



2023

Annual Comprehensive Financial Report

Year Ended December 31, 2023

**Annual Comprehensive
Financial Report
of the City of Galesburg, Illinois**

For the Fiscal Year Ended December 31, 2023

Prepared by: Finance Department

City of Galesburg, Illinois

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June 21, 2024

The Citizens of the City of Galesburg, Honorable Mayor and City Council
City of Galesburg
Galesburg, Illinois

Dear Mayor, Council, and Galesburg Residents:

The Annual Comprehensive Financial Report of the City of Galesburg for the fiscal year ended December 31, 2023, is submitted herewith. The State of Illinois requires every general-purpose local government to publish a complete set of audited financial statements at the end of each fiscal year. This report is a comprehensive picture of the City's financial transactions during the 2023 fiscal year published to fulfill that requirement. This report was prepared by the City's Finance Department. Responsibility for the completeness and reliability of the information within this report rests with City management.

A comprehensive framework of internal controls has been developed to help assure that the assets of the City are protected against loss, theft, or misuse. The system of internal controls also helps assure the reliability of the financial data compiled by the accounting system to prepare the City's financial statements. The cost of internal control should not exceed the anticipated benefits. Therefore, the goal of the internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City of Galesburg financial statements for the year ended December 31, 2023, have been audited by Baker Tilly. An unmodified ("clean") opinion has been issued. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles (GAAP) require management to provide a narrative introduction, overview, and analysis of the basic financial statements in the form of Management's discussion and analysis (MD&A). The MD&A is located immediately following the independent auditors' report.

Profile of the City of Galesburg

The City of Galesburg, incorporated on February 14, 1857, is located on Interstate 74 in northwest Illinois. Galesburg is central 45 miles from both Peoria and the Quad Cities on I-74, 50 miles east of the Mississippi River, and a three-hour train ride from downtown Chicago via Amtrak. This central location allows residents to be able to access a variety of different cities with ease. It

currently occupies approximately 17.75 square miles and, based on the 2020 U.S. Census, serves a population of 30,052. The City of Galesburg is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Galesburg is a home rule municipality and operates under a Council-Manager form of government. Policy and legislative authority are vested in a governing council consisting of seven members and a mayor. The Council appoints the government's city manager, who in turn appoints the various department heads.

The City provides a full range of services, including public safety, water service, refuse and recycling collection, landscape waste collection, parks, campground, municipal airport, municipal golf course, municipal indoor swimming pool, water park, recreational programs, public library, cemeteries, and the care of streets and sidewalks. The City of Galesburg is also financially accountable for a legally separated public library and the Town of the City of Galesburg. Both of which are reported separately within the City of Galesburg's financial statements. Additional information on these legally separate entities may be found in the notes to the financial statements.

Local Economy

The local economy for 2023 showed growth in key revenue sources such as the Food and Beverage tax, which increased 7.3%, the Hotel/Motel tax, which increased 5.7%, the Local Sales tax, which increased 1.9%, and the Videogame tax, which increased 7.4% from 2022.

On September 18, 2023, the City Council approved three ordinances establishing a Tax Increment Financing (TIF) district known as the Grand Avenue TIF (TIF 6) Redevelopment Project Area. Establishing TIF 6 is expected to help provide adequate infrastructure to aid in the development of new and expanding commercial businesses to provide employment opportunities for the region, provide adequate infrastructure to aid in improving the health, safety, and quality of life in commercial and residential neighborhoods within the area, and enhance the tax base for the City and all other taxing bodies.

The Housing Repair Assistance Program was created in June 2022 with the goal of providing financial assistance in the form of a grant (up to \$4,500) to low-to-moderate-income owner-occupied homes within the corporate limits of the City of Galesburg. This program was created to improve the condition of existing housing in Galesburg. The quality of the housing stock of Galesburg is a critical component of the quality of life for residents and directly impacts the City as a desirable location for new and potential residents and businesses. In 2023, \$84,381.18 of the program funds were spent and 21 housing projects were completed.

Long-term Financial Planning

The Capital Improvement Plan (CIP) is a planning document prepared by staff to assist the City Council in their prioritization of major capital improvements projected to take place over a five-year period. The CIP includes detailed information on each planned capital expenditure that the City has projected over a five-year period, including the current fiscal year.

The CIP is updated annually in July by staff and presented to the City Council for review in a work session each October. For each project, staff lists the priority, description, justification, and cost, as well as any proposed changes for Council consideration.

Relevant Financial Policies

The City's Investment Policy is presented and approved on an annual basis for City Council's review. The goal of the City management is to have all idle funds always invested in interest bearing accounts. This goal will ensure City management is using the available funds to their maximum. The Investment Policy states that all available funds are managed and invested with three primary objectives listed in priority order: safety, liquidity, and return on investment. Investment opportunities are limited by parameters found in Illinois Statutes 30ILCS235. The prudent person standard is used in managing the City's overall portfolio.

Each year the City's Financial Policies are reviewed and updated where necessary to consider changes in GAAP, Government Audit Standards, and the City's budget process. The Council annually approves the financial policies to ensure funds are spent and managed in the most cost-effective manner based on the services provided while ensuring the financial records are maintained in accordance with GAAP, Government Auditing Standards, and state and federal laws.

During the annual budget process, the City staff will review and recommend modifying user fees, when necessary, to recover costs associated with issuing and administering various services. Such fees include fines, licenses, permits and user fees. The recommendations are provided to City Council for consideration. If approved by the Council, the revenue changes are implemented in the City's annual budget.

Tax Abatement Program

Tax abatements are intended to improve local conditions, stimulate economic development, and encourage rehabilitation and redevelopment of distressed areas. The long-term benefits of abatements include employment for local residents, attracting new businesses or improving existing businesses, generating a tax-revenue stream on once vacant or underdeveloped property, and increasing adjacent property values. In the Notes to Basic Financial Statements, the City provides information related to its two tax abatement programs authorized by the City Council.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Galesburg for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the twenty-eighth consecutive fiscal year that the City of Galesburg has achieved this prestigious award. A Certificate of Achievement is valid for only a period of one year. We believe our current annual comprehensive financial report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certification.

We wish to express our appreciation to the staff of the Finance Department. The preparation of this report would not have been possible without their efficient and dedicated service. We also wish to express our appreciation to the members of City Council, various boards, commissions, and staff for their support in maintaining the highest standards of professionalism in the management of the City of Galesburg's finances.

Respectfully submitted,



Eric Hanson
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Galesburg
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

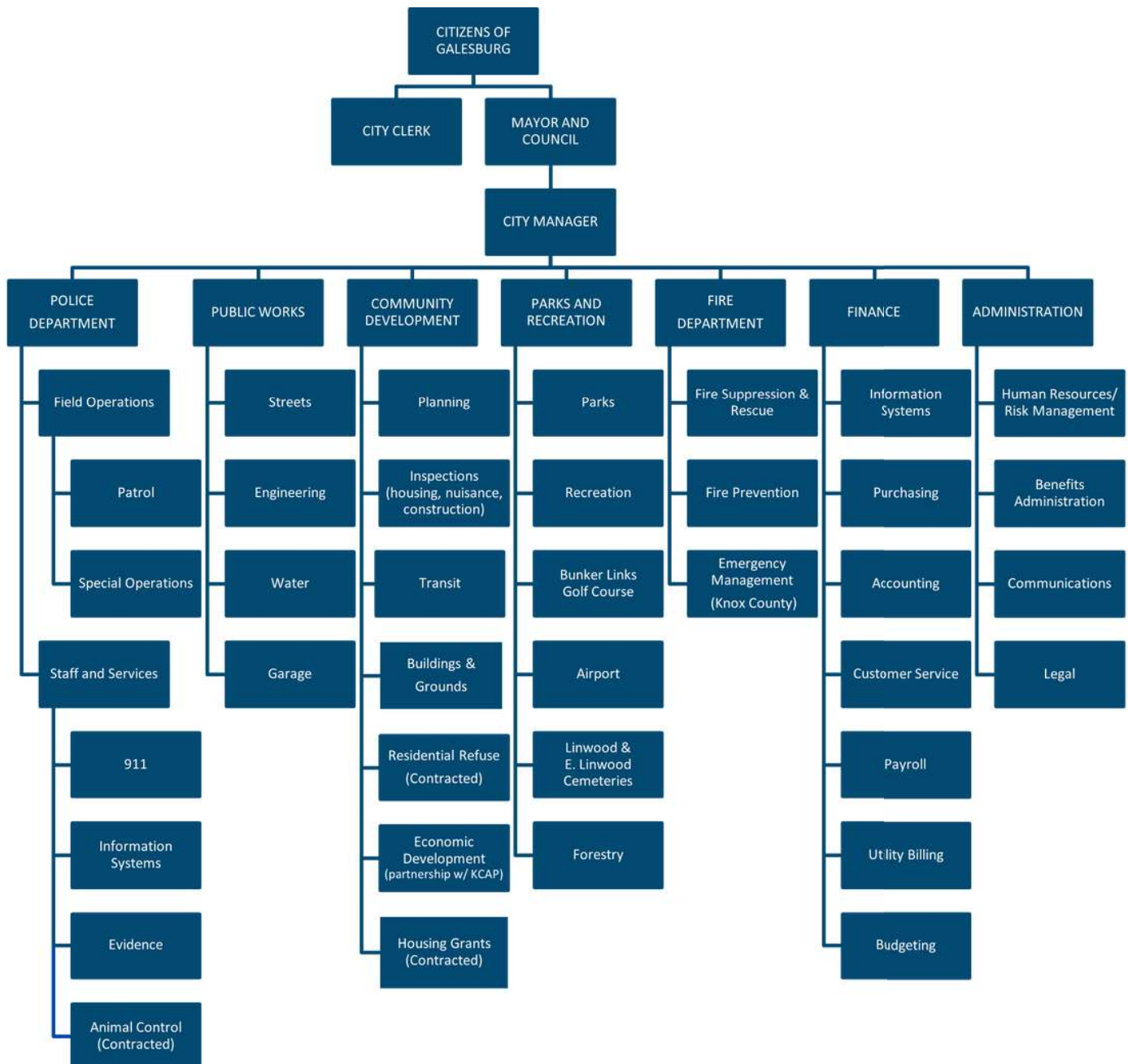
December 31, 2022

Executive Director/CEO

THE CITY OF GALESBURG

Organizational Structure

The City of Galesburg operates under the Council-Manager form of government, with a City Manager hired by the City Council to serve as the chief administrative officer. The City is made up of seven departments, which carry out the services and functions of city government.



City of Galesburg, Illinois

**Elected and Appointed City Officials
Year Ended December 31, 2023**

Elected Officials

Peter Schwartzman
Mayor

Council Members

Bradley Hix, First Ward
Wayne Dennis, Second Ward
Evan Miller, Third Ward
Dwight White, Fourth Ward
Heather Acerra, Fifth Ward
Sarah Davis, Sixth Ward
Steve Cheesman, Seventh Ward

Kelli Bennewitz
City Clerk

Gloria Osborn (as of 12/31/23)
City Treasurer

Appointed Officials

Eric Hanson
City Manager

Department Directors

Mike Doi, Director of Public Works
Gloria Osborn, Director of Finance and Information Systems (as of 12/31/23)
Steve Gugliotta, Director of Community Development
Don Miles, Director of Parks and Recreation
Russ Idle, Police Chief
Randy Hovind, Fire Chief

Independent Auditors' Report

To the Mayor and City Council of
City of Galesburg

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Galesburg (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of December 31, 2023 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.

We did not audit the financial statements of the Town of the City of Galesburg, which represents 2%, 5%, and 2%, respectively, of the assets/deferred outflows of resources, net position, and revenues of the governmental activities and 2%, 2%, and 2%, respectively, of the assets/deferred outflows of resources, fund balances/net position, and revenues/additions of the aggregate remaining fund information. We also did not audit the financial statements of the Galesburg Public Library Foundation, which represents 12%, 16%, and 8%, respectively, of the assets/deferred outflows of resources, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Town of the City of Galesburg and the Galesburg Public Library Foundation are based solely on the report of the other auditors.

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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. The financial statements of the Town of the City of Galesburg and the Galesburg Public Library Foundation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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 the City's 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.

Auditors' 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 auditors' 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 the City's 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 the City's 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

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents 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 the City's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplementary information is 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 included in the annual comprehensive financial report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 June 21, 2024 on our consideration of the City's 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 the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
June 21, 2024

City of Galesburg

Management's Discussion and Analysis
December 31, 2023
(Unaudited)

It is an honor to present to you the financial picture of the City of Galesburg, Illinois (the City). We offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2023. We encourage readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the City's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the MD&A).

Financial Highlights

- > The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$75.4 million (net position).
- > In total, net position increased by \$8.1 million.
- > As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$57.9 million, an increase of \$5.4 million in comparison with the prior year. Approximately \$10.3 million is available for spending at the government's discretion (unassigned fund balance).
- > General revenues accounted for \$40.7 million in revenue or 75 percent of all governmental revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$13.7 million or 25 percent of total governmental revenues of \$54.4 million.
- > The City had \$48.7 million in expenses related to government activities. However, only \$13.7 million of these expenses were offset by program specific charges and grants.
- > At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10.8 million, or 39.6 percent of total General Fund expenditures.
- > The City's total long-term debt, excluding compensated absences, net pension liability, and net OPEB liability, increased by \$3.5 million during the current year to \$24.3 million.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The basic financial statements are comprised of three components:

- > Government-wide financial statements
- > Fund financial statements
- > Notes to basic financial statements

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

City of Galesburg

Management's Discussion and Analysis
December 31, 2023
(Unaudited)

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, economic development, public safety, public works, and culture, education, and recreation.

The government-wide financial statements include the funds of the City (primary government) and an organization for which the City is accountable (Galesburg Public Library, a discretely presented component unit).

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources; as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 3 major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Economic Development Fund, and Parks and Recreation Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The City adopts an annual budget for each of the major funds listed above. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with this budget.

City of Galesburg

Management's Discussion and Analysis
December 31, 2023
(Unaudited)

Proprietary funds

The City maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business type activities in the government-wide financial statements. The City utilizes enterprise funds to account for its water utility and refuse services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The City uses an internal service fund to account for liability insurance. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund and the Refuse Fund. Conversely, the internal service fund is combined into a single, aggregated presentation in the proprietary fund financial statements.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.

Notes to basic financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's pensions and other post-employment benefits. Supplementary schedules include combining and individual fund schedules of all non-major funds and Fiduciary Funds.

City of Galesburg

Management's Discussion and Analysis
December 31, 2023
(Unaudited)

Government-Wide Financial Analysis

Table 1
Condensed Statements of Net Position
(in millions of dollars)

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>
Assets									
Current and other assets	\$ 78.0	\$ 79.5	(1.9)%	\$ 16.1	\$ 15.4	4.5%	\$ 94.1	\$ 94.9	(0.8)%
Capital assets	84.7	81.8	3.5%	33.9	34.9	(2.9)%	118.6	116.7	1.6%
Total assets	162.7	161.3	0.9%	50.0	50.3	(0.6)%	212.7	211.6	0.5%
Deferred outflows of resources									
Deferred outflows related to pensions and OPEB	22.3	30.1	(25.9)%	1.1	0.5	120.0%	23.4	30.6	(23.5)%
Deferred charge on refunding	-	-		0.6	0.7	(14.3)%	0.6	0.7	(14.3)%
Total deferred outflows of resources	22.3	30.1	(25.9)%	1.7	1.2	41.7%	24.0	31.3	(23.3)%
Liabilities									
Long-term liabilities	97.2	96.2	1.0%	13.5	13.5		110.7	109.7	0.9%
Other liabilities	5.8	7.7	(24.7)%	2.7	2.9	-6.9%	8.5	10.6	(19.8)%
Total liabilities	103.0	103.9	(0.9)%	16.2	16.4	(1.2)%	119.2	120.3	-0.9%
Deferred inflows of resources									
Property taxes levied for future periods	9.2	9.1	1.1%	-	-		9.2	9.1	1.1%
Deferred inflows related to leases	1.1	0.5	120.0%	-	-		1.1	0.5	120.0%
Deferred inflows related to pensions and OPEB	31.4	43.7	(28.1)%	0.4	2.0	-80.0%	31.8	45.7	(30.4)%
Total deferred inflows of resources	41.7	53.3	(21.8)%	0.4	2.0	-80.0%	42.1	55.3	-23.9%
Net position									
Net investment in capital assets	76.4	74.3	2.8%	23.4	23.3	0.4%	99.8	97.6	2.3%
Restricted	11.4	14.1	(19.1)%	-	1.1	(100.0)%	11.4	15.2	(25.0)%
Unrestricted	(47.5)	(54.2)	(12.4)%	11.7	8.7	34.5%	(35.8)	(45.5)	(21.3)%
Total net position	\$ 40.3	\$ 34.2	17.8%	\$ 35.1	\$ 33.1	6.0%	\$ 75.4	\$ 67.3	12.0%

City of Galesburg

Management's Discussion and Analysis
December 31, 2023
(Unaudited)

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net results of activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for capital – which will increase current assets and long-term debt.

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net investment in capital assets.

Spending of non-borrowed current assets on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal payment on debt – which will: (a) reduce current assets and reduce long-term debt; and, (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of capital assets through depreciation – which will reduce capital assets and net investment in capital assets.

Current Year Impacts

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, total net position increased by \$8.1 million from \$67.3 million to \$75.4 million. The City's total assets and deferred outflows equal \$236.7 million. The City's total liabilities and deferred inflows equal \$161.3 million.

By far the largest portion of the City's net position is its investment in capital assets. This consists of land, buildings, machinery, equipment and infrastructure less depreciation and any related outstanding debt used to acquire these assets. The City uses these capital assets to provide services to the residents; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A restricted portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The governmental activities unrestricted balance had a deficit of \$47.5 million in 2023 as a result of recording the net pension liabilities for Police and Firefighters' pension plans and the net OPEB liability. The unrestricted balance for business-type activities of \$11.7 million may be used to meet the ongoing City obligations to their citizens and creditors.

City of Galesburg

Management's Discussion and Analysis
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Table 2 Condensed Statements of Activities (in millions of dollars)										
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>			
	2023	2022	Change	2023	2022	Change	2023	2022	Change	
Revenues										
<i>Program revenues</i>										
Charges for services	\$ 7.3	\$ 6.1	19.7%	\$ 10.5	\$ 10.1	4.0%	\$ 17.8	\$ 16.2	9.9%	
Operating grants and contributions	5.9	8.5	-30.6%	-	-	-%	5.9	8.5	-30.6%	
Capital grants and contributions	0.5	2.6	-80.8%	-	-		0.5	2.6	-80.8%	
<i>General revenues</i>										
Property taxes	9.0	9.6	-6.3%	-	-		9.0	9.6	-6.3%	
Other taxes	28.2	28.7	-1.7%	-	-		28.2	28.7	-1.7%	
Other general revenues	3.5	1.6	118.8%	0.6	0.1	500.0%	4.1	1.7	141.2%	
Total revenues	54.4	57.1	-4.7%	11.1	10.2	8.8%	65.5	67.3	-2.7%	
Expenses										
General government	12.7	9.6	32.3%	-	-		12.7	9.6	32.3%	
Economic development	4.6	2.7	70.4%	-	-		4.6	2.7	70.4%	
Public safety	19.9	20.8	-4.3%	-	-		19.9	20.8	-4.3%	
Public works	6.3	8.0	-21.3%	-	-		6.3	8.0	-21.3%	
Culture, education, and recreation	4.6	4.2	9.5%	-	-		4.6	4.2	9.5%	
Interest and fiscal charges	0.6	0.3	100.0%	-	-		0.6	0.3	100.0%	
Water	-	-		5.9	5.6	5.4%	5.9	5.6	5.4%	
Refuse	-	-		2.8	2.8		2.8	2.8		
Total expenses	48.7	45.6	6.8%	8.7	8.4	3.6%	57.4	54.0	6.3%	
Transfers	0.4	-		(0.4)	-		-	-		
Change in net position	6.1	11.5	-47.0%	2.0	1.8	11.1%	8.1	13.3	-39.1%	
Net position, beginning of year	34.2	22.7	50.7%	33.1	31.3	5.8%	67.3	54.0	24.6%	
Net position end of year	\$ 40.3	\$ 34.2	17.8%	\$ 35.1	\$ 33.1	6.0%	\$ 75.4	\$ 67.3	12.0%	

Table 2 highlights the City's revenues and expenses for the fiscal years ended December 31, 2023 and 2022. These two main components are subtracted to yield the change in net position. This table utilizes the full accrual method.

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues

Economic condition – which can reflect a declining, stable or growing economic environment, and has substantial impact on state sales, replacement and hotel/motel tax revenue; as well as, public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/decrease in City approved rates – while certain tax rates are set by statute, the City has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

City of Galesburg

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Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the City's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses

Introduction of new programs – within the functional expense categories (general government, economic development, public safety, public works, and culture, education, and recreation), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the City to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the City.

Salary increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

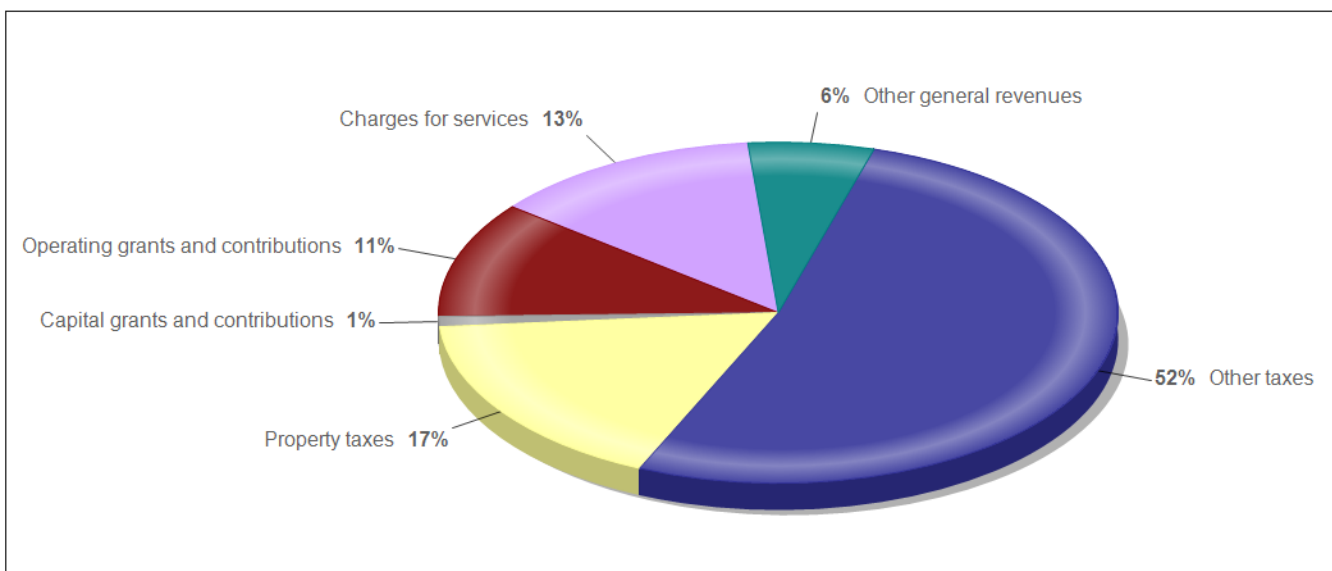
Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as supplies, fuel, and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

The Governmental Activities increased the City's net position by \$6.1 million. Key elements contributing to this change are as follows:

Governmental Activities

Governmental Revenues by Source



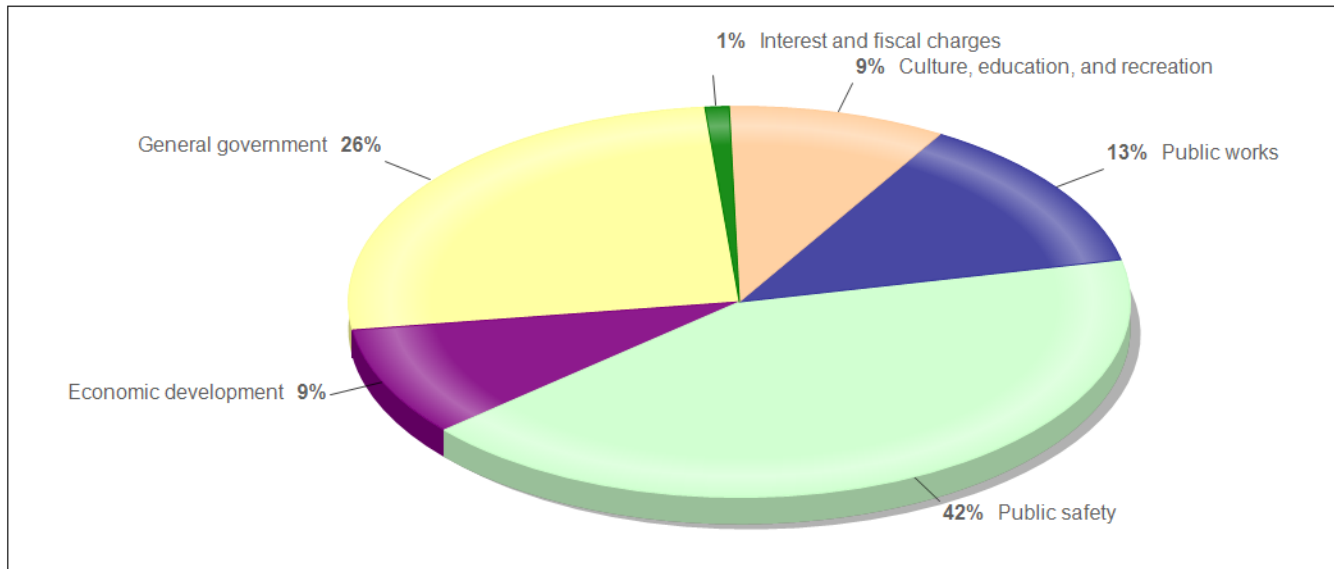
City of Galesburg

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Revenues

Revenues are divided into two major components: program revenue and general revenue. Program revenue is defined as charges for sales and services, operating grants and contributions and capital grants and contributions. General revenue includes taxes, investment income and other unrestricted revenue sources. The City experienced a decrease of 4.7 percent in revenue due to a decrease in operating grants and contributions from state and federal agencies.

Governmental Expenses by Function



Expenses

The City's overall expenses in the current fiscal year increased by \$3.1 million from the prior fiscal year. Due to a corresponding decrease in revenues in the current fiscal year, the City saw an increase in net position to \$40.3 million compared to \$34.2 million in the prior fiscal year. Overall, the City's financial position increased by \$6.1 million from the prior year.

Financial Analysis of the City's Funds

The fund balance of the City's General Fund of \$12.3 million, a decrease of \$0.6 million from 2022 due to an increase of funds transferred out to other funds. For more information, see the General Fund Budgetary Highlights section.

The Economic Development Fund had an ending fund balance of \$11.2 million, a decrease of \$0.4 million from 2022 due to an increase of funds transferred out to other funds.

The Parks and Recreation Fund had an ending fund balance of \$3.1 million, an increase of \$0.6 million from 2022 due to an increase in various uses of money and property revenues collected in 2023.

City of Galesburg

Management's Discussion and Analysis
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General Fund Budgetary Highlights

Overall, General Fund revenue was \$0.1 million more than the final budget and expenditures were \$1.1 million less than the final budget. Specific highlights of General Fund revenue and expenditures are as follows:

- > Use of money and property revenues were \$0.1 million more the final budget.
- > Management information systems expenditures were \$0.1 million less than the final budget.
- > Contracts and subsidies expenditures were \$0.4 million less than the final budget.
- > Street and bridge maintenance expenditures were \$0.6 million less than the final budget.

In 2023, total expenditures increased \$2.3 million from the original budget to the final amended budget. These budget increases were mostly in the police department and fire department. Total other financing sources (uses) increased \$2.9 million from original to final budget, mostly relating to transfers out. Total revenues increased \$4.8 million from the original budget to the final amended budget, mostly relating to intergovernmental revenues, use of money and property, and other taxes.

Capital Assets and Debt Administration

Capital assets

By the end of 2023, the City had compiled a total investment of \$189.7 million (\$118.6 million net of accumulated depreciation) in a broad range of capital assets including land, construction-in-progress, land improvements, buildings and improvements, machinery and equipment, and infrastructure. Total depreciation expense for the year was \$4.2 million. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

Major capital asset events during the year ended December 31, 2023 included the \$632,000 CAD/RMS public safety dispatch system project; the Irwin Street reconstruction, roadway, storm sewer and sidewalk in the amount of \$630,000; and the installation of decorative street lighting on West Main Street in the amount of \$580,000.

Table 3 Capital Assets (net of depreciation) (in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>
Land	\$ 6.6	\$ 6.5	1.5%	\$ 0.7	\$ 0.7		\$ 7.3	\$ 7.2	1.4%
Construction in progress	3.2	1.8	77.8%	0.1	0.1		3.3	1.9	73.7%
Land improvements	2.3	1.8	27.8%	-	-		2.3	1.8	27.8%
Buildings and improvements	10.3	10.4	-1.0%	18.5	19.0	-2.6%	28.8	29.4	-2.0%
Equipment	6.6	6.1	8.2%	1.2	1.3	-7.7%	7.8	7.4	5.4%
Infrastructure	55.7	55.2	0.9%	13.4	13.8	-2.9%	69.1	69.0	0.1%
Total	\$ 84.7	\$ 81.8	3.5%	\$ 33.9	\$ 34.9	-2.9%	\$ 118.6	\$ 116.7	1.6%

City of Galesburg

Management's Discussion and Analysis
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Debt Administration

The table below summarizes the City's bonded and similar indebtedness. As of December 31, 2023, the City had a total of \$24.3 million of long-term debt outstanding (excluding compensated absences, net pension liability, and net OPEB liability). Of this amount, \$23.9 million was in the form of general obligation bonds backed by the full faith and credit of the City government. More detailed information about debt administration can be found in Note 3 of the basic financial statements.

Table 4 Long-Term Debt (in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2023	2022	Change	2023	2022	Change	2023	2022	Change
General obligation bonds	\$ 13.0	\$ 8.4	54.8%	\$ 10.9	\$ 11.9	-8.4%	\$ 23.9	\$ 20.3	17.7%
Notes payable	-	-		0.3	0.4	-25.0%	0.3	0.4	-25.0%
Lease liability	0.1	0.1		-	-		0.1	0.1	
Total	\$ 13.1	\$ 8.5	54.1%	\$ 11.2	\$ 12.3	-8.9%	\$ 24.3	\$ 20.8	16.8%

Factors Bearing on the City's Future

- Over the years, one of the City's strengths has been its strong financial condition and good fiscal management, which is proven by strong fund balance reserves, stable bond rating, and the passage of a balanced budget in 2024.
- Continuing to maintain the current quality and quantity of existing services is a priority, and while challenging given ongoing budget constraints and the current talent marketplace, no reduction in city services is anticipated in the coming year.
- Health care costs and personnel costs, which make up a significant portion of the City's operating budget, continue to increase annually and impact the annual operating budget.
- The current relatively low turnover rate of 5% for City employees represents stable staffing, which reduces onboarding and training costs, increases experience and institutional knowledge provided to the organization by employees, and reflects the city's relatively strong position in the employment marketplace.
- In 2024, the union contract for AFSCME was settled and provided a three-year contract with annual increases of 4%. The PSEO union contract was settled and included a new pay scale for 2024, to optimize retention, and annual increases of 4% in years 2025 and 2026 in addition to changes in the longevity pay. The IAFF contract is currently being negotiated.
- The City continues to develop a budget based on conservative estimates in revenues. After the influx in recent fiscal years of federal supplemental funds in response to the pandemic provided to residents and units of government are exhausted, modest revenue growth is expected to continue in support of city operations and services. Although revenue growth will be limited, the 2024 budget provides for sustained staffing and services.
- In 2023, the City issued general obligation bonds of 4.92M at 5% for 10 years. The bonds will be used for various construction and infrastructure projects. The City enacted a new home rule tax increase of 0.25% to fund the principal and interest payments on the new debt in addition to creating an additional funding source for capital projects.

City of Galesburg

Management's Discussion and Analysis
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(Unaudited)

- In 2023, Graham Health Systems broke ground on a new 29,000 sq ft. medical specialty clinic and future surgery center on N. Seminary Street bringing additional investment and health care jobs to the city. In addition, in 2024 they began work on a new medical facility on the south side of Galesburg. The new facility will provide primary care and a walk in care clinic in a previously undeserved neighborhood.
- In 2023, the Galesburg Public Library continued construction of a \$15.3 million library, which will provide residents with a variety of resources and meeting places. The new building opened in May of 2024, and redeveloped a city block downtown, which was previously deteriorated and underutilized. New sidewalks and extension of downtown decorative lighting in front of the newly constructed public facility on this block serve as a catalyst to extend downtown redevelopment to the Moffitt overpass.
- In 2023, Carl Sandburg College began construction of a new multi-million-dollar Science and Technology Center that will be constructed on the main campus and is expected to open in time for the 2024 fall semester. The new educational center will assist in responding to the critical workforce and economic development needs of the area.
- In 2023, the City received two OSLAD grants totaling \$1 million in funding for improvements to H.T. Custer Park and Lancaster Park. The grants were used for new restrooms, shelter, playground, walking path, youth bike training area, parking lot improvements, rain garden, and a butterfly waystation.
- In 2023, the City established a new tax increment financing (TIF) district known as the Grand Avenue TIF (TIF 6). The TIF funds will be used for the revitalization of the Grand Avenue area and the removal of blighted properties that will benefit via new investment and job creation bringing a positive long-term economic benefit to the area.
- In 2023, the City continued its housing program by accepting a grant from the Illinois Housing Development Authority (IHDA) for \$400,000 to be expended November 2023 to November 2025. It is anticipated this grant will rehabilitate and/or address accessibility for approximately eight homes.
- Small business incentives created in 2022, were utilized again in 2023 to encourage small business development in the community, and included the award of two southside occupancy grants, one business collateral grant, 14 business start-up awards, and three urban agriculture awards.
- The costs of deferred maintenance of building and grounds will represent a challenge to upcoming budget cycles, but increased proactive budgeting for needed maintenance is anticipated to alleviate unexpected and increased costs in the long term.
- Increased total equalized assessed value for properties in Galesburg represents an overall increase in the value of homeowner's property, as well as a stable base for the city's property tax revenue stream.

