



PHILLIPS, SALMI + ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**TOWN OF THE CITY OF GALESBURG, ILLINOIS
KNOX COUNTY, ILLINOIS**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

Members of the Town of the City of Galesburg Board
Town of the City of Galesburg, Illinois

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of the City of Galesburg, Illinois, as of and for the year ended December 31, 2023, and the related notes to the financial statements which collectively comprise the Town of the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of the City of Galesburg, Illinois, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Town of the City, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town 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 Town of 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 management's discussion and analysis, budgetary comparison information, and multiyear schedules of changes in net pension liability and related ratios on pages 4 through 8, and 31 through 37, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States

of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of the City of Galesburg, Illinois', basic financial statements. The combining and individual nonmajor fund financial statements, and supplemental information are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Phillips, Salmi & Associates, LLC

May 23, 2024
Washington, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Town of the City of Galesburg Township, Illinois' financial performance provides an overview of the Township's financial activities for the year ended December 31, 2023, within the limitations of the Township's basis of accounting. The MD&A should be read in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements. The discussion and analysis includes comparative data for prior years as required by the Governmental Accounting Standards Board (GASB) Statement No. 34 "*Basic Financial Statements- and Management's Discussion and Analysis-for State and Local Governments*".

USING THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Report Components

The Government-wide financial statements: The Statement of Net Position and Statement of Activities display information about the Township as a whole and present a longer-term view of the Township's finances.

Fund financial statements: Fund financial statements provide a greater level of detail than the government-wide financial statements. Funds are created and maintained for the financial records as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with largest balances or most activity in separate columns (major funds).

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

Required supplementary information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning general town fund major special revenue budgetary schedules, schedule of funding progress and trend information-Illinois Municipal Retirement Fund and notes to required supplementary information.

Supplementary information: This part includes optional financial information on expenditures and budget and actual schedules. This other supplementary information is provided as additional analysis of financial activities.

Basis of Accounting

The fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized when earned.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund incurs the expenditure.

REPORTING THE GOVERNMENT AS A WHOLE

The statement of net position and the statement of activities reflect how the Township performed financially during the year ended December 31, 2023. The statement of net position presents the balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program-revenues for each governmental program activity. Program revenues include charges paid by the recipient of the program's goods or services to meeting the operational or capital requirements of a particular program. The comparison of the disbursements with the program revenues identifies how each governmental function draws from the Township's general revenues. The township adapted Governmental Accounting Standards Board (GASB) Statement No. 68 *Accounting and Financial Reporting for Pensions*. And GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.

In the statement of net position and the statement of activities, we express the Township's activities as the following:

Governmental activities - Basic services are reported here, including General Government and Health & Welfare. Property and replacement taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid by the people receiving them.

REPORTING THE GOVERNMENT'S MOST SIGNIFICANT FUNDS

Fund financial statements provide detailed information about the Township's major funds - not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose.

Governmental funds -The governmental fund financial statements provide a detailed view of the governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance programs. Significant governmental funds are presented on the financial statements in separate columns. The Township's major governmental funds are the General Town Fund and the General Assistance Fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

A comparative analysis of the government-wide data follows:

Net Position - Accrual Basis

Net position for the years ended December 31, 2023 and 2022, are summarized as follows:

	Governmental Activities	
	2023	2022
Current and other assets	\$ 2,242,269	\$ 2,134,602
Non current assets	-	554,274
Capital assets, net of depreciation	227,402	238,320
Deferred outflows of pension resources	325,712	36,886
Total assets and deferred outflows of resources	\$ 2,795,383	\$ 2,964,082
Other liabilities	\$ 15,898	\$ 5,542
Non current liabilities	152,715	-
Total liabilities	168,613	5,542
Deferred revenue	\$ 538,000	\$ 534,250
Deferred inflows of resources	4,646	407,258
Total deferred inflows of resources	\$ 542,646	\$ 941,508
Net position:		
Net investment in capital assets	\$ 227,402	\$ 238,320
Restricted	945,220	724,619
Unrestricted	911,502	1,054,093
Total net position	\$ 2,084,124	\$ 2,017,032

Statement of Activities and Changes in Net Position - Accrual Basis

For the years ended December 31, 2023 and 2022, Statement of Activities were as follows:

	Governmental Activities	
	2023	2022
Revenues:		
Program revenues:		
Charges for services	\$ 24,750	\$ 24,000
General revenues:		
Property taxes	523,039	531,309
Replacement taxes	181,548	245,038
Interest income	79,893	24,496
Other	32,498	7,165
Total revenues	\$ 841,728	\$ 832,008
Expenses:		
General government	\$ 625,289	\$ 464,365
Public health & welfare	149,347	94,246
Total expenses	\$ 774,636	\$ 558,611
Change in net position	\$ 67,092	\$ 273,397
Net Position, January 1, 2023 and 2022	2,017,032	1,743,635
Net Position, December 31, 2023 and 2022	\$ 2,084,124	\$ 2,017,032

Program revenues of governmental activities represent 3.4 percent of total governmental activities revenues. General revenues of governmental activities represent 96.6 percent of the total governmental activities revenues. Disbursements for General Government represent the costs of running the Township and the support services provided for the other activities and pension costs. Public health & welfare represents the costs of administering General Assistance.

Governmental Activities

The first column of the Statement of Activities lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursement for governmental activities is general government, which accounts for 80.7 percent of all governmental disbursements. The next column of the Statement of Activities entitled Program Revenue identify amounts paid by people who are directly charged for the service received that must be used to provide a specific service. The Net (Expense) Revenue column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general revenues which are presented at the bottom of the Statement of Activities. A comparison of the total cost of services and the net cost is presented below:

	<u>2023</u>	
	Total Cost of Services	Net Cost of Services
General Government	\$ 625,020	\$ 625,020
Health & Welfare	149,347	124,597
Total	<u>\$ 774,367</u>	<u>\$ 749,617</u>

GENERAL TOWN AND GENERAL ASSISTANCE FUNDS BUDGETING HIGHLIGHTS

The Township's budget is prepared according to Illinois law and is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the Town Fund, which is broken down into a Corporate segment and an Assessor's segment. Actual expenditures came in under budget at \$27,434 for Corporate and under budget at \$85,041 for the Assessor's for a total of \$112,475 under budget in the Town Fund.

