CITY OF BURBANK, ILLINOIS

ANNUAL FINANCIAL REPORT
December 31, 2022

CITY OF BURBANK, ILLINOIS

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Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor
and Members of the City Council
City of Burbank, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Burbank, Illinois ("City"), as of and for the year ended December 31, 2022, 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 the other auditors, 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 City, as of December 31, 2022, 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.

We did not audit the financial statements of the Firefighters' Pension Fund, which represents 36 percent and 36 percent, respectively, of the assets and net position of the aggregate remaining fund information as of December 31, 2022, and 35 percent of the additions and revenues of the aggregate remaining fund information for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Firefighters' Pension Fund, is 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 (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 Police Pension Fund and the Firefighters' Pension Fund 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 Management's Discussion and Analysis, budgetary comparison schedule, and historical pension and retirees' health plan information 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 and other auditors 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 accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023 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.

Crowe LLP

Crowe LLP

Oak Brook, Illinois
June 30, 2023

As management of the City of Burbank (“City”), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. Since the Management’s Discussion and Analysis (“MD&A”) is designed to focus on the current year’s activities, resulting changes and currently known facts, it should be read in conjunction with the City’s financial statements.

Financial Highlights

The City’s government-wide net position is $22.8M, an increase of $18.4M from the prior year. This significant change is mainly attributable to a surplus in the City’s governmental funds, investments in capital assets, and the repayment of existing debt principal.

The City’s combined fund balances for its governmental funds on December 31, 2022, totaled $42.4M, an increase of $8.6M from the prior year. This significant increase is primarily due to $3.8M of Federal Coronavirus State and Local Fiscal Recovery funding. At the end of fiscal year 2022, unassigned fund balance for the general fund is $25.7M or 133% of total general fund expenditures.

Total long-term obligations increased by $23.2M. This 60% increase is primarily due to negative investment returns in the three City pension funds as was experienced in funds across the entire United States. As a result of these negative market trends, the City’s $6.8M net pension asset as of December 31, 2021, became a net pension liability of $23.7M as of December 31, 2022. This increase was offset by a decrease in deferred inflows of resources of $23.7M.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The City’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 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. The statement of net position presents information on all the City’s assets, liabilities, deferred outflows of resources, and deferred inflows of resources with the net amount of these four elements 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 City’s net position changed during the most recent fiscal year. 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. The governmental activities reflect the City’s basic services, including administration, public safety, highways, streets and building control. Property taxes, shared state taxes and local utility taxes finance most of these services.

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 the funds of the City can be divided into two categories: governmental funds and fiduciary funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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. 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 City'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 ten 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, Federal Grants Fund, Motor Fuel Tax Fund, Debt Service Fund, and the General Obligation Bond Fund, each of which are major funds, while the SSA Debt Fund and the four TIF Funds are deemed to be nonmajor 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 statements because the resources of those funds are not available to support the City's own programs.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Non-major fund information can be found immediately following the required supplementary information.

Statement of Net Position

The following chart reflects the condensed Statement of Net Position (in millions):

	2021	2022
Assets:		
Current & other assets	$ 48.1	$ 53.1
Net pension asset	6.8	-
Capital assets	45.2	46.8
Total assets	100.1	99.9
Deferred outflows of resources	32.7	42.5
Liabilities:		
Current liabilities	3.8	2.3
Net pension liability	-	23.7
Other long-term liabilities	45.7	38.4
Total liabilities	49.5	64.4
Deferred inflows of resources	78.9	55.2
Net position:		
Invested in capital assets, net	42.1	45.7
Restricted	9.4	10.9
Unrestricted	(47.1)	(33.8)
Total net position	$ 4.4	$ 22.8

Nearly all of City's net position is made up of capital assets (e.g., land, buildings, machinery, streets, and equipment) less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, those assets are not available for future spending. An additional portion of the City's net position is resources that are subject to external restrictions on their use. There is no longer unrestricted net position available from an accounting perspective to meet the City's ongoing obligations to its citizens and creditors. At the end of the fiscal year, there are positive balances in two of the three categories of the City's net position.

Analysis of Operations

The following chart reflects the condensed Statement of Activities (in millions):

	Governmental Activities	
	2021	2022
Revenues:		
Program revenues:		
Fees, fines & charges for services	$ 5.7	$ 6.5
Operating grants and contributions	1.2	1.4
Capital grants and contributions	0.8	0.6
General revenues:		
Property taxes	8.5	9.0
Other taxes	15.5	16.4
Investment earnings	-	0.3
CSLFRF grant	-	3.8
Other	0.7	0.7
Total revenues	32.4	38.7
Expenses:		
General government	3.8	4.9
Public safety	6.5	10.5
Public works	3.4	3.9
Economic development	-	0.2
Interest on debt	0.9	0.8
Total expenses	14.6	20.3
Change in net position	17.8	18.4
Beginning net position	(13.4)	4.4
Ending net position	$ 4.4	$ 22.8

Governmental Funds

The General Fund's fund balance increased $7.4M and is mainly attributable to expenditures that were less than amounts budgeted as well as revenues that exceeded estimated amounts. These are explained in greater detail in the General Fund Budgetary Highlights below.

The Federal Grants Fund's fund balance was $0 as all grant revenues recognized in the fund during the year were spent. 2022 is the first year the City tracked federal grant activity in a separate fund.

The Motor Fuel Tax Fund's fund balance increased by $1.4M due to capital outlay expenditures being less than revenue generated from both motor fuel tax and the final receipt of Rebuild Illinois grant funding.

The Debt Service Fund's fund balance increased by $0.01M. Revenues and expenditures were as planned.

The General Obligation Bond Fund's fund balance decreased in total by $0.6M due to the spending of bond proceeds on capital improvement projects as planned.

The Nonmajor Governmental Funds' fund balance increased $0.2M due to incremental tax revenue generated in three of the City's four TIF funds which was offset by fund balance transfers to the General Fund.

General Fund Budgetary Highlights

Total revenue exceeded estimated amounts by approximately $3.9M or 18%. Revenues from ambulance billing, state income tax, interest income, real estate tax, and real estate transfer tax accounted for 80% of this positive variance from estimated amounts.

Fire Department and Police Department expenditures were less than budgeted amounts because of $1.4M and $2.4M of payroll expenditures charged to the Federal Grants Fund (Coronavirus State and Local Fiscal Recovery Fund), respectively. As a result, a significant amount of the budget was able to be used for capital outlay expenditures causing the public works department to exceed budget. However, the general fund in total still remained under budget.

Capital Assets

Change in Capital Assets
(in millions)

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
Capital assets not being depreciated	$ 1.9	$ -	$ -	$ 1.9
Capital assets being depreciated	105.9	4.0	(2.4)	107.5
Accumulated depreciation	(62.6)	(2.4)	2.4	(62.6)
Capital assets being depreciated, net	43.3	1.6	-	44.9
Total	$ 45.2	$ 1.6	$ -	$ 46.8

The City has continued to replace deteriorated infrastructure including worn side streets as needed utilizing funding from the general fund, motor fuel tax, Rebuild Illinois, and capital bond proceeds.

Long term financing took place in 2020 to replace retired debt levies maintaining consistent real estate tax levels and supporting the City's capital improvement objectives. No such long-term financing occurred during 2022, but the City will evaluate the need for additional debt financing for continued infrastructure improvements. More detailed information about capital assets can be found in Note 5 to the financial statements.

Debt Administration

The City retired $4.8M of long-term debt that was used to finance capital improvements in 2022. No new debt was issued. The City has a very low real estate tax receipts loss factor and collects all revenues needed to finance debt service of the City. Long term levies have been approved and filed for all future debt service funding by the City Attorney. The City has an "A3" rating from Moody's investor's service for general obligation debt. More detailed information about long-term debt can be found in Note 7 to the financial statements.

In 2021 $30.6M of pension obligation bonds were issued and all proceeds were immediately transferred to the police and firefighters' pension funds. This is intended to save the City money in the long run by decreasing the actuarially required contributions that the City would have had to make if this up front funding was not obtained. The City took advantage of the low interest rate environment during 2021 and significantly improved its position from a long-term financial perspective

Economic Factors

The City has a mature and stable residential tax base 12 miles southwest of Chicago. The tax base is well established with new development largely from the replacement of older homes. The City has home rule status with a manageable debt burden with rapid principal amortization. The City Council, over the years, has imposed various tax increases/user fees to diversify revenues. Imposed revenues include a ½ cent local option sales tax. The City still imposes lower sales taxes than its neighbor Chicago. The TIF district that has dissolved created the ability to add additional new property that was previously unavailable for the general corporate fund levy. This commercial property is now included in the new tax base available for the City's real estate tax levy purposes. Three TIF districts generated incremental tax revenues in 2022 that will be used for economic development in the future.

The City received its second tranche of funding from the Coronavirus State and Local Fiscal Recovery Fund in 2022 and all funds were spent on public safety payroll. This will help the City deliver more services and necessary infrastructure improvements in the near future.

Requests for Information

This financial report is designed to provide a general overview of the City of Burbank's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Burbank Treasurer, 6530 W. 79th Street, Burbank, Illinois 60459.

CITY OF BURBANK, ILLINOIS

Statement of Net Position
December 31, 2022

	Primary Government Governmental Activities
ASSETS	
Cash and Investments	$ 39,300,000
Property Taxes Receivable	9,083,627
Other Governmental Receivables	3,574,303
Prepaid Items	1,107,897
Capital Assets Not Being Depreciated	1,928,909
Capital Assets Being Depreciated, Net	44,845,381
Total Assets	99,840,117
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Outflows	39,384,072
Deferred OPEB Outflows	3,132,484
Total Deferred Outflows of Resources	42,516,556
LIABILITIES	
Accounts Payable	1,381,885
Accrued Payroll	448,501
Claims Payable	280,479
Other Payables	2,636
Interest Payable	66,322
Due to Fiduciary Funds	124,851
Long Term Debt, Due Within One Year:	
Compensated Absences	24,535
General Obligation Bonds Payable	4,150,000
Retiree Insurance Premiums Payable	113,565
Long Term Debt, Due in More Than One Year:	
Compensated Absences	776,236
General Obligation Bonds Payable	27,815,166
Retiree Insurance Premiums Payable	274,246
Net Pension Liabilities	23,703,015
Total OPEB Liability	5,243,573
Total Liabilities	64,405,010
DEFERRED INFLOWS OF RESOURCES	
Unearned Property Taxes	7,570,682
Deferred Pension Inflows	44,638,093
Deferred OPEB Inflows	2,965,044
Total Deferred Inflows of Resources	55,173,819
NET POSITION	
Net Investment in Capital Assets	45,681,962
Restricted for:	
Motor Fuel Tax Projects	3,816,292
Rebuild Illinois Bond Funds Projects	1,211,223
Debt Service	646,791
Capital Projects	5,191,695
Unrestricted	(33,770,119)
Total Net Position	$ 22,777,844

See accompanying notes to financial statements.