All of these factors were considered in preparing the City of Galesburg's budget for the 2024 fiscal year.

Requests for Information

This financial report is designed to provide the City's citizens, taxpayers, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report, need additional financial information, contact the Finance Department:

Eric Hanson
City of Galesburg
55 West Tompkins Street
Galesburg, Illinois 61401

BASIC FINANCIAL STATEMENTS

City of Galesburg, Illinois

Statement of Net Position
December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Galesburg Public Library
Assets and Deferred Outflows of Resources				
Assets				
Cash and cash equivalents	\$ 48,280,415	\$ 12,738,496	\$ 61,018,911	\$ 3,129,241
Investments	3,351,946	249,502	3,601,448	2,218,476
Receivables (net):				
Property tax receivable	9,172,550	-	9,172,550	1,894,995
Other taxes	2,224,634	-	2,224,634	-
Accrued interest	117,382	28,465	145,847	-
Accounts	2,645,539	2,469,564	5,115,103	11,683
Loans	2,572,149	-	2,572,149	-
Leases	1,123,603	-	1,123,603	-
Due from other governmental units	3,526,127	-	3,526,127	4,611,911
Internal balances	(391,845)	391,845	-	-
Advances to component unit	409,535	-	409,535	-
Inventories	58,963	125,167	184,130	-
Prepaid items	1,045,904	64,618	1,110,522	519,272
Property held for resale	3,797,254	-	3,797,254	-
Bond issuance insurance	35,291	9,940	45,231	-
Capital assets:				
Capital assets not being depreciated	9,773,818	759,686	10,533,504	18,655,515
Capital assets being depreciated, net of depreciation	74,945,878	33,163,136	108,109,014	753,134
Total assets	162,689,143	50,000,419	212,689,562	31,794,227
Deferred Outflows of Resources				
Deferred outflows related to pensions	19,891,613	858,979	20,750,592	468,339
Deferred outflows related to OPEB	2,417,143	225,388	2,642,531	4,842
Deferred charge on refunding	-	646,453	646,453	-
Total deferred outflows of resources	22,308,756	1,730,820	24,039,576	473,181
Total assets and deferred outflows of resources	\$ 184,997,899	\$ 51,731,239	\$ 236,729,138	\$ 32,267,408

See notes to financial statements

City of Galesburg, Illinois

Statement of Net Position
December 31, 2023

	Primary Government			Component Unit
	Governmental	Business-Type	Total	Galesburg
	Activities	Activities		Public Library
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Accounts payable	\$ 2,493,628	\$ 611,483	\$ 3,105,111	\$ 1,594,019
Accrued liabilities	574,326	31,536	605,862	19,010
Interest payable	193,395	19,237	212,632	53,181
Payroll taxes payable	-	-	-	2,069
Claims payable	150,000	-	150,000	-
Due to other governmental units	377,133	973,067	1,350,200	40
Due to fiduciary funds	1,864,949	-	1,864,949	-
Due to component unit	-	-	-	1,093
Advances from primary government	-	-	-	409,535
Deposits	-	1,083,382	1,083,382	-
Unearned revenues	175,142	3,625	178,767	8,500
Noncurrent liabilities:				
Due within one year	2,118,316	1,118,304	3,236,620	4,042,197
Due in more than one year	95,061,535	12,397,067	107,458,602	687,502
Total liabilities	103,008,424	16,237,701	119,246,125	6,817,146
Deferred Inflows of Resources				
Property taxes levied for future periods	9,172,550	-	9,172,550	1,894,995
Deferred inflows related to leases	1,123,603	-	1,123,603	-
Deferred inflows related to pensions	27,771,871	104,338	27,876,209	56,887
Deferred inflows related to OPEB	3,593,509	335,077	3,928,586	7,199
Total deferred inflows of resources	41,661,533	439,415	42,100,948	1,959,081
Net Position				
Net investment in capital assets	76,426,334	23,345,738	99,772,072	18,631,564
Restricted for:				
Motor fuel tax	1,371,665	-	1,371,665	-
Economic development	801,345	-	801,345	-
Special enforcement	512,376	-	512,376	-
Foreign fire	185,179	-	185,179	-
Infrastructure improvements	495,136	-	495,136	-
TIF expenses	1,144,671	-	1,144,671	-
General government	182,558	-	182,558	-
Donations	183,815	-	183,815	-
Cemetery	618,072	-	618,072	-
Public works	887,342	-	887,342	-
Capital projects	3,379,904	-	3,379,904	-
Town of the City	1,683,351	-	1,683,351	-
Donor restricted, Foundation	-	-	-	1,033,960
Unrestricted	(47,543,806)	11,708,385	(35,835,421)	3,825,657
Total net position	40,327,942	35,054,123	75,382,065	23,491,181
Total liabilities, deferred inflows of resources and net position	\$ 184,997,899	\$ 51,731,239	\$ 236,729,138	\$ 32,267,408

See notes to financial statements

City of Galesburg, Illinois

Statement of Activities

Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 12,712,002	\$ 3,838,760	\$ 5,659,175	\$ 428,396
Economic development	4,623,157	658,724	-	-
Public safety	19,968,692	1,397,930	277,525	-
Public works	6,290,111	48,520	636	107,234
Culture, education and recreation	4,570,406	1,316,160	-	-
Interest and fiscal charges	568,455	-	-	-
Total governmental activities	48,732,823	7,260,094	5,937,336	535,630
Business-type activities:				
Water	5,895,026	7,426,343	-	-
Refuse	2,867,189	3,083,941	-	-
Total business-type activities	8,762,215	10,510,284	-	-
Total primary government	\$ 57,495,038	\$ 17,770,378	\$ 5,937,336	\$ 535,630
Component Unit				
Galesburg Public Library	\$ 3,034,597	\$ 6,871	\$ 62,998	\$ 9,223,888

General revenues:

Taxes:

Property tax
Food and beverage tax
Hotel/motel tax
Local utility taxes
City gas tax
Other taxes

Unrestricted intergovernmental revenue:

State income and use tax
Sales and home rule taxes
Replacement tax
Franchise fees
Investment income
Miscellaneous

Total general revenues

Transfers

Change in net position

Net position, beginning

Net position, ending

See notes to financial statements

Net (Expense) Revenue and Changes in Net Position			Component Unit
Primary Government			Galesburg Public Library
Governmental Activities	Business-Type Activities	Total	
\$ (2,785,671)	\$ -	\$ (2,785,671)	\$ -
(3,964,433)	-	(3,964,433)	-
(18,293,237)	-	(18,293,237)	-
(6,133,721)	-	(6,133,721)	-
(3,254,246)	-	(3,254,246)	-
(568,455)	-	(568,455)	-
(34,999,763)	-	(34,999,763)	-
-	1,531,317	1,531,317	-
-	216,752	216,752	-
-	1,748,069	1,748,069	-
(34,999,763)	1,748,069	(33,251,694)	-
-	-	-	6,259,160
9,028,485	-	9,028,485	1,697,562
1,963,092	-	1,963,092	-
947,160	-	947,160	-
2,274,200	-	2,274,200	-
633,654	-	633,654	-
1,070,623	-	1,070,623	-
6,001,710	-	6,001,710	-
12,600,846	-	12,600,846	-
2,708,360	-	2,708,360	40,000
335,368	-	335,368	-
2,646,435	565,320	3,211,755	414,243
577,533	-	577,533	1,530,880
40,787,466	565,320	41,352,786	3,682,685
361,653	(361,653)	-	-
6,149,356	1,951,736	8,101,092	9,941,845
34,178,586	33,102,387	67,280,973	13,549,336
\$ 40,327,942	\$ 35,054,123	\$ 75,382,065	\$ 23,491,181

See notes to financial statements

City of Galesburg, Illinois

Balance Sheet - Governmental Funds
December 31, 2023

	Major Funds			Nonmajor	Total
	General	Economic Development	Parks & Recreation	Governmental Funds	Governmental Funds
Assets					
Cash and cash equivalents	\$ 12,094,072	\$ 4,922,846	\$ 2,637,973	\$ 27,342,213	\$ 46,997,104
Investments	984,648	25,187	49,664	1,808,656	2,868,155
Receivables (net):					
Property taxes	8,025,095	-	262,145	885,310	9,172,550
Other taxes	1,299,893	303,286	303,949	317,506	2,224,634
Accounts	448,143	278,442	5,380	1,890,538	2,622,503
Accrued interest	57,045	9,007	2,713	40,569	109,334
Loans	-	2,572,149	-	-	2,572,149
Leases	513,594	610,009	-	-	1,123,603
Due from other governments	2,197,469	-	484,470	844,188	3,526,127
Due from other funds	886,770	-	15,739	3,253,752	4,156,261
Inventory	58,963	-	-	-	58,963
Prepaid items	430,933	10,022	33,831	47,703	522,489
Property held for resale	-	3,641,930	-	155,324	3,797,254
Advances to other funds	86,099	86,099	86,099	172,198	430,495
Advances to component unit	409,535	-	-	-	409,535
Total assets	<u>\$ 27,492,259</u>	<u>\$ 12,458,977</u>	<u>\$ 3,881,963</u>	<u>\$ 36,757,957</u>	<u>\$ 80,591,156</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 276,798	\$ 71,149	\$ 172,114	\$ 1,940,373	\$ 2,460,434
Accrued liabilities	489,054	2,009	32,613	49,406	573,082
Due to other governments	9,904	-	-	367,229	377,133
Due to fiduciary funds	1,864,949	-	-	-	1,864,949
Due to other funds	2,966,274	244,023	14,411	905,787	4,130,495
Advances from other funds	-	-	-	430,495	430,495
Unearned revenue	18,847	474	35,762	112,389	167,472
Total liabilities	<u>5,625,826</u>	<u>317,655</u>	<u>254,900</u>	<u>3,805,679</u>	<u>10,004,060</u>
Deferred Inflows of Resources					
Unavailable revenue	994,872	343,446	250,413	822,046	2,410,777
Deferred inflows related to leases	513,594	610,009	-	-	1,123,603
Property taxes levied for future periods	8,025,095	-	262,145	885,310	9,172,550
Total deferred inflows of resources	<u>9,533,561</u>	<u>953,455</u>	<u>512,558</u>	<u>1,707,356</u>	<u>12,706,930</u>
Fund Balances					
Nonspendable	985,530	10,022	33,831	778,482	1,807,865
Restricted	12,795	801,345	151,700	9,904,119	10,869,959
Committed	580,948	8,129,413	80,000	3,272,093	12,062,454
Assigned	-	2,247,087	2,848,974	17,720,807	22,816,868
Unassigned (deficit)	10,753,599	-	-	(430,579)	10,323,020
Total fund balances	<u>12,332,872</u>	<u>11,187,867</u>	<u>3,114,505</u>	<u>31,244,922</u>	<u>57,880,166</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,492,259</u>	<u>\$ 12,458,977</u>	<u>\$ 3,881,963</u>	<u>\$ 36,757,957</u>	<u>\$ 80,591,156</u>

See notes to financial statements

City of Galesburg, Illinois

Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position
December 31, 2023

Total Fund Balances - Governmental Funds \$ 57,880,166

Amounts reported for governmental activities in the Statement of Net Position
are different because:

Capital assets used in governmental activities are not current financial resources
and therefore are not reported in the governmental funds:

Capital assets	\$ 136,372,145	
Accumulated depreciation	(51,652,449)	
		84,719,696

Bond issuance insurance does not relate to current financial resources and is not reported in the governmental funds.	35,291
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Revenues collected after the City's availability period are reported as deferred inflows of resources in governmental funds, however these amounts have been reported as revenues in the Statement of Activities.	2,410,777
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Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	19,870,957
--	------------

Deferred outflows of resources related to other postemployment benefits do not relate to current financial resources and are not reported in the governmental funds.	2,417,143
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Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(27,769,362)
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Deferred inflows of resources related to other postemployment benefits do not relate to current financial resources and are not reported in the governmental funds.	(3,593,509)
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Some liabilities reported in the Statement of Net Position do not require the use of
current financial resources and therefore are not reported as liabilities in
governmental funds. These activities consist of:

Compensated absences	(2,027,288)	
Accrued interest payable	(193,395)	
Net pension liability	(71,133,504)	
Net OPEB liability	(10,916,384)	
Lease liability	(55,666)	
General obligation bonds payable	(12,390,000)	
Bond premium	(628,881)	
		(97,345,118)

Internal service funds are reported in the statement of net position as governmental activities.	1,701,901
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Net Position of Governmental Activities \$ 40,327,942

City of Galesburg, Illinois

Governmental Funds -
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2023

	Major Funds			Nonmajor Governmental Funds	
	General	Economic Development	Parks & Recreation		Total
Revenues					
Taxes	\$ 14,256,662	\$ 1,163,283	\$ 2,278,189	\$ 4,427,436	\$ 22,125,570
Charges for services	1,359,245	-	38,585	680,877	2,078,707
Intergovernmental	13,972,223	-	1,992,444	7,758,212	23,722,879
Licenses and permits	441,907	-	-	-	441,907
Fines and fees	337,442	-	-	3,529	340,971
Use of money and property	1,082,669	320,835	1,466,974	2,011,662	4,882,140
Contributions	-	-	-	11,175	11,175
Miscellaneous	132,638	46,231	49,144	67,542	295,555
Total revenues	31,582,786	1,530,349	5,825,336	14,960,433	53,898,904
Expenditures					
Current:					
General government	4,085,187	-	45,998	4,886,104	9,017,289
Economic development	-	429,539	-	3,272,854	3,702,393
Public safety	20,865,346	-	166,771	787,105	21,819,222
Public works	2,145,944	-	519,463	1,609,825	4,275,232
Culture and recreation	-	-	4,136,757	2,990	4,139,747
Miscellaneous	-	270,904	-	3,822,521	4,093,425
Debt service:					
Principal	35,785	-	30,095	810,000	875,880
Interest and fiscal charges	1,883	-	1,921	410,067	413,871
Capital outlay	-	-	-	5,948,672	5,948,672
Total expenditures	27,134,145	700,443	4,901,005	21,550,138	54,285,731
Excess (deficiency) of revenues over expenditures	4,448,641	829,906	924,331	(6,589,705)	(386,827)
Other Financing Sources (Uses)					
Proceeds from the sale of assets	5,510	-	-	9,998	15,508
General obligation debt issued	-	-	-	4,920,000	4,920,000
Premium on debt issued	-	-	-	500,683	500,683
Transfers in	-	-	40,739	9,083,620	9,124,359
Transfers out	(5,036,407)	(1,220,223)	(395,460)	(2,110,616)	(8,762,706)
Total other financing sources (uses)	(5,030,897)	(1,220,223)	(354,721)	12,403,685	5,797,844
Net change in fund balances	(582,256)	(390,317)	569,610	5,813,980	5,411,017
Fund Balances, Beginning	12,915,128	11,578,184	2,544,895	25,430,942	52,469,149
Fund Balances, Ending	\$ 12,332,872	\$ 11,187,867	\$ 3,114,505	\$ 31,244,922	\$ 57,880,166

See notes to financial statements

City of Galesburg, Illinois

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund

Balances of Governmental Funds to Statement of Activities

Year Ended December 31, 2023

Net change in total governmental fund balances \$ 5,411,017

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

Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Capital expenditures	\$ 5,948,670	
Depreciation	(3,113,731)	
Net book value of assets retired	(7,229)	
Capital expenditures in excess of depreciation		2,827,710

Capital assets transferred to the City are recorded as capital contributions in the Statement of Activities, but do not require the use of current financial resources and are therefore not reported in the governmental funds. 107,234

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements. 182,730

Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Accrued interest on debt	(192,675)	
Amortization of bond premiums	(481,090)	
Amortization of bond insurance	18,498	
Net pension liability	3,737,157	
Net pension asset	(6,183,575)	
Net OPEB liability	(31,901)	
Deferred outflows of resources related to pensions	(7,662,640)	
Deferred outflows of resources related to OPEB	(113,819)	
Deferred inflows of resources related to pensions	11,899,309	
Deferred inflows of resources related to OPEB	331,866	
Lease liability	65,880	
Compensated absences	(108,381)	
		1,278,629

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Debt issued	(4,920,000)
Principal repaid	810,000

Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund is reported with governmental activities. 452,036

Change in Net Position of Governmental Activities \$ 6,149,356

City of Galesburg, Illinois

Statement of Net Position -

Proprietary Funds

December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service Fund
	Water	Refuse	Total	
Assets and Deferred Outflows of Resources				
Assets				
Current assets:				
Cash and cash equivalents	\$ 11,455,741	\$ 1,282,755	\$ 12,738,496	\$ 1,283,311
Investments	249,502	-	249,502	483,791
Receivables (net):				
Accounts	2,012,333	457,231	2,469,564	23,036
Accrued interest	28,465	-	28,465	8,048
Inventory	125,167	-	125,167	-
Prepaid items	59,092	5,526	64,618	523,415
Total current assets	13,930,300	1,745,512	15,675,812	2,321,601
Noncurrent assets:				
Bond issuance insurance	9,940	-	9,940	-
Capital assets not being depreciated	759,686	-	759,686	-
Capital assets being depreciated	52,541,012	-	52,541,012	-
Less accumulated depreciation	(19,377,876)	-	(19,377,876)	-
Total noncurrent assets	33,932,762	-	33,932,762	-
Total assets	47,863,062	1,745,512	49,608,574	2,321,601
Deferred Outflows of Resources				
Deferred outflows related to pensions	858,979	-	858,979	20,656
Deferred outflows related to OPEB	222,838	2,550	225,388	-
Deferred charge on refunding	646,453	-	646,453	-
Total deferred outflows of resources	1,728,270	2,550	1,730,820	20,656

See notes to financial statements

City of Galesburg, Illinois

Statement of Net Position -

Proprietary Funds

December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service Fund
	Water	Refuse	Total	
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Current liabilities:				
Accounts payable	\$ 159,455	\$ 452,028	\$ 611,483	\$ 33,194
Accrued liabilities	31,089	447	31,536	1,244
Claims payable	-	-	-	150,000
Accrued interest payable	19,237	-	19,237	-
Deposits	1,083,382	-	1,083,382	-
Due to other governments	973,067	-	973,067	-
Due to other funds	25,766	-	25,766	-
Unearned revenue	3,625	-	3,625	7,670
General obligation bonds payable	960,000	-	960,000	-
Notes payable	41,406	-	41,406	-
Compensated absences	116,471	427	116,898	2,892
Total current liabilities	3,413,498	452,902	3,866,400	195,000
Noncurrent liabilities:				
General obligation bonds payable	9,942,231	-	9,942,231	-
Notes payable	289,840	-	289,840	-
Net pension liability	1,049,481	-	1,049,481	25,236
Net OPEB liability	1,006,383	11,518	1,017,901	-
Compensated absences	96,214	1,400	97,614	-
Total noncurrent liabilities	12,384,149	12,918	12,397,067	25,236
Total liabilities	15,797,647	465,820	16,263,467	220,236
Deferred Inflows of Resources				
Deferred inflows related to pensions	104,338	-	104,338	2,509
Deferred inflows related to OPEB	331,286	3,791	335,077	-
Total deferred inflows of resources	435,624	3,791	439,415	2,509
Net Position				
Net investment in capital assets	23,345,738	-	23,345,738	-
Unrestricted net position	10,012,323	1,278,451	11,290,774	2,119,512
Total net position	\$ 33,358,061	\$ 1,278,451	34,636,512	2,119,512
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds			417,611	(417,611)
Net position business-type activities			<u>\$ 35,054,123</u>	
Net internal service funds reported in the statement of net position as governmental activities				<u>\$ 1,701,901</u>

See notes to financial statements

City of Galesburg, Illinois
Statement of Revenues, Expenses and Changes in Fund Net Position -
Proprietary Funds

Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service Fund
	Water	Refuse	Total	
Operating Revenues				
Charges for services	\$ 7,426,343	\$ 3,083,941	\$ 10,510,284	\$ 1,143,395
Miscellaneous	-	-	-	150,168
Total operating revenues	7,426,343	3,083,941	10,510,284	1,293,563
Operating Expenses				
Personnel services	2,111,217	42,836	2,154,053	55,490
Contractual services	1,573,273	2,808,517	4,381,790	745,225
Commodities	747,293	-	747,293	26,083
Insurance claims and changes in reserves	-	-	-	41,670
Depreciation	1,094,405	-	1,094,405	-
Other charges	23,098	15,836	38,934	-
Total operating expenses	5,549,286	2,867,189	8,416,475	868,468
Operating income (loss)	1,877,057	216,752	2,093,809	425,095
Nonoperating Revenues (Expenses)				
Investment earnings	517,974	47,346	565,320	94,243
Gain (loss) on sale of assets	10	-	10	-
Interest and fiscal charges	(413,052)	-	(413,052)	-
Total nonoperating revenues (expenses)	104,932	47,346	152,278	94,243
Income (loss) before transfers	1,981,989	264,098	2,246,087	519,338
Transfers				
Transfers out	(361,653)	-	(361,653)	-
Total transfers	(361,653)	-	(361,653)	-
Change in net position	1,620,336	264,098	1,884,434	519,338
Net Position, Beginning	31,737,725	1,014,353	32,752,078	1,600,174
Net Position, Ending	<u>\$ 33,358,061</u>	<u>\$ 1,278,451</u>	<u>\$ 34,636,512</u>	<u>\$ 2,119,512</u>
Change in net position			\$ 1,884,434	
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds			67,302	
Change in net position of business-type activities			<u>\$ 1,951,736</u>	

See notes to financial statements

City of Galesburg, Illinois
Statement of Cash Flows -
Proprietary Funds

Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service Fund
	Water	Refuse	Total	
Cash Flows From Operating Activities				
Cash received from customers and users	\$ 7,717,079	\$ 3,114,972	\$ 10,832,051	\$ 260,268
Cash received from interfund service	-	-	-	1,110,765
Cash payments for goods and services	(2,748,103)	(2,608,436)	(5,356,539)	(955,522)
Cash payments to employees	(2,127,479)	(43,612)	(2,171,091)	(54,218)
Net cash provided (used in) by operating activities	2,841,497	462,924	3,304,421	361,293
Cash Flows From Noncapital Financing Activities				
Payments from (to) nonservice interfund accounts	(336,172)	-	(336,172)	-
Net cash provided (used in) noncapital financing activities	(336,172)	-	(336,172)	-
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(163,570)	-	(163,570)	-
Interest paid on debt	(407,295)	-	(407,295)	-
Principal payments on bonds	(930,000)	-	(930,000)	-
Principal payments on notes	(41,406)	-	(41,406)	-
Proceeds from sale of capital assets	10	-	10	-
Net cash used in capital and related financing activities	(1,542,261)	-	(1,542,261)	-
Cash Flows From Investing Activities				
Purchase of investments	-	-	-	(483,791)
Proceeds from sale and maturity of investments	750,498	-	750,498	-
Income and dividends received	503,045	47,346	550,391	86,661
Net cash provided by (used in) investing activities	1,253,543	47,346	1,300,889	(397,130)
Net increase (decrease) in cash	2,216,607	510,270	2,726,877	(35,837)
Cash and Cash Equivalents, Beginning	9,239,134	772,485	10,011,619	1,319,148
Cash and Cash Equivalents, Ending	<u>\$ 11,455,741</u>	<u>\$ 1,282,755</u>	<u>\$ 12,738,496</u>	<u>\$ 1,283,311</u>

See notes to financial statements

City of Galesburg, Illinois

Statement of Cash Flows -

Proprietary Funds

Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water	Refuse	Total	Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ 1,877,057	\$ 216,752	\$ 2,093,809	\$ 425,095
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,094,405	-	1,094,405	-
Change in operating assets and liabilities:				
Accounts receivable	287,453	31,031	318,484	69,800
Inventory	(8,300)	-	(8,300)	-
Prepaid items	(11,540)	(434)	(11,974)	30,293
Bond issuance insurance	1,728	-	1,728	-
Net pension asset	1,065,999	-	1,065,999	35,489
Deferred outflows, pension	(571,758)	-	(571,758)	(11,094)
Deferred outflows, OPEB	15,188	184	15,372	-
Accounts payable	(41,180)	216,351	175,171	(7,837)
Deposits payable	51,402	-	51,402	-
Accrued salaries	(2,988)	-	(2,988)	543
Due to other governments	(396,549)	-	(396,549)	-
Claims payable	-	-	-	(165,000)
Compensated absences	(26,938)	(275)	(27,213)	1,672
Net pension liability	1,049,481	-	1,049,481	-
Net OPEB liability	(17,255)	(237)	(17,492)	25,236
Deferred inflows, pension	(1,490,112)	-	(1,490,112)	(50,574)
Deferred inflows, OPEB	(37,879)	(448)	(38,327)	-
Unearned revenue	3,283	-	3,283	7,670
Total adjustments	964,440	246,172	1,210,612	(63,802)
Net cash provided (used) by operating activities	\$ 2,841,497	\$ 462,924	\$ 3,304,421	\$ 361,293

**Noncash Capital and Related Financing
Activities**

None

See notes to financial statements

City of Galesburg, Illinois

Statement of Fiduciary Net Position -

Fiduciary Funds

December 31, 2023

	Pension and OPEB Trust Funds
Assets	
Cash and cash equivalents	\$ 1,930,966
Investments:	
Mutual funds	2,305,907
Insurance contracts and annuities	22,921,662
Police officers' pension investment fund	10,489,125
Firefighters' pension investment fund	27,924,884
Receivables:	
Due from primary government	1,864,949
Prepaid items	7,299
Total assets	67,444,792
Liabilities	
Accounts payable	615,412
Total liabilities	615,412
Net Position	
Restricted for OPEB	2,305,907
Restricted for retirement benefits	64,523,473
Total net position	\$ 66,829,380

City of Galesburg, Illinois

Statement of Changes in Fiduciary Net Position -

Fiduciary Funds

Year Ended December 31, 2023

	Pension and OPEB Trust Funds
Additions	
Contributions:	
Employer	\$ 7,731,753
Plan member deposits	715,270
Total contributions	8,447,023
Investment earnings:	
Net appreciation in fair value of investments	8,739,669
Interest	107,423
Total investment earnings	8,847,092
Less investment expense	39,268
Net investment earnings	8,807,824
Miscellaneous:	
Other income	356
Total additions	17,255,203
Deductions	
Benefits	8,387,271
Administrative expenses	52,327
Total deductions	8,439,598
Change in net position	8,815,605
Net Position, Beginning	58,013,775
Net Position, Ending	<u><u>\$ 66,829,380</u></u>

City of Galesburg

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December 31, 2023

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1. Summary of Significant Accounting Policies

The City of Galesburg, Illinois (the City) was incorporated in 1857. The City is a home-rule municipality, under the 1970 Illinois Constitution, located in Knox County, Illinois. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety, streets, refuse collection, recreation and cultural events, community development and general administrative services.

The accounting policies of the City of Galesburg, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Blended Component Unit

The Town of the City of Galesburg serves all the citizens of the City and is governed by a board comprised of the City's elected council. Although the Town is a legally separate entity, it is, in substance, part of the primary government's operations and a financial benefit or burden relationship exists with the City. Therefore, data from the Town is blended with the financial data of the City. Separately issued financial statements of the Town may be obtained from the administrative offices at City Hall, Galesburg, Illinois.

Discretely Presented Component Unit

Galesburg Public Library

The government-wide financial statements include the Galesburg Public Library (Library) as a component unit. The Library is a legally separate organization. The board of the Library is appointed by the City's elected council. Statutes provide for circumstances whereby the City can impose its will on the Library, and also create a potential financial benefit to or burden on the City. The Library has one fund and is presented as a governmental fund type. The Galesburg Public Library Foundation (Foundation), a component unit of the Library, receives donations and provides funds to the Library and promotes its charitable, educational and cultural purposes. As a component unit, the Library's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2023. The Library does not issue separate financial statements. Complete financial statements of the Foundation can be obtained from the administrative offices at City Hall, Galesburg, Illinois.

Fiduciary Component Units

The Police Pension Employees Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The City and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. PPERS is reported as a fiduciary component unit pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. No separate annual financial report is issued for the PPERS.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the City's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership; and two fire employees elected by the membership constitute the pension board. The City and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. FPERS is reported as a fiduciary component unit and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. No separate annual financial report is issued for the FPERS.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

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

The City reports the following major governmental funds:

General Fund

General Fund accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Special Revenue Fund

Economic Development Fund is used to account for the economic development loans and assistance made to local businesses. Revenue is collected from the home rule tax that is distributed by the State of Illinois.

Parks and Recreation Fund is used to account for operations of the City's parks and recreation programs. Revenue is collected from multiple sources including property taxes, other taxes and intergovernmental payments from the State of Illinois restricted, committed or assigned for culture and recreation purposes..

City of Galesburg

Notes to Financial Statements
December 31, 2023

Enterprise Funds

The City reports the following major enterprise funds:

Water Fund accounts for operations of providing a safe and adequate water supply for fire protection, domestic and industrial use.

Refuse Fund accounts for operations and maintenance of the refuse collection and recycling system.

The City reports the following nonmajor governmental funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

City Gas Tax
Federal Special Enforcement
Stormwater Utility
Airport
Public Transportation
911 Communications
Grants

Motor Fuel Tax
State Special Enforcement
Foreign Fire
Property Redevelopment
Public Transportation Projects
Town of the City of Galesburg
Community Improvements / Infrastructure

Debt Service Funds

Debt Service Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs.

2011C Business Park
2016 GO Bond Debt Service

2013A GO Bonds Business District
2023 GO Bond Debt

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

2013A Business District
Utility Tax Capital Projects
Building Repair and Maintenance
Vehicle Replacement
Capital Planning
TIF V

2023 GO Bond Capital Expense
TIF 3 Regency Capital Project
Computer Replacement
Players Fields
TIF IV

Permanent Funds

Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Linwood Cemetery

East Linwood Cemetery

In addition, the City reports the following fund types:

Internal Service Fund

Internal Service Fund is used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Risk Management

Pension and Other Employee Benefit Trust Funds

Pension and Other Employee Benefit Trust Funds are used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans and the other postemployment benefit plan.

Police Pension
Firefighters' Pension
OPEB Trust

Measurement Focus, Basis of Accounting and Financial Statement Presentation**Government-Wide Financial Statements**

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, licenses and permits and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Fund and Refuse Fund are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity**Deposits and Investments**

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Illinois Statutes authorize the City to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds Investment Pool.

Illinois Compiled Statutes (ILCS) limit pension fund investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

Illinois Public Act 101 0610 consolidated the assets of the state's more than 650 downstate and suburban public safety pension funds into two consolidated investment funds and required the Police Pension Fund and Firefighters' Pension Fund to pool their funds for investment purposes. The Illinois Police Officers' Pension Investment Fund and the Illinois Firefighters' Pension Investment Fund are external investment pools valued at share price, the price for which the investments could be sold. The Illinois Police Officers' Pension Investment Fund's investment policy statement has an investment objective to earn a long-term, net-of-fees, investment return that meets or exceeds the actuarial assumed rate of return and the return of the Policy Benchmark consistent with the risk level expected from the asset allocation. In the March 4, 2022 actuarial experience study the Illinois Police Officers' Pension Investment Fund's actuaries recommended an investment return of 6.75%.

The Illinois Firefighters' Pension Investment Fund's investment policy has an investment objective that seeks to maximize the likelihood of meeting long-term return objectives, while (i) maintaining prudent risk exposure, (ii) controlling fees and expenses related to management of the Fund and (iii) complying with the governing provisions of the Illinois Pension Code (40 ILCS 5 et seq.) and other applicable laws and regulations. Long-term return objectives are based on an assumed rate of return as set forth by the Illinois Firefighters' Pension Investment Fund's actuary. In the December 1, 2021 actuarial experience study the Illinois Firefighters' Pension Investment Fund's actuaries recommended an investment return of 7.125%.

Additional information related to the Illinois Police Officers' Pension Investment Fund can be found at <https://www.ipopif.org>. Additional information related to the Illinois Firefighters' Pension Investment Fund can be found at <https://ifpif.org>.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

Interest Rate Risk

The City's investment policy minimizes the risk the fair value of fixed income securities in the portfolio will fall due to changes in the general interest rates by structuring the investment portfolio so that fixed income securities mature to meet cash requirements for on-going operations and by investing operating funds primarily in shorter-term fixed income securities. Per the City's investment policy, the maximum maturity for City investments shall be ten (10) years with the average maturity of the total portfolio not exceeding five (5) years.

In accordance with investment policies, the Police Pension Fund and Firefighters' Pension Fund limit exposure to interest rate risk by structuring the portfolios to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policies do not limit the maximum maturity length of investments in the funds. The investment policies require that the portfolios be structured to meet the actuarially determined cash flow requirements of the funds.

Credit Risk

The City's investment policy mitigates credit risk by limiting investments to the safest types of securities, prequalifying the financial institutions, broker/dealers and advisors with which the City will do business and diversifying the investment portfolio so that potential losses on individual securities will be minimized.

The Police Pension Fund and Firefighters' Pension Fund limit exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

Concentration of Credit Risk

The City's investment policy seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the City to meet all anticipated cash requirements. The City places no limit on the amount the City may invest in one issuer.

The Police Pension Fund investment policy limits investments to those authorized by state statutes and applicable rules and regulations governing investments for the pension funds. To avoid unreasonable risk, diversification of investments is required, including equity allocation.

The Firefighters' Pension Fund does not hold any investments susceptible to this risk as of December 31, 2023.

Custodial Credit Risk, Deposits

The City's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 100% of the value of the deposit.

The Police and Firefighters' Pension Fund investment policies require pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by the Police and Firefighters' Pension Funds or their respective agents in the name of the Police and Firefighters' Pension Fund.

Custodial Credit Risk, Investments

The City's investment policy requires that all trades where applicable will be executed by delivery vs. payment to ensure the fixed income securities are deposited in eligible financial institutions prior to the release of funds. All fixed income securities shall be perfected in the name or for the account of the City and shall be held by a third-party custodian as evidenced by safekeeping receipts.