The General Assistance Fund is also broken down into 2 segments, an Administration segment and an Assistance segment. Actual expenditures came in under budget at \$22,261 in Administration and under budget at \$165,791 in Assistance for a total of \$225,700 under budget in the General Assistance Fund.

The Pooled Fund consists of the Social Security Medicare Fund, the IMRF Fund, the Liability Fund and the Audit Fund. The combined Pooled Funds came in under budget at a total of \$33,157 for 2023.

There are a few important factors relating to property tax appeals within our Township that are worth mentioning. The Assessor has noted that these issues may decrease revenues from property taxes over the next few years. There are multiple appeals currently on file with PTAB. These appeals may have a substantial impact on Township revenues. These appeals can take several years before a decision is made by PTAB. These appeals noted below are some of the largest.

Cottage Hospital filed an assessment appeal on multiple parcels with the Property Tax Appeal Board (PTAB) for both the 2021 & 2022 years. Taxes in 2021 are \$710,386 that were payable in 2022. If they win their appeal, taxes would only be \$84,156, so there would be \$626,230 that taxing bodies would have to pay back just for 2021. Also of note, the total equalized assessed value (EAV) of their parcels in 2022 is \$7,738,210. If the new owner, OSF Health System, files for Property Tax Exemption with IDOR, the total EAV for the Township may decrease by \$7,738,210.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2023, \$227,402 was invested in capital assets, net of depreciation as follows:

	Governmental Activities
Building	\$ 492,495
Furniture & Equipment	179,443
Less: accumulated depreciation on buildings and equipment	(444,536)
Total	<u>\$ 227,402</u>

Long-Term Debt

As of December 31, 2023, the Township had no debt outstanding.

CONTACT INFORMATION

The financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Township's finances and to reflect the accountability for the monies it receives. Questions concerning any information in this report or request for additional information should be directed to Kimberly Thierry, Supervisor, Town of the City of Galesburg, 121 West Tompkins Street, Galesburg, Illinois 61401.

TOWN OF THE CITY OF GALESBURG, ILLINOIS
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,679,429
Property taxes receivable	531,000
Other receivable	19,502
Prepaid insurance	12,338
Noncurrent assets:	
Capital assets, net of accumulated depreciation	227,402
Total assets	2,469,671
DEFERRED OUTFLOWS	
Deferred outflows - pension	325,712
Total assets and deferred outflows	\$ 2,795,383
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 817
Payroll tax payable	7,763
Compensated absences	7,318
Total current liabilities	15,898
Noncurrent liabilities:	
Net pension liability	152,715
Total liabilities	168,613
DEFERRED INFLOWS	
Unearned revenue	7,000
Deferred inflows - property taxes	531,000
Deferred inflows - pension	4,646
Total deferred inflows	542,646
NET POSITION	
Net investment in capital assets	227,402
Restricted	945,220
Unrestricted	911,502
Total net position	2,084,124
Total net position and liabilities	\$ 2,795,383

The accompanying notes are an integral part of this statement.

TOWN OF THE CITY OF GALESBURG, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

		Program Revenues	Net Revenue (Expense) and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Governmental Activities
Governmental activities:			
General government	\$ 625,289	\$ -	\$ (625,289)
Health and welfare	149,347	24,750	(124,597)
Total governmental activities	774,636	24,750	(749,886)
Total primary government	\$ 774,636	\$ 24,750	(749,886)
General revenues:			
Taxes:			
Property taxes			523,039
Replacement tax			181,548
Investment income			79,893
Other revenue			32,498
Total general revenues			816,978
Change in net position			67,092
Net position - beginning of year			2,017,032
Net position - end of year			\$ 2,084,124

The accompanying notes are an integral part of this statement.

TOWN OF THE CITY OF GALESBURG, ILLINOIS
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Major		Nonmajor	
	General Town Fund	General Assistance Fund	All Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 767,834	\$ 619,842	\$ 291,753	\$ 1,679,429
Property taxes receivable	270,000	163,000	98,000	531,000
Other receivable	19,502	-	-	19,502
Prepaid expenses	8,155	1,474	2,709	12,338
Interfund balances	-	26,451	15,461	41,912
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,065,491</u>	<u>\$ 810,767</u>	<u>\$ 407,923</u>	<u>\$ 2,284,181</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 426	\$ 391	\$ -	\$ 817
Payroll tax payable	6,867	-	896	7,763
Interfund balances	41,912	-	-	41,912
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>49,205</u>	<u>391</u>	<u>896</u>	<u>50,492</u>
Deferred Inflows of Resources				
Unearned revenue	-	7,000	-	7,000
Deferred tax revenue	270,000	163,000	98,000	531,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>270,000</u>	<u>170,000</u>	<u>98,000</u>	<u>538,000</u>
Fund balances:				
Nonspendable:				
Prepaid expenses	8,155	1,474	2,709	12,338
Restricted for:				
General Assistance	-	638,902	-	638,902
Social Security	-	-	71,949	71,949
Liability Insurance	-	-	30,776	30,776
Audit	-	-	59,154	59,154
IMRF	-	-	144,439	144,439
Unassigned	738,131	-	-	738,131
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>746,286</u>	<u>640,376</u>	<u>309,027</u>	<u>1,695,689</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,065,491</u>	<u>\$ 810,767</u>	<u>\$ 407,923</u>	<u>\$ 2,284,181</u>

The accompanying notes are an integral part of this statement.

**TOWN OF THE CITY OF GALESBURG, ILLINOIS
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES,
AND FUND EQUITY - GOVERNMENTAL FUND -
TO THE STATEMENT OF NET POSITION
YEAR ENDED DECEMBER 31, 2023**

