

FIRST BUSEY CORP /NV/
Form 11-K
June 23, 2011
Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 20549

FORM 11-K

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the fiscal year ended December 31, 2010

OR

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: **0-15950 (First Busey Corporation)**
 33-30095 (First Busey Corporation Profit Sharing Plan and Trust)

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

First Busey Corporation Profit Sharing Plan and Trust

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

First Busey Corporation

100 W. University Avenue

Champaign, Illinois 61820

Table of Contents

FIRST BUSEY CORPORATION
PROFIT SHARING PLAN AND TRUST

FINANCIAL STATEMENTS

December 31, 2010 and 2009

Table of Contents

FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

Urbana, Illinois

FINANCIAL STATEMENTS

December 31, 2010 and 2009

CONTENTS

<u>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	1
FINANCIAL STATEMENTS	
<u>STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS</u>	2
<u>STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS</u>	3
<u>NOTES TO FINANCIAL STATEMENTS</u>	4
<u>SUPPLEMENTAL SCHEDULE</u>	
<u>SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)</u>	13

Table of Contents

Report of Independent Registered Public Accounting Firm

Employee Compensation and Benefits Committee

First Busey Corporation Profit Sharing Plan and Trust

Urbana, Illinois

We have audited the accompanying statements of net assets available for benefits of First Busey Corporation Profit Sharing Plan and Trust as of December 31, 2010 and 2009, and the related statement of changes in net assets available for benefits for the year ended December 31, 2010. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the Standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of First Busey Corporation Profit Sharing Plan and Trust as of December 31, 2010 and 2009, and the changes in net assets available for benefits for the year ended December 31, 2010 in conformity with United States generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects in relation to the basic financial statements taken as a whole.

/s/ Clifton Gunderson LLP
Peoria, Illinois
June 20, 2011

Table of Contents

FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2010 and 2009

	2010	2009
ASSETS		
Investments		
Participant directed investments	\$ 68,445,793	\$ 62,610,408
Money market account	52,043	71,154
ERISA fee reimbursement account	1	35,245
Total investments	68,497,837	62,716,807
Receivables		
Employers contributions	1,050,000	750,000
Notes receivable from participants	789,114	739,248
Total receivables	1,839,114	1,489,248
Other assets	47,034	47,034
Net assets reflecting all investments at fair value	70,383,985	64,253,089
Adjustment from fair value to contract value for fully benefit-responsive contracts	(136,897)	248,654
NET ASSETS AVAILABLE FOR BENEFITS	\$ 70,247,088	\$ 64,501,743

See accompanying notes to financial statements.

Table of Contents

FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2010

Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	\$ 5,703,900
Interest and dividends on investments	2,028,076
	7,731,976
Interest income from notes receivable from participants	27,560
Contributions:	
Employers	2,256,575
Participants	2,490,417
Participant rollovers	56,649
	4,803,641
Total additions	12,563,177
Deductions from net assets attributed to:	
Benefits paid to participants	6,788,113
Administrative expenses	29,719
Total deductions	6,817,832
Net increase	5,745,345
Net assets available for benefits	
Beginning of year	64,501,743
End of year	\$ 70,247,088

See accompanying notes to financial statements.

Table of Contents

FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 and 2009

NOTE 1 - PLAN DESCRIPTION

The following description of the First Busey Corporation Profit Sharing Plan and Trust (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan s provisions.

General: The Plan is a defined contribution plan covering substantially all employees of First Busey Corporation and its subsidiaries (the Employers). Employees are eligible at age 21 to make salary deferrals and receive matching contributions. Employees are eligible for the employer profit sharing contribution at age 21 and after completion of one year of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions: Each year, participants may contribute a percentage of their pretax annual compensation, as defined in the plan, subject to limitations of the Internal Revenue Code. Participants may also contribute amounts representing distributions from other qualified plans. Eligible participants may also make catch-up contributions to the Plan.

The Employers contributions to the Plan are determined annually by the Board of Directors. During 2010, the Employers will make matching contributions to the Plan equal to a percentage of the first 5% (100% on the first 3% and 50% on the next 2%) of total compensation that a participant contributes to the Plan. The Employers may also make profit sharing contributions as determined by the Board of Directors each year. Contributions are subject to certain limitations.