The Police and Firefighters' Pension Fund investment policies require investments to be held by a separate third party custodian to safe-keep the assets of the funds, complying with provisions of the Illinois Pension Code.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold.

See Note 3 for further information.

Receivables

Property taxes for levy year 2023 attaches as an enforceable lien on January 1, 2023, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2023 tax levy, which attached as an enforceable lien on the property as of January 1, 2023, was levied in December 2023.

Tax bills for levy year 2023 are prepared by the Knox County Treasurer and issued on or about May 1, 2024 and August 1, 2024 and are payable in two installments, on or about June 1, 2024 and September 1, 2024 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2023 property tax levy is recognized as a receivable and deferred inflows in fiscal 2023, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2023, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2023 levy.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average and charged to construction and/or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets**Government-Wide Statements**

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$50,000 for building improvements, land improvements, infrastructure and \$25,000 for machinery and equipment and an estimated useful life in excess of 3 years. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Donated capital assets received in a concession arrangement are recorded at acquisition value.

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	8-50	Years
Land improvements	10-100	Years
Machinery and equipment	3-50	Years
Infrastructure	20-100	Years

The City's collection of works of art, library books and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to City policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Deferred Outflows of Resources

A deferred outflow of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements and are payable with expendable resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2023, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, lease liabilities, unamortized bond premium, net pension liabilities, net OPEB liabilities and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

On December 1, 2021, the City issued its Illinois Taxable Revenue Bonds, Series 2021 (the Knox College Project), in the aggregate amount of \$40,930,000 to (1) finance, refinance, or reimburse itself for all or a portion of the costs of planning, design, acquisition, construction, renovation, improvement, expansion, completion, and/or equipping of certain of its educational facilities, (2) refund all of the outstanding principal amount of the City's Illinois Variable Rate Demand Revenue Bonds, Series 1996 (Knox College Project), (3) refund all of the outstanding principal amount of the City's Illinois Variable Rate Demand Revenue Bonds, Series 1999 (Knox College Project), (4) refinance certain taxable indebtedness incurred by the Project under a loan from PNC Bank, (5) finance termination payments with respect to certain Interest Rate Swaps entered into by the Project with respect to the Series 1996 Bonds and Series 1999 Bonds, and (6) pay certain costs incurred in connection with the issuance of the bonds. From the date of original issuance, the bonds have been and will continue to be equally and ratably secured and entitled to the security of a Trust Indenture between the City and Amalgamated Bank of Chicago (as Trustee). Repayment of the bonds is the responsibility of the Knox College Project. The bonds mature on October 1, 2046. As of December 31, 2023, \$40,175,000 of 2021 Series bonds remain outstanding.

Deferred Inflows of Resources

A deferred inflow of resources represent an acquisition of net assets that applies to future periods and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council may take official action to assign amounts or delegate responsibility to another party through the budgetary process. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

To maintain the City's ability to provide services during emergencies and unexpected declines in the economy the City will maintain a General Fund, fund balance of 16 weeks, or approximately 30% of operating expenditures. The fund balance shall be exclusive of all other reserves and contingencies and shall be reported as unassigned.

See Note 3 for further information.

Fiduciary fund net position is classified as restricted for pool participants, individuals, organizations and other governments on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income and the City believes it is in compliance with all significant restrictions.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the City OPEB Plan and additions to/deductions from the City OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the City OPEB Plan. For this purpose, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Property Held for Resale

The City's land held for resale includes land that is being held for sale for future development of the City. The assets are valued at the lower of cost or market.

2. Stewardship, Compliance and Accountability

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2023, the following individual funds held a deficit balance:

Fund	Amount	Reason
Grants	\$ (208,757)	Operating expenditures exceeded available revenues
Public Transportation	(194,149)	Prior operating expenditures exceeded available revenues

These deficits are anticipated to be funded with future tax or grant revenues.

City of Galesburg

Notes to Financial Statements
December 31, 2023

3. Detailed Notes on All Funds

Deposits and Investments

The City's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 39,234,497	\$ 39,385,344	Custodial credit risk, deposits
Money market, Illinois Funds	19,302,722	19,302,722	Credit risk
Mutual funds, bond funds	330,987	330,987	Credit risk, interest rate risk
Mutual funds, other	2,550,375	2,550,375	N/A
Police officers' pension investment fund	10,489,125	10,489,125	Credit risk
Firefighters' pension investment fund	27,924,884	27,924,884	Credit risk
U.S. Treasury obligations	2,999,601	2,999,601	Custodial credit risk, investments, interest rate risk
Insurance contracts and annuities	22,921,662	22,921,662	Credit risk, concentration of credit risk
Illinois Trusts	4,434,020	4,434,020	Credit risk
Petty cash	<u>5,030</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$130,192,903</u>	<u>\$130,338,720</u>	
Reconciliation to financial statements			
Per statement of net position:			
Cash and cash equivalents	\$ 61,018,911		
Investments	3,601,448		
Per statement of fiduciary net position, fiduciary funds:			
Cash and cash equivalents	1,930,966		
Mutual funds	2,305,907		
Insurance contracts and annuities	22,921,662		
Police officers' pension investment fund	10,489,125		
Firefighters' pension investment fund	<u>27,924,884</u>		
Total deposits and investments	<u>\$130,192,903</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

City of Galesburg

Notes to Financial Statements
December 31, 2023

The City utilized the fair market valuation method for recurring fair value measurements for both Level 1 and Level 2 investments. As of December 31, 2023, investments were measured using valuation inputs as follows:

City

Investment Type	December 31, 2023			
	Level 1	Level 2	Level 3	Total
U.S. Treasury obligations	\$ -	\$ 2,999,601	\$ -	\$ 2,999,601
Mutual funds, bond funds	330,987	-	-	330,987
Mutual funds, other	244,468	-	-	244,468
Total	<u>\$ 575,455</u>	<u>\$ 2,999,601</u>	<u>\$ -</u>	<u>\$ 3,575,056</u>

Police Pension Fund

Investment Type	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Insurance contracts and annuities	\$ -	\$ -	\$ 22,921,662	\$ 22,921,662
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,921,662</u>	<u>\$ 22,921,662</u>

OPEB Trust Fund

Investment Type	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds, other	\$ 2,305,907	\$ -	\$ -	\$ 2,305,907
Total	<u>\$ 2,305,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,305,907</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

The City does not have any deposits exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

City of Galesburg

Notes to Financial Statements
December 31, 2023

As of December 31, 2023, investments were rated as follows:

City

<u>Investment Type</u>	<u>Standard & Poors</u>	<u>Moody's Investors Services</u>
Illinois Funds	AAAm	N/R
Illinois Trust	AAAm	N/R
Mutual funds, bond funds	AAAm	Aaa-mf

Police Pension Fund

<u>Investment Type</u>	<u>Standard & Poors</u>	<u>Moody's Investors Services</u>
Police officers' pension investment fund	N/R	N/R
Insurance contracts and annuities	N/R	N/R

Firefighters' Pension Fund

<u>Investment Type</u>	<u>Standard & Poors</u>	<u>Moody's Investors Services</u>
Firefighters' pension investment fund	N/R	N/R

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2023, the Police Pension Fund held the following investments in excess of 5% of the total Fund's investment portfolio:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
Venerable	Insurance Contract	11.66 %
Transamerica	Insurance Contract	11.27
Augustar	Insurance Contract	9.73
Prudential	Insurance Contract	9.30
Delaware Life	Insurance Contract	9.07
Nationwide	Insurance Contract	7.19
Jackson National	Insurance Contract	7.17

City of Galesburg

Notes to Financial Statements
December 31, 2023

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2023, the City's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1 - 5	6 - 10	Greater than 10
U.S. Treasury obligations	\$ 2,999,601	\$ 2,999,601	\$ -	\$ -	\$ -
Mutual funds, bond funds	330,987	330,987	-	-	-
Total	<u>\$ 3,330,588</u>	<u>\$ 3,330,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Money-Weighted Rate of Return

Police Pension Fund

For the year ended December 31, 2023, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 13.72%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

For the year ended December 31, 2023, the annual money-weighted rate of return on the Firefighters' Pension plan investments, net of pension plan investment expense, was 15.36%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

See Note 1 for further information on deposit and investment policies.

Receivables

Receivables as of year end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Economic Development	Parks and Recreation	Nonmajor	Total
Other taxes receivable:					
Home rule tax	\$ 792,138	\$ 303,286	\$ 181,972	\$ 303,286	\$ 1,580,682
Food and beverage tax	169,848	-	18,864	-	188,712
Hotel/motel tax	-	-	52,906	-	52,906
Auto rental tax	5,203	-	-	-	5,203
Local use tax	284,506	-	50,207	-	334,713
Video gaming tax	48,198	-	-	-	48,198
Business district tax	-	-	-	13,396	13,396
Aviation fuel tax	-	-	-	824	824
Total	<u>\$1,299,893</u>	<u>\$ 303,286</u>	<u>\$ 303,949</u>	<u>\$ 317,506</u>	<u>\$ 2,224,634</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

	<u>General</u>	<u>Parks and Recreation</u>	<u>Nonmajor</u>	<u>Total</u>
Due from other governments:				
Replacement tax	\$ 275,731	\$ -	\$ -	\$ 275,731
Sales tax	1,389,520	460,504	-	1,850,024
State income tax	455,348	23,966	-	479,314
Due from State of Illinois	76,870	-	817,897	894,767
Due from other agencies	-	-	26,291	26,291
Total	<u>\$2,197,469</u>	<u>\$ 484,470</u>	<u>\$ 844,188</u>	<u>\$ 3,526,127</u>

All of the receivables on the balance sheet, except for the loans receivable noted below and leases receivable, are expected to be collected within one year.

As of December 31, 2023, the City had loans receivable in the amount of \$2,572,149 related to 14 economic development loans issued to local businesses from 2014 through 2023. Monthly installments range from \$202 to \$82,603 with interest rates from 2.00% to 8.25%. Final payments are due from February 2024 to November 2030.

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes levied for future periods	\$ 9,172,550	\$ -
Sales tax	-	660,748
Local use tax	-	124,605
Telecommunications tax	-	26,597
Auto rental tax	-	1,933
Home rule sales tax	-	577,029
Grants	27,771	515,187
Business district	1,311	4,572
Remaining PSB expenses	-	76,157
Other	<u>138,390</u>	<u>423,949</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 9,340,022</u>	<u>\$ 2,410,777</u>
Unearned revenue included in liabilities	\$ 167,472	
Unearned revenue included in deferred inflows	<u>9,172,550</u>	
Total unearned revenue for governmental funds	<u>\$ 9,340,022</u>	

City of Galesburg

Notes to Financial Statements
December 31, 2023

Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated/ amortized:				
Land	\$ 6,506,083	\$ 112,297	\$ -	\$ 6,618,380
Construction in progress	<u>1,800,184</u>	<u>3,017,537</u>	<u>1,662,283</u>	<u>3,155,438</u>
Total capital assets not being depreciated/ amortized	<u>8,306,267</u>	<u>3,129,834</u>	<u>1,662,283</u>	<u>9,773,818</u>
Capital assets being depreciated/ amortized:				
Land improvements	7,509,673	591,973	-	8,101,646
Buildings and improvements	20,519,299	359,282	-	20,878,581
Machinery and equipment	14,996,824	1,451,907	28,041	16,420,690
Right-to-use lease asset, machinery and equipment	185,336	-	-	185,336
Infrastructure	<u>78,834,112</u>	<u>2,177,962</u>	<u>-</u>	<u>81,012,074</u>
Total capital assets being depreciated/ amortized	<u>122,045,244</u>	<u>4,581,124</u>	<u>28,041</u>	<u>126,598,327</u>
Total capital assets	<u>130,351,511</u>	<u>7,710,958</u>	<u>1,690,324</u>	<u>136,372,145</u>
Less accumulated depreciation/ amortization for:				
Land improvements	(5,673,779)	(109,986)	-	(5,783,765)
Buildings and improvements	(10,154,884)	(423,313)	-	(10,578,197)
Machinery and equipment	(9,062,015)	(864,204)	28,041	(9,898,178)
Right-to-use lease asset, machinery and equipment	(63,790)	(65,880)	-	(129,670)
Infrastructure	<u>(23,612,291)</u>	<u>(1,650,348)</u>	<u>-</u>	<u>(25,262,639)</u>
Total accumulated depreciation/ amortization	<u>(48,566,759)</u>	<u>(3,113,731)</u>	<u>28,041</u>	<u>(51,652,449)</u>
Net capital assets being depreciated/ amortized	<u>73,478,485</u>	<u>1,467,393</u>	<u>-</u>	<u>74,945,878</u>
Total governmental activities capital assets, net of accumulated depreciation/ amortization	<u>\$ 81,784,752</u>	<u>\$ 4,597,227</u>	<u>\$ 1,662,283</u>	<u>\$ 84,719,696</u>

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 238,728
Economic development	85,965
Public works	1,972,857
Public safety	434,577
Culture and recreation	<u>381,604</u>

Total governmental activities depreciation/ amortization expense \$ 3,113,731

City of Galesburg

Notes to Financial Statements
December 31, 2023

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 693,913	\$ 50,073	\$ -	\$ 743,986
Construction in progress	<u>15,700</u>	<u>-</u>	<u>-</u>	<u>15,700</u>
Total capital assets not being depreciated	<u>709,613</u>	<u>50,073</u>	<u>-</u>	<u>759,686</u>
Capital assets being depreciated:				
Land improvements	66,666	-	-	66,666
Buildings and improvements	24,497,831	-	-	24,497,831
Machinery and equipment	4,388,746	113,497	-	4,502,243
Infrastructure	<u>23,474,272</u>	<u>-</u>	<u>-</u>	<u>23,474,272</u>
Total capital assets being depreciated	<u>52,427,515</u>	<u>113,497</u>	<u>-</u>	<u>52,541,012</u>
Total capital assets	<u>53,137,128</u>	<u>163,570</u>	<u>-</u>	<u>53,300,698</u>
Less accumulated depreciation for:				
Land improvements	(37,850)	(1,905)	-	(39,755)
Buildings and improvements	(5,517,270)	(522,557)	-	(6,039,827)
Machinery and equipment	(3,085,105)	(190,330)	-	(3,275,435)
Infrastructure	<u>(9,643,246)</u>	<u>(379,613)</u>	<u>-</u>	<u>(10,022,859)</u>
Total accumulated depreciation	<u>(18,283,471)</u>	<u>(1,094,405)</u>	<u>-</u>	<u>(19,377,876)</u>
Net capital assets being depreciated	<u>34,144,044</u>	<u>(980,908)</u>	<u>-</u>	<u>33,163,136</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 34,853,657</u>	<u>\$ (930,835)</u>	<u>\$ -</u>	<u>\$ 33,922,822</u>

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 886,770
Parks & Recreation	Nonmajor Governmental	15,739
Nonmajor Governmental	General	2,966,274
Nonmajor Governmental	Economic Development	244,023
Nonmajor Governmental	Parks & Recreation	14,411
Nonmajor Governmental	Nonmajor Governmental	3,278
Nonmajor Governmental	Water	<u>25,766</u>
Total, fund financial statements		4,156,261
Less interfund receivables created with internal service fund eliminations		(417,611)
Less government-wide eliminations		<u>(4,130,495)</u>
Total internal balances, government-wide statement of net position		<u>\$ (391,845)</u>

All amounts are due within one year.

City of Galesburg

Notes to Financial Statements
December 31, 2023

The principal purpose of these interfunds is to cover deficits related to debt service payments, allocation of health insurance expenditures, and funding capital projects. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Advances

Multiple funds advanced funds to the Utility Tax Capital Projects Fund to provide resources for future capital projects.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 86,099
Economic Development	Nonmajor Governmental	86,099
Parks and Recreation	Nonmajor Governmental	86,099
Nonmajor Governmental	Nonmajor Governmental	<u>172,198</u>
Total, fund financial statements		430,495
Less government-wide eliminations		<u>(430,495)</u>
Total, interfund advances, government-wide statement of net position		<u>\$ -</u>

The principal purpose of these advances is to fund capital projects for economic development in the City. Additionally, in 2021, the City provided a 10-year advance of funds from the General Fund to the Galesburg Public Library (the Library), the discretely presented component unit, to provide funding for a new HVAC system totaling \$512,454. For the fiscal year ending December 31, 2023, outstanding advances from the General Fund to the Library totaled \$409,535.

For the Statement of Net Position, interfund advances which are owed within the governmental activities or business-type activities are netted and eliminated.

City of Galesburg

Notes to Financial Statements
December 31, 2023

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Parks & Recreation	General	\$ 25,000	To fund parks & recreation programs costs
Parks & Recreation	Nonmajor Governmental	15,739	To allocate net income from the permanent funds to the parks & recreation fund
Nonmajor Governmental	General	5,011,407	To fund various capital projects & transit expenses and to provide funding for miscellaneous annual contributions
Nonmajor Governmental	Economic Development	1,220,223	To fund various capital projects, to provide funding for miscellaneous annual contributions, and to cover deficit fund balances
Nonmajor Governmental	Parks & Recreation	395,460	To provide funding for miscellaneous annual contributions
Nonmajor Governmental	Nonmajor Governmental	2,094,877	To fund various capital projects, transit expenses, & debt service payments, to provide funding for miscellaneous annual contributions, and to cover deficit fund balances
Nonmajor Governmental	Water	<u>361,653</u>	To fund capital projects
Total, fund financial statements		9,124,359	
Less government-wide eliminations		<u>(8,762,706)</u>	
Total transfers, government-wide statement of activities		<u>\$ 361,653</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

City of Galesburg

Notes to Financial Statements

December 31, 2023

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 8,280,000	\$ 4,920,000	\$ 810,000	\$ 12,390,000	\$ 795,000
(Discounts)/Premiums:					
Bond premium	<u>147,791</u>	<u>500,683</u>	<u>19,593</u>	<u>628,881</u>	<u>-</u>
Total bonds and notes payable	<u>8,427,791</u>	<u>5,420,683</u>	<u>829,593</u>	<u>13,018,881</u>	<u>795,000</u>
Other liabilities:					
Compensated absences	1,920,127	1,993,041	1,882,988	2,030,180	1,267,650
Lease liabilities	121,546	-	65,880	55,666	55,666
Net pension liability, IMRF	-	7,308,761	1,164,091	6,144,670	-
Net pension liability, Town IMRF	-	173,914	21,199	152,715	-
Net pension liability, Police	39,927,143	5,478,508	11,549,379	33,856,272	-
Net pension liability, Firefighters'	34,943,518	5,197,497	9,135,932	31,005,083	-
Net OPEB liability	<u>10,884,483</u>	<u>1,056,573</u>	<u>1,024,672</u>	<u>10,916,384</u>	<u>-</u>
Total other liabilities	<u>87,796,817</u>	<u>21,208,294</u>	<u>24,844,141</u>	<u>84,160,970</u>	<u>1,323,316</u>
Total governmental activities long-term liabilities	<u>\$ 96,224,608</u>	<u>\$ 26,628,977</u>	<u>\$ 25,673,734</u>	<u>\$ 97,179,851</u>	<u>\$ 2,118,316</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 11,510,000	\$ -	\$ 930,000	\$ 10,580,000	\$ 960,000
Notes payable, direct borrowing	372,652	-	41,406	331,246	41,406
(Discounts)/Premiums:					
Bond premium	<u>381,596</u>	<u>-</u>	<u>59,365</u>	<u>322,231</u>	<u>-</u>
Total bonds and notes payable	<u>12,264,248</u>	<u>-</u>	<u>1,030,771</u>	<u>11,233,477</u>	<u>1,001,406</u>
Other liabilities:					
Compensated absences	241,725	139,491	166,704	214,512	116,898
Net pension liability, IMRF	-	1,248,302	198,821	1,049,481	-
Net OPEB liability	<u>1,035,393</u>	<u>78,054</u>	<u>95,546</u>	<u>1,017,901</u>	<u>-</u>
Total other liabilities	<u>1,277,118</u>	<u>1,465,847</u>	<u>461,071</u>	<u>2,281,894</u>	<u>116,898</u>
Total business-type activities long-term liabilities	<u>\$ 13,541,366</u>	<u>\$ 1,465,847</u>	<u>\$ 1,491,842</u>	<u>\$ 13,515,371</u>	<u>\$ 1,118,304</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the City. Debt in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

<u>Governmental Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2023</u>
2013A General Obligation Bonds issued to finance infrastructure improvements for the North Seminary Street Business District, due in annual payments of \$30,000 to \$125,000	October 8, 2013	December 30, 2032	3.0% - 4.3%	\$ 1,390,000	\$ 915,000
2016 General Obligation Bonds issued to finance capital improvements for the East Fremont Street overlay project and brick streets overlay project, due in annual payments of \$345,000 to \$670,000	February 2, 2016	December 30, 2035	3.0% - 3.5%	9,600,000	6,555,000
2023 General Obligation Bonds issued to finance the acquisition, construction, or renovation of an existing facility for the purpose of a community center, due in annual payments of \$275,000 to \$685,000	March 14, 2023	December 30, 2032	5.00%	4,920,000	<u>4,920,000</u>
Total governmental activities, general obligation debt					<u>\$ 12,390,000</u>

<u>Business-Type Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2023</u>
2015 General Obligation Bonds, due in annual payments of \$115,000 to \$610,000	May 6, 2015	December 30, 2032	3.0% - 3.25%	\$ 8,290,000	\$ 4,850,000
2017 General Obligation Bonds, due in annual payments of \$400,000 to \$680,000	May 2, 2017	December 1, 2033	2.0% - 5.0%	8,320,000	<u>5,730,000</u>
Total business-type activities, general obligation debt					<u>\$ 10,580,000</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 795,000	\$ 258,143	\$ 960,000	\$ 374,694
2025	1,030,000	242,393	990,000	348,319
2026	1,075,000	225,993	1,020,000	319,869
2027	1,120,000	208,793	1,055,000	284,119
2028	1,175,000	190,942	1,095,000	247,119
2029-2033	5,880,000	659,562	5,460,000	618,355
2034-2035	1,315,000	134,037	-	-
Total	<u>\$ 12,390,000</u>	<u>\$ 1,919,863</u>	<u>\$ 10,580,000</u>	<u>\$ 2,192,475</u>

Lease Liabilities

The City has entered into lease agreements as a lessee for financing the temporary acquisition of equipment. These agreements qualify as leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. The obligations will be repaid from the General Fund and the Parks and Recreation Fund.

Lease liabilities at December 31, 2023 consist of the following:

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
<u>Lease Liabilities</u>					
Copier equipment	9/19/2019	8/31/2024	3.00%	\$ 171,642	\$ 24,610
Golf carts	1/1/2020	12/31/2024	3.00	145,674	31,056
Total governmental activities lease liabilities					<u>\$ 55,666</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities Lease Liabilities	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 55,666	\$ 1,462
Total	<u>\$ 55,666</u>	<u>\$ 1,462</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

Notes Payable

The City borrowed funds from the Illinois Environmental Protection Agency (IEPA) for flood proofing existing structures at the City's well site near Oquawka, Illinois. The total loan commitment is \$1,127,480. The agreement stipulates that 50% of the amount funded by American Recovery and Reinvestment Act (25% of total draws) will be forgiven and not require repayment. The balance requiring repayment at December 31, 2023 was \$331,246. Principal payments will be due semiannually and no interest will be paid on the note. The final loan repayment schedule will be determined after the IEPA establishes the final principal amount. This note is repaid by the Water Fund.

Notes payable at December 31, 2023 consists of the following:

<u>Business-Type Activities</u>					Balance
<u>Notes Payable</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2023</u>
Loan, Illinois Environmental Protection Agency, due in semi-annual payments of \$41,406	December 24, 2010	September 1, 2031	0%	\$ 1,127,480	\$ 331,246
Total business-type activities notes payable					<u>\$ 331,246</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-Type Activities Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 41,406	\$ -
2025	41,406	-
2026	41,406	-
2027	41,406	-
2028	41,406	-
2029-2031	<u>124,216</u>	<u>-</u>
Total	<u>\$ 331,246</u>	<u>\$ -</u>

Other Debt Information

Compensated absences and net pension and OPEB liabilities attributable to governmental activities are generally liquidated by the General Fund. The City is a home rule municipality and, therefore, is not subject to the statutory general obligation debt limitations.

City of Galesburg

Notes to Financial Statements
December 31, 2023

Lease Disclosures

Lessor - Lease Receivables

The City entered into a land lease with American Tower on August 1, 1999 which allowed American Tower to utilize the cell tower on the land owned by the City. The lease's original indebtedness at August 1, 1999 was \$863,198 with an annual interest rate of 3.00%. The lease term ends on July 31, 2039.

Additionally, the City entered into a lease with Community Power Group on November 19, 2018 with rent commencing March 1, 2023 when the solar field construction was complete as agreed upon in the land lease agreement. The original indebtedness as of March 1, 2023 was \$626,536 with an annual interest rate of 3.00%. The lease term ends on December 31, 2048.

Lease receivables at December 31, 2023 consists of the following:

<u>Years</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 43,819	\$ 3,227	\$ 47,046
2025	45,241	3,136	48,377
2026	46,716	3,037	49,753
2027	48,247	2,929	51,176
2028	49,832	2,815	52,647
2029-2033	275,101	12,028	287,129
2034-2038	324,661	7,634	332,295
2039-2043	164,352	3,392	167,744
2044-2048	125,634	921	126,555
Total	<u>\$ 1,123,603</u>	<u>\$ 39,119</u>	<u>\$ 1,162,722</u>

At December 31, 2023, the City recognized \$39,195 of lease revenue and \$2,991 of interest revenue during the fiscal year.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2023, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 6,618,380
Construction in progress	3,155,438
Other capital assets, net of accumulated depreciation	74,945,878
Less long-term debt outstanding related to capital assets	(8,007,666)
Plus bond issuance insurance	35,291
Less unamortized debt premium related to capital assets	(265,321)
Less lease liability	<u>(55,666)</u>
Total net investment in capital assets	<u>\$ 76,426,334</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2023, include the following:

	<u>General</u>	<u>Economic Development</u>	<u>Parks & Recreation</u>	<u>Nonmajor</u>	<u>Total</u>
Fund Balances					
Nonspendable:					
Prepaid items	\$ 430,933	\$ 10,022	\$ 33,831	\$ 47,703	\$ 522,489
Inventories	58,963	-	-	-	58,963
Advances	495,634	-	-	-	495,634
Property held for resale	-	-	-	155,324	155,324
Permanent fund principal	-	-	-	575,455	575,455
Subtotal	<u>985,530</u>	<u>10,022</u>	<u>33,831</u>	<u>778,482</u>	<u>1,807,865</u>
Restricted for:					
Motor fuel tax	-	-	-	1,371,665	1,371,665
Special enforcement	-	-	-	512,376	512,376
General government	-	-	-	182,558	182,558
Foreign fire	-	-	-	185,179	185,179
Infrastructure improvements	-	-	-	495,136	495,136
Economic development	-	801,345	-	-	801,345
TIF expenditures	-	-	-	1,144,671	1,144,671
Town of the City	-	-	-	1,683,351	1,683,351
Cemetery	-	-	-	42,617	42,617
Public works	-	-	-	887,342	887,342
Capital projects	-	-	-	3,379,904	3,379,904
Restricted donations	<u>12,795</u>	<u>-</u>	<u>151,700</u>	<u>19,320</u>	<u>183,815</u>
Subtotal	<u>12,795</u>	<u>801,345</u>	<u>151,700</u>	<u>9,904,119</u>	<u>10,869,959</u>
Committed to:					
General government encumbrances	80,948	-	-	-	80,948
Capital projects	-	-	-	717,370	717,370
Railroad Hall of Fame	500,000	500,000	-	-	1,000,000
Parks and recreation encumbrances	-	-	80,000	-	80,000
Property redevelopment	-	-	-	903,554	903,554
Building repair and maintenance	-	-	-	62,115	62,115
Community center building	-	-	-	12,646	12,646
Computer replacement	-	-	-	10,000	10,000
Economic development	-	7,629,413	-	-	7,629,413
Vehicle replacement	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,566,330</u>	<u>1,566,330</u>
Subtotal	<u>580,948</u>	<u>8,129,413</u>	<u>80,000</u>	<u>3,272,015</u>	<u>12,062,376</u>
Assigned to:					
Economic development	-	2,247,087	-	-	2,247,087
Building repair and maintenance	-	-	-	2,883,902	2,883,902
Computer replacement	-	-	-	1,257,802	1,257,802
Vehicle replacement	-	-	-	4,981,931	4,981,931
Player fields	-	-	-	25,936	25,936
Capital projects	-	-	-	8,571,236	8,571,236
Parks and recreation	<u>-</u>	<u>-</u>	<u>2,848,974</u>	<u>-</u>	<u>2,848,974</u>
Subtotal	<u>-</u>	<u>2,247,087</u>	<u>2,848,974</u>	<u>17,720,807</u>	<u>22,816,868</u>
Unassigned (deficit):	<u>10,753,599</u>	<u>-</u>	<u>-</u>	<u>(430,501)</u>	<u>10,323,098</u>
Total fund balances	<u>\$ 12,332,872</u>	<u>\$ 11,187,867</u>	<u>\$ 3,114,505</u>	<u>\$ 31,244,922</u>	<u>\$ 57,880,166</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

Business-Type Activities

Net investment in capital assets:

Land	\$ 743,986
Construction in progress	15,700
Other capital assets, net of accumulated depreciation	33,163,136
Less long-term debt outstanding	(10,911,246)
Plus deferred charge on refunding	646,453
Less unamortized debt premium	(322,231)
Plus bond issuance insurance	<u>9,940</u>

Total net investment in capital assets \$ 23,345,738

Component Unit

Galesburg Public Library

This report contains the Galesburg Public Library (Library), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Basis of Accounting/Measurement Focus

The Library follows the modified accrual basis of accounting and the flow of economic resources measurement focus.

Deposits and Investments

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 3,078,171	\$ 3,081,931	Custodial credit risk, deposits
Illinois funds	49,940	49,940	Credit risk
Mutual funds	1,744,257	1,744,257	N/A
			Custodial credit risk, investments, concentration of credit risk
Stocks	374,837	374,837	
Money market mutual funds, bond funds	82,700	82,700	Credit risk
Beneficial interest in endowment fund	16,682	16,682	N/A
Petty cash	<u>1,130</u>	<u>-</u>	N/A
Total deposits and investments	<u><u>\$ 5,347,717</u></u>	<u><u>\$ 5,350,347</u></u>	

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

City of Galesburg

Notes to Financial Statements

December 31, 2023

The Library utilized the fair market valuation method of recurring fair value measurements. As of December 31, 2023, the Library's investments were measured using valuation inputs as follows:

Investment Type	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Money market mutual funds, bond funds	\$ 82,700	\$ -	\$ -	\$ 82,700
Mutual funds	1,744,257	-	-	1,744,257
Stocks	374,837	-	-	374,837
Beneficial interest in endowment fund	16,682	-	-	16,682
Total	<u>\$ 2,218,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,218,476</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Library's deposits may not be returned to the Library.

The Library does not have any deposits exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Library does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2023, the Library's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
Illinois funds	AAAm	N/R
Money market mutual funds, bond funds	N/R	N/R

See Note 1 for further information on deposit and investment policies.

City of Galesburg

Notes to Financial Statements
December 31, 2023

Capital Assets

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 797,603	\$ -	\$ -	\$ 797,603
Construction in progress	<u>8,907,022</u>	<u>8,950,890</u>	<u>-</u>	<u>17,857,912</u>
Total capital assets not being depreciated	<u>9,704,625</u>	<u>8,950,890</u>	<u>-</u>	<u>18,655,515</u>
Capital assets being depreciated:				
Buildings and improvements	1,355,125	-	-	1,355,125
Machinery and equipment	<u>654,619</u>	<u>1,508</u>	<u>-</u>	<u>656,127</u>
Total capital assets being depreciated	<u>2,009,744</u>	<u>1,508</u>	<u>-</u>	<u>2,011,252</u>
Total capital assets	<u>11,714,369</u>	<u>8,952,398</u>	<u>-</u>	<u>20,666,767</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,000,688)	(15,247)	-	(1,015,935)
Machinery and equipment	<u>(216,948)</u>	<u>(25,235)</u>	<u>-</u>	<u>(242,183)</u>
Total accumulated depreciation	<u>(1,217,636)</u>	<u>(40,482)</u>	<u>-</u>	<u>(1,258,118)</u>
Net capital assets being depreciated	<u>792,108</u>	<u>(38,974)</u>	<u>-</u>	<u>753,134</u>
Total Library capital assets, net of accumulated depreciation	<u>\$ 10,496,733</u>	<u>\$ 8,911,916</u>	<u>\$ -</u>	<u>\$ 19,408,649</u>

Long-Term Obligations

On July 1, 2019, the Library entered into a loan agreement with the Library Foundation, wherein the Foundation loaned \$3,000,000 to the Library. The Loan is for twelve months with an interest rate of 3.75%, payable semi-annually, with the principal payable on July 1, 2021. During 2022, \$2,000,000 was repaid and the remaining \$1,000,000 was rolled into a new loan receivable maturing July 1, 2024 with an interest rate of 2.26% due semi-annually. As the Foundation is reported as part of the Library on the government-wide financial statements, the \$1,000,000 due-to liability of the Library and the \$1,000,000 receivable of the Foundation are netted and eliminated for reporting purposes.

On October 28, 2022, the Library issued \$2,000,000 in debt certificates with an initial interest rate of 5.00%. Monthly interest only payments in amounts determined by the lender are paid on the 28th of each month, commencing on November 28, 2022 and continuing until the maturity date of July 28, 2023. The entire remaining principal was paid in full in 2023.

On October 18, 2023, the Library issued \$4,001,000 in debt certificates with an initial interest rate of 7.25%. Monthly interest only payments in amounts determined by the lender are paid on the 18th of each month, commencing on November 18, 2023 and continuing until the maturity date of October 18, 2024.

