

CITY OF JACKSONVILLE, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2022

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ILLINOIS SOCIETY OF CPA
AMERICAN INSTITUTE OF CPA**

Independent Auditor's Report

Honorable Mayor and Members
Of the City Council
City of Jacksonville, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Jacksonville, Illinois, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise City of Jacksonville, Illinois' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Jacksonville, Illinois, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Jacksonville, Illinois and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Jacksonville, Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Jacksonville, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Jacksonville, Illinois' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 70-75 and retirement fund historical data on pages 76-84 and related notes on pages 85-88 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Jacksonville, Illinois' basic financial statements. The combining nonmajor fund financial statements and combining fiduciary fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and combining fiduciary financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and combining fiduciary fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information. The other information comprises the schedule of equalized assessed valuations, tax rates, extensions and collections, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 10, 2023 on our consideration of City of Jacksonville, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Jacksonville, Illinois' internal control over financial reporting and compliance.

Zumbahlen, Eyth, Sawatt, Foote + Flynn Ltd.

Jacksonville, Illinois
July 10, 2023

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash	\$ 28,013,985	\$ 5,463,451	\$ 33,477,436
Investments	2,585,315		2,585,315
Receivables:			
Taxes	7,290,856		7,290,856
Accounts	1,291,615	1,400,554	2,692,169
Due from Other Governments	2,450,017	11,650	2,461,667
Inventory		36,049	36,049
Capital Assets not being Depreciated	2,217,059	2,179,468	4,396,527
Capital Assets (Net of Accumulated Depreciation)	22,681,094	62,860,421	85,541,515
Right-of-Use Assets (Net of Accumulated Amortization)	73,063		73,063
Other Assets		854	854
Internal Balances			-
Total Assets	<u>66,603,004</u>	<u>71,952,447</u>	<u>138,555,451</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	<u>18,387,732</u>	<u>2,696,750</u>	<u>21,084,482</u>
Total Deferred Outflows of Resources	<u>18,387,732</u>	<u>2,696,750</u>	<u>21,084,482</u>
Total Assets and Deferred Outflows of Resources	<u>84,990,736</u>	<u>74,649,197</u>	<u>159,639,933</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
LIABILITIES			
Accounts payable	363,262	617,384	980,646
Unearned revenue	2,575,908	468,351	3,044,259
Accrued salaries and wages	100,249	44,343	144,592
Long-term liabilities:			
Due within one year	22,450	1,596,450	1,618,900
Due in more than one year	310,381	24,640,113	24,950,494
Net Pension Liability	<u>36,642,145</u>	<u>446,363</u>	<u>37,088,508</u>
Total Liabilities	<u>40,014,395</u>	<u>27,813,004</u>	<u>67,827,399</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Leases	57,499		57,499
Deferred Inflows Related to Pensions	<u>15,586,408</u>	<u>1,580,222</u>	<u>17,166,630</u>
Total Deferred Inflows of Resources	<u>15,643,907</u>	<u>1,580,222</u>	<u>17,224,129</u>
Total Liabilities and Deferred Inflows of Resources	<u>55,658,302</u>	<u>29,393,226</u>	<u>85,051,528</u>
NET POSITION			
Net Investment in Capital Assets	24,843,416	38,853,895	63,697,311
Restricted for:			
Debt Service		176,147	176,147
Purpose of Grantors/Trustees	3,111,064		3,111,064
Economic Loan	664,388		664,388
Public Safety	225,382		225,382
Public Works/Transportation	2,191,210		2,191,210
Health and Welfare	20,000		20,000
Culture and Recreation	2,040,570		2,040,570
Construction of Capital Assets	636,223		636,223
Unrestricted (Deficit)	<u>(4,399,819)</u>	<u>6,225,929</u>	<u>1,826,110</u>
Total Net Position	<u>\$ 29,332,434</u>	<u>\$ 45,255,971</u>	<u>\$ 74,588,405</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
Governmental activities:			
General Control and Administration	\$ 3,792,123	\$ 611,013	\$ 8,272
Public Safety	11,656,121	393,596	214,683
Public Works/Transportation	3,085,195		1,305,141
Health and Welfare	625,822	187,438	
Culture and Recreation	2,569,188	445,258	44,228
Total Governmental Activities	<u>21,728,449</u>	<u>1,637,305</u>	<u>1,572,324</u>
Business-type activities:			
Water Sewer	8,987,272	9,431,977	
Golf	566,036	318,442	
Total Business-Type Activities	<u>9,553,308</u>	<u>9,750,419</u>	<u>-</u>
Total Primary Government	<u>\$ 31,281,757</u>	<u>\$ 11,387,724</u>	<u>\$ 1,572,324</u>
General Revenues			
Taxes			
Property Tax			
City Sales Tax			
Utility and Franchise Tax			
Hotel Tax			
Video Game Tax			
Intergovernmental			
Sales Tax			
Income Tax			
Replacement Tax			
Excise Tax			
Investment Income			
Gain on Sale of Assets			
Transfers			
Total General Revenues			
Change in Net Position			
Net Position-Beginning-RESTATED			
Net Position-Ending			

Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$	\$	\$	\$
	(3,172,838)		(3,172,838)
-	(11,047,842)		(11,047,842)
1,017,532	(762,522)		(762,522)
	(438,384)		(438,384)
	(2,079,702)		(2,079,702)
<u>1,017,532</u>	<u>(17,501,288)</u>		<u>(17,501,288)</u>
221,633		666,338	666,338
		(247,594)	(247,594)
<u>221,633</u>		<u>418,744</u>	<u>418,744</u>
<u>\$ 1,239,165</u>	<u>(17,501,288)</u>	<u>418,744</u>	<u>(17,082,544)</u>
	7,274,072		7,274,072
	2,539,538		2,539,538
	133,106		133,106
	272,681		272,681
	436,492		436,492
	5,141,447		5,141,447
	2,870,478		2,870,478
	1,284,702		1,284,702
	769,101		769,101
	(364,418)	44,560	(319,858)
	-		-
	(349,576)	349,576	-
	<u>20,007,623</u>	<u>394,136</u>	<u>20,401,759</u>
	2,506,335	812,880	3,319,215
	<u>26,826,099</u>	<u>44,443,091</u>	<u>71,269,190</u>
\$	<u>\$ 29,332,434</u>	<u>\$ 45,255,971</u>	<u>\$ 74,588,405</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2022

	General Fund	Capital Improvement Fund	Total NonMajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 15,952,678	\$ 3,338,110	\$ 8,007,475	\$ 27,298,263
Investments			2,585,315	2,585,315
Taxes Receivable	4,372,538		2,918,318	7,290,856
Intergovernmental Receivables	2,357,076	22,379	70,562	2,450,017
Other Receivables	678,611		516,154	1,194,765
Due from Other Funds	-	-	36,224	36,224
Total Assets	\$ <u>23,360,903</u>	\$ <u>3,360,489</u>	\$ <u>14,134,048</u>	\$ <u>40,855,440</u>
LIABILITIES				
Accounts Payable	\$ 133,965	\$ -	\$ 67,411	\$ 201,376
Accrued Salaries	97,720		2,529	100,249
Due to Other Funds	21,393	14,831	-	36,224
Unearned Revenue	78,697	2,339,812		2,418,509
Total Liabilities	<u>331,775</u>	<u>2,354,643</u>	<u>69,940</u>	<u>2,756,358</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Leases	57,499			57,499
Unavailable Property Taxes	4,372,538		2,901,183	7,273,721
Total Deferred Inflows of Resources	<u>4,430,037</u>	<u>-</u>	<u>2,901,183</u>	<u>7,331,220</u>
Fund Balance				
Nonspendable			3,279,934	3,279,934
Restricted for:				
Economic Loan			664,388	664,388
Public Safety			225,382	225,382
Public Works/Transportation			2,191,210	2,191,210
Health and Welfare			20,000	20,000
Culture and Recreation			2,040,570	2,040,570
Construction of Capital Assets			636,223	636,223
Committed		1,005,846	2,105,218	3,111,064
Unassigned	18,599,091			18,599,091
Total Fund Balance	<u>18,599,091</u>	<u>1,005,846</u>	<u>11,162,925</u>	<u>30,767,862</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ <u>23,360,903</u>	\$ <u>3,360,489</u>	\$ <u>14,134,048</u>	\$ <u>40,855,440</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION

December 31, 2022

Fund Balances - Total Governmental Funds	\$ 30,767,862
Capital assets used in governmental activities are not financial resources and therefore are not reported in the Funds.	24,971,216
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds	
Deferred outflows of resources related to pensions	18,387,732
Deferred inflows of resources related to pensions	(15,586,408)
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds.	7,273,721
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. All liabilities, both current and long-term are reported in the Statement of Net Position.	
Notes and Compensated Absences Payable	(332,831)
Net Pension Liability	(36,642,145)
Internal Service Funds are used by management to charge the cost of self insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities section of the Statement of Net Position.	493,287
Net Position of Governmental Activities	\$ <u>29,332,434</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
Year Ended December 31, 2022

	General Fund	Capital Improvement Fund	Total NonMajor Governmental Funds	Total Governmental Funds
REVENUE				
Taxes	\$ 7,035,807	\$	\$ 3,160,132	\$ 10,195,939
Intergovernmental	10,417,180	1,017,532	1,639,120	13,073,832
Licenses and Permits	423,617			423,617
Fines and Forfeits	86,873		69,492	156,365
Revenue from Services	788,437		39,352	827,789
Investment Income (Loss)	137,036	27,801	(529,255)	(364,418)
Other	198,842		48,936	247,778
	<u>19,087,792</u>	<u>1,045,333</u>	<u>4,427,777</u>	<u>24,560,902</u>
EXPENDITURES				
Current:				
General Control and Administration	3,077,097		44,780	3,121,877
Public Safety	8,039,998		2,582,914	10,622,912
Public Works/Transportation	1,761,116		549,276	2,310,392
Health and Welfare	591,580		-	591,580
Culture and Recreation	1,202,648		955,780	2,158,428
Debt Service	26,400	23,498	-	49,898
Capital Outlay	149,027	3,329,283	268,423	3,746,733
	<u>14,847,866</u>	<u>3,352,781</u>	<u>4,401,173</u>	<u>22,601,820</u>
Revenue Over (Under) Expenditures	<u>4,239,926</u>	<u>(2,307,448)</u>	<u>26,604</u>	<u>1,959,082</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers				
Received	2,010	2,684,173	570,515	3,256,698
Paid	(3,249,916)	(209,576)	(1,146,782)	(4,606,274)
	<u>(3,247,906)</u>	<u>2,474,597</u>	<u>(576,267)</u>	<u>(1,349,576)</u>
Net Change in Fund Balances	992,020	167,149	(549,663)	609,506
FUND BALANCE, BEGINNING	<u>17,607,071</u>	<u>838,697</u>	<u>11,712,588</u>	<u>30,158,356</u>
FUND BALANCE, ENDING	\$ <u>18,599,091</u>	\$ <u>1,005,846</u>	\$ <u>11,162,925</u>	\$ <u>30,767,862</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

RECONCILIATION OF STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

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

Net Changes in Fund Balances - Total Governmental Funds	\$ 609,506
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Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets were allocated over their estimated useful life and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

Capital Assets Reported as Expenditures	2,867,238
Depreciation/Amortization Expense	(1,366,473)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

Change in Compensated absences	(14,024)
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Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense reflects the net change in the net pension obligation and deferred outflows and inflows related to pensions. This is the amount by which the actuarial change in net pension obligation exceeds pension contributions

(93,897)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net assets. This is the net effect of these differences in the treatment of long-term debt.

Debt Principal Payments	43,491
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Revenues in the government-wide Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the amount by which property tax revenue recognized in the Statement of Activities exceeds amounts included in the funds.

23,458

The net revenue of certain activities of internal service funds is not reported with governmental funds. However, a portion of this net revenue is allocated to governmental activities on the Statement of Activities. This is the amount that has been included on the Statement of Activities.

<u>437,036</u>

Change in Net Position of Governmental Activities	\$ <u><u>2,506,335</u></u>
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See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2022

	Business-Type Activities-Enterprise Funds			Governmental Activities
	Water & Sewer	Golf	Total Enterprise Funds	Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current Assets				
Cash	\$ 5,410,564	\$ 52,887	\$ 5,463,451	\$ 878,744
Receivables:				
Accounts (Net of Allowance for Uncollectibles of \$27,388)	730,464	206	730,670	118,909
Estimated Unbilled Revenue	669,884		669,884	
Grant Receivable	11,650		11,650	
Inventory	36,049		36,049	
Other Assets	854		854	
Total Current Assets	6,859,465	53,093	6,912,558	997,653
Noncurrent Assets				
Property, Plant & Equipment, Net of Accumulated Depreciation	63,793,000	1,246,889	65,039,889	
Deferred Outflows of Resources				
Deferred Outflows Related to Pensions	2,696,750		2,696,750	
Total Deferred Outflows of Resources	2,696,750	0	2,696,750	0
Total Assets and Deferred Outflows of Resources	\$ 73,349,215	\$ 1,299,982	\$ 74,649,197	\$ 997,653
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Current Liabilities				
Accounts Payable	\$ 615,829	\$ 1,555	\$ 617,384	\$ 198,759
Accrued Salaries	43,364	979	44,343	
Unearned Revenue	439,351	29,000	468,351	193,250
Bonds, Notes, and Loans Payable	1,596,450		1,596,450	
Total Current Liabilities	2,694,994	31,534	2,726,528	392,009
Noncurrent Liabilities:				
Compensated Absences	50,398	171	50,569	
Net Pension Liability	446,363		446,363	
Bonds, Notes, and Loans Payable	24,589,544		24,589,544	
Total Noncurrent Liabilities	25,086,305	171	25,086,476	0
Deferred Inflows of Resources				
Deferred Inflows Related to Pensions	1,580,222		1,580,222	
Total Deferred Inflows of Resources	1,580,222	0	1,580,222	0
Total Liabilities and Deferred Inflows of Resources	29,361,521	31,705	29,393,226	392,009
NET POSITION				
Net Investment in Capital Assets	37,607,006	1,246,889	38,853,895	
Restricted for:				
Debt Service	176,147		176,147	
Unrestricted	6,204,541	21,388	6,225,929	605,644
Total Net Position	43,987,694	1,268,277	45,255,971	605,644
Total Liabilities and Net Position	\$ 73,349,215	\$ 1,299,982	\$ 74,649,197	\$ 997,653

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 Year Ended December 31, 2022

	Business-Type Activities-Enterprise Funds			Governmental Activities
	Water & Sewer	Golf	Total Enterprise Funds	Internal Service Funds
Operating Revenues				
Revenue from Services	\$ 9,431,977	\$ 318,442	\$ 9,750,419	\$ 2,223,816
Investment Income				8,175
Total Operating Revenues	<u>9,431,977</u>	<u>318,442</u>	<u>9,750,419</u>	<u>2,231,991</u>
Operating Expenses:				
Personal Services	2,938,239	282,238	3,220,477	
Contractual Services and Other	1,284,636	98,446	1,383,082	1,537
Supplies	780,151	135,920	916,071	
Heat, Light and Power	848,384	8,289	856,673	
Depreciation	2,533,960	41,143	2,575,103	
Benefit Payments				2,694,494
Total Operating Expenses	<u>8,385,370</u>	<u>566,036</u>	<u>8,951,406</u>	<u>2,696,031</u>
Operating Income (Loss)	<u>1,046,607</u>	<u>(247,594)</u>	<u>799,013</u>	<u>(464,040)</u>
Nonoperating Revenue (Expenses)				
Investment Income	44,149	411	44,560	
Interest and Fiscal Charges	(601,902)		(601,902)	
Total Nonoperating Revenues (Expenses)	<u>(557,753)</u>	<u>411</u>	<u>(557,342)</u>	<u>0</u>
Income (Loss) Before Contributions and Transfers	488,854	(247,183)	241,671	(464,040)
Capital Contributions	221,633		221,633	
Transfers In		349,576	349,576	1,000,000
Change in Net Position	710,487	102,393	812,880	535,960
Total Net Position, Beginning	<u>43,277,207</u>	<u>1,165,884</u>	<u>44,443,091</u>	<u>69,684</u>
Total Net Position, Ending	<u>\$ 43,987,694</u>	<u>\$ 1,268,277</u>	<u>\$ 45,255,971</u>	<u>\$ 605,644</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

