

RECEIVING AND FILING THE FY2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR), SINGLE AUDIT REPORT, REPORT ON COMPLIANCE WITH PUBLIC ACT 85-1142 (TIF REPORT), DOWNSTATE OPERATING ASSISTANCE CERTIFICATION AND INDEPENDENT AUDITOR'S REPORTS, ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT – CONSOLIDATED YEAR END FINANCIAL REPORT (CYEFR), AND MANAGEMENT LETTER.

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government which may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the City's corporate authorities reviewed the Annual Comprehensive Financial Report (ACFR), Single Audit Report, Report on Compliance with Public Act 85-1142 (TIF report), Downstate Operating Assistance Certification and Independent Auditor's Reports, Illinois Grant Accountability and Transparency Act Consolidated Year End Financial Report (CYEFR) and Management Letter for Fiscal Year 2022; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: That the City's corporate authorities hereby receive, file, and approve the Annual Comprehensive Financial Report (ACFR), Single Audit Report, Report on Compliance with Public Act 85-1142 (TIF report), Downstate Operating Assistance Certification and Independent Auditor's Reports Illinois Grant Accountability and Transparency Act Consolidated Year End Financial Report (CYEFR) and Management Letter attached hereto as Exhibit A. The City Manager or his designee are hereby authorized and directed to file and electronically submit the Annual Comprehensive Financial Report with the Office of the Comptroller of the State of Illinois in accordance with 65 ILCS 5/8-8-3(f).

SECTION 2: This resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such resolution should (a) contain terms contrary to the provision of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the corporate authorities of the City of DeKalb that to the extent that the terms of this resolution should be inconsistent with any non-preemptive state law, that this resolution shall supersede state law in that regard within its jurisdiction.

SECTION 3: This resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a Regular meeting thereof held on the 26th day of June 2023 and approved by me as Mayor on the same day. Passed by an 8-0 roll call vote. Aye: Zasada, Larson, Smith, Perkins, McAdams, Verbic, Walker, Barnes. Nay: None.




COHEN BARNES, Mayor

ATTEST:


Ruth A. Scott, Executive Assistant

City of DeKalb
Annual Treasurer's Report
For the Year Ended December 31, 2022
SUMMARY STATEMENT OF CONDITION

	General Fund	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Fiduciary	Library
Revenues	46,465,276	15,411,192	99,939	4,074,520	11,709,442	7,752,982	(2,949,738)	3,381,230
Expenditures	38,435,657	16,544,349	1,855,539	5,541,423	9,735,024	7,822,661	9,267,476	3,145,319
Excess of Revenues over (under) Expenditures	8,029,619	(1,133,157)	(1,755,600)	(1,466,903)	1,974,418	(69,679)	(12,217,214)	235,911
Transfer In	311,000	800,000	1,880,280	-	-	-	-	-
Transfer Out	(2,680,280)	-	-	-	(311,000)	-	-	-
Other	31,271	-	-	476,492	-	-	-	42,262
Net Increase in Fund Balance	5,691,610	(333,157)	124,680	(990,411)	1,663,418	(69,679)	(12,217,214)	278,173
Fund Balance 1/1/22	19,625,868	10,927,430	91,788	2,102,752	62,183,593	2,195,293	90,439,644	1,980,702
Restatement	-	-	-	-	(4,820)	-	-	-
Fund Balance 12/31/22	25,317,478	10,594,273	216,468	1,112,341	63,842,191	2,125,614	78,222,430	2,258,875

REVENUE SUMMARY:

Property Tax 10,030,890, Home Rule Sales Tax 8,604,744, Utility Tax 2,904,660, Restaurant & Bar Tax 2,333,899, Home Rule Motor Fuel Tax 1,262,145, Hotel/Motel Tax 518,520, Other Taxes 1,258,699, Sales Tax 6,626,891, Income Tax 6,565,145, Local Use Tax 1,632,879, Replacement Tax 691,864, TIF Surplus 18,861, Grants/contributions 17,677,639, Charges for Services 27,236,707, Interest Income/Gain (Loss) on Investments (11,720,972), Employee Contributions 1,400,799, Employer Contributions 8,123,459, Miscellaneous 778,014. **TOTAL \$85,944,843**

EXPENDITURE SUMMARY:

CITY: 3M 5,551; ACCULAB OF ILLINOIS, INC. 25,000; ADVANCE AUTO PARTS 5,307; ADVENTURE WORKS LLC 28,808; LATOYA RIGGINS 3,300; LAW OFFICES OF JOHN GROTTO 10,945; LAYNE CHRISTENSEN COMPANY 66,807; LE PRINT EXPRESS 9,038; LEADS ONLINE LLC 4,509; LEXIPOL 5,935; LIFTOFF LLC 49,002; LION HEART CRITICAL POWER SPEC'LIST 4,999; LOVELL'S DISCOUNT TIRE INC 3,650; LOVETT'S RITE-WAY REBUILDERS INC 3,165; LOWE'S CREDIT SERVICES 24,413; LUKE BUTLER 14,949; MACKLIN INCORPORATED 20,249; MACON COUNTY LAW ENFORCEMENT TRAINING 28,556; MALWAREBYTES INC 4,977; MANEVAL CONSTRUCTION CO INC 15,526; MARC'S LAWN SERVICE LLC 9,636; MCCANN INDUSTRIES INC 7,235; MEDICAID ILLINOIS 11,717; MELIN'S LOCK & KEY 5,311; MENARDS SYCAMORE 13,977; MICRO MOTION INC 3,990; MIDWEST METER HOLDING INC 3,020; MIDWEST SALT LLC 177,165; MITSUBISHI ELECTRIC POWER PRODUCTS 2,812; MOBILE WIRELESS LLC 5,592; MOBOTREX INC 18,965; MORROW BROTHERS FORD INC 215,635; MOTOROLA SOLUTIONS INC 22,000; MUHAMMAD AKHTAR 15,000; MUNICIPAL EMERGENCY SERVICES INC 8,361; MY PARKING PERMIT 2,694; NEOGOV 16,801; NEWMAN SIGNS INC 25,424; NGUZO SABA MEN'S CLUB 5,500; NICHOLSON1 COMMUNICATIONS LLC 7,243; NICOR 56,416; NORTHERN FILTER MEDIA INC 10,899; NORTHERN ILLINOIS HOTELS LLC 3,222; NORTHERN ILLINOIS SERVICE CO 324,138; NORTHERN ILLINOIS TRAINING ADVISORY 5,100; NORTHERN ILLINOIS UNIVERSITY 276,705; NORTHWESTERN MEDICINE 10,882; N-TRAK GROUP LLC 54,309; OC CREATIVE INC 4,930; OLIVIA AGUSTIN 15,000; OLSSON ROOFING CO INC 3,825; O'REILLY AUTO PARTS 3,439; OTTIS ELEVATOR CO 3,532; OZINGA READY MIX CONCRETE INC 28,548; PACE ANALYTICAL SERVICES LLC 3,894; PAHOS I/INW MEDICINE OCC HEALTH 25,430; PASSION PURSUIT INC 7,500; PATLIN INC 3,646; PENN CARE INC 7,213; PERFORMANCE CONSTRTRN & ENG LLC 1,670,621; PETROLEUM TRADERS CORP 1,191,930; PHYSICIANS IMMEDIATE CARE LTD 8,189; PNG DEVELOPMENT LLC 675,989; POLICE LAW INSTITUTE INC 6,615; POMP'S TIRE SERVICE INC 4,387; POMP'S TIRE SERVICE INK 13,484; POSITIVE PROMOTIONS INC 2,966; PRIME TACK & SEAL CO 5,490; QUADIANT LEASING USA INC 4,208; RAINBO OIL COMPANY 6,054; RAMP 9,529; RAVE WIRELESS INC 9,095; RAY O'HERRON CO INC 51,751; RED FISH AND CHICKEN 15,000; RJ DIEDRICH CHILDRENS LLC 16,500; RMS 7,708; ROCKET INDUSTRIAL INC 2,801; ROMEXTERRA CONSTRUCTION INC 3,254; ROSENBAUER SOUTH DAKOTA LLC 614,846; RUSH POWER SYSTEMS LLC 4,751; RUSH TRUCK CENTERS 154,531; SAFE PASSAGE INC 26,000; SAUBER MFG CO 9,384; SCBAS INC 3,739; SELDAL PLUMBING 5,570; SERVICE CONCEPTS INC 31,077; SERVICE NOW HOME SERVICES 330,737; SHAW SUBURBAN MEDIA GROUP 6,735; SHEPARD CONSTRUCTION LLC 3,641; SHERWIN WILLIAMS 4,002; SIKICH LLP 59,555; SILVERTHORNE DEVELOPMENT CO 17,000; SIR DONALD FOUNDATION INC 5,000; SKATEBOARD LOVE LLC 8,618; SMART SOURCE LLC 7,510; SMART SOURCE OF LLC 4,202; SMITH ECOLOGICAL SYSTEMS COMPANY 5,299; SOC OF SVDP ST MARYS/CHRIST THE TCR 3,000; SPORTS OF ALL SORTS 3,808; STAGE COACH PLAYERS 9,500; STANARD & ASSOCIATES INC 4,709; STANDARD INDUSTRIAL AUTO EQUIPMENT 5,098; STANTEC ARCHITECTURE INC 87,940; STEPHEN A LASER ASSOCIATES 8,800; STEPHEN R GOLDMAN 3,500; STEVEN L BEAMIS 9,992; STEICHER'S INC 2,955; STRYKER SALES CORPORATION 344,788; STRYPES PLUS MORE INC 8,363; SUBURBAN TIRE CO 11,839; SUPERIOR LLC 141,056; SUPERIOR DIESEL INC 43,350; SUTTON FORD INC 107,023; SW ROOFING & CONSTRUCTION 5,528; SYNDEO NETWORKS INC 132,505; TAX-EXEMPT LEASING CORP 183,241; TECHNOLOGY MANAGEMENT REV FUND 4,299; THE GREEN EARTH COMPANY INC 16,884; THERMFLO INC 8,576; T-MOBILE USA INC 6,991; TOWNSHIP OF DEKALB 7,060; TRANSDEV SERVICES INC 7,176,093; TRANSLINK RISK & RISK ALTERNATIVE 5,592; TRILLIUM SOLUTIONS INC 6,300; TROTSKY INVESTIGATIVE POLYGRAPH INC 6,460; TRUGREEN 4,614; TYLER TECHNOLOGIES INC 23,000; UNIFORM DEN EAST INC 15,385; UNION PACIFIC RAILROAD COMPANY 6,111; UNITED LABORATORIES INC 4,669; UNIVERSITY OF ILLINOIS 3,883; UNIVERSITY OF LOUISVILLE 2,750; US BANK NATIONAL ASSOCIATION 23,191; US GEOLOGICAL SURVEY 8,640; USA BLUEBOOK 13,390; USPS - POC 12,400; VECTOR SOLUTIONS 6,533; VERIZON WIRELESS 54,620; VIRGIL COOK & SON INC 14,831; VISION SERVICE PLAN 30,538; VOLUNTARY ACTION CENTER 33,042; WAGNER AGGREGATE INC 6,314; WAGNER EXCAVATING LLC 11,115; WALMART COMMUNITY/GEMB 4,458; WAREHOUSE DIRECT INC 4,361; WBK ENGINEERING LLC 125,464; WEDO WINDOWS & CARPETS 2,850; WELCH BROS INC 6,222; WENDLER ENGINEERING SERVICES INC 13,749; WEST SIDE TRACTOR SALES 11,483; WEX HEALTH INC 3,189; WHEELER LUMBER LLC 160,250; WHOLESALE DIRECT INC 3,685; WIEWEL EXTERIORS 9,635; WILLIAM CHARLES CONSTRUCTION CO LLC 829,187; WS DARLEY & CO 3,625; YESENIA GALINDO 11,821; ZOLL MEDICAL CORPORATION 4,281; CITY EXPENSE DISBURSEMENTS UNDER 2,500.00 433,018. **CITY TOTAL: \$51,766,731. LIBRARY:** AlphaGraphics Aurora 3,165; Amazon.com 31,703; Ancestry 1,000; Glink, Diamond, Bush, Dicianni, & Kraftheiser, P.C. 5,040; Anthony Roofing 4,008; Asphalt & Concrete Paving LLC 7,875; Associated Electrical Contractors 5,017; Automatic Building Controls 5,130; Banner Up Signs 2,777; Barking Dog Interpretive Design Inc 7,285; Bibliotheca LLC 7,437; Blue Cross Blue Shield of Illinois 150,902; Chicago One Stop, Inc. 3,895; Children's Plus Inc. 5,573; City of DeKalb 181,595; CMJ IT Solutions 33,986; Data Axel / Info USA 9,802; EBSCO 10,345; Esscoee, L.L.C. 7,666; First National Bank Omaha 73,323; Gumdrop Books 3,079; Hartford, The 3,450; Hoopla 18,425; Ingram Library Services, Inc. 85,294; Libraries of Illinois Risk Agency 44,759; Meristem Advisors LLC 8,675; MITEL 11,652; Mutual of Omaha 13,796; Nationwide Retirement 10,250; NewsBank 5,396; NICOR 20,232; Northern Illinois Fence Inc 3,715; Ornamental Plasterwork Service 7,000; OverDrive 6,084; Parties with Character 2,804; Partner Engineering and Science, Inc 8,250; Pentegra Systems 4,619; PrairieCat 34,785; ProQuest LLC 13,874; Quality Mats (QM) 5,623; R & R Home and Lawn Care 10,380; Rivistas 3,521; RJ O'Neil, Inc. 28,541; RK Dixon/Xerox 10,814; Schindler Elevator Corporation 5,622; Shaw Media 5,453; Staples 9,449; TechSoup 6,529; THERMFLO, Inc. 2,545; TOG Development / LocalHop 7,400; Value Line Publishing LLC 5,000; WalMart 3,913; Xerox 3,773; Zabinski Consulting Services 4,095; Library Expense Disbursements Under \$2,500 127,505

Continued on next page

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LIBRARY TOTAL: \$1,102,825. FIRE PENSION: CITY OF DEKALB-INSURANCE 314,145; CITY OF DEKALB 8,420; IFPIF 17,439; IRS 519,044; LAUTERBACH & AMEN 17,545; MISSION WEALTH MGT LP 8,174; FIRE PENSION DISBURSEMENTS UNDER \$2,500 6,363.