CITY OF BURBANK, ILLINOIS

Statement of Activities
Year Ended December 31, 2022

		Program Revenues			Net (Expense)/ Revenue and Changes in Net Position — Primary Government
Functions/Programs	Expenses	Fees, Fines & Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 4,916,915	$ 1,705,393	$ -	$ -	$ (3,211,522)
Public Safety	10,502,675	4,819,071	225,415	-	(5,458,189)
Public Works	3,935,672	-	1,165,507	635,424	(2,134,741)
Economic Development	198,522	-	-	-	(198,522)
Interest on Debt	792,951	-	-	-	(792,951)
Total Primary Government	$ 20,346,735	$ 6,524,464	$ 1,390,922	$ 635,424	(11,795,925)

General Revenues:	
Taxes:	
Property Taxes	8,965,015
Home Rule Tax	2,407,616
Other Taxes	3,245,331
Shared Revenues:	
Sales Tax	4,157,291
Income Tax	4,834,034
Personel Property Replacement Tax	278,044
Telecommunications Tax	235,613
Local Use Tax	1,193,108
Investment Earnings	321,556
Coronavirus State and Local Fiscal Recovery Funds	3,849,699
Other General Revenues	725,554
Total General Revenues	30,212,861
Change in Net Position	18,416,936
Net Position, January 1, 2022	4,360,908
Net Position, December 31, 2022	$ 22,777,844

CITY OF BURBANK, ILLINOIS

Balance Sheet
Governmental Funds
December 31, 2022

	Major Funds					Nonmajor Fund	
	General Fund	Federal Grants Fund	Motor Fuel Tax Fund	Debt Service Fund	General Obligation Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Investments	$ 26,403,798	$ -	$ 4,594,600	$ 2,419,929	$ 2,842,099	$ 3,039,574	$ 39,300,000
Property Taxes Receivable	2,650,855	-	-	6,432,772	-	-	9,083,627
Other Governmental Receivables	3,367,287	-	207,016	-	-	-	3,574,303
Prepaid Items	1,107,897	-	-	-	-	-	1,107,897
Interfund Advances - Receivable	4,040,487	-	279,861	-	-	36,865	4,357,213
Total Assets	$ 37,570,324	$ -	$ 5,081,477	$ 8,852,701	$ 2,842,099	$ 3,076,439	$ 57,423,040
LIABILITIES							
Accounts Payable	$ 1,264,858	$ -	$ 53,962	$ -	$ 20,000	$ 43,065	$ 1,381,885
Accrued Payroll	448,501	-	-	-	-	-	448,501
Claims Payable	280,479	-	-	-	-	-	280,479
Other Payables	2,636	-	-	-	-	-	2,636
Interfund Advances - Payable	234,384	-	-	3,193,726	281,594	647,509	4,357,213
Due to Fiduciary Funds	124,851	-	-	-	-	-	124,851
Total Liabilities	2,355,709	-	53,962	3,193,726	301,594	690,574	6,595,565
DEFERRED INFLOWS OF RESOURCES							
Unearned Revenue - Property Taxes	2,624,820	-	-	4,945,862	-	-	7,570,682
Unavailable Revenue - Taxes and Grants	887,886	-	-	-	-	-	887,886
Total Deferred Inflows of Resources	3,512,706	-	-	4,945,862	-	-	8,458,568
FUND BALANCES							
Nonspendable							
Interfund Loans	4,040,487	-	279,861	-	-	-	4,320,348
Prepaid Items	1,107,897	-	-	-	-	-	1,107,897
Restricted							
Motor Fuel Tax Projects	-	-	3,536,431	-	-	-	3,536,431
Rebuild Illinois Bond Funds Projects	-	-	1,211,223	-	-	-	1,211,223
Debt Service	-	-	-	713,113	-	-	713,113
Capital Projects	-	-	-	-	2,540,505	2,651,190	5,191,695
Committed							
Performance Bonds	866,733	-	-	-	-	-	866,733
Unassigned	25,686,792	-	-	-	-	(265,325)	25,421,467
Total Fund Balances	31,701,909	-	5,027,515	713,113	2,540,505	2,385,865	42,368,907
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 37,570,324	$ -	$ 5,081,477	$ 8,852,701	$ 2,842,099	$ 3,076,439	$ 57,423,040

See accompanying notes to financial statements.

Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position
December 31, 2022

Total fund balances - governmental funds		$ 42,368,907
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Capital Assets	$ 109,442,178	
Accumulated Depreciation	(62,667,888)	
Net Capital Assets		46,774,290
Other long-term assets are not available to pay for current period expenditures and therefore are unavailable in the funds. These assets consist of:		
Receivables Unavailable in Governmental Funds		887,886
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		(66,322)
Deferred outflows of resources applicable to the City's pension and OPEB activities do not involve available financial resources and accordingly are not reported on the fund financial statements		42,516,556
Deferred inflows of resources applicable to the City's pension and OPEB activities do not involve available financial resources and accordingly are not reported on the fund financial statements		(47,603,137)
Some assets/liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as assets/liabilities in governmental funds. These assets/liabilities consist of :		
Provision for Compensated Absences	(800,771)	
Retiree Insurance Premiums Payable	(387,811)	
Total OPEB Liability	(5,243,573)	
Net Pension Liabilities	(23,703,015)	
Bonds Payable	(31,965,166)	
Total Long-term assets/liabilities		(62,100,336)
Net position of governmental activities		$ 22,777,844

CITY OF BURBANK, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2022

	Major Funds						
	General Fund	Federal Grants Fund	Motor Fuel Tax Fund	Debt Service Fund	General Obligation Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Property Taxes	$ 2,153,003	$ -	$ -	$ 5,790,078	$ -	$ 1,021,934	$ 8,965,015
Sales Tax	4,136,081	-	-	-	-	-	4,136,081
Home Rule Tax	2,399,917	-	-	-	-	-	2,399,917
Income Tax	4,834,034	-	-	-	-	-	4,834,034
Other Taxes	4,955,767	-	1,165,507	-	-	-	6,121,274
Licenses, Permits and Fees	4,128,399	-	-	-	-	-	4,128,399
Fines	2,339,742	-	-	-	-	-	2,339,742
Investment Income	214,849	-	50,168	9,396	6,537	40,606	321,556
Grants	225,415	3,849,699	635,424	-	150,000	-	4,860,538
Other Revenue	781,877	-	-	-	-	-	781,877
Total Revenues	26,169,084	3,849,699	1,851,099	5,799,474	156,537	1,062,540	38,888,433
EXPENDITURES							
Current:							
Administration	4,153,252	-	-	-	-	27,796	4,181,048
Building & Grounds	46,495	-	-	-	-	-	46,495
Economic Development	-	-	-	-	-	170,766	170,766
Fire Department	3,945,109	1,442,445	-	-	-	-	5,387,554
Police Department	5,629,954	2,407,254	-	-	-	-	8,037,208
Civil Defense	11,308	-	-	-	-	-	11,308
Public Works Department	1,885,807	-	-	-	-	-	1,885,807
Building & License Enforcement	218,418	-	-	-	-	-	218,418
Zoning Board of Appeals	59,529	-	-	-	-	-	59,529
Liquor Commission	30,979	-	-	-	-	-	30,979
Police & Fire Commission	81,262	-	-	-	-	-	81,262
Capital Outlay	3,294,023	-	484,217	-	735,695	-	4,513,935
Debt Service - Principal Retired	-	-	-	4,780,000	-	-	4,780,000
Debt Service - Interest and Fees	-	-	-	925,914	-	-	925,914
Total Expenditures	19,356,136	3,849,699	484,217	5,705,914	735,695	198,562	30,330,223
Excess (Deficiency) of Revenues Over Expenditures	6,812,948	-	1,366,882	93,560	(579,158)	863,978	8,558,210
OTHER FINANCING SOURCES (USES)							
Transfers In	615,675	-	-	-	-	1,991,668	2,607,343
Transfers Out	-	-	-	-	-	(2,607,343)	(2,607,343)
Total Other Financing Sources (Uses)	615,675	-	-	-	-	(615,675)	-
Net Change in Fund Balances	7,428,623	-	1,366,882	93,560	(579,158)	248,303	8,558,210
Fund Balances at Beginning of Year	24,273,286	-	3,660,633	619,553	3,119,663	2,137,562	33,810,697
Fund Balances at End of Year	$ 31,701,909	$ -	$ 5,027,515	$ 713,113	$ 2,540,505	$ 2,385,865	$ 42,368,907

CITY OF BURBANK, ILLINOIS

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities
Year Ended December 31, 2022

Net change in total fund balances		$ 8,558,210
Amounts reported for governmental activities in the Statement of Activities are different because:		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements.		(124,762)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Change in Retiree Insurance Premiums Payable	$ 155,589	
Chage in Compensated Absences	19,823	
Change in Pension Liability (Asset) and Deferred Items	3,327,981	
Change in Total OPEB Liability and Deferred Items	(53,390)	
Change in Accrued Interest Payable on Bonds	104,255	
Amortization of Capitalized Bond Premium (Discount)	28,708	
Total expenses of non-current resources		3,582,966
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital Outlay	4,054,785	
Depreciation	(2,434,263)	
Capital Outlay in excess of depreciation		1,620,522
The issuance of long-term debt (e.g., bonds) provided current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Payment of bonds	4,780,000	
Net effect of differences in long term debt		4,780,000
Change in net position of governmental activities		$ 18,416,936

Statement of Fiduciary Net Position
December 31, 2022

	Pension Trust Funds
ASSETS	
Cash and Cash Equivalents	$ 1,191,849
Pooled Investments	98,012,193
Due from the City	124,851
Prepaid Items	8,617
Total Assets	99,337,510
LIABILITIES	
Accounts Payable	8,344
Total Liabilities	8,344
NET POSITION	
Restricted for Pensions	99,329,166
Total Net Position	$ 99,329,166

See accompanying notes to financial statements.

Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2022

	Pension Trust Funds
ADDITIONS	
Contributions	
Employer	$ 2,562,627
Plan Members	757,224
Total Contributions	3,319,851
Investment Income (Loss)	
Interest and Dividends	927,741
Net Change in Fair Value	(20,231,032)
Less Investment Expense	(109,016)
Net Investment Income (Loss)	(19,412,307)
Total Additions	(16,092,456)
DEDUCTIONS	
Benefits and Refunds	5,886,256
Administrative Expenses	134,364
Total Deductions	6,020,620
Change in Net Position	(22,113,076)
Net Position at Beginning of Year	121,442,242
Net Position at End of Year	$ 99,329,166

See accompanying notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Burbank (City), Illinois conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the significant policies:

<u>The Reporting Entity</u>:

Financial Reporting Entity - These financial statements include all organizations, activities, functions, funds and component units for which the City is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City. The following component units have been included in the financial statements of the City.

Fiduciary Component Units – The Police Pension Fund of the City of Burbank is an Illinois local government, as such; it is a separate legal entity with its own management and budget authority. This fund exists solely to provide pension benefits for the City's police officers. The Pension Plan may not issue bonded debt or levy taxes without the City's approval. The financial statements of the Police Pension Fund as of and for the year ended December 31, 2022, are included in the City's combined financial statements as a pension trust fund. The Police Pension Fund has not issued a separate financial report.

The Firefighters' Pension Fund of the City of Burbank is an Illinois local government, as such; it is a separate legal entity with its own management and budget authority. This fund exists solely to provide pension benefits for the City's firefighters. The Pension Plan may not issue bonded debt or levy taxes without the City's approval. The financial statements of the Firefighters' Pension Fund as of and for the year ended December 31, 2022, are included in the City's combined financial statements as a pension trust fund. The Firefighters' Pension Fund has issued a separate financial report. This report may be obtained by contacting the City Treasurer.

<u>Basis of Presentation</u>: The City's financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The government-wide statement of activities reflects both the direct expenses and net cost of each function of the City's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the City.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements – The financial transactions of the City are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures as appropriate. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and presented as nonmajor funds.

Measurement Focus and Basis of Accounting:

Government-wide Financial Statements – The government-wide financial statements and fund financial statements for fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The City has reported three categories of program revenues in the statement of activities (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the City's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables. Similarly, transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net position as accounts receivable or payable to external parties.

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 recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the City considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Nonexchange transactions, in which the City receives value without directly giving equal value in return, include taxes, grants, and donations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports unearned revenues on its financial statements. Unearned revenues arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet or statement of net position and revenue is recognized.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports differences between expected and actual experience, changes in assumptions, and loss on investments for their pension and OPEB plans. Differences between expected and actual experience and changes in plan assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the plan. Loss on investments are deferred and amortized over five years.

In addition to liabilities, the 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: other taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Under the full accrual basis of accounting, in accordance with the requirements of GASB Statement No. 65, property tax revenues that are levied but intended to fund future periods are considered to be deferred inflows of resources. Additionally, certain amounts related to pension and OPEB plans must be deferred. Differences between expected and actual experience changes in assumptions are deferred and amortized over the average of the expected remaining service lives of all employees that are provided with benefits through the plan. Gain on investments are deferred and amortized over five years.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the City's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. The General Fund has the following accounts:

Corporate – the Corporate account is used to account for all financial resources except those required to be accounted for in another fund.

Working Cash – the Working Cash account is used to loan resources to other funds.

Performance Bond – the Performance Bond account is used to account for performance bond activity.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Federal Grants Fund – This special revenue fund accounts for activities that are funded by Federal grants.

Motor Fuel Tax Fund – This special revenue fund accounts for motor fuel tax revenues received, including interest income, for the purpose of street and alley maintenance.

Debt Service Fund – This fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

General Obligation Bond Fund – This capital projects fund accounts for capital improvements that are financed by the proceeds of the various GO bond issues.

In addition to the major funds listed above, the City uses the following fund type:

Fiduciary Funds:
Pension Trust Funds – Pension Trust Funds are used to account for fiduciary activities for pension plans that are administered through trusts in which contributions from employers to the pension plan and earnings on those contributions are irrevocable; pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms; and pension plan assets are legally protected from the creditors of the employer, the pension plan administrator, and the plan members.

Pension trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical.

Budgetary Information: The City establishes a budget for the general fund corporate account only.

Cash and Investments: Investments are stated at fair value except for Illinois Funds, which is reported at amortized cost. State statute requires the State Treasurer's Illinois Funds to comply with the Illinois Public Funds Investment Act.

Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amount: City employees receive vacation and sick pay in varying amounts based upon their employment anniversary dates. The City reimburses employees for accumulated vacation days upon their termination or retirement. Nonunion-employees must take vacation accrued during the year of the accrual. Union employees are allowed to carry forward up to 10 days to the next fiscal year. The City also reimburses employees for accumulated sick pay days upon their termination or retirement. Depending on the contract the employee falls under, sick days are paid at a rate ranging from $35 for an 8 hour day to $200 per day. The liability for compensated absences, (unused vacation and sick time) of the City relating to employees of the governmental activities at December 31, 2022, of $800,771 is recorded in the Government-wide financial statements. The long-term portion of compensated absences will be paid from the fund from which the employee is paid.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

An employee who retires with 20 or more years of service shall have the option, which must be exercised not later than 30 days after retirement, to convert accrued benefits (sick time, vacation time, and compensatory time) into a health insurance benefit. The rate of pay at the time of retirement and the monthly insurance rate paid by the City at the time of retirement shall be used to calculate the health insurance benefit. The employee's health insurance benefit shall be determined by taking 100.00% of the hours of accrued benefits times the hourly salary rate divided by the monthly health insurance premium in order to determine the number of months of health insurance to be provided by the City at no cost to the employee. The health insurance benefit must be used by the employee within 15 years of retirement. As of December 31, 2022, there are 12 retired City of Burbank employees eligible for this benefit who are participating. $387,811 is recorded as a liability in the Government-wide financial statements related to this retirement insurance benefit. The benefit expense for the year ended December 31, 2022 was $155,589. If the employee decides not to have the health insurance benefit, the employee may receive a less than pay stipend.

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost above a set dollar threshold based on the asset type. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The capitalization threshold for the City is $5,000.

All reported capital assets except land and construction in progress are depreciated. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Capital Asset Category	Estimated Useful Live
Land	n/a
Land Improvements	20 years
Building	50 years
Vehicles, Machinery, and Equipment	5-20 years
Software	2-7 years
Infrastructure-Street Network	25-50 years
Infrastructure-Storm Sewers	100 years

Property Tax Revenue Recognition: Property taxes attach as an enforceable lien on January 1. They are normally levied in December (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about March 1 and August 1 and are payable in two installments, on or about April 1 and September 1. In 2022, the second installment was delayed and was not payable until December 30, 2022. The County collects such taxes and remits them periodically. The amounts levied in the year 2022 are intended to fund year 2023 activity.

Property tax revenues are recognized when they become both measurable and available. Available means when due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Debt: In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are capitalized and amortized over the life of the bonds using the straight-line method, which approximates the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, with the exception of prepaid bond insurance, are expensed in the statement of activities.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund Balance/Net Position: Net position represents the difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The components of the fund balance include the following line items:

a. Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
b. Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.
c. Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the City, the City Council is the highest level of decision making. As of December 31, 2022, the City has fund balance in the Performance Bond Account that is committed pursuant to City ordinance.
d. Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the City Council designated for that purpose. The intended use is established by an official designated for that purpose. The City Council has not designated any members of management for this purpose.
e. Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. It is also any negative fund balance in other funds.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance/net position is available, the City will consider restricted fund balance/net position to have been spent before unrestricted fund balance/net position. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the City will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance. The City's fund balance policy requires the maintenance of a minimum fund balance reserve equal to three months of the total operating expenses of the General Fund.

Claims and Judgments: Liability resulting from claims and judgments, if any, has been reflected in the financial statements in accordance with GASB Statement 10 provisions.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates: The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Pensions: 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 the Illinois Municipal Retirement Fund (IMRF) and the Police and Firefighters' Pension Plans (Plans) and additions to/deductions from the fiduciary net position of IMRF and the Plans have been determined on the same basis as they are reported by IMRF and the Plans. 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.

NOTE 2 - DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents: The City has cash on hand of $800. The carrying amount of cash, excluding the Pension Trust Funds, was $29,401,100 at December 31, 2022, while the bank balances were $30,198,479. At December 31, 2022, all bank balances were either insured by the Federal Deposit Insurance Corporation (FDIC) for $250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the City's name by financial institutions acting as the City's agent.

At December 31, 2022, the Pension Trust Funds' carrying amount of cash and cash equivalents was $1,191,849 while the bank balances were $1,191,849. At December 31, 2022, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy requires that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

Investments (Excluding Pension Trust Funds): The investments which the City may purchase are limited to those authorized under the Public Funds Investment Act and include: (1) securities that are guaranteed by the full faith and credit of the United States as to principal and interest; (2) obligations of agencies and instrumentalities of the United states as originally issued by the agencies and instrumentalities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit, or interest-bearing time deposits of a bank, savings bank, savings and loan association, or credit union which maintains its principal office in the state of Illinois; (4) money market mutual funds registered under the Investment Company Act of 1940 and rated at the highest classification of at least one nationally recognized rating service; (5) interest-bearing bonds of any county, township, municipality, municipal corporation or school district rated at the time of purchase within the four highest general classifications of at least one nationally recognized rating service; (6) the Public Treasurer's Investment Pool administered the State Treasurer and (7) a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or which uses the services of such an entity and invest or advise regarding the investment of any public funds. As of December 31, 2022, the City had state and local obligations of $2,244,070 and U.S. government obligations of $7,654,030.

(Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk – Interest rate risk is minimized by structuring investments so that securities mature to meet cash requirements for ongoing operations without selling or cashing in securities on the open market prior to maturity. As of December 31, 2022, the City's investments were as follows:

		Investment Maturities - in Years			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasuries	$ 7,654,030	$ 3,899,570	$ 3,754,460	$ -	$ -
State and Local Obligations	2,244,070	536,913	1,707,157	-	-
Total	$ 9,898,100	$ 4,436,483	$ 5,461,617	$ -	$ -

Credit Risk – The City's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The City prohibits the following investments: (1) commercial paper of any corporation; (2) repurchase agreements of government securities; (3) derivative products; (4) leveraging of assets through reverse purchase agreements and (5) direct investments in tri-party repurchase agreements. As of December 31, 2022, credit ratings for the City's investments in debt securities are as follows:

	Moody's Ratings		S&P Ratings	
Investment Type	Aaa	A	AA	Total
U.S. Treasuries	$ 7,654,030	$ -	$ -	$ 7,654,030
State and Local Obligations	703,223	232,752	1,308,095	2,244,070

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that collateral provided be 105% or more of the fair market value of the net amount of public funds secured. The City's investments as of December 31, 2022 were not subject to collateralization.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in any one issuer.

(Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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.

The City has the following recurring fair value measurements as of December 31, 2022 using a matrix pricing model for Level 2 investments:

		Fair Value Measurements Using		
Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasuries	$ 7,654,030	$ 7,654,030	$ -	$ -
State and Local Obligations	2,244,070	-	2,244,070	-
Total	$ 9,898,100	$ 7,654,030	$ 2,244,070	$ -

Pension Trust Funds' Investments: The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of IFPIF are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org. The Fund transferred the majority of eligible assets to IFPIF in 2022.

IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of IPOPIF are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at www.ipopif.org. The Fund transferred the majority of eligible assets to IPOPIF in 2022.

(Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The following investments are not sensitive to risk: IFPIF - $36,589,735 and IPOPIF - $61,422,458.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSROs). The Pension Trust Funds' investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

The Pension Trust Funds' policies require all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality; that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's. The Boards, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Custodial Risk – Deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. At December 31, 2022, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund's investment policy requires that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

Custodial Risk – Investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Funds will not be able to recover the value of their investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. While not required by the Pension Fund's investment policy, the Pension Trust Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Pension Trust Fund, to act as custodian for its securities and collateral.

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of the Funds' investment in a single issuer. At December 31, 2022, the Pension Trust Funds did not have investments that are valued greater than 5.00% of the total plan assets.

The investments in IFPIF and IPOPIF are measured at net asset value (NAV). There are no unfunded commitments at December 31, 2022. The Police Pension Plan may request withdrawals at any time and multiple transactions can be entered up to 13 months in advance. Cash withdrawal requests are to be submitted at least seven calendar days prior to the requested transfer date to ensure availability, although IPOPIF may, in its sole discretion, process a cash withdrawal request with fewer than seven calendar days' notice. The Firefighters' Pension Plan may redeem shares by giving notice by 5:00 central time on the 1st of each month. Expedited redemptions may be processed at the sole discretion of IFPIF.

(Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

Reconciliation of the Deposits and Investments Note to the financial statements:

Note 2 - Deposts and Investments		Financial Statements	
Cash and Cash Equivalents		Statement of Net Position -	
City	$ 29,401,100	Cash and Investments	$ 39,300,000
Pension Funds	1,191,849	Statement of Fiducary Net Position -	
Petty Cash	800	Cash and Cash Equivalents	1,191,849
Investments		Statement of Fiducary Net Position -	
City	9,898,100	Investments	98,012,193
Pension Funds	98,012,193		
		Total Financial Statements	$ 138,504,042
Total per Note	$ 138,504,042		

NOTE 3 - INTERFUND ADVANCES RECEIVABLE AND PAYABLE

Interfund advances receivable and payable as of December 31, 2022 are summarized below:

	Advances Receivable	Advances Payable
Major Governmental Funds:		
General	$ 4,040,487	$ 234,384
Motor Fuel Tax	279,861	-
General Obligation Bond	-	281,594
Debt Service	-	3,193,726
Nonmajor Governmental Funds	36,865	647,509
Total Advances	$ 4,357,213	$ 4,357,213

Interfund advances receivable and payable consist of loans of cash between funds on a routine basis. The loans will be repaid to the various funds when surplus cash is available. These are not expected to be repaid within one year.

NOTE 4 - TRANSFERS

The following is a schedule of interfund transfers.

	Transfers In	Transfers Out
Major Governmental Funds:		
General	$ 615,675	$ -
Nonmajor Governmental Funds	1,991,668	2,607,343
Total Transfers	$ 2,607,343	$ 2,607,343

(Continued)

NOTE 4 – TRANSFERS (Continued)

Previously, the City recognized all TIF activity in one TIF Fund. In 2022, the City created four new funds to separately track the activity of each TIF district. The beginning fund balance of the TIF Fund was transferred to the four new TIF funds. Other transfers are repayments of loans of cash between funds.

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022 was as follows:

	Balance at January 1, 2022	Additions	Deletions	Balance at December 31, 2022
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	$ 1,928,909	$ -	$ -	$ 1,928,909
Subtotal	1,928,909	-	-	1,928,909
Capital Assets Being Depreciated:				
Land Improvements	428,563	374,154	-	802,717
Buildings	10,800,736	56,666	-	10,857,402
Machinery and Equipment	7,402,579	233,742	(19,773)	7,616,548
Infrastructure	87,219,768	3,390,223	(2,373,389)	88,236,602
Subtotal	105,851,646	4,054,785	(2,393,162)	107,513,269
Less Accumulated Depreciation for:				
Land Improvements	(362,544)	(9,853)	-	(372,397)
Buildings	(5,290,607)	(212,121)	-	(5,502,728)
Machinery and Equipment	(5,685,375)	(274,201)	19,773	(5,939,803)
Infrastructure	(51,288,261)	(1,938,088)	2,373,389	(50,852,960)
Total Accumulated Depreciation	(62,626,787)	(2,434,263)	2,393,162	(62,667,888)
Total Capital Assets Being Depreciated, Net	43,224,859	1,620,522	-	44,845,381
Governmental Activities Capital Assets, Net	$ 45,153,768	$ 1,620,522	$ -	$ 46,774,290

Depreciation expense of $2,434,263 was charged to the governmental activities functional expense categories as follows:

Governmental Activities:	Depreciation
General Government	$ 14,282
Public Safety	366,745
Public Works	2,053,236
Total	$ 2,434,263

At December 31, 2022, the City has contractual commitments outstanding of $361,893 and $30,737 for street rehabilitation and City Hall parking lot improvements, respectively.

(Continued)

NOTE 6 - RECEIVABLES, UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES

The following is a summary of other governmental receivables by fund type at December 31, 2022. Any uncollectible amount is not believed to be material.