Year Ended December 31, 2022

	Business Type Activities- Enterprise Funds	
	Water and Sewer	Golf
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Users	\$ 9,171,126	\$ 319,686
Payments to Employees	(2,793,105)	(284,613)
Payments to Suppliers	(2,898,053)	(245,734)
Net Cash Provided (Used) by Operating Activities	3,479,968	(210,661)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Receipt of Interfund Transfer		140,000
Net Cash Provided (Used) by Noncapital Financing Activities	-	140,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Fixed Assets	(1,386,358)	(183,338)
Grant Money Received	209,983	
Receipt of Bond Proceeds		
Receipt of Interfund Transfer		209,576
Interest Paid on Debt	(601,902)	
Principal Paid on Bonds	(1,645,915)	
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,424,192)	26,238
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received on Investments	44,151	411
Net Cash Provided (Used) by Investing Activities	44,151	411
Net Increase (Decrease) in Cash	99,927	(44,012)
CASH, BEGINNING	5,310,637	96,899
CASH, ENDING	\$ 5,410,564	\$ 52,887

	<u>Total</u>	<u>Governmental</u>	
	<u>Enterprise</u>	<u>Internal</u>	
	<u>Funds</u>	<u>Service</u>	
	<u>Funds</u>	<u>Funds</u>	
\$	9,490,812	\$	2,263,932
	(3,077,718)		
	<u>(3,143,787)</u>	<u>(2,801,257)</u>	
	3,269,307	<u>(537,325)</u>	
	<u>140,000</u>	<u>1,000,000</u>	
	<u>140,000</u>	<u>1,000,000</u>	
	(1,569,696)		
	209,983		
	-		
	209,576		
	(601,902)		
	<u>(1,645,915)</u>		
	<u>(3,397,954)</u>	<u>-</u>	
	<u>44,562</u>		
	<u>44,562</u>	<u>-</u>	
	55,915	462,675	
	<u>5,407,536</u>	<u>416,069</u>	
\$	<u><u>5,463,451</u></u>	\$	<u><u>878,744</u></u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (continued)

Year Ended December 31, 2022

	Business Type Activities- Enterprise Funds	
	Water and Sewer	Golf
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ 1,046,607	\$ (247,594)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	2,533,960	41,143
(Increase) Decrease in Accounts Receivable	(270,063)	(206)
(Increase) Decrease in Net Pension Asset	2,801,700	
(Increase) Decrease in Deferred Outflows	(2,232,770)	
(Increase) Decrease in Prepaid Insurance		
Increase (Decrease) in Operating Accounts Payable	15,118	(3,079)
Increase (Decrease) in Unearned Revenue	9,212	1,450
Increase (Decrease) in Net Pension Liability	446,363	
Increase (Decrease) in Deferred Inflows	(874,188)	
Increase (Decrease) in Accrued Salaries	4,029	(3)
Increase (Decrease) in Accrued Vacation	-	(2,372)
Net Cash Provided (Used) by Operating Activities	\$ <u>3,479,968</u>	\$ <u>(210,661)</u>

		Governmental
		Activities
	<u>Total</u>	<u>Internal</u>
	<u>Enterprise</u>	<u>Service</u>
	<u>Funds</u>	<u>Funds</u>
\$	799,013	\$ (464,040)
	2,575,103	
	(270,269)	20,222
	2,801,700	
	(2,232,770)	
	-	
	12,039	(105,226)
	10,662	11,719
	(874,188)	
	4,026	
	(2,372)	
	<u> </u>	<u> </u>
\$	<u>3,269,307</u>	\$ <u>(537,325)</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

December 31, 2022

ASSETS

Cash and Short-Term Investments	\$ 2,578,690
Investments	33,938,592
Receivables:	
Accrued Interest	-
Other	75
Employer Contributions	<u>2,167,880</u>
Total Assets	<u>38,685,237</u>

LIABILITIES

Vouchers Payable	<u>-</u>
Total Liabilities	<u>-</u>

NET POSITION

Held in Trust for Pension Benefits	<u><u>\$ 38,685,237</u></u>
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See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

Year Ended December 31, 2022

Additions

Contributions

Employer Contributions	\$ 2,461,379
Employee Contributions	<u>559,644</u>
Total Contributions	<u>3,021,023</u>

Net Investment Income (Loss)

Net Appreciation (Depreciation) in Fair Value of Investments	(6,679,355)
Interest/Dividends	416,873
Realized Gain (Loss) on Sale of Investments	(120,990)
Investment Expense	<u>(42,377)</u>
Net Investment Income	<u>(6,425,849)</u>

Other Income

Miscellaneous Income	<u>14</u>
Total Other Income	<u>14</u>

Total Additions	<u>(3,404,812)</u>
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Deductions

Benefits	3,724,397
Administrative expenses	<u>60,118</u>
Total Deductions	<u>3,784,515</u>

Change in Net Position	(7,189,327)
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Net Position Held in Trust for Benefits, Beginning of Year	<u>45,874,564</u>
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Net Position Held in Trust for Benefits, End of Year	<u><u>\$ 38,685,237</u></u>
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See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies

The accounting policies of City of Jacksonville, Illinois (City) are based upon accounting principles generally accepted in the United States of America as applicable to governmental units (hereinafter referred to as GAAP). The following is a summary of the significant policies.

A. Financial Reporting Entity

City of Jacksonville, Illinois is a Home Rule municipal corporation governed by an elected Mayor and City Council. These financial statements present the City of Jacksonville, Illinois, the primary government unit.

The City's annual financial statements includes the accounts of all City operations.

The City's financial statements include the accounts of all City operations. The criteria for including organizations within the City's reporting entity, as set forth in GASB No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", is financial accountability. A component unit is included in the City's reporting entity if it is both fiscally dependent on the City (the primary government) and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on the primary government. The primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon the application of the criteria for inclusion as set forth in GASB No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", there are no component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation – Fund Accounting

The accounts of the City are organized on the basis of funds, 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 balance, revenues and expenditures/expenses. The various funds are summarized by type in the combined financial statements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts) requiring separate accounting because of legal, regulatory provisions or administrative action.

Debt Service Fund – The Debt Service Fund is used for the accumulation of resources for, and payment of, general long-term debt principal and interest.

Capital Project Funds – Capital Project Funds are used to account for the acquisition and construction of major capital assets.

Permanent Funds – The Permanent Funds are used to account for funds that have a restriction on the principal which cannot be used.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation – Fund Accounting (Continued)

PROPRIETARY FUNDS

Enterprise Funds – Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise – where tax interest of the City is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds – The Internal Service Fund is used to account for the financing of services provided by one fund to other departments or funds of the government unit, or to other government units, on a cost-reimbursement basis.

FIDUCIARY FUNDS

Pension Trust Funds – The Pension Trust Funds account for pension funds the government controls for its employees.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

Property taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are considered available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The *Capital Improvement Fund* accounts for the revenues and expenditures related to ongoing capital projects and the purchase of equipment.

The City reports the following major proprietary funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to the residents of the City and water to additional nearby communities. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

The *Golf Fund* accounts for revenues received for use of the Nichols Park golf course and the Links, as well as the necessary expenses to operate and maintain both courses.

The City reports the following major pension funds:

Police Pension Fund and *Fire Pension Fund* account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from the Police and Fire Department members at a rate fixed by State Statutes and City contribution in the form of an annual property tax levy.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments purchased with a maturity date of three months or less to be cash equivalents.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies (Continued)

F. Cash and Investments

Cash and investments represent cash on hand, cash deposited in checking accounts, certificates of deposits, repurchase agreements and U.S. treasury bills and notes. Cash and cash equivalents are stated at cost (which approximates fair value). Investments are stated at fair value based on quoted market prices or other observable inputs. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

G. Receivables

GASB Statements No. 33 – *Accounting and Financial Reporting for Nonexchange Transactions* requires the recognition of receivables associated with nonexchange transactions as follows:

- Derived tax receivables (such as: sales, income and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as: property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government – mandates or voluntary non-exchange transaction receivable (such as: mandates or grants) are recognized when all eligibility requirements have been met.

H. Inventories

Inventories of the City are carried at cost which approximates fair value. The cost of the inventories is determined on the first-in, first-out basis.

I. Capital Assets

Capital assets, which include property, plant and equipment, infrastructure assets (e.g. roads, bridges, and similar items), and right-of-use assets created under leasing arrangements are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation. Right-of-use assets are recorded at the City's valuation of their right to use a leased asset throughout the lease term, usually valued at the net present value of future lease payments.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies (Continued)

I. Capital Assets (Continued)

Governmental activities' capital assets having a useful life greater than one year are capitalized using the following dollar thresholds: \$50,000 for land, \$100,000 for buildings and improvements, \$25,000 for equipment, \$15,000 for vehicles, and \$200,000 for roads and bridges.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The City uses the direct expense method of accounting for planned major maintenance costs associated with property and equipment. The costs of such maintenance activities are expensed as incurred.

Capital assets are depreciated/amortized using the straight line method over the following estimated useful lives:

Description	Years
Building and Improvements	20 - 40
Equipment	3 - 10
Vehicles	3
Infrastructure	50
Right-of-Use Assets	Lease Term

J. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as operating transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfer.

K. Compensated Absences

Accrued sick leave which employees have elected to accumulate is accounted for in hours. Accrued sick leave has not been recorded; the City is not liable to pay the amount to the employees upon retirement or discontinued services so the amount is undetermined.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies (Continued)

K. Compensated Absences (Continued)

Accrued vacation and comp time have been recorded as noncurrent liabilities due in more than one year.

L. Fund Equity

Beginning with fiscal year 2011, the City implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance: amounts that are not in spendable form (such as inventory) or are required to be maintained intact

Restricted fund balance: amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation

Committed fund balance: amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint

Assigned fund balance: amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates authority

Unassigned fund balance: amounts that are available for any purpose; positive amounts are reported only in the General fund

The City Council establishes (and modifies and rescinds) fund balance commitments by passage of an ordinance or resolution. Assigned fund balance is established through lower level action of the City Council.

The City expends restricted resources first when both restricted and unrestricted resources are available for the same purpose. When unrestricted resources are expended, the City uses any committed resources first, followed by assigned resources and unassigned resources.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1. Summary of Significant Accounting Policies (Continued)

M. Property Tax Revenue

Property tax revenue line items include adjustments of prior year's tax revenue from tax sales, the adjustment for the allowance for uncollectible taxes and tax increment financing (TIF) distributions. These line items are not reported separately because the amounts are immaterial.

N. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Accordingly, unavailable property tax revenues and future lease receivables are reported in the governmental funds balance sheet as deferred inflows of resources. Additionally, the City's pension plans report both deferred outflows and deferred inflows of resources.

NOTE 2. Legal Compliance and Accountability

Budgets

The City follows the procedures indicated below in establishing the budgetary data reflected in the combined financial statements:

- (a) At a regular or specially called meeting of the City Board in September, the City Board submits a proposed budget for the fiscal year commencing the following January.
 1. The budget includes proposed expenditures and the means of financing them.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 2. Legal Compliance and Accountability (continued)

- (b) The budget is available for public inspection for at least 15 days prior to passage by the City Board.
- (c) Prior to April, the budget is legally enacted through passage of an appropriation ordinance.
- (d) The level of budgetary control, on which expenditures may not legally exceed appropriations, is at the fund level in accordance with Illinois Compiled Statutes. Any transfer between funds requires City board approval. The budget was approved on February 28, 2022 and not amended.
- (e) Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds through an internal reporting basis. Unexpended appropriations lapse at December 31.

Budgets for the general and special revenue funds are legally adopted and are on a basis consistent with GAAP.

NOTE 3. Defined Benefit Pension Plan

A. IMRF

IMRF Plan Description

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

Benefits Provided

IMRF has two benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

Both IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms – RP

As of December 31, 2022, the City's membership consisted of 119 retirees and beneficiaries currently receiving benefits, 46 inactive plan members entitled to but not yet receiving benefits, and 103 active plan members for a total of 268 plan members.

Employees Covered by Benefit Terms – SLEP

As of December 31, 2022, the City's membership consisted of 1 retiree and beneficiary currently receiving benefits, 0 inactive plan members entitled to but not yet receiving benefits, and 0 active plan members for a total of 1 plan member.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

Contributions – RP

As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2022 was 6.74%. For the fiscal year ended December 31, 2022, the City contributed \$358,844 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Contributions – SLEP

As set by statute, the City's SLEP Plan Members are required to contribute 7.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2022 was 12.43%. For the fiscal year ended December 31, 2022, the City contributed \$16,707 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level.

Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

For both of the City's plans, net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
- **Mortality** For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

Actuarial Assumptions (continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	35.5%	6.50%
International Equity	18%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25-9.90%
Cash Equivalents	1%	4.00%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25% for RP and 7.25% for SLEP.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

Changes in the Net Pension Liability – RP

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 36,289,496	\$ 43,315,562	\$ (7,026,066)
Changes for the year:			
Service Cost	518,077	-	518,077
Interest on the Total Pension Liability	2,575,550	-	2,575,550
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	27,738	-	27,738
Changes of Assumptions	-	-	-
Contributions – Employer	-	358,844	(358,844)
Contributions – Employees	-	240,112	(240,112)
Net Investment Income	-	(5,536,018)	5,536,018
Benefit Payments, including Refunds of Employee Contributions	(2,047,402)	(2,047,402)	-
Other (Net Transfer)	-	(128,825)	128,825
Net Changes	1,073,963	(7,113,289)	8,187,252
Balances at December 31, 2022	\$ 37,363,459	\$ 36,202,273	\$ 1,161,186

Changes in the Net Pension Liability – SLEP

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 565,283	\$ 426,943	\$ 138,340
Changes for the year:			
Service Cost	-	-	-
Interest on the Total Pension Liability	39,464	-	39,464
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	5,175	-	5,175
Changes of Assumptions	-	-	-
Contributions – Employer	-	16,707	(16,707)
Contributions – Employees	-	-	-
Net Investment Income	-	(67,318)	67,318
Benefit Payments, including Refunds of Employee Contributions	(41,891)	(41,891)	-
Other (Net Transfer)	-	2,889	(2,889)
Net Changes	2,748	(89,613)	92,361
Balances at December 31, 2022	\$ 568,031	\$ 337,330	\$ 230,701

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

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

The following presents the plans' net pension liabilities, calculated using Single Discount Rates of 7.25% for RP and SLEP, respectively, as well as what the plans' net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

RP:				
	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%	
Total Pension Liability	\$ 41,491,711	\$ 37,363,459	\$ 34,067,601	
Plan Fiduciary Net Position	36,202,273	36,202,273	36,202,273	
Net Pension Liability/(Asset)	\$ 5,289,438	\$ 1,161,186	\$ (2,134,672)	

SLEP:				
	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%	
Total Pension Liability	\$ 633,277	\$ 568,031	\$ 514,131	
Plan Fiduciary Net Position	337,330	337,330	337,330	
Net Pension Liability/(Asset)	\$ 295,947	\$ 230,701	\$ 176,801	

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

For the year ended December 31, 2022, the City recognized pension expense of \$358,844 for RP and \$16,707 for SLEP. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

RP:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	120,054	108,618
Net difference between projected and actual earnings on pension plan investments	6,895,376	3,941,675
Changes of assumptions	0	60,557
Total Deferred Amounts Related to Pensions	7,015,430	4,110,850

SLEP:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	0	0
Net difference between projected and actual earnings on pension plan investments	77,970	47,012
Changes of assumptions	0	0
Total Deferred Amounts Related to Pensions	77,970	47,012

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

A. IMRF (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (continued)

Amounts reported as deferred outflows of resources related to employer contributions made subsequent to the measurement date will be recognized as a reduction in the net pension liability during the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

RP:	
Year ended December 31:	
2023	\$ (214,332)
2024	427,460
2025	967,608
2026	1,723,844
2027	0
Total	\$ 2,904,580

SLEP:	
Year ended December 31:	
2023	\$ (3,884)
2024	4,720
2025	10,631
2026	19,491
2027	0
Total	\$ 30,958

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund

Plan Description:

The City of Jacksonville, Illinois, Policemen's Pension Fund is a defined benefit single-employer pension plan that covers all sworn police personnel and is administered by the City of Jacksonville, IL. Although this is a single-employer plan, the defined benefits and employee and employer contribution levels are governed by "Article 3, Police Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled Statutes, 1992, Chapter 40) and may only be amended by the Illinois legislature. This fund is accounted for and reported as a pension trust fund. Administrative costs are financed through investment earnings.