Total fund balances - governmental funds	\$ 1,695,689
Capital assets used in the governmental activities are not financial resources, and therefore, are not reported in the governmental fund financial statements.	227,402
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Deferred outflows of pension resources	325,712
Deferred inflows of pension resources	(4,646)
Net pension liability	(152,715)
Liabilities shown in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	
Compensated absences	<u>(7,318)</u>
Net position of governmental activities	<u><u>\$ 2,084,124</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF THE CITY OF GALESBURG, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	Major		Nonmajor	
	General Town Fund	General Assistance Fund	All Other Governmental Funds	Total Governmental Funds
REVENUES				
Property tax	\$ 267,364	\$ 160,963	\$ 94,712	\$ 523,039
Replacement tax	181,548	-	-	181,548
Intergovernmental revenue	-	24,750	-	24,750
Interest income	41,043	28,349	10,501	79,893
Reimbursements	362	31,251	-	31,613
Other revenue	885	-	-	885
Total revenues	491,202	245,313	105,213	841,728
EXPENDITURES				
Current:				
General government:	372,624	149,593	62,687	584,904
Public health and welfare	-	149,347	-	149,347
Capital Outlay:				
Equipment	7,984	4,156	-	12,140
Total expenditures	380,608	303,096	62,687	746,391
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	110,594	(57,783)	42,526	95,337
OTHER FINANCING SOURCES (USES)				
Transfer in	-	131,288	104,681	235,969
Transfer out	(235,969)	-	-	(235,969)
Total other financing sources (uses)	(235,969)	131,288	104,681	-
NET CHANGE IN FUND BALANCE	(125,375)	73,505	147,207	95,337
FUND BALANCE, BEGINNING	871,661	566,871	161,820	1,600,352
FUND BALANCE, ENDING	<u>\$ 746,286</u>	<u>\$ 640,376</u>	<u>\$ 309,027</u>	<u>\$ 1,695,689</u>

The accompanying notes are an integral part of this statement.

TOWN OF THE CITY OF GALESBURG, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

Net change in governmental fund balances	\$ 95,337
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Amounts reported in governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation. In the current period, these amounts are:

Capital asset purchases	12,140	
Depreciation expense	(23,058)	
		(10,918)

Expenses reported in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds for:

Change in net pension liability and deferred pension resources	(15,551)	
Compensated absences	(1,776)	
		(17,327)

Change in net position of governmental activities	\$ 67,092
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The accompanying notes are an integral part of this statement.

TOWN OF THE CITY OF GALESBURG, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of the City of Galesburg (Township) operates under a board of trustee form of government and provides services to residents of the township.

The financial statements of the Town of the City of Galesburg have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the most significant of the Town of the City's accounting policies.

A. Reporting Entity

The Township defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organization are Component Units-an amendment of GASB Statement No. 14* and GASB Statement No. 61, *The Financial Reporting Entity-Omnibus*. A component unit is a legally separate organization for which the primary government is financially accountable of closely related. The Township is financially accountable if it appoints a voting majority of a potential components unit's governing body and is able to impose its will on that potential component unit. Or there is a potential for the potential component unit to provide specific financial benefits to or impose specific financial burdens on the township. The Township has no agencies or entities which should be included as component units in the financial reporting entity.

B. Basic Financial Statements--Government-Wide Statements

The Town of the City's basic financial statements includes both government-wide (reporting the Town of the City as a whole) and fund financial statements (reporting the Town of the City's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis, and (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town of the City's functions. The functions are also supported by general government revenues (property and replacement taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government or health and welfare). Operating grants include operating-specific and discretionary (either operating or capital) grants with the capital grants column reporting capital-specific grants.

The net costs (by function) are normally covered by general revenue (property and replacement taxes, interest income, other revenue, etc.). The Township does not allocate indirect costs. Except for expense reimbursements between the governmental funds, all interfund activity has been eliminated on the government-wide statements.

This government-wide focus is more on the sustainability of the Town of the City as an entity and the change in their net position resulting from the current year's activities.

C. Basic Financial Statements-Fund Financial Statements

The financial transactions of The Town of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on major funds in the governmental activities column. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of the governmental) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

D. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The Town of the City reports these major governmental funds and fund types:

- The General Town Fund is the primary operating fund of the Township. It is used to account for and report all financial resources except those required to be accounted for in another fund.
- The General Assistance Fund accounts for and reports monies to provide public assistance to general relief recipients. The fund provides food, shelter, and medical assistance.

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Sales taxes are recognized when the underlying transactions take place. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual: both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Property tax revenues are recognized in the period for which levied provided they are also available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met, and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

Amounts reported as program revenues include charges to customers for services provided. These revenues received from intergovernmental agreements are described in Note 16 to the financial statements.

F. Cash and cash equivalents

The Town of the City has defined cash and cash equivalents to include cash on hand, checking, savings and money market accounts, certificates of deposits and Public Treasurer's Investment Pool.

G. Receivables

All receivables are reported net of estimated uncollectible amounts.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are reported as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

I. Capital Assets

General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Contributed assets are reported at fair market value as of the date received. Costs incurred by repairs and maintenance are expenses as incurred.

All capital assets are depreciated, except for land and improvements and construction in process. Depreciation is computed using the straight-line basis over the following estimated useful lives:

Buildings	39 years
Furniture and equipment	5-10 years

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type which arises only under a modified accrual basis of accounting, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, property taxes and grant money earned but not yet available. These amounts are deferred and recognized as an inflow of resources in the period that the amounts became available.

In the government-wide financial statements, components of pension expenses that are recognized over a period of time are classified as either deferred outflows of resources (using plan assets that are applicable to a future reporting period) or deferred inflows of resources (acquiring plan assets that are applicable to a future reporting period). Employer contributions subsequent to the measurement date of the net pension liability are also required to be reported as deferred outflows of resources. Deferred outflows/inflows of resources are also recognized for certain differences between actual experience in pension demographic and economic factors compared to assumptions used in the actuarial analyses.

Deferred tax revenues represent potential revenue that does not meet both the "measurable" and "available" criteria for recognition in the current period. These amounts are property taxes that have been levied but will be collected in the following year.

Under the modified accrual basis of accounting, revenue cannot be recognized until it is available to liquidate liabilities of the current period. Thus, deferred revenue is reported as a deferred inflow of resources on the government-wide and fund-level statements.

K. Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

L. Interfund Balances

The Township's interfund loans receivables and payables that arise from interfund transactions are recorded by all funds affected in the period in which transactions are executed. These balances are eliminated on the government-wide statements.

M. Encumbrances

The Town of the City of Galesburg does not use encumbrance accounting.

N. Compensated Absences

The Town of the City of Galesburg accrues accumulated unpaid vacation and sick days for the full-time employees and associated employee-related costs when earned (or estimated to be earned) by the employee. It also provides for the accumulation of sick days up to a maximum of 240 days for IMRF service credit. No amounts of sick leave are paid or vested in the event of employee termination.

The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is reported only as a general long-term obligation in the government-wide statement of net position and represents a reconciling item between the fund and government-wide presentations. A liability for these amounts is reported in the governmental funds only if amounts are actually due to employees as a result of termination and/or retirement.

