------------------------------------------------------------------------------------------------------------------------------|---------|-----------------------|
| 1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1) | | |
| Professional Services | 433 | |
| | | |
| | | |
| | | |
| | | |
| | | \$ 433 |
| 2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6) | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3) | | |
| MMRG Building LLC | 30,000 | |
| | | |
| | | |
| | | |
| | | |
| | | \$ 30,000 |
| 4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4) | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5) | | |
| Transfer to Sewer Construction Fund | 50,000 | |
| | | |
| | | |
| | | |
| | | |
| | | \$ 50,000 |
| 6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

| | |
|----------------------------------------------|--|
| Property (1): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

| | |
|----------------------------------------------|--|
| Property (2): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

| | |
|----------------------------------------------|--|
| Property (3): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

| | |
|----------------------------------------------|--|
| Property (4): | |
| Street address: | |
| Approximate size or description of property: | |
| Purchase price: | |
| Seller of property: | |

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
PAGE 1

If **NO** projects were undertaken by the Municipality Within the Redevelopment Project Area, indicate so in the space provided: _____

If Projects **WERE** undertaken by the Municipality Within the Redevelopment Project Area enter the **TOTAL** number of projects and list them in detail below. 4

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 **MUST BE INCLUDED** WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED **IF** PROJECTS ARE LISTED ON THESE PAGES

| TOTAL: | 11/1/99 to Date | Estimated Investment for Subsequent Fiscal Year | Total Estimated to Complete Project |
|--------------------------------------------------|-----------------|-------------------------------------------------|-------------------------------------|
| Private Investment Undertaken (See Instructions) | \$ 3,102,636 | \$ - | \$ - |
| Public Investment Undertaken | \$ 559,000 | \$ 60,000 | \$ - |
| Ratio of Private/Public Investment | 5 11/20 | | 0 |

| Project 1: | | | |
|--------------------------------------------------|--------------|-----------|------|
| MMRG Building | | | |
| Private Investment Undertaken (See Instructions) | \$ 2,277,636 | | \$ - |
| Public Investment Undertaken | \$ 240,000 | \$ 60,000 | |
| Ratio of Private/Public Investment | 9 25/51 | | 0 |

| Project 2: | | | |
|--------------------------------------------------|------------|--|---|
| Lincoln Theater | | | |
| Private Investment Undertaken (See Instructions) | \$ 150,000 | | |
| Public Investment Undertaken | \$ 300,000 | | |
| Ratio of Private/Public Investment | 1/2 | | 0 |

| Project 3: | | | |
|--------------------------------------------------|------------|--|---|
| Keil's Clock Shop/109 E Main St Land Trust | | | |
| Private Investment Undertaken (See Instructions) | \$ 175,000 | | |
| Public Investment Undertaken | \$ 10,000 | | |
| Ratio of Private/Public Investment | 17 1/2 | | 0 |

| Project 4: | | | |
|--------------------------------------------------|------------|--|---|
| Quebec City Bistro | | | |
| Private Investment Undertaken (See Instructions) | \$ 500,000 | | |
| Public Investment Undertaken | \$ 9,000 | | |
| Ratio of Private/Public Investment | 55 5/9 | | 0 |

| Project 5: | | | |
|--------------------------------------------------|---|--|---|
| Private Investment Undertaken (See Instructions) | | | |
| Public Investment Undertaken | | | |
| Ratio of Private/Public Investment | 0 | | 0 |

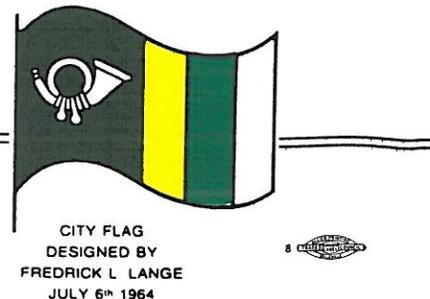
| Project 6: | | | |
|--------------------------------------------------|---|--|---|
| Private Investment Undertaken (See Instructions) | | | |
| Public Investment Undertaken | | | |
| Ratio of Private/Public Investment | 0 | | 0 |

ATTACHMENT B

CITY OF BELLEVILLE, ILLINOIS

MARK W. ECKERT, MAYOR

101 South Illinois Street
Belleville, IL 62220-2105
Office: (618) 233-6810
Fax: (618) 233-6779



September 25, 2012

C.J. Schlosser & Company, L.L.C.
233 East Center Drive
P.O. Box 416
Alton, IL 62002

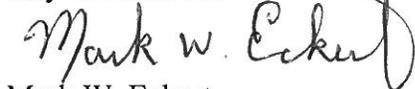
RE: Tax Increment Financing District #1, Tax Increment Financing District #2, Tax Increment Financing District #3, Tax Increment Financing District #4, Tax Increment Financing District #5, Tax Increment Financing District #6, Tax Increment Financing District #7, Tax Increment Financing District # 8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 West, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Rt.15/South Greenmount, Tax Increment Financing District #21 Belle Valley Phase III and the Sales Tax Increment Financing District.

Dear Gentlemen / Ladies:

I, Mark W. Eckert, the duly elected Mayor of the City of Belleville, Illinois, County of St. Clair, and as such, do hereby certify that the City of Belleville has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the municipal fiscal year ending May 1, 2011- April 30, 2012 to the best of my knowledge and belief.

Sincerely,

City of Belleville



Mark W. Eckert
Mayor

ATTACHMENT C

CITY OF BELLEVILLE, ILLINOIS

PATRICK M. FLYNN, CITY ATTORNEY

23 PUBLIC SQUARE, SUITE 440
BELLEVILLE, ILLINOIS 62220-1640
(618) 233-0480
FAX: (618) 233-0601



CITY FLAG
DESIGNED BY
FREDRICK L LANGE
JULY 6th 1964



September 25, 2012

C.J. Schlosser
233 East Center Drive
P.O. Box 416
Alton, IL 62002

RE: Illinois Tax Increment Redevelopment Act:
Fiscal Year May 1, 2011 through April 30, 2012

Tax Increment Financing District #1, Tax Increment Financing District #2, Tax Increment Financing District #3, Tax Increment Financing District #4, Tax Increment Financing District #5, Tax Increment Financing District #6, Tax Increment Financing District #7, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 West, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Rt. 15/South Greenmount, Tax Increment Financing District #21 Belle Valley Phase III and the Sales Tax Increment Financing District.

Gentlemen:

As the attorney for the City of Belleville, Illinois, I have reviewed all information provided to me by the City Administrator and staff for the period May 1, 2011 through April 30, 2012 (FY2012). I find that the City of Belleville has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder, to the best of my knowledge and belief.

This opinion relates only to the time period set forth and is based upon information available to me.

Sincerely,

A handwritten signature in cursive script that reads "Patrick M. Flynn".
Patrick M. Flynn, City Attorney

ATTACHMENT D

(See Activities Statement in Audited Financial Statements at Attachment K)

ATTACHMENT H

TIF 2 Joint Review Board Minutes
Dec. 9, 2011 10:30 a.m.

MEMBERS/TAXING BODIES:

Jeff Dosier-Belleville School District #201
Janice Kerin-St. Clair County
Terry Beach-St. Clair County
Ryan Boike-Belleville School District #118
Dennis Korte-Belleville Township
Lee Spearman-Public Library
Mark Eckert, Mayor of Belleville

STAFF:

Emily Fultz, AICP, Manager of Economic Development & Planning
Eric Schauster, ED/Grants Coordinator
Tim Gregowicz, City Engineer
Jamie Maitret, Finance Director

GUESTS:

| | | |
|-----------------------|-----------------|--------------------|
| Melinda Hult, Ward 2 | Judy Belleville | Joan Braswell |
| Larry Betz | Robert Brunkow | David Braswell |
| Joseph Hayden, Ward 5 | David Brannon | Dean Hardt, Ward 4 |
| Tim Carpenter, Ward 4 | Robert White | |
| Maureen Morris | Peggy Dollus | |

TIF 2

Mayor Eckert asked the Board to elect a member from the public. Terry Beach made a motion to elect Thom Peters, seconded by Dennis Korte, with all present members voting aye. Motion carried.

Mayor Eckert asked the Board to elect a Chairperson. Terry Beach made a motion to elect Thom Peters and seconded by Ryan Boike with all present members voting aye. Motion carried.

Mr. Schauster explained the boundaries. Mayor Eckert said that the development of the TIF was approximately 1982 and gave a brief history of the TIF area.