FIRE PENSION TOTAL: \$891,131. POLICE PENSION: CITY OF DEKALB-INSURANCE 154,586; CITY OF DEKALB 8,420; FIRST NATIONAL BANK OF OMAHA 3,382; IL DEPT OF INSURANCE 8,000; IRS 523,478; IPPFA 3,070; LAUTERBACH & AMEN 16,925; WALL CAPITAL GROUP 69,270; MESIROW INSURANCE SERVICES INC. 9,402; POLICE PENSION DISBURSEMENTS UNDER \$2,500 3,447. **POLICE PENSION TOTAL: \$799,980.**

GRAND TOTAL: \$54,560,667

COMPENSATION SUMMARY:

UNDER \$25,000: BARNES, ROBERT; BEASLEY, FRANKLIN; BIARNESEN, CURT; BIRTELL, WILLIAM; BURLINGAME, JACOB; BURTON, SHAYNA; CARDELLA, CATHLEEN; COHEN, SASHA; COSTLIOW, JONATHAN; COX, MARCUS; DAHLBERG, DAVID; DURBIN, SOPHIA; FAIVRE, ANTHONY; FAIVRE, BRODERICK; FREEMAN, SEAN; GEHRKE, MARJORIE; GERACE, DANIEL; HALSEY, CAROL; HART, BRENDA; HATTON, JUSTIN; HOWARD, KEVIN; JULIAN, JUSTIN; KECK, JACK; KEMNETZ, NATHAN; KURTH, KELLER; LARSON, BARBARA; MARTIN, JETT; MCADAMS, SCOTT; MITCHELL, KEIWINN; MYERS-RIGGS, MACKENZIE; PERKINS, GREGORY; PETERS, AUSTIN; PETRAGALLO, MAYA; PUMFREY, PATRICIA; RADER, JOHN; REYNOLDS, RICHARD; RHOADES, JAMES; RUBY, SAMANTHA; RUHL, JAMES; SAUBER, RACHEL; SCHNEIDER, JUDITH; SIMS, NINA; SMITH, TRACY; TOEPPER, RONDA; TROMPETER, BENJAMIN; VALENTINE, RAHVEON; VERBIC, MICHAEL; WEST, RAYMOND; WILSON, CODY; YOCHER, JENNIFER; ZASADA, CAROLYN; Devitt, Hayley; Hawkins, Samuel; Iversen, Teresa; Racine, Chelsea; Seeto-Reitzer, Anna; Willey, James

25,000.00 TO 49,999.99: ANTROBUS, ANTHONY; BARNETT, JENNIFER; CHRISKE, JOANN; FRANTZ, AMY; HANSON, EMILY; HENDERSON, EMILY; HICKMAN, JUSTIN; KOELPER, DAVID; LEONI, CARL; LONG, SAVANNAH; LYNCH, CODY; MOTT, PAUL; NELSON, NATALIE; NEWHOUSE, CONRAD; RODRIGUEZ, JESUS; STEFFEN, SIERRA; TOMASH, HANNAH; VOIGHT, JILL; WILLIAMS, PAUL; ZIRK, MORGAN; Adamkiewicz, Frank; Draper, Tristan; Garlisch, Susan; Huey, Leah; Kozinski, Melanie F.; Lundgren, Michael; Munoz, Isabel; Novus, Pen; O'Connell, Beatrice; Schulze, Heike; Sloan, Mark J.

50,000.00 TO 74,999.99: BALTRUSIS, JOSEPH; BASHAM, ELIZABETH; BEEMAN, APRIL; BLOCK, DAVID; BOLDT, JOSHUA; CHALLAND, MEAGAN; DAVIS, JOSHUA; DOTY, SAMANTHA; FARRIS, LUKAS; FLATTER, COLE; GASCA, JUAN; GREEN, JESSICA; GRIFFEY, MAXWELL; HOPKINS, EMILY; JENNINGS, ALYSSA; KLEINMAIER, KAITLIN; LINDEN, JACOB; MEYER, PAUL; MITCHELL, JOSHUA; NEBLOCK, MELISSA; NORMAN, JOSHUA; O'DONNELL, PATRICK; OZIAH, ADRIENNE; PATRICK, BETH; ROGERS, KELLI; RYNN, MACKENZIE; TURNER, STEPHANIE; VAN HINE, BRIAN; WALKER, AARON; WILLIAMS, KODY; YONAN, DANIEL; ZAK, SCOTT; Anderson, John; Aspatore, Robert; Glover, Marisa; Hathaway, Samantha; Krabill, Britta; Racine, Ryan

75,000.00 TO 99,999.99: ADAMS, EDWARD; ALBERT, CHLOE; BRENING, MICHELLE; CASAS, DIEGO;

CLARK, HEIDE; COOPER, BETSY; CORDA FREELAND, ANTHONY; DIEDRICH, RYAN; DONAHUE, JUSTIN; FAIVRE, SARAH; FLEURY, MASON; HARNESS, TROY; HAUMAN, SUSAN; HEDIN, BRITTANY; ISHAM, AUSTIN; JACQUIN, AUSTIN; JOURIS, THEODORE; KRENZ, KYLE; LAPOINTE, HAYDEN; LAUDICINA, VINCENT; LUCIUS, JOHNN; LUNK, MICHAEL; MARBUTT, JACKSON; MOORE, DAVID; NEEDHAM, JACOB; NEIERT, MATTHEW; NETZER, JUSTIN; NEUENKIRCHEN, MICHAEL; ORTEGA, URIEL; PEDERSEN, ANDREW; PHELPS, COLTIN; RAIH, DANIEL; RIANI, RENEE; RINELLA, MICHAEL; RITTER, JONATHAN; RODRIGUEZ, BRIAN; ROUSE, JOANNE; SABIN, TANNER; SCHAEFER-CARRINGTON, RAMAIN; SCOTT, RUTH; SORENSON, DANIELLE; SWINEHEART, DALE; WEAVER, TIMOTHY; WELLS, GEOFFREY; WISDOM, GARY; WOYNA, SEAN; YOUNG, JIM; ZIEGLER, BRADLEY; ZINKEL, PAUL; Winterbauer, Theresa

100,000.00 TO 124,999.99: ABONCE, JORGE; ACKLAND, JEFFREY; ADAMSON, TODD; ALEXANDER, JEREMY; ANDERSON, MICHAEL; ANDERSON, MICHELLE; BALLSCHMIEDE, KEVIN; BELL, JONATHAN; BURDICK, TREVOR; BURKE, JARED; CHILTON, TREVOR; CHRISTENSEN, ERIC; CICOONA, PATRICK; CRUZ, STEVE; DENSBARGER, ANTHONY; DUSEK, ELISE; EATON, DOUGLAS; ERIKSEN, PATRICK; ESPY, JOSEPH; FABRO, ELIZABETH; FISHER, JOSEPH; FRANKLIN, DANIEL; GATES, AARON; GILL, ZACHARY; GORDON, JOSEF; HARPER, DAWN; HOLUJ, MATTHEW; JURASKA, COLIN; KLEINMAIER, AARON; KLOTZ, MATTHEW; LONG, JOSEPH; LOVELL, MARK; MILLER, ADAM; MORTON, JAMES; MOYER, KAELE; OLANIRAN, HABIDEEN; OLSON, DANIEL; ORMOND, JONATHAN; PALAZZOLA, KEVIN; PATTERSON, HAYDEN; PAUL, MAXWELL; PEARRE, JAMES; PRIELIPP, ZAKARY; PRISTAVE, SADIE; REINBOLZ, LANCE; REMNES, ALLISON; SIDDALL, HARLAN; SODERSTROM, BRYAN; SULLIVAN, CHRISTOPHER; TAYLOR, MICHAEL; THORNTON, GREGORY; THORP, JARED; WATSON, JASON; WEMPE, JOSEPH; ZIOLA, CHRISTOPHER; ZUNIGA, DONALD; Faulkner, Emily

125,000 AND OVER: ANDRUS, BRIAN; BLANKEN, ERIC; BOLLOW, BRIAN; BROWN, PHILLIP; BYRD, DAVID; CARANI, JAMES; CONLEY, THOMAS; DELILLE, DAVID; DITTMAN, CAROLINE; EHRKE, KEITH; FAIVRE, BRYAN; FARRELL, SCOTT; FAULHABER, DONALD; FERRIGAN, KEVIN; FRITZ, KEITH; GAUTCHER, BRETT; GILMORE, BARTON; GOODWIN, JASON; HERNANDEZ, RAYNALDO; HOWIESON, TIMOTHY; KARR, TRAVIS; KRUPA, CHRISTOPHER; KWASNIEWSKI, TONY; LEKKAS, STYLIANOS; LEVERTON, JASON; LOECHEL, JOHN; LYNCH, WILLIAM; MALLET, KEUNTE; MCNETT, CHAD; MECCA, KRISTOPHER; MILLARD, NOAH; MOREY, TIMOTHY; NICKLAS JR., FLOYD; PARSONS, STEVEN; PAVLAK, JASON; RAIH, ANDREW; REDEL, ROBERT; ROMANO, ANDREW; SCHNECK, WADE; STOFFA, TODD; STREIT, SONNY; TERRY, ROBERT; THOMAS, MICHAEL; VERDONE, CHARLES; WELLS, TODD; WILKENS, RYAN; WOODRUFF, CRAIG

TOTAL COMPENSATION: \$21,749,697

The foregoing, to the best of my knowledge and belief, is a true and correct statement of the City of DeKalb's revenues, expenditures, and compensation for the fiscal year ending December 31, 2022.

Carrie Dittman
Finance Director
City of DeKalb

(Published in the Daily Chronicle June 23, 2023) 2087873



Annual Comprehensive
Financial Report
Year Ended
December 31, 2022

City of DeKalb, Illinois

CITY OF DEKALB, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
December 31, 2022

Prepared by the City of DeKalb Finance Department

CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
List of Principal Officials.....	i
Organization Chart.....	ii
Certificate of Achievement for Excellence in Financial Reporting.....	iii
Transmittal Letter.....	iv-xi
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-4
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-14
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	5-6
Statement of Activities	7-8
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	9-10
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	11
Statement of Revenues, Expenditures, and Changes in Fund Balances	12-13
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	14

CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Funds

Statement of Net Position	15-16
Statement of Revenues, Expenses, and Changes in Net Position.....	17
Statement of Cash Flows	18-19

Fiduciary Funds

Statement of Fiduciary Net Position.....	20
Statement of Changes in Fiduciary Net Position.....	21

Notes to Financial Statements	22-86
-------------------------------------	-------

Required Supplementary Information

Schedule of Employer Contributions

Illinois Municipal Retirement Fund	87
Police Pension Fund	88
Firefighters' Pension Fund	89

Schedule of Changes in the Employer's Net Pension Liability
and Related Ratios

Illinois Municipal Retirement Fund	90-91
Police Pension Fund	92-93
Firefighters' Pension Fund	94-95

Schedule of Investment Returns

Police Pension Fund	96
Firefighters' Pension Fund	97

Schedule of Changes in the Employer's Total OPEB Liability
and Related Ratios

Other Postemployment Benefit Plan	98
---	----

CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Required Supplementary Information (Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
General Fund.....	99
Mass Transit Fund.....	100
American Rescue Plan Act Grant Fund.....	101
Notes to Required Supplementary Information	102

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

General Fund	
Schedule of Revenues - Budget and Actual	103-104
Schedule of Expenditures - Budget and Actual.....	105
Schedule of Detailed Expenditures - Budget and Actual	106-110
Capital Projects Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	111

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	112
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	113
Nonmajor Special Revenue Funds	
Combining Balance Sheet	114-116
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	117-119
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Staffing for Adequate Fire and Emergency Response Grant Fund	120
GEMT Fund.....	121
Motor Fuel Tax Fund.....	122
Foreign Fire Insurance Tax Fund	123
Housing Rehabilitation Fund.....	124
Community Development Block Grant Fund.....	125

CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES (Continued)**

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Nonmajor Special Revenue Funds (Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Continued)	
Heritage Ridge Special Service Area #3 Fund	126
Knolls Special Service Area #4 Fund	127
Greek Row Special Service Area #6 Fund	128
Heartland Fields Special Service Area #14 Fund	129
Market Square Special Service Area #29 Fund	130
Hunter Ridgebrook Special Service Area #30 Fund	131
Tax Increment Financing #3 Fund	132

Nonmajor Debt Service Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
General Debt Service Fund	133

Nonmajor Capital Projects Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Capital Equipment Replacement Fund	134

ENTERPRISE FUNDS

Combining Schedule of Net Position Water Fund Department Accounts	135-136
Combining Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual - Water Fund Department Accounts	137-138
Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual	
Airport Fund	139-140
Refuse Fund	141

INTERNAL SERVICE FUNDS

Combining Statement of Net Position	142
Combining Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual	143-144
Combining Statement of Cash Flows	145

CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES (Continued)**

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Combining Statement of Net Position	146
Combining Statement of Changes in Plan Net Position	147
Statement of Changes in Plan Net Position - Budget and Actual	
Police Pension Fund	148
Firefighters' Pension Fund	149

**DISCRETELY PRESENTED COMPONENT UNIT -
DEKALB PUBLIC LIBRARY**

Statement of Net Position and Combining Balance Sheet	150-153
Statement of Activities and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances/Net Position	154-155

SUPPLEMENTAL FINANCIAL INFORMATION

Long-Term Debt Requirements	
General Obligation Refunding Bonds of 2010C	156
General Obligation Bonds of 2012A	157
General Obligation Refunding Bonds of 2019	158
General Obligation Refunding Bonds of 2020	159
IEPA Loan #L174045 Contract Payable of 2012	160
IEPA Loan #L175473 Contract Payable of 2019	161
Component Unit - DeKalb Public Library	
General Obligation Bonds of 2013A	162
General Obligation Refunding Bonds of 2022	163

STATISTICAL SECTION

Financial Trends	
Net Position by Component	164-165
Change in Net Position	166-169
Fund Balances of Governmental Funds	170-171
Changes in Fund Balances of Governmental Funds	172-173

CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

STATISTICAL SECTION (Continued)

Revenue Capacity	
Taxable Sales by Category	174
Taxable Sales by Category - Home Rule	175
Direct and Overlapping Sales Tax Rates	176
Assessed Value and Actual Value of Taxable Property	177
Property Tax Rates - Direct and Overlapping Governments	178
Principal Taxpayers	179
Property Tax Rates, Levies, and Collections	180-181
Debt Capacity	
Ratios of Outstanding Debt by Type	182
Ratios of General Bonded Debt Outstanding	183
Direct and Overlapping Governmental Activities Debt	184
Legal Debt Margin	185
Demographic and Economic Information	
Demographic and Economic Information	186
Principal Employers	187
Operating Information	
Full-Time Equivalent Employees	188-189
Operating Indicators	190-191
Capital Asset Statistics	192

INTRODUCTORY SECTION

City of DeKalb
Principal Officials
December 31, 2022

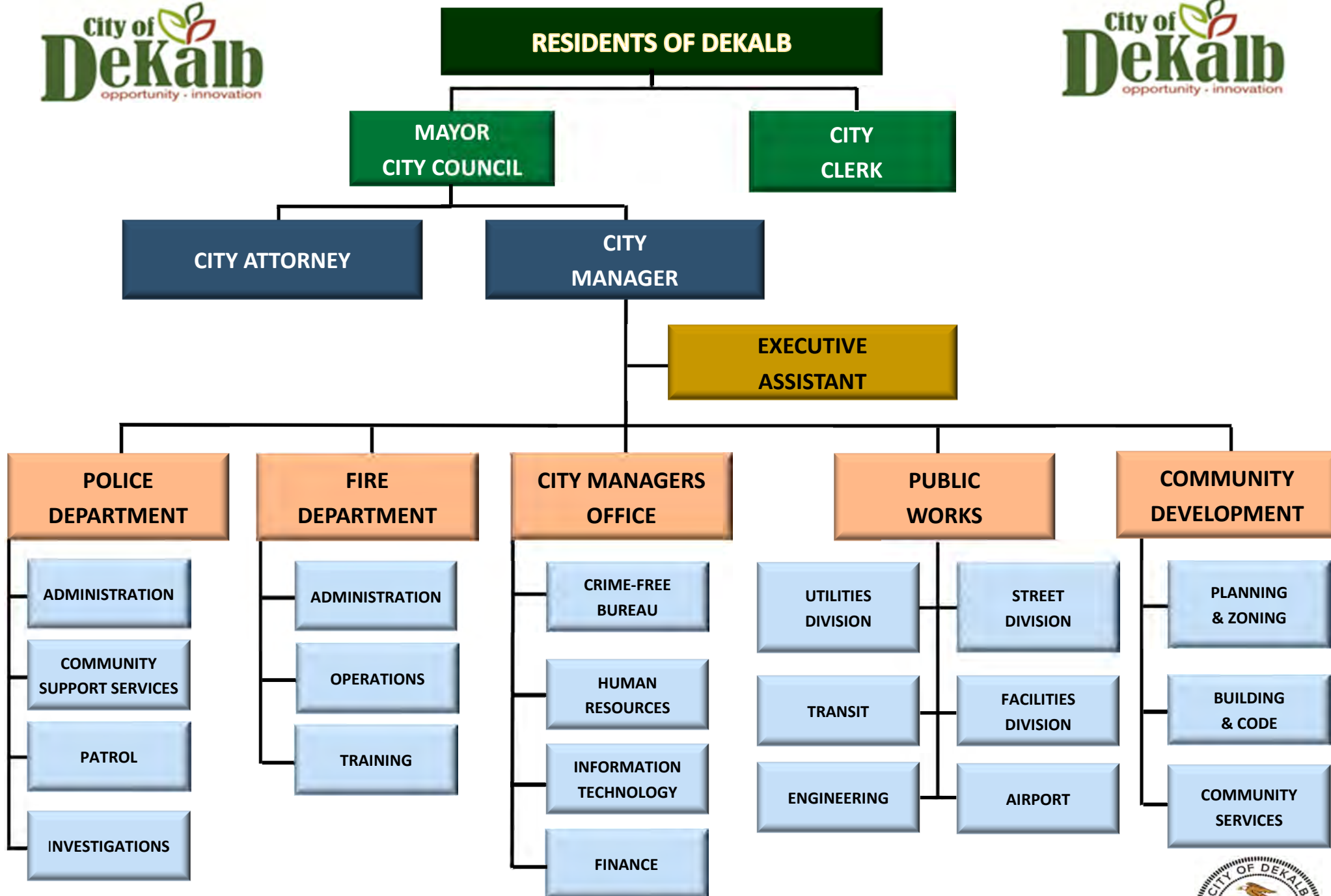
Legislative

Cohen Barnes, Mayor
Carolyn Morris, Alderman - Ward One
Barb Larson, Alderman - Ward Two
Tracy Smith, Alderman - Ward Three
Greg Perkins, Alderman - Ward Four
Scott McAdams, Alderman - Ward Five
Mike Verbic, Alderman - Ward Six
Anthony Faivre, Alderman - Ward Seven
Sasha Cohen, City Clerk

Administrative

Bill Nicklas, City Manager
Carrie Dittman, Finance Director
David Byrd, Police Chief
Mike Thomas, Fire Chief
Bryan Faivre, Director of Utilities, Engineering & Transportation
Andy Raih, Director of Streets and Facilities
Michelle Anderson, Human Resources Director
Dan Olson, Planning Director
Dawn Harper, Chief Building Official

CITY OF DEKALB ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of DeKalb
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Executive Director/CEO

June 20, 2023

Residents of the City of DeKalb
Mayor Cohen Barnes
Members of the DeKalb City Council

The Annual Comprehensive Financial Report of the City of DeKalb for the fiscal year ended December 31, 2022, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes mandate that the City of DeKalb annually issue a report of its financial position and activity, and that this report shall be audited by an independent firm of certified public accountants.

The City Manager and Finance Director assume full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich, LLP, has issued an unmodified ("clean") opinion of the City of DeKalb's financial statements for the year ended December 31, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City of DeKalb

The City of DeKalb was incorporated in 1856 and is located in the center of DeKalb County, Illinois. Located 60 miles west of Chicago, the City of DeKalb's current land area is 17.21 square miles with approximately 330 centerline miles of streets. Despite its proximity to the Chicago region, the City maintains a unique character as a university community with both urban and rural roots. Many of its older neighborhoods have brick-paved streets and well-kept historic homes while the edge of the City bustles with newer residential, commercial and industrial development. The City of DeKalb's population is 40,290 as of the 2020 decennial census.

Under the 1970 Illinois Constitution, the City is a home rule unit because its population exceeds 25,000. As a home rule community, DeKalb has no tax rate limit or debt limit, nor is it required to seek referendum approval to raise its tax rate or to issue debt.

In 1961, the Council-Manager form of government was adopted by the City of DeKalb. Seven aldermen are elected, one in each of the seven wards. Aldermanic elections are held every two years, at which time one-half of the City Council is elected. The Mayor and City Clerk are elected, at large, every four years. The City Manager is appointed by the City Council and all other employees are appointed by the City Manager. The elected officials establish policy while professional appointed officials and their staff implement policy.

The City provides a full range of services, including public safety (police and fire protection); the construction and maintenance of highways, streets, and infrastructure; municipal airport services; water production, treatment, and distribution; planning, zoning and building code enforcement; and general administrative services.

The financial reporting entity (the City) includes all the funds of the primary municipal government (i.e., the City of DeKalb, DeKalb County, Illinois), as well as all its component units. The DeKalb Public Library is considered a component unit of government. Although a legally separate entity, the Library is in substance a part of the primary government's operations and included as part of the primary government. Therefore, in the Annual Comprehensive Financial Report, the Library's audited financial data are presented in a separate column in the entity-wide financial statements to differentiate their financial position and resulting operations from those of the primary government.

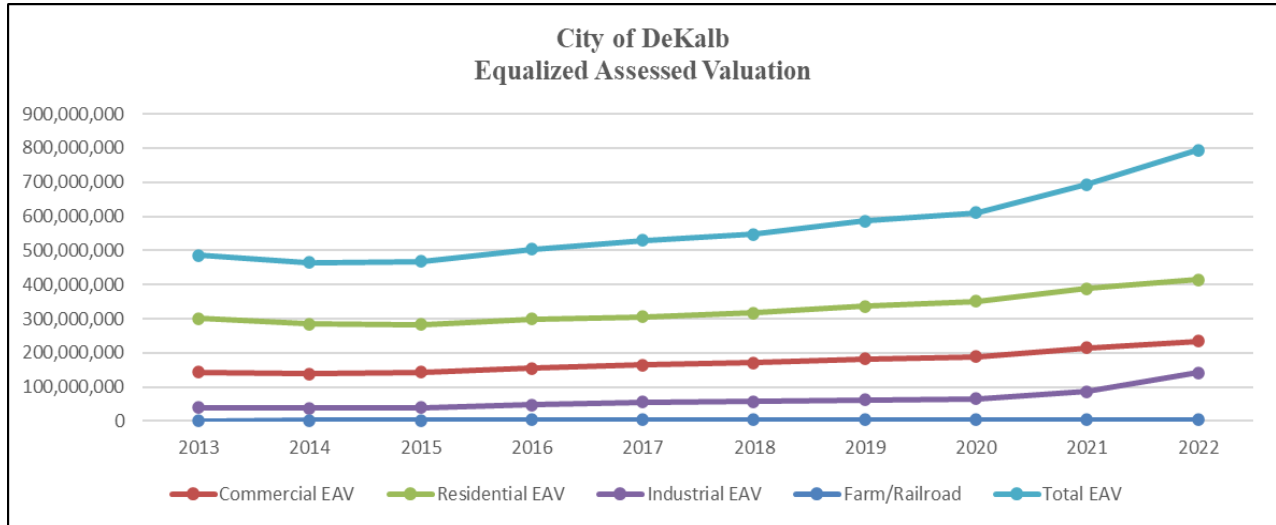
The City Council is required to adopt a budget for each fiscal year no later than the close of the prior fiscal year. The City's fiscal year runs from January 1 through December 31. The FY 2022 budget was approved by the DeKalb City Council on December 13, 2021 and served as the foundation for the City of DeKalb's financial planning and control in 2022. These controls were intended to ensure that there was compliance with the legal provisions of the annual budget: the budget officer may transfer amounts between departments within a fund, however transfers between funds must be approved by the City Council. Expenditures may not exceed budgeted appropriations at the fund level. Additionally, the City maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Local Economy

The local economy is largely impacted by regional, state, and national economic conditions. The City's three largest sources of revenue are property taxes, sales and use taxes (both municipal and home rule), and state distributions of annual income tax proceeds from the Local Government Distributive Fund. As shown in Table 1, the City's equalized assessed valuation (EAV) has experienced annual increases since a dip occurred in 2014 and cumulatively has grown 71% since then. Growth is expected to continue as the full assessed valuation of several new corporate developments (Facebook, Project Supernova) are realized. The City's total rate-setting EAV increased by a staggering \$100 million from 2021 (\$694,171,673) to 2022 (\$794,561,930), or 14.5%. Eight consecutive years of EAV growth indicate relative strength in the local economy.