O. Government-wide Fund Net Position

Government-wide fund net position is divided into three components:

- Net investment in capital assets - consists of historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted net position - consists of assets that are restricted by the township's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by granters (both federal and state), and by other contributors.
- Unrestricted net position - all other net position is reported in this category.

P. Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable - amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed - amounts that can be used only for specific purposes determined by a formal action of the board of trustees. The board of trustees is the highest level of decision-making authority for the Township. Commitments may be established, modified, or rescinded only through ordinances or resolution approved by the board of trustees.
- Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes as determined by the board of trustees.

- Unassigned - all amounts not included in other spendable classifications.

Q. Use of Restricted Resources

GASB 54 requires governmental entities to establish a policy for the application of expenditures to the above classifications. As of the end of the fiscal year, the Township had no such policy and is currently applying the default method of allocation. When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the Township considers restricted funds to have been spent first. When an expenditure is incurred for which committed funds, next assigned funds, and finally unassigned funds are available, the Board of Trustees considers amounts to have been spent first out of committed funds then assigned funds, and finally unassigned funds, as needed, unless the board has provided otherwise in its commitment or assignment actions.

R. Interfund Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payable as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues or expenditures/expenses, as necessary. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's 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.

T. Grants

Grants are considered measurable and available to the extent that expenditures have been incurred.

NOTE 2. CUSTODIAL CREDIT RISK - DEPOSITS

State statutes authorize the Township to make deposits in commercial banks and savings and loan institutions, and to make investments in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool. Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be available. The Township does not have a deposit policy for custodial credit risk. At December 31, 2023, none of the Township's bank balance of \$1,682,810 was exposed to custodial credit risk.

The Township's cash and cash equivalents at December 31, 2023, consisted of deposits with financial institutions and the Illinois Funds Money Market Fund. The Illinois Funds have a credit rating of AAAM, by an independent rating agency, indicating a strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and liquidity risks.

The monies invested in the Illinois Funds by the individual participants are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements.

At December 31, 2023, all of the Township's deposits were covered by federal depository insurance, by collateral held by the financial institution's trust department or agent in the Township's name, or invested in Illinois Funds Money Market Fund.

The following is a reconciliation of cash and cash equivalents at 30, 2023:

	Carrying Amount
Illinois Funds	\$ 1,629,254
Checking and savings	49,752
Petty cash	423
Total cash and cash equivalents	<u>\$ 1,679,429</u>

NOTE 3. PROPERTY TAXES

Property taxes are collected and remitted to the Town of the City of Galesburg by Knox County.

Taxes are levied annually at the October meeting and become a lien on property on January 1 of the year of the levy and are collected in 2 installments by the County Treasurer on June 1 and September 1 of the following year.

The following are the tax rates applicable to the various levies per \$100 of assessed valuation:

	Limit	Actual	
		2022 Levy	2023 Levy
Town	.25000	.06802	.06481
General Assistance	.10000	.04106	.03912
Liability Insurance	None	.00202	.00192
Social Security	None	.00857	.00816
IMRF	None	.00857	.00816
Audit	.00500	.00500	.00500
		<u>.13324</u>	<u>.12717</u>

NOTE 4. PROPERTY TAX RECEIVABLE / DEFERRED INFLOWS

As of December 31, 2023, property taxes receivable and deferred inflows of resources by fund are as follows:

<u>Fund Name</u>	<u>Balance</u>
Town	\$ 270,000
General Assistance	163,000
Liability Insurance	8,000
Social Security	34,000
IMRF	34,000
Audit	<u>22,000</u>
 Total	 <u>\$ 531,000</u>

These values represent the amounts levied for Knox County for tax year 2023. The taxes will be collected by Knox County and remitted to the Township upon collection.

NOTE 5. CAPITAL ASSETS

Capital assets activity for the year ending December 31, 2023 consists of the following:

	<u>Balance</u> <u>January 1, 2022</u>	<u>Additions</u>	<u>Transfers/</u> <u>Retirements</u>	<u>Balance</u> <u>December 31,</u> <u>2023</u>
Capital assets being depreciated:				
Buildings	\$ 492,495	\$ -	\$ -	\$ 492,495
Furniture & equipment	167,303	12,140	-	179,443
 Total capital assets being depreciated	 659,798	 12,140	 -	 671,938
Less accumulated depreciation for:				
Buildings	(287,709)	(12,628)	-	(300,337)
Furniture & equipment	(133,769)	(10,118)	-	(144,199)
	<u>(421,478)</u>	<u>(23,058)</u>	<u>-</u>	<u>(444,536)</u>
 Total capital assets being depreciated, net	 \$ 238,320	 \$ (10,918)	 \$ -	 \$ 227,402

Depreciation has been calculated using the straight-line method. Depreciation for general capital assets has been allocated to the most relevant function for the government-wide Statement of Activities.

Total depreciation expense for the current fiscal year was \$23,058 with the entire amount allocated to the general government activity.

NOTE 6. SHORT-TERM DEBT

The Township had no short-term debt during the year ended December 31, 2023.

NOTE 7. DEFINED BENEFIT RETIREMENT PLAN

IMRF Plan Description

The Township's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and their beneficiaries. The Township's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois.

IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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

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

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

Employees Covered by Benefit Terms

As of December 31, 2022, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	10
Inactive Plan Members entitled to but not yet receiving	1
Active Plan Members	6
Total	<u>17</u>

Contributions

As set by statute, the Township's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2022 was 6.56%. For the fiscal year ended December 31, 2023, the Village contributed \$8,928 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The amount is included in the Accrued Expense on the Statement of Fiduciary Net Position.

Actuarial Assumptions

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

- The Actuarial Cost Method used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.