Chairman Peters explained the adoption of rules for public participation. He then opened public participation.

Maureen Morris, 618 S. Jackson St., commented on the time allowed for each public person to speak and asked about the nature of the TIF meeting. Chairman Peters explained the language from the State Statute.

Dean Hardt, Alderman-Ward 4, asked if the reason for the Review Board was to decide the necessity of the TIF's. Chairman Peters answered that the Board is only authorized to discuss the effectiveness and status of the TIF up to the time of the Hearing.

Melinda Hult, Alderman-Ward 2, wanted to remind the people that this discussion was for TIF 2 only.

Peggy Dollus, 217 E Main, asked why her building was not located within TIF 2. Mayor Eckert explained that her area was carved out of the original TIF 2 plan then explained that her building is located in TIF 17. Ms. Dollus stated that all TIF districts should be eliminated.

Bob White, 2419 Pro Tour Dr., asked if the Board would consider having the next TIF meetings in the evening.

Joseph W. Hayden, Alderman-Ward 5, asked for Chairman Peters prior knowledge of TIF's, he asked for the reasoning of each TIF, how the TIF will affect the Review Board's taxing district and if the TIF was abolished how would it affect their district. He said that after reviewing TIF 2 funds initial establishment in 1985 the purpose has been fulfilled and should be abolished.

With no further comments from the public, Chairman Peters closed public participation.

Mayor Eckert gave a description of the status of TIF 2. The City has one remaining obligation of \$60,000.00 through a development agreement that will be completed in 2012. Mayor Eckert plans on recommending to City Council to terminate TIF 2 in 2012. He stated that the initial purpose of TIF 2 has been accomplished.

Since there were no more comments or questions from the Board, Chairman Peters asked for a motion to adjourn. A motion was made by Terry Beach to adjourn and seconded by Mayor Eckert. Motion carried.

Respectfully Submitted,
Kari L. Tutza
Transcribing Secretary

ATTACHMENT K



CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS
ANNUAL REPORT
FINANCIAL STATEMENTS
APRIL 30, 2012

233 East Center Drive
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Alton, Illinois 62002
(618) 465-7717 St. Louis (314) 355-2586
Fax (618) 465-7710



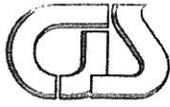
One Westbury Drive
Suite 420
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(636) 723-7611 St. Louis (636) 947-1008
Fax (636) 947-4558

CITY OF BELLEVILLE, ILLINOIS

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PART I – FINANCIAL INFORMATION



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

J. Terry Dooling
David M. Bartosiak
Cindy A. Tefteller
Kevin J. Tepen

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
City Council of
City of Belleville, Illinois

We have audited the financial statements of the City of Belleville, Illinois' Tax Increment Financing District #1, Tax Increment Financing District #2, Tax Increment Financing District #3, Tax Increment Financing District #4, Tax Increment Financing District #5, Tax Increment Financing District #6, Tax Increment Financing District #7, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 Corridor, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Route 15/South Green Mount Road, Tax Increment Financing District #21 Belle Valley III, and the Sales Tax Increment Financing District as of and for the year ended April 30, 2012, as listed in the table of contents. These financial statements are the responsibility of City of Belleville, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described in Note 1, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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Fax (636) 947-4558

As discussed in Note 1, the financial statements present only the Tax Increment Financing Districts, as referred to in the first paragraph, and are not intended to present fairly the financial position and results of operations of the City of Belleville, Illinois in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the City of Belleville, Illinois' Tax Increment Financing Districts, as referred to in the first paragraph, as of April 30, 2012 and the revenues it received and expenditures it paid for the year then ended on the basis of accounting described in Note 1.

Our audit was made for the purpose of forming an opinion on the financial statements of the City of Belleville, Illinois' Tax Increment Financing Districts taken as a whole. The other supplementary data on pages 13 and 14 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. This other supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The supplementary information on Pages 15 through 24 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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

September 10, 2012

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF ASSETS, LIABILITIES
AND FUND BALANCE ARISING FROM CASH TRANSACTIONS -
ALL TAX INCREMENT FINANCING DISTRICTS
APRIL 30, 2012

| | Tax Increment Financing | | | | | | | |
|-------------------------------------------|-------------------------|------------------|---------------------|------------------|-------------|-------------|-------------|-------------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | District #8 |
| <u>Assets</u> | | | | | | | | |
| Cash | \$ 53,402 | \$ 34,465 | \$ 4,965,205 | \$ 16,744 | \$ - | \$ - | \$ - | \$ 169,491 |
| Due Between TIF Funds | - | - | 350,000 | - | - | - | - | - |
| Due From (To) General Fund | - | - | 797,198 | - | - | - | - | - |
| Notes Receivable | - | - | 87,083 | - | - | - | - | - |
| Total Assets | \$ 53,402 | \$ 34,465 | \$ 6,199,486 | \$ 16,744 | \$ - | \$ - | \$ - | \$ 169,491 |
| <u>Liabilities and Fund Balance</u> | | | | | | | | |
| Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund Balance: | | | | | | | | |
| Nonspendable | - | - | 87,083 | - | - | - | - | - |
| Restricted for Debt Service | - | - | - | - | - | - | - | - |
| Restricted | 53,402 | 34,465 | 6,112,403 | 16,744 | - | - | - | 169,491 |
| Total Fund Balance | 53,402 | 34,465 | 6,199,486 | 16,744 | - | - | - | 169,491 |
| Total Liabilities and Fund Balance | \$ 53,402 | \$ 34,465 | \$ 6,199,486 | \$ 16,744 | \$ - | \$ - | \$ - | \$ 169,491 |

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF ASSETS, LIABILITIES
AND FUND BALANCE ARISING FROM CASH TRANSACTIONS -
ALL TAX INCREMENT FINANCING DISTRICTS
APRIL 30, 2012

| | Tax Increment Financing | | | | | | | Carlyle/ Greenmont | District #16 |
|-------------------------------------------|-------------------------|-------------------|------------------|-------------------|------------------|-------------------|---------------------|-----------------------|--------------|
| | District #9 | District #10 | District #11 | District #12 | District #13 | District #14 | District #16 | | |
| Assets | | | | | | | | | |
| Cash | \$ 247,859 | \$ 656,380 | \$ 67,987 | \$ 104,523 | \$ 40,419 | \$ 112,619 | \$ 3,285,076 | \$ 414,148 | |
| Due Between TIF Funds | - | - | - | - | - | - | - | (350,000) | |
| Due From (To) General Fund | - | - | - | - | - | - | - | - | |
| Notes Receivable | - | - | - | - | - | - | - | - | |
| Total Assets | <u>\$ 247,859</u> | <u>\$ 656,380</u> | <u>\$ 67,987</u> | <u>\$ 104,523</u> | <u>\$ 40,419</u> | <u>\$ 112,619</u> | <u>\$ 3,285,076</u> | <u>\$ 64,148</u> | |
| Liabilities and Fund Balance | | | | | | | | | |
| Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Fund Balance: | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | |
| Restricted for Debt Service | - | - | - | - | - | - | 3,285,076 | - | |
| Restricted | 247,859 | 656,380 | 67,987 | 104,523 | 40,419 | 112,619 | - | 64,148 | |
| Total Fund Balance | <u>247,859</u> | <u>656,380</u> | <u>67,987</u> | <u>104,523</u> | <u>40,419</u> | <u>112,619</u> | <u>3,285,076</u> | <u>64,148</u> | |
| Total Liabilities and Fund Balance | <u>\$ 247,859</u> | <u>\$ 656,380</u> | <u>\$ 67,987</u> | <u>\$ 104,523</u> | <u>\$ 40,419</u> | <u>\$ 112,619</u> | <u>\$ 3,285,076</u> | <u>\$ 64,148</u> | |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF ASSETS, LIABILITIES
AND FUND BALANCE ARISING FROM CASH TRANSACTIONS -
ALL TAX INCREMENT FINANCING DISTRICTS
APRIL 30, 2012