	General	Motor Fuel Tax	Total
Other Governmental Receivables:			
Allotments	$ -	$ 207,016	$ 207,016
State Income Tax	438,141	-	438,141
State Sales Tax	1,148,509	-	1,148,509
Personal Property Replacement Tax	36,831	-	36,831
Court Fines	4,208	-	4,208
Franchise Fee	68,324	-	68,324
Local Use Tax	352,273	-	352,273
Home Rule Tax	663,946	-	663,946
Telecommunications Tax	53,468	-	53,468
Vehicle Tax	57,640	-	57,640
Utility Tax	41,536	-	41,536
Video Gaming Tax	138,403	-	138,403
Motel Tax	56,624	-	56,624
Auto Rental Tax	1,110	-	1,110
Cannabis Tax	7,461	-	7,461
Traffic Camera Fines	79,592	-	79,592
Grants	219,221	-	219,221
Total Due From Other Governments	$ 3,367,287	$ 207,016	$ 3,574,303

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current year, the various components of unearned and unavailable revenue reported in the governmental funds were as follows:

<u>Unavailable or unearned</u>	
Property taxes receivable (General Fund)	$ 2,624,820
Local use taxes receivable (General Fund)	134,920
Home rule taxes receivable (General Fund)	259,508
Telecommunication taxes receivable (General Fund)	16,277
Video gaming taxes receivable (General Fund)	45,294
Sales taxes receivable (General Fund)	431,514
Auto rental taxes receivable (General Fund)	373
Property taxes receivable (Debt Service Fund)	4,945,862
Total unavailable or unearned revenues	$ 8,458,568

(Continued)

NOTE 7 - LONG-TERM OBLIGATIONS

The following is a summary of changes to the City's long-term obligations for the year ended December 31, 2022.

	Obligations Outstanding Beginning of Year	Additions	Deletions	Obligations Outstanding End of Year	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
Series of 2018	$ 1,250,000	$ -	$ 1,250,000	$ -	$ -
Series of 2021	30,630,000	-	1,315,000	29,315,000	1,365,000
Private Placements:					
Series of 2020A	2,215,000	-	2,215,000	-	-
Series of 2020B	2,785,000	-	-	2,785,000	2,785,000
Plus Capitalized Amounts:					
Bond Premiums	34,712	-	34,712	-	-
Bond Discount	(140,838)	-	(6,004)	(134,834)	-
Total General Obligation Bonds	36,773,874	-	4,808,708	31,965,166	4,150,000
Other Obligations:					
Compensated Absences	820,594	41,587	61,410	800,771	24,535
Retiree Insurance Premiums	543,400	-	155,589	387,811	113,565
Total OPEB Liability	7,592,839	219,937	2,569,203	5,243,573	-
Net Pension Liability (Asset) - IMRF	(4,045,224)	4,864,034	607,767	211,043	-
Net Pension Liability (Asset) - Police Pension	(1,969,272)	19,830,243	2,020,972	15,839,999	-
Net Pension Liability (Asset) - Firefighters' Pension	(789,725)	10,258,028	1,816,330	7,651,973	-
Total Other Obligations	2,152,612	35,213,829	7,231,271	30,135,170	138,100
Total Governmental Activities	$ 38,926,486	$ 35,213,829	$ 12,039,979	$ 62,100,336	$ 4,288,100

Long-term obligations outstanding at December 31, 2022 are composed of the following:

General Obligation Bonds, Series 2020B: $2,785,000 2020B General Obligation Bonds dated October 6, 2020 due December 1, 2023; interest of 1.30% (principal and interest to be serviced by the general revenues of the City). The principal and interest payments will be made from the Debt Service Fund.

General Obligation Bonds, Series 2021: $30,630,000 2021 General Obligation Bonds dated October 21, 2021 due annually on December 1, with final payment due in 2040; interest of 0.48% - 3.52% (principal and interest to be serviced by the general revenues of the City). The principal and interest payments will be made from the Debt Service Fund. Proceeds of the bonds were used to make contributions to the Police Pension Fund and the Firefighters' Pension Fund in the amounts of $20,464,355 and $9,447,301, respectively.

(Continued)

NOTE 7 - LONG-TERM OBLIGATIONS (Continued)

Debt Service Requirements at December 31, 2022 were as follows:

Year Ended	General Obligation Bonds	
December 31	Principal	Interest
2023	$ 1,365,000	$ 759,657
2024	1,375,000	751,030
2025	1,390,000	736,345
2026	1,410,000	716,023
2027	1,430,000	693,294
2028-2032	7,645,000	2,984,557
2033-2037	8,745,000	1,880,351
2038-2040	5,955,000	422,727
Total	$ 29,315,000	$ 8,943,984

Year Ended	Private Placements	
December 31	Principal	Interest
2023	$ 2,785,000	$ 36,205
Total	$ 2,785,000	$ 36,205

Conduit Debt Obligations: The City has issued various types of revenue bonds to provide financial assistance to individuals and private-sector entities. These bonds were issued for the acquisition of constriction of residential, commercial and industrial facilities deemed to be in the public interest. These bonds are secured solely by the property financed and are payable solely from payments received on the underlying mortgage loans. The City, State of Illinois nor any political subdivision is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the City's financial statements. The principal balance of all conduit debt obligations outstanding at December 31, 2022 is $31,320,745.

City of Burbank Revenue Bonds (The Allendale Association Project), Series 2013: $2,250,000 bonds issued December 1, 2013, bearing interest of LIBOR plus 275 basis points multiplied by 70.00%. Principal balance as of December 31, 2022 is $1,064,400.

Educational Facility Revenue Bonds (East Lake Academy Project), Series 2013: $2,228,500 bonds issued December 1, 2013, bearing interest of 3.25%. Principal balance as of December 31, 2022 is $1,309,918.

Educational Facility Revenue Bonds (Intercultural Montessori Language School Project), Series 2015A: $15,485,000 bonds issued August 1, 2015, bearing interest of 6.00%-6.25%. Principal balance as of December 31, 2022 is $15,485,000.

Educational Facility Revenue Bonds (Intercultural Montessori Language School Project), Series 2015B: $4,180,000 bonds issued August 1, 2015, bearing interest of 5.25%-7.00%. Principal balance as of December 31, 2022 is $2,885,000.

Educational Facility Revenue Bonds (Science and Arts Academy), Series 2016: $5,940,356 bonds issued May 26, 2016, bearing interest of LIBOR multiplied by 72.00% then adding 65.00% multiplied by 2.25%. Principal balance as of December 31, 2022 is $4,912,166.

City of Burbank Revenue Bonds (Greater Joliet Area YMCA Project), Series 2017: $6,500,000 bonds issued November 1, 2017, bearing interest of 2.43% during the initial interest period. Principal balance as of December 31, 2022 is $5,664,261.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND

Illinois Municipal Retirement Fund

Plan Description - The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. Benefit and contribution provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive 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 2.00% for each year of service credit after 15 years to a maximum of 75.00% 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 3.00% 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 2.00% for each year of service credit after 15 years to a maximum of 75.00% 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:

- 3.00% of the original pension amount, or
- ½ 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:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	84
Active Plan Members	44
Total	128

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Contributions: As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual required contribution rate for calendar year 2022 was 7.94%. For the fiscal year ended December 31, 2022, the City contributed $193,352 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability: The City's net pension liability for IMRF was measured as of December 31, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below median income, General Retiree, Male (adjusted 106.00%) and Female (adjusted 105.00%) 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.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2022 Illinois Municipal Retirement Fund annual actuarial valuation. The investment rate of return did not change from the prior year. There were no significant changes in assumptions or benefit changes during the year. The City is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability (asset).

Expected return on pension plan investments: 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.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Fixed Income	25.50%	4.90%
Real Estate	10.50%	6.20%
Alternatives	9.50%	6.25%-9.90%
Cash Equivalents	1.00%	4.00%
	100.00%	

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

(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).

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 pension plan investments was not blended with the AA rate general obligation bond index at December 31, 2022 to arrive at the discount rate used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, which is unchanged from the prior year. The fund is expected to be fully funded through December 31, 2122.

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Changes in the Net Pension Liability (Asset):

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset)/Liability (a) - (b)
Balances at January 1, 2022	$ 19,519,946	$ 23,565,170	$ (4,045,224)
Changes for the year:			
Service cost	229,954	-	229,954
Interest	1,376,117	-	1,376,117
Actuarial experience	(304,279)	-	(304,279)
Assumption changes	-	-	-
Contributions - Employer	-	193,352	(193,352)
Contributions - Employee	-	109,583	(109,583)
Net investment income	-	(3,257,963)	3,257,963
Benefit payments, including refunds	(1,307,991)	(1,307,991)	-
Other (net transfer)	-	553	(553)
Net changes	(6,199)	(4,262,466)	4,256,267
Balances at December 31, 2022	$ 19,513,747	$ 19,302,704	$ 211,043

Sensitivity of the net pension (asset)/liability to changes in the discount rate: The following presents the net pension (asset)/liability of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension (asset)/liability for the IMRF plan would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's Net Pension (Asset) Liability - IMRF Plan	$ 2,261,279	$ 211,043	$ (1,461,659)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended December 31, 2022 the City recognized pension expense of $167,090 for the IMRF plan. At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 207,484
Net difference between projected and actual earnings on pension plan investments	1,742,958	-
	$ 1,742,958	$ 207,484

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

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

Year ending December 31	Net Deferred Outflows (Inflows) of Resources
2023	$ (206,683)
2024	197,225
2025	558,927
2026	986,005
Total	$ 1,535,474

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 contributions levels are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended only by the Illinois legislature.

As of January 1, 2022 (the latest information available), the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	45
Inactive plan members entitled to but not yet receiving benefits	9
Active plan members	38
Total	92

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. The police pension fund provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75.00% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after the age of 60 and receive a reduced benefit of 2.50% of final salary for each year of service.

The monthly benefit 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 be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Tier 2 employees (those hired after January 1, 2011),attaining the age of 55 or older with10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed $106,800, however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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 plan as actuarially determined by an enrolled actuary, this includes the costs of administering the plan. Effective January 1, 2011, the City has until the year 2040 to fund 90.00% of the past service costs for the Police Pension Plan. For the year ended December 31, 2022, the City's contribution was 38.59% of covered payroll.

Basis of Accounting - The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net plan assets are recorded when earned and deductions from net plan assets are recorded when the time related liabilities are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - Fixed-income securities are reported at fair market value. Short-term investments are reported a cost which approximates market value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value. Gains and losses of investments represent the increase (decrease) of cost over market value.

Net Pension Liability: The City's net pension liability for the Police Pension plan was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as January 1, 2022.

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Actuarial assumptions: The total pension liability in the January 1, 2022 actuarial valuation that was updated for 2022 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (Economic)	
Discount rate used for the Total Pension Liability	6.75%
Expected Rate of Return on Investments	6.75%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.72%
Projected Individual Pay Increases	3.75 - 15.97%
Projected Total Payroll Increases	3.25%
Consumer Price Index (Urban)	2.25%
Inflation Rate	2.25%

Actuarial Assumptions (Demographic)	
Mortality Rates	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement Rates	100% L&A 2020 Illinois Police Retirement Rates Capped at age 60
Termination Rates	100% L&A 2020 Illinois Police Termination Rates
Disability Rates	100% L&A 2020 Illinois Police Disability Rates
Marital Assumptions	Active Members: 80%
	Retiree & Disabled Members: Based on Actual Spousal Data

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2020. The rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for Police.

Assumption changes: The assumed rate on High Quality 20 Year Tax-Exempt General Obligation (G.O.) Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index.

Postemployment benefit changes: Eligibility for postemployment benefit increases is determined based on the Illinois Pension code. Tier 1 Police retirees are provided with an annual 3.00% increase in retirement benefits by statute when eligible. Tier 2 Police retirees are provided postemployment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index – Urban (CPI-U) for the prior September. The CPI-U for September 1992 was 141.30. The CPI-U for September 2022 was 296.81. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis).

Expected return on pension plan investments: The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by the investment professionals that work with the Police Pension Fund. The best estimate of future real rates of return are developed for each of the major asset classes.

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

The target allocation and best estimates of arithmetic real rate of return, net of assumed inflation rate for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large	23.00%	4.15%
US Small	5.00%	4.54%
International Developed	18.00%	4.64%
International Developed Small	5.00%	-0.25%
Emerging Markets	7.00%	5.31%
Private Equity (Direct)	7.00%	7.15%
Bank Loans	3.00%	2.48%
High Yield Corp. Credit	3.00%	2.48%
Emerging Market Debt	3.00%	2.82%
Private Credit	5.00%	4.37%
US TIPS	3.00%	-0.12%
Real Estate/Infrastructure	8.00%	4.00%
Cash	1.00%	-0.27%
Short-Term Gov't/Credit	3.00%	0.73%
US Treasury	3.00%	-0.60%
Core Plus Fixed Income	3.00%	0.73%
	100.00%	

Long-term expected real rates of return are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided above are intended to estimate those figures. The expected inflation rate is 2.50% and is included in the total long-term rate of return on investments. The inflation rate is from the same source as the long-term real rates of return and is not necessarily reflective of the inflation measures used for other purposes.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the December 29, 2022 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Discount rate: The discount rate used to measure the total pension liability was 6.75%. Cash flow projections were used to determine the extent to which the plan's projected fiduciary net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected fiduciary net position, the long-term expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected fiduciary net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The discount rate is unchanged from the prior measurement date. The long-term expected rate of return is projected to cover all future fund pension obligations.