City of Galesburg

Notes to Financial Statements
December 31, 2023

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Debt certificates, direct borrowing	\$ 2,000,000	\$ 4,001,000	\$ 2,000,000	\$ 4,001,000	\$ 4,001,000
Compensated absences	119,978	117,013	102,368	134,623	41,197
Net pension liability, IMRF	-	647,889	75,683	572,206	-
Net OPEB liability	<u>19,014</u>	<u>4,909</u>	<u>2,053</u>	<u>21,870</u>	<u>-</u>
Total	<u>\$ 2,138,992</u>	<u>\$ 4,770,811</u>	<u>\$ 2,180,104</u>	<u>\$ 4,729,699</u>	<u>\$ 4,042,197</u>

Debt service requirements to maturity for debt certificates and notes payable are as follows:

	<u>Principal</u>	<u>Interest</u>
2024	\$ 4,001,000	\$ 235,281
Total	<u>\$ 4,001,000</u>	<u>\$ 235,281</u>

4. Other Information

Employees' Retirement System

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. This report is also available for download at www.imrf.org.

For the year ended December 31, 2023, the City recognized the following balances in the government-wide financial statements:

	<u>Total Pension Liability</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
IMRF, City and Library	\$ 71,885,754	\$ 7,766,357	\$ 6,342,051	\$ 772,118	\$ 1,366,209
IMRF, Town	2,753,137	152,715	325,712	4,646	15,551
Police Pension Plan	68,402,816	33,856,272	9,363,603	15,007,008	2,808,195
Firefighters' Pension Plan	<u>60,982,012</u>	<u>31,005,083</u>	<u>5,187,565</u>	<u>12,149,324</u>	<u>1,552,615</u>
Total	<u>\$204,023,719</u>	<u>\$ 72,780,427</u>	<u>\$ 21,218,931</u>	<u>\$ 27,933,096</u>	<u>\$ 5,742,570</u>

Illinois Municipal Retirement Fund - City and Library**Plan Description**

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings for the first 15 years of service credit, plus 2% for each year of service 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 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.

Under the employer number within IMRF, both the City and Library contribute to the plan. As a result, IMRF is considered to be an agent multiple-employer plan through which cost-sharing occurs between the City and Library.

Plan Membership

At December 31, 2022, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	197
Inactive, non-retired members	86
Active members	<u>164</u>
Total	<u><u>447</u></u>

Contributions

As set by statute, City and Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City and Library to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City and Library's actuarially determined contribution rate for calendar year 2023 was 10.04% of annual covered payroll for IMRF. The City and Library also contribute for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions

The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2022 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.25%
Salary increases	2.85% - 13.75%
Price inflation	2.25%

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.

Long-Term Expected Real Rate of Return

The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	35.50 %	7.82 %	6.50 %
International equities	18.00	9.23	7.60
Fixed income	25.50	5.01	4.90
Real estate	10.50	7.10	6.20
Alternatives	9.50		
Private equity		13.43	9.90
Commodities		7.42	6.25
Cash equivalents	1.00	4.00	4.00

Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City and Library contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents net pension liability/(asset) of the City and Library calculated using the discount rate of 7.25% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City:			
Total pension liability	\$ 75,156,736	\$ 67,275,809	\$ 60,968,100
Plan fiduciary net position	<u>60,081,658</u>	<u>60,081,658</u>	<u>60,081,658</u>
Net pension liability/(asset)	<u>\$ 15,075,078</u>	<u>\$ 7,194,151</u>	<u>\$ 886,442</u>
Library:			
Total pension liability	\$ 5,149,970	\$ 4,609,945	\$ 4,177,721
Plan fiduciary net position	<u>4,037,739</u>	<u>4,037,739</u>	<u>4,037,739</u>
Net pension liability/(asset)	<u>\$ 1,112,231</u>	<u>\$ 572,206</u>	<u>\$ 139,982</u>
Total:			
Total pension liability	\$ 80,306,706	\$ 71,885,754	\$ 65,145,821
Plan fiduciary net position	<u>64,119,397</u>	<u>64,119,397</u>	<u>64,119,397</u>
Net pension liability/(asset)	<u>\$ 16,187,309</u>	<u>\$ 7,766,357</u>	<u>\$ 1,026,424</u>

City of Galesburg

Notes to Financial Statements

December 31, 2023

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2022 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
City:			
Balances at December 31, 2021	\$ 65,567,056	\$ 72,297,845	\$ (6,730,789)
Service cost	813,545	-	813,545
Interest on total pension liability	4,587,683	-	4,587,683
Differences between expected and actual experience of the total pension liability	286,104	-	286,104
Change of assumptions	(39,457)	-	(39,457)
Benefit payments, including refunds of employee contributions	(3,939,122)	(3,939,122)	-
Contributions, employer	-	951,535	(951,535)
Contributions, employee	-	411,377	(411,377)
Net investment income	-	(9,585,904)	9,585,904
Other (net transfer)	-	(54,073)	54,073
Balances at December 31, 2022	<u>\$ 67,275,809</u>	<u>\$ 60,081,658</u>	<u>\$ 7,194,151</u>
Library:			
Balances at December 31, 2021	\$ 4,431,439	\$ 5,009,386	\$ (577,947)
Service cost	64,708	-	64,708
Interest on total pension liability	364,894	-	364,894
Differences between expected and actual experience of the total pension liability	22,756	-	22,756
Change of assumptions	39,457	-	39,457
Benefit payments, including refunds of employee contributions	(313,309)	(313,309)	-
Contributions, employer	-	75,683	(75,683)
Contributions, employee	-	32,720	(32,720)
Net investment income	-	(762,440)	762,440
Other (net transfer)	-	(4,301)	4,301
Balances at December 31, 2022	<u>\$ 4,609,945</u>	<u>\$ 4,037,739</u>	<u>\$ 572,206</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
Total:			
Balances at December 31, 2021	\$ 69,998,495	\$ 77,307,231	\$ (7,308,736)
Service cost	878,253	-	878,253
Interest on total pension liability	4,952,577	-	4,952,577
Differences between expected and actual experience of the total pension liability	308,860	-	308,860
Benefit payments, including refunds of employee contributions	(4,252,431)	(4,252,431)	-
Contributions, employer	-	1,027,218	(1,027,218)
Contributions, employee	-	444,097	(444,097)
Net investment income	-	(10,348,344)	10,348,344
Other (net transfer)	-	(58,374)	58,374
Balances at December 31, 2022	<u>\$ 71,885,754</u>	<u>\$ 64,119,397</u>	<u>\$ 7,766,357</u>

Plan fiduciary net position as a percentage of the total pension liability 89.20 %

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

For the year ended December 31, 2023, the City and Library recognized pension expense of \$1,366,209. The City and Library reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City:		
Difference between expected and actual experience	\$ 477,696	\$ 512,957
Assumption changes	-	202,274
Net difference between projected and actual earnings on pension plan investments	4,658,275	-
Contributions subsequent to the measurement date	<u>737,741</u>	<u>-</u>
Total	<u>\$ 5,873,712</u>	<u>\$ 715,231</u>
Library:		
Difference between expected and actual experience	\$ 37,995	\$ 40,799
Assumption changes	-	16,088
Net difference between projected and actual earnings on pension plan investments	370,508	-
Contributions subsequent to the measurement date	<u>59,836</u>	<u>-</u>
Total	<u>\$ 468,339</u>	<u>\$ 56,887</u>

City of Galesburg

Notes to Financial Statements
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	Deferred Outflows of Resources	Deferred Inflows of Resources
Total:		
Difference between expected and actual experience	\$ 515,691	\$ 553,756
Assumption changes	-	218,362
Net difference between projected and actual earnings on pension plan investments	5,028,783	-
Contributions subsequent to the measurement date	<u>797,577</u>	<u>-</u>
Total	<u>\$ 6,342,051</u>	<u>\$ 772,118</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending December 31, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$4,772,356) will be recognized in pension expense as follows:

Year Ending December 31,	City	Library	Total
2024	\$ (662,149)	\$ (52,666)	\$ (714,815)
2025	579,419	46,086	625,505
2026	1,539,758	122,469	1,662,227
2027	<u>2,963,712</u>	<u>235,727</u>	<u>3,199,439</u>
Total	<u>\$ 4,420,740</u>	<u>\$ 351,616</u>	<u>\$ 4,772,356</u>

Illinois Municipal Retirement Fund - Town of the City of Galesburg

Plan Description

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings for the first 15 years of service credit, plus 2% for each year of service 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 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.

Plan Membership

At December 31, 2022, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	10
Inactive, non-retired members	1
Active members	<u>6</u>
Total	<u><u>17</u></u>

Contributions

As set by statute, Town employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the Town to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Town's actuarially determined contribution rate for calendar year 2023 was 6.56% of annual covered payroll. The Town also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions

The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2022 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.25%
Salary increases	2.85% to 13.75%, including inflation
Price inflation	2.25%

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.

Long-Term Expected Real Rate of Return

See Long-Term Expected Real Rate of Return section in Illinois Municipal Retirement Fund - City and Library note above.

Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the Town calculated using the discount rate of 7.25% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 3,021,504	\$ 2,753,137	\$ 2,526,160
Plan fiduciary net position	<u>2,600,422</u>	<u>2,600,422</u>	<u>2,600,422</u>
Net pension liability/(asset)	<u>\$ 421,082</u>	<u>\$ 152,715</u>	<u>\$ (74,262)</u>

City of Galesburg

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Changes in Net Pension Liability/(Asset)

The Town changes in net pension liability/(asset) for the calendar year ended December 31, 2022 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2021	\$ 2,627,218	\$ 3,181,492	\$ (554,274)
Service cost	31,155	-	31,155
Interest on total pension liability	182,294	-	182,294
Differences between expected and actual experience of the total pension liability	169,274	-	169,274
Benefit payments, including refunds of employee contributions	(256,804)	(256,804)	-
Contributions, employer	-	21,199	(21,199)
Contributions, employee	-	14,543	(14,543)
Net investment income	-	(432,052)	432,052
Other (net transfer)	-	72,044	(72,044)
Balances at December 31, 2022	<u>\$ 2,753,137</u>	<u>\$ 2,600,422</u>	<u>\$ 152,715</u>

Plan fiduciary net position as a percentage of the total pension liability 94.45 %

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

For the year ended December 31, 2023, the Town recognized pension expense of \$15,551. The Town reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 96,727	\$ 4,646
Net difference between projected and actual earnings on pension plan investments	220,057	-
Contributions subsequent to the measurement date	<u>8,928</u>	<u>-</u>
Total	<u>\$ 325,712</u>	<u>\$ 4,646</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending December 31, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$321,066) will be recognized in pension expense as follows:

Year Ending December 31,	Total
2024	\$ 48,617
2025	59,553
2026	72,508
2027	<u>131,460</u>
Total	<u>\$ 312,138</u>

Police Pension**Plan Description**

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan Membership

At December 31, 2022, the actuarial valuation date, the Police Pension membership consisted of:

Retirees and beneficiaries	61
Inactive, non-retired members	18
Active members	<u>48</u>
Total	<u><u>127</u></u>

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending December 31, 2023 was 84.08% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2023 and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

The financial statements of the Police Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2022 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	5-Year Smoothed Fair Value
Actuarial assumptions	
Interest rate	6.75%
Inflation	2.25%
Projected salary increases	3.75% - 4.78%
Cost-of-living adjustments	2.25%

Mortality rates were based on the PubS-2010(A) Study Adjusted for Plan Status, Demographics and Illinois Public Pension Data. The actuarial assumptions were based on the results of the Lauterbach & Amen Experience Study for Police 2020.

Discount Rate

The discount rate used to measure the total pension liability for the Police Pension Plan was 6.65%. The discount rate calculated using the December 31, 2022 measurement date was 6.31%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments of 6.75% was blended with the index rate of 3.26% for tax exempt 20-year general obligation municipal bonds with an average AA credit rating as of December 31, 2023 to arrive at a discount rate of 6.65% used to determine the total pension liability. The year ending December 31, 2087 is the last year in the project period for which projected benefit payments are fully funded.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.65% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (5.65%) or 1-percentage-point higher (7.65%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 77,841,107	\$ 68,402,816	\$ 60,706,159
Plan fiduciary net position	<u>34,546,544</u>	<u>34,546,544</u>	<u>34,546,544</u>
Net pension liability	<u>\$ 43,294,563</u>	<u>\$ 33,856,272</u>	<u>\$ 26,159,615</u>

City of Galesburg

Notes to Financial Statements
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Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the calendar year ended December 31, 2023 was as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/Asset
	(a)	(b)	(a) - (b)
Balances at December 31, 2022	\$ 69,710,858	\$ 29,783,715	\$ 39,927,143
Service cost	857,082	-	857,082
Interest on total pension liability	4,298,666	-	4,298,666
Differences between expected and actual experience of the total pension liability	294,764	-	294,764
Change of assumptions	(2,990,557)	-	(2,990,557)
Benefit payments, including refunds of employee contributions	(3,767,997)	(3,767,997)	-
Contributions, employer	-	3,345,945	(3,345,945)
Contributions, employee	-	395,534	(395,534)
Net investment income	-	4,817,343	(4,817,343)
Administration	-	(27,996)	27,996
Balances at December 31, 2023	<u>\$ 68,402,816</u>	<u>\$ 34,546,544</u>	<u>\$ 33,856,272</u>

Plan fiduciary net position as a percentage of the total pension liability 50.50 %

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

For the year ended December 31, 2023, the City recognized pension expense of \$2,808,195. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,918,622	\$ 1,419,675
Assumption changes	5,830,858	13,587,333
Net difference between projected and actual earnings on pension plan investments	<u>1,614,123</u>	<u>-</u>
Total	<u>\$ 9,363,603</u>	<u>\$ 15,007,008</u>

City of Galesburg

Notes to Financial Statements
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The amounts reported as deferred outflows and inflows of resources related to pensions (\$5,643,405) will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 233,985
2025	(544,383)
2026	(2,166,415)
2027	(2,948,549)
2028	<u>(218,043)</u>
Total	<u>\$ (5,643,405)</u>

Firefighters' Pension

Plan Description

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

City of Galesburg

Notes to Financial Statements
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Plan Membership

At December 31, 2022, the actuarial valuation date, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries	66
Inactive, non-retired members	4
Active members	<u>41</u>
Total	<u><u>111</u></u>

Contributions

Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2023, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending December 31, 2023 was 98.17% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2023 and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

The financial statements of the Firefighters' Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2022 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	5-Year Smoothed Fair Value
Actuarial assumptions	
Interest rate	6.75%
Inflation	2.25%
Projected salary increases	3.75% - 7.30%
Cost-of-living adjustments	2.25%

Mortality rates were based on the PubS-2010(A) Study Adjusted for Plan Status, Demographics and Illinois Public Pension Data. The actuarial assumptions were based on the results of the Lauterbach & Amen Experience Study for Firefighters 2020.

Discount Rate

The discount rate used to measure the total pension liability for the Firefighters' Pension Plan was 6.75%. The discount rate calculated using the December 31, 2022 measurement date was 6.49%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments of 6.75% was blended with the index rate of 3.26% for tax exempt 20-year general obligation municipal bonds with an average AA credit rating as of December 31, 2023 to arrive at a discount rate of 6.75% used to determine the total pension liability. The year ending December 31, 2065 is the last year in the project period for which projected benefit payments are fully funded.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.75% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 68,739,472	\$ 60,982,012	\$ 54,569,216
Plan fiduciary net position	<u>29,976,929</u>	<u>29,976,929</u>	<u>29,976,929</u>
Net pension liability	<u>\$ 38,762,543</u>	<u>\$ 31,005,083</u>	<u>\$ 24,592,287</u>

City of Galesburg

Notes to Financial Statements
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Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the calendar year ended December 31, 2023 was as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/Asset
	(a)	(b)	(a) - (b)
Balances at December 31, 2022	\$ 61,319,580	\$ 26,376,062	\$ 34,943,518
Service cost	903,181	-	903,181
Interest on total pension liability	3,883,894	-	3,883,894
Differences between expected and actual experience of the total pension liability	387,624	-	387,624
Change of assumptions	(1,874,298)	-	(1,874,298)
Benefit payments, including refunds of employee contributions	(3,637,969)	(3,637,969)	-
Contributions, employer	-	3,261,480	(3,261,480)
Contributions, employee	-	319,736	(319,736)
Net investment income	-	3,680,418	(3,680,418)
Administration	-	(22,798)	22,798
Balances at December 31, 2023	<u>\$ 60,982,012</u>	<u>\$ 29,976,929</u>	<u>\$ 31,005,083</u>

Plan fiduciary net position as a percentage of the total pension liability 49.16 %

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

For the year ended December 31, 2023, the City recognized pension expense of \$1,552,615. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,439,151	\$ 1,840,016
Assumption changes	1,997,177	10,309,308
Net difference between projected and actual earnings on pension plan investments	<u>1,751,237</u>	<u>-</u>
Total	<u>\$ 5,187,565</u>	<u>\$ 12,149,324</u>

The amounts reported as deferred outflows and inflows of resources related to pensions (\$ (6,961,759)) will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ (1,796,353)
2025	(2,560,918)
2026	(1,926,612)
2027	<u>(677,876)</u>
Total	<u>\$ (6,961,759)</u>

City of Galesburg

Notes to Financial Statements
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Pension Segment Information

Fiduciary Net Position

	Pension Trust			Total
	Police Pension	Fire Pension	OPEB Trust	
Assets				
Cash and cash equivalents	\$ 517,425	\$ 1,413,541	\$ -	\$ 1,930,966
Investments:				
Mutual funds	-	-	2,305,907	2,305,907
Insurance contracts and annuities	22,921,662	-	-	22,921,662
Police officers' pension investment fund	10,489,125	-	-	10,489,125
Firefighters' pension investment fund	-	27,924,884	-	27,924,884
Prepaid items	-	7,299	-	7,299
Receivables, (net allowances for uncollectibles)				
Due from primary government	<u>927,305</u>	<u>937,644</u>	<u>-</u>	<u>1,864,949</u>
Total assets	<u>34,855,517</u>	<u>30,283,368</u>	<u>2,305,907</u>	<u>67,444,792</u>
Liabilities				
Accounts payable	<u>308,973</u>	<u>306,439</u>	<u>-</u>	<u>615,412</u>
Total liabilities	<u>308,973</u>	<u>306,439</u>	<u>-</u>	<u>615,412</u>
Net Position				
Restricted for OPEB	-	-	2,305,907	2,305,907
Restricted for retirement benefits	<u>34,546,544</u>	<u>29,976,929</u>	<u>-</u>	<u>64,523,473</u>
Total net position	<u>\$ 34,546,544</u>	<u>\$ 29,976,929</u>	<u>\$ 2,305,907</u>	<u>\$ 66,829,380</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

Changes in Plan Net Position

	Pension Trust			
	Police Pension	Fire Pension	OPEB Trust	Total
Additions				
Contributions:				
Employer	\$ 3,345,945	\$ 3,261,480	\$ 1,124,328	\$ 7,731,753
Plan member deposits	<u>395,534</u>	<u>319,736</u>	<u>-</u>	<u>715,270</u>
Total contributions	<u>3,741,479</u>	<u>3,581,216</u>	<u>1,124,328</u>	<u>8,447,023</u>
Investment income:				
Net appreciation in fair value of investments	4,786,126	3,643,124	310,419	8,739,669
Interest income	<u>42,985</u>	<u>64,438</u>	<u>-</u>	<u>107,423</u>
Total investment income	4,829,111	3,707,562	310,419	8,847,092
Less investment expense	<u>(11,794)</u>	<u>(27,474)</u>	<u>-</u>	<u>(39,268)</u>
Net investment income	4,817,317	3,680,088	310,419	8,807,824
Miscellaneous:	<u>26</u>	<u>330</u>	<u>-</u>	<u>356</u>
Total additions	<u>8,558,822</u>	<u>7,261,634</u>	<u>1,434,747</u>	<u>17,255,203</u>
Deductions				
Benefits	3,767,997	3,637,969	981,305	8,387,271
Administrative expenses	<u>27,996</u>	<u>22,798</u>	<u>1,533</u>	<u>52,327</u>
Total deductions	<u>3,795,993</u>	<u>3,660,767</u>	<u>982,838</u>	<u>8,439,598</u>
Change in net position	4,762,829	3,600,867	451,909	8,815,605
Net Position, Beginning	<u>29,783,715</u>	<u>26,376,062</u>	<u>1,853,998</u>	<u>58,013,775</u>
Net Position, Ending	<u>\$ 34,546,544</u>	<u>\$ 29,976,929</u>	<u>\$ 2,305,907</u>	<u>\$ 66,829,380</u>

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; and workers compensation. The City has established self-insurance funds (internal service funds) to provide coverage for losses from general liability, property and workers' compensation insurance claims.

Self-Insurance

For general liability and workers' compensation claims, the City is fully self-insured. For property claims, the City pays a specific per incident deductible and then has private insurance for all losses in excess of that amount. All claims handling procedures are performed by an independent claims administrator.

City of Galesburg

Notes to Financial Statements

December 31, 2023

All funds of the City participate in the risk management program. Amounts payable to the self-insurance funds are based on estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. These estimates are determined based on historical claims experience.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability.

There have been no significant reductions in insurance coverage in the current year from prior years. The amount of settlements have not exceeded insurance coverage in the past three fiscal years.

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid Claims, Beginning	\$ 170,000	\$ 315,000
Current year claims and changes in estimates	499,477	42,004
Claim payments	<u>(354,477)</u>	<u>(207,004)</u>
Unpaid Claims, Ending	<u>\$ 315,000</u>	<u>\$ 150,000</u>

As of December 31, 2023, the entire balance of claims payable is expected to be paid within one year.

Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has active construction projects as of December 31, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. The City has an estimated remaining commitment of \$2,841,728 related to these projects.

Other Postemployment Benefits

General Information About the OPEB Plan

Plan Description

The City administers the Other Postemployment Benefit Plan (OPEB Plan), a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time general and public safety employees of the City and Library. Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the City and the unions.

Benefits Provided

The OPEB Plan provides continuation of employer subsidized health coverage for the retiree and their dependents, if any, upon retirement from the City after meeting the age and service requirements for retirement. The City pays 100% of the premium cost of coverage of the lowest cost health plan offered for retirees to age 65 for employees hired prior to 2011 (except those employed from Library, Township and City Assessor, who pay 100% of the premium costs). Retirees pay a portion of the premium cost of coverage for spousal coverage. Disabled officers are covered to age 65 paid 100% by the City. Employees hired after 2010 who retire may elect to continue coverage under the plan by contributing 100% of the premium rate costs.

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	68
Active plan members	<u>269</u>
	<u><u>337</u></u>

Contributions

The City Council has the authority to establish and amend the contribution requirements of the City and employees. The Council establishes rates based on an actuarially determined rate. For the year ended December 31, 2023, the City's employer contribution rate as a percentage of covered payroll was 5.26%. The City pays all benefit claims from operations and makes annual contributions to the plan. Plan members are not required to contribute to the plan.

Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50%
Investment rate of return	3.77%
Healthcare cost trend rates	6.75% for 2023, decreasing in increments of 0.25% - 0.50% annually, from 6.75% in 2023 to an ultimate rate of 4.50% for 2029 and after

Mortality rates were based on the PubS-2010 base rates projected Fully Generationally using scale MP2021 for Police and Fire. For all others, the PubG-2010 base rates projected Fully Generationally using scale MP2021 was used.

City of Galesburg

Notes to Financial Statements
December 31, 2023

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period from 2004 through 2008 adjusted forward by mortality improvement scales from the Society of Actuaries and an actuarial experience study for the period from 2004 through 2011 from the Illinois Department of Insurance.

Investment Policy

See Note 1 for disclosures related to the OPEB Plan's investment policy. The OPEB Plan's investment policy does not include formal target allocations for the diversification of the portfolio across a broad selection of distinct asset classes.

Money-Weighted Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 14.92%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.77%. The projection of cash flows used to determine the discount rate assumed that City and Library contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position will not be available to make all projected future benefit payments of current plan members. Therefore, a blended rate, based on the long-term expected rate of return on OPEB Plan investments and 20-year GO municipal bond rate, was used to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at December 31, 2022	\$ 13,792,888	\$ 1,853,998	\$ 11,938,890
Service cost	634,135	-	634,135
Interest	541,637	-	541,637
Changes in assumptions	276,240	-	276,240
Contributions, employer	-	1,124,328	(1,124,328)
Net investment income	-	310,419	(310,419)
Benefit payments	(981,305)	(981,305)	-
Administrative expense	(1,533)	(1,533)	-
Balances at December 31, 2023	<u>\$ 14,262,062</u>	<u>\$ 2,305,907</u>	<u>\$ 11,956,155</u>
Net OPEB liability, City	\$ 14,236,412	\$ 2,302,127	\$ 11,934,285
Net OPEB liability, Library	<u>25,650</u>	<u>3,780</u>	<u>21,870</u>
Net OPEB liability, Total	<u>\$ 14,262,062</u>	<u>\$ 2,305,907</u>	<u>\$ 11,956,155</u>
Plan fiduciary net position as a percentage of the total OPEB liability			16.17 %

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

The following presents the net OPEB liability of the City and Library, as well as what the City's and Library's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current discount rate:

	1% Decrease (2.77%)	Discount Rate (3.77%)	1% Increase (4.77%)
Net OPEB liability, City	\$ 12,970,068	\$ 11,934,285	\$ 10,953,974
Net OPEB liability, Library	<u>23,768</u>	<u>21,870</u>	<u>20,074</u>
Net OPEB liability, Total	<u>\$ 12,993,836</u>	<u>\$ 11,956,155</u>	<u>\$ 10,974,048</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City and Library, as well as what the City's and Library's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.75% decreasing to 3.50%) or 1-percentage-point higher (7.75% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease (5.75% Decreasing to 3.50%)	Healthcare Cost Trend Rates (6.75% Decreasing to 4.50%)	1% Increase (7.75% Decreasing to 5.50%)
Net OPEB liability, City	\$ 10,659,539	\$ 11,934,285	\$ 13,383,886
Net OPEB liability, Library	<u>19,534</u>	<u>21,870</u>	<u>24,526</u>
Net OPEB liability, Total	<u>\$ 10,679,073</u>	<u>\$ 11,956,155</u>	<u>\$ 13,408,412</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City and Library recognized OPEB expense of \$757,490. At December 31, 2023, the City and Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 375,183	\$ 876,433
Changes of assumptions or other inputs	2,272,190	2,966,542
Differences between expected and actual investment earnings	<u>-</u>	<u>92,810</u>
Total	<u>\$ 2,647,373</u>	<u>\$ 3,935,785</u>
Deferred Outflows / Inflows, City	\$ 2,642,531	\$ 3,928,586
Deferred Outflows / Inflows, Library	<u>4,842</u>	<u>7,199</u>
Total	<u>\$ 2,647,373</u>	<u>\$ 3,935,785</u>

City of Galesburg

Notes to Financial Statements
December 31, 2023

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	<u>City</u>	<u>Library</u>	<u>Total</u>
2024	\$ (166,233)	\$ (305)	\$ (166,538)
2025	(138,371)	(254)	(138,625)
2026	(99,500)	(182)	(99,682)
2027	(165,699)	(304)	(166,003)
2028	(119,293)	(219)	(119,512)
Thereafter	<u>(596,959)</u>	<u>(1,093)</u>	<u>(598,052)</u>
Total	<u>\$ (1,286,055)</u>	<u>\$ (2,357)</u>	<u>\$ (1,288,412)</u>

Tax Increment Financing District

The City of Galesburg has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the City and its surrounding areas. As part of the redevelopment plans, the City has made significant improvements to utilities, public parking, intersections and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly and demolition/clearance.

Construction and development in the RPA's were the responsibility of developers and are substantially complete. To entice development of the areas, the City created tax increment financing (TIF) districts to finance public improvements made within the RPA's.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

Tax Abatement

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City is disclosing individual abatement agreements over \$100,000 individually and agreements under \$100,000 in the aggregate.

The City has entered into tax abatement agreements with developers in the form of sales tax rebate incentive payments to stimulate economic development. The abatements are authorized through City Council resolutions. The developers make sales tax payments as they become due and, after meeting the criteria established in the development agreements, are entitled to incentive payments that directly correlate to the taxes paid. The incentives are calculated based on a percentage of sales taxes paid by the developers, with cumulative not to exceed maximum payments. The developer commitments include the construction and operation of a Kohl's store and rehabilitation of an existing building for the operation of a furniture store. Total incentive payments for the year ended December 31, 2023 were \$70,924.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

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

REQUIRED SUPPLEMENTARY INFORMATION

City of Galesburg, Illinois

Illinois Municipal Retirement Fund -
Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios
Last Nine Fiscal Years

	2015			2016		
	City	Library	Total	City	Library	Total
Total Pension Liability						
Service cost	\$ 835,600	\$ 51,869	\$ 887,469	\$ 769,916	\$ 47,792	\$ 817,708
Interest changes of benefit terms	3,654,093	226,824	3,880,917	3,800,892	362,372	4,163,264
Differences between expected and actual experience	329,002	20,422	349,424	1,207,175	74,934	1,282,109
Changes of assumptions	1,805,007	112,044	1,917,051	66,792	4,146	70,938
Benefit payments, including refunds of member contributions	(2,852,584)	(177,071)	(3,029,655)	(3,100,373)	(192,452)	(3,292,825)
Net change in total pension liability	3,771,118	234,088	4,005,206	2,744,402	296,792	3,041,194
Total Pension Liability, Beginning	<u>49,729,729</u>	<u>3,086,918</u>	<u>52,816,647</u>	<u>53,500,848</u>	<u>3,321,005</u>	<u>56,821,853</u>
Total Pension Liability, Ending	<u>\$ 53,500,847</u>	<u>\$ 3,321,006</u>	<u>\$ 56,821,853</u>	<u>\$ 56,245,250</u>	<u>\$ 3,617,797</u>	<u>\$ 59,863,047</u>
Plan Fiduciary Net Position						
Employer contributions	\$ 1,068,399	\$ 66,320	\$ 1,134,719	\$ 996,715	\$ 61,870	\$ 1,058,585
Employee contributions	335,832	20,846	356,678	352,560	21,885	374,445
Net investment income	2,874,053	178,404	3,052,457	242,344	15,043	257,387
Benefit payments, including refunds of member contributions	(2,852,584)	(177,071)	(3,029,655)	(3,100,373)	(192,452)	(3,292,825)
Other (net transfer)	78,748	4,888	83,636	1,015,743	63,051	1,078,794
Net change in plan fiduciary net position	1,504,448	93,387	1,597,835	(493,011)	(30,603)	(523,614)
Plan Fiduciary Net Position, Beginning	<u>47,839,804</u>	<u>2,969,603</u>	<u>50,809,407</u>	<u>49,344,253</u>	<u>3,062,989</u>	<u>52,407,242</u>
Plan Fiduciary Net Position, Ending	<u>\$ 49,344,252</u>	<u>\$ 3,062,990</u>	<u>\$ 52,407,242</u>	<u>\$ 48,851,242</u>	<u>\$ 3,032,386</u>	<u>\$ 51,883,628</u>
City's Net Pension Liability (Asset), Ending	<u>\$ 4,156,595</u>	<u>\$ 258,016</u>	<u>\$ 4,414,611</u>	<u>\$ 7,394,008</u>	<u>\$ 585,411</u>	<u>\$ 7,979,419</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			92.23%			86.67%
Covered Payroll			\$ 7,926,152			\$ 8,027,563
City's Net Pension Liability (Asset) as a Percentage of Covered Payroll			55.70%			99.40%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available. Additional years' information will be presented as it becomes available.

2017			2018			2019		
City	Library	Total	City	Library	Total	City	Library	Total
\$ 765,484	\$ 84,368	\$ 849,852	\$ 762,056	\$ 54,613	\$ 816,669	\$ 675,940	\$ 69,697	\$ 745,637
3,937,799	434,008	4,371,807	4,224,265	302,734	4,526,999	4,060,308	418,666	4,478,974
584,340	64,404	648,744	(38,975)	(2,793)	(41,768)	1,889,328	194,812	2,084,140
(338,553)	192,212	(146,341)	(1,557,522)	(408,326)	(1,965,848)	1,602,544	229,937	1,832,481
(3,317,124)	(365,600)	(3,682,724)	(3,644,305)	(261,171)	(3,905,476)	(3,604,567)	(371,674)	(3,976,241)
1,631,946	409,392	2,041,338	(254,481)	(314,943)	(569,424)	4,623,553	541,438	5,164,991
56,245,250	3,617,797	59,863,047	57,877,196	4,027,189	61,904,385	57,622,715	3,712,246	61,334,961
<u>\$ 57,877,196</u>	<u>\$ 4,027,189</u>	<u>\$ 61,904,385</u>	<u>\$ 57,622,715</u>	<u>\$ 3,712,246</u>	<u>\$ 61,334,961</u>	<u>\$ 62,246,268</u>	<u>\$ 4,253,684</u>	<u>\$ 66,499,952</u>
\$ 1,232,864	\$ 135,881	\$ 1,368,745	\$ 1,088,795	\$ 78,029	\$ 1,166,824	\$ 1,017,042	\$ 104,869	\$ 1,121,911
332,082	36,601	368,683	336,127	24,089	360,216	361,455	37,270	398,725
3,142,696	346,375	3,489,071	9,205,609	659,725	9,865,334	(3,427,845)	(353,452)	(3,781,297)
(3,317,124)	(365,600)	(3,682,724)	(3,644,305)	(261,171)	(3,905,476)	(3,604,567)	(371,674)	(3,976,241)
(61,139)	(6,739)	(67,878)	(1,601,466)	(114,770)	(1,716,236)	1,300,797	134,127	1,434,924
1,329,379	146,518	1,475,897	5,384,760	385,902	5,770,662	(4,353,118)	(448,860)	(4,801,978)
48,851,242	3,032,386	51,883,628	50,180,621	3,178,904	53,359,525	55,565,381	3,564,806	59,130,187
<u>\$ 50,180,621</u>	<u>\$ 3,178,904</u>	<u>\$ 53,359,525</u>	<u>\$ 55,565,381</u>	<u>\$ 3,564,806</u>	<u>\$ 59,130,187</u>	<u>\$ 51,212,263</u>	<u>\$ 3,115,946</u>	<u>\$ 54,328,209</u>
<u>\$ 7,696,575</u>	<u>\$ 848,285</u>	<u>\$ 8,544,860</u>	<u>\$ 2,057,334</u>	<u>\$ 147,440</u>	<u>\$ 2,204,774</u>	<u>\$ 11,034,005</u>	<u>\$ 1,137,738</u>	<u>\$ 12,171,743</u>
86.20%			96.41%			81.70%		
\$ 8,024,144			\$ 8,004,796			\$ 8,116,006		
106.49%			27.54%			149.97%		

See notes to required supplementary information

City of Galesburg, Illinois

Illinois Municipal Retirement Fund -
Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios
Last Nine Fiscal Years (cont.)