| | Tax Increment Financing | | | | | Debt Service Fund | Total |
|-------------------------------------------|-------------------------|------------------|---------------------|------------------|---------------|-------------------|----------------------|
| | District #17 | District #18 | Frank Scott Parkway | District #20 | District #21 | | |
| <u>Assets</u> | | | | | | | |
| Cash | \$ 238,766 | \$ 24,984 | \$ 2,364,221 | \$ 19,686 | \$ 125 | \$ 745,199 | \$ 17,279,930 |
| Due Between TIF Funds | - | - | - | - | - | - | - |
| Due From (To) General Fund | - | - | - | - | - | - | 797,198 |
| Notes Receivable | - | - | - | - | - | - | 87,083 |
| <u>Total Assets</u> | <u>\$ 238,766</u> | <u>\$ 24,984</u> | <u>\$ 2,364,221</u> | <u>\$ 19,686</u> | <u>\$ 125</u> | <u>\$ 745,199</u> | <u>\$ 18,164,211</u> |
| <u>Liabilities and Fund Balance</u> | | | | | | | |
| Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund Balance: | | | | | | | |
| Nonspendable | - | - | - | - | - | - | 87,083 |
| Restricted for Debt Service | - | - | 2,364,221 | - | - | 745,199 | 6,394,496 |
| Restricted | 238,766 | 24,984 | - | 19,686 | 125 | - | 11,682,632 |
| <u>Total Fund Balance</u> | <u>238,766</u> | <u>24,984</u> | <u>2,364,221</u> | <u>19,686</u> | <u>125</u> | <u>745,199</u> | <u>18,164,211</u> |
| <u>Total Liabilities and Fund Balance</u> | <u>\$ 238,766</u> | <u>\$ 24,984</u> | <u>\$ 2,364,221</u> | <u>\$ 19,686</u> | <u>\$ 125</u> | <u>\$ 745,199</u> | <u>\$ 18,164,211</u> |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCE ARISING FROM CASH TRANSACTIONS -
ALL TAX INCREMENT FINANCING DISTRICTS
FOR THE YEAR ENDED APRIL 30, 2012

| | Tax Increment Financing | | | | | | | |
|-----------------------------------------------------------------------------------------------------|-------------------------|------------------|---------------------|------------------|------------------|------------------|----------------|-------------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | District #8 |
| Receipts: | | | | | | | | |
| Property Taxes | \$ 47,781 | \$ 73,315 | \$ 9,712,506 | \$ 5,905 | \$ 256,534 | \$ 56,064 | \$ - | \$ 164,245 |
| Intergovernmental | - | - | 265,457 | - | - | - | - | - |
| Interest | 77 | 58 | 8,189 | 22 | 335 | 67 | 4 | 321 |
| Reimbursements/Other | - | - | 66,180 | - | - | - | - | - |
| Total Receipts | <u>47,858</u> | <u>73,373</u> | <u>10,052,332</u> | <u>5,927</u> | <u>256,869</u> | <u>56,131</u> | <u>4</u> | <u>164,566</u> |
| Disbursements: | | | | | | | | |
| Contractual Services | 3,076 | 433 | 415,206 | - | 2,368 | - | - | 576 |
| Capital Outlay | - | 5,000 | 4,628,874 | - | - | - | - | 32,560 |
| TIF Termination Payment | - | - | - | - | 686,849 | 104,245 | 6,014 | - |
| Tax Rebates | - | 30,000 | 4,498,374 | - | 65,890 | - | - | - |
| Principal | - | - | 1,067,638 | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | 34,015 | - | - | - | - | - |
| Total Disbursements | <u>3,076</u> | <u>35,433</u> | <u>10,644,107</u> | <u>-</u> | <u>755,107</u> | <u>104,245</u> | <u>6,014</u> | <u>33,136</u> |
| Excess of Receipts Over (Under) Disbursements | <u>44,782</u> | <u>37,940</u> | <u>(591,775)</u> | <u>5,927</u> | <u>(498,238)</u> | <u>(48,114)</u> | <u>(6,010)</u> | <u>131,430</u> |
| Other Financing Sources (Uses) | | | | | | | | |
| Proceeds of Debt | - | - | - | - | - | - | - | - |
| Operating Transfers In | - | - | 635,000 | - | - | - | - | - |
| Operating Transfers Out | (50,000) | (50,000) | (1,525,982) | (10,000) | - | (75,000) | - | (300,000) |
| Total Other Financing Sources (Uses) | <u>(50,000)</u> | <u>(50,000)</u> | <u>(890,982)</u> | <u>(10,000)</u> | <u>-</u> | <u>(75,000)</u> | <u>-</u> | <u>(300,000)</u> |
| Excess of Receipts and Other Financing Sources Over (Under) Disbursements and Financing Uses | <u>(5,218)</u> | <u>(12,060)</u> | <u>(1,482,757)</u> | <u>(4,073)</u> | <u>(498,238)</u> | <u>(123,114)</u> | <u>(6,010)</u> | <u>(168,570)</u> |
| Fund Balance, Beginning of Year | <u>58,620</u> | <u>46,525</u> | <u>7,682,243</u> | <u>20,817</u> | <u>498,238</u> | <u>123,114</u> | <u>6,010</u> | <u>338,061</u> |
| Fund Balance, End of Year | <u>\$ 53,402</u> | <u>\$ 34,465</u> | <u>\$ 6,199,486</u> | <u>\$ 16,744</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 169,491</u> |

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCE ARISING FROM CASH TRANSACTIONS -
ALL TAX INCREMENT FINANCING DISTRICTS
FOR THE YEAR ENDED APRIL 30, 2012

| | Tax Increment Financing | | | | | | Carlyle/ Greenmont | District #16 |
|----------------------------------------------------------------------------------------------------|-------------------------|-------------------|------------------|-------------------|------------------|-------------------|-----------------------|------------------|
| | District #9 | District #10 | District #11 | District #12 | District #13 | District #14 | | |
| Receipts: | | | | | | | | |
| Property Taxes | \$ 89,813 | \$ 1,099,291 | \$ 27,292 | \$ 205,102 | \$ 55,893 | \$ 57,410 | \$ 1,330,919 | \$ 191,272 |
| Intergovernmental | - | - | - | - | - | - | 1,500,861 | - |
| Interest | 286 | 1,362 | 114 | 202 | 62 | 84 | 414 | 507 |
| Reimbursements/Other | - | - | - | - | - | - | - | - |
| Total Receipts | <u>90,099</u> | <u>1,100,653</u> | <u>27,406</u> | <u>205,304</u> | <u>55,955</u> | <u>57,494</u> | <u>2,832,194</u> | <u>191,779</u> |
| Disbursements: | | | | | | | | |
| Contractual Services | 575 | 475,554 | - | 7,972 | 129,264 | - | 20,445,188 | 20,000 |
| Capital Outlay | 154,821 | - | 74,349 | 39,936 | - | - | - | 82,218 |
| TIF Termination Payment | - | - | - | - | - | - | - | - |
| Tax Rebates | - | - | - | - | - | - | 665,460 | - |
| Principal | - | - | - | - | - | - | - | 52,645 |
| Interest and Fiscal Charges | - | 297,560 | - | - | - | - | - | 200,000 |
| Total Disbursements | <u>155,396</u> | <u>773,114</u> | <u>74,349</u> | <u>47,908</u> | <u>129,264</u> | <u>-</u> | <u>1,848,059</u> | <u>-</u> |
| Excess of Receipts Over (Under) Disbursements | <u>(65,297)</u> | <u>327,539</u> | <u>(46,943)</u> | <u>157,396</u> | <u>(73,309)</u> | <u>57,494</u> | <u>(20,126,513)</u> | <u>(163,084)</u> |
| Other Financing Sources (Uses) | | | | | | | | |
| Proceeds of Debt | - | - | - | - | - | - | 23,410,000 | - |
| Operating Transfers In | - | - | - | - | - | - | - | 200,000 |
| Operating Transfers Out | - | (600,000) | (50,000) | (200,000) | - | (9,391) | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(600,000)</u> | <u>(50,000)</u> | <u>(200,000)</u> | <u>-</u> | <u>(9,391)</u> | <u>23,410,000</u> | <u>200,000</u> |
| Excess of Receipts and Other Financing Sources Over (Under) Disbursements and Financing Uses | <u>(65,297)</u> | <u>(272,461)</u> | <u>(96,943)</u> | <u>(42,604)</u> | <u>(73,309)</u> | <u>48,103</u> | <u>3,283,487</u> | <u>36,916</u> |
| Fund Balance, Beginning of Year | 313,156 | 928,841 | 164,930 | 147,127 | 113,728 | 64,516 | 1,589 | 27,232 |
| Fund Balance, End of Year | <u>\$ 247,859</u> | <u>\$ 656,380</u> | <u>\$ 67,987</u> | <u>\$ 104,523</u> | <u>\$ 40,419</u> | <u>\$ 112,619</u> | <u>\$ 3,285,076</u> | <u>\$ 64,148</u> |