- 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, 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, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2022:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	35.5%	6.50%
International Equity	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25-9.90%
Cash Equivalents	1.0%	4.00%
Total	<u>100%</u>	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2022. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

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

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 2,627,218	\$ 3,181,492	\$ (554,274)
Changes for the year:			
Service Cost	31,155	-	31,155
Interest on the Total Pension Liability	182,294	-	182,294
Changes of Benefit Terms	-	-	-
Differences Between Expected and Experience of the Total Pension	169,274	-	169,274
Changes of Assumptions *	-	-	-
Contributions – Employer	-	21,199	(21,199)
Contributions – Employees	-	14,543	(14,543)
Net Investment Income	-	(432,052)	432,052
Benefit Payments, including Refunds of Employee Contributions	(256,804)	(256,804)	-
Other (Net Transfer)	-	72,044	(72,044)
Net Changes	125,919	(581,070)	706,989
Balances at December 31, 2022	<u>\$ 2,753,137</u>	<u>\$ 2,600,422</u>	<u>\$ 152,715</u>

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net Pension Liability/(Asset)	\$ 421,082	\$ 152,715	\$ (74,262)

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

For the year ended December 31, 2023, the Township recognized pension income of \$15,557. At December 31, 2023, the Township reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 96,727	\$ 4,646
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	220,057	-
Total Deferred Amounts to be recognized in pension expense in future periods	316,784	4,646
<i>Pension Contributions made subsequent to the Measurement Date</i>	8,928	-
Total Deferred Amounts Related to Pensions	\$ 325,712	\$ 4,646

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2023	\$ 57,545
2024	59,553
2025	72,508
2026	131,460
Total	\$ 321,066

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS

In the year ended December 31, 2009, the Town of the City of Galesburg implemented GASB Statement 45, *Accounting and Financial Reporting for Post Employment Benefits Other than Pensions*. It has since been recognized under GASB Statement 75. GASB Statement 75 requires the recording of other post employment benefit (OPEB) liability that relates to the Township's future liability for current and future retirees and their spouses of the Township for benefits other than pension, such as medical insurance. The Township is a component unit of the City of Galesburg, Illinois and participates in the same health care plan as the City.

Employees who retire from the Township as the result of becoming eligible to receive an annuity under IMRF may elect to continue health coverage under the group insurance plan.

Township employees are on the Blue Cross/Blue Shield of IL through the City of Galesburg that provides medical and prescription drug insurance benefits to all eligible retirees, their spouses, and their eligible dependents. The OPEB is considered part of the City of Galesburg's reporting entity and is presented solely in the City of Galesburg's accompanying basic financial statements as a post-employment benefit trust fund in the fiduciary fund type. A separate audit report is not prepared. The Town of the City of Galesburg is a participant in the City of Galesburg's plan.

Membership in the OPEB for the Town of the City of Galesburg comprised the following at December 31, 2023:

Retirees and beneficiaries receiving benefit	-
Active, fully vested plan members	3
Active, non-vested plan members	<u>4</u>
Total	7

A full disclosure of the health care plan regarding funding policy, annual benefit costs, trend information, and analysis of funding progress can be obtained from the City of Galesburg's Financial Statements.

NOTE 9. INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between the funds. Short-term interfund loans are reported as "interfund receivables and payables". Interfund balances were used to move payroll tax expenditures to the actual funds to which they were accountable.

For the year ended December 31, 2023, the interfund transfers and balances consisted of the following:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Assistance	\$ 26,451	\$ -
Audit	4,425	
Social Security	1,040	-
Liability Insurance	2,395	-
IMRF	7,601	-
Town Fund	<u>-</u>	<u>41,912</u>
Total interfund receivables/payables	<u><u>\$ 41,912</u></u>	<u><u>\$ 41,912</u></u>

NOTE 10. RISK MANAGEMENT

Significant losses are covered by commercial insurance for all major programs: property, liability, and worker's compensation. There have been no significant reductions in insurance coverage. Settlement amounts, if any, have not exceeded insurance coverage for the past three years.

NOTE 11. INSURANCE COVERAGE

The Township maintains the following coverage from Township Officials of Illinois Risk Management Association:

General Liability	\$3,000,000	per occurrence
Automobile Liability	\$3,000,000	per accident
Worker's Compensation	\$1,000,000	per accident

Surety bonds are in place for the officers and employees.

NOTE 12. VACATION, SICK LEAVE, AND OTHER COMPENSATED ABSENCES

Employees of the Town of the City of Galesburg are entitled to certain compensated absences based on their length of employment. Compensated absences are recorded as expenditures when they are paid in the fund financial statements.

There is no provision this year on the Statement of Net Position to accrue for accumulated unpaid vacation benefits for the general assistance fund in the governmental-wide financial statement. Employees paid from the general town fund are paid a lump sum for remaining time and do not carry over any vacation days.

NOTE 13. RESTRICTED NET POSITION

The following amounts represent net position that is restricted by enabling legislation as of December 31, 2023:

Restricted to use for General Assistance	\$ 638,902
Restricted to use for Social Security	71,949
Restricted to use for Liability Insurance	30,776
Restricted to use for Audit	59,154
Restricted to use for IMRF	144,439

NOTE 14. FUND DEFICITS

There are no funds with a deficit fund balance position as of December 31, 2023,

NOTE 15. LEGAL DEBT MARGIN

Under 50 ILCS 405/1, the Township is allowed to incur qualifying debt up to 2.875% of its latest equalized assessed value. The equalized assessed value as of January 1, 2022, was \$396,985,017. As of December 31, 2023, the Township's legal debt limit was \$11,413,319. The Township did not have any qualifying debt as of December 31, 2023, leaving a debt margin of \$11,413,319.

NOTE 16. INTERGOVERNMENTAL AGREEMENTS

The Township has entered into agreements with various townships located within Knox County to provide public assistance to their residents through the Supervisor of General Assistance. The Township receives \$1,500 annually from the other townships to provide these services. The agreements were previously entered into during various times throughout the year, so a portion of the revenue is recognized as deferred if the services were paid for than span into the next fiscal year. The amount recognized as deferred income for the year ended December 31, 2023 was \$7,000.

NOTE 17. SUBSEQUENT EVENTS

The Township has evaluated subsequent events through May 23, 2024, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF THE CITY OF GALESBURG, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
CASH BASIS - GENERAL TOWN FUND
YEAR ENDED DECEMBER 31, 2023

	Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Property tax	\$ 270,000	\$ 270,000	\$ 267,364	\$ (2,636)
Replacement taxes	235,000	235,000	195,257	(39,743)
Interest	5,384	5,384	41,043	35,659
Reimbursement	-	-	362	362
Miscellaneous	-	-	885	885
Total revenues	510,384	510,384	504,911	(5,473)
EXPENDITURES				
Administration:				
Personnel:				
Salaries - elected officials	117,224	117,224	120,634	(3,410)
Contractual services:				
Legal services	3,000	3,000	-	3,000
Travel expenses	2,000	2,000	-	2,000
Total contractual services	5,000	5,000	-	5,000
Other expenditures:				
Maintenance - building	20,000	20,000	-	20,000
Town hall	17,000	17,000	15,075	1,925
Payroll benefits	-	-	649	(649)
Office supplies and postage	3,500	3,500	2,479	1,021
Capital outlay	10,000	10,000	7,984	2,016
Maintenance agreement	4,000	4,000	3,378	622
Contingencies	1,000	1,000	-	1,000
Bonds	1,000	1,000	100	900
Miscellaneous	500	500	1,491	(991)
Total other expenditures	57,000	57,000	31,156	25,844
Total Administration	179,224	179,224	151,790	27,434