	2020			2021		
	City	Library	Total	City	Library	Total
Total Pension Liability						
Service cost	\$ 732,814	\$ 70,374	\$ 803,188	\$ 766,685	\$ 66,796	\$ 833,481
Interest changes of benefit terms	4,283,308	411,339	4,694,647	4,414,161	384,578	4,798,739
Differences between expected and actual experience	181,337	17,414	198,751	703,455	61,288	764,743
Changes of assumptions	71,265	(71,265)	-	(557,293)	(93,099)	(650,392)
Benefit payments, including refunds of member contributions	(3,919,217)	(376,374)	(4,295,591)	(3,915,263)	(341,112)	(4,256,375)
Net change in total pension liability	1,349,507	51,488	1,400,995	1,411,745	78,451	1,490,196
Total Pension Liability, Beginning	<u>62,246,268</u>	<u>4,253,684</u>	<u>66,499,952</u>	<u>63,595,775</u>	<u>4,305,172</u>	<u>67,900,947</u>
Total Pension Liability, Ending	<u>\$ 63,595,775</u>	<u>\$ 4,305,172</u>	<u>\$ 67,900,947</u>	<u>\$ 65,007,520</u>	<u>\$ 4,383,623</u>	<u>\$ 69,391,143</u>
Plan Fiduciary Net Position						
Employer contributions	\$ 1,018,167	\$ 97,778	\$ 1,115,945	\$ 1,226,214	\$ 106,832	\$ 1,333,046
Employee contributions	339,011	32,556	371,567	384,039	33,459	417,498
Net investment income	9,768,518	938,100	10,706,618	8,549,012	744,821	9,293,833
Benefit payments, including refunds of member contributions	(3,919,217)	(376,374)	(4,295,591)	(3,915,263)	(341,112)	(4,256,375)
Other (net transfer)	177,239	17,021	194,260	(13,849)	(1,207)	(15,056)
Net change in plan fiduciary net position	7,383,718	709,081	8,092,799	6,230,153	542,793	6,772,946
Plan Fiduciary Net Position, Beginning	<u>51,212,263</u>	<u>3,115,946</u>	<u>54,328,209</u>	<u>58,595,981</u>	<u>3,825,027</u>	<u>62,421,008</u>
Plan Fiduciary Net Position, Ending	<u>\$ 58,595,981</u>	<u>\$ 3,825,027</u>	<u>\$ 62,421,008</u>	<u>\$ 64,826,134</u>	<u>\$ 4,367,820</u>	<u>\$ 69,193,954</u>
City's Net Pension Liability (Asset), Ending	<u>\$ 4,999,795</u>	<u>\$ 480,144</u>	<u>\$ 5,479,939</u>	<u>\$ 181,386</u>	<u>\$ 15,803</u>	<u>\$ 197,189</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			91.93%			99.72%
Covered Payroll			\$ 8,205,963			\$ 9,074,516
City's Net Pension Liability (Asset) as a Percentage of Covered Payroll			66.78%			2.17%

See notes to required supplementary information

2022			2023		
City	Library	Total	City	Library	Total
\$ 814,655	\$ 69,951	\$ 884,606	\$ 813,545	\$ 64,708	\$ 878,253
4,521,936	388,281	4,910,217	4,587,683	364,894	4,952,577
(897,744)	(77,086)	(974,830)	286,104	22,756	308,860
210	(210)	-	(39,457)	39,457	-
(3,879,521)	(333,120)	(4,212,641)	(3,939,122)	(313,309)	(4,252,431)
559,536	47,816	607,352	1,708,753	178,506	1,887,259
65,007,520	4,383,623	69,391,143	65,567,056	4,431,439	69,998,495
<u>\$ 65,567,056</u>	<u>\$ 4,431,439</u>	<u>\$ 69,998,495</u>	<u>\$ 67,275,809</u>	<u>\$ 4,609,945</u>	<u>\$ 71,885,754</u>
\$ 1,150,537	\$ 98,792	\$ 1,249,329	\$ 951,535	\$ 75,683	\$ 1,027,218
390,632	33,542	424,174	411,377	32,720	444,097
11,140,512	956,593	12,097,105	(9,585,904)	(762,440)	(10,348,344)
(3,879,521)	(333,120)	(4,212,641)	(3,939,122)	(313,309)	(4,252,431)
(1,330,449)	(114,241)	(1,444,690)	(54,073)	(4,301)	(58,374)
7,471,711	641,566	8,113,277	(12,216,187)	(971,647)	(13,187,834)
64,826,134	4,367,820	69,193,954	72,297,845	5,009,386	77,307,231
<u>\$ 72,297,845</u>	<u>\$ 5,009,386</u>	<u>\$ 77,307,231</u>	<u>\$ 60,081,658</u>	<u>\$ 4,037,739</u>	<u>\$ 64,119,397</u>
<u>\$ (6,730,789)</u>	<u>\$ (577,947)</u>	<u>\$ (7,308,736)</u>	<u>\$ 7,194,151</u>	<u>\$ 572,206</u>	<u>\$ 7,766,357</u>

110.44% 89.20%

\$ 9,420,918 \$ 9,868,821

-77.58% 78.70%

City of Galesburg, Illinois

Illinois Municipal Retirement Fund -
Schedule of Employer Contributions
Last Ten Fiscal Years

	2014	2015	2016	2017
City				
Actuarially determined contribution	\$ 937,996	\$ 922,958	\$ 887,566	\$ 919,494
Contributions in relation to the actuarially determined contribution	996,715	1,232,864	1,050,988	1,088,795
Contribution deficiency (excess)	<u>\$ (58,719)</u>	<u>\$ (309,906)</u>	<u>\$ (163,422)</u>	<u>\$ (169,301)</u>
Library				
Actuarially determined contribution	\$ 58,225	\$ 101,725	\$ 97,824	\$ 65,896
Contributions in relation to the actuarially determined contribution	61,870	135,881	115,836	78,029
Contribution deficiency (excess)	<u>\$ (3,645)</u>	<u>\$ (34,156)</u>	<u>\$ (18,012)</u>	<u>\$ (12,133)</u>
Total				
Actuarially determined contribution	\$ 996,221	\$ 1,024,683	\$ 985,390	\$ 985,390
Contributions in relation to the actuarially determined contribution	1,058,585	1,368,745	1,166,824	1,166,824
Contribution deficiency (excess)	<u>\$ (62,364)</u>	<u>\$ (344,062)</u>	<u>\$ (181,434)</u>	<u>\$ (181,434)</u>
Covered payroll	\$ 8,027,563	\$ 8,024,144	\$ 8,004,796	\$ 8,004,796
Contributions as a percentage of covered payroll	13.19%	17.06%	14.58%	14.58%

Notes to Schedule:

Valuation date: Actuarially determined contributions are calculated as of December 31 of the prior fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregated Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21 years
Asset valuation method	5-year smoothed market, 20% corridor
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
Mortality	Pub-2010

Other information:

There were no benefit changes during the year.

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 968,973	\$ 795,116	\$ 1,226,214	\$ 1,147,886	\$ 930,626	\$ 696,572
<u>1,017,042</u>	<u>1,018,167</u>	<u>1,226,214</u>	<u>1,153,515</u>	<u>951,535</u>	<u>737,741</u>
<u>\$ (48,069)</u>	<u>\$ (223,051)</u>	<u>\$ -</u>	<u>\$ (5,629)</u>	<u>\$ (20,909)</u>	<u>\$ (41,169)</u>
\$ 99,913	\$ 76,357	\$ 106,832	\$ 101,328	\$ 74,020	\$ 56,497
<u>104,869</u>	<u>97,778</u>	<u>106,832</u>	<u>101,825</u>	<u>75,683</u>	<u>59,836</u>
<u>\$ (4,956)</u>	<u>\$ (21,421)</u>	<u>\$ -</u>	<u>\$ (497)</u>	<u>\$ (1,663)</u>	<u>\$ (3,339)</u>
\$ 1,068,886	\$ 871,473	\$ 1,333,046	\$ 1,249,214	\$ 1,004,646	\$ 753,069
<u>1,121,911</u>	<u>1,115,945</u>	<u>1,333,046</u>	<u>1,255,340</u>	<u>1,027,218</u>	<u>797,577</u>
<u>\$ (53,025)</u>	<u>\$ (244,472)</u>	<u>\$ -</u>	<u>\$ (6,126)</u>	<u>\$ (22,572)</u>	<u>\$ (44,508)</u>
\$ 8,116,066	\$ 8,205,963	\$ 9,074,516	\$ 9,420,918	\$ 9,868,821	\$ 10,231,919
13.82%	13.60%	14.69%	13.33%	10.41%	7.79%

See notes to required supplementary information

City of Galesburg, Illinois

Illinois Municipal Retirement Fund - Town of the City of Galesburg
Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios
Last Nine Fiscal Years

	2015	2016	2017
Total Pension Liability			
Service cost	\$ 39,545	\$ 38,846	\$ 39,565
Interest changes of benefit terms	125,673	135,982	147,450
Differences between expected and actual experience	(46,822)	57,357	81,275
Changes of assumptions	81,489	2,169	(2,299)
Benefit payments, including refunds of member contributions	(58,570)	(65,588)	(92,773)
Net change in total pension liability	141,315	168,766	173,218
Total Pension Liability, Beginning	1,685,146	1,826,461	1,995,227
Total Pension Liability, Ending	<u>\$ 1,826,461</u>	<u>\$ 1,995,227</u>	<u>\$ 2,168,445</u>
Plan Fiduciary Net Position			
Employer contributions	\$ 42,037	\$ 27,432	\$ 85,180
Employee contributions	14,518	15,109	14,754
Net investment income	115,377	9,931	120,744
Benefit payments, including refunds of member contributions	(58,570)	(65,588)	(92,773)
Other (net transfer)	(8,101)	53,387	92,832
Net change in plan fiduciary net position	105,261	40,271	220,737
Plan Fiduciary Net Position, Beginning	1,892,437	1,997,698	2,037,969
Plan Fiduciary Net Position, Ending	<u>\$ 1,997,698</u>	<u>\$ 2,037,969</u>	<u>\$ 2,258,706</u>
City's Net Pension Liability (Asset), Ending	<u>\$ (171,237)</u>	<u>\$ (42,742)</u>	<u>\$ (90,261)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	109.38%	102.14%	104.16%
Covered Payroll	\$ 322,617	\$ 335,770	\$ 327,860
City's Net Pension Liability (Asset) as a Percentage of Covered Payroll	(53.08)%	(12.73)%	(27.53)%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available. Additional years' information will be presented as it becomes available.

2018	2019	2020	2021	2022	2023
\$ 36,130	\$ 37,441	\$ 41,784	\$ 38,008	\$ 37,308	\$ 31,155
159,334	161,356	167,692	172,660	183,140	182,294
31,466	32,820	3,258	110,107	(20,922)	169,274
(74,508)	57,544	-	(19,517)	-	-
(124,101)	(128,149)	(131,367)	(153,264)	(159,447)	(256,804)
28,321	161,012	81,367	147,994	40,079	125,919
2,168,445	2,196,766	2,357,778	2,439,145	2,587,139	2,627,218
<u>\$ 2,196,766</u>	<u>\$ 2,357,778</u>	<u>\$ 2,439,145</u>	<u>\$ 2,587,139</u>	<u>\$ 2,627,218</u>	<u>\$ 2,753,137</u>
\$ 29,373	\$ 34,574	\$ 23,000	\$ 31,127	\$ 28,280	\$ 21,199
15,496	17,023	17,279	16,440	16,792	14,543
390,255	(149,226)	427,878	365,840	494,153	(432,052)
(124,101)	(128,149)	(131,367)	(153,264)	(159,447)	(256,804)
(223,039)	49,301	15,559	30,286	(11,277)	72,044
87,984	(176,477)	352,349	290,429	368,501	(581,070)
2,258,706	2,346,690	2,170,213	2,522,562	2,812,991	3,181,492
<u>\$ 2,346,690</u>	<u>\$ 2,170,213</u>	<u>\$ 2,522,562</u>	<u>\$ 2,812,991</u>	<u>\$ 3,181,492</u>	<u>\$ 2,600,422</u>
<u>\$ (149,924)</u>	<u>\$ 187,565</u>	<u>\$ (83,417)</u>	<u>\$ (225,852)</u>	<u>\$ (554,274)</u>	<u>\$ 152,715</u>
106.82%	92.04%	103.42%	108.73%	121.10%	94.45%
\$ 344,345	\$ 378,277	\$ 383,980	\$ 365,341	\$ 376,544	\$ 323,167
(43.54)%	49.58%	(21.72)%	(61.82)%	(147.20)%	47.26%

See notes to required supplementary information

City of Galesburg, Illinois

Illinois Municipal Retirement Fund - Town of the City of Galesburg

Schedule of Employer Contributions

Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 42,037	\$ 27,432	\$ 25,180	\$ 29,373	\$ 34,575
Contributions in relation to the actuarially determined contribution	<u>42,037</u>	<u>27,432</u>	<u>85,180</u>	<u>29,373</u>	<u>34,574</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (60,000)</u>	<u>\$ -</u>	<u>\$ 1</u>
Covered payroll	\$ 322,617	\$ 335,770	\$ 327,860	\$ 344,345	\$ 378,277
Contributions as a percentage of covered payroll	13.03%	8.17%	25.98%	8.53%	9.14%
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Actuarially determined contribution	\$ 23,000	\$ 31,127	\$ 28,542	\$ 21,200	N/A
Contributions in relation to the actuarially determined contribution	<u>23,000</u>	<u>31,127</u>	<u>28,280</u>	<u>21,199</u>	<u>8,928</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262</u>	<u>\$ 1</u>	<u>N/A</u>
Covered payroll	\$ 383,980	\$ 365,341	\$ 376,544	\$ 323,167	N/A
Contributions as a percentage of covered payroll	5.99%	8.52%	7.51%	6.56%	N/A

Notes to Schedule:

N/A - Fiscal year 2023 information not available.

Valuation date: Actuarially determined contributions are calculated as of December 31 of the prior fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregated Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21 years
Asset valuation method	5-year smoothed market, 20% corridor
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
Mortality	Pub-2010

See notes to required supplementary information

City of Galesburg, Illinois

Police Pension Plan -
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Last Ten Fiscal Years

	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 740,298	\$ 749,291	\$ 842,309	\$ 896,385
Interest changes of benefit terms	2,742,481	3,080,281	3,193,581	3,514,250
Differences between expected and actual experience	241,625	3,636,322	(2,001,887)	97,635
Changes of assumptions	3,562,950	-	5,293,940	(1,052,662)
Change of benefit terms	-	-	-	-
Benefit payments, including refunds of member contributions	(2,212,992)	(2,615,062)	(2,400,732)	(2,602,347)
Net change in total pension liability	5,074,362	4,850,832	4,927,211	853,261
Total Pension Liability, Beginning	<u>41,014,184</u>	<u>46,088,546</u>	<u>50,939,378</u>	<u>55,866,589</u>
Total Pension Liability, Ending	<u>\$ 46,088,546</u>	<u>\$ 50,939,378</u>	<u>\$ 55,866,589</u>	<u>\$ 56,719,850</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 1,432,332	\$ 2,264,616	\$ 1,956,983	\$ 2,383,891
Employee contributions	314,238	464,316	326,120	466,106
Net investment income	996,571	(419,932)	1,170,666	2,748,342
Benefit payments, including refunds of member contributions	(2,212,992)	(2,615,062)	(2,400,732)	(2,602,347)
Administration	(87,266)	(27,329)	(24,498)	(22,507)
Net change in plan fiduciary net position	442,883	(333,391)	1,028,539	2,973,485
Plan Fiduciary Net Position, Beginning	<u>23,095,800</u>	<u>23,538,683</u>	<u>23,205,292</u>	<u>24,233,831</u>
Plan Fiduciary Net Position, Ending	<u>\$ 23,538,683</u>	<u>\$ 23,205,292</u>	<u>\$ 24,233,831</u>	<u>\$ 27,207,316</u>
City's Net Pension Liability, Ending	<u>\$ 22,549,863</u>	<u>\$ 27,734,086</u>	<u>\$ 31,632,758</u>	<u>\$ 29,512,534</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.07%	45.55%	43.38%	47.97%
Covered Payroll	\$ 3,099,328	\$ 3,196,939	\$ 3,155,088	\$ 3,249,741
City's Net Pension Liability as a Percentage of Covered Payroll	727.57%	867.52%	1002.60%	908.15%

See notes to required supplementary information

2018	2019	2020	2021	2022	2023
\$ 818,991 3,628,841	\$ 883,167 3,720,839	\$ 1,121,695 3,965,432	\$ 1,257,913 3,850,253	\$ 1,437,628 3,911,784	\$ 857,082 4,298,666
49,905 1,622,665 -	688,209 8,905,010 103,606	2,356,363 5,274,383 -	(2,962,803) 4,143,452 -	1,215,904 (17,220,907) (56,171)	294,764 (2,990,557) -
(2,804,292)	(2,880,141)	(3,126,243)	(3,349,556)	(3,564,919)	(3,767,997)
3,316,110	11,420,690	9,591,630	2,939,259	(14,276,681)	(1,308,042)
56,719,850	60,035,960	71,456,650	81,048,280	83,987,539	69,710,858
<u>\$ 60,035,960</u>	<u>\$ 71,456,650</u>	<u>\$ 81,048,280</u>	<u>\$ 83,987,539</u>	<u>\$ 69,710,858</u>	<u>\$ 68,402,816</u>
\$ 2,199,249 357,688 (1,608,006)	\$ 2,229,641 332,353 3,912,366	\$ 2,423,797 442,514 2,417,041	\$ 2,287,839 391,329 3,864,471	\$ 4,270,139 354,489 (5,446,020)	\$ 3,345,945 395,534 4,817,343
(2,804,292) (22,577)	(2,880,141) (22,719)	(3,126,243) (24,140)	(3,349,556) (26,414)	(3,564,919) (31,490)	(3,767,997) (27,996)
(1,877,938)	3,571,500	2,132,969	3,167,669	(4,417,801)	4,762,829
27,207,316	25,329,378	28,900,878	31,033,847	34,201,516	29,783,715
<u>\$ 25,329,378</u>	<u>\$ 28,900,878</u>	<u>\$ 31,033,847</u>	<u>\$ 34,201,516</u>	<u>\$ 29,783,715</u>	<u>\$ 34,546,544</u>
<u>\$ 34,706,582</u>	<u>\$ 42,555,772</u>	<u>\$ 50,014,433</u>	<u>\$ 49,786,023</u>	<u>\$ 39,927,143</u>	<u>\$ 33,856,272</u>
42.19%	40.45%	38.29%	40.72%	42.72%	50.50%
\$ 3,213,880	\$ 3,340,278	\$ 3,440,486	\$ 3,431,701	\$ 3,314,451	\$ 3,979,358
1079.90%	1274.02%	1453.70%	1450.77%	1204.64%	850.80%

See notes to required supplementary information

City of Galesburg, Illinois

Police Pension Plan - Schedule of Employer Contributions Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,657,194	\$ 2,294,319	\$ 2,650,318	\$ 2,511,651	\$ 2,528,343
Contributions in relation to the actuarially determined contribution	<u>1,432,332</u>	<u>2,264,616</u>	<u>1,956,983</u>	<u>2,383,891</u>	<u>2,199,249</u>
Contribution deficiency (excess)	<u>\$ 224,862</u>	<u>\$ 29,703</u>	<u>\$ 693,335</u>	<u>\$ 127,760</u>	<u>\$ 329,094</u>
Covered payroll	\$ 3,099,328	\$ 3,196,939	\$ 3,155,088	\$ 3,249,741	\$ 3,213,880
Contributions as a percentage of covered payroll	46.21%	70.84%	62.03%	73.36%	68.43%
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2021</u>	<u>2023</u>
Actuarially determined contribution	\$ 2,780,269	\$ 2,780,269	\$ 3,108,165	\$ 3,360,350	\$ 3,345,948
Contributions in relation to the actuarially determined contribution	<u>2,229,641</u>	<u>2,423,797</u>	<u>2,287,839</u>	<u>4,270,139</u>	<u>3,345,945</u>
Contribution deficiency (excess)	<u>\$ 550,628</u>	<u>\$ 356,472</u>	<u>\$ 820,326</u>	<u>\$ (909,789)</u>	<u>\$ 3</u>
Covered payroll	\$ 3,340,278	\$ 3,440,486	\$ 3,431,701	\$ 3,314,451	\$ 3,979,358
Contributions as a percentage of covered payroll	66.75%	70.45%	66.67%	128.83%	84.08%

Valuation date: Actuarially determined contributions are calculated as of December 31 of the prior fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-Age Normal
Amortization method	Level percentage of payroll
Remaining amortization period	15 years
Asset valuation method	5-year smoothed fair value
Inflation	2.25%
Salary increases	3.75% - 4.78%
Investment rate of return	6.75%
Retirement age	Capped at age 65
Mortality	Mortality rates were based on the Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data

City of Galesburg, Illinois

Police Pension Plan -
Schedule of Investment Returns
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Annual money-weighted rate of return, net of investment expense	4.37%	(1.68)%	4.57%	10.67%	(6.77)%
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Annual money-weighted rate of return, net of investment expense	16.50%	8.91%	13.58%	(17.37)%	13.72%

See notes to required supplementary information

City of Galesburg, Illinois

Firefighters' Pension Plan Schedule of Changes in the City's Net Pension Liability and Related Ratios Last Ten Fiscal Years

	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 661,464	\$ 682,458	\$ 764,601	\$ 814,759
Interest changes of benefit terms	2,719,284	2,922,284	2,930,958	3,469,190
Differences between expected and actual experience	(850,986)	716,526	(379,449)	(47,767)
Changes of assumptions	3,937,830	-	7,765,648	2,278,343
Change of benefit terms	-	-	-	-
Benefit payments, including refunds of member contributions		(2,763,804)	(2,875,718)	(2,867,506)
Net change in total pension liability	6,467,592	1,557,464	8,206,040	3,647,019
Total Pension Liability, Beginning	40,747,439	44,559,810	46,117,274	54,323,314
Total Pension Liability, Ending	<u>\$ 47,215,031</u>	<u>\$ 46,117,274</u>	<u>\$ 54,323,314</u>	<u>\$ 57,970,333</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 1,600,784	\$ 2,328,400	\$ 2,096,966	\$ 2,112,413
Employee contributions	257,374	289,576	263,295	268,377
Net investment income	932,616	(202,440)	1,161,600	2,597,853
Benefit payments, including refunds of member contributions	(2,655,288)	(2,763,804)	(2,875,718)	(2,867,506)
Other	-	-	-	-
Administration	(25,441)	(25,879)	(24,462)	(23,116)
Net change in plan fiduciary net position	110,045	(374,147)	621,681	2,088,021
Plan Fiduciary Net Position, Beginning	21,013,866	21,123,911	20,749,764	21,371,445
Plan Fiduciary Net Position, Ending	<u>\$ 21,123,911</u>	<u>\$ 20,749,764</u>	<u>\$ 21,371,445</u>	<u>\$ 23,459,466</u>
City's Net Pension Liability, Ending	<u>\$ 26,091,120</u>	<u>\$ 25,367,510</u>	<u>\$ 32,951,869</u>	<u>\$ 34,510,867</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	44.74%	44.99%	39.34%	40.47%
Covered Payroll	\$ 2,611,787	\$ 2,742,445	\$ 2,719,370	\$ 2,800,951
City's Net Pension Liability as a Percentage of Covered Payroll	998.98%	925.00%	1211.75%	1232.11%

See notes to required supplementary information

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 912,463 3,525,942	\$ 935,109 3,723,946	\$ 1,238,084 3,620,103	\$ 1,279,591 3,405,605	\$ 1,395,012 3,481,708	\$ 903,181 3,883,894
(144,691) 377,989 -	706,327 7,178,008 -	575,990 2,891,832 -	(4,941,167) 2,667,256 -	1,653,857 (14,864,764) (94,740)	387,624 (1,874,298) -
<u>(2,929,709)</u>	<u>(3,085,029)</u>	<u>(3,222,012)</u>	<u>(3,408,182)</u>	<u>(3,529,281)</u>	<u>(3,637,969)</u>
1,741,994	9,458,361	5,103,997	(996,897)	(11,958,208)	(337,568)
<u>57,970,333</u>	<u>59,712,327</u>	<u>69,170,688</u>	<u>74,274,685</u>	<u>73,277,788</u>	<u>61,319,580</u>
<u>\$ 59,712,327</u>	<u>\$ 69,170,688</u>	<u>\$ 74,274,685</u>	<u>\$ 73,277,788</u>	<u>\$ 61,319,580</u>	<u>\$ 60,982,012</u>
\$ 2,389,691 276,331 (1,234,318)	\$ 2,522,306 282,177 3,543,455	\$ 2,697,162 294,398 3,108,833	\$ 2,547,344 287,461 1,977,162	\$ 4,205,389 293,509 (3,981,487)	\$ 3,261,480 319,736 3,680,418
(2,929,709) - (23,482)	(3,085,029) - (22,427)	(3,222,012) - (24,543)	(3,408,182) 283 (26,223)	(3,529,281) - (22,212)	(3,637,969) - (22,798)
(1,521,487)	3,240,482	2,853,838	1,377,845	(3,034,082)	3,600,867
<u>23,459,466</u>	<u>21,937,979</u>	<u>25,178,461</u>	<u>28,032,299</u>	<u>29,410,144</u>	<u>26,376,062</u>
<u>\$ 21,937,979</u>	<u>\$ 25,178,461</u>	<u>\$ 28,032,299</u>	<u>\$ 29,410,144</u>	<u>\$ 26,376,062</u>	<u>\$ 29,976,929</u>
<u>\$ 37,774,348</u>	<u>\$ 43,992,227</u>	<u>\$ 46,242,386</u>	<u>\$ 43,867,644</u>	<u>\$ 34,943,518</u>	<u>\$ 31,005,083</u>
36.74%	36.40%	37.74%	40.14%	43.01%	49.16%
\$ 2,919,494	\$ 2,984,419	\$ 3,073,952	\$ 3,040,305	\$ 3,092,848	\$ 3,322,439
1293.87%	1474.06%	1504.33%	1442.87%	1129.82%	933.20%

See notes to required supplementary information

City of Galesburg, Illinois

Firefighters' Pension Plan Schedule of Employer Contributions Last Ten Fiscal Years

	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 1,708,503	\$ 2,482,676	\$ 2,482,676	\$ 2,734,369	\$ 2,833,708
Contributions in relation to the actuarially determined contribution	1,600,784	2,328,400	2,096,966	2,112,413	2,389,691
Contribution deficiency (excess)	<u>\$ 107,719</u>	<u>\$ 154,276</u>	<u>\$ 385,710</u>	<u>\$ 621,956</u>	<u>\$ 444,017</u>
Covered payroll	\$ 2,611,787	\$ 2,742,445	\$ 2,719,370	\$ 2,800,951	\$ 2,919,494
Contributions as a percentage of covered payroll	61.29%	84.90%	77.11%	75.42%	81.85%
	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 3,054,249	\$ 3,054,249	\$ 3,337,911	\$ 3,324,323	\$ 3,261,480
Contributions in relation to the actuarially determined contribution	2,522,306	2,697,162	2,547,344	4,205,389	3,261,480
Contribution deficiency (excess)	<u>\$ 531,943</u>	<u>\$ 357,087</u>	<u>\$ 790,567</u>	<u>\$ (881,066)</u>	<u>\$ -</u>
Covered payroll	\$ 2,984,419	\$ 3,073,952	\$ 3,040,305	\$ 3,092,848	\$ 3,322,439
Contributions as a percentage of covered payroll	84.52%	87.74%	83.79%	135.97%	98.17%

Valuation date: Actuarially determined contributions are calculated as of December 31 of the prior fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-Age Normal
Amortization method	Level percentage of payroll
Remaining amortization period	15 years
Asset valuation method	5-year smoothed fair value
Inflation	2.25%
Salary increases	3.75% - 7.30%
Investment rate of return	6.75%
Retirement age	Capped at age 65
Mortality	Mortality rates were based on the Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data

City of Galesburg, Illinois

Firefighters' Pension Plan Schedule of Investment Returns Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Annual money-weighted rate of return, net of investment expense	5.56%	(0.58)%	5.63%	11.59%	(5.20)%
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Annual money-weighted rate of return, net of investment expense	17.18%	11.59%	7.64%	(14.59)%	15.36%

See notes to required supplementary information

City of Galesburg, Illinois

Other Postemployment Benefit Plan - Schedule of Changes in the City's Net OPEB Liability and Related Ratios Last Seven Fiscal Years

	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 574,551	\$ 559,749	\$ 395,016	\$ 530,708
Interest	626,832	511,066	541,415	395,452
Differences between expected and actual experience	-	(1,446,729)	-	(299,490)
Changes of assumptions	1,302,625	(227,643)	1,201,614	1,796,429
Benefit payments, including refunds of member contributions	(1,063,653)	(1,006,877)	(1,087,427)	(837,332)
Administration	(429)	(610)	(847)	(1,009)
Net change in total OPEB liability	1,439,926	(1,611,044)	1,049,771	1,584,758
Total OPEB Liability, Beginning	13,920,078	15,360,004	13,748,960	14,798,731
Total OPEB Liability, Ending	<u>\$ 15,360,004</u>	<u>\$ 13,748,960</u>	<u>\$ 14,798,731</u>	<u>\$ 16,383,489</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 1,190,668	\$ 1,137,342	\$ 1,220,587	\$ 973,397
Net investment income	106,704	(61,778)	197,562	177,974
Benefit payments, including refunds of member contributions	(1,063,653)	(1,006,877)	(1,087,427)	(837,332)
Administration	(429)	(610)	(847)	(1,009)
Net change in plan fiduciary net position	233,290	68,077	329,875	313,030
Plan Fiduciary Net Position, Beginning	698,934	932,224	1,000,301	1,330,176
Plan Fiduciary Net Position, Ending	<u>\$ 932,224</u>	<u>\$ 1,000,301</u>	<u>\$ 1,330,176</u>	<u>\$ 1,643,206</u>
City's Net OPEB Liability, Ending	<u>\$ 14,427,780</u>	<u>\$ 12,748,659</u>	<u>\$ 13,468,555</u>	<u>\$ 14,740,283</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.07%	7.28%	8.99%	10.03%
Covered Payroll	\$ 13,860,508	\$ 14,062,479	\$ 14,554,666	\$ 15,768,309
City's Net OPEB Liability as a Percentage of Covered Payroll	104.09%	90.66%	92.54%	93.48%

Notes To Schedule:

The City implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2017 is not available.

<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 743,173	\$ 762,302	\$ 634,135
318,982	299,268	541,637
-	451,011	-
234,877	(3,437,347)	276,240
(868,732)	(1,091,446)	(981,305)
(1,306)	(1,383)	(1,533)
<u>426,994</u>	<u>(3,017,595)</u>	<u>469,174</u>
<u>16,383,489</u>	<u>16,810,483</u>	<u>13,792,888</u>
<u>\$ 16,810,483</u>	<u>\$ 13,792,888</u>	<u>\$ 14,262,062</u>
\$ 1,009,207	\$ 1,231,504	\$ 1,124,328
227,594	(294,646)	310,419
(868,732)	(1,091,446)	(981,305)
(1,306)	(1,383)	(1,533)
<u>366,763</u>	<u>(155,971)</u>	<u>451,909</u>
<u>1,643,206</u>	<u>2,009,969</u>	<u>1,853,998</u>
<u>\$ 2,009,969</u>	<u>\$ 1,853,998</u>	<u>\$ 2,305,907</u>
<u>\$ 14,800,514</u>	<u>\$ 11,938,890</u>	<u>\$ 11,956,155</u>
11.96%	13.44%	16.17%
\$ 16,320,200	18,011,721	\$ 18,642,133
90.69%	66.28%	64.14%

See notes to required supplementary information

City of Galesburg, Illinois

Other Postemployment Benefit Plan - Schedule of Employer Contributions Last Ten Fiscal Years

	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 1,167,256	\$ 1,039,995	\$ 1,039,995	\$ 1,254,235	\$ 1,095,487
Contributions in relation to the actuarially determined contribution	1,548,657	944,242	1,024,503	1,190,668	1,137,342
Contribution deficiency (excess)	<u>\$ (381,401)</u>	<u>\$ 95,753</u>	<u>\$ 15,492</u>	<u>\$ 63,567</u>	<u>\$ (41,855)</u>
Covered payroll	\$ 14,317,802	\$ 14,317,373	\$ 14,818,481	\$ 13,860,508	\$ 14,062,479
Contributions as a percentage of covered payroll	10.82%	6.60%	6.91%	8.59%	8.09%
	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 1,087,427	\$ 837,332	\$ 868,732	\$ 810,913	\$ 838,282
Contributions in relation to the actuarially determined contribution	1,220,587	973,397	1,009,207	1,231,504	1,124,328
Contribution deficiency (excess)	<u>\$ (133,160)</u>	<u>\$ (136,065)</u>	<u>\$ (140,475)</u>	<u>\$ (420,591)</u>	<u>\$ (286,046)</u>
Covered payroll	\$ 14,554,666	\$ 15,768,309	\$ 16,320,200	\$ 18,011,721	\$ 18,642,133
Contributions as a percentage of covered payroll	8.39%	6.17%	6.18%	6.84%	6.03%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	3.50%
Investment rate of return	3.77%
Future medical plan participation	50% of Library, Township, and City Assessor employees; 100% of all other employees
Healthcare cost trend rates	6.75% initial, decreasing in increments of 0.25% - 0.50% annually to an ultimate rate of 4.50% for 2029 and after
Mortality	PubS-2010 base rates projected Fully Generationally using scale MP2021 for Police and Fire participants; PubG-2010 base rates projected Fully Generationally using scale MP2021 for other participants

See notes to required supplementary information

City of Galesburg, Illinois

Other Postemployment Benefit Plan -
Schedule of Investment Returns
Last Seven Fiscal Years

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Annual money-weighted rate of return, net of investment expense	15.33%	(6.39)%	16.95%	11.97%	12.96%
	<u>2022</u>	<u>2023</u>			
Annual money-weighted rate of return, net of investment expense	(15.25)%	14.92%			

Notes to Schedule:

The Plan implemented GASB Statement No. 74 in fiscal year 2017. Information prior to fiscal year 2017 is not available.