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCE ARISING FROM CASH TRANSACTIONS -
ALL TAX INCREMENT FINANCING DISTRICTS
FOR THE YEAR ENDED APRIL 30, 2012

| | Tax Increment Financing | | | | | Debt Service Fund | Total |
|----------------------------------------------------------------------------------------------|-------------------------|------------------|---------------------|------------------|---------------|-------------------|----------------------|
| | District #17 | District #18 | Parkway | District #20 | District #21 | | |
| Receipts: | | | | | | | |
| Property Taxes | \$ 67,056 | \$ 42,964 | \$ 1,054,105 | \$ 44,354 | \$ 32 | \$ - | \$ 17,575,399 |
| Intergovernmental | - | - | 1,164,874 | - | - | - | 2,931,192 |
| Interest | 216 | 19 | 434 | 11 | - | 967 | 16,254 |
| Reimbursements/Other | - | - | - | 20,000 | - | - | 94,395 |
| Total Receipts | <u>67,272</u> | <u>42,983</u> | <u>2,219,413</u> | <u>64,365</u> | <u>32</u> | <u>967</u> | <u>20,617,240</u> |
| Disbursements: | | | | | | | |
| Contractual Services | 9,155 | 27,827 | - | - | - | - | 21,614,298 |
| Capital Outlay | 9,891 | - | - | - | - | - | 5,138,627 |
| TIF Termination Payment | - | - | - | - | - | - | 797,108 |
| Tax Rebates | - | - | 527,052 | 22,177 | - | - | 7,126,336 |
| Principal | - | - | - | - | - | - | 220,000 |
| Interest and Fiscal Charges | - | - | 1,394,658 | - | - | 247,699 | 1,487,638 |
| Total Disbursements | <u>19,046</u> | <u>27,827</u> | <u>1,921,710</u> | <u>22,177</u> | <u>-</u> | <u>467,699</u> | <u>3,821,991</u> |
| Excess of Receipts Over (Under) Disbursements | <u>48,226</u> | <u>15,156</u> | <u>297,703</u> | <u>42,188</u> | <u>32</u> | <u>(466,732)</u> | <u>(19,368,758)</u> |
| Other Financing Sources (Uses) | | | | | | | |
| Proceeds of Debt | - | - | - | - | - | - | 23,410,000 |
| Operating Transfers In | - | - | - | - | - | 263,800 | 1,098,800 |
| Operating Transfers Out | - | - | - | - | - | - | (3,380,373) |
| Total Other Financing Sources (Uses) | - | - | - | - | - | - | 21,128,427 |
| Excess of Receipts and Other Financing Sources Over (Under) Disbursements and Financing Uses | <u>48,226</u> | <u>15,156</u> | <u>297,703</u> | <u>42,188</u> | <u>32</u> | <u>(202,932)</u> | <u>1,759,669</u> |
| Fund Balance, Beginning of Year | <u>190,540</u> | <u>9,828</u> | <u>2,066,518</u> | <u>(22,502)</u> | <u>93</u> | <u>948,131</u> | <u>16,404,542</u> |
| Fund Balance, End of Year | <u>\$ 238,766</u> | <u>\$ 24,984</u> | <u>\$ 2,364,221</u> | <u>\$ 19,686</u> | <u>\$ 125</u> | <u>\$ 745,199</u> | <u>\$ 18,164,211</u> |

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Special Revenue Funds are used to account for the financing of public improvements or services deemed to benefit properties within a specific area. The City established the Tax Increment Financing Districts in the fiscal years ended April 30 as follows:

| | |
|--------------------------------------|------|
| Districts #1 and #2 | 1984 |
| Districts #3 and #4 | 1986 |
| Districts #5, #6 and #7 | 1987 |
| Sales Tax District | 1992 |
| Districts #8, #9, #10 and #11 | 2000 |
| District #12 | 2003 |
| District #13 | 2004 |
| District #14 | 2006 |
| Districts #15, #16, #17, #18 and #19 | 2008 |
| District #20 | 2009 |
| District #21 | 2010 |

The statements reflect the modified cash basis of accounting. Accordingly, revenue is recognized when cash is received and expenditures are recognized when paid.

The accompanying financial statements were prepared for the Tax Increment Financing Districts only, to reflect their cash balances as of April 30, 2012 and revenues received and expenditures paid for the year then ended. These statements are not intended to present the financial position and results of operations of the entire City of Belleville, Illinois as of April 30, 2012.

NOTE 2: CASH

The City is authorized by state statute to invest in: obligations of the United States of America; interest bearing accounts of banks; savings and loan associations or credit unions which are insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund or other applicable law, respectively; certain short-term obligations of corporations

CITY OF BELLEVILLE, ILLINOIS TAX INCREMENT FINANCING DISTRICTS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

organized in the United States; money market mutual funds; and in a fund managed, operated and administered by a bank.

The carrying amounts and the bank balances of the Tax Increment Financing Districts' deposits were \$17,279,930, and are entirely insured or collateralized by securities held by the City's agent in the City's name.

NOTE 3: LONG-TERM DEBT

Outstanding bonds payable and notes payable for the Tax Increment Financing Districts are presented in the City's combined financial statements.

The following is a summary of Tax Increment Financing bonds outstanding for the year ended April 30, 2012:

General Obligation Refunding Bonds, Series 2003C dated September 1, 2003, interest ranging from 3.80% to 4.00% payable June 1 and December 1, with principal payments of \$225,000 to \$235,000 due on December 1 through 2013. The balance due on these bonds as of April 30, 2012 is \$460,000.

Tax Increment Refunding Revenue Bonds, Series 2007A Bonds, dated September 28, 2007, interest ranging from 5.00% to 5.70% payable May 1 and November 1, with principal payments of \$5,000 through \$1,955,000 due on May 1 and November 1 through 2024. The balance due on these bonds as of April 30, 2012 is \$15,950,000.

Taxable Business District Revenue Bonds, Series 2007B Bonds, dated September 28, 2007, interest at 7.875% payable May 1 and November 1, with principal payments of \$165,000 to \$790,000 due on May 1 and November 1 through 2021. The balance due on these bonds as of April 30, 2012 is \$6,560,000.

General Obligation Bonds, Series 2011, dated February 7, 2011, interest ranging from 5.00% to 5.25% payable January 1 and July 1, with principal payments of \$905,000 to \$1,100,000 beginning in January 2027 through 2031. The balance due on these bonds as of April 30, 2012 is \$5,000,000.

Local Government Program Revenue Bonds, Series 2011A, dated October 27, 2011, interest ranging from 6.00% to 7.00% payable January 1 and July 1, with principal payments of \$95,000 to \$2,025,000 due on January 1 and July 1 through 2027. The balance due on these bonds as of April 30, 2012 is \$16,150,000.

CITY OF BELLEVILLE, ILLINOIS TAX INCREMENT FINANCING DISTRICTS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3: LONG-TERM DEBT (Continued)

Local Government Program Revenue Bonds, Series 2011B, dated October 27, 2011, interest at 8.75% payable January 1 and July 1, with principal payments of \$49,929 to \$266,277 due on January 1 beginning in 2019 through 2026. The balance due on these bonds as of April 30, 2012 is \$1,560,000.

Local Government Program Revenue Bonds, Series 2011C, dated October 27, 2011, interest ranging from 7.125% to 9.25% payable January 1 and July 1, with principal payments of \$120,000 to \$845,000 due on January 1 and July 1 through 2022. The balance due on these bonds as of April 30, 2012 is \$5,700,000.

The following is a summary of Tax Increment Financing notes and leases outstanding for the year ended April 30, 2012:

General Obligation (Limited Tax) Notes, dated September 12, 2008, variable rate interest of 63.169% of 30-day LIBOR plus 75.6 basis points payable March 1 and September 1, with a single principal payment on August 1, 2013. The balance due on this note as of April 30, 2012 is \$1,800,000.

Capital Lease dated March 4, 2011, interest rate of 3.25 percent payable in six semiannual installments of \$44,241 through November 1, 2013. The balance due on this lease as of April 30, 2012 is \$128,524.

Note Payable, dated November 3, 2009, zero interest rate payable in four annual installments of \$200,000 through November 1, 2013. The balance due on this note as of April 30, 2012 is \$400,000.