Changes in the Net Pension Liability (Asset):

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at January 1, 2022	$ 74,932,342	$ 76,901,614	$ (1,969,272)
Changes for the year:			
Service cost	1,055,006	-	1,055,006
Interest	4,989,968	-	4,989,968
Actuarial experience	890,470	-	890,470
Assumptions changes	-	-	-
Plan Changes	(36,158)		(36,158)
Contributions - employer	-	1,496,248	(1,496,248)
Contributions - employee	-	387,653	(387,653)
Contributions - other	-	100,913	(100,913)
Net investment income	-	(12,818,150)	12,818,150
Benefit payments, including refunds	(3,674,854)	(3,674,854)	-
Administrative expense	-	(76,649)	76,649
Net changes	3,224,432	(14,584,839)	17,809,271
Balances at December 31, 2022	$ 78,156,774	$ 62,316,775	$ 15,839,999

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability (asset) for Police Pension plan would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
City's Net Pension Liability (Asset) for Police Pension Plan	$ 27,251,523	$ 15,839,999	$ 6,564,374

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended December 31, 2022 the City recognized pension income of $159,112 for the Police Pension Plan. At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,281,781	$ 3,979,414
Changes of assumptions	10,206,011	25,177,413
Net difference between projected and actual earnings on investments	10,313,699	-
Total	$ 26,801,491	$ 29,156,827

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

Year ended December 31	
2023	$ (2,391,323)
2024	(1,502,487)
2025	(47,044)
2026	1,559,583
2027	25,935
Total	$ (2,355,336)

Rate of Return: For the year ended December 31, 2022, the annual money-weighted rate of return on police pension plan investments, net of pension plan investment expense, was (18.41)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

<u>Firefighters' Pension</u>:

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. Administrative costs are financed through investment earnings.

At January 1, 2022 (the latest information available), the Firefighters' Pension Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	36
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	24
Total	64

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statues.

The Firefighters' Pension Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The City is required to contribute at an actuarially determined rate.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such 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 benefit.

The monthly benefit 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 be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at $106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Participants are required to contribute 9.45% of their base salary to the Firefighters' 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 plan as actuarially determined by an enrolled actuary, this includes the costs of administering the plan. Effective January 1, 2011, the City has until the year 2040 to fund 90.00% of the past service costs for the Firefighters' Pension Plan. For the year ended December 31, 2022, the City's contribution was 38.99% of covered payroll.

Basis of Accounting: The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net plan assets are recorded when earned and deductions from net plan assets are recorded when the time related liabilities are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Method Used to Value Investments: Fixed-income securities are reported at fair market values. Short-term investments are reported at cost which approximates market value. Investment income is recognized when earned. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value. Gains and losses of investments represent the increase (decrease) of cost over market value.

Net Pension Liability: The City's net pension liability for the Firefighters' Pension plan was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as January 1, 2022.

Actuarial assumptions: The total pension liability in the January 1, 2022 actuarial valuation that was updated for 2022 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (Economic)	
Discount Rate used for the Total Pension Liability	7.00%
Expected Rate Of Return on Investments	7.00%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.72%
Projected Individual Pay Increases	2.25 - 11.50%
Projected Total Payroll Increases	3.25%
Consumer Price Index (Urban)	2.25%
Inflation Rate Included	2.25%

Actuarial Assumptions (demographic)	
Mortality Rates	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement Rates	100% L&A 2020 Illinois Firefighters Retirement Rates Capped at age 65
Termination Rates	100% L&A 2020 Illinois Firefighters Termination Rates
Disability Rates	100% L&A 2020 Illinois Firefighters Disability Rates
Marital Assumptions	Active Members: 80%
	Retiree & Disabled Members: Based on Actual Spousal Data

All rates shown in the assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2020. The rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using the MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for Firefighters.

Assumption changes: The assumed rate on High Quality 20 Year Tax-Exempt General Obligation (G.O.) Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Postemployment benefit changes: Eligibility for post-employment benefit increases is determined based on the Illinois Pension code. Tier 1 Firefighter retirees are provided with an annual 3.00% increase in retirement benefits by statute when eligible. Tier 2 Firefighter retirees are provided post-employment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index - Urban (CPI-U) for the prior September. The CPI-U for September 1992 was 141.30. The CPI-U for September 2022 was 296.81. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis).

Expected return on pension plan investments: The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by the investment professionals that work with the Firefighters' Pension Fund. The best estimate of future real rates of return are developed for each of the major asset classes. The target allocation and best estimates of arithmetic real rate of return, net of assumed inflation rate for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	31.00%	5.20%
Developed Market Equity (Non-US)	16.00%	5.10%
Emerging Market Equity	8.00%	5.50%
Private Equity	5.00%	8.60%
Public Credit	3.00%	1.80%
Private Crdit	5.00%	7.00%
Cash Equivalents	0.00%	-0.60%
Core Investment Grade Bonds	15.00%	1.60%
Long-Term Treasuries	3.00%	1.30%
TIPS	4.00%	0.80%
Real Estate	5.00%	4.90%
Infrastructure	5.00%	5.10%
	100.00%	

Long-term expected real rates of return are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided above are intended to estimate those figures. The long-term inflation expectation is 2.50% and is included in the long-term expected rates of return. The long-term inflation expectation is from the same source as the long-term expected real rates of return and is not necessarily reflective of the inflation measures used for other purposes in the report.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond G.O. Index. The rate shown earlier in this section is the December 29, 2022 rate. The 20-Bond G.O. Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond G.O. Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indices represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indices would yield if the bond was sold at par value. The indices are simple averages of the average estimated yields of the bonds.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.00%. Cash flow projections were used to determine the extent to which the plan's projected fiduciary net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected fiduciary net position, the long-term expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The discount rate is unchanged from the prior measurement date. The long-term expected rate of return is projected to cover all future fund pension obligations.

Changes in the Net Pension Liability (Asset):

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at January 1, 2022	$ 43,750,903	$ 44,540,628	$ (789,725)
Changes for the year:			
Service cost	650,651	-	650,651
Interest	2,955,505	-	2,955,505
Actuarial experience	(415,416)	-	(415,416)
Change in assumptions	-	-	-
Plan changes	(65,877)	-	(65,877)
Contributions - employer	-	1,066,379	(1,066,379)
Contributions - employee	-	268,658	(268,658)
Net investment income	-	(6,594,157)	6,594,157
Benefit payments, including refunds	(2,211,402)	(2,211,402)	-
Administrative expense	-	(57,715)	57,715
Net changes	913,461	(7,528,237)	8,441,698
Balances at December 31, 2022	$ 44,664,364	$ 37,012,391	$ 7,651,973

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability (asset) for the Firefighters' Pension plan would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's Net Pension Liability (Asset) for Firefighters' Pension Plan	$ 13,848,808	$ 7,651,973	$ 2,567,085

Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended December 31, 2022 the City recognized pension income of $579,980 for the Firefighters' Pension Plan.

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 703,440	$ 2,889,873
Changes of assumptions	4,537,250	12,383,909
Net difference between projected and actual earnings on investments	5,598,933	-
Total	$ 10,839,623	$ 15,273,782

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

Year Ended December 31	
2023	$ (1,750,202)
2024	(1,545,015)
2025	(1,131,935)
2026	17,980
2027	(24,987)
Total	$ (4,434,159)

Summary of Pensions:

	IMRF	Police	Firefighters'	Total
Net Pension Liability	$ 211,043	$ 15,839,999	$ 7,651,973	$ 23,703,015
Deferred Outflows of Resources	1,742,958	26,801,491	10,839,623	39,384,072
Deferred Inflows of Resources	207,484	29,156,827	15,273,782	44,638,093
Pension Expense (Income)	167,090	(159,112)	(579,980)	(572,002)

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Fiduciary Funds:

Statement of Net Position

	Pension Trust Funds		
	Police Pension Fund	Firefighters' Pension Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 819,339	$ 372,510	$ 1,191,849
Pooled Investments	61,422,458	36,589,735	98,012,193
Due from the City	75,200	49,651	124,851
Prepaid Items	3,891	4,726	8,617
Total Assets	62,320,888	37,016,622	99,337,510
LIABILITIES			
Accounts Payable	4,113	4,231	8,344
Total Liabilities	4,113	4,231	8,344
NET POSITION			
Restricted for Pensions	62,316,775	37,012,391	99,329,166
Total Net Position	$ 62,316,775	$ 37,012,391	$ 99,329,166

(Continued)

NOTE 8 - PENSION AND RETIREMENT FUND (Continued)

Statement of Changes in Net Position

	Police Pension Fund	Firefighters' Pension Fund	Total
ADDITIONS			
Contributions			
Employer	$ 1,496,248	$ 1,066,379	$ 2,562,627
Plan Members	488,566	268,658	757,224
Total Contributions	1,984,814	1,335,037	3,319,851
Investment Income (Loss)			
Interest and Dividends	660,576	267,165	927,741
Net Change in Fair Value	(13,396,445)	(6,834,587)	(20,231,032)
Less Investment Expense	(82,281)	(26,735)	(109,016)
Net Investment Income (Loss)	(12,818,150)	(6,594,157)	(19,412,307)
Total Additions	(10,833,336)	(5,259,120)	(16,092,456)
DEDUCTIONS			
Benefits and Refunds	3,674,854	2,211,402	5,886,256
Administrative Expenses	76,649	57,715	134,364
Total Deductions	3,751,503	2,269,117	6,020,620
Change in Net Position	(14,584,839)	(7,528,237)	(22,113,076)
Net Position at Beginning of Year	76,901,614	44,540,628	121,442,242
Net Position at End of Year	$ 62,316,775	$ 37,012,391	$ 99,329,166

NOTE 9 - POST-EMPLOYMENT BENEFITS

City of Burbank, Illinois Postretirement Health Plan Description: The City administers a single employer defined benefit healthcare plan (Health Plan). The Health Plan provides limited health care insurance coverage for its eligible retired employees. Authority under which the obligations of the plan members and City contribute to the Health Plan are established or may be amended by the action of the City Council. The City makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other eligible active employees during the year on a pay-as-you basis. Any full-time employee who retires with 20 or more years of service shall have the option, which must be exercised no later than 30 days after retirement, to convert accrued benefits (sick time, vacation time, and compensatory time) into a health insurance benefit. The City shall establish a retirement health insurance (cash) bank of the employee’s accrued benefits, based upon the employee’s rate of pay at the time of retirement. The City shall deduct from the employee’s retirement health insurance bank the initial retirement health insurance premium. Subsequent years’ coverage shall also be deducted from the bank until it is exhausted. The City agrees to pay 50.00% of any increase in the base year’s monthly premium rate, with the remaining portion of the premium increase being deducted from the bank.

(Continued)

NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)

If the retiree dies during the receipt of retirement health insurance, the surviving spouse shall be entitled to a refund of the unused portion of the retiree's bank balance. Alternatively, the surviving spouse may elect to continue receipt of health insurance through the use of the bank.

The retiree shall have the option to cancel the insurance benefit option and receive the remaining funds in the bank. Once this option is elected, the retiree is not entitled to resume insurance benefits.

Full-time Police and Firefighter employees are that suffer a catastrophic injury or are killed in the line of duty receive health care coverage for the employee and dependents in compliance with the provisions of the Public Safety Employee Benefits Act.

Membership in the Health Plan, which is a single employer plan that does not issue separate financial statements, as of January 1, 2022, the most recent valuation date, consisted of the following:

Active employees	111
Inactive employees currently receiving benefits	30
Total	141

Contributions: The City's plan does not have an actuarially determined contribution as the current total OPEB Liability is an unfunded obligation. The City does not have a trust dedicated to the payment of OPEB benefits. The City did make contributions from other City resources for the year ended December 31, 2022 of $342,336.

Total OPEB Liability: The City's total OPEB liability was measured as of December 31, 2022 and the total OPEB liability was determined by an actuarial valuation as of the prior year using the following actuarial methods and assumptions:

Actuarial Assumptions (economic)	
Discount rate used for the total OPEB liability	4.31%
High quality 20 year tax-exempt G.O. bond rate	4.31%
Projected individual salary increases	4.00%
Inflation rate included	3.00%
Initial Healthcare cost trend rate	5.50%
Ultimate Healthcare cost trend rate	4.50%

Actuarial Assumptions (demographic)	
Mortality table	Rates from the December 31, 2022 IMRF Actuarial Valuation report for IMRF Employees. Pub-2010 Combined Mortality Table for males and females with generational improvements using MP-2020 Mortality Improvement Scale. For Police and Firefighters – PubS.H.-2010(A) Mortality Table – Safety above medium income with mortality improvement using Scale MP-2020.
Retirement rates	Rates from the December 31, 2022 IMRF Actuarial Valuation report for IMRF Employees. Rates from the Burbank Police and Firefighters' Pension Fund Actuarial Valuation Reports as January 1, 2021 for Police and Firefighters', respectively.