TOWN OF THE CITY OF GALESBURG, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
CASH BASIS - GENERAL TOWN FUND (Continued)
YEAR ENDED DECEMBER 31, 2023

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Assessor:				
Personnel:				
Salaries - office employees	\$ 181,500	\$ 181,500	\$ 160,942	\$ 20,558
Health insurance	87,000	87,000	47,637	39,363
Total personnel	<u>268,500</u>	<u>268,500</u>	<u>208,579</u>	<u>59,921</u>
Contractual services:				
Maintenance service - vehicle	3,000	3,000	624	2,376
Maintenance service - equipment	6,700	6,700	5,565	1,135
Legal and professional	10,000	10,000	-	10,000
Travel expense - assessor	3,000	3,000	5,825	(2,825)
Travel and training - office	5,500	5,500	-	5,500
Total contractual services	<u>28,200</u>	<u>28,200</u>	<u>12,014</u>	<u>16,186</u>
Commodities:				
Office supplies and postage	6,500	6,500	9,990	(3,490)
Capital outlay:				
Equipment & vehicle	10,000	10,000	-	10,000
Other expenditures:				
Contingencies	4,000	2,000	-	2,000
Other post employment benefits	300	300	90	210
Miscellaneous	500	500	286	214
Total other expenditures	<u>4,800</u>	<u>2,800</u>	<u>376</u>	<u>2,424</u>
Total Assessor	<u>318,000</u>	<u>316,000</u>	<u>230,959</u>	<u>85,041</u>
Total Town Fund Expenditures	<u>497,224</u>	<u>495,224</u>	<u>382,749</u>	<u>112,475</u>
Excess of Revenues Over Expenditures	<u>13,160</u>	<u>15,160</u>	<u>122,162</u>	<u>107,002</u>
OTHER FINANCING USES				
Operating transfers out	<u>-</u>	<u>-</u>	<u>(235,969)</u>	<u>(235,969)</u>
Net Change in Fund Balance	<u>\$ 13,160</u>	<u>\$ 15,160</u>	<u>(113,807)</u>	<u>\$ (128,967)</u>
Net change resulting from conversion to accrual basis			(11,568)	
Fund Balance, Beginning of year			<u>871,661</u>	
Fund Balance, End of year			<u>\$ 746,286</u>	

TOWN OF THE CITY OF GALESBURG, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
CASH BASIS - GENERAL ASSISTANCE FUND
YEAR ENDED DECEMBER 31, 2023

	Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Property tax	\$ 163,000	\$ 163,000	\$ 160,963	\$ (2,037)
Other townships	20,000	20,000	26,500	6,500
Interest income	4,154	4,154	28,349	24,195
Reimbursement	-	-	31,251	31,251
Total revenues	187,154	187,154	247,063	59,909
EXPENDITURES				
Administration:				
Personnel:				
Salaries	130,000	130,000	127,805	2,195
Health insurance	22,000	22,000	13,388	8,612
Total personnel	152,000	152,000	141,193	10,807
Contractual services:				
Professional services - legal	200	200	200	-
Travel expenses	1,000	1,000	90	910
Total contractual services	1,200	1,200	290	910
Commodities:				
Maintenance agreement	2,500	2,500	1,992	508
Office supplies and postage	4,000	4,000	3,492	508
Total commodities	6,500	6,500	5,484	1,016
Other expenditures:				
Contingencies	5,000	5,000	1,925	3,075
Miscellaneous charges	1,000	1,000	635	365
Other post employment benefits	100	100	125	(25)
Capital outlay	10,000	10,000	4,156	5,844
Total other expenditures	16,100	16,100	6,841	9,259
Total Administration	175,800	175,800	153,808	21,992

TOWN OF THE CITY OF GALESBURG, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
CASH BASIS - GENERAL ASSISTANCE FUND (Continued)
YEAR ENDED DECEMBER 31, 2023

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Home Relief:				
Contractual services:				
Medical and dental services	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
Shelter	65,000	65,000	31,775	33,225
Utilities	27,500	27,500	8,947	18,553
Funeral and burial services	4,000	4,000	-	4,000
Ambulance service	1,500	1,500	-	1,500
Total contractual services	<u>108,000</u>	<u>108,000</u>	<u>42,148</u>	<u>65,852</u>
Commodities:				
Food	30,000	30,000	10,083	19,917
Insurance/laundry/misc.	5,000	5,000	-	5,000
Personal & household incidentals	30,000	30,000	11,477	18,523
Total commodities	<u>65,000</u>	<u>65,000</u>	<u>21,560</u>	<u>43,440</u>
Other expenditures:				
Miscellaneous charges	3,000	3,000	3,149	(149)
Emergency rent	50,000	55,000	36,669	18,331
Emergency utilities	50,000	50,000	44,531	5,469
Emergency miscellaneous	4,000	13,000	2,144	10,856
Total other expenditures	<u>107,000</u>	<u>121,000</u>	<u>86,493</u>	<u>34,507</u>
Total Home Relief	<u>280,000</u>	<u>294,000</u>	<u>150,201</u>	<u>143,799</u>
Total Expenditures				
General Assistance Fund	<u>455,800</u>	<u>469,800</u>	<u>304,009</u>	<u>165,791</u>
Excess (deficiency) of Revenues Over Expenditures	(268,646)	(282,646)	(56,946)	225,700
OTHER FINANCING SOURCES				
Operating transfers in	<u>-</u>	<u>-</u>	<u>131,288</u>	<u>131,288</u>
Net Change in Fund Balance	<u>\$ (268,646)</u>	<u>\$ (282,646)</u>	<u>74,342</u>	<u>\$ 356,988</u>
Net change resulting from conversion to accrual basis			(837)	
Fund Balance, Beginning of year			<u>566,871</u>	
Fund Balance, End of year			<u>\$ 640,376</u>	

TOWN OF THE CITY OF GALESBURG, ILLINOIS
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST 10 CALENDAR YEARS
(schedule to be built prospectively from 2014)