The annual requirements to amortize Tax Increment Financing related debt as of April 30, 2012 are as follows:

| <u>April 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Totals</u> |
|------------------|----------------------|----------------------|----------------------|
| 2013 | \$ 1,819,991 | \$ 3,386,133 | \$ 5,206,124 |
| 2014 | 4,123,534 | 2,999,976 | 7,123,510 |
| 2015 | 2,090,000 | 2,940,421 | 5,030,421 |
| 2016 | 2,340,000 | 2,893,081 | 5,233,081 |
| 2017 | 2,570,000 | 2,826,431 | 5,396,431 |
| 2018-2022 | 19,233,396 | 10,535,576 | 29,768,972 |
| 2023-2027 | 17,436,603 | 4,116,221 | 21,552,824 |
| 2028-2031 | 4,095,000 | 538,650 | 4,633,650 |
| | <u>\$ 53,708,524</u> | <u>\$ 30,236,489</u> | <u>\$ 83,945,013</u> |

CITY OF BELLEVILLE, ILLINOIS TAX INCREMENT FINANCING DISTRICTS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 4: REDEVELOPMENT AGREEMENT

The City entered into a redevelopment agreement to develop an area within a tax increment financing boundary by which the developer would incur reimbursable costs which would be submitted for payment through Tax Increment Finance Notes. The debt would then be retired with tax revenues generated from the increase in values of the developed properties. The notes are payable solely from the new revenues and do not constitute a debt of the City.

The City made payments to reduce the principal amount of the Tax Increment Financing notes for the Reunion Development Project agreement by \$471,944 during the year ended April 30, 2012. These payments are being reported as development expense in the financial statements. The note balances related to this project in the total amount of \$18,636,929 are still outstanding and not reflected in the debt of the City as of April 30, 2012.

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF SPECIAL ALLOCATION FUNDS
FOR THE YEAR ENDED APRIL 30, 2012

| | Tax Increment Financing | | | | | | | | | | | |
|-----------------------------------------------|-------------------------|-------------|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------|--------------|--------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | District #8 | District #9 | District #10 | District #11 | District #12 |
| Beginning Balance - Adjusted | \$ 58,620 | \$ 46,525 | \$ 7,682,243 | \$ 20,817 | \$ 498,238 | \$ 123,114 | \$ 6,010 | \$ 338,061 | \$ 313,156 | \$ 928,841 | \$ 164,930 | \$ 147,127 |
| Receipts: | | | | | | | | | | | | |
| Property Taxes | 47,781 | 73,315 | 9,712,506 | 5,905 | 256,534 | 56,064 | - | 164,245 | 89,813 | 1,099,291 | 27,292 | 205,102 |
| Local Sales Tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | 77 | 58 | 8,189 | 22 | 335 | 67 | 4 | 321 | 286 | 1,362 | 114 | 202 |
| Reimbursements/Other | - | - | 331,637 | - | - | - | - | - | - | - | - | - |
| Total Receipts | 47,858 | 73,373 | 10,052,332 | 5,927 | 256,869 | 56,131 | 4 | 164,566 | 90,099 | 1,100,653 | 27,406 | 205,304 |
| Disbursements: | | | | | | | | | | | | |
| Professional Fees/Plan | | | | | | | | | | | | |
| Administration/Development | 3,076 | 433 | 415,206 | - | 2,368 | - | - | 576 | 575 | 475,554 | - | 7,972 |
| Financing Costs | - | - | 1,101,653 | - | - | - | - | - | - | 297,560 | - | - |
| Capital Costs | - | 5,000 | 4,628,874 | - | - | - | - | 32,560 | 154,821 | - | 74,349 | 39,936 |
| Tax Rebates | - | 30,000 | 4,498,374 | - | 752,739 | 104,245 | 6,014 | - | - | - | - | - |
| Total Disbursements | 3,076 | 35,433 | 10,644,107 | - | 755,107 | 104,245 | 6,014 | 33,136 | 155,396 | 773,114 | 74,349 | 47,908 |
| Other Financing Sources (Uses) | | | | | | | | | | | | |
| Proceeds From Debt | - | - | - | - | - | - | - | - | - | - | - | - |
| Operating Transfer In | - | - | 635,000 | - | - | - | - | - | - | - | - | - |
| Operating Transfer Out | (50,000) | (50,000) | (1,525,982) | (10,000) | - | (75,000) | - | (300,000) | - | (600,000) | (50,000) | (200,000) |
| Total Other Financing Sources (Uses) | (50,000) | (50,000) | (890,982) | (10,000) | - | (75,000) | - | (300,000) | - | (600,000) | (50,000) | (200,000) |
| Excess of Receipts Over (Under) Disbursements | (5,218) | (12,060) | (1,482,757) | (4,073) | (498,238) | (123,114) | (6,010) | (168,570) | (65,297) | (272,461) | (96,943) | (42,604) |
| Ending Fund Balance (Deficit) - Unadjusted | 53,402 | 34,465 | 6,199,486 | 16,744 | - | - | - | 169,491 | 247,859 | 656,380 | 67,987 | 104,523 |
| Less: Appropriated for Debt Service | - | - | (11,045,686) | - | - | - | - | - | - | (18,636,929) | - | - |
| Ending Fund Balance (Deficit) - Adjusted | \$ 53,402 | \$ 34,465 | \$ (4,846,200) | \$ 16,744 | \$ - | \$ - | \$ - | \$ 169,491 | \$ 247,859 | \$ (17,980,549) | \$ 67,987 | \$ 104,523 |
| Property Tax | \$ 52,528 | \$ 34,465 | \$ - | \$ 16,744 | \$ - | \$ - | \$ - | \$ 169,491 | \$ 247,859 | \$ - | \$ 67,987 | \$ 104,523 |
| State Sales Tax | \$ 158 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Local Sales Tax | \$ 716 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF SPECIAL ALLOCATION FUNDS
FOR THE YEAR ENDED APRIL 30, 2012

| | Tax Increment Financing | | | | | | | | | | Sales Tax District | Total |
|-----------------------------------------------|-------------------------|--------------|------------------------|--------------|--------------|--------------|------------------------|--------------|--------------|--------------|--------------------|-------|
| | District #13 | District #14 | Carlyle/ Greenmount | District #16 | District #17 | District #18 | Frank Scott Parkway | District #20 | District #21 | District #21 | | |
| Beginning Balance - Adjusted | \$ 113,728 | \$ 64,516 | \$ 1,589 | \$ 27,232 | \$ 190,540 | \$ 9,828 | \$ 2,066,518 | \$ (22,502) | \$ 93 | \$ 3,625,318 | \$ 16,404,542 | |
| Receipts: | | | | | | | | | | | | |
| Property Taxes | 55,893 | 57,410 | 1,330,919 | 191,272 | 67,056 | 42,964 | 1,054,105 | 44,354 | 32 | 2,993,546 | 17,575,399 | |
| Local Sales Tax | - | - | 1,500,861 | - | - | - | 1,164,874 | - | - | - | 2,665,735 | |
| Interest | 62 | 84 | 414 | 507 | 216 | 19 | 434 | 11 | - | 3,470 | 16,254 | |
| Reimbursements/Other | - | - | - | - | - | - | - | 20,000 | - | 8,215 | 359,852 | |
| Total Receipts | 55,955 | 57,494 | 2,832,194 | 191,779 | 67,272 | 42,983 | 2,219,413 | 64,365 | 32 | 3,005,231 | 20,617,240 | |
| Disbursements: | | | | | | | | | | | | |
| Professional Fees/Plan | | | | | | | | | | | | |
| Administration/Development | 129,264 | - | 20,445,188 | 20,000 | 9,155 | 27,827 | - | - | - | 77,104 | 21,614,298 | |
| Financing Costs | - | - | 1,848,059 | 200,000 | - | - | 1,394,658 | - | - | 467,699 | 5,309,629 | |
| Capital Costs | - | - | 82,218 | 82,218 | 9,891 | - | - | - | - | 110,978 | 5,138,627 | |
| Tax Rebates | - | - | 665,460 | 52,645 | - | - | 527,052 | 22,177 | - | 1,264,738 | 7,923,444 | |
| Total Disbursements | 129,264 | - | 22,958,707 | 354,863 | 19,046 | 27,827 | 1,921,710 | 22,177 | - | 1,920,519 | 39,985,998 | |
| Other Financing Sources (Uses) | | | | | | | | | | | | |
| Proceeds From Debt | - | - | 23,410,000 | - | - | - | - | - | - | - | 23,410,000 | |
| Operating Transfer In | - | - | - | 200,000 | - | - | - | - | - | - | 1,098,800 | |
| Operating Transfer Out | - | (9,391) | - | - | - | - | - | - | - | (510,000) | (3,380,373) | |
| Total Other Financing Sources (Uses) | - | (9,391) | 23,410,000 | 200,000 | - | - | - | - | - | (246,200) | 21,128,427 | |
| Excess of Receipts Over (Under) Disbursements | (73,309) | 48,103 | 3,283,487 | 36,916 | 48,226 | 15,156 | 297,703 | 42,188 | 32 | 838,512 | 1,759,669 | |
| Ending Fund Balance (Deficit) - Unadjusted | 40,419 | 112,619 | 3,285,076 | 64,148 | 238,766 | 24,984 | 2,364,221 | 19,686 | 125 | 4,463,830 | 18,164,211 | |
| Less: Appropriated for Debt Service | - | (336,443) | (39,599,317) | (400,000) | - | - | (32,132,906) | - | - | (487,350) | (102,638,631) | |
| Ending Fund Balance (Deficit) - Adjusted | \$ 40,419 | \$ (223,824) | \$ (36,314,241) | \$ (335,852) | \$ 238,766 | \$ 24,984 | \$ (29,768,685) | \$ 19,686 | \$ 125 | \$ 3,976,480 | (84,474,420) | |
| Property Tax | \$ 40,419 | \$ - | \$ - | \$ - | \$ 238,766 | \$ 24,984 | \$ - | \$ 19,686 | \$ 125 | \$ 3,931,391 | \$ 4,948,968 | |
| State Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 34,544 | \$ 34,702 | |
| Local Sales Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 10,545 | \$ 11,261 | |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
 (UNAUDITED)
 APRIL 30, 2009