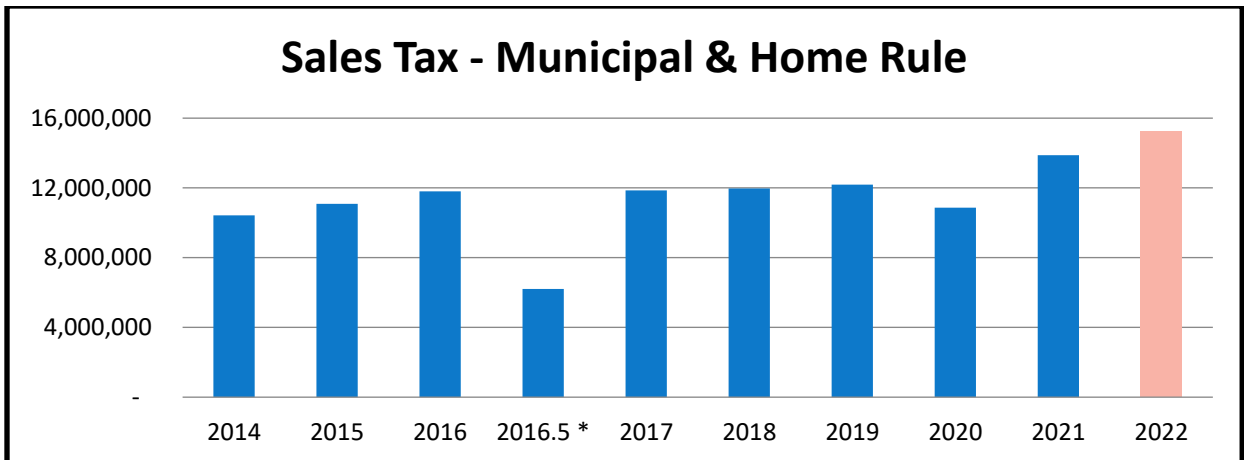


Table 1 – EAV 2013 – 2022



Extraordinary political constraints imposed by Illinois Governor Pritzker to combat the COVID-19 pandemic led to severe business interruption in 2020. Despite uncertainty of revenue recovery in 2021, and a looming recession in 2022, the other major revenue sources of the City (1.0% municipal sales tax, 1.75% home rule sales tax and income tax) experienced significant gains in 2022 as depicted in Table 2 and Table 3.

Table 2 - Combined Municipal & Home Rule Sales Tax 2014-2022

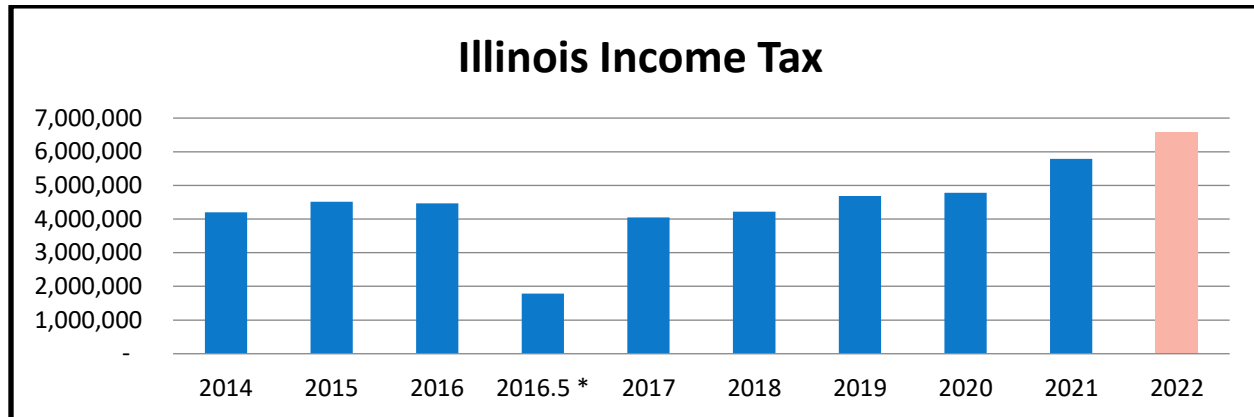


*The City changed its fiscal year end to December 31, 2016, and this represents July 1 – December 31, 2016.

2022 combined sales tax revenues increased nearly 10% over 2021. The City has a healthy mix of retailers providing grocery and household goods, home improvements, pharmaceuticals, clothing, auto dealerships and restaurants. Online retailers also contributed to the tax base.



Table 3 – Illinois Income Tax 2014-2022



**The City changed its fiscal year end to December 31, 2016, and this represents July 1 – December 31, 2016.*

Income taxes also experienced gains of 13% from 2021 to 2022. The State of Illinois remits income tax on a per capita basis, and the Illinois Municipal League tracks and forecasts this revenue source. For calendar year 2021, the actual distribution was \$132.08/per capita; for calendar year 2022 it was \$162.93. The other factor impacting this revenue source was the certification of the City’s population from the 2020 census: the City’s population declined from 44,030 to 40,290. This became effective in December 2021 remittances, so the impact was fully felt in FY 2022.

These revenues contributed to the General Fund’s excess of total revenues over (final) budget of approximately \$5.6 million. On the expenditure side, cautious spending by the City’s department heads yielded a balanced, final year-end budget. Actual FY 2022 expenditures and transfers out was \$41,115,937 or \$545,498 below the amended budgeted FY 2022 expenditures. As a result, the General Fund fund balance ended at \$25,317,478.

The revenue sources described above are expected to remain stable or increase in future years, due to continued economic development, and the City will continue to analyze these annually to ensure that expenditures do not outpace the anticipated revenues.

Long-term Financial Planning

The following processes are utilized by the City to accomplish its long-term financial planning:

1. The City implemented a 10-year strategic plan in 2015 to ensure that its long-term goals are reviewed, updated and implemented to continue to address the City’s mission to “Deliver high-quality municipal services to those who live, work, learn in, or visit our community.” All elected officials, appointed board and commission chairpersons, executive team members, and many DeKalb residents participated in the planning sessions that helped to create this final 2025 Strategic Plan Document. In Spring 2022, the City updated this with a three-year Financial Plan covering 2022-2024.
2. The City adopted a 10-year capital improvement plan for the Water Fund and structured the necessary fees in order to maintain the Utility Division’s capital equipment and infrastructure and maintain or enhance the current levels of service.



3. The City adopted a five-year Capital Improvement Plan during the FY 2017 budget process for general capital infrastructure of streets, fleet, and equipment. Funding sources necessary to implement this plan are reviewed as part of the annual budget process.
4. The City attempts to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one revenue source. As part of annual revenue forecasting, all fees and charges were reviewed, and several recommendations were implemented, in FY 2016.5 and FY 2017. These were increases to the ambulance transport fees, an increase in the video gaming licensing fees, and an increase to the fuel surcharge. In 2019, the Council increased the local motor fuel tax from five and one-half cents per gallon to 9.5 cents per gallon to address serious deficiencies in the pavement condition of City streets and alleys, and to address the declining condition of the City's fleet of Police, Fire and Public Works vehicles. The local motor fuel tax proceeds are distributed as follows:
 - 1.5 cents to the Airport Fund (Fund 650);
 - 1.0 cents to the Capital Equipment Replacement Fund (Fund 420); and
 - 7.0 cents to the Capital Project Fund (Fund 400) to increase the allocation for street maintenance by approximately \$525,000 per year.

In 2020 and continuing into 2021, certain fees and taxes were partially or wholly suspended to give relief to residents and businesses suffering under the COVID-19 pandemic, including mass transit fares, restaurant and bar taxes, and hotel/motel taxes; these were reinstated by 2022. In 2021, the City began participating in the State of Illinois's supplemental reimbursement of ground emergency medical transportation (GEMT), and this ongoing revenue has been earmarked to fund Fire Department capital purchases.

5. The City strives to encourage industry and attract major businesses to locate in the City to enhance future EAV and stimulate job creation. The City's Enterprise Zone ordinance provides for property tax abatements to qualifying manufacturing businesses that meet certain benchmarks.

Relevant Financial Policies

The City established several key written financial policies that were approved by the City Council and became effective on January 9, 2017 and updated in November 2022:

- 01-01 - Budget Policy
- 01-02 - Fund Balance Policy
- 01-03 - Capital Equipment Replacement Policy
- 01-04 - Revenue and Expenditure Policy
- 01-05 - Accounting, Auditing and Financial Reporting Policy
- 01-06 - Capital Asset Policy
- 01-07 - Debt Management Policy
- 01-08 - Investment Policy



In addition, the City's Purchasing Manual, adopted in 2015, established guidelines for City staff in procuring goods and services in a manner that is consistent with the highest standards of public service in obtaining quality goods and services at the lowest possible price.

The Fund Balance Policy requires that the General Fund's unassigned fund balance be maintained at a minimum level equal to 25% of annual expenditures to provide financing for unanticipated expenditures and revenue shortfalls and possible delays and changes in state distribution of shared revenues. For FY 2022, the City has again achieved this marker with an unassigned fund balance of \$25,282,905 representing 61.5% of annual expenditures, including transfers. The overall change in fund balance was an increase of almost \$5.7 million (29%) over the prior year.

Additionally, the Fund Balance Policy requires that the Water Operating Fund's unrestricted net assets be maintained at a minimum of 25% of annual budgeted operational expenses. For FY 2022, the City has achieved this requirement with unrestricted net assets totaling 25% of annual budgeted operating expenses.

Major Initiatives

During FY 2022, the City was able to initiate and/or complete a variety of projects, programs, and activities designed to meet identified community needs. These included:

- A renewed focus on large-scale industrial development in the ChicagoWest Business Center, south of I-88, since 2020 has led to the multi-billion dollar development of a Facebook/Meta data center on 500 acres; the development of a \$160 million Ferrara Candy distribution and packing center; the development of an Amazon fulfillment center; and the development of Project Supernova, a \$250 million distribution center for an international food manufacturer and distributor soon to be announced.
- The City previously received notification of a \$10.4 million grant under the American Rescue Plan Act, of which about \$3.3 million was expended in 2022 for: covering salaries and benefits of re-hired public safety personnel within the police, fire and public works departments; concluding the relocating efforts for the tenants of the City-purchased dilapidated Hunter Hillcrest commercial/residential building, which was demolished in 2022 with the goal of future redevelopment; enhancing the safety of the City's residents by constructing traffic-calming street improvements on Edgebrook Drive and Fairview Drive, constructing sidewalks on Annie Glidden Road, and extending the Grove Road bike path; and beginning the City's multi-year (water) lead service line replacement project.
- The City successfully renegotiated the terms of the City's Fraternal Order of Police (FOP) Lodge #115 collective bargaining agreement for one year.
- In 2021, the City secured a \$2.7 million FEMA grant through the Staffing for Adequate Fire and Emergency Response (SAFER) program to hire nine (9) additional firefighters/paramedics. The City completed the hiring in February 2022 and received funding for the first of three years through the grant.



- With the collaboration of IAFF Local 1236, the City continued participating in the State of Illinois Ground Emergency Medical Transport (GEMT) program which allows ambulance providers to receive supplemental reimbursements for patients with Medicaid coverage, effectively decreasing the difference between the actual cost of providing ambulance services and Medicaid payments. The GEMT funds generated, along with a contribution from the General Fund, were sufficient to purchase the first of two budgeted fire engines, a 2021 Rosenbauer pumper truck.
- Completed the Downtown Streetscape (IL Route 38) reconfiguration project to reduce the four-lane downtown section of Route 38 to three lanes (with a center turn lane), and widen the sidewalks for a more pedestrian-friendly streetscape. The total design and construction cost, which occurred over 2021-2022, was about \$1.98 million and was financed by the City's TIF District.
- Also within the Central Business (downtown TIF) District, approved funding for the Architectural Improvement Program (AIP) for seven local businesses and concluded the funding for the multi-year Agora Tower private redevelopment.
- Added approximately one mile of new streets and resurfaced about three miles of streets; obtained nearly \$1.4 million in state grant funds plus developer contributions toward the construction of Rt.23/Gurler Road and Afton Road.
- Finance-purchased four police Ford Explorers and an International dump truck, taking advantage of locked-in low-interest financing before rates rose. Purchased a fifth Ford Explorer, a fire department pickup truck, a Ford F550 aerial truck, two public works pickup trucks and a second International dump truck and other various equipment, out-of-pocket, for necessary fleet replacements.
- Utilized about \$1.2 million in federal transit formula grants plus an additional \$5.4 million of IL Downstate Operating Assistance Program (DOAP) funds to operate the City's transit system, and expanded daily service for the transit shuttle to the Elburn Train Station and continued daily routes to and from the Park 88 industrial park.
- Fabricated and replaced street signs throughout the City.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of DeKalb for its Annual Comprehensive Financial Report for the year ended December 31, 2021. This was the 28th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.



A Certificate of Achievement is valid for a period of one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this Annual Comprehensive Financial Report was made possible by the hard work and dedication of the City's Finance Department staff. Each member of the department plays a significant role in the management and oversight of the City's finances and should be applauded for those efforts in addition to their contributions made in the preparation of this report. I also extend my appreciation to the Mayor, City Council, and all City staff for their dedication and support in maintaining the highest standards of professionalism in the management of the City of DeKalb's finances.