Plan Membership

At December 31, 2022 and 2021, the pension fund membership consisted of:

	2022	2021
Inactive Plan Members and Beneficiaries Currently Receiving Benefits	42	41
Inactive Plan Members Entitled to but not yet Receiving Benefits	10	8
Active Plan Members	41	37

Benefits Provided

Following is a summary of the Policemen's Pension Plan as provided for in the Illinois Compiled Statutes.

The Policemen's Pension Plan provides retirement benefits as well as death and disability benefits. There are two tiers or levels of benefits:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held at the date of retirement. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years of service through 30 years of service, to a maximum of 75% of such salary. Employees with at least 8 years, but less than 20 years of credited service, may retire and receive a reduced benefit, which begins at age 60. The monthly pension of a police officer who retired after January 1, 1999 with at least 20 years of service, shall be increased annually, following the anniversary date of retirement, and be paid upon reaching the age of at least 55 years, by 1/12 of 3% annually thereafter of the pension payable at the time of increase. Officers that retire with less than 20 years of service receive an annual 3% increase.

Employees that are hired after January 1, 2011 attaining the age of 55 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the average salary for the last 8 years of service (maximum average salary is \$106,800 if an employee retires in calendar year 2011). The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to a maximum of 75% of such salary. Employees with at least 10 years, but less than 20 years of credited service, may retire and receive a reduced benefit, which begins at age 60. Employees that have attained the age of 50 with at least 10 years of service may retire but their pension is reduced by ½% per year for each year the employee is under age 55. The monthly pension shall be increased annually, following the first anniversary date of retirement, and be paid upon reaching the age of at least 60 years, by the lesser of 1/12 of 3% of the original pension times the number of months the employee has been retired since age 60 (up to a maximum of 15%) or by a factor of the CPI-U, whichever is less. Dependents receive a pension of 2/3 of the officer's pension at their date of death. Dependents receive annual increases under the same formula as the retired officer.

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City of Jacksonville is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033, the City's contributions must accumulate to the point where the past service cost for the Plan is fully funded.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Net Pension Liability

<i>Fiscal Year Ending</i>	<i>Total Pension Liability</i>	<i>Fiduciary Net Position</i>	<i>Net Pension Liability</i>	<i>Fiduciary Net Position as a Percentage of Total Pension Liability</i>
12/31/22	\$ 39,763,978	\$ 20,590,583	\$ 19,173,395	52%
12/31/21	38,115,168	23,836,630	14,278,538	63%

The following are the methods and assumptions used to determine total pension liability:

Actuarial Assumptions (Economic)

Discount Rate used for the Total Pension Liability	6.34%
Expected Rate of Return on Investments	6.50%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.72%
Projected Individual Pay Increases	3.25% - 17.11%
Projected Total Payroll Increases	3.25%
Consumer Price Index (Urban)	2.25%
Inflation Rate	2.25%

Actuarial Assumptions (Demographic)

Mortality Rates	PubS-2010(A) Adjusted for Plan Status, Demographics and Illinois Public Pension Data, as Described
Retirement Rates	100% of L&A Assumption Study for Police 2020 capped at age 65
Disability Rates	100% of L&A Assumption Study for Police 2020
Termination Rates	150% of L&A Assumption Study for Police 2020
Marital Assumptions	Active Members: 80% are assumed to be married Retiree & Disabled Members: Based on Actual Spousal Data

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Assumption Changes

The assumptions were changed from the prior year.

The High-Quality 20 Year Tax-Exempt General Obligation ("G.O.") Bond Rate assumption was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. Index as discussed in more detail later in this section. The choice of Index is unchanged from the prior year. The rate has been updated to the current Fiscal Year End based on changes in market conditions as reflected in the Index. The change was made to reflect our understanding of the requirements of GASB under Statement 67 and Statement 68.

The Discount Rate used in the determination of the Total Pension Liability was changed from 6.32% to 6.34%. The Discount Rate is impacted by a couple of metrics. Any change in the underlying High-Quality 20 Year Tax Exempt G.O. Bond Rate will impact the blended Discount Rate.

The above stated assumption changes were made to better reflect the future anticipated experience of the Plan.

In addition, there are changes that can be made that impact the projection of the Plan Fiduciary Net Position. For example, changes in the Formal or Informal Funding Policy can impact the Discount Rate. Actual changes in the Plan Fiduciary Net Position from one year to the next can impact the projections as well.

Projected Individual Pay Increases

Projected individual pay increases include a long-term average increase for inflation, average annual increases for promotions, and any additional increases for a step program. Projected individual pay increases for active Members hired at age 40 or older are assumed annual increases at the ultimate rate reduced by 50 basis points, without adjustments in early service years. Sample rates are as follows:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Service	Rate	Service	Rate
0	17.11%	8	3.75%
1	5.11%	9	3.75%
2	5.11%	10	3.75%
3	5.19%	15	3.75%
4	5.70%	20	3.75%
5	3.75%	25	3.25%
6	3.75%	30	3.25%
7	3.75%	35	3.25%

Demographic Assumptions

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. 50% of active member deaths are assumed to be in the Line of Duty.

Retiree Mortality follows the L&A Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 & younger), the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Postemployment Benefit Changes

Eligibility for postemployment benefit increases is determined based on the Illinois Pension Code. Tier 1 Police retirees are provided with an annual increase of 3.0% of the current retirement benefits by statute when eligible. Tier 2 Police retirees are provided postemployment benefit increases based on the lesser of 3.0% of the original retirement benefits or one-half of the Consumer Price Index (Urban) for the prior September.

The CPI-U for September 1992 was 141.30. The CPI-U for September 2022 was 296.81. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis).

Long-Term Expected Rate of Return

The Long-Term Expected Rate of Return is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The target asset allocations shown below represent expectations as disclosed in the Illinois Police Officers' Pension Investment Fund Actuarial Experience Study, dated March 4, 2022, for plan funding purposes. The table below illustrates the best estimate of Long-Term Expected Rates of Return developed for each of the major asset classes, adjusted for expected inflation, as disclosed in the Horizon Actuarial Services Survey of Capital Market Assumptions 2021 Edition, dated August 2021.

The rates provided in the table below are based on a geometric average. The Investment Policy Statement will provide more detail regarding the Fund's policies on asset allocation targets and acceptable ranges.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Asset Class	Long-Term Expected Real Rate of Return
US Large	4.15%
US Small	4.54%
International Developed	4.64%
International Developed Small	-.25%
Emerging Markets	5.31%
Private Equity (Direct)	7.15%
Bank Loans	2.48%
High Yield Corp. Credit	2.48%
Emerging Market Debt	2.82%
Private Credit	4.37%
US TIPS	-0.12%
Real Estate/Infrastructure	4.00%
Cash	-0.27%
Short-Term Gov't/Credit	0.73%
US Treasury	-0.60%
Core Plus Fixed Income	0.73%

Municipal Bond Rate

The Municipal Bond Rate assumption is based on The Bond Buyer 20-Bond GO Index. The rates shown earlier in the Actuarial Assumption section are the December 29, 2022 rates. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

The indices represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indices would yield if the bond was sold at par value. The indices are simple averages of the average estimated yields of the bonds.

Discount Rate

The Discount Rates used in the determination of the Total Pension Liability are based on a combination of the Expected Rate of Return on Plan Investments and the Municipal Bond Rate.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Cash flow projections were used to determine the extent to which the Plan's Projected Fiduciary Net Position will be able to cover Projected Benefit Payments. To the extent that Projected Benefit Payments are covered by the Plan's Projected Fiduciary Net Position, the Expected Rate of Return on Plan Investments is used to determine the portion of the Net Pension Liability associated with those payments. To the extent that Projected Benefit Payments are not covered by the Plan's Projected Fiduciary Net Position, the Municipal Bond Rate is used to determine the portion of the Net Pension Liability associated with those payments.

Projected benefit payments are determined during the actuarial process based on the assumptions. The expected contributions are based on the funding policy of the Plan.

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 38,115,168	\$ 23,836,630	\$ 14,278,538
Changes for the year:			
Service Cost	740,579	-	740,579
Interest on the Total Pension Liability	2,384,139	-	2,384,139
Changes of Benefit Terms	(34,138)	-	(34,138)
Differences Between Expected and Actual Experience of the Total Pension Liability	571,156	-	571,156
Changes of Assumptions	(106,842)	-	(106,842)
Contributions – Employer	-	1,418,771	(1,418,771)
Contributions – Employees	-	294,049	(294,049)
Contributions – Other	-	46,240	(46,240)
Net Investment Income	-	(3,065,476)	3,065,476
Benefit Payments, including Refunds of Employee Contributions	(1,906,084)	(1,906,084)	-
Administrative Expense		(33,547)	33,547
Other (Net Transfer)	-	-	
Net Changes	1,648,810	(3,246,047)	4,894,857
Balances at December 31, 2022	\$ 39,763,978	\$ 20,590,583	\$ 19,173,395

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Sensitivity of the Discount Rate

The Employer's Net Pension Liability has been determined using the Discount Rates listed in the assumptions section. Below is a table illustrating the sensitivity of the Employer's Net Pension Liability to the Discount Rate assumptions for 2022 and 2021.

	1% Decrease (5.34%)	Current Discount Rate (6.34%)	1% Increase (7.34%)
2022			
Employer Net Pension Liability	\$25,126,954	\$19,173,395	\$14,363,929

The sensitivity of the Employer's Net Pension Liability to the Discount Rate is based primarily on two factors:

1. The duration of the Plan's Project Benefit Payments. Younger Plans with benefit payments further in the future will be more sensitive to changes in the Discount Rate.
2. The Percent Funded of the Plan (ratio of the Plan Fiduciary Net Position to the Total Pension Liability). The higher the Percent Funded, the higher the sensitivity to the Discount Rate.

Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	484,329	1,265,108
Net difference between projected and actual earnings on pension plan investments	3,687,190	3,599,734
Changes of assumptions	2,356,499	1,413,136
Total Deferred Amounts Related to Pensions	6,528,018	6,277,978

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

B. Police Pension Fund (continued)

Amounts reported as deferred outflows of resources related to employer contributions made subsequent to the measurement date will be recognized as a reduction in the net pension liability during the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year ended December 31:	
2023	\$ (465,937)
2024	118,792
2025	(10,564)
2026	567,855
2027	39,894
Total	\$ 250,040

C. Fire Pension Fund

Plan Description

The City of Jacksonville, Illinois, Firemen's Pension Fund is a defined benefit single-employer pension plan that covers all sworn firefighting personnel and is administered by the City of Jacksonville, Illinois. Although this is a single-employer plan, the defined benefits and employee and employer contribution levels are governed by "Article 4, Firefighter's Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled Statutes, 1992, Chapter 40) and may only be amended by the Illinois legislature. This fund is accounted for and reported as a pension trust fund. Administrative costs are financed through investment earnings.

Plan Membership

At December 31, 2022 and 2021, the pension plan membership consisted of:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

Fire Pension Fund (Continued)

	2022	2021
Inactive Plan Members and Beneficiaries Currently Receiving Benefits	38	39
Inactive Plan Members Entitled to but not yet Receiving Benefits	-0-	-0-
Active Plan Members	27	27

Benefits Provided

Following is a summary of the firemen's pension plan as provided for in the Illinois Compiled Statutes:

The firemen's pension plan provides retirement benefits as well as death and disability benefits. There are two tiers or levels of benefits:

Employees hired before January 1, 2011, attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held at the date of retirement. The pension shall be increased by one-twelfth of 2.5% of such salary for each month over 20 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years, but less than 20 years of credited service, may retire and receive a reduced benefit which begins at age 60. The monthly pension of a firefighter who retires after January 1, 1977 with 20 or more years of service, shall be increased annually, following the first anniversary date of retirement, and paid upon reaching at least the age of 55, by 0.25% of the original pension times the number of months the employee has been retired since age 50 (up to a maximum of 15%), and 3% annually thereafter of the pension payable at the time of the increase. The monthly pension of a firefighter who retires with less than 20 years of service receives an annual 3% increase.

Employees that are hired after January 1, 2011 attaining the age of 55 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the average salary for the last 8 years of service (maximum average salary is \$106,800 if employee retires in calendar year 2011). The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to a maximum of 75% of such salary. Employees with at least 10 years, but less than 20 years of credited service, may retire and receive a reduced benefit, which begins at age 60.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

Employees that have attained the age of 50 with at least 10 years of service may retire but their pension is reduced by $\frac{1}{2}\%$ per year for each year the employee is under age 55. The monthly pension shall be increased annually, following the first anniversary date of retirement, and be paid upon reaching the age of at least 60 years, by the lesser of $\frac{1}{12}$ of 3% of the original pension times the number of months the employee has been retired since age 60 (up to a maximum of 15%) or by a factor of the CPI-U, whichever is less. Dependents receive a pension of $\frac{2}{3}$ of the member's pension at date of death. Dependents receive an annual increase under the same formula as the retired member.

Contributions

Covered employees are required to contribute 9.455% of their salary to the Firemen's Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City of Jacksonville is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033, the City's contributions must accumulate to the point where the past service cost for the Plan is fully funded

Net Pension Liability

The total pension liability is based on the actuarial valuation completed as of January 1, 2022 and January 1, 2021, respectively. The components of the net pension liability at December 31, 2022 and 2021 were as follows:

<i>Fiscal Year Ending</i>	<i>Total Pension Liability</i>	<i>Fiduciary Net Position</i>	<i>Net Pension Liability</i>	<i>Fiduciary Net Position as a Percentage of Total Pension Liability</i>
12/31/22	\$ 34,617,880	\$ 18,094,654	\$ 16,523,226	52%
12/31/21	36,495,986	22,037,934	14,458,052	60%

The following are the methods and assumptions used to determine total pension liability:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

Actuarial Assumptions (Economic)

Discount Rate used for the Total Pension Liability	6.25%
Expected Rate of Return on Investments	6.50%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.72%
Projected Individual Pay Increases	3.75% - 14.10%
Projected Total Payroll Increases	3.25%
Consumer Price Index (Urban)	2.25%
Inflation Rate	2.25%

Actuarial Assumptions (Demographic)

Mortality Rates	PubS-2010(A) Adjusted for Plan Status, Demographics and Illinois Public Pension Data, as Described
Retirement Rates	100% of L&A Assumption Study for Firefighters 2020 capped at age 65
Disability Rates	100% of L&A Assumption Study for Firefighters 2020
Termination Rates	100% of L&A Assumption Study for Firefighters 2020
Marital Assumptions	Active Members: 80% are assumed to be married Retiree & Disabled Members: Based on Actual Spousal Data

Assumption Changes

The assumptions were changed from the prior year.

The High-Quality 20 Year Tax-Exempt General Obligation (G.O.) Bond Rate assumption was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. Index as discussed in more detail later in this section. The choice of Index is unchanged from the prior year. The rate has been updated to the current Fiscal Year End based on changes in market conditions as reflected in the Index. The change was made to reflect our understanding of the requirements of GASB under Statement 67 and Statement 68.

The Discount Rate used in the determination of the Total Pension Liability was changed from 5.81% to 6.25%. The Discount Rate is impacted by a couple of metrics. Any change in the underlying High-Quality 20 Year Tax Exempt G.O. Bond Rate will impact the blended Discount Rate.

The assumption changes stated above were made to better reflect the future anticipated experience of the Plan.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

In addition, there are changes that can be made that impact the projection of the Plan Fiduciary Net Position. For example, changes in the Formal or Informal Funding Policy can impact the Discount Rate. Actual changes in the Plan Fiduciary Net Position from one year to the next can impact the projections as well.