| | | Tax Increment Financing | | | | | | | | | |
|-------------------------------------|--|-------------------------|-------------------|------------------|------------------|-------------------|-------------------|------------------|-------------------|---------------------|-------------------|
| | | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | District #8 | District #9 | District #10 |
| Ending Fund Balance (Deficit) - | | | | | | | | | | | |
| Unadjusted | | \$ 120,057 | \$ 121,696 | \$ 3,465,575 | \$ 10,378 | \$ 331,260 | \$ 152,539 | \$ 6,239 | \$ 300,915 | \$ 226,784 | \$ 584,211 |
| Less: Appropriated for Debt Service | | - | - | (5,435,000) | - | - | - | - | - | - | - |
| Ending Fund Balance (Deficit) - | | | | | | | | | | | |
| Adjusted | | \$ 120,057 | \$ 121,696 | \$ (1,969,425) | \$ 10,378 | \$ 331,260 | \$ 152,539 | \$ 6,239 | \$ 300,915 | \$ 226,784 | \$ 584,211 |
| Property Tax | | \$ 115,827 | \$ 121,696 | \$ - | \$ 10,378 | \$ 331,260 | \$ 152,539 | \$ 6,239 | \$ 300,915 | \$ 226,784 | \$ 584,211 |
| Local Sales Tax | | 763 | - | - | - | - | - | - | - | - | - |
| State Sales Tax | | 3,467 | - | - | - | - | - | - | - | - | - |
| | | <u>\$ 120,057</u> | <u>\$ 121,696</u> | <u>\$ -</u> | <u>\$ 10,378</u> | <u>\$ 331,260</u> | <u>\$ 152,539</u> | <u>\$ 6,239</u> | <u>\$ 300,915</u> | <u>\$ 226,784</u> | <u>\$ 584,211</u> |
| | | | | | | | | | | | |
| Ending Fund Balance (Deficit) - | | | | | | | | | | | |
| Unadjusted | | \$ 107,141 | \$ 352,630 | \$ 41,870 | \$ 40,435 | \$ 396 | \$ 174,088 | \$ 90,240 | \$ 3,702,661 | \$ 4,052,965 | |
| Less: Appropriated for Debt Service | | - | - | - | - | - | - | - | (36,624,781) | (1,230,665) | |
| Ending Fund Balance (Deficit) - | | | | | | | | | | | |
| Adjusted | | \$ 107,141 | \$ 352,630 | \$ 41,870 | \$ 40,435 | \$ 396 | \$ 174,088 | \$ 90,240 | \$ (32,922,120) | \$ 2,822,300 | |
| Property Tax | | \$ 107,141 | \$ 352,630 | \$ 41,870 | \$ 40,435 | \$ 54 | \$ 174,088 | \$ 90,240 | \$ - | \$ 2,687,431 | |
| Local Sales Tax | | - | - | - | - | - | - | - | - | 103,327 | |
| State Sales Tax | | - | - | - | - | 342 | - | - | - | 31,542 | |
| | | <u>\$ 107,141</u> | <u>\$ 352,630</u> | <u>\$ 41,870</u> | <u>\$ 40,435</u> | <u>\$ 396</u> | <u>\$ 174,088</u> | <u>\$ 90,240</u> | <u>\$ -</u> | <u>\$ 2,822,300</u> | |

| | Carlyle/ Greenmount | District #14 | District #13 | District #12 | District #11 | Frank Scott Parkway | Sales Tax District |
|-------------------------------------|------------------------|------------------|------------------|-------------------|-------------------|------------------------|-----------------------|
| Ending Fund Balance (Deficit) - | | | | | | | |
| Unadjusted | | \$ 40,435 | \$ 41,870 | \$ 352,630 | \$ 107,141 | \$ 3,702,661 | \$ 4,052,965 |
| Less: Appropriated for Debt Service | | - | - | - | - | (36,624,781) | (1,230,665) |
| Ending Fund Balance (Deficit) - | | | | | | | |
| Adjusted | | \$ 40,435 | \$ 41,870 | \$ 352,630 | \$ 107,141 | \$ (32,922,120) | \$ 2,822,300 |
| Property Tax | | \$ 40,435 | \$ 41,870 | \$ 352,630 | \$ 107,141 | \$ - | \$ 2,687,431 |
| Local Sales Tax | | - | - | - | - | - | 103,327 |
| State Sales Tax | | - | - | - | - | - | 31,542 |
| | | <u>\$ 40,435</u> | <u>\$ 41,870</u> | <u>\$ 352,630</u> | <u>\$ 107,141</u> | <u>\$ -</u> | <u>\$ 2,822,300</u> |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
 (UNAUDITED)
 APRIL 30, 2008

| | Tax Increment Financing | | | | | | | | | |
|--------------------------------------------|-------------------------|-------------|--------------|-------------|-------------|-------------|-------------|-----------------|--------------|--------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | District #8 | District #9 | District #10 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 99,818 | \$ 101,072 | \$ 5,962,415 | \$ 25,162 | \$ 395,993 | \$ 240,108 | \$ 6,170 | \$ 277,323 | \$ 160,141 | \$ 254,333 |
| Less: Appropriated for Debt Service | - | - | (1,097,700) | - | - | - | - | - | - | - |
| Ending Fund Balance (Deficit) - Adjusted | \$ 99,818 | \$ 101,072 | \$ 4,864,715 | \$ 25,162 | \$ 395,993 | \$ 240,108 | \$ 6,170 | \$ 277,323 | \$ 160,141 | \$ 254,333 |
| Property Tax | \$ 95,563 | \$ 101,072 | \$ 4,864,715 | \$ 25,162 | \$ 395,993 | \$ 240,108 | \$ 6,170 | \$ 277,323 | \$ 160,141 | \$ 254,333 |
| Local Sales Tax | 768 | - | - | - | - | - | - | - | - | - |
| State Sales Tax | 3,487 | - | - | - | - | - | - | - | - | - |
| | \$ 99,818 | \$ 101,072 | \$ 4,864,715 | \$ 25,162 | \$ 395,993 | \$ 240,108 | \$ 6,170 | \$ 277,323 | \$ 160,141 | \$ 254,333 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 81,626 | \$ 225,775 | \$ 5,784 | \$ 25,134 | \$ 75,785 | \$ 71,683 | \$ 21,945 | \$ 4,297,598 | \$ 3,314,626 | |
| Less: Appropriated for Debt Service | - | - | - | - | - | - | - | (38,160,191) | (1,480,573) | |
| Ending Fund Balance (Deficit) - Adjusted | \$ 81,626 | \$ 225,775 | \$ 5,784 | \$ 25,134 | \$ 75,785 | \$ 71,683 | \$ 21,945 | \$ (33,862,593) | \$ 1,834,053 | |
| Property Tax | \$ 81,626 | \$ 225,775 | \$ 5,784 | \$ 25,134 | \$ - | \$ 71,683 | \$ 21,945 | \$ - | \$ 1,677,904 | |
| Local Sales Tax | - | - | - | - | - | - | - | - | 101,925 | |
| State Sales Tax | - | - | - | - | 75,785 | - | - | - | 54,224 | |
| | \$ 81,626 | \$ 225,775 | \$ 5,784 | \$ 25,134 | \$ 75,785 | \$ 71,683 | \$ 21,945 | \$ - | \$ 1,834,053 | |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
(UNAUDITED)
APRIL 30, 2007