City of Galesburg, Illinois

Required Supplementary Information -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 7,917,485	\$ 7,781,485	\$ 7,780,964	\$ (521)
Other taxes	5,730,000	6,466,000	6,475,698	9,698
Intergovernmental	10,880,115	13,964,310	13,972,223	7,913
Licenses and permits	404,200	438,500	441,907	3,407
Charges for services	946,295	1,356,310	1,359,245	2,935
Fines and fees	294,100	339,235	337,442	(1,793)
Use of money and property	486,150	1,045,950	1,082,669	36,719
Miscellaneous	23,600	131,860	132,638	778
Total revenues	26,681,945	31,523,650	31,582,786	59,136
Expenditures				
Current:				
Mayor and city council	149,600	149,600	125,672	23,928
City manager	320,535	380,520	380,487	33
Legal	185,690	254,030	254,034	(4)
Human resources and benefits	249,835	286,340	286,287	53
City clerk	369,290	369,290	363,738	5,552
Management information systems	468,895	491,030	432,126	58,904
Finance	840,335	902,865	902,850	15
Planning	78,045	78,045	75,535	2,510
Fire and police commission	24,955	31,655	31,626	29
Contracts and subsidies	1,551,665	1,629,345	1,232,832	396,513
Police department	8,292,995	9,283,145	9,245,380	37,765
School crossing guards	88,040	133,460	133,451	9
Communications and records	2,157,530	2,279,000	2,278,861	139
Fire department	7,433,635	8,296,805	8,296,699	106
Emergency services	8,450	8,450	6,802	1,648
Inspection	897,450	904,215	904,153	62
Engineering	559,060	559,060	535,854	23,206
Motor pool, central garage	509,840	527,790	527,750	40
Street and bridge maintenance	1,666,985	1,666,985	1,082,340	584,645
Debt service:				
Principal	-	-	35,785	(35,785)
Interest and fiscal charges	-	-	1,883	(1,883)
Capital outlay	60,000	-	-	-
Total expenditures	25,912,830	28,231,630	27,134,145	1,097,485
Excess (deficiency) of revenues over expenditures	769,115	3,292,020	4,448,641	1,156,621
Other Financing Sources (Uses)				
Proceeds from the sale of assets	5,000	5,500	5,510	10
Transfers out	(2,109,500)	(5,036,420)	(5,036,407)	13
Total other financing sources (uses)	(2,104,500)	(5,030,920)	(5,030,897)	23
Net change in fund balance	\$ (1,335,385)	\$ (1,738,900)	(582,256)	\$ 1,156,644
Fund Balances, Beginning of Year			12,915,128	
Fund Balances, End of Year			\$ 12,332,872	

See notes to required supplementary information

City of Galesburg, Illinois

Required Supplementary Information -
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Economic Development - Major Special Revenue Fund
Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Other taxes	\$ 1,030,250	\$ 1,163,250	\$ 1,163,283	\$ 33
Use of money and property	56,735	319,365	320,835	1,470
Miscellaneous	-	46,230	46,231	1
Total revenues	<u>1,086,985</u>	<u>1,528,845</u>	<u>1,530,349</u>	<u>1,504</u>
Expenditures				
Current:				
Economic development	517,850	439,185	429,539	9,646
Miscellaneous	1,027,490	862,655	270,904	591,751
Capital Outlay	<u>165,000</u>	<u>165,000</u>	<u>-</u>	<u>165,000</u>
Total expenditures	<u>1,710,340</u>	<u>1,466,840</u>	<u>700,443</u>	<u>766,397</u>
Excess (deficiency) of revenues over expenditures	<u>(623,355)</u>	<u>62,005</u>	<u>829,906</u>	<u>767,901</u>
Other Financing Sources (Uses)				
Transfers in	94,000	94,000	-	94,000
Transfers out	<u>(847,385)</u>	<u>(1,277,730)</u>	<u>(1,220,223)</u>	<u>57,507</u>
Total other financing sources (uses)	<u>(753,385)</u>	<u>(1,183,730)</u>	<u>(1,220,223)</u>	<u>(36,493)</u>
Net change in fund balance	<u>\$ (1,376,740)</u>	<u>\$ (1,121,725)</u>	<u>(390,317)</u>	<u>\$ 731,408</u>
Fund Balances, Beginning			<u>11,578,184</u>	
Fund Balances, Ending			<u>\$ 11,187,867</u>	

See notes to required supplementary information

City of Galesburg, Illinois

Required Supplementary Information -
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Parks and Recreation - Major Special Revenue Fund
Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 1,927,890	\$ 2,278,180	\$ 2,278,189	\$ 9
Intergovernmental	1,650,550	1,991,885	1,992,444	559
Charges for services	44,000	38,585	38,585	-
Use of money and property	1,037,755	1,467,640	1,466,974	(666)
Miscellaneous	43,800	49,065	49,144	79
Total revenues	4,703,995	5,825,355	5,825,336	(19)
Expenditures				
Current:				
General government	19,665	46,020	45,998	22
Public safety	132,600	166,795	166,771	24
Public works	613,960	616,915	519,463	97,452
Culture and recreation	4,597,680	4,617,690	4,136,757	480,933
Debt Service:				
Principal	-	-	30,095	(30,095)
Interest and fiscal charges	-	-	1,921	(1,921)
Total expenditures	5,363,905	5,447,420	4,901,005	546,415
Excess (deficiency) of revenues over expenditures	(659,910)	377,935	924,331	546,396
Other Financing Sources (Uses)				
Transfers in	35,700	40,650	40,739	(89)
Transfers out	(471,850)	(471,850)	(395,460)	(76,390)
Total other financing sources (uses)	(436,150)	(431,200)	(354,721)	(76,479)
Net change in fund balances	\$ (1,096,060)	\$ (53,265)	569,610	\$ 622,875
Fund Balance, Beginning			2,544,895	
Fund Balance, Ending			<u>\$ 3,114,505</u>	

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the City Council. All annual appropriations lapse at fiscal year end.

In October and November, the Finance Director submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to December 31, the budget is legally approved by City Council. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

The City is authorized to change budgeted amounts within any fund; however, revision must be approved by the City Council. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the division level for the General Fund and the fund level for other funds. The appropriated budget is prepared by fund, function, department and division. Line items may exceed budgeted amounts if the budget for the division is equal to or less than the budget amount approved by the City Council. The City Council must approve revisions that alter the total expenditures of any fund.

SUPPLEMENTARY INFORMATION

City of Galesburg, Illinois

Nonmajor Governmental Funds

December 31, 2023

Special Revenue Funds

City Gas Tax Fund - To account for the four and one-half cent per gallon local gasoline tax used to help finance improvements made to local roads and streets.

Motor Fuel Tax Fund - To account for the revenue and expenditures related to projects financed by the state gasoline tax collected and distributed by the State of Illinois.

Federal Special Enforcement Fund - To account for the revenue and expenditures related to the forfeited assets received from the federal government and used for law enforcement purposes.

State Special Enforcement Fund - To account for the revenue and expenditures related to the forfeited assets received from the State and used for law enforcement purposes.

Stormwater Utility Fund - To account for the revenues and expenditures related to the stormwater management program.

Foreign Fire Fund - To account for revenue and expenditures related to the foreign fire insurance board.

Airport Fund - To account for airport funds.

Property Redevelopment Fund - To account for funds from the sale of surplus City-owned properties which can be used to provide a source of funding for property redevelopment efforts.

Public Transportation Fund - To account for operations associated with the City's Handivan program and the collection and use of public transportation operating assistance grants associated with the City's transit bus system.

Public Transportation Projects Fund - To account for revenues and expenditures associated with capital projects and maintenance of the City's public transportation systems.

911 Communications Fund - To account for the services of the County-wide enhanced emergency telephone system operated by the Galesburg Police Department staff and services division.

Town of the City of Galesburg Fund - To account for the services provided by the City's blended component unit, the Town of the City of Galesburg.

Grants Fund - To account for operations of the City's grant funds received from the State and Federal governments.

Community Improvements / Infrastructure Fund – To account for operations from the City's ¼% increase in the home rule sales tax.

Debt Service Funds

2011C Business Park Fund - To account for servicing the refunding of the 2003 series bonds.

2013A GO Bonds Business District Fund - To account for servicing of the 2013A series general obligation bonds.

2016 GO Bond Debt Service Fund - To account for servicing of the 2016 series general obligation bonds.

2023 GO Bond Debt Service Fund - To account for servicing of the 2023 series general obligation bonds.

City of Galesburg, Illinois

Nonmajor Governmental Funds
December 31, 2023

Capital Projects Funds

2013A Business District Fund - To account for the use of proceeds from the 2013A series general obligation bonds for projects within the business district.

2023 GO Bond Capital Expense - To account for the use of proceeds from the 2023 series general obligation bonds to fund capital improvements.

Utility Tax Capital Projects Fund - To account for the use of proceeds from the electric and natural gas utility tax to fund capital improvements and infrastructure.

TIF 3 Regency Capital Project Fund - To account for the revenue and expenditures related to the Regency Tax Increment Financing District.

Building Repair and Maintenance Fund - To account for the repair and maintenance of major City-owned building components.

Computer Replacement Fund - To account for the upgrade and replacement of all City computer hardware and software.

Vehicle Replacement Fund - To account for the upgrade and replacement of all City vehicles.

Players Fields Fund - To account for the repair and maintenance of player fields.

Capital Planning Fund – To achieve high-impact, quality of life, or economic development pursuits that will further stabilize the City's revenue sources.

TIF IV Fund - To account for the revenue and expenditures related to the central business district as well as East Main Street from the downtown to Chestnut Street.

TIF V Fund - To account for the revenue and expenditures related to a small area located east of Interstate 74 along East Main Street.

Permanent Funds

Linwood Cemetery Fund - To account for the assets and trust earnings used to support the operation and maintenance of the Linwood Cemetery.

East Linwood Cemetery Fund - To account for the assets and trust earnings used to support the operation and maintenance of the East Linwood Cemetery.

City of Galesburg, Illinois

Nonmajor Governmental Funds -

Combining Balance Sheet

December 31, 2023

	Special Revenue Funds							
	City Gas Tax	Motor Fuel Tax	Federal Special Enforcement	State Special Enforcement	Stormwater Utility	Foreign Fire	Airport	Property Redevelopment
Assets								
Cash and cash equivalents	\$ 128,516	\$ 1,498,292	\$ 27,910	\$ 521,857	\$ 829,892	\$ 192,013	\$ 25,463	\$ 929,692
Investments	-	-	-	-	-	-	-	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	824	-
Accounts	65,788	4,601	-	-	70,987	-	4,645	206,370
Accrued interest	-	-	-	-	686	-	-	-
Due from other governments	-	217,472	-	-	-	-	113,449	-
Due from other funds	-	-	-	-	694	-	-	-
Prepaid items	1,496	-	-	-	4,651	83	1,217	245
Property held for resale	-	-	-	-	-	-	-	155,324
Advances to other funds	-	-	-	-	-	-	-	-
Total assets	\$ 195,800	\$ 1,720,365	\$ 27,910	\$ 521,857	\$ 906,910	\$ 192,096	\$ 145,598	\$ 1,291,631
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)								
Liabilities								
Accounts payable	\$ 8,260	\$ 4,103	\$ -	\$ 113	\$ 7,802	\$ 6,484	\$ 9,295	\$ 160,444
Accrued liabilities	3,623	-	-	-	7,115	-	1,175	454
Due to other governments	-	344,597	-	9,507	-	-	-	-
Due to other funds	-	-	-	-	-	350	-	-
Advances from other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	27,771	-	-	-	5,413	71,610
Total liabilities	11,883	348,700	27,771	9,620	14,917	6,834	15,883	232,508
Deferred Inflows of Resources								
Unavailable revenue	-	-	-	-	-	-	34,790	-
Property taxes levied for future periods	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	34,790	-
Fund Balances (Deficits)								
Nonspendable	1,496	-	-	-	4,651	83	1,217	155,569
Restricted	-	1,371,665	139	512,237	887,342	185,179	93,708	-
Committed	182,421	-	-	-	-	-	-	903,554
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficits)	183,917	1,371,665	139	512,237	891,993	185,262	94,925	1,059,123
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 195,800	\$ 1,720,365	\$ 27,910	\$ 521,857	\$ 906,910	\$ 192,096	\$ 145,598	\$ 1,291,631

Special Revenue Funds (cont.)						Debt Service Funds			
Public Transportation	Public Transportation Projects	911 Communication	Town of the City of Galesburg	Grants	Community Improvements / Infrastructure	2011C Business Park	2013A GO Bonds Business District	2016 GO Bonds Debt Service	2023 GO Bond Debt
\$ 580	\$ 83,068	\$ -	\$ 1,679,429	\$ 196,342	\$ 292,519	\$ 73,107	\$ 95,418	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-
-	-	-	531,000	-	-	-	-	-	-
-	-	-	-	-	303,286	-	-	-	-
958,437	5,782	26,010	19,502	268,468	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	513,267	-	-	-	-	-
-	-	-	-	-	-	244,023	-	-	-
26,953	-	720	12,338	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>\$ 985,970</u>	<u>\$ 88,850</u>	<u>\$ 26,730</u>	<u>\$ 2,242,269</u>	<u>\$ 978,077</u>	<u>\$ 595,805</u>	<u>\$ 317,130</u>	<u>\$ 95,418</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 54,141	\$ -	\$ -	\$ 817	\$ 861,365	\$ -	\$ 317,130	\$ 95,340	\$ -	\$ -
28,132	-	1,144	7,763	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
864,112	-	25,586	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
480	-	-	7,000	-	-	-	-	-	-
<u>946,865</u>	<u>-</u>	<u>26,730</u>	<u>15,580</u>	<u>861,365</u>	<u>-</u>	<u>317,130</u>	<u>95,340</u>	<u>-</u>	<u>-</u>
233,254	-	-	-	325,469	110,892	-	-	-	-
-	-	-	531,000	-	-	-	-	-	-
<u>233,254</u>	<u>-</u>	<u>-</u>	<u>531,000</u>	<u>325,469</u>	<u>110,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
26,953	-	720	12,338	-	-	-	-	-	-
-	88,850	-	1,683,351	-	484,913	-	-	-	-
-	-	-	-	-	-	-	78	-	-
-	-	-	-	-	-	-	-	-	-
(221,102)	-	(720)	-	(208,757)	-	-	-	-	-
<u>(194,149)</u>	<u>88,850</u>	<u>-</u>	<u>1,695,689</u>	<u>(208,757)</u>	<u>484,913</u>	<u>-</u>	<u>78</u>	<u>-</u>	<u>-</u>
<u>\$ 985,970</u>	<u>\$ 88,850</u>	<u>\$ 26,730</u>	<u>\$ 2,242,269</u>	<u>\$ 978,077</u>	<u>\$ 595,805</u>	<u>\$ 317,130</u>	<u>\$ 95,418</u>	<u>\$ -</u>	<u>\$ -</u>

City of Galesburg, Illinois

Nonmajor Governmental Funds
Combining Balance Sheet (continued)
December 31, 2023

	Capital Projects Funds							
	2013A Business District	2023 GO Bond Capital Expense	Utility Tax Capital Projects	TIF 3 Regency Capital Project	Building Repair & Maintenance	Computer Replacement	Vehicle Replacement	Players Fields
Assets								
Cash and cash equivalents	\$ 1,399	\$ 3,982,481	\$ 1,439,301	\$ -	\$ 2,974,348	\$ 1,222,642	\$ 5,223,291	\$ 25,936
Investments	-	983,750	-	-	-	-	249,451	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Other taxes	13,396	-	-	-	-	-	-	-
Accounts	-	-	139,379	-	-	113,069	7,500	-
Accrued interest	-	15,714	498	-	4,545	2,208	16,601	-
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	29,044	965,580	-
Prepaid items	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	86,099	86,099	-
Total assets	\$ 14,795	\$ 4,981,945	\$ 1,579,178	\$ -	\$ 2,978,893	\$ 1,453,062	\$ 6,548,522	\$ 25,936
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)								
Liabilities								
Accounts payable	\$ -	\$ 82	\$ 13,440	\$ -	\$ 910	\$ 59,066	\$ 261	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	13,125	-	-
Due to other funds	-	-	-	-	-	-	-	-
Advances from other funds	-	-	430,495	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	-	82	443,935	-	910	72,191	261	-
Deferred Inflows of Resources								
Unavailable revenue	4,572	-	-	-	-	113,069	-	-
Property taxes levied for future periods	-	-	-	-	-	-	-	-
Total deferred inflows of resources	4,572	-	-	-	-	113,069	-	-
Fund Balances (Deficits)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	10,223	3,379,904	-	-	19,320	-	-	-
Committed	-	-	-	-	74,761	10,000	1,566,330	-
Assigned	-	1,601,959	1,135,243	-	2,883,902	1,257,802	4,981,931	25,936
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficits)	10,223	4,981,863	1,135,243	-	2,977,983	1,267,802	6,548,261	25,936
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 14,795	\$ 4,981,945	\$ 1,579,178	\$ -	\$ 2,978,893	\$ 1,453,062	\$ 6,548,522	\$ 25,936

Capital Projects Funds (cont.)			Permanent Funds		Total Nonmajor Funds
Capital Planning	TIF IV	TIF V	Linwood Cemetery	East Linwood Cemetery	
\$ 4,709,866	\$ 1,095,657	\$ 49,249	\$ 5,820	\$ 38,125	\$ 27,342,213
-	-	-	76,166	499,289	1,808,656
-	345,930	8,380	-	-	885,310
-	-	-	-	-	317,506
-	-	-	-	-	1,890,538
317	-	-	-	-	40,569
-	-	-	-	-	844,188
2,000,000	-	-	-	14,411	3,253,752
-	-	-	-	-	47,703
-	-	-	-	-	155,324
-	-	-	-	-	172,198
<u>\$ 6,710,183</u>	<u>\$ 1,441,587</u>	<u>\$ 57,629</u>	<u>\$ 81,986</u>	<u>\$ 551,825</u>	<u>\$ 36,757,957</u>

\$ 341,085	\$ 235	\$ -	\$ -	\$ -	\$ 1,940,373
-	-	-	-	-	49,406
-	-	-	-	-	367,229
-	-	-	2,087	13,652	905,787
-	-	-	-	-	430,495
115	-	-	-	-	112,389
<u>341,200</u>	<u>235</u>	<u>-</u>	<u>2,087</u>	<u>13,652</u>	<u>3,805,679</u>

-	-	-	-	-	822,046
-	345,930	8,380	-	-	885,310
-	345,930	8,380	-	-	1,707,356

-	-	-	76,166	499,289	778,482
-	1,095,422	49,249	3,733	38,884	9,904,119
534,949	-	-	-	-	3,272,093
5,834,034	-	-	-	-	17,720,807
-	-	-	-	-	(430,579)
<u>6,368,983</u>	<u>1,095,422</u>	<u>49,249</u>	<u>79,899</u>	<u>538,173</u>	<u>31,244,922</u>

<u>\$ 6,710,183</u>	<u>\$ 1,441,587</u>	<u>\$ 57,629</u>	<u>\$ 81,986</u>	<u>\$ 551,825</u>	<u>\$ 36,757,957</u>
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City of Galesburg, Illinois

Nonmajor Governmental Funds -
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2023

Special Revenue Funds

	City Gas Tax	Motor Fuel Tax	Federal Special Enforcement	State Special Enforcement	Stormwater Utility	Foreign Fire	Airport	Property Redevelopment
Revenues								
Taxes	\$ 633,654	\$ -	\$ -	\$ -	\$ 750,486	\$ -	\$ 5,067	\$ -
Charges for services	358	-	-	-	-	-	15	655,754
Intergovernmental	1,519	1,303,237	56,226	18,588	8,625	74,226	81,985	-
Fines and fees	-	-	-	3,529	-	-	-	-
Use of money and property	22,569	78,505	1,954	25,064	54,035	7,198	337,798	55,849
Contributions	-	-	-	4,500	-	-	-	-
Miscellaneous	-	-	-	400	-	-	-	316
Total revenues	658,100	1,381,742	58,180	52,081	813,146	81,424	424,865	711,919
Expenditures								
Current:								
General government	934,034	-	-	-	-	-	292,740	-
Economic development	-	-	-	-	-	-	-	1,430,205
Public safety	-	-	58,041	12,720	-	43,727	-	-
Public works	-	931,038	-	-	651,218	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Miscellaneous	18	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	88,760	399,945	-	-	28,380	-	-	-
Total expenditures	1,022,812	1,330,983	58,041	12,720	679,598	43,727	292,740	1,430,205
Excess (deficiency) of revenues over expenditures	(364,712)	50,759	139	39,361	133,548	37,697	132,125	(718,286)
Other Financing Sources (Uses)								
Proceeds from the sale of assets	871	-	-	-	-	-	-	27
General obligation debt issued	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	703,970
Transfers out	-	-	-	-	(242,058)	-	(37,200)	-
Total other financing sources (uses)	871	-	-	-	(242,058)	-	(37,200)	703,997
Net change in fund balances	(363,841)	50,759	139	39,361	(108,510)	37,697	94,925	(14,289)
Fund Balances (Deficits), Beginning	547,758	1,320,906	-	472,876	1,000,503	147,565	-	1,073,412
Fund Balances (Deficits), Ending	\$ 183,917	\$ 1,371,665	\$ 139	\$ 512,237	\$ 891,993	\$ 185,262	\$ 94,925	\$ 1,059,123

Special Revenue Funds (cont.)						Debt Service Funds			
Public Transportation	Public Transportation Projects	911 Communication	Town of the City of Galesburg	Grants	Community Improvements / Infrastructure	2011C Business Park	2013A GO Bonds Business District	2016 GO Bond Debt Service	2023 GO Bond Debt
\$ -	\$ -	\$ -	\$ 523,039	\$ -	\$ 482,607	\$ -	\$ -	\$ -	\$ -
-	-	-	24,750	-	-	-	-	-	-
2,010,395	-	90,129	181,548	3,931,734	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
108,796	19,481	-	79,893	-	2,452	80,883	473	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	32,498	-	-	-	13,822	-	-
2,119,191	19,481	90,129	841,728	3,931,734	485,059	80,883	14,295	-	-
2,415,280	6,925	-	584,904	49,790	-	646	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	90,129	149,347	433,141	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	3,256,655	-	-	-	-	-
-	-	-	-	-	-	310,000	75,000	425,000	-
-	-	-	-	-	-	14,260	41,576	217,927	146
-	-	-	12,140	1,282,974	-	-	-	-	-
2,415,280	6,925	90,129	746,391	5,022,560	-	324,906	116,576	642,927	146
(296,089)	12,556	-	95,337	(1,090,826)	485,059	(244,023)	(102,281)	(642,927)	(146)
-	1,600	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
657,895	-	-	-	1,040,888	-	244,023	334,912	642,927	146
-	(461,754)	-	-	-	(146)	-	-	-	-
657,895	(460,154)	-	-	1,040,888	(146)	244,023	334,912	642,927	146
361,806	(447,598)	-	95,337	(49,938)	484,913	-	232,631	-	-
(555,955)	536,448	-	1,600,352	(158,819)	-	-	(232,553)	-	-
\$ (194,149)	\$ 88,850	\$ -	\$ 1,695,689	\$ (208,757)	\$ 484,913	\$ -	\$ 78	\$ -	\$ -

City of Galesburg, Illinois

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)

Year Ended December 31, 2023

	Capital Projects Funds							
	2013A Business District	2023 GO Bond Capital Expense	Utility Tax Capital Projects	TIF 3 Regency Capital Project	Building Repair & Maintenance	Computer Replacement	Vehicle Replacement	Players Fields
Revenues								
Taxes	\$ 43,702	\$ -	\$ 1,523,714	\$ 77,833	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Fines and fees	-	-	-	-	-	-	-	-
Use of money and property	406	228,132	95,102	229	109,301	65,003	252,515	4,264
Contributions	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	44,108	228,132	1,618,816	78,062	109,301	65,003	252,515	4,264
Expenditures								
Current:								
General government	-	-	194,024	-	-	383,373	17,994	-
Economic development	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	27,569	-	-	-
Culture and recreation	-	-	-	-	-	-	-	2,990
Miscellaneous	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	126,238	9,920	-	-	-	-	-
Capital outlay	-	540,714	105,549	-	85,875	128,715	1,398,173	-
Total expenditures	-	666,952	309,493	-	113,444	512,088	1,416,167	2,990
Excess (deficiency) of revenues over expenditures	44,108	(438,820)	1,309,323	78,062	(4,143)	(447,085)	(1,163,652)	1,274
Other Financing Sources (Uses)								
Proceeds from the sale of assets	-	-	-	-	-	-	7,500	-
Debt issued	-	4,920,000	-	-	-	-	-	-
Debt issued	-	500,683	-	-	-	-	-	-
Transfers in	-	-	-	213,798	99,360	80,400	2,449,980	-
Transfers out	(40,010)	-	(1,089,102)	-	(24,607)	-	-	-
Total other financing sources (uses)	(40,010)	5,420,683	(1,089,102)	213,798	74,753	80,400	2,457,480	-
Net change in fund balances	4,098	4,981,863	220,221	291,860	70,610	(366,685)	1,293,828	1,274
Fund Balances (Deficits), Beginning	6,125	-	915,022	(291,860)	2,907,373	1,634,487	5,254,433	24,662
Fund Balances (Deficits), Ending	\$ 10,223	\$ 4,981,863	\$ 1,135,243	\$ -	\$ 2,977,983	\$ 1,267,802	\$ 6,548,261	\$ 25,936

Capital Projects Funds (cont.)			Permanent Funds		
Capital Planning	TIF IV	TIF V	Linwood Cemetery	East Linwood Cemetery	Total Nonmajor Funds
\$ -	\$ 376,511	\$ 10,823	\$ -	\$ -	\$ 4,427,436
-	-	-	-	-	680,877
-	-	-	-	-	7,758,212
-	-	-	-	-	3,529
264,798	55,248	2,184	7,940	51,590	2,011,662
6,675	-	-	-	-	11,175
3,528	2,567	-	-	14,411	67,542
275,001	434,326	13,007	7,940	66,001	14,960,433
-	-	-	848	5,546	4,886,104
1,818,366	24,283	-	-	-	3,272,854
-	-	-	-	-	787,105
-	-	-	-	-	1,609,825
-	-	-	-	-	2,990
260,944	304,904	-	-	-	3,822,521
-	-	-	-	-	810,000
-	-	-	-	-	410,067
1,877,447	-	-	-	-	5,948,672
3,956,757	329,187	-	848	5,546	21,550,138
(3,681,756)	105,139	13,007	7,092	60,455	(6,589,705)
-	-	-	-	-	9,998
-	-	-	-	-	4,920,000
-	-	-	-	-	500,683
2,615,321	-	-	-	-	9,083,620
-	(200,000)	-	(2,087)	(13,652)	(2,110,616)
2,615,321	(200,000)	-	(2,087)	(13,652)	12,403,685
(1,066,435)	(94,861)	13,007	5,005	46,803	5,813,980
7,435,418	1,190,283	36,242	74,894	491,370	25,430,942
\$ 6,368,983	\$ 1,095,422	\$ 49,249	\$ 79,899	\$ 538,173	\$ 31,244,922

City of Galesburg, Illinois

City Gas Tax Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Other taxes	\$ 670,000	\$ 634,000	\$ 633,654	\$ (346)
Intergovernmental	-	1,520	1,519	(1)
Charges for services	-	355	358	3
Use of money and property	10,000	22,500	22,569	69
Total revenues	<u>680,000</u>	<u>658,375</u>	<u>658,100</u>	<u>(275)</u>
Expenditures				
Current:				
General government	607,670	1,018,885	934,034	84,851
Miscellaneous	-	20	18	2
Capital outlay	500,000	88,765	88,760	5
Total expenditures	<u>1,107,670</u>	<u>1,107,670</u>	<u>1,022,812</u>	<u>84,858</u>
Excess (deficiency) of revenues over expenditures	<u>(427,670)</u>	<u>(449,295)</u>	<u>(364,712)</u>	<u>(85,133)</u>
Other Financing Sources (Uses)				
Proceeds from the sale of assets	-	870	871	(1)
Transfers out	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>	<u>(15,000)</u>
Total other financing sources (uses)	<u>(15,000)</u>	<u>(14,130)</u>	<u>871</u>	<u>(15,001)</u>
Net change in fund balance	<u>\$ (442,670)</u>	<u>\$ (463,425)</u>	<u>(363,841)</u>	<u>\$ 99,584</u>
Fund Balances, Beginning			<u>547,758</u>	
Fund Balances, Ending			<u>\$ 183,917</u>	

City of Galesburg, Illinois

Motor Fuel Tax Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,200,000	\$ 1,303,000	\$ 1,303,237	\$ 237
Use of money and property	20,000	78,000	78,505	505
Total revenues	1,220,000	1,381,000	1,381,742	742
Expenditures				
Current:				
Public works	1,205,000	1,211,705	931,038	280,667
Capital outlay	475,000	840,160	399,945	440,215
Total expenditures	1,680,000	2,051,865	1,330,983	720,882
Excess (deficiency) of revenues over expenditures	(460,000)	(670,865)	50,759	721,624
Other Financing Sources (Uses)				
Transfers out	(15,000)	(15,000)	-	(15,000)
Total other financing sources (uses)	(15,000)	(15,000)	-	(15,000)
Net change in fund balances	<u>\$ (475,000)</u>	<u>\$ (685,865)</u>	50,759	<u>\$ 736,624</u>
Fund Balance, Beginning			<u>1,320,906</u>	
Fund Balance, Ending			<u>\$ 1,371,665</u>	

City of Galesburg, Illinois

Federal Special Enforcement Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 56,225	\$ 56,226	\$ 1
Use of money and property	-	1,950	1,954	4
Total revenues	-	58,175	58,180	5
Expenditures				
Current:				
Public safety	-	58,065	58,041	24
Total expenditures	-	58,065	58,041	24
Net change in fund balances	<u>\$ -</u>	<u>\$ 110</u>	139	<u>\$ 29</u>
Fund Balance, Beginning			-	
Fund Balance, Ending			<u>\$ 139</u>	

City of Galesburg, Illinois

State Special Enforcement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 13,000	\$ 29,585	\$ 18,588	\$ (10,997)
Fines and fees	10,000	3,600	3,529	(71)
Use of money and property	2,000	25,000	25,064	64
Contributions	-	4,500	4,500	-
Miscellaneous	-	400	400	-
Total revenues	<u>25,000</u>	<u>63,085</u>	<u>52,081</u>	<u>(11,004)</u>
Expenditures				
Current:				
Public safety	<u>36,650</u>	<u>36,650</u>	<u>12,720</u>	<u>23,930</u>
Total expenditures	<u>36,650</u>	<u>36,650</u>	<u>12,720</u>	<u>23,930</u>
Net change in fund balances	<u>\$ (11,650)</u>	<u>\$ 26,435</u>	39,361	<u>\$ 12,926</u>
Fund Balance, Beginning			<u>472,876</u>	
Fund Balance, Ending			<u>\$ 512,237</u>	

City of Galesburg, Illinois

Stormwater Utility Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 740,850	\$ 750,450	\$ 750,486	\$ 36
Intergovernmental	2,300	8,600	8,625	25
Use of money and property	700	53,940	54,035	95
Total revenues	743,850	812,990	813,146	156
Expenditures				
Current:				
Public works	534,320	700,345	651,218	49,127
Capital outlay	350,000	93,940	28,380	65,560
Total expenditures	884,320	794,285	679,598	114,687
Excess (deficiency) of revenues over expenditures	(140,470)	18,705	133,548	114,843
Other Financing Sources (Uses)				
Transfers out	(140,280)	(242,060)	(242,058)	2
Total other financing sources (uses)	(140,280)	(242,060)	(242,058)	2
Net change in fund balances	<u>\$ (280,750)</u>	<u>\$ (223,355)</u>	(108,510)	<u>\$ 114,845</u>
Fund Balance, Beginning			<u>1,000,503</u>	
Fund Balance, Ending			<u>\$ 891,993</u>	

City of Galesburg, Illinois

Foreign Fire Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 48,000	\$ 74,225	\$ 74,226	\$ 1
Use of money and property	-	7,195	7,198	3
Total revenues	48,000	81,420	81,424	4
Expenditures				
Current:				
Public safety	28,480	43,735	43,727	8
Total expenditures	28,480	43,735	43,727	8
Net change in fund balances	\$ 19,520	\$ 37,685	37,697	\$ 12
Fund Balance, Beginning			147,565	
Fund Balance, Ending			\$ 185,262	

City of Galesburg, Illinois

Airport Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 4,000	\$ 5,065	\$ 5,067	\$ 2
Charges for services	-	-	15	15
Intergovernmental	-	81,985	81,985	-
Use of money and property	222,500	337,700	337,798	98
Total revenues	226,500	424,750	424,865	115
Expenditures				
Current:				
General government	265,690	292,795	292,740	55
Total expenditures	265,690	292,795	292,740	55
Excess (deficiency) of revenues over expenditures	(39,190)	131,955	132,125	170
Other Financing Sources (Uses)				
Transfers in	76,390	76,390	-	76,390
Transfers out	(37,200)	(37,200)	(37,200)	-
Total other financing sources (uses)	39,190	39,190	(37,200)	76,390
Net change in fund balances	\$ -	\$ 171,145	94,925	\$ (76,220)
Fund Balance, Beginning			-	
Fund Balance, Ending			\$ 94,925	