Respectfully submitted,



Bill Nicklas
City Manager



Carrie Dittman, CPA
Finance Director



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of DeKalb, Illinois

Report on the Audit of the Financial Statements

Opinions

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

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

Change in Accounting Principle

The City adopted new accounting guidance, GASB Statement No. 87, *Leases*, during the year ended December 31, 2022. The implementation of this guidance resulted in changes to the assets, liabilities, deferred inflows of resources, revenues and notes to the financial statements (see notes 5, 6, and 14 for additional information). Our opinion is not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 12 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 financial statements of the DeKalb Public Library, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The 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.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The 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. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statement and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 20, 2023 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, and other matters. The purpose of that report is 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 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.

Sikich LLP

Naperville, Illinois
June 20, 2023

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS

December 31, 2022

As the management of the City of DeKalb (the “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. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal included earlier in this report.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

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 like a private-sector business.

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

The Statement of Activities presents information showing how the government’s net position changed during the 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 the 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 (e.g., earned but unused sick leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, and community development. The business-type activities of the City include a water system, a municipal airport, and refuse services.

The government-wide financial statements can be found on pages 5 through 8 of this report.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Governmental 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 balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

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

The City maintains 28 individual 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, American Rescue Plan Act (ARPA) Fund, Mass Transit Fund, and Capital Projects Fund, which are “major” funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided elsewhere in this report.

The City adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 9 through 14 of this report.

Proprietary Funds. There are two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water system, the municipal airport, and refuse services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City’s various functions. The City maintains two internal service funds to account for workers’ compensation and liability insurance premiums, and health insurance premiums.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund (major fund), the Airport Fund (major fund), and the Refuse Fund. Data from the other two internal service funds are combined into a single, aggregated presentation. Individual fund data for each of these internal service funds is provided elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 15 through 19 of this report.

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. 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. The accounting used for fiduciary funds is much like that used for proprietary funds. The City maintains two fiduciary funds: the Police Pension Fund and the Fire Pension Fund. Data from the two fiduciary funds are combined into a single, aggregated presentation. Individual fund data for each of these fiduciary funds is provided elsewhere in this report.

The basic fiduciary fund financial statements can be found on pages 20 and 21 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 through 86 of this report.

Financial Analysis of the City as a Whole

Beyond presenting current year financial information in the government-wide and major individual fund formats, the City also presents comparative information from the prior year in Management’s Discussion and Analysis. By doing so, the City is providing the best means of analyzing its financial condition and position as of December 31, 2022.

CITY OF DEKALB, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

GOVERNMENT-WIDE STATEMENTS

Net Position

The following table reflects the condensed Statement of Net Position.

Table 1
Statement of Net Position
For the Fiscal Periods Ended December 31, 2022, and December 31, 2021

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Assets						
Current and Other Assets	\$ 59,904,964	\$ 53,949,385	\$ 13,361,447	\$ 11,541,548	\$ 73,266,411	\$ 65,490,933
Capital Assets, net	113,306,008	115,213,330	59,416,502	58,811,269	172,722,510	174,024,599
Total Assets	173,210,972	169,162,715	72,777,949	70,352,817	245,988,921	239,515,532
Deferred Outflows	25,312,779	15,424,506	1,739,132	692,830	27,051,911	16,117,336
Total Assets and Deferred Outflows	198,523,751	184,587,221	74,517,081	71,045,647	273,040,832	255,632,868
Liabilities						
Long-term Liabilities	156,816,797	140,397,693	4,367,544	2,943,050	161,184,341	143,340,743
Other Liabilities	8,980,156	7,269,192	3,647,039	3,921,919	12,627,195	11,191,111
Total Liabilities	165,796,953	147,666,885	8,014,583	6,864,969	173,811,536	154,531,854
Deferred Inflows	18,977,925	21,593,390	2,660,307	1,997,085	21,638,232	23,590,475
Total Liabilities and Deferred Inflows	184,774,878	169,260,275	10,674,890	8,862,054	195,449,768	178,122,329
Net Position						
Net Investment in						
Capital Assets	100,027,579	100,713,960	58,454,203	57,750,421	158,481,782	158,464,381
Restricted	9,737,153	10,601,569	-	-	9,737,153	10,601,569
Unrestricted	(96,015,859)	(95,988,583)	5,387,988	4,433,172	(90,627,871)	(91,555,411)
Total Net Position	\$ 13,748,873	\$ 15,326,946	\$ 63,842,191	\$ 62,183,593	\$ 77,591,064	\$ 77,510,539

The City's combined net position increased slightly from \$77.51 million to \$77.59 million for the fiscal year ending December 31, 2022.

For more detailed information, see the Statement of Net Position on pages 5-6.

CITY OF DEKALB, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Change in Net Position

The following table summarizes the revenues and expenses of the City's activities.

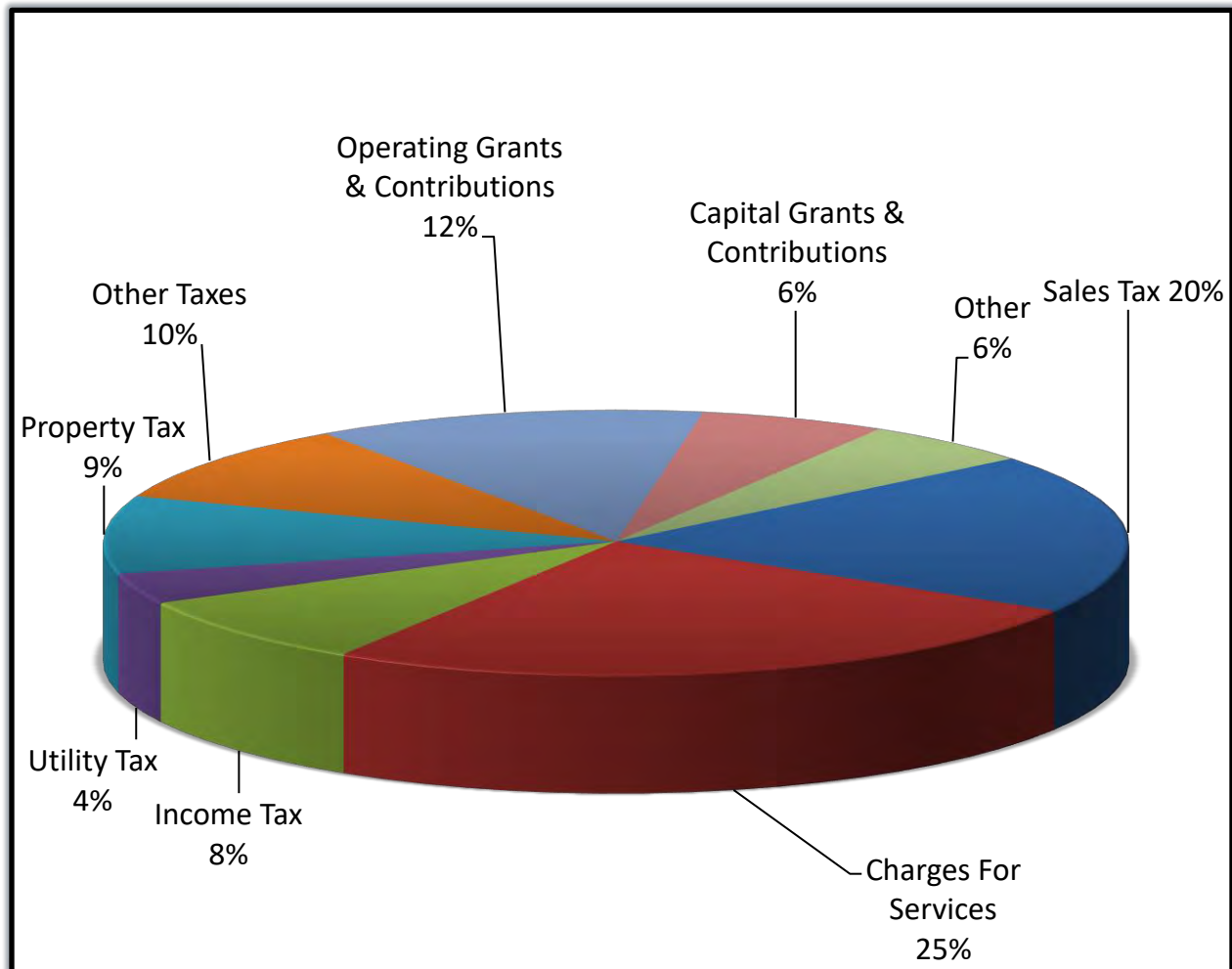
Table 2
Changes in Net Position
For the Fiscal Periods Ended December 31, 2022, and December 31, 2021

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues						
Charges for Services	\$ 9,657,721	\$ 8,868,453	\$ 9,889,400	\$ 9,430,586	\$ 19,547,121	\$ 18,299,039
Operating Grants/Contributions	9,674,942	8,140,559	-	-	9,674,942	8,140,559
Capital Grants/Contributions	3,516,060	2,902,639	1,081,797	2,251,665	4,597,857	5,154,304
General Revenues						
Property Taxes	7,387,926	13,953,220	-	-	7,387,926	13,953,220
Sales Taxes	15,219,370	13,881,546	12,265	7,806	15,231,635	13,889,352
Utility Taxes	2,904,660	2,979,368	-	-	2,904,660	2,979,368
Income Taxes	6,565,145	5,787,319	-	-	6,565,145	5,787,319
Other Taxes	7,366,184	7,200,254	199,225	202,958	7,565,409	7,403,212
Other	3,758,919	3,987,321	526,755	37,692	4,285,674	4,025,013
Total Revenues	66,050,927	67,700,679	11,709,442	11,930,707	77,760,369	79,631,386
EXPENSES						
General Government	16,444,404	12,950,452	-	-	16,444,404	12,950,452
Public Safety	34,684,973	29,347,402	-	-	34,684,973	29,347,402
Highways and Streets	11,358,424	8,177,322	-	-	11,358,424	8,177,322
Community Development	4,521,245	6,566,844	-	-	4,521,245	6,566,844
Interest	360,140	257,132	-	-	360,140	257,132
Water	-	-	5,813,273	4,215,143	5,813,273	4,215,143
Airport	-	-	1,830,245	1,743,851	1,830,245	1,743,851
Refuse	-	-	2,091,506	2,048,917	2,091,506	2,048,917
Total Expenses	67,369,186	57,299,152	9,735,024	8,007,911	77,104,210	65,307,063
Excess (Deficiency) of Revenues over Expenses	(1,318,259)	10,401,527	1,974,418	3,922,796	656,159	14,324,323
Transfers In (Out)	311,000	68,015	(311,000)	(68,015)	-	-
Change in Net Position	(1,007,259)	10,469,542	1,663,418	3,854,781	656,159	14,324,323
NET POSITION BEGINNING	15,326,946	5,120,193	62,183,593	57,869,046	77,510,539	62,989,239
Restatement	(570,814)	(262,789)	(4,820)	459,766	(575,634)	196,977
NET POSITION ENDING	\$ 13,748,873	\$ 15,326,946	\$ 63,842,191	\$ 62,183,593	\$ 77,591,064	\$ 77,510,539

(See independent auditor's report)

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Graph 1
Total Primary Government Revenues
For the Fiscal Period Ended December 31, 2022



For the fiscal year ended December 31, 2022, revenues across all City funds totaled \$77.76 million. The City benefits from a highly diversified revenue base. Revenues from property taxes amounted to \$7.4 million or 10% of total revenues, including levied property tax revenues and incremental property tax revenues derived from the City’s tax increment financing (TIF) districts.

Property taxes, excluding TIF incremental revenues, are dedicated entirely to supporting the City’s contribution to the Fire Pension and Police Pension Funds. Property tax revenues increased 5% over last fiscal year as the City raised its levy to try to keep pace with the ever-increasing actuarial required contribution (ARC) to the Fire Pension and Police Pension Funds, which is based on achieving 100% funding by 2040. Even though the tax levies were increased, due to the significant increase in the equalized assessed valuation (EAV), property tax rates continue to *decrease*. The City’s rate setting EAV, which excludes the TIF District, increased from \$694,171,673 (2021 levy) to \$794,561,930 (2022 levy) due to new commercial development and general reassessments.

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Sales taxes are typically the largest revenue source dedicated to governmental activities for the City. They are collected by the State of Illinois and remitted back to the City monthly. The general sales tax collected by the State for sales within the corporate boundaries of the City is 6.25%. However, only 1% of that total is remitted back to the City of DeKalb. The remainder goes to the State (5%) and DeKalb County (0.25%). In addition, a home rule sales tax of 1.75% is also collected by the State and remitted back to the City monthly. The home rule sales tax is not applicable to food, drugs, or licensed vehicle purchases.

For FY 2022, state sales tax revenues were \$6.6 million compared to \$6.2 million for FY 2021, while home rule sales tax revenues were \$8.6 million compared to \$7.7 million for FY 2021. Except for March, every other month during 2022 showed increases of 6% - 23% over the prior year. Some of the increase may be attributed to new business openings, however higher consumer prices on goods subject to the tax likely constitute the bulk of the increase. Even with inflation, consumer spending does not appear to have been curtailed and sales tax revenues have rebounded since the onset of the COVID-19 pandemic in March 2020.