Participants direct the investment of the contributions into their account into the various investment options offered by the Plan, including First Busey Corporation common stock.

Participant Accounts: Each participant s account is credited with the participant s contributions and an allocation of the Employers contributions and the Plan s earnings and is charged with an allocation of administrative expenses. Allocations are based on participant earnings, participant contributions, or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant s vested account. Any discretionary employer matching contributions or profit sharing contributions will be allocated to the Plan in the following year, prior to the due date of the corporate tax return.

Vesting: Participants are immediately vested in their voluntary contributions, the Employers safe harbor matching contributions, and the respective plan earnings on those contributions.

Vesting in the Employers' profit sharing contributions portion of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service.

Table of Contents

FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 and 2009

NOTE 1 - PLAN DESCRIPTION (CONTINUED)

A participant is 100% vested upon reaching retirement age, death, or disability regardless of years of service.

Notes Receivable from Participants: Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less, from any source except profit sharing. The loans are secured by the balance in the participant's account and bear interest at the prime rate. Interest rates are fixed over the term of the loan. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits: Upon termination of service, a participant is entitled to receive an amount representing the vested interest in his or her account. Participants whose vested account balance is under \$5,000 are paid through a lump sum. Participants whose vested account balance is over \$5,000 may elect to receive their payment either as a lump-sum amount or as installments over a period not longer than the life expectancy of the participant.

Forfeitures: The non-vested portion of terminated participants accounts plus earnings thereon are forfeited and reallocated to participant accounts. Forfeitures for nonvested account balances as of December 31, 2010 and 2009 were approximately \$51,000 and \$70,000, respectively.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan have been prepared using the accrual basis of accounting.

Fully benefit-responsive investment contracts held directly or indirectly by the Plan are to be presented at fair value. In addition, any material difference between the fair value of these investments and their contract value is to be presented as a separate adjustment line in the statement of net assets available for benefits, because contract value remains the relevant measurement attribute for that portion of net assets available for benefits attributable to fully benefit-responsive investment contracts. The net appreciation reported in the Plan's statement of changes in net assets available for benefits has not been impacted, as the amount reflects the contract value of fully benefit-responsive contracts held directly or indirectly by the Plan.

Table of Contents

FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 and 2009

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures, and actual results may differ from those estimates.

Investment Valuation and Income Recognition: The Plan's investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits: Benefits are recorded when paid.

Concentration: At December 31, 2010 and 2009, approximately 8% of the Plan's investment assets were invested in First Busey Corporation common stock.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Risks and Uncertainties: The Plan provides for various investment options. The underlying investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Change in Accounting Principles: The Plan adopted a new accounting standard, *Reporting Loans to Participants by Defined Contribution Pension Plans*, which provides clarification of how loans to participants should be classified and measured by defined contribution pension

Edgar Filing: FIRST BUSEY CORP /NV/ - Form 11-K

benefit plans. This guidance requires that loans to participants be reported as notes receivable from participants in the statement of net assets available for benefits and be measured at their unpaid principal balance plus any accrued but unpaid interest. The Plan adopted this standard in its December 31, 2010 financial statements and has reclassified participant loans from investments to notes receivable from participants as of December 31, 2009. The Plan also reclassified interest income from participant loans from investment income to interest income from notes receivable from participants for the year ended December 31, 2009. Net assets of the Plan were not affected by the adoption of this standard.

Table of Contents

FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 and 2009

NOTE 3 - INVESTMENTS

The following investments represent 5% or more of the Plan's net assets at December 31:

	2010	2009
Investments at fair value as determined by quoted market price		
First Busey Corporation Stock Fund	\$ 4,200,705	\$ 3,857,815
Shares of mutual funds:		
American Funds Growth Fund of America	9,704,515	9,793,806
American Funds Income Fund of America	5,716,287	5,574,062
Oppenheimer Small Cap Value Fund (Class A)	<5 percent	6,159,433
Schwab S&P 500 Index Fund	5,988,248	5,160,603
Thornburg International Fund (Class A)	8,475,279	7,049,405
PIMCO Total Return (Class D)	11,925,251	