City of Galesburg, Illinois

Property Redevelopment Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Charges for services	\$ 337,500	\$ 655,700	\$ 655,754	\$ 54
Use of money and property	2,800	55,800	55,849	49
Miscellaneous	-	-	316	316
Total revenues	340,300	711,500	711,919	419
Expenditures				
Current:				
General government	1,456,190	1,569,075	1,430,205	138,870
Total expenditures	1,456,190	1,569,075	1,430,205	138,870
Excess (deficiency) of revenues over expenditures	(1,115,890)	(857,575)	(718,286)	139,289
Other Financing Sources (Uses)				
Proceeds from the sale of assets	-	-	27	27
Transfers in	355,000	703,500	703,970	(470)
Total other financing sources (uses)	355,000	703,500	703,997	(443)
Net change in fund balances	<u>\$ (760,890)</u>	<u>\$ (154,075)</u>	(14,289)	<u>\$ 139,786</u>
Fund Balance, Beginning			<u>1,073,412</u>	
Fund Balance, Ending			<u>\$ 1,059,123</u>	

City of Galesburg, Illinois

Public Transportation Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,972,005	\$ 2,010,005	\$ 2,010,395	\$ 390
Use of money and property	96,325	109,635	108,796	(839)
Total revenues	2,068,330	2,119,640	2,119,191	(449)
Expenditures				
Current:				
General government	2,532,610	2,574,355	2,415,280	159,075
Total expenditures	2,532,610	2,574,355	2,415,280	159,075
Excess (deficiency) of revenues over expenditures	(464,280)	(454,715)	(296,089)	158,626
Other Financing Sources (Uses)				
Transfers in	464,280	925,280	657,895	267,385
Total other financing sources (uses)	464,280	925,280	657,895	267,385
Net change in fund balances	\$ -	\$ 470,565	361,806	\$ (108,759)
Fund Balance (Deficit), Beginning			(555,955)	
Fund Balance (Deficit), Ending			\$ (194,149)	

City of Galesburg, Illinois

Public Transportation Projects Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ 19,480	\$ 19,481	\$ 1
Total revenues	-	19,480	19,481	1
Expenditures				
Current:				
General government	-	6,930	6,925	5
Total expenditures	-	6,930	6,925	5
Excess (deficiency) of revenues over expenditures	-	12,550	12,556	6
Other Financing Sources (Uses)				
Proceeds from the sale of assets	-	1,600	1,600	-
Transfers out	-	(461,755)	(461,754)	(1)
Total other financing sources (uses)	-	(460,155)	(460,154)	(1)
Net change in fund balances	\$ -	\$ (447,605)	(447,598)	\$ 7
Fund Balance, Beginning			536,448	
Fund Balance, Ending			\$ 88,850	

City of Galesburg, Illinois

911 Communication Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 124,665	\$ 90,125	\$ 90,129	\$ 4
Total revenues	124,665	90,125	90,129	4
Expenditures				
Current:				
Public safety	124,665	124,665	90,129	34,536
Total expenditures	124,665	124,665	90,129	34,536
Net change in fund balances	\$ -	\$ (34,540)	-	\$ 34,540
Fund Balance, Beginning			-	
Fund Balance, Ending			\$ -	

City of Galesburg, Illinois

Town of the City of Galesburg Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 531,000	\$ 531,000	\$ 523,039	\$ (7,961)
Intergovernmental	235,000	235,000	181,548	(53,452)
Charges for services	20,000	20,000	24,750	4,750
Use of money and property	10,538	10,538	79,893	69,355
Miscellaneous	-	-	32,498	32,498
Total revenues	<u>796,538</u>	<u>796,538</u>	<u>841,728</u>	<u>45,190</u>
Expenditures				
Current:				
General government	738,024	736,024	584,904	151,120
Public safety	280,000	294,000	149,347	144,653
Capital outlay	<u>30,000</u>	<u>30,000</u>	<u>12,140</u>	<u>17,860</u>
Total expenditures	<u>1,048,024</u>	<u>1,060,024</u>	<u>746,391</u>	<u>313,633</u>
Net change in fund balances	<u>\$ (251,486)</u>	<u>\$ (263,486)</u>	95,337	<u>\$ 358,823</u>
Fund Balance, Beginning			<u>1,600,352</u>	
Fund Balance, Ending			<u>\$ 1,695,689</u>	

City of Galesburg, Illinois

Grants Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	<u>\$ 7,701,070</u>	<u>\$ 7,136,640</u>	<u>\$ 3,931,734</u>	<u>\$ (3,204,906)</u>
Total revenues	<u>7,701,070</u>	<u>7,136,640</u>	<u>3,931,734</u>	<u>(3,204,906)</u>
Expenditures				
Current:				
General government	28,000	75,895	49,790	26,105
Public safety	259,970	433,155	433,141	14
Miscellaneous	3,886,280	4,010,160	3,256,655	753,505
Capital Outlay	<u>4,320,020</u>	<u>4,789,255</u>	<u>1,282,974</u>	<u>3,506,281</u>
Total expenditures	<u>8,494,270</u>	<u>9,308,465</u>	<u>5,022,560</u>	<u>4,285,905</u>
Excess (deficiency) of revenues over expenditures	<u>(793,200)</u>	<u>(2,171,825)</u>	<u>(1,090,826)</u>	<u>1,080,999</u>
Other Financing Sources (Uses)				
Transfers in	<u>793,200</u>	<u>1,357,630</u>	<u>1,040,888</u>	<u>316,742</u>
Total other financing sources (uses)	<u>793,200</u>	<u>1,357,630</u>	<u>1,040,888</u>	<u>316,742</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (814,195)</u>	<u>(49,938)</u>	<u>\$ 764,257</u>
Fund Balance (Deficit), Beginning			<u>(158,819)</u>	
Fund Balance (Deficit), Ending			<u>\$ (208,757)</u>	

City of Galesburg, Illinois

Community Improvements / Infrastructure Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ -	\$ 482,000	\$ 482,607	\$ 607
Use of money and property	-	2,400	2,452	52
Total revenues	-	484,400	485,059	659
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	484,400	485,059	659
Other Financing Sources (Uses)				
Transfers out	-	(150)	(146)	(4)
Total other financing sources (uses)	-	(150)	(146)	(4)
Net change in fund balances	\$ -	\$ 484,250	484,913	\$ 663
Fund Balance, Beginning			-	
Fund Balance, Ending			\$ 484,913	

City of Galesburg, Illinois

2011C Business Park Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ 86,945	\$ 89,345	\$ 80,883	\$ (8,462)
Total revenues	86,945	89,345	80,883	(8,462)
Expenditures				
Current:				
General government	900	900	646	254
Debt service:				
Principal	310,000	310,000	310,000	-
Interest and fiscal charges	14,260	14,260	14,260	-
Total expenditures	325,160	325,160	324,906	254
Excess (deficiency) of revenues over expenditures	(238,215)	(235,815)	(244,023)	(8,208)
Other Financing Sources (Uses)				
Transfers in	238,215	238,215	244,023	5,808
Total other financing sources (uses)	238,215	238,215	244,023	5,808
Net change in fund balances	\$ -	\$ 2,400	-	\$ (2,400)
Fund Balance, Beginning			-	
Fund Balance, Ending			\$ -	

City of Galesburg, Illinois

2013A GO Bonds Business District Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 473	\$ 473
Miscellaneous	-	13,825	13,822	(3)
Total revenues	-	13,825	14,295	470
Expenditures				
Debt service:				
Principal	75,000	75,000	75,000	-
Interest and fiscal charges	41,980	41,980	41,576	404
Total expenditures	116,980	116,980	116,576	404
Excess (deficiency) of revenues over expenditures	(116,980)	(103,155)	(102,281)	874
Other Financing Sources (Uses)				
Transfers in	116,980	334,880	334,912	32
Total other financing sources (uses)	116,980	334,880	334,912	32
Net change in fund balances	\$ -	\$ 231,725	232,631	\$ 906
Fund Balance (Deficit), Beginning			(232,553)	
Fund Balance, Ending			\$ 78	

City of Galesburg, Illinois

2016 G.O. Bond Debt Service Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Debt service:				
Principal	425,000	425,000	425,000	-
Interest and fiscal charges	218,265	218,265	217,927	338
Total expenditures	643,265	643,265	642,927	338
Excess (deficiency) of revenues over expenditures	(643,265)	(643,265)	(642,927)	338
Other Financing Sources (Uses)				
Transfers in	643,265	643,265	642,927	(338)
Total other financing sources (uses)	643,265	643,265	642,927	(338)
Net change in fund balances	\$ -	\$ -	-	\$ -
Fund Balance, Beginning			-	
Fund Balance, Ending			\$ -	

City of Galesburg, Illinois

2023 GO Bond Debt Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Debt service:				
Interest and fiscal charges	-	150	146	4
Total expenditures	-	150	146	4
Excess (deficiency) of revenues over expenditures	-	(150)	(146)	4
Other Financing Sources (Uses)				
Transfers in	-	150	146	(4)
Total other financing sources (uses)	-	150	146	(4)
Net change in fund balances	\$ -	\$ -	-	\$ -
Fund Balance, Beginning			-	
Fund Balance, Ending			\$ -	

City of Galesburg, Illinois

2013A Business District Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 40,000	\$ 43,700	\$ 43,702	\$ 2
Use of money and property	10	405	406	1
Total revenues	40,010	44,105	44,108	3
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	40,010	44,105	44,108	3
Other Financing Sources (Uses)				
Transfers out	(40,010)	(40,010)	(40,010)	-
Total other financing sources (uses)	(40,010)	(40,010)	(40,010)	-
Net change in fund balances	\$ -	\$ 4,095	4,098	\$ 3
Fund Balance, Beginning			6,125	
Fund Balance, Ending			\$ 10,223	

City of Galesburg, Illinois

2023 GO Bond Capital Expense Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ 228,135	\$ 228,132	\$ (3)
Total revenues	-	228,135	228,132	(3)
Expenditures				
Debt service:				
Interest and fiscal charges	-	126,240	126,238	2
Capital outlay	-	540,715	540,714	1
Total expenditures	-	666,955	666,952	3
Excess (deficiency) of revenues over expenditures	-	(438,820)	(438,820)	-
Other Financing Sources (Uses)				
General obligation debt issued	-	4,920,000	4,920,000	-
Premium on debt issued	-	500,685	500,683	(2)
Total other financing sources (uses)	-	5,420,685	5,420,683	(2)
Net change in fund balances	\$ -	\$ 4,981,865	4,981,863	\$ (2)
Fund Balance, Beginning			-	
Fund Balance, Ending			\$ 4,981,863	

City of Galesburg, Illinois

Utility Tax Capital Projects Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 1,504,150	\$ 1,602,510	\$ 1,523,714	\$ (78,796)
Use of money and property	2,000	95,000	95,102	102
Total revenues	1,506,150	1,697,510	1,618,816	(78,694)
Expenditures				
Current:				
General government	183,500	238,430	194,024	44,406
Debt service:				
Interest and fiscal charges	9,920	9,920	9,920	-
Capital outlay	613,250	659,375	105,549	553,826
Total expenditures	806,670	907,725	309,493	598,232
Excess (deficiency) of revenues over expenditures	699,480	789,785	1,309,323	519,538
Other Financing Sources (Uses)				
Transfers out	(1,369,265)	(1,289,835)	(1,089,102)	200,733
Total other financing sources (uses)	(1,369,265)	(1,289,835)	(1,089,102)	200,733
Net change in fund balances	\$ (669,785)	\$ (500,050)	220,221	\$ 720,271
Fund Balance, Beginning			915,022	
Fund Balance, Ending			\$ 1,135,243	

City of Galesburg, Illinois

TIF 3 Regency Capital Project Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 74,410	\$ 77,830	\$ 77,833	\$ 3
Use of money and property	70	70	229	159
Total revenues	74,480	77,900	78,062	162
Expenditures				
Current:				
General government	160	160	-	160
Total expenditures	160	160	-	160
Excess (deficiency) of revenues over expenditures	74,320	77,740	78,062	322
Other Financing Sources (Uses)				
Transfers in	-	213,700	213,798	(98)
Transfers out	(75,325)	(75,325)	-	(75,325)
Total other financing sources (uses)	(75,325)	138,375	213,798	(75,423)
Net change in fund balances	\$ (1,005)	\$ 216,115	291,860	\$ 75,745
Fund Balance (Deficit), Beginning			(291,860)	
Fund Balance, Ending			\$ -	

City of Galesburg, Illinois

Building Repair and Maintenance Fund -
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ 36,130	\$ 109,130	\$ 109,301	\$ 171
Total revenues	36,130	109,130	109,301	171
Expenditures				
Current:				
Public works	41,000	42,010	27,569	14,441
Capital outlay	269,120	302,465	85,875	216,590
Total expenditures	310,120	344,475	113,444	231,031
Excess (deficiency) of revenues over expenditures	(273,990)	(235,345)	(4,143)	231,202
Other Financing Sources (Uses)				
Transfers in	99,360	99,360	99,360	-
Transfers out	-	(24,610)	(24,607)	3
Total other financing sources (uses)	99,360	74,750	74,753	3
Net change in fund balances	\$ (174,630)	\$ (160,595)	70,610	\$ 231,205
Fund Balance, Beginning			2,907,373	
Fund Balance, Ending			\$ 2,977,983	

City of Galesburg, Illinois

Computer Replacement Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ 22,300	\$ 65,005	\$ 65,003	\$ (2)
Total revenues	22,300	65,005	65,003	(2)
Expenditures				
Current:				
General government	258,300	420,970	383,373	37,597
Capital outlay	157,100	253,055	128,715	124,340
Total expenditures	415,400	674,025	512,088	161,937
Excess (deficiency) of revenues over expenditures	(393,100)	(609,020)	(447,085)	161,935
Other Financing Sources (Uses)				
Transfers in	80,400	80,400	80,400	-
Total other financing sources (uses)	80,400	80,400	80,400	-
Net change in fund balances	\$ (312,700)	\$ (528,620)	(366,685)	\$ 161,935
Fund Balance, Beginning			1,634,487	
Fund Balance, Ending			\$ 1,267,802	

City of Galesburg, Illinois

Vehicle Replacement Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ 59,125	\$ 247,525	\$ 252,515	\$ 4,990
Total revenues	59,125	247,525	252,515	4,990
Expenditures				
Current:				
General government	70,850	70,850	17,994	52,856
Capital outlay	646,000	1,621,890	1,398,173	223,717
Total expenditures	716,850	1,692,740	1,416,167	276,573
Excess (deficiency) of revenues over expenditures	(657,725)	(1,445,215)	(1,163,652)	281,563
Other Financing Sources (Uses)				
Proceeds from the sale of assets	-	7,500	7,500	-
Transfers in	1,484,400	2,449,980	2,449,980	-
Total other financing sources (uses)	1,484,400	2,457,480	2,457,480	-
Net change in fund balances	\$ 826,675	\$ 1,012,265	1,293,828	\$ 281,563
Fund Balance, Beginning			5,254,433	
Fund Balance, Ending			\$ 6,548,261	

City of Galesburg, Illinois

Players Fields Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Use of money and property	\$ 4,600	\$ 5,890	\$ 4,264	\$ (1,626)
Total revenues	<u>4,600</u>	<u>5,890</u>	<u>4,264</u>	<u>(1,626)</u>
Expenditures				
Current:				
Culture and recreation	<u>4,600</u>	<u>4,600</u>	<u>2,990</u>	<u>1,610</u>
Total expenditures	<u>4,600</u>	<u>4,600</u>	<u>2,990</u>	<u>1,610</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,290</u>	<u>1,274</u>	<u>\$ (16)</u>
Fund Balance, Beginning			<u>24,662</u>	
Fund Balance, Ending			<u>\$ 25,936</u>	

City of Galesburg, Illinois

Capital Planning Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ 264,000	\$ 264,798	\$ 798
Contributions	-	6,675	6,675	-
Miscellaneous	-	3,500	3,528	28
Total revenues	-	274,175	275,001	826
Expenditures				
Current:				
Economic development	-	1,818,385	1,818,366	19
Miscellaneous	275,000	292,810	260,944	31,866
Capital outlay	1,050,000	3,290,910	1,877,447	1,413,463
Total expenditures	1,325,000	5,402,105	3,956,757	1,445,348
Excess (deficiency) of revenues over expenditures	(1,325,000)	(5,127,930)	(3,681,756)	1,446,174
Other Financing Sources (Uses)				
Transfers in	50,000	2,615,315	2,615,321	(6)
Total other financing sources (uses)	50,000	2,615,315	2,615,321	(6)
Net change in fund balances	<u>\$ (1,275,000)</u>	<u>\$ (2,512,615)</u>	(1,066,435)	<u>\$ 1,446,180</u>
Fund Balance, Beginning			<u>7,435,418</u>	
Fund Balance, Ending			<u>\$ 6,368,983</u>	

City of Galesburg, Illinois

TIF IV Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 339,140	\$ 376,510	\$ 376,511	\$ 1
Use of money and property	4,000	55,250	55,248	(2)
Miscellaneous	-	2,570	2,567	(3)
Total revenues	343,140	434,330	434,326	(4)
Expenditures				
Current:				
General government	2,670	52,420	24,283	28,137
Miscellaneous	932,215	906,940	304,904	602,036
Capital outlay	-	10,540	-	10,540
Total expenditures	934,885	969,900	329,187	640,713
Excess (deficiency) of revenues over expenditures	(591,745)	(535,570)	105,139	640,709
Other Financing Sources (Uses)				
Transfers out	-	(200,000)	(200,000)	-
Total other financing sources (uses)	-	(200,000)	(200,000)	-
Net change in fund balances	<u>\$ (591,745)</u>	<u>\$ (735,570)</u>	(94,861)	<u>\$ 640,709</u>
Fund Balance, Beginning			<u>1,190,283</u>	
Fund Balance, Ending			<u>\$ 1,095,422</u>	

City of Galesburg, Illinois

TIF V Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 8,290	\$ 10,825	\$ 10,823	\$ (2)
Use of money and property	190	2,180	2,184	4
Total revenues	8,480	13,005	13,007	2
Expenditures				
Total expenditures	-	-	-	-
Net change in fund balances	\$ 8,480	\$ 13,005	13,007	\$ 2
Fund Balance, Beginning			36,242	
Fund Balance, Ending			\$ 49,249	

City of Galesburg, Illinois

Linwood Cemetery Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ 1,900	\$ 7,945	\$ 7,940	\$ (5)
Total revenues	1,900	7,945	7,940	(5)
Expenditures				
Current:				
General government	1,500	1,500	848	652
Total expenditures	1,500	1,500	848	652
Excess (deficiency) of revenues over expenditures	400	6,445	7,092	647
Other Financing Sources (Uses)				
Transfers out	(2,000)	(2,000)	(2,087)	(87)
Total other financing sources (uses)	(2,000)	(2,000)	(2,087)	(87)
Net change in fund balances	\$ (1,600)	\$ 4,445	5,005	\$ 560
Fund Balance, Beginning			74,894	
Fund Balance, Ending			\$ 79,899	

City of Galesburg, Illinois

East Linwood Cemetery Fund -

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Use of money and property	\$ 11,000	\$ 16,400	\$ 51,590	\$ 35,190
Miscellaneous	17,000	18,120	14,411	(3,709)
Total revenues	28,000	34,520	66,001	31,481
Expenditures				
Current:				
General government	6,500	6,500	5,546	954
Total expenditures	6,500	6,500	5,546	954
Excess (deficiency) of revenues over expenditures	21,500	28,020	60,455	32,435
Other Financing Sources (Uses)				
Transfers out	(8,700)	(13,655)	(13,652)	3
Total other financing sources (uses)	(8,700)	(13,655)	(13,652)	3
Net change in fund balances	\$ 12,800	\$ 14,365	46,803	\$ 32,438
Fund Balance, Beginning			491,370	
Fund Balance, Ending			\$ 538,173	

City of Galesburg, Illinois

Component Unit -
Statement of Net Position and Governmental Funds Combining Balance Sheet
December 31, 2023

	Galesburg Public Library	Galesburg Public Library Foundation	Total	Adjustments	Statement of Net Position
Assets					
Cash and cash equivalents	\$ 2,627,845	\$ 501,396	\$ 3,129,241	\$ -	\$ 3,129,241
Investments	-	2,218,476	2,218,476	-	2,218,476
Receivables (net):					
Property tax receivable	1,894,995	-	1,894,995	-	1,894,995
Accounts	10,623	1,060	11,683	-	11,683
Loans	-	1,000,000	1,000,000	(1,000,000)	-
Due from other governments	4,611,911	-	4,611,911	-	4,611,911
Prepaid items	519,272	-	519,272	-	519,272
Capital assets not being depreciated	-	-	-	18,655,515	18,655,515
Capital assets being depreciated, net of accumulated depreciation	-	1,407	1,407	751,727	753,134
Total assets	9,664,646	3,722,339	13,386,985	18,407,242	31,794,227
Deferred Outflows of Resources					
Deferred outflows related to pensions	-	-	-	468,339	468,339
Deferred outflows related to OPEB	-	-	-	4,842	4,842
Total deferred outflows of resources	-	-	-	473,181	473,181
Liabilities					
Current liabilities:					
Accounts payable	1,593,861	158	1,594,019	-	1,594,019
Accrued liabilities	19,010	-	19,010	-	19,010
Accrued interest payable	-	-	-	53,181	53,181
Payroll taxes payable	-	2,069	2,069	-	2,069
Due to other governments	1,000,040	-	1,000,040	(1,000,000)	40
Due to component unit	1,093	-	1,093	-	1,093
Advances from primary government	409,535	-	409,535	-	409,535
Unearned revenues	8,500	-	8,500	-	8,500
Noncurrent liabilities:					
Due within one year	-	-	-	4,042,197	4,042,197
Due in more than one year	-	-	-	687,502	687,502
Total liabilities	3,032,039	2,227	3,034,266	3,782,880	6,817,146
Deferred Inflows of Resources					
Property taxes levied for future periods	1,894,995	-	1,894,995	-	1,894,995
Unavailable revenue	4,611,911	-	4,611,911	(4,611,911)	-
Deferred inflows related to pensions	-	-	-	56,887	56,887
Deferred inflows related to OPEB	-	-	-	7,199	7,199
Total deferred inflows of resources	6,506,906	-	6,506,906	(4,547,825)	1,959,081
Fund Balance / Net Position					
Net investment in capital assets	-	-	-	18,631,564	18,631,564
Nonspendable	519,272	-	519,272	(519,272)	-
Temporary restricted, Foundation	-	1,033,960	1,033,960	-	1,033,960
Unassigned/Unrestricted	(393,571)	2,686,152	2,292,581	1,533,076	3,825,657
Total fund balance/net position	\$ 125,701	\$ 3,720,112	\$ 3,845,813	\$ 19,645,368	\$ 23,491,181

City of Galesburg, Illinois

Component Unit -

Statement of Activities and Governmental Fund

Combining Statement of Revenues, Expenditures & Changes in Fund Balances/Net Position

Year Ended December 31, 2023

	Galesburg Public Library	Galesburg Public Library Foundation	Total	Adjustments	Statement of Activities
Revenues					
Property taxes	\$ 1,697,562	\$ -	\$ 1,697,562	\$ -	\$ 1,697,562
Intergovernmental	4,714,975	-	4,714,975	4,611,911	9,326,886
Licenses and permits	2,158	-	2,158	-	2,158
Charges for services	3,546	-	3,546	-	3,546
Fines and fees	1,167	-	1,167	-	1,167
Use of money and property	125,743	288,500	414,243	-	414,243
Miscellaneous	786,152	744,728	1,530,880	-	1,530,880
Total revenues	7,331,303	1,033,228	8,364,531	4,611,911	12,976,442
Expenditures/Expenses					
Current:					
Culture and recreation	1,972,678	833,293	2,805,971	87,772	2,893,743
Capital outlay	8,950,890	-	8,950,890	(8,950,890)	-
Debt service:					
Principal retirement	2,000,000	-	2,000,000	(2,000,000)	-
Interest and fiscal charges	87,673	-	87,673	53,181	140,854
Total expenditures/expenses	13,011,241	833,293	13,844,534	(10,809,937)	3,034,597
Excess (deficiency) of revenues over expenditures	(5,679,938)	199,935	(5,480,003)	15,421,848	9,941,845
Other Financing Sources (Uses)					
Transfers in	258,321	-	258,321	(258,321)	-
Transfers out	(258,321)	-	(258,321)	258,321	-
Debt certificates issued	4,001,000	-	4,001,000	(4,001,000)	-
Total other financing sources (uses)	4,001,000	-	4,001,000	(4,001,000)	-
Net change in fund balance/net position	(1,678,938)	199,935	(1,479,003)	11,420,848	9,941,845
Fund Balance/Net Position, Beginning	1,804,639	3,520,177	5,324,816	8,224,520	13,549,336
Fund Balance/Net Position, Ending	\$ 125,701	\$ 3,720,112	\$ 3,845,813	\$ 19,645,368	\$ 23,491,181

The statistical section of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	156 - 165
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax).	166 - 174
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	175 - 177
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	178 - 181
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	182 - 185

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

City of Galesburg, Illinois

Statistical Section

Comments Relative to Statistical Section

The following statistical table recommended by the National Council on Governmental Accounting is not included for the reason stated below.

The table showing legal debt margin is omitted because as a "Home Rule" unit established by the 1970 Illinois Constitution, the Sample City has no statutory debt limit. Nonhome Rule units in Illinois may issued bonds up to 8.625 percent of Assessed Valuation. Some Types of General Obligation Bonds may be issued up to 5 percent of Assessed Valuation.

City of Galesburg, Illinois

Net Position By Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	<u>2014</u>	<u>2015*</u>	<u>2016</u>	<u>2017</u>
Governmental activities:				
Net investment in capital assets	\$ 51,452,927	\$ 63,739,737	\$ 63,792,831	\$ 65,500,187
Restricted	10,923,284	9,079,864	10,624,226	11,440,849
Unrestricted	<u>27,953,253</u>	<u>(19,157,970)</u>	<u>(21,878,584)</u>	<u>(26,361,249)</u>
Total governmental activities net position	<u>\$ 90,329,464</u>	<u>\$ 53,661,631</u>	<u>\$ 52,538,473</u>	<u>\$ 50,579,787</u>
Business-type activities:				
Net investment in capital assets	\$ 16,374,116	\$ 17,144,205	\$ 17,947,204	\$ 18,662,529
Restricted	1,841,849	1,882,380	1,931,899	115,195
Unrestricted	<u>8,007,034</u>	<u>8,627,065</u>	<u>8,585,924</u>	<u>10,233,257</u>
Total business-type activities net position	<u>\$ 26,222,999</u>	<u>\$ 27,653,650</u>	<u>\$ 28,465,027</u>	<u>\$ 29,010,981</u>
Primary government:				
Net investment in capital assets	\$ 67,827,043	\$ 80,883,942	\$ 81,740,035	\$ 84,162,716
Restricted	12,765,133	10,962,244	12,556,125	11,556,044
Unrestricted	<u>35,960,287</u>	<u>(10,530,905)</u>	<u>(13,292,660)</u>	<u>(16,127,992)</u>
Total primary government net position	<u>\$ 116,552,463</u>	<u>\$ 81,315,281</u>	<u>\$ 81,003,500</u>	<u>\$ 79,590,768</u>

*The City implemented GASB Statement No. 68 in 2015. Prior years have not been restated.

**The City implemented GASB Statement No. 75 in 2018. Prior years have not been restated.

2018**	2019	2020	2021	2022	2023
\$ 66,126,310	\$ 70,078,243	\$ 70,812,000	\$ 71,628,870	\$ 74,342,164	\$ 76,426,334
9,382,619	8,796,867	8,464,898	8,556,462	14,029,551	11,445,414
(44,150,644)	(50,444,236)	(56,479,267)	(57,474,570)	(54,193,129)	(47,543,806)
<u>\$ 31,358,285</u>	<u>\$ 28,430,874</u>	<u>\$ 22,797,631</u>	<u>\$ 22,710,762</u>	<u>\$ 34,178,586</u>	<u>\$ 40,327,942</u>
\$ 18,786,318	\$ 19,486,089	\$ 21,470,231	\$ 22,398,727	\$ 23,302,567	\$ 23,345,738
-	-	-	-	1,065,999	-
9,563,406	9,478,377	8,400,225	8,943,695	8,733,821	11,708,385
<u>\$ 28,349,724</u>	<u>\$ 28,964,466</u>	<u>\$ 29,870,456</u>	<u>\$ 31,342,422</u>	<u>\$ 33,102,387</u>	<u>\$ 35,054,123</u>
\$ 84,912,628	\$ 89,564,332	\$ 92,282,231	\$ 94,027,597	\$ 97,644,731	\$ 99,772,072
9,382,619	8,796,867	8,464,898	8,556,462	15,095,550	11,445,414
(34,587,238)	(40,965,859)	(48,079,042)	(48,530,875)	(45,459,308)	(35,835,421)
<u>\$ 59,708,009</u>	<u>\$ 57,395,340</u>	<u>\$ 52,668,087</u>	<u>\$ 54,053,184</u>	<u>\$ 67,280,973</u>	<u>\$ 75,382,065</u>

City of Galesburg, Illinois

Changes In Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	2014	2015	2016	2017
Expenses				
Governmental activities:				
General government	\$ 10,426,751	\$ 9,380,664	\$ 8,248,902	\$ 9,306,471
Economic development	1,486,124	1,905,456	2,268,500	2,008,950
Public safety	14,021,956	16,456,993	18,224,515	22,072,437
Public works	7,386,062	5,811,833	6,973,467	6,710,310
Culture and recreation	3,461,428	3,801,421	3,641,663	4,224,280
Interest on long-term debt	217,311	199,491	430,255	425,771
Total governmental activities expenses	36,999,632	37,555,858	39,787,302	44,748,219
Business-Type Activities				
Water	6,011,693	5,067,996	5,419,955	5,920,927
Refuse	2,180,298	2,244,566	2,305,095	2,391,562
Total business-type activities expenses	8,191,991	7,312,562	7,725,050	8,312,489
Total primary government expenses	45,191,623	44,868,420	47,512,352	53,060,708
Program Revenue				
Governmental activities:				
Charges for services:				
General government	3,397,076	2,700,392	2,398,183	2,575,497
Economic development	6,157	6,525	5,990	5,310
Public safety	1,149,013	1,114,419	1,189,755	1,246,902
Public works	11,347	60,114	43,562	75,899
Culture and recreation	657,088	895,304	909,345	879,680
Operating grants and contributions:				
General government	1,578,654	1,134,256	1,362,415	2,982,046
Public safety	35,250	353,202	62,545	504,469
Public works	-	-	-	-
Capital grants and contributions:				
General government	6,398,917	6,209,660	380,165	1,757,054
Public works	1,100,260	8,185,232	1,903,931	420,860
Total governmental activities program revenue	14,333,762	20,659,104	8,255,891	10,447,717
Business-Type Activities				
Charges for services:				
Water	5,787,338	5,830,076	6,042,198	6,154,575
Refuse	2,260,260	2,312,419	2,358,692	2,468,372
Operating grants and contributions:				
Water	5,930	-	-	-
Refuse	-	-	-	-
Capital grants and contributions:				
Water	-	596,610	-	-
Total business-type activities program revenues	8,053,528	8,739,105	8,400,890	8,622,947
Total primary government program revenues	22,387,290	29,398,209	16,656,781	19,070,664
Net (Expense) Revenue				
Governmental activities	(22,665,870)	(16,896,754)	(31,531,411)	(34,300,502)
Business-type activities	(138,463)	1,426,543	675,840	310,458
Total primary government net expense	(22,804,333)	(15,470,211)	(30,855,571)	(33,990,044)

2018	2019	2020	2021	2022	2023
\$ 10,992,849	\$ 10,651,157	\$ 11,550,509	\$ 12,231,634	\$ 9,560,432	\$ 12,712,002
3,389,260	1,967,235	2,089,501	1,737,407	2,730,864	4,623,157
21,413,721	24,782,293	26,287,931	24,473,488	20,772,599	19,968,692
6,658,379	6,272,794	6,348,081	6,522,596	8,037,839	6,290,111
4,566,350	3,970,192	4,596,048	3,849,239	4,209,597	4,570,406
395,346	362,007	337,940	322,655	298,940	568,455
47,415,905	48,005,678	51,210,010	49,137,019	45,610,271	48,732,823
6,076,418	6,381,984	6,431,060	5,348,804	5,604,925	5,895,026
2,530,820	2,579,990	2,688,662	2,794,057	2,821,965	2,867,189
8,607,238	8,961,974	9,119,722	8,142,861	8,426,890	8,762,215
56,023,143	56,967,652	60,329,732	57,279,880	54,037,161	57,495,038
2,801,320	2,935,246	2,906,591	3,436,233	3,535,118	3,838,760
3,798	39,030	287,559	19,853	186,116	658,724
1,193,653	1,204,958	1,132,756	1,362,274	1,301,104	1,397,930
66,469	84,673	73,722	475,806	56,567	48,520
887,535	865,211	642,741	868,407	1,070,820	1,316,160
3,647,909	4,851,809	6,468,193	5,683,340	8,317,332	5,659,175
138,824	67,221	82,279	102,839	157,712	277,525
-	-	19,507	2,584	70	636
849,360	58,973	289,396	125,379	235,354	428,396
108,545	2,058,593	1,202,371	710,749	2,338,896	107,234
9,697,413	12,165,714	13,105,115	12,787,464	17,199,089	13,733,060
6,599,837	6,678,978	7,203,364	6,776,659	7,149,257	7,426,343
2,528,662	2,599,519	2,686,297	2,812,322	2,902,703	3,083,941
-	30,599	776	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,128,499	9,309,096	9,890,437	9,588,981	10,051,960	10,510,284
18,825,912	21,474,810	22,995,552	22,376,445	27,251,049	24,243,344
(37,718,492)	(35,839,964)	(38,104,895)	(36,349,555)	(28,411,182)	(34,999,763)
521,261	347,122	770,715	1,446,120	1,625,070	1,748,069
(37,197,231)	(35,492,842)	(37,334,180)	(34,903,435)	(26,786,112)	(33,251,694)

(Continued)

City of Galesburg, Illinois

Changes In Net Position (Continued)