	2022	2021	2020	2019	2018
Calendar year ending December 31,					
Total pension liability:					
Service cost	\$ 31,155	\$ 37,308	\$ 38,008	\$ 41,784	\$ 37,441
Interest on the total pension liability	182,294	183,140	172,660	167,692	161,356
Difference between expected and actual experience	169,274	(20,922)	110,107	3,258	32,820
Assumption changes	-	-	(19,517)	-	57,544
Benefit payments and refunds	(256,804)	(159,447)	(153,264)	(131,367)	(128,149)
Net change in total pension liability	125,919	40,079	147,994	81,367	161,012
Total pension liability - beginning	2,627,218	2,587,139	2,439,145	2,357,778	2,196,766
Total pension liability - ending (a)	2,753,137	2,627,218	2,587,139	2,439,145	2,357,778
Plan fiduciary net position:					
Contributions - employer	21,199	28,280	31,127	23,000	34,574
Contributions - employee	14,543	16,792	16,440	17,279	17,023
Net investment income (loss)	(432,052)	494,153	365,840	427,878	(149,226)
Benefit payments and refunds	(256,804)	(159,447)	(153,264)	(131,367)	(128,149)
Other	72,044	(11,277)	30,286	15,559	49,301
Net change in plan fiduciary net position	(581,070)	368,501	290,429	352,349	(176,477)
Plan fiduciary net position - beginning	3,181,492	2,812,991	2,522,562	2,170,213	2,346,690
Plan fiduciary net position - ending (b)	2,600,422	3,181,492	2,812,991	2,522,562	2,170,213
City's net pension liability - ending (a)-(b)	\$ 152,715	\$ (554,274)	\$ (225,852)	\$ (83,417)	\$ 187,565
Plan fiduciary net position as a percentage of the total pension liability	94.45%	121.10%	108.73%	103.42%	92.04%
Covered - employee payroll	\$ 323,167	\$ 376,544	\$ 365,341	\$ 383,980	\$ 378,277
City's net position liability as a percentage of covered-employee payroll	47.26%	-147.20%	-61.82%	-21.72%	49.58%

	2017	2016	2015	2014
\$	36,130	\$ 39,565	\$ 38,846	\$ 39,545
	159,334	147,450	135,982	125,673
	31,466	81,275	57,357	(46,822)
	(74,508)	(2,299)	2,169	81,489
	(124,101)	(92,773)	(65,588)	(58,570)
	28,321	173,218	168,766	141,315
	2,168,445	1,995,227	1,826,461	1,685,146
	2,196,766	2,168,445	1,995,227	1,826,461
	29,373	85,180	27,432	42,037
	15,496	14,754	15,109	14,518
	390,255	120,744	9,931	115,377
	(124,101)	(92,773)	(65,588)	(58,570)
	(42,517)	(2,206)	(32,097)	(8,101)
	268,506	125,699	(45,213)	105,261
	2,078,184	1,952,485	1,997,698	1,892,437
	2,346,690	2,078,184	1,952,485	1,997,698
\$	(149,924)	\$ 90,261	\$ 42,742	\$ (171,237)
	106.82%	95.84%	97.86%	109.38%
\$	344,345	\$ 327,860	\$ 335,770	\$ 322,617
	-43.54%	27.53%	12.73%	-53.08%

**TOWN OF THE CITY OF GALESBURG, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST 10 YEARS**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered- Employee Payroll	Actual Contribution as a Percentage of Covered- Employee Payroll
2014	\$ 42,037	\$ 42,037	\$ -	\$ 322,617	13.03%
2015	27,432	27,432	-	335,770	8.17%
2016	25,180	85,180	(60,000)	327,860	25.98%
2017	29,373	29,373	-	344,345	8.53%
2018	34,575	34,574	1	378,277	9.14%
2019	23,000	23,000	-	383,980	5.99%
2020	31,127	31,127	-	365,341	8.52%
2021	28,542	28,280	262	376,544	7.51%
2022	21,200 *	21,199	1	323,167	6.56%

*Estimated based on contribution rate of 6.56% and covered valuation payroll of \$323,167.

Schedule to be built prospectively as the City implemented GASB Statement No. 68 in the fiscal year ending 12/31/2014.

TOWN OF THE CITY OF GALESBURG, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2023

Note 1-Budget and Appropriations

The Township adopts an annual budget and appropriation ordinance in accordance with Chapter 50, 330/3 of the Illinois Revised Statutes. The budget covers the fiscal year ending December 31. These appropriations are adopted on a cash basis method of accounting.

Prior to the adoption of the annual budget and appropriation ordinance, the Township Board, at least 30 days prior to such adoption, shall make this proposed appropriation ordinance conveniently available for public inspection and shall hold at least one public hearing thereon. Notice of this hearing shall be given publication in one or more newspapers published locally at least 30 days prior to the time of the public hearing.

Subsequent to the public hearing and before final action is taken on the annual budget and appropriation ordinance, the Board may revise, alter, increase, or decrease the items contained therein.

The budgetary comparison schedules-cash basis-for the governmental fund types present legally adopted budgets with actual data on a budgetary basis. The appropriation ordinance lapses as of the fiscal year end.

**TOWN OF THE CITY OF GALESBURG, ILLINOIS
NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Notes to Schedule:

***Summary of Actuarial Methods and Assumptions Used in the
Calculation of the 2022 Contribution Rate****

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
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Methods and Assumptions Used to Determine 2022 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age Normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	21-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	2.75%
<i>Price Inflation:</i>	2.25%
<i>Salary Increases:</i>	2.85% to 13.75%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the valuation pursuant type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2015-2019.