Projected Individual Pay Increases

Projected individual pay increases include a long-term average increase for inflation, average annual increases for promotions, and any additional increases for a step program. Projected individual pay increases for active Members hired at age 40 or older are assumed annual increases at the ultimate rate reduced by 50 basis points, without adjustments in early service years. Sample rates are as follows:

Service	Rate	Service	Rate
0	14.10%	8	3.75%
1	4.90%	9	3.75%
2	6.29%	10	3.75%
3	5.12%	15	3.75%
4	6.16%	20	3.75%
5	3.75%	25	3.75%
6	3.75%	30	3.75%
7	3.75%	35	3.75%

Demographic Assumptions

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. 50% of active Member deaths are assumed to be in the Line of Duty.

Retiree Mortality follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

Disabled Mortality follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Marital Assumptions: 80% of active Members are assumed to be married. Female spouses are assumed to be 3 years younger than male spouses. Actual spousal data was utilized for retiree and disabled Members.

Postemployment Benefit Changes

Eligibility for postemployment benefit increases is determined based on the Illinois Pension code. Tier I Firefighter retirees are provided with an annual increase of 3.00% of the current retirement benefits by statute when eligible. Tier II Firefighter retirees are provided postemployment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index (Urban) for the prior September.

The CPI-U for September 1992 was 141.30. The CPI-U for September 2022 was 296.81. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis).

Long-Term Expected Rate of Return

The Long-Term Expected Rate of Return is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The table below illustrates the best estimates of target allocations and Long-Term Expected Rates of Return developed for each of the major asset classes, adjusted for expected inflation. These rates and target allocations were disclosed by Marquette Associates for the Illinois Firefighters' Pension Investment Fund, dated April 29, 2022.

The rates provided in the table below are based on a geometric average. The Investment Policy Statement will provide more detail regarding the Fund's policies on asset allocation targets and acceptable ranges.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

Asset Class	Long-Term Expected Real Rate of Return
U.S. Equity	5.20%
Developed Market Equity (Non-US)	5.10%
Emerging Market Equity	5.50%
Private Equity	8.60%
Public Credit	1.80%
Private Credit	7.00%
Cash Equivalents	-0.60%
Core Investment Grade Bonds	1.60%
Long-Term Treasuries	1.30%
TIPS	0.80%
Real Estate	4.90%
Infrastructure	5.10%

Municipal Bond Rate

The Municipal Bond Rate assumption is based on The Bond Buyer 20-Bond G.O. Index. The rate shown earlier in this section of the report is the December 29, 2022 rate. The 20-Bond G.O. Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

The indices represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indices would yield if the bond was sold at par value. The indices are simple averages of the average estimated yields of the bonds.

Discount Rate

The Discount Rate used in the determination of the Total Pension Liability is based on a combination of the Expected Rate of Return on Plan Investments and the Municipal Bond Rate.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

Cash flow projections were used to determine the extent to which the Plan's Projected Fiduciary Net Position will be able to cover Projected Benefit Payments. To the extent that Projected Benefit Payments are covered by the Plan's Projected Fiduciary Net Position, the Expected Rate of Return on Plan Investments is used to determine the portion of the Net Pension Liability associated with those payments. To the extent that Projected Benefit Payments are not covered by the Plan's Projected Fiduciary Net Position, the Municipal Bond Rate is used to determine the portion of the Net Pension Liability associated with those payments.

Projected benefit payments are determined during the actuarial process based on the assumptions. The expected contributions are based on the funding policy of the plan.

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 36,495,986	\$ 22,037,934	\$ 14,458,052
Changes for the year:			
Service Cost	659,523	-	659,523
Interest on the Total Pension Liability	2,024,314	-	2,024,314
Changes of Benefit Terms	(68,371)	-	(68,371)
Actuarial Experience	(724,684)	-	(724,684)
Changes of Assumptions	(1,950,575)	-	(1,950,575)
Contributions – Employer	-	1,042,608	(1,042,608)
Contributions – Employees	-	198,014	(198,014)
Contributions – Other	-	21,341	(21,341)
Net Investment Income	-	(3,360,359)	3,360,359
Benefit Payments, including Refunds of Employee Contributions	(1,818,313)	(1,818,313)	-
Administrative Expense	-	(26,571)	26,571
Net Changes	(1,878,106)	(3,943,280)	2,065,174
Balances at December 31, 2022	\$ 34,617,880	\$ 18,094,654	\$ 16,523,226

Sensitivity of the Discount Rate

The Employer's Net Pension Liability has been determined using the Discount Rate listed in this section of the report. Below is a table illustrating the sensitivity of the Employer's Net Pension Liability to the Discount Rate assumption.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

<u>2022</u>	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Employer Net Pension Liability	\$21,221,311	\$16,523,226	\$12,668,170

The sensitivity of the Employer's Net Pension Liability to the Discount Rate is based primarily on two factors:

1. The duration of the Plan's Projected Benefit Payments. Younger plans with benefit payments further in the future will be more sensitive to changes in the Discount Rate.
2. The Percent Funded of the Plan (ratio of the Plan Fiduciary Net Position to the Total Pension Liability). The higher the Percent Funded, the higher the sensitivity to the Discount Rate.

Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	207,136	2,409,741
Net difference between projected and actual earnings on pension plan investments	3,819,104	1,296,869
Changes of assumptions	3,436,824	3,024,180
Total Deferred Amounts Related to Pensions	7,463,064	6,730,790

Amounts reported as deferred outflows of resources related to employer contributions made subsequent to the measurement date will be recognized as a reduction in the net pension liability during the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3. Defined Benefit Pension Plan (continued)

C. Fire Pension Fund (continued)

Year ended December 31:	
2023	\$ 112,145
2024	442,698
2025	519,508
2026	(46,948)
2027	(295,129)
Total	\$ 732,274

Summary of All Pension Related Amounts

		Deferred Inflows of Resources		Deferred Outflows of Resources		Net Pension Liability/ (Asset)
IMRF	\$	4,157,862	\$	7,093,400	\$	1,391,887
Police Pension		6,277,978		6,528,018		250,040
Fire Pension		6,730,790		7,463,064		732,274
Total	\$	17,166,630	\$	21,084,482	\$	2,374,201

NOTE 4. Other Post-Employment Benefits

Post-Retirement Health Care Benefits

The City provides post-retirement health benefits for City retirees with 20 years of service and are under age 65. The same coverage, provisions, deductibles, etc. which apply to active employees also applies to individuals receiving continued insurance coverage. This includes coverage for dependents of members who are insured under the policy on the day immediately before the day the member retires. The Unfunded Actuarial Liability has not been determined as of December 31, 2022.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 4. Other Post-Employment Benefits (continued)

Plan Description

The City administers a single-employer defined benefit health plan. Certain City employees as listed in previous paragraph are eligible for post-retirement health coverage. The plan does not issue a separate publicly available financial report.

Funding Policy

The contribution requirements of the City may be amended by the City Board. Current policy is to pay on a month by month basis for post-retirement insurance benefits or premiums. The City requires retirees to contribute 100% of the premium of their desired coverage. The premiums are established for the employee/retiree group, which currently ranges from \$800 per month for individual coverage to \$1,725 per month for family coverage. Although, with regard to retirees, this amount contains an implied rate subsidy by the City through the blended premium covering all current employees and retirees, there is no actuarial valuation performed to determine the amount of such subsidy.

Contributions Made

Because the retiree insurance premium established is paid entirely by retiree contributions, there is no cash outflow by the City related to these benefits when paid. Therefore, there are no cash-basis expenditures reported by the City in regard to the plan benefits for retirees. As of December 31, 2022, there were 9 participants.

NOTE 5. Illinois Environmental Protection Agency

The Illinois Environmental Protection Agency requires the following additional information concerning the Sewerage system:

- 1) The total wastewater received at the wastewater plant during 2022 was 1,929,960,800 gallons.
- 2) The billable flow during 2022 was 886,992,655 gallons.
- 3) The debt service of the sewerage system for 2022 is \$143,257.
- 4) There were 7,690 users connected to the system in 2022.
- 5) There were no "non-metered" users.
- 6) The following list is of those customers discharging both domestic and non-domestic and industrial waste into the wastewater system.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5. Illinois Environmental Protection Agency (continued)

Nestle - Discharge of 16,414,933 gallons consisting of domestic, non-domestic and industrial waste.

South Jacksonville - Discharge of 252,517,051 gallons of domestic, non-domestic and industrial waste.

The Illinois Environmental Protection Agency requires the following additional information concerning the water system.

- 1) The billable flow 1,216,983,989.
- 2) The debt service of the water system for 2022 is \$2,018,844.
- 3) There were 7,960 users connected to the system in 2022.
- 4) There were no "non-metered" users.

NOTE 6. Deposits and Investments

The City is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act of Illinois.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance (FDIC). Deposited funds may be invested in certificates of deposit. Collateral agreements must be approved prior to deposit of funds. The City Council designates a list of authorized depository institutions.

Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging financial institution's trust department or agent in the name of the City.

As of December 31, 2022, the City's deposits totaled \$35,880,041, of which \$2,554,153 is covered by Federal Deposit Insurance, \$33,183,356 is collateralized by securities held by the pledging financial institution in the name of the City, and \$142,532 is uncollateralized.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6. Deposits and Investments (Continued)

Investments

Investment Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investing activities are managed under the custody of the City Treasurer.

Investing is performed in accordance with investment policies adopted by the City Council complying with the Public Funds Investment Act of Illinois. City funds may be invested in securities as authorized by Sections 2 & 6 of the Public Funds Investment Act of Illinois.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Concentration of Credit Risk is the risk of loss attributed to the magnitude of the city's investment in a single issuer.

All amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized by (1) securities eligible for City investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating services to include Standard & Poor's, Moody's or Fitch, (2) mortgages, (3) letters of credit issued by a Federal Home Loan Bank, or (4) loans covered by a State Guaranty under the Illinois Farm Development Act. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. City policy provides that investment collateral is held by a third party custodian with whom the City has a current custodial agreement in the City's name or be held in the name of both parties by the Federal Reserve Bank servicing Illinois.

Fair value of investments is determined based on readily available quoted market prices as of December 31, 2022. At December 31, 2022 the City's reporting entity had the following investments:

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6. Deposits and Investments (Continued)

	Fair Value	Cost	Quality Rating	Weighted Average Months to Maturity
Primary Government				
Non-Pooled Investments				
Federal Agency Notes	\$ 0	\$ 0	N/A	0
Mutual Fund Bonds	771,205	856,987	AAA	68
Mutual Fund Equities	480,806	504,845	N/A	N/A
Common Stock/Equity	1,333,304	1,139,399	N/A	N/A
Total Primary Government Investments	<u>\$ 2,585,315</u>	<u>\$ 2,501,231</u>		
Fiduciary Funds				
Non-Pooled Investments				
U.S. Treasury Bills	723,889	722,992	N/A	1
External Investment Pool-IPOPIF	17,639,795	N/A		
External Investment Pool-IFPIF	15,574,908	N/A		
Total Fiduciary Funds Investments	<u>\$ 33,938,592</u>	<u>\$ 722,992</u>		
Grand Total Investments	<u>\$ 36,523,907</u>	<u>\$ 3,224,223</u>		

(1) Ratings are provided where applicable to indicate associated Credit Risk. N/A indicates not applicable.

(2) Interest Rate Risk is estimated using either duration or weighted average months to maturity depending on the respective policy.

The Illinois Police Officers' Pension Investment Fund (IPOPIF) and the Illinois Firefighters' Pension Investment Fund (IFPIF) were created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in the Police and Fire external investment pools is mandatory. The City transferred assets to the funds during the year ending December 31, 2022.

For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of the reports can be obtained from IPOPIF at 46 Fulton Street, Suite 402, Peoria, IL 61602 or at www.IPOPIF.org.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6. Deposits and Investments (Continued)

For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org.

NOTE 7. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The City funds all amounts of compensation deferred under the plan, at the direction of the covered employee, through investments in fixed and variable rate annuity contracts.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

The City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The investment activity for the year ended December 31, 2022 is as follows:

Beginning Investment Balance	\$ 4,284,483
Contributions	145,288
Investment Income	(604,508)
Transfers	0
Withdrawals	(198,679)
Asset Fees	(17,422)
Life Ins. And Posted Only	0
Ending Investment Balance	\$ 3,609,162
	<hr/> <hr/>
Life Insurance Policy Holder Account Value	\$ 2,255
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CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 8. Commitments and Contingent Liabilities

Commitments

The City has several construction commitments with remaining contract balances at December 31, 2022, total contract amounts of \$4,162,996, \$2,150,937 has been paid and a remaining balance of \$2,012,059.

Contingent Liabilities

There are several lawsuits in which the City may potentially be involved. The City Attorney believes that the potential settlements from these claims, in excess of insurance coverage, would not materially affect the financial statements.

NOTE 9. Operating Transfers

Operating transfers among funds reported within the same activities column are eliminated from that column in the government-wide statement of activities.

The following operating transfers were made:

	Operating Transfer In	Operating Transfer Out
General		
Capital Improvement	\$	\$ 1,684,173
Golf		140,000
Internal Service		1,000,000
Nonmajor Governmental	2,010	425,743
Total General	2,010	3,249,916
Capital Improvements		
General	\$ 1,684,173	\$
Nonmajor Governmental	1,000,000	
Golf		209,576
Total Capital Improvements	2,684,173	209,576
Golf		
General	\$ 140,000	\$
Capital Improvements	209,576	
Total Golf	349,576	
Internal Service		
General	\$ 1,000,000	
Total Internal Service	1,000,000	
Nonmajor Governmental		
General	\$	\$ 2,010
Capital Improvements		1,000,000
Nonmajor Governmental	570,515	144,772
Total Nonmajor Governmental	570,515	1,146,782
Total Interfund Transfers		
All Funds	\$ 4,606,274	\$ 4,606,274

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 9. Operating Transfers (Continued)

Transfers to Capital Improvements fund are for the purchase of capital assets or improvements. Transfers to Golf fund are to subsidize ordinary operations and to purchase capital assets. Transfers to the Internal Service fund are to increase the balance of the fund to cover substantial medical claims over the last two years.

NOTE 10. Recently Issued and Adopted Accounting Standards

During the year ending December 31, 2022, the City implemented GASB Statements No. 87, Leases, No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for I.R.C. Section 457 Deferred Compensation Plans, and No. 98, The Annual Comprehensive Financial Report. The implementation of GASB No. 87, Leases, had a significant impact on the City's financial statements, including a restatement in beginning net assets, as discussed in Note 22 below. The remaining statements had no material impact on the City's financial statements.

The Governmental Accounting Standards Board (GASB) has approved the following:

Statement No. 94, Public- Private and Public-Public Partnerships and Availability Payment Arrangements

Statement No. 96, Subscription-Based Information Technology Arrangements

Statement No. 99, Omnibus 2022

Statement No. 100, Accounting Changes and Error Corrections

Statement No. 101, Compensated Absences

When these statements become effective, application may restate portions of these financial statements.

NOTE 11. Industrial Revenue Bonds

In 2006 the City issued \$32,390,000 in industrial revenue bonds. The bonds are backed only by the revenue stream of the recipient. No assets of the City have been pledged against this issuance. These bonds are not included on the Statement of Net Position as a liability of the City, as they are to be repaid by the recipient corporation. The activity for the bonds for the year ended December 31, 2022 follows:

Outstanding 12/31/21	Issued	Retired	Outstanding 12/31/22
\$11,070,000	\$0	\$1,400,000	\$9,670,000

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 12. Interfund Balances

Interfund balances reported within the same activities column are eliminated from that column in the government-wide statement of activities.

At December 31, 2022, interfund receivables and payables consisted of the following:

	Due From Other Funds	Due To Other Funds
General		
Nonmajor Governmental	\$ -	\$ 21,393
Total General	-	21,393
Capital Improvements		
Nonmajor Governmental	\$ -	\$ 14,831
Total Capital Improvements	-	14,831
Nonmajor Governmental		
General	\$ 21,393	\$ -
Capital Improvements	14,831	-
Total Nonmajor Governmental	36,224	-
Total Interfund Balances		
All Funds	\$ 36,224	\$ 36,224

NOTE 13. Restricted Fund Balance

Amounts included as restricted fund balances on the financial statements include property tax levies, grant funds, fines and fees, and other amounts externally restricted for specific purposes.