Income taxes are shared with municipalities by the State on a per-capita basis. The City’s income tax revenue was \$6.6 million in FY 2022 compared to \$5.8 million in FY 2021. This per-capita revenue source is based more on the state’s economy and unemployment rate rather than the local economy. The State of Illinois’ unemployment rate, which spiked to 16.5% in April 2020, dropped to 4.3% in December 2021 and slightly less to 4.2% as of December 2022.

Utility tax, the majority of which includes receipts derived from electricity (ComEd) and natural gas (Nicor), decreased from \$2.5 million in FY 2021 to \$2.46 million in FY 2022. While gas receipts were stable, the 2.5% decline can be attributed to electric receipts, and is expected to be offset in 2023 by several large commercial super-users (i.e., Meta) coming online.

Restaurant, Bar, & Packaged Liquor taxes are collected by the City. The City’s current tax rate for this category of sales is 2.0%. A total of \$2.3 million was collected in FY 2022 compared to \$2.16 million in FY 2021. The 8% rise in this general revenue source reflects the continued impact of re-openings and new venues in the hospitality sector after being shuttered as a response to the COVID-19 pandemic in 2020.

A new, temporary category in program revenues which began in FY 2021 is the American Rescue Plan Act intergovernmental revenue. Due to the City’s receipt of a \$10.4 million grant under the Act, during FY 2021, the City expended \$3.0 million of the grant, of which \$1.9 million funded operations such as rehiring previously frozen public safety positions. In FY 2022, the grant spending continued for the second year at about \$2.95 million in Governmental Activities, again towards the public safety personnel costs and on a variety of capital road projects, and at about \$342,000 in Business-Type Activities for lead service line replacement in the Water Capital Fund.

The major revenue component of the “charges for services” classification is fees from the City’s water utility. Water fee revenue was \$6.75 million in FY 2022 compared to \$6.51 million in FY 2021. A water rate increase of 3.5% was passed in April 2022, billed commencing July 2022, which impacted the revenue increase. Water Fund revenues have generally flattened in recent years due to a downward trend in water usage. This trend can be largely attributed to the wider use of water-saving devices in homes and businesses as well as a decline in NIU enrollments.

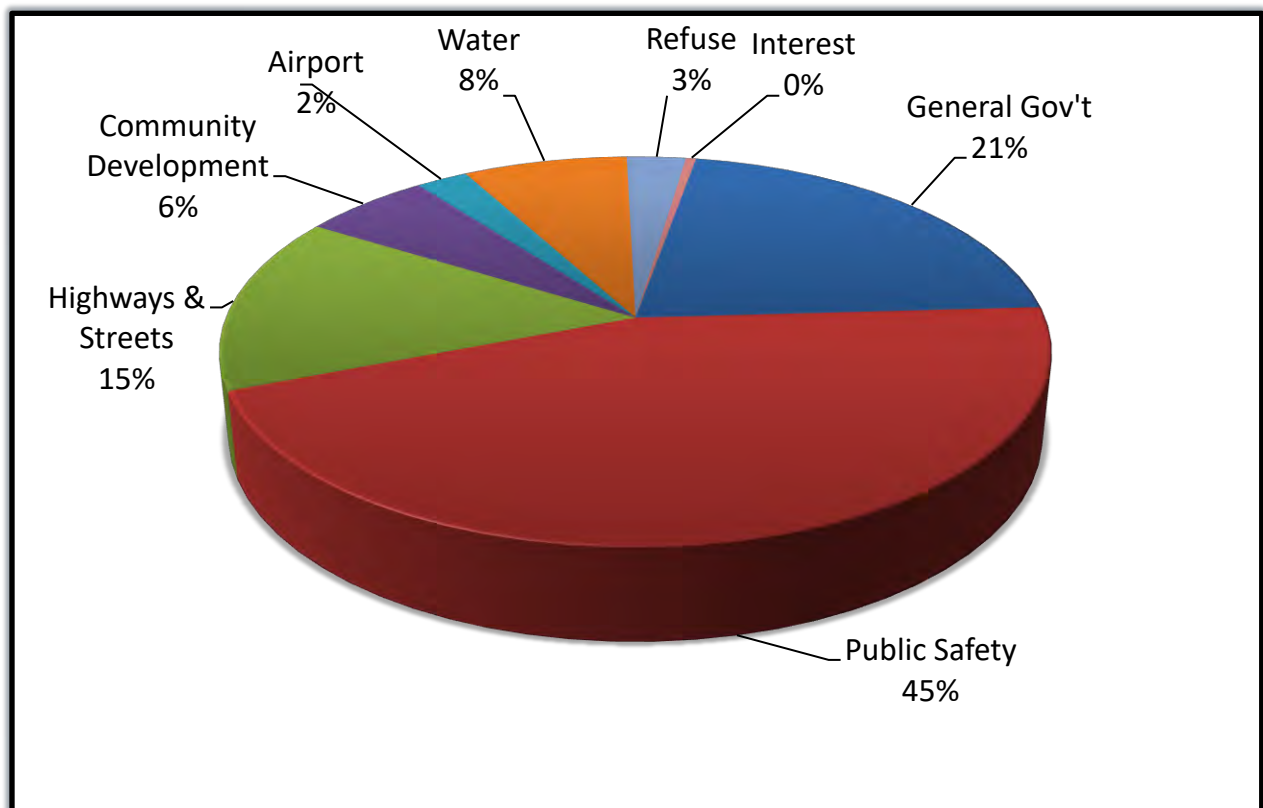
(See independent auditor’s report)

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Operating grants and contributions saw an increase in FY 2022 to \$9.67 million, rising from \$8.14 million in FY 2021, due in part to the first of three years of revenue from the Staffing for Adequate Fire and Emergency Response (SAFER) grant, which provided \$772,000 towards the salaries and benefits of nine new firefighters. Also, federal and state grants that fund the annual transportation program in the Mass Transit Fund comprise this program revenue and increased about \$1.2 million from the prior year; several transit formula grants allotted to the City were formally applied for, awarded, and expended, including \$705,000 of COVID-19 federal transit formula grants.

Capital grants and contributions revenue was \$4.60 million in FY 2022, an increase of 58.4% over FY 2021, and was comprised of roadway related construction projects. Grants from the State of Illinois and developer contributions for the construction of Gurler Road, Afton Road, the shared use path and related road projects accounted for the increase. Water and Airport capital grants and contributions consisted of capital assets and pass-through American Rescue Plan Act grant funds contributed from other entities and totaled \$1.08 million.

Graph 2
Total Primary Government Expenses
For the Fiscal Period Ended December 31, 2022



The City’s expenses totaled \$77.1 million in FY 2022 compared to \$65.3 million in FY 2021. General Government expenses were 21% of the total or \$16.4 million.

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Public Safety expenses related to the operations of the Police Department and Fire Department accounted for the largest share of expenses at \$34.7 million or 45% of the total. This represents a 18.4% increase from the FY 2021 total of \$29.3 million because of the significant hiring campaign undertaken in 2022. As noted above, nine new firefighters were hired utilizing SAFER grant revenue (eight of which occurred in 2022), plus four entry level police officers and one certified police officer. Three additional support positions in the police department were filled, plus several promotions occurred.

Expenses for Highways and Streets were \$11.4 million or 15% of the total. This represents a 38.9% increase from the FY 2021 total of \$8.18 million due to the significant capital road activity in 2022.

Community Development-related expenses accounted for 6% of the total or \$4.5 million. This represents a 31% decrease from the FY 2021 total of \$6.6 million. Although personnel costs were temporarily higher due to the overlap of the retiring Community Services Coordinator and her replacement, and within the Building & Code Enforcement Department a new plumbing inspector position was created and filled in February 2022, the expiration of TIF District #1 as of December 31, 2021 and conclusion of major redevelopment in that area accounted for the decrease.

Water expenses were \$5.8 million or 8% of the total City-wide expenses. This represents a 37.9% increase from the FY 2021 total of \$4.2 million. FY 2021 was artificially deflated due to the Water Fund’s share of the change in the IMRF net pension liability (to a net pension asset) and change in OPEB liability in 2021; those two items accounted for a 2021 reduction in the personnel line items of \$845,000. In 2022, IMRF swung back to a liability, and personnel expense resumed normal amounts.

Airport expenses were \$1.83 million or 2% of the total. This represents a small 4.9% increase from the FY 2021 total of \$1.74 million.

The Refuse Fund (\$2.1 million or 3% of total expenses) and interest on long-term debt (\$360,000 or 0.47% of total expenses) account for the balance of the FY 2022 expenses.

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

On December 31, 2022, the governmental funds had a combined fund balance of \$37.2 million. This reflects an increase of \$4.5 million or 13.7% from the prior fiscal year. The General Fund balance comprises \$25.3 million of the combined fund balance, which is an increase of \$5.7 million or 29% from FY 2021. The Mass Transit Fund balance increased by \$381,934 or 15.4%. The American Rescue Plan Act (ARPA) Grant Fund is a new major fund; its fund balance grew by \$56,430, because of interest earned on roughly \$10 million of grant funds that will be spent over a four-year period from 2021-2024. The Capital Projects Fund balance decreased by \$774,645 or 67% because of a planned drawdown for major capital road projects; the Capital Projects Fund and Motor Fuel Tax Fund incur the costs for the City’s road programs in alternating years. Finally, the fund balances of non-major governmental funds decreased by \$862,607. Those funds include the GEMT Fund, Motor Fuel Tax Fund, Foreign Fire Insurance Tax Fund, Housing Rehabilitation Fund, Community Development Block Grant Fund, Special Service Area Funds, TIF Funds, Capital Equipment Replacement Fund and Debt Service Fund.

(See independent auditor’s report)

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Table 3
General Fund Budgetary Highlights
For the Fiscal Year Ended December 31, 2022

General Fund	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 20,492,390	\$ 21,492,390	\$ 22,218,360
Intergovernmental*	13,243,404	13,252,384	18,344,390
Licenses and Permits	836,986	836,986	874,445
Charges for Services	4,171,712	4,600,562	4,082,062
Fines and Forfeits	484,332	484,332	450,437
Other	624,980	196,130	495,582
Total	39,853,804	40,862,784	46,465,276
Expenditures			
	(36,692,033)	(38,981,155)	(38,435,657)
Transfers In	2,999,851	2,999,851	311,000
Transfers Out	(3,958,422)	(2,680,280)	(2,680,280)
Sale of Capital Assets	5,000	5,000	1,063
Lease Liability Proceeds	-	-	30,208
Change in Fund Balance	\$ 2,208,200	\$ 2,206,200	\$ 5,691,610

**Intergovernmental revenue includes income tax, state sales taxes, local use tax and replacement tax.*

The City conducts periodic budget reviews throughout the fiscal year to identify revenue and expenditure line items that require amendments and, accordingly, the City Council approves amendments to the budget as needed throughout the year. These amendments account for any unanticipated changes in revenues or expenditures that occurred since the initial budget was adopted. The City Council approved several amendments for FY 2022 to account for carryovers for major street projects; additional tax revenue that enabled the City to fund additional projects; for increases in expenditure line items such as water main and vehicle replacement; for reclassifications between expenditure line items; and for additional grant revenue received and expended that was beyond the scope of the original budget. The General Fund adopted additional budgeted revenues of \$1.00 million and additional budgeted expenditures of \$1.01 million; actual revenues over expenditures resulted in an increase in the year-end General Fund reserve of \$5.7 million, with most of the surplus generated by Intergovernmental Revenues: state sales tax, state income tax, and grants all coming in over budget contributed to the surplus.

CITY OF DEKALB, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

With respect to the business-type activities, the Water Fund had an increase in net position of \$1.19 million, inclusive of a prior period restatement of \$(4,820) to implement a change in accounting principle (GASB Statement No. 87). The Airport Fund showed an increase in net position at the end of FY 2022 of \$655,561 due to capital assets contributed by granting agencies, and the Refuse Fund had a decrease in net position of \$186,637. The City has established a fund balance policy for these funds to ensure reserves are available for operations first before committing any funds to capital projects.

Capital Assets

The following schedule reflects the City's capital asset balances as of December 31, 2022, and December 31, 2021.

Table 4
Capital Assets
As of December 31, 2022, and December 31, 2021

	Governmental Activities 2022*	Governmental Activities 2021	Business-Type Activities 2022*	Business-Type Activities 2021	Total 2022*	Total 2021
Non-Depreciable Assets						
Land	\$ 11,833,940	\$ 11,833,940	\$ 19,386,047	\$ 19,386,047	\$ 31,219,987	\$ 31,219,987
Land Right of Way	25,982,257	25,742,257	1,552,663	1,552,663	27,534,920	27,294,920
Construction in Progress	247,419	1,372,324	48,957	829,371	296,376	2,201,695
Other Capital Assets, Net						
Buildings & Improvements	20,683,455	20,239,724	4,855,749	4,894,141	25,539,204	25,133,865
Equipment	2,617,585	3,409,264	919,138	1,078,428	3,536,723	4,487,692
Vehicles	9,574,776	9,702,151	1,321,608	1,425,201	10,896,384	11,127,352
Infrastructure	155,189,162	154,016,232	14,595,939	13,874,652	169,785,101	167,890,884
Water System	-	-	51,756,074	49,365,479	51,756,074	49,365,479
Intangible assets	449,028	-	110,078	-	559,106	-
Less:						
Accumulated Depreciation/ Amortization	(113,271,614)	(111,102,562)	(35,129,751)	(33,594,713)	(148,401,365)	(144,697,275)
Total	\$ 113,306,008	\$ 115,213,330	\$ 59,416,502	\$ 58,811,269	\$ 172,722,510	\$ 174,024,599

*Balances were restated on January 1, 2022 to implement GASB Statement No. 87, Leases.