<i>Mortality:</i>	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 lives. For active members, an IMRF specific mortality table was (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
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Other Information:

<i>Notes:</i>	There were no benefit changes during the year.
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* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

SUPPLEMENTARY INFORMATION

TOWN OF THE CITY OF GALESBURG, ILLINOIS
COMBINING STATEMENT OF ASSETS, LIABILITES, AND FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	IMRF Fund	Social Security Fund	Liability Insurance Fund	Audit Fund	Totals
ASSETS					
Cash and cash equivalents	\$ 137,734	\$ 70,909	\$ 28,381	\$ 54,729	\$ 291,753
Property tax receivable	34,000	34,000	8,000	22,000	98,000
Due from other funds	7,601	1,040	2,395	4,425	15,461
Prepaid expenses	-	-	2,709	-	2,709
Total assets	<u>\$ 179,335</u>	<u>\$ 105,949</u>	<u>\$ 41,485</u>	<u>\$ 81,154</u>	<u>\$ 407,923</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities					
Payroll tax payable	<u>\$ 896</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 896</u>
Deferred Inflows of Resources					
Deferred tax revenue	<u>34,000</u>	<u>34,000</u>	<u>8,000</u>	<u>22,000</u>	<u>98,000</u>
Fund Balance					
Nonspendable:					
Prepaid expenses	-	-	2,709	-	2,709
Restricted					
Social Security	-	71,949	-	-	71,949
Liability Insurance	-	-	30,776	-	30,776
Audit	-	-	-	59,154	59,154
IMRF	<u>144,439</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,439</u>
Total fund balances	<u>144,439</u>	<u>71,949</u>	<u>33,485</u>	<u>59,154</u>	<u>309,027</u>
Total liabilities and fund balances	<u>\$ 179,335</u>	<u>\$ 105,949</u>	<u>\$ 41,485</u>	<u>\$ 81,154</u>	<u>\$ 407,923</u>

TOWN OF THE CITY OF GALESBURG, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	IMRF Fund	Social Security Fund	Liability Insurance Fund	Audit Fund	Totals
REVENUES					
Property taxes	\$ 33,596	\$ 33,596	\$ 7,919	\$ 19,601	\$ 94,712
Interest	4,794	3,359	1,272	1,076	10,501
Total revenues	38,390	36,955	9,191	20,677	105,213
EXPENDITURES					
Current:					
General government	9,108	29,558	7,621	16,400	62,687
Excess of revenues over expenditures	29,282	7,397	1,570	4,277	42,526
OTHER FINANCING SOURCES					
Transfers In	23,093	21,185	5,555	54,848	104,681
Net change in fund balance	52,375	28,582	7,125	59,125	147,207
Fund Balance, Beginning	92,064	43,367	26,360	29	161,820
Fund Balance, Ending	<u>\$ 144,439</u>	<u>\$ 71,949</u>	<u>\$ 33,485</u>	<u>\$ 59,154</u>	<u>\$ 309,027</u>

TOWN OF THE CITY OF GALESBURG, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
IMRF FUND
YEAR ENDED DECEMBER 31, 2023

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Property tax	\$ 34,000	\$ 33,596	\$ (404)
Interest income	<u>485</u>	<u>4,794</u>	<u>4,309</u>
Total revenues	<u>34,485</u>	<u>38,390</u>	<u>3,905</u>
EXPENDITURES			
Illinois Municipal Retirement contribution	<u>34,000</u>	<u>8,212</u>	<u>25,788</u>
Excess of Revenues Over Expenditures	<u>485</u>	<u>30,178</u>	<u>29,693</u>
OTHER FINANCING SOURCES			
Operating transfers in	<u>-</u>	<u>23,093</u>	<u>23,093</u>
Net change in fund balance	<u><u>\$ 485</u></u>	<u>53,271</u>	<u><u>\$ 52,786</u></u>
Net change resulting from conversion to accrual basis		(896)	
Fund Balance, Beginning of year		<u>92,064</u>	
Fund Balance, End of year		<u><u>\$ 144,439</u></u>	

TOWN OF THE CITY OF GALESBURG, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
SOCIAL SECURITY FUND
YEAR ENDED DECEMBER 31, 2023

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Property tax	\$ 34,000	\$ 33,596	\$ (404)
Interest income	<u>310</u>	<u>3,359</u>	<u>3,049</u>
Total revenues	<u>34,310</u>	<u>36,955</u>	<u>2,645</u>
EXPENDITURES			
Social Security and Medicare contribution	<u>34,000</u>	<u>29,558</u>	<u>4,442</u>
Excess of Revenues Over Expenditures	<u>310</u>	<u>7,397</u>	<u>7,087</u>
OTHER FINANCING SOURCES			
Operating transfers in	<u>-</u>	<u>21,185</u>	<u>21,185</u>
Net change in fund balance	<u>\$ 310</u>	<u>28,582</u>	<u>\$ 28,272</u>
Net change resulting from conversion to accrual basis		-	
Fund Balance, Beginning of year		<u>43,367</u>	
Fund Balance, End of year		<u>\$ 71,949</u>	

TOWN OF THE CITY OF GALESBURG, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
LIABILITY INSURANCE FUND
YEAR ENDED DECEMBER 31, 2023

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Property tax	\$ 8,000	\$ 7,919	\$ (81)
Interest income	<u>130</u>	<u>1,272</u>	<u>1,142</u>
Total revenues	<u>8,130</u>	<u>9,191</u>	<u>1,061</u>
EXPENDITURES			
Unemployment insurance	600	1,060	(460)
Worker's compensation	1,400	-	1,400
Liability insurance	<u>5,000</u>	<u>6,613</u>	<u>(1,613)</u>
Total expenditures	<u>7,000</u>	<u>7,673</u>	<u>(673)</u>
Excess of Revenues Over Expenditures	<u>1,130</u>	<u>1,518</u>	<u>388</u>
OTHER FINANCING SOURCES			
Operating transfers in	<u>-</u>	<u>5,555</u>	<u>5,555</u>
Net change in fund balance	<u>\$ 1,130</u>	7,073	<u>\$ 5,943</u>
Net change resulting from conversion to accrual basis		52	
Fund Balance, Beginning of year		<u>26,360</u>	
Fund Balance, End of year		<u>\$ 33,485</u>	

TOWN OF THE CITY OF GALESBURG, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CASH BASIS
AUDIT FUND
YEAR ENDED DECEMBER 31, 2023

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Property tax	\$ 22,000	\$ 19,601	\$ (2,399)
Interest income	<u>75</u>	<u>1,076</u>	<u>1,001</u>
Total revenues	<u>22,075</u>	<u>20,677</u>	<u>(1,398)</u>
EXPENDITURES			
Audit	<u>20,000</u>	<u>16,400</u>	<u>3,600</u>
Excess of Revenues Over Expenditures	<u>2,075</u>	<u>4,277</u>	<u>2,202</u>
OTHER FINANCING SOURCES			
Operating transfers in	<u>-</u>	<u>54,848</u>	<u>54,848</u>
Net change in fund balance	<u>\$ 2,075</u>	<u>59,125</u>	<u>\$ 57,050</u>
Net change resulting from conversion to accrual basis		-	
Fund Balance, Beginning of year		<u>29</u>	
Fund Balance, End of year		<u>\$59,154</u>	