NOTE 14. Legal Debt Margin

Equalized Assessed Valuation, 2022 Tax Year	\$ 256,597,364
Statutory Debt Limitation (5.75% of Equalized Assessed Valuation)	\$ 14,754,348
Less: Bond Indebtedness	127,800
Legal Debt Margin	\$ 14,626,548

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 15. Risk Management and Self Insurance

The City is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. For these programs, settlement amounts have not exceeded coverage for the current or three prior years. The City maintains internal service funds for its self-insured employees health insurance program insurance claims. Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the fund financial statements as revenues and expenditures/expenses.

For medical claims, self-insurance is in effect up to a stop loss of \$80,000 per individual occurrence. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claim handling procedures.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The changes in the aggregate liabilities for claims for the year ended December 31, 2022 were as follows:

EMPLOYEE HEALTH INSURANCE	2022	2021
Claims Payable, Beginning of the Year	\$ 296,159	\$ 233,704
Claims Incurred and Changes in Accrual	2,611,094	2,569,951
Claim Payments	(2,716,320)	(2,507,496)
Claims Payable, End of the Year	<u>\$ 190,933</u>	<u>\$ 296,159</u>

NOTE 16. Joint Venture

The West Central Dispatch Center is a joint venture between the City of Jacksonville, Illinois, Morgan County Board, Passavant Hospital and the West Central Emergency Telephone System Board (ETSB) to provide professional and compassionate 911 and emergency dispatch services. The West Central ETSB is comprised of 13 members from the various emergency response agencies and county boards from Morgan, Greene and Calhoun Counties. The System's financial activities, other than operating subsidies and advances from the City, are not included in the City's reporting entity. Each member's quarterly payments are meant to cover their share of costs of the system. As a result, future obligations of the City may vary based on the System's budget. West Central Joint Dispatch is included as a component unit of Morgan County, Illinois. Financial statements can be found on the County's website at www.morgancounty-il.com.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 17. Long Term Obligations

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2022

	Balance January 1, 2022 Restated	Additions	Retirements	Balance December 31, 2022	Due Within One Year
Governmental Activities					
Capital Improvements					
Financing Lease - JD Endloader	\$ 22,480	\$	\$ 22,480	\$ -	\$
General Fund					
Operating Lease - Landfill	148,811		21,011	127,800	22,450
Compensated Absences	<u>191,007</u>	<u>14,024</u>	<u></u>	<u>205,031</u>	<u></u>
Total	<u>\$ 362,298</u>	<u>\$ 14,024</u>	<u>\$ 43,491</u>	<u>\$ 332,831</u>	<u>\$ 22,450</u>
Business-Type Activities					
Water and Sewer					
Alternative Revenue Bonds	\$ 27,831,908	\$	\$ 1,645,914	\$ 26,185,994	\$ 1,596,450
Compensated Absences	<u>50,398</u>	<u></u>	<u></u>	<u>50,398</u>	<u></u>
Golf					
Compensated Absences	<u>171</u>	<u></u>	<u></u>	<u>171</u>	<u></u>
Total	<u>\$ 27,882,477</u>	<u>\$ -</u>	<u>\$ 1,645,914</u>	<u>\$ 26,236,563</u>	<u>\$ 1,596,450</u>

The following amounts of interest expense have been included as a direct expense of the corresponding function on the Statement of Activities:

Governmental Activities	\$6,416
Business-Type Activities	\$601,902

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 17. Long Term Obligations (Continued)

1. Alternative Revenue Bonds

Alternative revenue bonds included as liabilities of the Water and Sewer enterprise fund consist of the following:

- a. \$325,989 issue of 1999 is due in semi-annual installments of \$10,646 through May 1, 2020, interest rate of 2.525%. This alternative revenue bond was paid in full during the fiscal year ended December 31, 2020.
- b. \$915,324 issue of 2000 is due in semi-annual installments of \$23,455 through May 1, 2021, including interest of 2.905%.
- c. \$792,848 issue of 2002 is due in semi-annual installments of \$25,975 through November 1, 2022, with a final payment of \$11,329 due May 1, 2023, including interest of 2.5700%.
- d. \$880,184 issue of 2002 is due in semi-annual installments of \$28,836 through November 1, 2022, with a final payment of \$12,577 due May 1, 2023, including interest of 2.5700%.
- e. \$2,333,623 issue of 2013 is due in semi-annual installments of \$71,628 through August 18, 2034, including interest of 1.9300%.
- f. \$30,764,895 issue of 2015 is due in semi-annual installments of \$997,469 through May 24, 2037, including interest of 2.2100%

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 17. Long Term Obligations (Continued)

1. Alternative Revenue Bonds (Continued)

Principal and interest payments to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	\$ 1,596,450	\$ 565,651	\$ 2,162,101
2024	1,607,476	530,719	2,138,195
2025	1,642,868	495,327	2,138,195
2026	1,679,040	459,155	2,138,195
2027	1,716,009	422,186	2,138,195
2028	1,753,793	384,402	2,138,195
2029	1,792,410	345,785	2,138,195
2030	1,831,878	306,317	2,138,195
2031	1,872,216	265,979	2,138,195
2032	1,913,444	224,751	2,138,195
2033	1,955,580	182,615	2,138,195
2034	1,998,645	139,550	2,138,195
2035	1,898,712	96,226	1,994,938
2036	1,940,905	54,033	1,994,938
2037	986,568	10,897	997,465
	\$ 26,185,994	\$ 4,483,593	\$ 30,669,587

Alternative revenue bond ordinances of the Water and Sewer Utility Fund require that certain reserve accounts be maintained at designated minimum dollar amounts.

Account	Amount
Bond and Interest	\$176,147

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 17. Long Term Obligations (Continued)

2. GASB 87 Leases

On October 2, 2018, the City entered into a financing lease agreement for an end loader. The amount of lease purchase was \$85,650. The agreement calls for annual payments of \$23,498, which includes principal and interest at a rate of 3.75%. The lease payments are made from the Capital Improvements fund. This lease was paid in full during the year ending December 31, 2022.

On January 25, 2005, the City entered into an extension of the original lease of the City landfill site with a non-cancellable lease period through December 31, 2008 with monthly payments of \$1,400. After this date, and no earlier than the completion of post-closure procedures as approved by the IEPA, the lease would continue with lease payments increasing \$600 per year. As of December 31, 2022, the landfill post-closure procedures are still ongoing, and the City estimates the lease will remain in force for an additional 5 years, through December 31, 2027. Assuming an incremental borrowing rate of 3.87%, principal and interest payments over the remaining estimated lease term, to be paid from the General Fund are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	\$ 22,450	\$ 4,550	\$ 27,000
2024	23,944	3,656	27,600
2025	25,499	2,701	28,200
2026	27,114	1,686	28,800
2027	28,793	607	29,400
	<u>\$ 127,800</u>	<u>\$ 13,200</u>	<u>\$ 141,000</u>

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 18. Construction In Progress

The City has multiple construction projects in process as of December 31, 2022. Construction in progress includes work completed to date on the Nichols Park Pavilion Project, Diamond Grove Cemetery Addition, East State Road Project, Veterans Park Project, East College Street Project, South Main Street Project, Nichols Park Pool Project, Lake Jacksonville Trail Project, Naples Gravel Pack Wells Project, Wastewater Treatment Plant Facility Plan, Johnson Street Lift Station Project, East Side Hydraulic Evaluation, Northwest Sanitary Sewer Rehab Study, Lake Mauvaisterre Watershed Project, Lake Jacksonville Spillway Repair, NARP Project, N. CSO Pump Electrical Rehab, and Wastewater Treatment Plant Mixer. The pavilion project is expected to have a total estimated cost of between \$300,000 and \$400,000. As of December 31, 2022, \$312,341 has been expended for the pavilion project, \$53,992 for the Diamond Grove Cemetery Addition, \$638,688 for the East State Road Project, \$156,964 for the Veterans Park Project, \$21,868 for East College, \$14,129 for South Main, \$21,600 for Nichols Park Pool, \$8,250 for the Lake Jacksonville Trail, \$505,017 for the Naples Well Project, \$829,369 for the Wastewater Treatment Plant Facility Plan, \$373,894 for the Johnson Street Lift Station Project, \$25,490 for the East Side Hydraulic Evaluation, \$6,389 for the Northwest Sanitary Sewer Rehab Study, \$102,925 for the Lake Mauvaisterre Watershed Project, \$13,711 for the Lake Jacksonville Spillway Repair, \$109,932 for the NARP Project, \$23,699 for the N. CSO Pump Electrical Rehab and \$15,231 for the Wastewater Treatment Plant Mixer.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 19. Capital Assets.

The following is a summary of changes in capital assets for the year ended December 31, 2022

	Beginning Balance January 1, 2022 Restated	Additions	Deletions	Ending Balance December 31, 2022
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 529,592	\$	\$	\$ 529,592
Infrastructure Land	459,635			459,635
Construction in Progress	<u>2,212,012</u>	<u>317,855</u>	<u>1,302,035</u>	<u>1,227,832</u>
Total Capital Assets, Not Being Depreciated	<u>3,201,239</u>	<u>317,855</u>	<u>1,302,035</u>	<u>2,217,059</u>
Capital Assets, Being Depreciated:				
Buildings	6,249,763			6,249,763
Infrastructure	26,754,487	3,580,032		30,334,519
Machinery and Equipment	5,460,960	131,280		5,592,240
Licensed Vehicles	<u>2,249,602</u>	<u>140,107</u>		<u>2,389,709</u>
Total Capital Assets, Being Depreciated	<u>40,714,812</u>	<u>3,851,419</u>	<u>-</u>	<u>44,566,231</u>
Less Accumulated Depreciation for:				
Buildings	4,209,595	103,737		4,313,332
Infrastructure	9,782,979	712,612		10,495,591
Machinery and Equipment	4,527,224	400,784		4,928,008
Licensed Vehicles	<u>2,013,478</u>	<u>134,728</u>		<u>2,148,206</u>
Total Accumulated Depreciation	<u>20,533,276</u>	<u>1,351,861</u>	<u>-</u>	<u>21,885,137</u>
Total Capital Assets, Being Depreciated, Net	<u>20,181,536</u>	<u>2,499,558</u>	<u>-</u>	<u>22,681,094</u>
Right-of-Use Assets	336,088			336,088
Less Accumulated Amortization	<u>248,413</u>	<u>14,612</u>		<u>263,025</u>
Total Right-of-Use Assets, Net	<u>87,675</u>	<u>(14,612)</u>		<u>73,063</u>
Governmental Activities Capital Assets, Net	<u>\$ 23,470,450</u>	<u>\$ 2,802,801</u>	<u>\$ 1,302,035</u>	<u>\$ 24,971,216</u>

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 19. Capital Assets (Continued)

	Beginning Balance January 1, 2022	Additions	Deletions	Ending Balance December 31, 2022
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 173,813	\$	\$	\$ 173,813
Construction in Progress	<u>1,384,487</u>	<u>1,386,358</u>	<u>765,190</u>	<u>2,005,655</u>
Total Capital Assets, Not Being Depreciated	<u>1,558,300</u>	<u>1,386,358</u>	<u>765,190</u>	<u>2,179,468</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,809,041			1,809,041
Buildings & Infrastructure	111,197,746	765,188		111,962,934
Machinery and Equipment	<u>6,275,340</u>	<u>183,339</u>		<u>6,458,679</u>
Total Capital Assets, Being Depreciated	<u>119,282,127</u>	<u>948,527</u>	<u>-</u>	<u>120,230,654</u>
Less Accumulated Depreciation for:				
Land Improvements	593,158	7,800		600,958
Buildings & Infrastructure	49,029,350	2,404,941		51,434,291
Machinery and Equipment	<u>5,172,622</u>	<u>162,362</u>		<u>5,334,984</u>
Total Accumulated Depreciation	<u>54,795,130</u>	<u>2,575,103</u>	<u>-</u>	<u>57,370,233</u>
Total Capital Assets, Being Depreciated, Net	<u>64,486,997</u>	<u>(1,626,576)</u>	<u>-</u>	<u>62,860,421</u>
Business-Type Activities Capital Assets, Net	\$ <u>66,045,297</u>	\$ <u>(240,218)</u>	\$ <u>765,190</u>	\$ <u>65,039,889</u>

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 19. Capital Assets (Continued)

Depreciation/Amortization expense was charged to the functions of the government as follows:

Governmental Activities	
General Government	\$ 218,395
Public Safety	387,861
Public Works/Transportation	596,573
Health and Welfare	32,894
Culture and Recreation	130,750
	<u>\$ 1,366,473</u>
Business-Type Activities	
Water and Sewer	\$ 2,533,960
Golf	41,143
	<u>\$ 2,575,103</u>

NOTE 20. Subsequent Events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the City through July 10, 2023, the date which the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

NOTE 21. Lake Land Lease

The City leases land around Lake Jacksonville to various private camping clubs. During the year ending December 31, 2022, a new two-year lease was entered from April 1, 2022 through March 31, 2024. The terms of the lease call for a stated amount per campsite at each location. Based on the terms of the lease, and in accordance with GASB 87, the City recognized \$55,145 in revenue for the current year and included the principal portion of the second year's payment of \$57,499 in accounts receivable and deferred inflows.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 22. Prior Period Adjustment

As discussed in Note 10, the City implemented GASB 87, *Leases* during the year ending December 31, 2022. In order to comply with the standard, the City was required to make an adjustment to beginning net assets reported on the Statement of Net Assets for the landfill lease discussed in Note 17. The net adjustment amounts to the difference between the Right-of-Use asset, net of accumulated amortization and the outstanding lease debt principal as calculated as of January 1, 2022, according to the calculation below.

Governmental Capital Assets, Net

Governmental Capital Assets, Net as of 1-1-22	\$ 23,382,775
Inclusion of Right-of-Use Assets as of 1-1-22	336,088
Less Accumulated Amortization as of 1-1-22	<u>(248,413)</u>
Governmental Capital Assets, Net as of 1-1-22 as Restated	<u>\$ 23,470,450</u>

Governmental Long Term Obligations

Long Term Obligations as 1-1-22	\$ 213,487
Inclusion of Lease Liabilities related to Right-of- Use Assets as of 1-1-22	<u>148,811</u>
Governmental Long Term Obligations as of 1-1-22 as Restated	<u>\$ 362,298</u>

Governmental Activities Net Position

Net Position as of 1-1-22	\$ 26,887,235
Inclusion of Right-of-Use Asset, Net as of 1-1-22	87,675
Inclusion of Related Lease Liability as of 1-1-22	<u>(148,811)</u>
Governmental Activities Net Position as of 1-1-22 as Restated	<u>\$ 26,826,099</u>

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUE				
Property Taxes	\$ 4,300,000	\$ 4,300,000	\$ 4,363,163	\$ 63,163
City Sales Tax	2,000,000	2,000,000	2,539,538	539,538
Franchise Tax	150,000	150,000	133,106	(16,894)
Intergovernmental:				
State Income Tax	2,100,000	2,100,000	2,870,478	770,478
Replacement Tax	-	-	911,686	911,686
Sales Tax	4,208,000	4,208,000	5,113,106	905,106
Video Gaming Tax	-	-	432,383	432,383
Excise Tax	795,000	795,000	769,101	(25,899)
Cannabis Use Tax	26,000	26,000	28,341	2,341
Federal Grant	150,000	150,000	56,398	(93,602)
State Grant			0	-
State Expense Reimbursement	92,000	92,000	181,065	89,065
Local Expense Reimbursement	65,000	65,000	54,622	(10,378)
Licenses and Permits	356,145	356,145	423,617	67,472
Fines and Forfeitures	41,000	41,000	86,873	45,873
Revenue from Services	566,202	566,202	788,437	222,235
Rent	45,000	45,000	43,810	(1,190)
Investment Income	165,950	165,950	137,036	(28,914)
Other	175,840	175,840	155,032	(20,808)
Total Revenue	<u>15,236,137</u>	<u>15,236,137</u>	<u>19,087,792</u>	<u>3,851,655</u>
EXPENDITURES				
Current:				
General Control and Administration	3,158,678	3,158,678	3,077,097	81,581
Public Safety	8,058,062	8,058,062	8,039,998	18,064
Public Works/Transportation	1,726,626	1,726,626	1,761,116	(34,490)
Culture & Recreation	1,274,471	1,274,471	1,202,648	71,823
Health and Welfare	671,511	671,511	591,580	79,931
Debt Service			26,400	(26,400)
Capital Outlay	48,000	48,000	149,027	(101,027)
Total Expenditures	<u>14,937,348</u>	<u>14,937,348</u>	<u>14,847,866</u>	<u>89,482</u>
Revenue Over (Under) Expenditures	<u>298,789</u>	<u>298,789</u>	<u>4,239,926</u>	<u>3,941,137</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers				
Received		-	2,010	2,010
Paid	(1,404,173)	(1,404,173)	(3,249,916)	(1,845,743)
Total Other Financing Sources	<u>(1,404,173)</u>	<u>(1,404,173)</u>	<u>(3,247,906)</u>	<u>(1,843,733)</u>
Net Change in Fund Balances	\$ <u>(1,105,384)</u>	\$ <u>(1,105,384)</u>	992,020	\$ <u>2,097,404</u>
FUND BALANCE, BEGINNING			<u>17,607,071</u>	
FUND BALANCE, ENDING			\$ <u>18,599,091</u>	