(Continued)

NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)

Withdrawal rates	Rates from the December 31, 2021 IMRF Actuarial Valuation report for IMRF Employees. Rates from the Burbank Police and Firefighters' Pension Fund Actuarial Valuation Reports as January 1, 2021 for Police and Firefighters', respectively.
Disability rates	Rates from the December 31, 2022 IMRF Actuarial Valuation report for IMRF Employees. Rates from the Burbank Police and Firefighters' Pension Fund Actuarial Valuation Reports as January 1, 2021 for Police and Firefighters', respectively.
Marriage	60.00% of employees were assumed to elect spousal coverage and females were assumed to be three years younger than males. Actual spouse data was used for retirees.
Participation rate	100.00% of active employees that have a health insurance bank value which will pay for at least one year of medical coverage are assumed to elect postretirement medical coverage.

Discount rate: The City does not have a dedicated trust to pay retiree healthcare benefits. Per GASB Statement No. 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). A rate of 4.31% is used, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of December 31, 2022. This is an increase of 2.06% from the rate of 2.25% used at December 31, 2021.

Changes in the Total OPEB Liability:

	Increase (Decrease) Total OPEB Liability
Balances at January 1, 2022	$ 7,592,839
Changes for the year:	
Service cost	52,949
Interest	166,988
Actuarial experience	(449,965)
Assumptions changes	(1,776,902)
Benefit payments, including refunds	(342,336)
Other Changes	-
Net changes	(2,349,266)
Balances at December 31, 2022	$ 5,243,573

OPEB Expense: For the year ended December 31, 2022, the City recognized OPEB expense of $395,729.

(Continued)

NOTE 9 - POST-EMPLOYMENT BENEFITS (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,116,739	$ 495,638
Changes of assumptions	2,015,745	2,469,406
Total	$ 3,132,484	$ 2,965,044

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

Year Ended December 31	
2023	$ 175,791
2024	175,791
2025	175,791
2026	143,417
2027	120,613
Thereafter	(623,963)
Total	$ 167,440

Rate Sensitivity: The following rate sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate.

The table below presents the total OPEB liability of the City calculated using the discount rate of 4.31% as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher that the current rate.

	1% Decrease 3.31%	Current Rate 4.31%	1% Increase 5.31%
Total OPEB Liability	$ 6,004,348	$ 5,243,573	$ 4,639,115

The table below presents the total OPEB liability of the City calculated using the healthcare cost trend rate as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher that the current rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	$ 4,607,881	$ 5,243,573	$ 6,034,482

(Continued)

NOTE 10 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The City also purchases its employee health and accident insurance from commercial carriers. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage during the year ended December 31, 2022. During the past three years there have been no settlements that exceed insurance coverage.

In prior years, the City began a self-insurance program for worker's compensation claims. The claims liability is based on the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Issues*, which requires that a liability for claims be reported if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated. $280,479 of this liability is payable with expendable available resources at year end and therefore reported in the General Fund. Changes in the claims liability for the past two years are as follows:

Liability December 31, 2020	$ 215,636
Current year claims and changes in estimates	171,794
Claims payments	(213,010)
Liability December 31, 2021	174,420
Current year claims and changes in estimates	207,580
Claims payments	(101,521)
Liability December 31, 2022	$ 280,479

NOTE 11 – TAX ABATEMENTS

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 affected by Cook County's Class 6b, 7a, and 7b property tax incentive programs. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities. The purpose of the Class 7a and 7b programs is to encourage commercial projects in areas determined to be in need of commercial development; these projects would not be economically feasible without the incentive.

Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value. Properties receiving a Class 7a or 7b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial and commercial real estate would normally be assessed at 25% of its market value.

(Continued)

NOTE 11 – TAX ABATEMENTS (Continued)

Municipalities within the City area have granted Class 6b, 7a, or 7b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the City and the other impacted taxing districts than would have been generated if the development had not occurred. The City's tax revenues are reduced due to the agreements entered into by these municipalities.

For the fiscal year ending December 31, 2022, the City's share of the abatement granted to the Class 6b, 7a, and 7b properties was approximately $28,100.

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENTS

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objectives of this Statement is improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for the City's fiscal year ended December 31, 2023. Management has not yet determined the impact of this statement on the City's financial statements.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for the City's fiscal year ended December 31, 2023. Management has not yet determined the impact of this statement on the City's financial statements.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to leases, public-private and public-public partnerships, and subscription-based information technology arrangements are effective for the City's fiscal year ended December 31, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments are effective for the City's fiscal year ended December 31, 2024. Management has not determined what impact this statement will have on the City's financial statements.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for the City's fiscal year ended December 31, 2024. Management has not determined what impact this statement will have on the City's financial statements.

(Continued)

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for the City's fiscal year ended December 31, 2024. Management has not determined what impact this statement will have on the City's financial statements.

CITY OF BURBANK, ILLINOIS

Required Supplementary Information
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual
General Fund
Year Ended December 31, 2022

	Original and Final Budget	Actual	Over (Under) Budget
REVENUES			
Property Taxes	$ 1,909,130	$ 2,153,003	$ 243,873
Sales Tax	3,993,615	4,136,081	142,466
Home Rule Tax	2,300,000	2,399,917	99,917
Income Tax	3,800,000	4,834,034	1,034,034
Other Taxes	4,232,900	4,955,767	722,867
Licenses, Permits and Fees	2,416,870	4,128,399	1,711,529
Fines	2,826,200	2,339,742	(486,458)
Investment Income	7,000	214,849	207,849
Grants	150,000	225,415	75,415
Other Revenue	635,625	781,877	146,252
Total Revenues	22,271,340	26,169,084	3,897,744
EXPENDITURES			
Current:			
Administration	4,283,212	4,153,252	(129,960)
Building & Grounds	83,550	46,495	(37,055)
Fire Department	5,952,686	3,945,109	(2,007,577)
Police Department	9,243,168	5,629,954	(3,613,214)
Civil Defense	46,500	11,308	(35,192)
Public Works Department	2,078,891	1,885,807	(193,084)
Building & License Enforcement	271,415	218,418	(52,997)
Zoning Board of Appeals	63,773	59,529	(4,244)
Liquor Commission	31,785	30,979	(806)
Police & Fire Commission	44,860	81,262	36,402
Capital Outlay	171,500	3,294,023	3,122,523
Total Expenditures	22,271,340	19,356,136	(2,915,204)
Excess (Deficiency) of Revenues Over Expenditures	-	6,812,948	6,812,948
OTHER FINANCING SOURCES (USES)			
Transfers In	-	615,675	615,675
Total Other Financing Sources (Uses)	-	615,675	615,675
Net Change in Fund Balance	$ -	7,428,623	$ 7,428,623
Fund Balance at Beginning of Year		24,273,286	
Fund Balance at End of Year		$ 31,701,909	

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

(A) The City's expenditures are on the Appropriation system according to Illinois law, while City revenues are budgeted.
(B) The Treasurer submits to the City Council a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
(C) Budget hearings are conducted.
(D) The budget is legally enacted through passage of an ordinance.
(E) The budget may be amended by the City Council.
(F) Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
(G) The budget was not amended during the year. The statements represent the original and final approved budget.
(H) Expenditures in any fund may not exceed the total appropriations for that fund after transfers. The Treasurer is authorized to transfer appropriations between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
(I) Appropriations not expended (i.e. disbursed or accrued) lapse at year end.

The City establishes a budget for the general fund corporate account only.

CITY OF BURBANK, ILLINOIS

Required Supplementary Information
Schedule of Changes in the Total Other Post-Employment Benefits Liability and Related Ratios
Last 5 Fiscal Years

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	$ 52,949	$ 67,241	$ 50,751	$ 50,364	$ 57,762
Interest on the Total OPEB Liability	166,988	153,270	147,026	163,493	139,990
Differences Between Expected and Actual Experience of the Total OPEB Liability	(449,965)	-	1,751,845	-	(246,837)
Changes of Assumptions	(1,776,902)	(414,058)	1,794,004	146,633	(250,079)
Benefit Payments, Including Refunds of Employee Contributions	(342,336)	(310,080)	(314,333)	(260,675)	(230,544)
Other Changes	-	-	-	(54,538)	857,523
Net Change in Total OPEB Liability	(2,349,266)	(503,627)	3,429,293	45,277	327,815
Total OPEB Liability - Beginning	7,592,839	8,096,466	4,667,174	4,621,897	4,294,082
Total OPEB Liability - Ending	$ 5,243,573	$ 7,592,839	$ 8,096,466	$ 4,667,174	$ 4,621,897
Covered Employee Payroll	$ 8,975,202	$ 9,055,741	$ 8,707,444	$ 9,054,424	$ 9,054,424
Total OPEB Liability as a Percentage of Covered Employee Payroll	58.42%	83.85%	92.98%	51.55%	51.05%

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

There is no actuarially determined contribution or employer contribution in relation to the actuarially determined contribution, as the City does not have a Trust that exists for funding the OPEB liability.

CITY OF BURBANK, ILLINOIS

Required Supplementary Information
Schedule of Changes in Illinois Municipal Retirement Fund Net Pension Liability (Asset) and Related Ratios
Last 9 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	$ 229,954	$ 226,709	$ 253,884	$ 255,500	$ 251,920	$ 288,342	$ 271,539	$ 291,518	$ 315,104
Interest	1,376,117	1,351,828	1,300,533	1,292,159	1,212,013	1,171,992	1,094,234	1,099,405	1,004,494
Differences Between Expected and Actual Experience	(304,279)	(13,006)	437,872	(413,953)	681,233	517,312	451,513	(729,492)	(126,160)
Changes of Assumptions	-	-	(140,658)	-	462,495	(564,290)	-	-	653,513
Benefit Payments and Refunds	(1,307,991)	(1,156,263)	(1,104,791)	(930,012)	(963,465)	(759,602)	(818,211)	(622,575)	(516,784)
Net Change in Total Pension Liability	(6,199)	409,268	746,840	203,694	1,644,196	653,754	999,075	38,856	1,330,167
Total Pension Liability - Beginning	19,519,946	19,110,678	18,363,838	18,160,144	16,515,948	15,862,194	14,863,119	14,824,263	13,494,096
Total Pension Liability - Ending (a)	$ 19,513,747	$ 19,519,946	$ 19,110,678	$ 18,363,838	$ 18,160,144	$ 16,515,948	$ 15,862,194	$ 14,863,119	$ 14,824,263
Plan Fiduciary Net Position									
Contributions - Employer	$ 193,352	$ 236,477	$ 269,453	$ 168,000	$ 202,761	$ 221,974	$ 231,253	$ 227,438	$ 249,261
Contributions - Employee	109,583	105,361	106,270	109,884	150,117	155,855	113,359	111,006	120,633
Net Investment Income	(3,257,963)	3,602,107	2,649,111	3,148,960	(1,008,773)	2,674,796	995,405	75,720	884,611
Benefit Payments and Refunds	(1,307,991)	(1,156,263)	(1,104,791)	(930,012)	(963,465)	(759,602)	(818,211)	(622,575)	(516,784)
Other	553	(45,683)	331,667	(189,507)	361,142	(283,573)	390,041	(476,616)	(26,901)
Net Change in Plan Fiduciary Net Position	(4,262,466)	2,741,999	2,251,710	2,307,325	(1,258,218)	2,009,450	911,847	(685,027)	710,820
Plan Fiduciary Net Position - Beginning	23,565,170	20,823,171	18,571,461	16,264,136	17,522,354	15,512,904	14,601,057	15,286,084	14,575,264
Plan Fiduciary Net Position - Ending (b)	$ 19,302,704	$ 23,565,170	$ 20,823,171	$ 18,571,461	$ 16,264,136	$ 17,522,354	$ 15,512,904	$ 14,601,057	$ 15,286,084
City's Net Pension Liability (Asset) (a-b)	$ 211,043	$ (4,045,224)	$ (1,712,493)	$ (207,623)	$ 1,896,008	$ (1,006,406)	$ 349,290	$ 262,062	$ (461,821)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.92%	120.72%	108.96%	101.13%	89.56%	106.09%	97.80%	98.24%	103.12%
Covered Payroll	$ 2,435,177	$ 2,341,367	$ 2,361,560	$ 2,441,861	$ 2,463,679	$ 2,549,220	$ 2,519,095	$ 2,466,800	$ 2,593,769
City's Net Pension Liability as a Percentage of Covered Payroll	8.67%	-172.77%	-72.52%	-8.50%	76.96%	-39.48%	13.87%	10.62%	-17.81%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

Note to the Required Supplementary Information:
There were no assumption changes during the year ending December 31, 2022.