| | Tax Increment Financing | | | | | | | |
|--------------------------------------------|-------------------------|-------------|--------------|-------------|-------------|-------------|--------------|-------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | District #8 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 157,849 | \$ 271,082 | \$ 6,013,870 | \$ 19,563 | \$ 389,107 | \$ 174,220 | \$ 5,894 | \$ 166,110 |
| Less: Appropriated for Debt Service | - | (112,255) | (1,640,773) | - | - | - | - | - |
| Ending Fund Balance (Deficit) - Adjusted | \$ 157,849 | \$ 158,827 | \$ 4,373,097 | \$ 19,563 | \$ 389,107 | \$ 174,220 | \$ 5,894 | \$ 166,110 |
| Property Tax | \$ 149,498 | \$ 158,827 | \$ 4,373,097 | \$ 19,563 | \$ 389,107 | \$ 174,220 | \$ 5,894 | \$ 166,110 |
| Local Sales Tax | 1,507 | - | - | - | - | - | - | - |
| State Sales Tax | 6,844 | - | - | - | - | - | - | - |
| | \$ 157,849 | \$ 158,827 | \$ 4,373,097 | \$ 19,563 | \$ 389,107 | \$ 174,220 | \$ 5,894 | \$ 166,110 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 102,319 | \$ 56,345 | \$ 55,107 | \$ 94,762 | \$ 7,777 | \$ 12,860 | \$ 2,514,848 | |
| Less: Appropriated for Debt Service | - | - | - | - | - | - | (1,725,062) | |
| Ending Fund Balance (Deficit) - Adjusted | \$ 102,319 | \$ 56,345 | \$ 55,107 | \$ 94,762 | \$ 7,777 | \$ 12,860 | \$ 789,786 | |
| Property Tax | \$ 102,319 | \$ 56,345 | \$ 55,107 | \$ 94,762 | \$ 7,777 | \$ 12,860 | \$ 717,970 | |
| Local Sales Tax | - | - | - | - | - | - | 48,402 | |
| State Sales Tax | - | - | - | - | - | - | 23,414 | |
| | \$ 102,319 | \$ 56,345 | \$ 55,107 | \$ 94,762 | \$ 7,777 | \$ 12,860 | \$ 789,786 | |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
 (UNAUDITED)
 APRIL 30, 2006

| | Tax Increment Financing | | | | | | | | | | | | | | | |
|--------------------------------------------|-------------------------|----------------|----------------|--------------|-------------|-------------|----------------|-------------|--|-------------|--------------|--------------|--------------|--------------|--------------|--------------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | District #8 | | District #9 | District #10 | District #11 | District #12 | District #13 | District #14 | Sales Tax District |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 224,884 | \$ (1,106,435) | \$ 333,637 | \$ (114,031) | \$ 184,699 | \$ 167,557 | \$ 5,599 | \$ 61,646 | | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,450 | \$ (1,234,806) |
| Less: Appropriated for Debt Service | - | (216,360) | (2,188,095) | - | - | - | - | - | | - | - | - | - | - | - | (1,973,258) |
| Ending Fund Balance (Deficit) - Adjusted | \$ 224,884 | \$ (1,322,795) | \$ (1,854,458) | \$ (114,031) | \$ 184,699 | \$ 167,557 | \$ 5,599 | \$ 61,646 | | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,450 | \$ (3,208,064) |
| Property Tax | \$ 216,533 | \$ - | \$ - | \$ - | \$ 184,699 | \$ 167,557 | \$ 5,599 | \$ 61,646 | | \$ 61,736 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Local Sales Tax | 1,507 | - | - | - | - | - | - | - | | - | - | - | - | - | - | - |
| State Sales Tax | 6,844 | - | - | - | - | - | - | - | | - | - | - | - | - | - | - |
| | \$ 224,884 | \$ - | \$ - | \$ - | \$ 184,699 | \$ 167,557 | \$ 5,599 | \$ 61,646 | | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,540 | \$ - |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,450 | \$ (1,234,806) | | | \$ 61,736 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Less: Appropriated for Debt Service | - | - | - | - | - | - | (1,973,258) | | | - | - | - | - | - | - | - |
| Ending Fund Balance (Deficit) - Adjusted | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,450 | \$ (3,208,064) | | | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,540 | \$ - |
| Property Tax | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,540 | \$ - | | | \$ 61,736 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Local Sales Tax | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - |
| State Sales Tax | - | - | - | - | - | - | - | | | - | - | - | - | - | - | - |
| | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,540 | \$ - | | | \$ 61,736 | \$ 24,035 | \$ 46,315 | \$ 86,824 | \$ 16,694 | \$ 2,540 | \$ - |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
(UNAUDITED)
APRIL 30, 2005

| | Tax Increment Financing | | | | | | |
|--------------------------------------------|-------------------------|----------------|----------------|--------------|-------------|-------------|----------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 186,942 | \$ (1,029,254) | \$ (907,252) | \$ (118,283) | \$ 66,796 | \$ 465,595 | \$ 5,390 |
| Less: Appropriated for Debt Service | - | (321,965) | (1,696,628) | - | - | - | - |
| Ending Fund Balance (Deficit) - Adjusted | \$ 186,942 | \$ (1,351,219) | \$ (2,603,880) | \$ (118,283) | \$ 66,796 | \$ 465,595 | \$ 5,390 |
| Property Tax | \$ 178,591 | - | - | - | \$ 66,796 | \$ 465,595 | \$ 5,390 |
| Local Sales Tax | 1,507 | - | - | - | - | - | - |
| State Sales Tax | 6,844 | - | - | - | - | - | - |
| \$ 186,942 | \$ - | \$ - | \$ - | \$ - | \$ 66,796 | \$ 465,595 | \$ 5,390 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 78,108 | \$ 43,348 | \$ 16,167 | \$ 39,733 | \$ 164,520 | \$ 22,873 | \$ (1,323,879) |
| Less: Appropriated for Debt Service | - | - | - | - | - | - | (738,540) |
| Ending Fund Balance (Deficit) - Adjusted | \$ 78,108 | \$ 43,348 | \$ 16,167 | \$ 39,733 | \$ 164,520 | \$ 22,873 | \$ (2,062,419) |
| Property Tax | \$ 78,108 | \$ 43,348 | \$ 16,167 | \$ 39,733 | \$ 164,520 | \$ 22,873 | \$ - |
| Local Sales Tax | - | - | - | - | - | - | - |
| State Sales Tax | - | - | - | - | - | - | - |
| \$ 78,108 | \$ 43,348 | \$ 16,167 | \$ 39,733 | \$ 164,520 | \$ 22,873 | \$ 22,873 | \$ - |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
 (UNAUDITED)
 APRIL 30, 2004

| | Tax Increment Financing | | | | | | | |
|--------------------------------------------|-------------------------|----------------|----------------|--------------|-------------|-------------|----------------|--|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 | |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 156,058 | \$ (988,793) | \$ (951,981) | \$ (121,675) | \$ 9,250 | \$ 419,968 | \$ 5,304 | |
| Less: Appropriated for Debt Service | - | (316,565) | (1,781,287) | - | - | - | - | |
| Ending Fund Balance (Deficit) - Adjusted | \$ 156,058 | \$ (1,305,358) | \$ (2,733,268) | \$ (121,675) | \$ 9,250 | \$ 419,968 | \$ 5,304 | |
| Property Tax | \$ 147,707 | - | \$ - | \$ - | \$ - | \$ 419,968 | \$ 5,304 | |
| Local Sales Tax | 1,507 | - | - | - | - | - | - | |
| State Sales Tax | 6,844 | - | - | - | - | - | - | |
| | \$ 156,058 | \$ - | \$ - | \$ - | \$ - | \$ 419,968 | \$ 5,304 | |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 67,641 | \$ 23,903 | \$ 10,866 | \$ 20,708 | \$ 97,388 | \$ 31 | \$ (1,175,332) | |
| Less: Appropriated for Debt Service | - | - | - | - | - | - | (746,344) | |
| Ending Fund Balance (Deficit) - Adjusted | \$ 67,641 | \$ 23,903 | \$ 10,866 | \$ 20,708 | \$ 97,388 | \$ 31 | \$ (1,921,676) | |
| Property Tax | \$ 67,641 | \$ 23,903 | \$ 10,866 | \$ 20,708 | \$ 97,388 | \$ 31 | \$ - | |
| Local Sales Tax | - | - | - | - | - | - | - | |
| State Sales Tax | - | - | - | - | - | - | - | |
| | \$ 67,641 | \$ 23,903 | \$ 10,866 | \$ 20,708 | \$ 97,388 | \$ 31 | \$ - | |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
 (UNAUDITED)
 APRIL 30, 2003