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Revenues and Other Changes in Net Position			
Governmental activities:			
Taxes:			
Property taxes	\$ 8,025,087	\$ 8,458,821	\$ 9,033,770
State income tax	3,677,911	4,197,294	3,874,965
Sales taxes	8,941,898	9,008,695	9,138,074
Local utility taxes	-	-	2,218,708
Other taxes	4,513,348	4,830,219	4,817,168
Franchise fees	405,815	406,266	418,674
Investment earnings	152,056	168,384	299,277
Miscellaneous	173,238	705,344	607,617
Transfers	-	-	-
Total governmental activities	<u>25,889,353</u>	<u>27,775,023</u>	<u>30,408,253</u>
Business-type activities:			
Investment earnings	26,963	50,280	67,068
Miscellaneous	14,890	15,757	68,469
Transfers	-	-	-
Total business-type activities	<u>41,853</u>	<u>66,037</u>	<u>135,537</u>
Total primary government	<u>25,931,206</u>	<u>27,841,060</u>	<u>30,543,790</u>
Changes in net position:			
Governmental activities	3,223,483	10,878,269	(1,123,158)
Business-type activities	(96,610)	1,492,580	811,377
Total primary government	<u>\$ 3,126,873</u>	<u>\$ 12,370,849</u>	<u>\$ (311,781)</u>

2017	2018	2019	2020	2021	2022	2023
\$ 9,541,732	\$ 9,419,335	\$ 9,665,453	\$ 9,654,393	\$ 9,570,695	\$ 9,645,775	\$ 9,028,485
3,757,675	4,051,395	4,540,628	4,982,939	5,507,912	6,152,641	6,001,710
9,138,895	9,446,869	9,476,544	10,024,794	11,947,870	11,845,330	12,600,846
2,228,891	2,431,396	2,332,084	2,155,282	2,366,807	2,600,963	2,274,200
4,995,660	4,885,938	5,199,506	4,381,227	6,001,666	8,056,559	7,322,889
422,760	403,957	393,739	379,892	385,366	372,904	335,368
446,537	714,247	923,548	437,168	137,747	660,743	2,646,435
1,809,666	887,002	381,051	455,957	344,623	544,091	577,533
-	-	-	-	-	-	361,653
32,341,816	32,240,139	32,912,553	32,471,652	36,262,686	39,879,006	41,149,119
99,641	202,127	267,620	128,670	24,742	138,802	565,320
135,855	77,729	-	6,605	1,104	(3,907)	-
-	-	-	-	-	-	(361,653)
235,496	279,856	267,620	135,275	25,846	134,895	203,667
32,577,312	32,519,995	33,180,173	32,606,927	36,288,532	40,013,901	41,352,786
(1,958,686)	(5,478,353)	(2,927,411)	(5,633,243)	(86,869)	11,467,824	6,149,356
545,954	801,117	614,742	905,990	1,471,966	1,759,965	1,951,736
\$ (1,412,732)	\$ (4,677,236)	\$ (2,312,669)	\$ (4,727,253)	\$ 1,385,097	\$ 13,227,789	\$ 8,101,092

(Concluded)

City of Galesburg, Illinois

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Nonspendable	\$ 387,939	\$ 352,361	\$ 314,201	\$ 363,528
Restricted	355,923	29,823	29,889	12,795
Committed	370,899	192,766	232,553	209,009
Unassigned	<u>6,566,847</u>	<u>6,587,692</u>	<u>6,573,454</u>	<u>6,991,851</u>
Total general fund	<u>7,681,608</u>	<u>7,162,642</u>	<u>7,150,097</u>	<u>7,577,183</u>
All Other Governmental Funds				
Nonspendable	563,864	540,602	495,305	506,234
Restricted	8,114,466	7,645,407	17,784,956	14,294,156
Committed	7,716,130	7,970,913	8,789,239	9,737,039
Assigned	12,926,080	12,582,445	12,105,602	12,397,721
Unassigned	<u>(1,463,464)</u>	<u>(1,254,144)</u>	<u>(1,199,351)</u>	<u>(1,229,928)</u>
Total all other government funds	<u>\$ 27,857,076</u>	<u>\$ 27,485,223</u>	<u>\$ 37,975,751</u>	<u>\$ 35,705,222</u>

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 293,356	\$ 266,254	\$ 380,886	\$ 1,057,855	\$ 1,039,485	\$ 985,530
12,795	12,795	12,792	12,795	12,795	12,795
199,801	199,650	222,856	260,206	627,065	580,948
<u>8,272,593</u>	<u>9,626,180</u>	<u>11,312,598</u>	<u>12,253,147</u>	<u>11,235,783</u>	<u>10,753,599</u>
 <u>8,778,545</u>	 <u>10,104,879</u>	 <u>11,929,132</u>	 <u>13,584,003</u>	 <u>12,915,128</u>	 <u>12,332,872</u>
 539,799	 547,179	 644,250	 681,797	 753,851	 822,335
9,638,418	8,026,131	7,423,477	7,715,696	7,332,468	10,857,164
10,350,686	10,190,597	9,914,430	11,278,469	15,093,042	11,481,506
12,931,691	13,530,588	14,127,134	14,760,350	17,636,575	22,816,868
<u>(1,598,320)</u>	<u>(1,297,267)</u>	<u>(2,079,200)</u>	<u>(1,286,643)</u>	<u>(1,261,915)</u>	<u>(430,579)</u>
 <u>\$ 31,862,274</u>	 <u>\$ 30,997,228</u>	 <u>\$ 30,030,091</u>	 <u>\$ 33,149,669</u>	 <u>\$ 39,554,021</u>	 <u>\$ 45,547,294</u>

City of Galesburg, Illinois

Changes In Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Unaudited)

	2014	2015	2016	2017
Revenues				
Property taxes	\$ 8,025,087	\$ 8,458,821	\$ 9,033,770	\$ 9,541,732
Other taxes	7,055,982	7,459,717	9,955,260	10,235,859
Intergovernmental	19,255,996	20,150,887	14,044,207	17,247,795
Licenses and permits	303,442	313,835	311,327	329,799
Charges for services	960,001	1,254,793	966,862	1,057,294
Fines and fees	392,776	334,872	344,590	419,615
Use of money and property	1,657,831	1,905,241	2,005,080	2,133,287
Other, primarily contributions	178,270	699,301	440,584	723,846
Total revenues	<u>37,829,385</u>	<u>40,577,467</u>	<u>37,101,680</u>	<u>41,689,227</u>
Expenditures				
General government	8,086,615	7,345,258	6,945,661	6,714,688
Economic development	856,177	1,102,282	794,240	717,245
Public safety	13,721,786	15,473,856	15,118,405	16,384,103
Public works	4,960,632	4,465,772	5,416,330	4,738,099
Culture and recreation	2,606,710	3,688,566	3,342,100	3,625,399
Other	2,173,970	2,835,652	1,427,368	2,567,311
Debt service:				
Principal	792,725	837,725	1,210,000	1,225,000
Interest and fiscal agent fees	259,171	227,930	477,632	470,249
Capital outlay	<u>5,616,081</u>	<u>5,522,623</u>	<u>1,801,654</u>	<u>7,098,520</u>
Total expenditures	<u>39,073,867</u>	<u>41,499,664</u>	<u>36,533,390</u>	<u>43,540,614</u>
Excess of revenues (under) expenditures	<u>(1,244,482)</u>	<u>(922,197)</u>	<u>568,290</u>	<u>(1,851,387)</u>
Other Financing Sources (Uses)				
Issuance of long-term debt	-	-	9,600,000	-
Proceeds from sale of capital assets	24,268	31,378	2,243	7,944
Bond premium	-	-	307,450	-
Transfers in	3,362,576	2,172,027	2,209,391	2,638,340
Transfers out	<u>(3,346,332)</u>	<u>(2,172,027)</u>	<u>(2,209,391)</u>	<u>(2,638,340)</u>
Total other financing sources (uses)	<u>40,512</u>	<u>31,378</u>	<u>9,909,693</u>	<u>7,944</u>
Net changes in fund balance	<u>\$ (1,203,970)</u>	<u>\$ (890,819)</u>	<u>\$ 10,477,983</u>	<u>\$ (1,843,443)</u>
Debt service as a percentage of noncapital expenditures	3.14%	2.96%	4.86%	4.65%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 9,419,335	\$ 9,665,453	\$ 9,654,393	\$ 9,570,695	\$ 9,645,775	\$ 9,028,485
10,566,961	10,660,820	10,351,443	12,264,603	12,792,002	13,097,085
16,044,387	18,493,997	20,080,853	23,090,773	27,673,238	23,722,879
338,115	363,599	299,889	387,349	414,252	441,907
1,220,539	1,108,239	1,341,266	1,270,663	1,442,403	2,078,707
447,782	407,934	329,410	409,238	368,295	340,971
2,422,328	2,598,159	1,801,196	1,910,734	2,672,003	4,882,140
266,926	268,736	422,934	242,792	217,521	306,730
<u>40,726,373</u>	<u>43,566,937</u>	<u>44,281,384</u>	<u>49,146,847</u>	<u>55,225,489</u>	<u>53,898,904</u>
7,329,243	7,779,109	8,612,597	8,879,242	8,301,225	9,017,289
2,391,827	1,029,517	1,577,452	447,032	1,665,848	3,702,393
16,407,314	17,150,554	17,887,688	18,088,721	22,269,607	21,819,222
4,749,904	4,235,111	4,480,544	4,854,619	6,426,486	4,275,232
3,751,977	3,419,021	2,992,771	3,691,776	4,082,207	4,139,747
3,177,276	3,104,994	2,983,306	4,249,018	2,372,214	4,093,425
1,275,000	1,280,000	710,000	735,000	838,790	875,880
433,749	393,092	361,859	345,182	320,101	413,871
4,518,683	4,725,897	3,832,577	3,086,723	3,252,007	5,948,672
<u>44,034,973</u>	<u>43,117,295</u>	<u>43,438,794</u>	<u>44,377,313</u>	<u>49,528,485</u>	<u>54,285,731</u>
<u>(3,308,600)</u>	<u>449,642</u>	<u>842,590</u>	<u>4,769,534</u>	<u>5,697,004</u>	<u>(386,827)</u>
-	-	-	-	-	4,920,000
43,239	11,646	14,526	4,915	8,873	15,508
-	-	-	-	-	500,683
3,710,458	4,931,368	4,935,333	4,576,963	11,392,665	9,124,359
<u>(3,086,683)</u>	<u>(4,931,368)</u>	<u>(4,935,333)</u>	<u>(4,576,963)</u>	<u>(11,363,065)</u>	<u>(8,762,706)</u>
<u>667,014</u>	<u>11,646</u>	<u>14,526</u>	<u>4,915</u>	<u>38,473</u>	<u>5,797,844</u>
<u>\$ (2,641,586)</u>	<u>\$ 461,288</u>	<u>\$ 857,116</u>	<u>\$ 4,774,449</u>	<u>\$ 5,735,477</u>	<u>\$ 5,411,017</u>
4.32%	4.36%	2.71%	2.62%	2.50%	2.67%

City of Galesburg, Illinois

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rates					Total Direct
	General Fund	Fire	Illinois Municipal Retirement Fund	Galesburg Public Library	Township	
2014	0.91076	0.94253	0.20067	0.43578	0.16144	2.651
2015	0.97015	0.96471	0.19869	0.44462	0.15985	2.738
2016	1.14933	0.95001	0.19566	0.43784	0.15741	2.890
2017	1.13822	1.04243	0.11957	0.44612	0.15277	2.899
2018	1.04070	1.11756	0.11835	0.44154	0.15121	2.869
2019	1.05148	1.12237	0.08200	0.42971	0.14715	2.833
2020	0.98996	1.14671	0.08010	0.43792	0.14375	2.798
2021	1.00803	1.08071	0.07832	0.43334	0.14601	2.746
2022	1.07382	1.04282	0.07743	0.44449	0.14437	2.783
2023	1.00907	0.93226	0.07180	0.43228	0.13324	2.579

Source: City records and Knox County Circuit Clerk

Notes: Overlapping rates are those of local and county governments that apply to property owners within the City.

Overlapping Rates

Galesburg School District #205	Knox County	Galesburg Sanitary District	Carl Sandburg College District #518
4.46713	1.31632	0.31251	0.62516
4.59146	1.31914	0.31426	0.61915
4.70178	1.32510	0.31862	0.60345
4.95759	1.33005	0.31028	0.66725
4.83436	1.36373	0.29861	0.65244
4.83436	1.31864	0.30602	0.64308
4.88974	1.31560	0.30571	0.65943
4.90212	1.28832	0.31007	0.64292
4.73987	1.29043	0.31338	0.60442
4.70658	1.29769	0.30355	0.59083

City of Galesburg, Illinois

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railway Property	Total Taxable Assessed Value
2014	\$ 172,972,143	\$ 111,399,641	\$ 9,191,100	\$ 877,630	\$ 22,137,123	\$ 316,577,637
2015	173,299,061	114,388,506	8,644,310	951,950	22,467,177	319,751,004
2016	175,275,760	116,346,621	8,612,190	852,010	23,605,742	324,692,323
2017	178,282,965	121,543,671	8,666,130	866,090	25,180,759	334,539,615
2018	178,538,545	123,177,891	8,668,670	884,350	26,744,789	338,014,245
2019	184,772,310	124,243,111	8,744,150	934,940	28,629,168	347,323,679
2020	186,888,191	127,571,276	8,846,430	987,470	31,257,896	355,551,263
2021	191,369,364	126,559,736	9,225,150	1,039,930	35,519,728	363,713,908
2022	190,597,156	126,524,606	9,462,180	1,092,900	40,242,145	367,918,987
2023	205,340,082	137,125,759	9,462,180	1,161,630	43,895,366	396,985,017

Source: City Assessor's Office

Total Gross Assessed Value	Total Direct Tax Rate	Total Estimated Actual Value	Value as a Percentage Actual Value
\$ 389,890,971	2.651	\$ 1,169,672,913	33.33 %
392,841,567	2.738	1,178,524,701	33.33
397,944,982	2.890	1,193,834,946	33.33
409,290,589	2.899	1,227,871,767	33.33
412,320,399	2.869	1,236,961,197	33.33
423,201,708	2.833	1,269,605,124	33.33
430,529,946	2.798	1,291,589,838	33.33
440,893,148	2.746	1,322,679,444	33.33
446,459,765	2.783	1,339,379,295	33.33
472,258,356	2.579	1,416,775,068	33.33

City of Galesburg, Illinois

Principal Property Taxpayers
Current Year and Ten Years Ago
(Unaudited)

Taxpayer	2023		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Burlington Northern/Santa Fe	\$ 40,237,185	1	10.14%
OSF Healthcare	8,840,550	2	2.23%
Seminary Manor, Seminary Estates & Hawthorne Inn & Achievement Unlimited	5,668,850	3	1.43%
Wal-Mart	4,432,220	4	1.12%
HyVee Food Stores Inc	3,000,890	5	0.76%
Y & O Galesburg LLC et al	2,961,330	6	0.75%
Phoenix Galesburg Industrial	2,681,200	7	0.68%
Lowe's Home Centers	2,493,470	8	0.63%
Rural Rentals LLC	2,078,080	9	0.52%
United Facilities	2,015,250	10	0.51%
Total	<u>\$ 74,409,025</u>		<u>18.77%</u>

Taxpayer	2013		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Burlington Northern/Santa Fe	\$ 21,367,871	1	6.73%
OSF Healthcare	3,788,430	5	1.19%
Seminary Manor, Seminary Estates & Hawthorne Inn & Achievement Unlimited	6,411,520	3	2.02%
Wal-Mart	4,055,460	4	1.28%
HyVee Food Stores Inc	2,390,470	8	0.75%
Lowe's Home Centers	2,250,080	9	0.71%
United Facilities	1,956,550	10	0.62%
Galesburg Hospital Corp	7,035,440	2	2.21%
Menard Inc	3,035,810	6	0.96%
The Villas at Carl Sanburg LLC	2,450,290	7	0.77%
Total	<u>\$ 54,741,921</u>		<u>17.24%</u>

Source: City Assessor's Office

City of Galesburg, Illinois

Property Tax Levies And Collections
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year Ended	Tax Year	Taxes Levied for the Tax Year	Total Fiscal Year Collection		Collections in Subsequent Years	Total Current Year Levy Collection	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2014	2013	\$ 7,881,960	\$ 7,847,373	99.56	\$ (5,198)	\$ 7,852,571	99.63
2015	2014	8,243,467	8,269,247	100.31	26,107	8,243,140	100.00
2016	2015	8,873,322	8,870,039	99.96	511	8,869,528	99.96
2017	2016	9,187,595	9,188,337	100.01	4,910	9,183,427	99.95
2018	2017	9,187,734	9,136,055	99.44	(3,035)	9,139,090	99.47
2019	2018	9,327,586	9,321,849	99.94	20,592	9,301,257	99.72
2020	2019	9,438,819	9,424,130	99.84	3,305	9,420,825	99.81
2021	2020	9,458,051	9,431,536	99.72	(3,371)	9,434,908	99.76
2022	2021	9,707,763	9,705,937	99.98	53,417	9,652,520	99.43
2023	2022	9,707,911	9,587,181	98.76	(52,313)	9,639,494	99.30

Source: Knox County Circuit Clerk

Note: Collections in Subsequent years include taxes received as well as abatements deducted for prior years

City of Galesburg, Illinois

Taxable Sales by Category
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
General merchandise	\$ 1,134,271	\$ 1,180,549	\$ 1,143,338	\$ 1,119,726
Food	845,967	852,400	839,231	844,909
Drinking and eating places	561,082	587,733	584,949	588,154
Apparel	51,465	52,410	48,951	41,999
Furniture, H.H. and radio	110,590	107,874	118,568	106,393
Lumber, bldg, hardware	529,917	564,372	561,379	551,685
Automotive and filling stations	1,123,279	1,117,935	1,141,555	1,244,062
Drugs and misc retail	656,535	652,330	700,735	695,764
Agriculture and all others	311,713	274,843	291,533	365,289
Manufacturers	28,263	20,238	55,836	(4,388)
Total	\$ 5,353,083	\$ 5,410,685	\$ 5,486,074	\$ 5,553,593
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%
Number of taxpayers	782	775	754	765

Source: Illinois Department of Revenue

* Due to a new Illinois law regarding tax collection by remote retailers, the number of taxpayers increased significantly.

2018	2019	2020	2021	2022	2023
\$ 1,155,822	\$ 1,176,875	\$ 1,136,015	\$1,223,851	\$1,237,855	\$1,280,932
887,874	922,281	1,225,462	990,136	1,042,657	1,054,178
601,763	623,848	557,267	670,960	696,592	745,783
41,051	41,812	29,809	47,729	34,853	31,527
95,384	91,477	89,894	107,324	92,449	86,738
553,147	588,515	689,217	719,818	719,177	704,680
1,274,273	1,239,553	1,106,763	1,409,305	1,330,122	1,338,450
725,894	780,583	880,485	1,201,690	1,188,987	1,272,690
368,029	296,518	340,245	529,606	461,509	476,397
28,236	28,407	57,732	21,280	43,037	45,682
<u><u>\$ 5,731,473</u></u>	<u><u>\$ 5,789,868</u></u>	<u><u>\$ 6,112,887</u></u>	<u><u>\$ 6,921,699</u></u>	<u><u>\$ 6,847,238</u></u>	<u><u>\$ 7,037,057</u></u>
1.00%	1.00%	1.00%	1.00%	1.00%	1.25%
723	730	702	2,545*	3,301	4,046

City of Galesburg, Illinois

Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Knox County	State of Illinois	Total
2014	1.00000	1.25000	6.25000	8.50000
2015	1.00000	1.50000	6.25000	8.75000
2016	1.00000	1.50000	6.25000	8.75000
2017	1.00000	1.50000	6.25000	8.75000
2018	1.00000	1.50000	6.25000	8.75000
2019	1.00000	1.50000	6.25000	8.75000
2020	1.00000	1.50000	6.25000	8.75000
2021	1.00000	1.50000	6.25000	8.75000
2022	1.00000	1.50000	6.25000	8.75000
2023	1.25000	1.50000	6.25000	9.00000

Source: City records and Illinois Department of Revenue

City of Galesburg, Illinois

Ratios of Net General Bonded Debt Outstanding by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities				Leases	Debt Per Capita
	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt	Notes Payable		
2014	\$ 6,817,947	\$ -	\$ 6,817,947	\$ 7,725	\$ -	\$ 483.75
2015	5,959,563	-	5,959,563	-	-	455.81
2016	14,608,908	-	14,608,908	-	-	715.86
2017	13,339,503	-	13,339,503	-	-	968.94
2018	12,026,203	-	12,026,203	-	-	897.88
2019	10,715,222	-	10,715,222	-	-	820.38
2020	9,981,369	-	9,981,369	-	-	790.95
2021	9,223,874	-	9,223,874	-	-	743.11
2022	8,427,791	-	8,427,791	-	121,546	694.56
2023	13,018,881	-	13,018,881	-	55,666	817.51

Note: Details regarding the City's outstanding debt may be found in the notes to the basic financial statements. As a Home Rule entity, under the State of Illinois Constitution, the City has no statutory debt limit.

* Personal income not available for 2023

Business-Type Activities			Total Primary Government	Percentage of Actual Property Value	Percentage of Personal Income	Per Capita
General Obligation Bonds	Revenue Bonds	Notes Payable				
\$ 8,500,000	\$ 9,103,893	\$ 703,897	\$ 25,133,462	2.15	1.329	\$ 793.49
8,487,752	8,918,557	662,492	24,028,364	2.04	1.272	758.09
8,080,920	8,728,140	621,086	32,039,054	2.68	1.708	1,010.82
16,473,747	-	579,680	30,392,930	2.48	1.620	987.78
15,600,530	-	538,274	28,165,007	2.28	1.451	915.37
14,705,090	-	496,869	25,917,181	2.04	1.330	836.42
13,788,161	-	455,463	24,224,993	1.88	1.127	806.10
12,855,524	-	414,058	22,493,456	1.70	0.959	757.05
11,891,596	-	372,652	20,813,585	1.55	0.911	711.45
10,902,231	-	331,246	24,308,024	1.72	*	830.73

City of Galesburg, Illinois

Direct and Overlapping Governmental Activities Debt
For the Year Ended December 31, 2023
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to City (1)	Estimated Share of Overlapping Debt (2)
Knox County	\$ 12,843,759	40.15 %	\$ 5,156,769
Community Unit School District #205	78,805,000	83.52	65,817,936
Carl Sandburg College, Dist No 518	32,190,096	17.29	<u>5,565,668</u>
Subtotal, overlapping debt			76,540,373
City Direct Debt	13,074,547	100.00	<u>13,074,547</u>
Total direct and overlapping debt			<u><u>\$ 89,614,920</u></u>

Sources: Knox County County Clerk, Knox County Treasurer, Community School District #205
Annual Report, Carl Sandburg College Annual Report and City Records

(1) The percentage of overlap is based on assessed property values.

(2) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

City of Galesburg, Illinois

Demographic and Economic Statistics

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Population (2)	Personal Income (1) (000's)	Per Capita Income (1)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2014	31,665	\$ 1,891,258	\$ 36,195	39.0	4,575	7.0 %
2015	31,696	1,888,952	36,500	40.0	4,558	6.2
2016	31,696	1,876,021	36,518	40.4	4,475	6.4
2017	30,769	1,875,716	36,699	40.8	4,365	5.4
2018	30,769	1,941,161	38,377	41.1	4,294	5.7
2019	30,986	1,948,704	38,735	40.3	4,203	5.0
2020	30,052	2,149,773	43,169	41.2	3,931	8.6
2021	29,712	2,344,929	47,519	41.2	3,895	6.6
2022	29,255	2,285,624	46,991	41.2	3,902	5.2
2023	29,255	*	*	42.2	3,871	5.5

Sources:

- (1) Information received from U.S. Department of Commerce, Bureau of Economic Analysis
- (2) Information received from the U.S. Census Bureau
- (3) Information received from Galesburg Community School District #205
- (4) Information received from Illinois Department of Employment Security

Note:

* Information not available

City of Galesburg, Illinois

Principal Employers
Current Year and Ten Years Ago
(Unaudited)

Employer	2023		
	Employees	Rank	Percentage of Total County Employment
Burlington Northern	1,031	1	5.43 %
OSF Healthcare	1,025	2	5.39
Dick Blick Company	714	3	3.76
School District #205	600	4	3.16
Knox College	460	5	2.42
Bridgeway	200	6	1.05
Henry C Hill Correctional Facility	288	7	1.52
City of Galesburg	250	8	1.32
Gates Corporation	221	9	1.16
*Unavailable		10	
	4,789		25.21 %

Employer	2013		
	Employees	Rank	Percentage of Total County Employment
Burlington Northern	1,115	1	4.86 %
OSF Healthcare	1,100	2	4.80
Dick Blick Company	530	5	2.31
School District #205	594	3	2.59
Knox College	407	10	1.77
Bridgeway	450	7	1.96
HyVee	574	4	2.50
Carl Sandburg College	430	8	1.87
Knox County	420	9	1.83
Galesburg Cottage Hospital	500	6	2.18
	6,120		26.67 %

Sources:

The Knox County Area Partnership's website
<http://www.knoxpartnership.com/top-employers/>

Note:

The 2013 total county employment was 22,250
The 2023 total county employment was 19,003

*A recent survey including 10 or more employers was not available. The previous survey was used with limited updated information. Galesburg Cottage Hospital was on the previous list but has since closed.

City of Galesburg, Illinois

Full-Time Equivalent City Government Employees By Functions/Programs

Last Ten Fiscal Years

(Unaudited)

	Full-Time Equivalent Employees			
	2023	2022	2021	2020
Functions/Program				
General Government:				
Legislative	8.00	8.00	8.00	8.00
City manager	4.20	4.20	4.20	4.20
City clerk	4.00	4.00	4.00	4.00
City treasurer	-	-	-	-
Finance**	6.80	6.80	6.80	6.80
Information services	2.70	2.70	2.70	2.70
Legal	0.50	0.50	0.50	0.50
Community development	0.70	0.70	0.70	1.05
Transit*	20.00	20.00	18.00	18.50
Economic Development***	0.80	0.80	0.80	1.15
Public Safety:				
Police officers	51.00	51.00	49.00	47.00
Firefighters and officers	46.00	42.00	42.00	43.00
Civilians	29.00	29.00	27.00	25.00
Inspections	5.60	5.60	6.60	6.90
Public Works:				
Administration	-	-	-	-
Buildings and grounds	2.00	2.00	1.00	1.00
Engineering	6.50	6.50	6.50	6.60
Street and traffic maintenance	10.75	10.75	10.75	10.75
Stormwater utility	4.30	4.30	4.30	4.30
Fleet services	4.00	4.00	4.00	4.00
Airport	0.75	0.70	0.70	0.70
Cemetery	0.50	0.50	0.50	0.50
Parks and Recreation:				
Park and recreation administration	1.00	0.95	0.95	0.95
Park	10.75	10.85	9.85	10.85
Recreation	3.00	2.00	2.00	2.00
Forestry	2.00	2.00	2.00	2.00
Golf Course(s)	2.00	2.00	2.00	2.00
Water	22.90	21.90	21.90	21.80
Refuse	0.25	0.25	0.25	0.25
Total	250.00	244.00	237.00	236.50

Source: City Departments

Note:

* In 2020, Galesburg Transit was absorbed by the City & Transit separated from Community Development

** 1.5 Position in Finance were paid by Water beginning 1/1/15

Full-Time Equivalent Employees (cont.)

2019	2018	2017	2016	2015	2014
8.00	8.00	8.00	8.00	8.00	8.00
4.20	4.40	4.80	4.80	5.00	5.00
4.00	4.00	4.00	4.00	4.00	4.00
-	-	-	2.00	2.00	2.00
7.00	7.00	8.50	8.50	8.50	10.00
2.00	2.00	2.00	2.00	2.00	2.00
0.50	0.90	0.90	1.00	1.00	1.00
8.70	9.25	9.95	10.15	11.25	11.25
-	-	-	-	-	-
0.95	0.95	0.95	0.65	-	-
49.10	50.00	50.00	50.00	50.00	52.00
42.00	42.00	43.00	42.00	43.00	44.00
24.90	24.00	25.00	27.00	27.00	27.00
6.70	4.70	4.70	3.40	3.75	3.75
-	-	-	-	-	2.00
1.00	1.00	1.00	1.00	1.00	1.00
6.40	6.30	6.30	8.00	8.00	6.00
10.60	10.60	11.95	16.00	16.00	15.00
4.45	5.00	4.20	4.15	-	-
4.00	4.00	4.00	4.00	4.00	4.00
0.50	-	-	-	-	-
0.50	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	2.00	2.00	-
11.00	11.00	11.00	10.00	10.00	9.00
2.00	2.00	2.00	3.00	3.00	5.00
2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	1.00
23.25	23.25	22.80	21.50	21.50	20.00
0.25	-	-	-	-	-
227.00	226.35	231.05	238.15	236.00	236.00

City of Galesburg, Illinois

Operating Indicators By Function/Program
Last Ten Fiscal Years
(Unaudited)

	2014	2015	2016	2017
Function/Program				
General government:				
Handivan riders	18,281	19,761	19,065	18,441
Transit riders	151,889	151,903	155,857	139,400
Police:				
Physical arrests	2,539	2,491	2,208	2,140
Traffic violations	1,776	2,191	2,209	2,539
Service calls	40,467	43,537	43,193	39,928
Property loss	544,159	812,086	923,509	420,652
Fire:				
Total actual fires	106	122	106	107
Total of all fire department calls	4,005	4,286	4,289	4,408
Building safety:				
Total building permits	391	429	429	348
Total value all permits	14,272,108	19,619,073	9,305,584	16,468,496
Parks and recreation:				
Golf rounds played	22,000	22,973	24,220	23,164
Number of trees trimmed	305	458	652	501
Number of daily camp sites rented	2,620	2,780	2,105	3,355
Recreation classes offered**	165	84	152	437
Aquatic general admissions*	11,847	12,488	12,459	16,148
Sports field participation (teams)	75	112	215	271
Sports field participation (participants)*	*	*	*	*
Recreation facility rentals	975	848	811	926
Public works:				
Total airport acres mowed	265	265	265	265
Total lineal feet of runways maintained	9,394	9,394	9,394	9,394
Number of runway & taxiway lights & signs	511	511	511	511
Total cemetery acres maintained	68	68	68	68
Number of cemetery plots sold	41	56	60	44
Number of grave openings	84	84	73	77
Refuse:				
Refuse collected (ton)	9,071	9,144	9,352	9,004
Yard waste collected (ton)	2,496	3,040	2,735	2,034
Recycle collected (ton)	1,547	1,701	1,537	1,431
Water:				
Number of water services	12,636	12,557	12,472	12,659

Source: Various city departments

Note:

* In 2022 Sports field participation changed from teams to participants

**New software more accurately tracked offered classes, including changing the method used in counting group classes such as swim lessons

During 2020, some services were severely impacted due to the Covid-19 coronavirus pandemic.

2018	2019	2020	2021	2022	2023
20,036	18,388	11,790	9,774	13,108	15,696
129,795	154,367	87,192	64,189	83,603	87,542
2,580	3,045	2,072	2,570	2,446	2,072
3,616	2,965	1,658	1,393	1,659	2,985
44,037	45,364	44,120	48,879	46,302	49,731
844,413	100,271	767,396	203,907	1,817,968	n/a
86	63	72	93	68	97
4,845	4,849	4,376	5,110	5,168	4,978
305	298	247	231	324	258
21,854,303	6,766,680	3,535,821	9,352,432	119,086	41,788,145
21,151	20,624	23,648	27,826	29,144	32,807
231	375	304	284	125	191
2,880	3,668	3,211	4,340	4,024	4,636
302	273	237	300	377	460
15,311	16,264	3,599	11,256	16,619	16,415
242	218	76	53	*	269
*	*	*	2,874	2,776	2,875
1,663	1,964	999	923	2,269	2,283
265	265	265	265	265	265
9,394	9,394	9,394	9,394	9,394	9,394
511	511	511	511	511	511
68	68	68	68	68	68
37	49	63	67	50	48
64	78	74	92	87	57
9,081	9,741	9,311	9,925	9,046	8,409
2,076	2,590	2,473	2,185	2,037	1,528
1,475	1,447	1,431	1,509	1,701	1,583
12,547	12,536	12,608	12,545	12,409	12,384

City of Galesburg, Illinois

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

(Unaudited)

	2014	2015	2016	2017
Function/Program				
Police:				
Stations	1	1	1	1
Fire:				
Stations	3	3	3	3
Parks and recreation:				
Acreage	748	748	748	748
Parks	26	26	26	26
Golf course	1	1	1	1
Baseball/softball diamonds	13	13	13	13
Soccer/football fields	2	2	2	2
Basketball courts	12	12	12	12
Outdoor tennis courts	10	10	10	10
Parks with playground equipment	19	19	19	19
Public works:				
Miles of streets	176	176	176	176
Miles of sidewalks	122	122	122	122
Number of traffic signal heads maintained	476	476	476	476
Total number of street lights owned and maintained	559	581	581	858
Total number of street lights rented	3,415	3,415	3,415	3,415
Number of vehicles and equipment maintained	234	246	240	250
Total miles of water mains	202	202	203	203
Number of fire hydrants	1,410	1,410	1,420	1,420
Number of water valves	1,910	1,910	1,930	1,930

Source: Various city departments

2018	2019	2020	2021	2022	2023
1	1	1	1	1	1
3	3	3	3	3	3
748	748	748	748	748	748
26	26	27	27	27	27
1	1	1	1	1	1
13	13	13	13	13	13
2	2	2	2	2	2
12	12	12	12	12	12
10	10	10	10	10	10
19	16	16	16	16	16
176	176	177	177	177	177
122	122	123	123	123	123
503	503	503	503	503	503
879	879	879	879	903	903
3,406	3,409	3,410	3,410	3,396	3,396
252	252	252	252	256	256
203	203	203	203	203	203
1,420	1,420	1,449	1,449	1,449	1,449
1,930	1,930	2,239	2,239	2,239	2,239