Required Supplementary Information
Schedule of Illinois Municipal Retirement Fund Contributions
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 193,353	$ 236,478	$ 269,454	$ 168,000	$ 202,761	$ 205,722	$ 231,253	$ 227,439	$ 242,735	$ 289,009
Contributions in relation to the actuarially determined contribution	193,352	236,477	269,453	168,000	202,761	221,974	231,253	227,438	249,261	289,009
Contribution deficency (excess)	$ 1	$ 1	$ 1	$ -	$ -	$ (16,252)	$ -	$ 1	$ (6,526)	$ -
Covered payroll	$ 2,435,177	$ 2,341,367	$ 2,361,560	$ 2,441,861	$ 2,463,679	$ 2,549,220	$ 2,519,095	$ 2,466,800	$ 2,593,769	$ 2,632,143
Contributions as a percentage of covered payroll	7.94%	10.10%	11.41%	6.88%	8.23%	8.71%	9.18%	9.22%	9.61%	10.98%

Notes to Schedule

Valuation Date — 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.

Methods and assumptions used to determine 2022 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21-year closed period.
Asset valuation method	5-year smoothed market, 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75% including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other information:

Changes — There were no benefit changes during the year.

The calculation of the 2022 contribution rate is based on valuation assumptions used in the December 31, 2020 actuarial valuation.

Required Supplementary Information
Schedule of Changes in Police Pension Fund Net Pension Liability (Asset) and Related Ratios
Last 9 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	$ 1,055,006	$ 2,224,385	$ 2,134,359	$ 1,623,952	$ 1,648,108	$ 1,865,028	$ 1,779,437	$ 1,772,396	$ 1,862,061
Interest	4,989,968	4,368,586	4,558,403	4,184,375	3,995,491	3,756,490	3,566,614	3,059,091	3,018,418
Changes of Benefit Terms	(36,158)	-	-	577,478	-	-	-	-	-
Differences Between Expected and Actual Experience	890,470	(5,986,085)	7,964,355	1,508,829	408,797	753,615	(563,958)	928,137	-
Changes of Assumptions	-	(34,720,034)	7,520,624	11,355,409	(1,663,418)	(7,702,094)	1,489,554	7,240,992	-
Benefit Payments and Refunds	(3,674,854)	(3,395,400)	(3,221,611)	(3,138,344)	(2,563,089)	(2,446,742)	(2,201,494)	(1,908,516)	(1,632,125)
Net Change in Total Pension Liability	3,224,432	(37,508,548)	18,956,130	16,111,699	1,825,889	(3,773,703)	4,070,153	11,092,100	3,248,354
Total Pension Liability - Beginning	74,932,342	112,440,890	93,484,760	77,373,061	75,547,172	79,320,875	75,250,722	64,158,622	60,910,268
Total Pension Liability - Ending (a)	$ 78,156,774	$ 74,932,342	$ 112,440,890	$ 93,484,760	$ 77,373,061	$ 75,547,172	$ 79,320,875	$ 75,250,722	$ 64,158,622
Plan Fiduciary Net Position									
Contributions - Employer	$ 1,496,248	$ 22,063,589	$ 2,087,942	$ 1,213,631	$ 1,691,565	$ 1,640,192	$ 987,685	$ 1,019,884	$ 847,694
Contributions - Employee	488,566	417,063	407,353	429,538	429,415	404,977	428,589	446,123	471,244
Contributions - Other	-	-	68,208	189,255	-	-	-	-	-
Net Investment Income	(12,818,150)	6,689,156	6,552,803	7,991,699	(2,049,588)	4,992,128	2,129,445	(200,960)	1,848,311
Benefit Payments and Refunds	(3,674,854)	(3,395,400)	(3,221,611)	(3,138,344)	(2,563,089)	(2,446,742)	(2,201,494)	(1,908,516)	(1,753,887)
Administrative Expense	(76,649)	(61,931)	(68,928)	(63,970)	(65,899)	(70,374)	(57,367)	(62,294)	(58,895)
Net Change in Plan Fiduciary Net Position	(14,584,839)	25,712,477	5,825,767	6,621,809	(2,557,596)	4,520,181	1,286,858	(705,763)	1,354,467
Plan Fiduciary Net Position - Beginning	76,901,614	51,189,137	45,363,370	38,741,561	41,299,157	36,778,976	35,492,118	36,197,881	34,843,414
Plan Fiduciary Net Position - Ending (b)	$ 62,316,775	$ 76,901,614	$ 51,189,137	$ 45,363,370	$ 38,741,561	$ 41,299,157	$ 36,778,976	$ 35,492,118	$ 36,197,881
City's Net Pension Liability (Asset) (a-b)	$ 15,839,999	$ (1,969,272)	$ 61,251,753	$ 48,121,390	$ 38,631,500	$ 34,248,015	$ 42,541,899	$ 39,758,604	$ 27,960,741
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	79.73%	102.63%	45.53%	48.52%	50.07%	54.67%	46.37%	47.17%	56.42%
Covered Payroll	$ 3,877,614	$ 4,376,044	$ 4,567,799	$ 4,889,472	$ 4,735,566	$ 4,071,911	$ 4,742,099	$ 4,383,238	$ 3,941,879
City's Net Pension Liability as a Percentage of Covered Payroll	408.50%	-45.00%	1340.95%	984.18%	815.77%	841.08%	897.11%	907.06%	709.33%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

Note to the Required Supplementary Information:
The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.06% to 3.72% for the current year. The discount rate used in the determination of the Total Pension Liability was unchanged.

Required Supplementary Information
Schedule of Police Pension Fund Contributions
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 1,733,399	$ 3,296,761	$ 2,748,806	$ 2,432,295	$ 2,078,056	$ 1,853,547	$ 1,669,307	$ 1,419,939	$ 1,325,317	$ 978,026
Contributions in relation to the actuarially determined contribution	1,496,248	22,063,589	2,087,942	1,213,631	1,691,565	1,640,192	987,685	1,019,884	847,694	770,526
Contribution deficency (excess)	$ 237,151	$ (18,766,828)	$ 660,864	$ 1,218,664	$ 386,491	$ 213,355	$ 681,622	$ 400,055	$ 477,623	$ 207,500
Covered payroll	$ 3,877,614	$ 4,376,044	$ 4,567,799	$ 4,889,472	$ 4,735,566	$ 4,071,911	$ 4,742,099	$ 4,383,238	$ 3,941,879	$ 3,941,879
Contributions as a percentage of covered payroll	38.59%	504.19%	45.71%	24.82%	35.72%	40.28%	20.83%	23.27%	21.50%	19.55%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Amortization Period	100% Funded Over 13.24 Years (Layered)
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.75%-15.97%
Investment Rate of Return	6.75%
Mortality	Mortality rates were based on the Pub-2010. Mortality Tables adjusted for plan status, collar, and Illinois public pension data.

The 2021 contribution in relation to the actuarially determined contribution includes an additional $20,464,355 in employer contributions from the issuance of pension obligation bonds.

CITY OF BURBANK, ILLINOIS

Required Supplementary Information
Schedule of Police Pension Fund Investment Rate of Return
Last 9 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return net of investment expense	-18.41%	12.60%	14.61%	20.96%	-4.65%	14.03%	6.06%	-0.61%	6.13%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

Required Supplementary Information
Schedule of Changes in Firefighters' Pension Fund Net Pension Liability (Asset) and Related Ratios
Last 9 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	$ 650,651	$ 1,132,675	$ 1,058,115	$ 815,309	$ 947,454	$ 1,228,496	$ 1,173,348	$ 1,333,868	$ 1,247,960
Interest	2,955,505	2,689,922	2,820,803	2,652,797	2,528,387	2,356,789	2,284,289	1,793,156	1,907,167
Changes of Benefit Terms	(65,877)	-	-	419,426	-	-	-	-	-
Differences Between Expected and Actual Experience	(415,416)	(3,653,651)	(57,154)	744,507	506,340	229,158	(1,298,237)	2,456,378	-
Changes of Assumptions	-	(15,969,498)	3,043,236	6,843,348	(1,201,256)	(6,362,067)	1,004,938	3,679,422	-
Benefit Payments and Refunds	(2,211,402)	(2,223,449)	(2,156,938)	(2,061,269)	(1,864,541)	(1,720,981)	(1,522,583)	(1,306,338)	(987,390)
Net Change in Total Pension Liability	913,461	(18,024,001)	4,708,062	9,414,118	916,384	(4,268,605)	1,641,755	7,956,486	2,167,737
Total Pension Liability - Beginning	43,750,903	61,774,904	57,066,842	47,652,724	46,736,340	51,004,945	49,363,190	41,406,704	39,238,967
Total Pension Liability - Ending (a)	$ 44,664,364	$ 43,750,903	$ 61,774,904	$ 57,066,842	$ 47,652,724	$ 46,736,340	$ 51,004,945	$ 49,363,190	$ 41,406,704
Plan Fiduciary Net Position									
Contributions - Employer	1,066,379	10,443,638	1,565,954	692,895	861,909	$ 1,271,611	$ 573,376	$ 604,957	$ 495,377
Contributions - Employee	268,658	247,905	236,687	233,749	234,056	235,099	235,707	248,592	242,558
Net Investment Income	(6,594,157)	3,782,055	4,116,669	4,527,659	(1,065,191)	2,891,373	1,442,550	274,210	1,440,960
Benefit Payments and Refunds	(2,211,402)	(2,223,449)	(2,156,938)	(2,061,269)	(1,864,541)	(1,720,981)	(1,522,583)	(1,306,338)	(1,127,010)
Administrative Expense	(57,715)	(51,776)	(52,605)	(53,420)	(73,962)	(60,740)	(58,977)	(38,264)	(50,015)
Net Change in Plan Fiduciary Net Position	(7,528,237)	12,198,373	3,709,767	3,339,614	(1,907,729)	2,616,362	670,073	(216,843)	1,001,870
Plan Fiduciary Net Position - Beginning	44,540,628	32,342,255	28,632,488	25,292,874	27,200,603	24,584,241	23,914,168	24,131,011	23,129,141
Plan Fiduciary Net Position - Ending (b)	$ 37,012,391	$ 44,540,628	$ 32,342,255	$ 28,632,488	$ 25,292,874	$ 27,200,603	$ 24,584,241	$ 23,914,168	$ 24,131,011
City's Net Pension Liability (Asset) (a-b)	$ 7,651,973	$ (789,725)	$ 29,432,649	$ 28,434,354	$ 22,359,850	$ 19,535,737	$ 26,420,704	$ 25,449,022	$ 17,275,693
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.87%	101.81%	52.36%	50.17%	53.08%	58.20%	48.20%	48.45%	58.28%
Covered Payroll	$ 2,734,842	$ 2,592,736	$ 2,560,078	$ 2,611,738	$ 2,529,528	$ 2,650,186	$ 2,929,791	$ 2,698,641	$ 2,700,448
City's Net Pension Liability as a Percentage of Covered Payroll	279.80%	-30.46%	1149.68%	1088.71%	883.95%	737.15%	901.79%	943.03%	646.13%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

Note to the Required Supplementary Information:
The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.06% to 3.72% for the current year. The discount rate used in the determination of the Total Pension Liability was unchanged.

CITY OF BURBANK, ILLINOIS

Required Supplementary Information
Schedule of Firefighters' Pension Fund Contributions
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 996,122	$ 1,826,376	$ 1,487,230	$ 1,316,470	$ 1,274,790	$ 1,136,704	$ 1,003,856	$ 855,917	$ 833,540	$ 737,106
Contributions in relation to the actuarially determined contribution	1,066,379	10,443,638	1,565,954	692,895	861,909	1,271,611	573,376	604,957	495,377	513,661
Contribution deficency (excess)	$ (70,257)	$(8,617,262)	$ (78,724)	$ 623,575	$ 412,881	$ (134,907)	$ 430,480	$ 250,960	$ 338,163	$ 223,445
Covered payroll	$ 2,734,842	$ 2,592,736	$ 2,560,078	$ 2,611,738	$ 2,529,528	$ 2,650,186	$ 2,929,791	$ 2,403,836	$ 2,673,711	$ 2,673,711
Contributions as a percentage of covered payroll	38.99%	402.80%	61.17%	26.53%	34.07%	47.98%	19.57%	25.17%	18.53%	19.21%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay
Amortization Target	100% Funded Over 13.1 Years (Layered)
Asset Valuation Method	5-Year Smoothed Market Value
Inflation	2.25%
Salary Increases	2.25%-11.50%
Investment Rate of Return	7.00%
Mortality	Mortality rates were based on the Pub-2010 Mortality Tables adjusted for plan status, collar, and Illinois public pension data.