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES

Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CURRENT:				
General Control and Administration:				
Aldermen				
Personal Services	\$ 38,754	\$ 38,754	\$ 38,271	\$ 483
Other Services and Charges	6,500	6,500	14,296	(7,796)
	<u>45,254</u>	<u>45,254</u>	<u>52,567</u>	<u>(7,313)</u>
Mayor's Office				
Personal Services	341,930	341,930	299,876	42,054
Supplies	3,000	3,000	-	3,000
Other Services and Charges	61,500	61,500	57,134	4,366
	<u>406,430</u>	<u>406,430</u>	<u>357,010</u>	<u>49,420</u>
Revolving Loan				
Personal Services	3,911	3,911	4,003	(92)
	<u>3,911</u>	<u>3,911</u>	<u>4,003</u>	<u>(92)</u>
City Clerk's Office				
Personal Services	399,871	399,871	414,979	(15,108)
Supplies	3,200	3,200	1,934	1,266
Other Services and Charges	19,200	19,200	11,006	8,194
	<u>422,271</u>	<u>422,271</u>	<u>427,919</u>	<u>(5,648)</u>
City Treasurer's Office				
Personal Services	128,331	128,331	124,743	3,588
Supplies	400	400	332	68
Other Services and Charges	2,300	2,300	2,033	267
	<u>131,031</u>	<u>131,031</u>	<u>127,108</u>	<u>3,923</u>
City Attorney's Office				
Personal Services	116,880	116,880	117,960	(1,080)
Supplies	4,100	4,100	2,551	1,549
Other Services and Charges	127,600	127,600	80,931	46,669
	<u>248,580</u>	<u>248,580</u>	<u>201,442</u>	<u>47,138</u>
Boards and Commissions				
Other Services and Charges	20,087	20,087	35,469	(15,382)
	<u>\$ 20,087</u>	<u>\$ 20,087</u>	<u>\$ 35,469</u>	<u>\$ (15,382)</u>

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES
-continued-

Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Audit				
Other Services and Charges	\$ 40,000	\$ 40,000	\$ 39,200	\$ 800
	<u>40,000</u>	<u>40,000</u>	<u>39,200</u>	<u>800</u>
Major Departmental Emergency				
Personal Services	76,565	76,565	79,376	(2,811)
Supplies	43,500	43,500	12,478	31,022
Other Services and Charges	739,667	739,667	718,932	20,735
	<u>859,732</u>	<u>859,732</u>	<u>810,786</u>	<u>48,946</u>
City Hall and Plaza				
Personal Services	262,372	262,372	280,032	(17,660)
Supplies	46,200	46,200	52,378	(6,178)
Other Services and Charges	109,500	109,500	143,907	(34,407)
	<u>418,072</u>	<u>418,072</u>	<u>476,317</u>	<u>(58,245)</u>
City Insurance				
Other Services and Charges	419,120	419,120	411,193	7,927
	<u>419,120</u>	<u>419,120</u>	<u>411,193</u>	<u>7,927</u>
Central Supply				
Supplies	24,000	24,000	16,649	7,351
	<u>24,000</u>	<u>24,000</u>	<u>16,649</u>	<u>7,351</u>
Human Resource				
Personal Services	111,390	111,390	109,452	1,938
Other Services and Charges	8,800	8,800	7,982	818
	<u>120,190</u>	<u>120,190</u>	<u>117,434</u>	<u>2,756</u>
 Total General Control and Administration	 <u>3,158,678</u>	 <u>3,158,678</u>	 <u>3,077,097</u>	 <u>81,581</u>
Public Safety:				
Police Department				
Personal Services	4,238,216	4,238,216	4,069,320	168,896
Supplies	57,500	57,500	47,126	10,374
Other Services and Charges	198,700	198,700	139,432	59,268
	<u>4,494,416</u>	<u>4,494,416</u>	<u>4,255,878</u>	<u>238,538</u>
Fire Department				
Personal Services	2,577,879	2,577,879	2,672,726	(94,847)
Supplies	12,000	12,000	5,878	6,122
Other Services and Charges	134,500	134,500	173,093	(38,593)
	<u>\$ 2,724,379</u>	<u>\$ 2,724,379</u>	<u>\$ 2,851,697</u>	<u>\$ (127,318)</u>

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES
-continued-

Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Inspection/Community Development				
Personal Services	\$ 498,919	\$ 498,919	\$ 501,154	\$ (2,235)
Supplies	1,500	1,500	1,772	(272)
Other Services and Charges	117,600	117,600	240,376	(122,776)
	<u>618,019</u>	<u>618,019</u>	<u>743,302</u>	<u>(125,283)</u>
Emergency Services				
Personal Services	168,308	168,308	152,079	16,229
Supplies	15,550	15,550	16,478	(928)
Other Services and Charges	37,390	37,390	20,564	16,826
	<u>221,248</u>	<u>221,248</u>	<u>189,121</u>	<u>32,127</u>
 Total Public Safety	 <u>8,058,062</u>	 <u>8,058,062</u>	 <u>8,039,998</u>	 <u>18,064</u>
Public Works/Transportation:				
Municipal Services				
Personal Services	781,226	781,226	824,273	(43,047)
Supplies	494,500	494,500	548,884	(54,384)
Other Services and Charges	217,900	217,900	167,738	50,162
	<u>1,493,626</u>	<u>1,493,626</u>	<u>1,540,895</u>	<u>(47,269)</u>
Street Lighting				
Other Services and Charges	233,000	233,000	220,221	12,779
	<u>233,000</u>	<u>233,000</u>	<u>220,221</u>	<u>12,779</u>
 Total Public Works/ Transportation	 <u>1,726,626</u>	 <u>1,726,626</u>	 <u>1,761,116</u>	 <u>(34,490)</u>
Culture and Recreation:				
Parks & Lakes	1,222,900	1,222,900	1,159,565	63,335
Personal Services	51,571	51,571	43,083	8,488
 Total Culture and Recreation	 <u>1,274,471</u>	 <u>1,274,471</u>	 <u>1,202,648</u>	 <u>71,823</u>
Health and Welfare:				
Animal Control				
Other Services and Charges	46,135	46,135	44,389	1,746
	<u>\$ 46,135</u>	<u>\$ 46,135</u>	<u>\$ 44,389</u>	<u>\$ 1,746</u>

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES
-continued-

Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Landfill				
Personal Services	\$ -	\$ -	\$ -	\$ -
Other Services and Charges	187,400	187,400	173,600	13,800
	<u>187,400</u>	<u>187,400</u>	<u>173,600</u>	<u>13,800</u>
Public Service				
Other Services and Charges	1,000	1,000	1,280	(280)
	<u>1,000</u>	<u>1,000</u>	<u>1,280</u>	<u>(280)</u>
Cemetery	436,976	436,976	372,311	64,665
	<u>436,976</u>	<u>436,976</u>	<u>372,311</u>	<u>64,665</u>
Total Health and Welfare	<u>671,511</u>	<u>671,511</u>	<u>591,580</u>	<u>79,931</u>
Total Current Expenditures	<u>14,889,348</u>	<u>14,889,348</u>	<u>14,672,439</u>	<u>216,909</u>
Debt Service	<u>-</u>	<u>-</u>	<u>26,400</u>	<u>(26,400)</u>
Capital Outlay:				
General Control and Administration:				
Other Major Departmental	-	-	-	-
Public Works				
Transportation			22,693	(22,693)
Public Safety:				
Police Department	25,000	25,000	98,098	(73,098)
Fire Department	15,000	15,000	18,545	(3,545)
Inspection/Community Development	8,000	8,000	9,691	(1,691)
Health and Welfare				
Cemetery			-	-
	<u>48,000</u>	<u>48,000</u>	<u>149,027</u>	<u>(101,027)</u>
Total Capital Outlay	<u>48,000</u>	<u>48,000</u>	<u>149,027</u>	<u>(101,027)</u>
Total General Fund Expenditures	<u>\$ 14,937,348</u>	<u>\$ 14,937,348</u>	<u>\$ 14,847,866</u>	<u>\$ 89,482</u>

CITY OF JACKSONVILLE, ILLINOIS

CAPITAL IMPROVEMENT FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUE				
Intergovernmental				
Federal Grant		-	200,000	200,000
State Grant		-	817,532	817,532
Investment Income	<u>1,500</u>	<u>1,500</u>	<u>27,801</u>	<u>26,301</u>
Total Revenue	<u>1,500</u>	<u>1,500</u>	<u>1,045,333</u>	<u>1,043,833</u>
EXPENSES				
Debt Service			23,498	(23,498)
Capital Outlay	<u>1,521,721</u>	<u>1,521,721</u>	<u>3,329,283</u>	<u>(1,807,562)</u>
Total Expenditures	<u>1,521,721</u>	<u>1,521,721</u>	<u>3,352,781</u>	<u>(1,831,060)</u>
Revenue Over (Under) Expenditures	<u>(1,520,221)</u>	<u>\$ (1,520,221)</u>	<u>(2,307,448)</u>	<u>\$ (787,227)</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers				
Received	1,684,173	1,684,173	2,684,173	1,000,000
Paid	<u>(219,000)</u>	<u>(219,000)</u>	<u>(209,576)</u>	<u>9,424</u>
Total Other Financing Sources (Uses)	<u>1,465,173</u>	<u>1,465,173</u>	<u>2,474,597</u>	<u>1,009,424</u>
Net Change in Fund Balances	<u>\$ (55,048)</u>	<u>\$ (55,048)</u>	167,149	<u>\$ 222,197</u>
FUND BALANCE, BEGINNING			<u>838,697</u>	
FUND BALANCE, ENDING			<u>\$ 1,005,846</u>	

CITY OF JACKSONVILLE, ILLINOIS
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - SLEP PLAN

LAST 10 CALENDAR YEARS (To be built prospectively from 2014)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 13,993	\$ 13,992	\$ 1	\$ 91,098	15.36%
2015	15,089	15,088	1	92,455	16.32%
2016	15,526	15,526	-	93,700	16.57%
2017	3,402	3,402	-	21,947	15.50%
2018	-	1,294	(1,294)	-	0.00%
2019	-	16,510	(16,510)	-	0.00%
2020	-	18,616	(18,616)	-	0.00%
2021	-	17,941	(17,941)	-	0.00%
2022	-	16,707	(16,707)	-	0.00%

CITY OF JACKSONVILLE, ILLINOIS
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - REGULAR PLAN

LAST 10 CALENDAR YEARS (To be built prospectively from 2014)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 526,369	\$ 541,880	\$ (15,511)	\$ 4,553,368	11.90%
2015	534,588	534,588	-	4,829,160	11.07%
2016	533,585	533,584	1	5,019,612	10.63%
2017	485,029	485,092	(63)	4,850,293	10.00%
2018	485,626	485,626	-	4,925,209	9.86%
2019	346,455	346,456	(1)	4,963,540	6.98%
2020	448,080	448,079	1	5,040,265	8.89%
2021	467,619	483,841	(16,222)	5,254,149	9.21%
2022	358,844	358,844	-	5,324,098	6.74%

CITY OF JACKSONVILLE, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF CONTRIBUTIONS

LAST 10 CALENDAR YEARS (To be built prospectively from 2015)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 835,762	\$ 992,848	\$ (157,086)	\$ 2,607,909	38.07%
2016	875,841	1,036,438	(160,597)	2,699,186	38.40%
2017	918,642	1,116,242	(197,600)	2,793,657	39.96%
2018	990,997	1,194,801	(203,804)	2,658,865	44.94%
2019	1,219,573	1,299,660	(80,087)	2,737,525	47.48%
2020	1,312,923	1,359,772	(46,849)	2,747,403	49.49%
2021	1,368,300	1,373,768	(5,468)	2,879,199	47.71%
2022	1,377,573	1,418,771	(41,198)	2,967,192	47.82%

Notes to Schedule of Contributions

The Actuarially Determined Contribution shown for the current year is from the January 1, 2021 Actuarial Report completed by the Illinois Department of Insurance for the tax levy recommendation for the December 2021 tax levy. The methods and assumptions shown below are based on the same Actuarial Valuation. For more detail on the age-based and service-based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Amortization Target	90% Funded in 20 Years
Asset Valuation Method	5- Year Smoothed Market Value
Inflation Rate (CPI-U)	2.50%
Total Payroll Increases	3.50%
Individual Pay Increases	3.50% - 11.00%
Investment Rate of Return	6.50%
Mortality Rates	RP-2014 Healthy Annuitant, with Blue Collar Adjustment
Retirement Rates	Illinois Department of Insurance Actuarial Experience Study dated October 5, 2017
Termination Rates	Illinois Department of Insurance Actuarial Experience Study dated October 5, 2017
Disability Rates	Illinois Department of Insurance Actuarial Experience Study dated October 5, 2017

CITY OF JACKSONVILLE, ILLINOIS
FIREMEN'S PENSION FUND
SCHEDULE OF CONTRIBUTIONS

LAST 10 CALENDAR YEARS (To be built prospectively from 2015)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 601,406	\$ 670,795	\$ (69,389)	\$ 1,718,854	39.03%
2016	588,401	734,886	(146,485)	1,779,014	41.31%
2017	654,038	785,197	(131,159)	1,841,279	42.64%
2018	696,044	817,667	(121,623)	1,853,311	44.12%
2019	831,854	1,004,365	(172,511)	1,913,544	52.49%
2020	1,029,829	1,065,958	(36,129)	2,029,248	52.53%
2021	1,072,854	1,065,626	7,228	2,879,199	37.01%
2022	1,067,026	1,042,608	24,418	2,067,836	50.42%

Notes to Schedule of Contributions

The Actuarially Determined Contribution shown for the current year is from the January 1, 2021 Actuarial Report completed by the Illinois Department of Insurance for the tax levy recommendation for the December 2021 tax levy. The methods and assumptions shown below are based on the same Actuarial Valuation. For more detail on the age-based and service-based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Amortization Target	90% Funded in 21 Years
Asset Valuation Method	5- Year Smoothed Market Value
Inflation Rate (CPI-U)	2.50%
Total Payroll Increases	3.50%
Individual Pay Increases	3.50% - 12.50%
Investment Rate of Return	6.50%
Mortality Rates	RP-2014 Healthy Annuitant, with Blue Collar Adjustment
Retirement Rates	Illinois Department of Insurance Actuarial Experience Study dated October 5, 2017
Termination Rates	Illinois Department of Insurance Actuarial Experience Study dated October 5, 2017
Disability Rates	Illinois Department of Insurance Actuarial Experience Study dated October 5, 2017

CITY OF JACKSONVILLE, ILLINOIS
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND - SLEP PLAN

LAST 10 CALENDAR YEARS (to be built prospectively from 2014)