CITY OF DEKALB, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Major capital projects during the year ended December 31, 2022, included the following:

- Completion of the multi-year project to construct the new Afton Road, servicing the southeast end of the City.
- Completion of the Dresser Road shared use path.
- Construction of a traffic calming device on Fairview Drive.
- Construction of the Grove Street bike path.
- Construction of a new salt building at the Public Works facility.
- Purchase of a new 2021 Rosenbauer pumper truck and Ford F-350 pickup truck for the Fire Department.
- Purchase of five (5) new Ford Explorers for the Police Department.
- Purchase of a new 2022 Ford F-550 aerial truck, 2023 International dump truck and two (2) Ford F-250 pickup trucks for the Public Works Department, along with various smaller vehicles and equipment.

At year-end, the City's investment in capital assets for both its governmental and business-type activities was \$172.7 million (net of accumulated depreciation). This represents a decrease of \$1.3 million or 0.7% from FY 2021. The City updated its capital asset policy in 2022 and removed any assets below the \$25,000 threshold; additionally, a prior period adjustment of \$(554,139) was made to remove construction in progress on an asset not owned by the City, and to add a vehicle purchased in a prior fiscal year.

See Note 4 to the financial statements for further information on capital assets.

Long-Term Debt

As of December 31, 2022, the City had a total of \$161,184,341 in long-term debt and obligations outstanding, of which \$113,732,185 consisted of net pension liability and \$12,610,000 consisted of general obligation bonds. The table that follows summarizes the City's bonded and other indebtedness.

Table 5
Bonded and Similar Indebtedness
As of December 31, 2022, and December 31, 2021

	Governmental Activities 2022	Governmental Activities 2021	Business-Type Activities 2022	Business-Type Activities 2021	Total 2022	Total 2021
General Obligation Bonds	\$ 12,610,000	\$ 14,145,000	\$ -	\$ -	\$ 12,610,000	\$ 14,145,000
Premium on Bonds	47,808	55,070	-	-	47,808	55,070
Leases	352,542	361,190	96,942	113,250	449,484	474,440
Installment Contracts	597,883	311,695	107,516	144,752	705,399	456,447
IEPA Loans	-	-	757,841	802,846	757,841	802,846
Compensated Absences	4,681,024	4,485,496	360,667	333,892	5,041,691	4,819,388
Net Pension Liability	111,950,734	87,182,182	1,781,451	-	113,732,185	87,182,182
Total OPEB Liability	26,034,209	33,290,313	813,127	1,098,310	26,847,336	34,388,623
Claims Payable	542,597	526,740	-	-	542,597	526,740
Asset Retirement Obligation	-	-	450,000	450,000	450,000	450,000
Total	\$ 156,816,797	\$ 140,357,686	\$ 4,367,544	\$ 2,943,050	\$ 161,184,341	\$ 143,300,736

(See independent auditor's report)

CITY OF DEKALB, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Regarding governmental activities, \$12,610,000 is outstanding from General Obligation Bonds with a related \$47,808 in unamortized premium on bonds; the decrease reflects the paydown of debt, with the GO Bond Series 2013B being paid off in 2022. Four bond issues remain outstanding.

\$352,542 is outstanding for leases, and GASB Statement No. 87, Leases, was implemented for the fiscal year. Equipment that is being financed by loans (installment contracts) amounts to \$597,883.

Additionally, as of December 31, 2022, \$4,681,024 is outstanding for compensated absences payable, \$111,950,734 is outstanding for net pension liabilities, \$26,034,209 is outstanding for other post-employment benefit (OPEB) obligations, and \$542,597 is outstanding for claims payable. The increase in the net pension liability of \$24,768,552 is due, in part, to an \$8.6 million swing of IMRF's pension asset on December 31, 2021, returning to a liability at December 31, 2022. The remainder relates to the increases in the Police and Fire Pension liabilities. The decrease in the OPEB obligation reflects the decrease in the number of retirees and surviving spouses participating in the subsidized plan along with an increase in the City's discount rate used to measure the liability (increases in the discount rate reduce the liability).

The City refunded a portion of the Series 2013A bonds during 2022; these bonds are reported on the DeKalb Public Library's financial statements but require the assistance of the City to issue (or refund) their bonded debt. The City's bond rating from Moody's remains at A2 since it was last rated on October 22, 2020.

Within business-type activities, \$757,841 is outstanding in IEPA loans, equipment loans (installment contracts) totaled \$107,516 and leases outstanding were \$96,942. Compensated absences payable as of December 31, 2022, totaled \$360,667, and \$813,127 is outstanding for total OPEB obligations. An asset retirement obligation for the eventual closure of City water wells stands at \$450,000. The increase of \$1.42 million in long-term debt is attributable to the increase in the IMRF net pension liability as described under governmental activities. This is offset slightly by principal payments on leases and loans and a reduction in the OPEB obligation, also as referenced previously.

See Note 5 to the financial statements for further information on long-term debt.

Economic Factors

Although the City's property tax base is primarily residential, the commercial and industrial tax base continues to be an important component in the diversification of the City's tax base. For the 2021 levy year (taxes collected in 2022), the total rate-setting Equalized Assessed Valuation (EAV) of the City was \$694,171,673. For the 2022 levy year, the total rate-setting Equalized Assessed Valuation (EAV) of the City is \$794,561,930. The EAV for residential properties was \$415,095,442 or 52.2% of the total EAV. Commercial EAV was \$233,757,721 or 29.4% of the total EAV. Farm, industrial and other EAV was \$145,708,767 or 18.3% of the total EAV; this category saw the largest gain in value, \$51.6 million. The Equalized Assessed Valuation approximates 33-1/3% of the market value of real property within the City's corporate limits. Property taxes imposed on property within the City's corporate limits provide a stable revenue source. Because the City is a home rule municipality, it is not subject to the Property Tax Extension Limitation Law.

CITY OF DEKALB, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

While the City receives revenue from a variety of sources, it closely monitors revenue tied to sales and use taxes and state income tax. In FY 2021, key sales and use tax categories began to recover from the impacts of the COVID-19 pandemic, and this trend continued in 2022 despite record inflation.

The 2016-2020 American Community Survey released by the U.S. Census Bureau found that 84.6% of residential properties in the City of DeKalb had a value of \$100,000 or more. The median value was \$165,500 and the median income of families living in the City was \$45,591.

The 2020 census found that the City’s population was 40,290, which decreased 8.5% over the 2010 census population of 44,030.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City’s finances and to demonstrate the City’s accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to:

Carrie Dittman, CPA
Finance Director
City of DeKalb
164 E. Lincoln Highway
DeKalb, Illinois 60115

BASIC FINANCIAL STATEMENTS

CITY OF DEKALB, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2022

	Governmental Activities	Business-Type Activities	Total	Component Unit Library
ASSETS				
Cash and Investments	\$ 35,323,331	\$ 7,350,874	\$ 42,674,205	\$ 2,423,833
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	8,165,581	-	8,165,581	2,975,905
Accounts Receivable	3,760,666	3,298,889	7,059,555	13,806
Other Taxes	929,289	-	929,289	-
Other	560,949	31,016	591,965	-
Leases	3,053,186	2,487,131	5,540,317	-
Accrued Interest Receivable	4,308	22,239	26,547	-
Prepaid Items	577	-	577	44,759
Inventory	34,573	63,961	98,534	-
Due from Other Governments	8,072,504	107,337	8,179,841	-
Capital Assets (Tangible and Intangible)				
Not Depreciated or Amortized	38,063,616	20,987,667	59,051,283	1,558,032
Depreciated and Amortized (Net of Accumulated Depreciation and Amortization)	75,242,392	38,428,835	113,671,227	20,785,820
Total Assets	173,210,972	72,777,949	245,988,921	27,802,155
DEFERRED OUTFLOWS OF RESOURCES				
Pension Items - IMRF	3,277,147	1,196,773	4,473,920	789,515
Pension Items - Police Pension	8,454,108	-	8,454,108	-
Pension Items - Firefighters' Pension	8,896,511	-	8,896,511	-
OPEB Items	4,355,209	136,026	4,491,235	27,661
Asset Retirement Obligation	-	406,333	406,333	-
Unamortized Loss on Refunding	329,804	-	329,804	67,738
Total Deferred Outflows of Resources	25,312,779	1,739,132	27,051,911	884,914
Total Assets and Deferred Outflows of Resources	198,523,751	74,517,081	273,040,832	28,687,069
LIABILITIES				
Accounts Payable	4,752,015	2,503,219	7,255,234	191,828
Accrued Payroll	529,743	41,798	571,541	31,695
Accrued Interest Payable	144,213	2,323	146,536	36,198
Unearned Revenue	3,554,185	936,664	4,490,849	-
Deposits Payable	-	163,035	163,035	-
Long-Term Liabilities				
Due Within One Year	4,651,689	242,696	4,894,385	419,085
Due in More than One Year	152,165,108	4,124,848	156,289,956	5,418,109
Total Liabilities	165,796,953	8,014,583	173,811,536	6,096,915
DEFERRED INFLOWS OF RESOURCES				
Pension Items - Police Pension	195,012	-	195,012	-
Pension Items - Firefighters' Pension	93,720	-	93,720	-
OPEB Items	7,528,943	235,151	7,764,094	47,819
Deferred Property Taxes	8,165,581	-	8,165,581	2,975,905
Deferred Lease Revenue	2,994,669	2,425,156	5,419,825	-
Total Deferred Inflows of Resources	18,977,925	2,660,307	21,638,232	3,023,724
Total Liabilities and Deferred Inflows of Resources	184,774,878	10,674,890	195,449,768	9,120,639

(This statement is continued on the following page.)

CITY OF DEKALB, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2022

	Governmental Activities	Business-Type Activities	Total	Component Unit Library
NET POSITION				
Net Investment in Capital Assets	\$ 100,027,579	\$ 58,454,203	\$ 158,481,782	\$ 17,956,590
Restricted for				
Public Safety	993,120	-	993,120	-
Highways and Streets	4,319,878	-	4,319,878	-
Transit Services	2,867,383	-	2,867,383	-
Economic Development	1,396,635	-	1,396,635	-
Specific Purpose	160,137	-	160,137	-
Endowments	-	-	-	194,679
Unrestricted (Deficit)	(96,015,859)	5,387,988	(90,627,871)	1,415,161
TOTAL NET POSITION	\$ 13,748,873	\$ 63,842,191	\$ 77,591,064	\$ 19,566,430

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 16,444,404	\$ 2,718,882	\$ 7,022,484	\$ 12,098
Public Safety	34,684,973	6,178,567	933,346	15,866
Highways and Streets	11,358,424	-	1,719,112	3,488,096
Community Development	4,521,245	760,272	-	-
Interest	360,140	-	-	-
Total Governmental Activities	67,369,186	9,657,721	9,674,942	3,516,060
Business-Type Activities				
Water	5,813,273	6,752,089	-	100,000
Airport	1,830,245	1,233,693	-	981,797
Refuse	2,091,506	1,903,618	-	-
Total Business-Type Activities	9,735,024	9,889,400	-	1,081,797
TOTAL PRIMARY GOVERNMENT	\$ 77,104,210	\$ 19,547,121	\$ 9,674,942	\$ 4,597,857
COMPONENT UNIT				
Library	\$ 3,319,267	\$ 13,417	\$ -	\$ 114,188

Net (Expense) Revenue and Change in Net Position				
Primary Government			Component Unit Library	
Governmental Activities	Business-Type Activities	Total		
\$ (6,690,940)	\$ -	\$ (6,690,940)	\$ -	
(27,557,194)	-	(27,557,194)	-	
(6,151,216)	-	(6,151,216)	-	
(3,760,973)	-	(3,760,973)	-	
(360,140)	-	(360,140)	-	
(44,520,463)	-	(44,520,463)	-	
-	1,038,816	1,038,816	-	
-	385,245	385,245	-	
-	(187,888)	(187,888)	-	
-	1,236,173	1,236,173	-	
(44,520,463)	1,236,173	(43,284,290)	-	
-	-	-	(3,191,662)	
General Revenues				
Taxes				
Property	7,387,926	-	7,387,926	2,642,964
Home Rule Sales	8,592,479	12,265	8,604,744	-
Utility	2,904,660	-	2,904,660	-
Restaurant/Bar	2,333,899	-	2,333,899	-
Home Rule Motor Fuel	1,062,920	199,225	1,262,145	-
Hotel/Motel	518,520	-	518,520	-
Other	1,258,699	-	1,258,699	-
Intergovernmental				
State Sales Taxes	6,626,891	-	6,626,891	-
Income Taxes	6,565,145	-	6,565,145	-
Local Use Taxes	1,632,879	-	1,632,879	-
Replacement Taxes	559,267	-	559,267	132,597
American Plan Rescue Act	2,947,963	342,689	3,290,652	-
TIF Surplus	13,561	-	13,561	5,300
Other	-	-	-	485,750
Investment Income	597,076	147,424	744,500	(19,385)
Miscellaneous	200,319	35,857	236,176	6,399
Gain on Disposal of Capital Assets	-	785	785	-
Transfers In (Out)	311,000	(311,000)	-	-
Total	43,513,204	427,245	43,940,449	3,253,625
CHANGE IN NET POSITION	(1,007,259)	1,663,418	656,159	61,963
NET POSITION, JANUARY 1	15,326,946	62,183,593	77,510,539	19,504,467
Change in Accounting Principle	(16,675)	(4,820)	(21,495)	-
Prior Period Adjustment	(554,139)	-	(554,139)	-
NET POSITION, JANUARY 1, RESTATED	14,756,132	62,178,773	76,934,905	19,504,467
NET POSITION, DECEMBER 31	\$ 13,748,873	\$ 63,842,191	\$ 77,591,064	\$ 19,566,430