The 2021 contribution in relation to the actuarially determined contribution includes an additional $9,447,301 in employer contributions from the issuance of pension obligation bonds.

CITY OF BURBANK, ILLINOIS

General Fund
Combining Balance Sheet
December 31, 2022

	Corporate Account	Working Cash Account	Performance Bond Account	Total
ASSETS				
Cash and Investments	$ 24,512,500	$ 1,000,901	$ 890,397	$ 26,403,798
Property Taxes Receivable	2,650,855	-	-	2,650,855
Other Governmental Receivables	3,367,287	-	-	3,367,287
Prepaid Items	1,107,897	-	-	1,107,897
Due from Other Accounts	23,664	-	-	23,664
Interfund Advances - Receivable	4,040,487	-	-	4,040,487
Total Assets	$ 35,702,690	$ 1,000,901	$ 890,397	$ 37,593,988
LIABILITIES				
Accounts Payable	$ 1,264,858	$ -	$ -	$ 1,264,858
Accrued Payroll	448,501	-	-	448,501
Claims Payable	280,479	-	-	280,479
Other Payables	2,636	-	-	2,636
Due to Other Accounts	-	-	23,664	23,664
Interfund Advances - Payable	232,639	1,745	-	234,384
Due to Fiduciary Funds	124,851	-	-	124,851
Total Liabilities	2,353,964	1,745	23,664	2,379,373
DEFERRED INFLOWS OF RESOURCES				
Unearned Revenue - Property Taxes	2,624,820	-	-	2,624,820
Unavailable Revenue - Taxes and Grants	887,886	-	-	887,886
Total Deferred Inflows of Resources	3,512,706	-	-	3,512,706
FUND BALANCES				
Nonspendable				
Interfund Loans	4,040,487	-	-	4,040,487
Prepaid Items	1,107,897	-	-	1,107,897
Committed				
Performance Bonds	-	-	866,733	866,733
Unassigned	24,687,636	999,156	-	25,686,792
Total Fund Balances	29,836,020	999,156	866,733	31,701,909
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 35,702,690	$ 1,000,901	$ 890,397	$ 37,593,988

CITY OF BURBANK, ILLINOIS

General Fund
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2022

	Corporate Account	Working Cash Account	Performance Bond Account	Total
REVENUES				
Property Taxes	$ 2,153,003	$ -	$ -	$ 2,153,003
Sales Tax	4,136,081	-	-	4,136,081
Home Rule Tax	2,399,917	-	-	2,399,917
Income Tax	4,834,034	-	-	4,834,034
Other Taxes	4,955,767	-	-	4,955,767
Licenses, Permits and Fees	4,128,399	-	-	4,128,399
Fines	2,339,742	-	-	2,339,742
Investment Income	202,387	-	12,462	214,849
Grants	225,415	-	-	225,415
Other Revenue	679,354	-	102,523	781,877
Total Revenues	26,054,099	-	114,985	26,169,084
EXPENDITURES				
Current:				
Administration	4,069,079	-	84,173	4,153,252
Building & Grounds	46,495	-	-	46,495
Fire Department	3,945,109	-	-	3,945,109
Police Department	5,629,954	-	-	5,629,954
Civil Defense	11,308	-	-	11,308
Public Works Department	1,885,807	-	-	1,885,807
Building & License Enforcement	218,418	-	-	218,418
Zoning Board of Appeals	59,529	-	-	59,529
Liquor Commission	30,979	-	-	30,979
Police & Fire Commission	81,262	-	-	81,262
Capital Outlay	3,294,023	-	-	3,294,023
Total Expenditures	19,271,963	-	84,173	19,356,136
Excess (Deficiency) of Revenues Over Expenditures	6,782,136	-	30,812	6,812,948
OTHER FINANCING SOURCES (USES)				
Transfers In	615,675	-	-	615,675
Total Other Financing Sources (Uses)	615,675	-	-	615,675
Net Change in Fund Balances	7,397,811	-	30,812	7,428,623
Fund Balances at Beginning of Year	22,438,209	999,156	835,921	24,273,286
Fund Balances at End of Year	$ 29,836,020	$ 999,156	$ 866,733	$ 31,701,909

General Fund - Corporate Account
Schedule of Expenditures - Budget (GAAP Basis) and Actual
Year Ended December 31, 2022

	Original and Final Budget	Actual	Over (Under) Budget
EXPENDITURES			
Current:			
Administration			
Personal Services	$ 1,728,900	$ 1,565,422	$ (163,478)
Contractual	2,514,312	2,488,031	(26,281)
Commodities	40,000	15,626	(24,374)
Capital Outlay	14,500	388,969	374,469
Total Administration	4,297,712	4,458,048	160,336
Building & Grounds			
Personal Services	15,000	6,367	(8,633)
Contractual	58,750	39,634	(19,116)
Commodities	9,800	494	(9,306)
Capital Outlay	8,500	-	(8,500)
Total Building & Grounds	92,050	46,495	(45,555)
Fire Department			
Personal Services	3,626,314	1,915,303	(1,711,011)
Contractual	2,218,272	1,922,311	(295,961)
Commodities	108,100	107,495	(605)
Capital Outlay	45,000	74,710	29,710
Total Fire Department	5,997,686	4,019,819	(1,977,867)
Police Department			
Personal Services	5,642,437	2,599,693	(3,042,744)
Contractual	3,313,231	2,761,797	(551,434)
Commodities	287,500	268,464	(19,036)
Capital Outlay	60,000	28,175	(31,825)
Total Police Department	9,303,168	5,658,129	(3,645,039)
Civil Defense			
Personal Services	22,500	8,704	(13,796)
Contractual	19,200	1,682	(17,518)
Commodities	4,800	922	(3,878)
Capital Outlay	11,500	213	(11,287)
Total Civil Defense	58,000	11,521	(46,479)
Public Works Department			
Personal Services	1,252,617	1,143,917	(108,700)
Contractual	680,124	554,359	(125,765)
Commodities	146,150	187,531	41,381
Capital Outlay	32,000	2,801,956	2,769,956
Total Public Works Department	2,110,891	4,687,763	2,576,872
Building & License Enforcement			
Personal Services	170,850	140,160	(30,690)
Contractual	94,565	73,323	(21,242)
Commodities	6,000	4,935	(1,065)
Total Building & License Enforcement	271,415	218,418	(52,997)

(Continued)

CITY OF BURBANK, ILLINOIS

General Fund - Corporate Account
Schedule of Expenditures - Budget (GAAP Basis) and Actual
Year Ended December 31, 2022

	Original and Final Budget	Actual	Over (Under) Budget
Zoning Board of Appeals			
Personal Services	$ 54,794	$ 50,713	$ (4,081)
Contractual	8,079	8,788	709
Commodities	900	28	(872)
Total Zoning Board of Appeals	63,773	59,529	(4,244)
Liquor Commission			
Personal Services	26,356	26,483	127
Contractual	5,429	4,496	(933)
Total Liquor Commission	31,785	30,979	(806)
Police & Fire Commission			
Personal Services	15,960	15,548	(412)
Contractual	27,650	65,518	37,868
Commodities	1,250	196	(1,054)
Total Police & Fire Commission	44,860	81,262	36,402
Total Expenditures	$ 22,271,340	$ 19,271,963	$ (2,999,377)

CITY OF BURBANK, ILLINOIS

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022

	Debt Service Fund	Special Revenue Funds					Total Nonmajor Governmental Funds
	SSA Debt Fund	TIF Fund	Downtown TIF Fund	East 79th Street TIF Fund	Old Barn TIF Fund	Burbank Station TIF Fund	
ASSETS							
Cash	$ 120,113	$ -	$ 2,480,425	$ 305,441	$ -	$ 133,595	$ 3,039,574
Interfund Advances - Receivable	36,865	-	-	-	-	-	36,865
Total Assets	$ 156,978	$ -	$ 2,480,425	$ 305,441	$ -	$ 133,595	$ 3,076,439
LIABILITIES							
Accounts Payable	$ -	$ -	$ 744	$ -	$ -	$ 42,321	$ 43,065
Interfund Advances - Payable	11,000	-	5,700	274,210	6,761	349,838	647,509
Total Liabilities	11,000	-	6,444	274,210	6,761	392,159	690,574
FUND BALANCES							
Restricted:							
Capital Projects	145,978	-	2,473,981	31,231	-	-	2,651,190
Unassigned	-	-	-	-	(6,761)	(258,564)	(265,325)
Total Fund Balances	145,978	-	2,473,981	31,231	(6,761)	(258,564)	2,385,865
Total Liabilities and Fund Balances	$ 156,978	$ -	$ 2,480,425	$ 305,441	$ -	$ 133,595	$ 3,076,439

CITY OF BURBANK, ILLINOIS

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2022

	Debt Service Fund	Special Revenue Funds					Total Nonmajor Governmental Funds
	SSA Debt Fund	TIF Fund	Downtown TIF Fund	East 79th Street TIF Fund	Old Barn TIF Fund	Burbank Station TIF Fund	
REVENUES							
Property Taxes	$ -	$ -	$ 635,903	$ 252,756	$ -	$ 133,275	$ 1,021,934
Investment Income	84	-	36,431	3,771	-	320	40,606
Total Revenues	84	-	672,334	256,527	-	133,595	1,062,540
EXPENDITURES							
Administration	-	-	8,020	10,596	3,000	6,180	27,796
Economic Development	-	-	744	4,698	-	165,324	170,766
Total Expenditures	-	-	8,764	15,294	3,000	171,504	198,562
Excess (Deficiency) of Revenues Over Expenditures	84	-	663,570	241,233	(3,000)	(37,909)	863,978
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	1,810,411	186,925	(3,761)	(1,907)	1,991,668
Transfers Out	-	(1,991,668)	-	(396,927)	-	(218,748)	(2,607,343)
Total Other Financing Sources (Uses)	-	(1,991,668)	1,810,411	(210,002)	(3,761)	(220,655)	(615,675)
Net Change in Fund Balances	84	(1,991,668)	2,473,981	31,231	(6,761)	(258,564)	248,303
Fund Balances at Beginning of Year	145,894	1,991,668	-	-	-	-	2,137,562
Fund Balances at End of Year	$ 145,978	$ -	$ 2,473,981	$ 31,231	$ (6,761)	$ (258,564)	$ 2,385,865

CITY OF BURBANK, ILLINOIS

Pension Trust Funds
Combining Statement of Fiduciary Net Position
December 31, 2022

	Pension Trust Funds		
	Police Pension Fund	Firefighters' Pension Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 819,339	$ 372,510	$ 1,191,849
Pooled Investments	61,422,458	36,589,735	98,012,193
Due from the City	75,200	49,651	124,851
Prepaid Items	3,891	4,726	8,617
Total Assets	62,320,888	37,016,622	99,337,510
LIABILITIES			
Accounts Payable	4,113	4,231	8,344
Total Liabilities	4,113	4,231	8,344
NET POSITION			
Restricted for Pensions	62,316,775	37,012,391	99,329,166
Total Net Position	$ 62,316,775	$ 37,012,391	$ 99,329,166

CITY OF BURBANK, ILLINOIS

Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2022

	Police Pension Fund	Firefighters' Pension Fund	Total
ADDITIONS			
Contributions			
Employer	$ 1,496,248	$ 1,066,379	$ 2,562,627
Plan Members	488,566	268,658	757,224
Total Contributions	1,984,814	1,335,037	3,319,851
Investment Income (Loss)			
Interest and Dividends	660,576	267,165	927,741
Net Change in Fair Value	(13,396,445)	(6,834,587)	(20,231,032)
Less Investment Expense	(82,281)	(26,735)	(109,016)
Net Investment Income (Loss)	(12,818,150)	(6,594,157)	(19,412,307)
Total Additions	(10,833,336)	(5,259,120)	(16,092,456)
DEDUCTIONS			
Benefits and Refunds	3,674,854	2,211,402	5,886,256
Administrative Expenses	76,649	57,715	134,364
Total Deductions	3,751,503	2,269,117	6,020,620
Change in Net Position	(14,584,839)	(7,528,237)	(22,113,076)
Net Position at Beginning of Year	76,901,614	44,540,628	121,442,242
Net Position at End of Year	$ 62,316,775	$ 37,012,391	$ 99,329,166