| | Tax Increment Financing | | | | | | |
|--------------------------------------------|-------------------------|----------------|----------------|--------------|-------------|----------------|-------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 129,512 | \$ (969,758) | \$ (851,989) | \$ (124,304) | \$ (52,872) | \$ 384,038 | \$ 5,362 |
| Less: Appropriated for Debt Service | - | (317,763) | (1,880,151) | - | - | - | - |
| Ending Fund Balance (Deficit) - Adjusted | \$ 129,512 | \$ (1,287,521) | \$ (2,732,140) | \$ (124,304) | \$ (52,872) | \$ 384,038 | \$ 5,362 |
| Property Tax | \$ 121,161 | \$ - | \$ - | \$ - | \$ - | \$ 384,038 | \$ 5,362 |
| Local Sales Tax | 1,507 | - | - | - | - | - | - |
| State Sales Tax | 6,844 | - | - | - | - | - | - |
| \$ 129,512 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 384,038 | \$ 5,362 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 29,849 | \$ 8,545 | \$ 7,360 | \$ 1,736 | \$ 84,697 | \$ (1,034,985) | |
| Less: Appropriated for Debt Service | - | - | - | - | - | (804,075) | |
| Ending Fund Balance (Deficit) - Adjusted | \$ 29,849 | \$ 8,545 | \$ 7,360 | \$ 1,736 | \$ 84,697 | \$ (1,839,060) | |
| Property Tax | \$ 29,849 | \$ 8,545 | \$ 7,360 | \$ 1,736 | \$ 84,697 | \$ - | |
| Local Sales Tax | - | - | - | - | - | - | |
| State Sales Tax | - | - | - | - | - | - | |
| \$ 29,849 | \$ 8,545 | \$ 7,360 | \$ 1,736 | \$ 84,697 | \$ - | \$ - | |

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
 (UNAUDITED)
 APRIL 30, 2002

| | Tax Increment Financing | | | | | | |
|--------------------------------------------|-------------------------|----------------|----------------|--------------|----------------|-------------|-------------|
| | District #1 | District #2 | District #3 | District #4 | District #5 | District #6 | District #7 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 95,348 | \$ (953,231) | \$ (1,439,942) | \$ (126,725) | \$ (75,343) | \$ 337,379 | \$ 5,395 |
| Less: Appropriated for Debt Service | - | (342,140) | (2,003,250) | - | - | - | - |
| Ending Fund Balance (Deficit) - Adjusted | \$ 95,348 | \$ (1,295,371) | \$ (3,443,192) | \$ (126,725) | \$ (75,343) | \$ 337,379 | \$ 5,395 |
| Property Tax | \$ 95,348 | - | - | - | - | \$ 337,379 | \$ 5,395 |
| Local Sales Tax | - | - | - | - | - | - | - |
| State Sales Tax | - | - | - | - | - | - | - |
| | \$ 95,348 | \$ - | \$ - | \$ - | \$ - | \$ 337,379 | \$ 5,395 |
| Ending Fund Balance (Deficit) - Unadjusted | \$ 34,168 | \$ 2,712 | \$ 4,857 | \$ 150 | \$ (1,099,387) | | |
| Less: Appropriated for Debt Service | - | - | - | - | (810,768) | | |
| Ending Fund Balance (Deficit) - Adjusted | \$ 34,168 | \$ 2,712 | \$ 4,857 | \$ 150 | \$ (1,910,155) | | |
| Property Tax | \$ 34,168 | \$ 2,712 | \$ 4,857 | \$ 150 | \$ - | | |
| Local Sales Tax | - | - | - | - | - | | |
| State Sales Tax | - | - | - | - | - | | |
| | \$ 34,168 | \$ 2,712 | \$ 4,857 | \$ 150 | \$ - | | |

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH LAWS AND REGULATIONS**

To the Honorable Mayor and
City Council of
City of Belleville, Illinois

We have audited the financial statements of City of Belleville, Illinois for the year ended April 30, 2012 and have issued our report thereon dated September 10, 2012. The financial statements are the responsibility of the management for City of Belleville, Illinois. Our responsibility is to express an opinion on the eligibility of expenditure for costs incurred incidental to the implementation of the redevelopment plan and redevelopment projects associated with the City of Belleville, Illinois' Tax Increment Financing District #1, Tax Increment Financing District #2, Tax Increment Financing District #3, Tax Increment Financing District #4, Tax Increment Financing District #5, Tax Increment Financing District #6, Tax Increment Financing District #7, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 Corridor, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Route 15/South Green Mount Road, Tax Increment Financing District #21 Belle Valley III, and the Sales Tax Increment Financing District pursuant to subsection (q) of Section 11-74.4-3 of the Tax Increment Allocation Redevelopment Act.

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

The management of the City of Belleville, 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 Belleville, 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 Belleville, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

C. Q. Schlem & Co., LLC.

Certified Public Accountants

September 10, 2012

PART II - ACTIVITIES

During its Fiscal Year ending April 30, 2012, the City of Belleville undertook or assisted in the following activities within its Tax Increment Financing Districts:

| | |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TIF #1 | No Material Activity. |
| TIF #2 | \$30,000 of tax incentive rebates were issued to a business. |
| TIF #3 | \$4,311,209 of tax incentive rebates were issued to school districts and \$187,165 of tax incentive rebates were issued to businesses. This District also completed several public works improvements as well as performed needed demolition activity. |
| TIF #4 | No Material Activity. |
| TIF #5 | Payments were made to terminate this TIF in this year. |
| TIF #6 | Payments were made to terminate this TIF in this year. |
| TIF #7 | Payments were made to terminate this TIF in this year. |
| TIF #8 | \$32,560 of expenses were incurred for sidewalk improvements. |
| TIF #9 | Engineering and consulting costs were incurred related to improvements. Work was also performed on a detention basin. |
| TIF #10 | \$769,504 was paid a developer to reimburse for costs incurred for improvements that are part of a developer agreement. |
| TIF #11 | \$74,349 of expenses were incurred for the Belle Valley lift station. |
| TIF #12 | This District incurred expense of \$39,936 for street improvements. |
| TIF #13 | This District incurred expense of \$129,264 for street improvements. |
| TIF #14 | No Material Activity. |
| TIF #15 | This District issued bonds of \$23,410,000 to pay off existing developer notes. The District also paid out tax incentive rebates of \$665,460 for costs incurred for improvements that are part of a developer agreement related to a retail complex located near Greenmount Road. |
| TIF #16 | \$52,645 of tax incentive rebates were issued to a business. |
| TIF #17 | No Material Activity. |
| TIF #18 | This District incurred demolition costs of \$27,827 in the current year. |
| TIF #19 | This District paid out tax incentive rebates of \$527,052 to a business as part of a developer agreement. |
| TIF #20 | \$22,177 of tax incentive rebates were issued a business. |
| TIF #21 | No Material Activity. |
| Sales Tax TIF | \$1,264,738 of tax incentive rebates were paid to school districts. \$110,978 was paid for equipment capital outlay projects. |

PART III - OBLIGATIONS

During the fiscal year ending April 30, 2012, the City of Belleville issued Series 2011A, Series 2011B and Series 2011C Local Government Program Revenue Bonds of \$23,410,000 through SWIDA. The proceeds were used to pay off existing TIF note obligations in the Carlyle/Greenmount TIF area. Further descriptions of outstanding debt and future debt service requirements are detailed in the Notes to Financial Statements.

ATTACHMENT L

(See certified letter statement in Audited Financial Statements at Attachment K)