Calendar Year Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Pension Liability												
Service Cost	\$ 39,464	\$ 39,266	\$ 38,828	\$ 38,550	\$ 38,427	\$ 16,347	\$ 16,598	\$ 15,911	\$ 17,088			
Interest on the Total Pension Liability						21,891	20,902	18,876	16,117			
Benefit Changes	5,175	4,825	4,863	4,512	4,088	232,609	(11,439)	(7,664)	(4,548)			
Difference Between Expected and Actual Experience						(9,899)	(3,408)	289	10,390			
Assumption Changes			2,661	-	15,024	(26,970)						
Benefit Payments and Refunds	(41,891)	(40,829)	(39,772)	(38,704)	(37,630)	233,978	22,653	27,412	39,047			
Net Change in Total Pension Liability	2,748	3,262	6,580	4,358	19,909	233,978	22,653	27,412	39,047			
Total Pension Liability - Beginning	565,283	562,021	555,441	551,083	531,174	297,196	274,543	247,131	208,084			
Total Pension Liability - Ending (a)	\$ 568,031	\$ 565,283	\$ 562,021	\$ 555,441	\$ 551,083	\$ 531,174	\$ 297,196	\$ 274,543	\$ 247,131			
Plan Fiduciary Net Position												
Employer Contributions	\$ 16,707	\$ 17,941	\$ 18,616	\$ 16,510	\$ 1,294	\$ 3,402	\$ 15,526	\$ 15,088	\$ 13,992			
Employee Contributions						1,646	7,028	6,934	6,832			
Pension Plan Net Investment Income	(67,318)	70,895	53,534	63,631	(27,256)	19,269	16,944	1,099	11,435			
Benefit Payments and Refunds	(41,891)	(40,829)	(39,772)	(38,704)	(37,630)	(26,970)						
Other	2,889	1,594	7,069	2,519	18,541	70,409	(597)	339	(439)			
Net Change in Plan Fiduciary Net Position	(89,613)	49,601	39,447	43,956	(45,051)	67,756	38,901	23,460	31,820			
Plan Fiduciary Net Position - Beginning	426,943	377,342	337,895	293,939	338,990	271,234	232,333	208,873	177,053			
Plan Fiduciary Net Position - Ending (b)	\$ 337,330	\$ 426,943	\$ 377,342	\$ 337,895	\$ 293,939	\$ 338,990	\$ 271,234	\$ 232,333	\$ 208,873			
Net Pension Liability/(Asset) - Ending (a) - (b)	\$ 230,701	\$ 138,340	\$ 184,679	\$ 217,546	\$ 257,144	\$ 192,184	\$ 25,962	\$ 42,210	\$ 38,258			
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	59.39%	75.53%	67.14%	60.83%	53.34%	63.82%	91.26%	84.63%	84.52%			
Covered Valuation Payroll												
Net Pension Liability as a Percentage of Covered Valuation Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	875.67%	27.71%	45.65%	42.00%			

Notes to Schedule:
This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF JACKSONVILLE, ILLINOIS
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND - ECO PLAN

LAST 10 CALENDAR YEARS (to be built prospectively from 2014)

Calendar Year Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Interest on the Total Pension Liability	-	-	-	-	-	-	6,044	3,259	3,120	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	-	-	-	-	-	-	(86,628)	33,867	(3,253)	-
Assumption Changes	-	-	-	-	-	-	-	-	1,995	-
Benefit Payments and Refunds	-	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	-	-	-	-	-	-	(80,584)	37,126	1,862	-
Total Pension Liability - Beginning	-	-	-	-	-	-	80,584	43,458	41,596	-
Total Pension Liability - Ending (a)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,584</u>	<u>\$ 43,458</u>	<u>\$ -</u>
Plan Fiduciary Net Position										
Employer Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Employee Contributions	-	-	-	-	-	-	-	-	-	-
Pension Plan Net Investment Income	-	-	-	-	-	-	6,044	206	2,537	-
Benefit Payments and Refunds	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	(86,641)	39,234	(2,976)	-
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-	(80,597)	39,440	(439)	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-	-	80,597	41,157	41,596	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,597</u>	<u>\$ 41,157</u>	<u>\$ -</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13)</u>	<u>\$ 2,301</u>	<u>\$ -</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.02%	94.71%	-
Covered Valuation Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Net Pension Liability as a Percentage of Covered Valuation Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

The City of Jacksonville no longer participates in the ECO Plan. This schedule is presented to show the years that the City had participated in the ECO Plan.

CITY OF JACKSONVILLE, ILLINOIS
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND - REGULAR PLAN

LAST 10 CALENDAR YEARS (to be built prospectively from 2014)

Calendar Year Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ 518,077	\$ 514,319	\$ 531,594	\$ 523,828	\$ 495,075	\$ 526,024	\$ 529,892	\$ 506,454	\$ 551,511	
Interest on the Total Pension Liability	2,575,550	2,517,815	2,435,627	2,321,988	2,264,300	2,256,026	2,185,353	2,082,829	1,970,261	
Benefit Changes										
Difference Between Expected and Actual Experience	27,738	(221,232)	377,660	553,647	(170,833)	(143,270)	(287,180)	209,053	(521,368)	
Assumption Changes			(234,638)	-	871,272	(986,687)	(35,407)	34,881	893,787	
Benefit Payments and Refunds	(2,047,402)	(1,985,446)	(1,950,514)	(1,721,328)	(1,553,546)	(1,499,029)	(1,475,626)	(1,402,471)	(1,339,034)	
Net Change in Total Pension Liability	1,073,963	825,456	1,159,729	1,678,135	1,906,268	153,064	917,032	1,430,746	1,555,157	-
Total Pension Liability - Beginning	36,289,496	35,464,040	34,304,311	32,626,176	30,719,908	30,566,844	29,649,812	28,219,086	26,663,909	
Total Pension Liability - Ending (a)	\$ 37,363,459	\$ 36,289,496	\$ 35,464,040	\$ 34,304,311	\$ 32,626,176	\$ 30,719,908	\$ 30,566,844	\$ 29,649,812	\$ 28,219,086	
Plan Fiduciary Net Position										
Employer Contributions	\$ 358,844	\$ 483,841	\$ 448,079	\$ 346,456	\$ 485,626	\$ 485,092	\$ 533,584	\$ 534,588	\$ 541,880	
Employee Contributions	240,112	244,648	226,811	235,313	245,803	219,498	225,883	217,313	210,939	
Pension Plan Net Investment Income	(5,536,018)	6,534,525	4,907,314	5,496,696	(1,689,952)	4,979,374	1,873,597	135,715	1,804,631	
Benefit Payments and Refunds	(2,047,402)	(1,985,446)	(1,950,514)	(1,721,328)	(1,553,546)	(1,499,029)	(1,475,626)	(1,402,471)	(1,339,034)	
Other	(128,825)	(212,437)	132,846	380,223	319,495	(524,849)	90,511	79,724	(148,746)	
Net Change in Plan Fiduciary Net Position	(7,113,289)	5,065,131	3,764,536	4,737,360	(2,192,574)	3,660,086	1,247,949	(435,131)	869,670	-
Plan Fiduciary Net Position - Beginning	43,315,562	38,250,431	34,485,895	29,748,535	31,941,109	28,281,023	27,033,074	27,468,205	26,598,535	
Plan Fiduciary Net Position - Ending (b)	\$ 36,202,273	\$ 43,315,562	\$ 38,250,431	\$ 34,485,895	\$ 29,748,535	\$ 31,941,109	\$ 28,281,023	\$ 27,033,074	\$ 27,468,205	
Net Pension Liability/(Asset) - Ending (a) - (b)	\$ 1,161,186	\$ (7,026,066)	\$ (2,786,391)	\$ (181,584)	\$ 2,877,641	\$ (1,221,201)	\$ 2,285,821	\$ 2,616,738	\$ 750,861	
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	96.89%	119.36%	107.86%	100.53%	91.18%	103.98%	92.52%	91.17%	97.34%	
Covered Valuation Payroll	\$ 5,324,098	\$ 5,254,149	\$ 5,040,265	\$ 4,963,540	\$ 4,925,209	\$ 4,850,293	\$ 5,019,612	\$ 4,829,160	\$ 4,553,368	
Net Pension Liability as a Percentage of Covered Valuation Payroll	21.81%	(133.72%)	(55.28%)	(3.66%)	58.43%	(25.18%)	45.54%	54.19%	16.49%	

Notes to Schedule:
This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF JACKSONVILLE, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

LAST 10 CALENDAR YEARS (to be built prospectively from 2015)

Calendar Year Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ 740,579	\$ 863,802	\$ 805,415	\$ 722,539	\$ 737,422	\$ 818,173	\$ 772,153	\$ 745,659		
Interest on the Total Pension Liability	2,384,139	2,224,377	2,234,845	2,206,811	2,135,788	2,064,035	2,028,888	1,946,220		
Benefit Changes	(34,138)	-	-	121,516	-	-	-	-		
Difference Between Expected and Actual Experience	571,156	(1,076,565)	(840,027)	(384,378)	(128,220)	(154,475)	457,386	-		
Assumption Changes	(106,842)	(5,136,370)	3,152,770	2,370,222	(198,840)	(1,401,903)	(1,004,575)	-		
Benefit Payments and Refunds	(1,906,084)	(1,807,483)	(1,695,746)	(1,573,718)	(1,692,727)	(1,767,127)	(1,581,117)	(1,601,112)		
Net Change in Total Pension Liability	1,648,810	(4,932,239)	3,657,257	3,462,992	853,423	(441,296)	692,735	1,090,768		
Total Pension Liability - Beginning	38,115,168	43,047,407	39,390,150	35,927,158	35,073,735	35,515,031	34,822,296	33,731,528		
Total Pension Liability - Ending (a)	\$ 39,763,978	\$ 38,115,168	\$ 43,047,407	\$ 39,390,150	\$ 35,927,158	\$ 35,073,735	\$ 35,515,031	\$ 34,822,296		
Plan Fiduciary Net Position										
Employer Contributions	\$ 1,418,771	\$ 1,373,768	\$ 1,359,772	\$ 1,299,660	\$ 1,194,801	\$ 1,116,242	\$ 1,036,438	\$ 992,848		
Employee Contributions	294,049	403,552	272,268	271,289	263,494	290,869	254,402	241,315		
Other Contributions	46,240	-	-	-	-	-	-	-		
Pension Plan Net Investment Income	(3,065,476)	2,576,788	2,195,021	2,666,387	(831,356)	2,077,509	1,249,275	(431,732)		
Benefit Payments and Refunds	(1,906,084)	(1,807,483)	(1,695,746)	(1,573,718)	(1,692,727)	(1,767,127)	(1,561,117)	(1,601,112)		
Administrative Expense	(33,547)	(27,963)	(34,843)	(37,683)	(26,812)	(20,961)	(25,211)	(25,298)		
Net Change in Plan Fiduciary Net Position	(3,246,047)	2,518,662	2,096,672	2,625,935	(1,092,600)	1,696,532	953,787	(823,979)		
Plan Fiduciary Net Position - Beginning	23,836,630	21,317,968	19,221,296	16,595,361	17,687,961	15,991,429	15,037,642	15,861,621		
Plan Fiduciary Net Position - Ending (b)	\$ 20,590,583	\$ 23,836,630	\$ 21,317,968	\$ 19,221,296	\$ 16,595,361	\$ 17,687,961	\$ 15,991,429	\$ 15,037,642		
Net Pension Liability/(Asset) - Ending (a) - (b)	\$ 19,173,395	\$ 14,278,538	\$ 21,729,439	\$ 20,168,854	\$ 19,331,797	\$ 17,385,774	\$ 19,523,602	\$ 19,784,654		
Plan Fiduciary Net Position as a Percentage of Total Pension Liability										
	51.78%	62.54%	49.52%	48.80%	46.19%	50.43%	45.03%	43.18%		
Covered Valuation Payroll	\$ 2,967,192	\$ 2,879,199	\$ 2,747,403	\$ 2,737,525	\$ 2,658,865	\$ 2,793,657	\$ 2,699,186	\$ 2,607,909		
Net Pension Liability as a Percentage of Covered Valuation Payroll										
	646.18%	495.92%	790.91%	736.76%	727.07%	622.33%	723.31%	758.64%		

Notes to Schedule:

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Covered employee payroll shown for the current year is the total covered payroll for the fiscal year for all Fund members.

CITY OF JACKSONVILLE, ILLINOIS
FIREMEN'S PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

LAST 10 CALENDAR YEARS (to be built prospectively from 2015)

Calendar Year Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ 659,523	\$ 704,228	\$ 579,743	\$ 550,382	\$ 511,368	\$ 589,245	\$ 555,944	\$ 544,392		
Interest on the Total Pension Liability	2,024,314	1,979,050	2,040,803	1,943,636	1,887,486	1,825,495	1,878,624	1,665,441		
Benefit Changes	(68,371)	-	-	145,804	-	-	-	-		
Difference Between Expected and Actual Experience	(724,684)	(2,097,534)	(899,989)	499,916	(26,748)	(130,901)	523,961			
Assumption Changes	(1,950,575)	(2,078,859)	6,200,306	875,413	(518,714)	(1,100,507)	(2,403,671)			
Benefit Payments and Refunds	(1,818,313)	(1,786,410)	(1,758,761)	(1,637,160)	(1,539,023)	(1,475,982)	(1,407,646)	(1,403,789)		
Net Change in Total Pension Liability	(1,878,106)	(3,279,525)	6,162,102	2,377,991	314,369	(292,650)	(852,788)	806,044		
Total Pension Liability - Beginning	36,495,986	39,775,511	33,613,409	31,235,418	30,921,049	31,213,699	32,066,488	31,260,444		
Total Pension Liability - Ending (a)	\$ 34,617,880	\$ 36,495,986	\$ 39,775,511	\$ 33,613,409	\$ 31,235,418	\$ 30,921,049	\$ 31,213,700	\$ 32,066,488		
Plan Fiduciary Net Position										
Employer Contributions	\$ 1,042,608	\$ 1,065,626	\$ 1,065,958	\$ 1,004,365	\$ 817,667	\$ 785,197	\$ 734,886	\$ 670,795		
Employee Contributions	198,014	192,027	192,461	184,445	175,231	165,409	160,349	151,687		
Other Contributions	21,341	-	-	-	-	-	-	-		
Pension Plan Net Investment Income	(3,360,359)	2,500,381	1,972,568	2,364,449	(732,947)	1,735,024	1,170,512	(189,536)		
Benefit Payments and Refunds	(1,818,313)	(1,786,410)	(1,758,761)	(1,637,160)	(1,539,023)	(1,475,982)	(1,407,646)	(1,403,789)		
Administrative Expense	(26,571)	(23,457)	(22,334)	(31,537)	(30,454)	(22,719)	(22,099)	(29,780)		
Net Change in Plan Fiduciary Net Position	(3,943,280)	1,948,167	1,449,892	1,884,562	(1,309,526)	1,186,929	636,002	(800,623)		
Plan Fiduciary Net Position - Beginning	22,037,934	20,089,767	18,639,875	16,755,313	18,064,839	16,877,910	16,241,908	17,042,531		
Plan Fiduciary Net Position - Ending (b)	\$ 18,094,654	\$ 22,037,934	\$ 20,089,767	\$ 18,639,875	\$ 16,755,313	\$ 18,064,839	\$ 16,877,910	\$ 16,241,908		
Net Pension Liability/(Asset) - Ending (a) - (b)	\$ 16,523,226	\$ 14,458,052	\$ 19,685,744	\$ 14,973,534	\$ 14,480,105	\$ 12,856,210	\$ 14,335,790	\$ 15,824,580		
Plan Fiduciary Net Position as a Percentage of Total Pension Liability										
Covered Valuation Payroll	52.27%	60.38%	50.51%	55.45%	53.64%	58.42%	54.07%	50.65%		
Net Pension Liability as a Percentage of Covered Valuation Payroll	2,067,936	2,879,199	2,029,248	1,913,544	1,853,311	1,841,279	1,779,014	1,718,854		
	799.02%	502.16%	970.10%	782.50%	781.31%	698.22%	805.83%	920.65%		

Notes to Schedule:

- This schedule is presented to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.
- Covered employee payroll shows for the current year is the Total Covered Payroll for the fiscal year for all Fund members.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2022

Illinois Municipal Retirement Fund
Regular Plan (RP)
(Unaudited)

NOTE 1. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 CONTRIBUTION RATE*

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

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	Non-Taxing Bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 21-year closed period Early Retirement incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
Asset Valuation Method:	5-year smoothed market, 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%
Salary Increases:	2.85% to 13.75%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2022

NOTE 1. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE
CALCULATION OF THE 2022 CONTRIBUTION RATE* (continued)

Mortality:	For non-disabled retirees, the Pub-2010, Amount-weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male & Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
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Other Information:

Notes:	There were no benefit changes during the year
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* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation; note two year lag between valuation and rate setting.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2022

Illinois Municipal Retirement Fund
Sheriff's Law Enforcement Personnel (SLEP)
(Unaudited)

NOTE 1. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE
CALCULATION OF THE 2022 CONTRIBUTION RATE* (continued)

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

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	Non-Taxing bodies: 10 year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 21-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
Asset Valuation Method:	5-year smoothed market, 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%
Salary Increases:	2.85% to 13.75%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.

CITY OF JACKSONVILLE, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2022

NOTE 1. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE
CALCULATION OF THE 2022 CONTRIBUTION RATE* (continued)

Mortality:

For non-disabled retirees, Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retirees, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes:

There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation; note two year lag between valuation and rate setting.

CITY OF JACKSONVILLE, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2022

		Special Revenue Funds	
	Total Nonmajor Governmental Funds	Motor Fuel Tax	Economic Loan
ASSETS			
Cash	\$ 8,007,475	\$ 2,105,817	\$ 188,040
Investments	2,585,315		
Receivables:			
Taxes	2,918,318		
Intergovernmental	70,562	70,562	
Loans	513,662		476,348
Accrued Interest	2,469		
Accounts	23		
Due from Other Funds	36,224	14,831	
Total Assets	\$ 14,134,048	\$ 2,191,210	\$ 664,388
LIABILITIES			
Accounts Payable	\$ 67,411	\$ -	\$ -
Accrued Salaries	2,529		
Due to Other Funds	-	-	-
Total Liabilities	69,940	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Taxes	2,901,183		
Total Deferred Inflows of Resources	2,901,183	-	-
Fund Balance:			
Nonspendable	3,279,934		
Restricted for:			
Economic Loan	664,388		664,388
Public Safety	225,382		
Public Works/Transportation	2,191,210	2,191,210	
Health and Welfare	20,000		
Culture and Recreation	2,040,570		
Construction of Capital Assets	636,223		
Committed	2,105,218		
Unassigned	-		
Total Fund Balance	11,162,925	2,191,210	664,388
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 14,134,048	\$ 2,191,210	\$ 664,388

Special Revenue Funds

	Goveia Trust	Tourism	Drug Enforcement	Public Library Fund	Police and Fire Retirement Funds				
\$	620,941	\$ 23,512	\$ 175,042	\$ 1,448,182	\$				
		17,019		520,019	2,167,955				
	856								
			23						
				-					
\$	<u>621,797</u>	\$ <u>40,531</u>	\$ <u>175,065</u>	\$ <u>1,968,201</u>	<u>2,167,955</u>				
\$	9,797	\$ 40,531	\$ -	\$ 17,083	\$				
				2,529					
				-					
	<u>9,797</u>	<u>40,531</u>	<u>-</u>	<u>19,612</u>	<u>-</u>				
				520,019	2,167,955				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>520,019</u>	<u>2,167,955</u>				
			175,065						
	612,000			1,428,570	-				
	<u>612,000</u>	<u>-</u>	<u>175,065</u>	<u>1,428,570</u>	<u>-</u>				
\$	<u>621,797</u>	\$ <u>40,531</u>	\$ <u>175,065</u>	\$ <u>1,968,201</u>	\$ <u>2,167,955</u>				

CITY OF JACKSONVILLE, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

December 31, 2022

	Special Revenue Funds	
	Police Department Evidence	Foreign Fire Insurance Tax
ASSETS		
Cash	\$ 3,634	\$ 46,683
Investments		
Receivables:		
Taxes		
Intergovernmental		
Loans		
Accrued Interest		
Accounts		
Due from Other Funds		
Total Assets	\$ <u>3,634</u>	\$ <u>46,683</u>
LIABILITIES		
Accounts Payable	\$	\$
Accrued Salaries		
Due to Other Funds		
Total Liabilities	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Property Taxes		
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>
Fund Balance:		
Nonspendable		
Restricted for:		
Economic Loan		
Public Safety	3,634	46,683
Public Works/Transportation		
Health and Welfare		
Culture and Recreation		
Construction of Capital Assets		
Committed		
Unassigned		
Total Fund Balance	<u>3,634</u>	<u>46,683</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ <u>3,634</u>	\$ <u>46,683</u>

Capital Improvement Funds			Permanent Funds	
Lake Reclamation	Securities Investment	Tax Increment Finance	Public Library Endowment Trust	Cemetery Perpetual Care
\$ 380,014	\$ 1,708,591	\$ 597,194	\$ 72,089 2,104,509	\$ 637,736 480,806
		213,325		
	-	37,314		
-	1,613			
15,000		1,599		4,794
<u>\$ 395,014</u>	<u>\$ 1,710,204</u>	<u>\$ 849,432</u>	<u>\$ 2,176,598</u>	<u>\$ 1,123,336</u>
\$	\$	\$ -	\$	\$
-				
-	-	-	-	-
		213,209		
-	-	213,209	-	-
			2,176,598	1,103,336
				20,000
395,014	1,710,204	636,223		
<u>395,014</u>	<u>1,710,204</u>	<u>636,223</u>	<u>2,176,598</u>	<u>1,123,336</u>
<u>\$ 395,014</u>	<u>\$ 1,710,204</u>	<u>\$ 849,432</u>	<u>\$ 2,176,598</u>	<u>\$ 1,123,336</u>

CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

Year Ended December 31, 2022

	Total Nonmajor Governmental Funds	Special Revenue Funds	
		Motor Fuel Tax	Economic Loan
REVENUE			
Taxes	\$ 3,160,132	\$	\$
Intergovernmental	1,639,120	1,191,655	
Fines and Forfeitures	69,492		
Revenue from Services	39,352		
Investment Income (Loss)	(529,255)	20,811	12,384
Other	48,936		-
Total Revenue	<u>4,427,777</u>	<u>1,212,466</u>	<u>12,384</u>
EXPENDITURES			
Current:			
General Control and Administration	44,780		
Public Safety	2,582,914		
Public Works/Transportation	549,276	549,276	
Health and Welfare	-		
Culture and Recreation	955,780		
Debt Service	-		
Capital Outlay	268,423	163,922	
Total Expenditures	<u>4,401,173</u>	<u>713,198</u>	<u>-</u>
Revenue Over (Under) Expenditures	<u>26,604</u>	<u>499,268</u>	<u>12,384</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers			
Received	570,515		-
Paid	(1,146,782)	-	(15,000)
Total Other Financing Sources (Uses)	<u>(576,267)</u>	<u>-</u>	<u>(15,000)</u>
Net Change in Fund Balances	(549,663)	499,268	(2,616)
FUND BALANCE, BEGINNING	<u>11,712,588</u>	<u>1,691,942</u>	<u>667,004</u>
FUND BALANCE, ENDING	\$ <u><u>11,162,925</u></u>	\$ <u><u>2,191,210</u></u>	\$ <u><u>664,388</u></u>

Special Revenue Funds				
Goveia Trust	Tourism	Drug Enforcement	Public Library Fund	Police and Fire Retirement Funds
\$	\$ 272,681	\$	\$ 518,426	\$ 2,161,162
			98,784	300,216
		60,343	4,120	
2,010		514	10,814	
			(1,521)	
			18,244	
<u>2,010</u>	<u>272,681</u>	<u>60,857</u>	<u>648,867</u>	<u>2,461,378</u>
		52,467		2,461,378
	272,681		645,795	
		-	104,501	
<u>-</u>	<u>272,681</u>	<u>52,467</u>	<u>750,296</u>	<u>2,461,378</u>
<u>2,010</u>	<u>-</u>	<u>8,390</u>	<u>(101,429)</u>	<u>-</u>
		-	129,772	
<u>(2,010)</u>				
<u>(2,010)</u>	<u>-</u>	<u>-</u>	<u>129,772</u>	<u>-</u>
-	-	8,390	28,343	-
<u>612,000</u>	<u>-</u>	<u>166,675</u>	<u>1,400,227</u>	<u>-</u>
\$ <u>612,000</u>	\$ <u>-</u>	\$ <u>175,065</u>	\$ <u>1,428,570</u>	\$ <u>-</u>

CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

Year Ended December 31, 2022

	Special Revenue Funds	
	Police Department Evidence	Foreign Fire Insurance Tax
REVENUE		
Taxes	\$	\$
Intergovernmental		48,465
Fines and Forfeitures	5,029	
Revenue from Services		
Investment Income (Loss)	6	34
Other		365
Total Revenue	5,035	48,864
EXPENDITURES		
Current:		
General Control and Administration		
Public Safety	25,370	43,699
Public Works/Transportation		
Health and Welfare		
Culture and Recreation		
Debt Service		
Capital Outlay		
Total Expenditures	25,370	43,699
Revenue Over (Under)		
Expenditures	(20,335)	5,165
OTHER FINANCING SOURCES (USES)		
Interfund Transfers		
Received		
Paid	-	
Total Other Financing Sources (Uses)	-	-
Net Change in Fund Balances	(20,335)	5,165
FUND BALANCE, BEGINNING	23,969	41,518
FUND BALANCE, ENDING	\$ 3,634	\$ 46,683

Capital Improvement Funds			Permanent Funds	
Lake Reclamation	Securities Investment	Tax Increment Finance	Public Library Endowment Trust	Cemetery Perpetual Care
\$	\$	\$ 207,863	\$	
327	12,253	5,949	(435,980)	28,538
30,327			-	(146,042)
30,654	12,253	213,812	(435,980)	(117,504)
		44,780		
21,529		-	15,775	-
-				
21,529	-	44,780	15,775	-
9,125	12,253	169,032	(451,755)	(117,504)
	440,743			
	(1,000,000)		(129,772)	
-	(559,257)	-	(129,772)	-
9,125	(547,004)	169,032	(581,527)	(117,504)
385,889	2,257,208	467,191	2,758,125	1,240,840
\$ 395,014	\$ 1,710,204	\$ 636,223	\$ 2,176,598	\$ 1,123,336

CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

December 31, 2022

ASSETS	Firemen's Pension Trust Fund	Policemen's Pension Trust Fund	Total
Cash and Short-Term Investments	\$ 1,605,246	\$ 973,444	\$ 2,578,690
Investments	15,574,908	18,363,684	33,938,592
Receivables:			
Accrued Interest	-	-	-
Other		75	75
Employer Contributions	<u>914,500</u>	<u>1,253,380</u>	<u>2,167,880</u>
Total Assets	<u>18,094,654</u>	<u>20,590,583</u>	<u>38,685,237</u>
LIABILITIES			
Vouchers Payable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Held in Trust for Pension Benefits	<u>\$ 18,094,654</u>	<u>\$ 20,590,583</u>	<u>\$ 38,685,237</u>

CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AVAILABLE FOR BENEFITS
PENSION TRUST FUNDS

Year Ended December 31, 2022

	Firemen's Pension Trust Fund	Police Pension Trust Fund	Total
ADDITIONS			
Contributions:			
Employer Contributions	\$ 1,042,608	\$ 1,418,771	\$ 2,461,379
Employee Contributions	<u>219,355</u>	<u>340,289</u>	<u>559,644</u>
Total Contributions	<u>1,261,963</u>	<u>1,759,060</u>	<u>3,021,023</u>
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments	(3,326,913)	(3,352,442)	(6,679,355)
Interest/Dividends	187,566	229,307	416,873
Realized Gain (Loss) on Sale of Investments	(199,255)	78,265	(120,990)
Investment Expense	<u>(21,757)</u>	<u>(20,620)</u>	<u>(42,377)</u>
Net Investment Income	<u>(3,360,359)</u>	<u>(3,065,490)</u>	<u>(6,425,849)</u>
Other Income:			
Miscellaneous Income	<u>0</u>	<u>14</u>	<u>14</u>
Total Other Income	<u>-</u>	<u>14</u>	<u>14</u>
Total Additions	<u>(2,098,396)</u>	<u>(1,306,416)</u>	<u>(3,404,812)</u>
DEDUCTIONS			
Benefits	1,818,313	1,906,084	3,724,397
Administration Expenses	<u>26,571</u>	<u>33,547</u>	<u>60,118</u>
Total Deductions	<u>1,844,884</u>	<u>1,939,631</u>	<u>3,784,515</u>
Net Increase (Decrease)	(3,943,280)	(3,246,047)	(7,189,327)
NET POSITION, BEGINNING OF YEAR	<u>22,037,934</u>	<u>23,836,630</u>	<u>45,874,564</u>
NET POSITION, END OF YEAR	\$ <u><u>18,094,654</u></u>	\$ <u><u>20,590,583</u></u>	\$ <u><u>38,685,237</u></u>

CITY OF JACKSONVILLE, ILLINOIS

SCHEDULE OF EQUALIZED ASSESSED VALUATIONS, TAX RATES,
EXTENSIONS AND COLLECTIONS

	2022	Tax Year 2021	2020
EQUALIZED ASSESSED VALUATIONS	\$ <u>256,597,364</u>	\$ <u>252,015,190</u>	\$ <u>252,099,621</u>
TAX LEVY			
General	\$ 4,082,817	\$ 4,080,117	\$ 4,082,817
Firemen's Pension	914,500	936,000	941,100
Police Pension	1,253,380	1,208,400	1,200,600
Library	520,000	520,000	520,000
Road District No. 14	396,093	377,973	359,267
Revenue Recapture	<u>1,385</u>	<u>742</u>	<u>-</u>
	\$ <u>7,168,175</u>	\$ <u>7,123,232</u>	\$ <u>7,103,784</u>
TAX LEVY RATES			
General	1.61323	1.64474	1.64453
Firemen's Pension	0.36135	0.37732	0.37907
Police Pension	0.49525	0.48712	0.48360
Library	0.20547	0.20962	0.20946
Road District No. 14	0.12318	0.11916	0.14471
Revenue Recapture	<u>0.00055</u>	<u>0.00030</u>	<u>-</u>
	<u>2.79903</u>	<u>2.83826</u>	<u>2.86137</u>
TAX EXTENSIONS			
General	\$ 4,082,834	\$ 4,080,124	\$ 4,082,835
Firemen's Pension	914,521	936,022	941,108
Police Pension	1,253,401	1,208,404	1,200,622
Library	520,013	520,007	520,021
Road District No. 14	311,749	296,346	289,703
Revenue Recapture	<u>1,392</u>	<u>756</u>	<u>-</u>
	\$ <u>7,083,910</u>	\$ <u>7,041,659</u>	\$ <u>7,034,289</u>
TAX COLLECTIONS			
General		\$ 4,067,338	\$ 4,073,316
Firemen's Pension		933,089	938,912
Police Pension		1,204,615	1,197,825
Library		518,376	518,809
Road District No. 14		147,722	145,685
Tax Increment Finance		<u>207,843</u>	<u>212,446</u>
		\$ <u>7,078,983</u>	\$ <u>7,086,993</u>

ZUMBAHLEN, EYTH, SURRATT, FOOTE & FLYNN, LTD

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ILLINOIS SOCIETY OF CPA
AMERICAN INSTITUTE OF CPA**

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

Independent Auditor's Report

Honorable Mayor and Members
Of the City Council
City of Jacksonville, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Jacksonville, Illinois as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise City of Jacksonville, Illinois' basic financial statements, and have issued our report thereon dated July 10, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Jacksonville, Illinois' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Jacksonville, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Jacksonville, Illinois' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Jacksonville, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described below.

FINDING 2022-001

At December 31, 2022, the City's cash and certificate of deposit balances exceeded deposit insurance coverage and related collateral by \$140,000. Unsecured balances are subject to custodial credit risk and may not be returned to the City in the event of a bank failure. By statute, all City deposits are required to be 100% secured by deposit insurance coverage and related collateral.

RESPONSE 2022-001

The City will contact the institution to obtain additional collateral to secure balances. The City will perform a monthly review of all cash and certificate of deposit balances compared to available deposit insurance coverage and related collateral.

City of Jacksonville, Illinois' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on City of Jacksonville, Illinois' response to the findings identified in our audit and described above. City of Jacksonville, Illinois' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Zumbahlen, Eyth, Smatt, Fook + Flynn Ltd.

Jacksonville, Illinois
July 10, 2023