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2022

	Special Revenue		
	General	Mass Transit	American Rescue Plan Act Grant
ASSETS			
Cash and Investments	\$ 16,469,903	\$ 2,709,329	\$ 3,542,412
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)			
Property Taxes	7,346,780	-	-
Accounts Receivable	2,891,662	-	-
Other Taxes	828,261	-	-
Leases	-	-	-
Interest on Leases	-	-	-
Inventory	34,573	-	-
Prepaid Items	-	-	-
Due from Other Governments	5,055,634	1,172,339	-
Due from Other Funds	1,385,409	-	-
TOTAL ASSETS	\$ 34,012,222	\$ 3,881,668	\$ 3,542,412
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 819,756	\$ 1,009,520	\$ -
Accrued Payroll	524,978	4,765	-
Unearned Revenue	3,230	-	3,485,869
Due to Other Funds	-	-	-
Total Liabilities	1,347,964	1,014,285	3,485,869
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Tax Revenues	7,346,780	-	-
Unavailable Lease Revenue	-	-	-
Total Deferred Inflows of Resources	7,346,780	-	-
Total Liabilities and Deferred Inflows of Resources	8,694,744	1,014,285	3,485,869
FUND BALANCES			
Nonspendable			
Inventory	34,573	-	-
Prepaid Items	-	-	-
Restricted			
Public Safety	-	-	-
Highways and Streets	-	-	-
Transit Services	-	2,867,383	-
Economic Development	-	-	-
Specific Purpose	-	-	-
Assigned for Debt Service	-	-	-
Assigned for Public Safety	-	-	-
Assigned for Specific Purpose	-	-	56,543
Assigned for Capital Projects	-	-	-
Unassigned	25,282,905	-	-
Total Fund Balances	25,317,478	2,867,383	56,543
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 34,012,222	\$ 3,881,668	\$ 3,542,412

Capital Projects		
Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 10,398,083	\$ 33,119,727
-	818,801	8,165,581
861,704	7,300	3,760,666
84,197	16,831	929,289
-	3,053,186	3,053,186
-	4,308	4,308
-	-	34,573
-	577	577
1,648,747	195,784	8,072,504
-	-	1,385,409
<u>\$ 2,594,648</u>	<u>\$ 14,494,870</u>	<u>\$ 58,525,820</u>
\$ 811,216	\$ 2,030,969	\$ 4,671,461
-	-	529,743
40,000	9,298	3,538,397
1,366,229	19,180	1,385,409
<u>2,217,445</u>	<u>2,059,447</u>	<u>10,125,010</u>
-	818,801	8,165,581
-	2,994,669	2,994,669
-	3,813,470	11,160,250
<u>2,217,445</u>	<u>5,872,917</u>	<u>21,285,260</u>
-	-	34,573
-	577	577
-	993,120	993,120
-	4,319,878	4,319,878
-	-	2,867,383
-	1,396,635	1,396,635
-	160,137	160,137
-	216,468	216,468
-	800,000	800,000
-	-	56,543
377,203	735,138	1,112,341
-	-	25,282,905
<u>377,203</u>	<u>8,621,953</u>	<u>37,240,560</u>
<u>\$ 2,594,648</u>	<u>\$ 14,494,870</u>	<u>\$ 58,525,820</u>

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

December 31, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 37,240,560
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 governmental funds	113,306,008
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	8,259,096
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Firefighters' Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	8,802,791
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	3,277,147
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the total OPEB liability are recognized as deferred outflows and inflows of resources on the statement of net position	(3,173,734)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(12,610,000)
Installment contracts	(597,883)
Lease liabilities	(352,542)
Net pension liability - IMRF	(4,878,178)
Net pension liability - Police Pension	(47,156,282)
Net pension liability - Firefighters' Pension	(59,916,274)
Premium on bonds payable	(47,808)
Unamortized loss on refunding	329,804
Compensated absences payable	(4,681,024)
Total OPEB liability	(26,034,209)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(144,213)
The net position of the Internal Service Funds is included in the governmental activities in the statement of net position	<u>2,125,614</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 13,748,873</u>

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2022

		Special Revenue	
	General	Mass Transit	American Rescue Plan Act Grant
REVENUES			
Taxes	\$ 22,218,360	\$ -	\$ -
Licenses and Permits	874,445	-	-
Intergovernmental	18,344,390	8,660,457	950,528
Charges for Services	4,082,062	-	2,900
Fines and Forfeitures	450,437	-	-
Investment Income	304,073	23,689	56,430
Miscellaneous	191,509	74,933	-
Total Revenues	46,465,276	8,759,079	1,009,858
EXPENDITURES			
Current			
General Government	6,019,535	8,377,145	462,546
Public Safety	28,126,224	-	-
Highways and Streets	3,024,190	-	-
Community Development	1,238,092	-	-
Capital Outlay	-	-	490,882
Debt Service			
Principal Retirement	27,209	-	-
Interest and Fiscal Charges	407	-	-
Total Expenditures	38,435,657	8,377,145	953,428
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,029,619	381,934	56,430
OTHER FINANCING SOURCES (USES)			
Proceeds on Sale of Capital Assets	1,063	-	-
Lease Liability Issuance	30,208	-	-
Installment Contract Issuance	-	-	-
Transfers In	311,000	-	-
Transfers (Out)	(2,680,280)	-	-
Total Other Financing Sources (Uses)	(2,338,009)	-	-
NET CHANGE IN FUND BALANCES	5,691,610	381,934	56,430
FUND BALANCES, JANUARY 1	19,625,868	2,485,449	113
FUND BALANCES, DECEMBER 31	\$ 25,317,478	\$ 2,867,383	\$ 56,543

Capital Projects		
Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 930,053	\$ 910,691	\$ 24,059,104
-	-	874,445
1,362,739	3,115,540	32,433,654
-	1,862,979	5,947,941
-	28,035	478,472
7,198	205,686	597,076
1,168,107	225,686	1,660,235
3,468,097	6,348,617	66,050,927
496,729	235,615	15,591,570
-	51,650	28,177,874
-	1,305,938	4,330,128
-	927,231	2,165,323
3,845,835	5,614,028	9,950,745
29,211	1,749,848	1,806,268
-	354,653	355,060
4,371,775	10,238,963	62,376,968
(903,678)	(3,890,346)	3,673,959
-	15,522	16,585
-	-	30,208
129,033	331,937	460,970
-	2,680,280	2,991,280
-	-	(2,680,280)
129,033	3,027,739	818,763
(774,645)	(862,607)	4,492,722
1,151,848	9,484,560	32,747,838
\$ 377,203	\$ 8,621,953	\$ 37,240,560

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

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

For the Year Ended December 31, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 4,492,722
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized on the statement of net position and depreciated on the statement of activities and contributed assets are reported on the statement of activities	2,527,193
Contributions of capital assets are only reported in the statement of activities	240,000
Depreciation and amortization expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(4,100,282)
Proceeds from the disposal of capital assets are recognized in governmental funds but the gain (loss) is recognized on the statement of activities	(61,049)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	
Installment Contracts	(460,970)
Lease Liabilities	(30,208)
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding on the statement of net position	1,806,268
Amortization of loss on refunding is reported as a reduction of interest expense on the statement of activities	(43,781)
Amortization of premium on bonds is reported as a reduction of interest expense on the statement of activities	7,262
The change of accrued interest payable is reported as an expense on the statement of activities	31,439
The change in compensated absences payable does not require a current financial resource	(155,521)
The change in the total OPEB liability and deferred outflows/inflows of resources is not a source or use of financial resources	121,674
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of financial resources	(1,904,677)
The change in the Firefighters' Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(3,254,750)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(152,900)
The change in net position of Internal Service Funds is reported in governmental activities	(69,679)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (1,007,259)</u>

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

December 31, 2022

	Business-Type Activities			Governmental Activities
			Nonmajor Enterprise Funds	Internal Service Funds
	Water	Airport	Refuse	Total
CURRENT ASSETS				
Cash and Investments	\$ 6,927,936	\$ 320,132	\$ 102,806	\$ 7,350,874
Receivables				\$ 2,203,604
Accounts Receivable	3,149,680	-	149,209	3,298,889
Other	-	31,016	-	31,016
Leases	-	2,487,131	-	2,487,131
Accrued Interest Receivable	-	22,239	-	22,239
Inventory	-	63,961	-	63,961
Due from Other Governments	-	107,337	-	107,337
Total Current Assets	10,077,616	3,031,816	252,015	13,361,447
NONCURRENT ASSETS				
Capital Assets (Tangible and Intangible)				
Not Depreciated or Amortized	528,648	20,459,019	-	20,987,667
Depreciable and Amortizable	55,959,292	17,599,294	-	73,558,586
Accumulated Depreciation and Amortization	(27,728,755)	(7,400,996)	-	(35,129,751)
Total Noncurrent Assets	28,759,185	30,657,317	-	59,416,502
Total Assets	38,836,801	33,689,133	252,015	72,777,949
DEFERRED OUTFLOWS OF RESOURCES				
Pension Items - IMRF	1,110,875	85,898	-	1,196,773
Pension Items - OPEB	135,890	136	-	136,026
Asset Retirement Obligation	406,333	-	-	406,333
Total Deferred Outflows of Resources	1,653,098	86,034	-	1,739,132
Total Assets and Deferred Outflows of Resources	40,489,899	33,775,167	252,015	74,517,081

(This statement is continued on the following page.)

CITY OF DEKALB, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

December 31, 2022

	Business-Type Activities				Governmental Activities
			Nonmajor Enterprise Funds		Internal Service Funds
	Water	Airport	Refuse	Total	
CURRENT LIABILITIES					
Accounts Payable	\$ 2,166,698	\$ 124,052	\$ 212,469	\$ 2,503,219	\$ 80,554
Accrued Payroll	37,682	4,116	-	41,798	-
Accrued Interest Payable	2,323	-	-	2,323	-
Deposits Payable	139,250	23,785	-	163,035	-
Unearned Revenue	702,035	9,254	225,375	936,664	15,788
Claims Payable	-	-	-	-	271,299
OPEB Liability	70,179	-	-	70,179	-
IEPA Loans Payable	45,903	-	-	45,903	-
Compensated Absences Payable	71,233	225	-	71,458	-
Installment Contracts	38,213	-	-	38,213	-
Lease Liabilities	16,943	-	-	16,943	-
Total Current Liabilities	3,290,459	161,432	437,844	3,889,735	367,641
LONG-TERM LIABILITIES					
OPEB Liability	742,134	814	-	742,948	-
Net Pension Liability - IMRF	1,653,586	127,865	-	1,781,451	-
IEPA Loans Payable	711,938	-	-	711,938	-
Compensated Absences Payable	284,931	4,278	-	289,209	-
Claims Payable	-	-	-	-	271,298
Installment Contracts	69,303	-	-	69,303	-
Lease Liabilities	79,999	-	-	79,999	-
Asset Retirement Obligation	450,000	-	-	450,000	-
Total Long-Term Liabilities	3,991,891	132,957	-	4,124,848	271,298
Total Liabilities	7,282,350	294,389	437,844	8,014,583	638,939
DEFERRED INFLOWS OF RESOURCES					
Pension Items - OPEB	234,916	235	-	235,151	-
Leases	-	2,425,156	-	2,425,156	-
Total Deferred Inflows of Resources	234,916	2,425,391	-	2,660,307	-
Total Liabilities and Deferred Inflows of Resources	7,517,266	2,719,780	437,844	10,674,890	638,939
NET POSITION					
Net Investment in Capital Assets	27,796,886	30,657,317	-	58,454,203	-
Unrestricted (Deficit)	5,175,747	398,070	(185,829)	5,387,988	2,125,614
TOTAL NET POSITION (DEFICIT)	\$ 32,972,633	\$ 31,055,387	\$ (185,829)	\$ 63,842,191	\$ 2,125,614

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Year Ended December 31, 2022

	Business-Type Activities				Governmental Activities
			Nonmajor Enterprise Funds		
	Water	Airport	Refuse	Total	Internal Service Funds
OPERATING REVENUES					
Charges for Services	\$ 6,752,089	\$ 1,233,693	\$ 1,903,618	\$ 9,889,400	\$ 7,676,169
Miscellaneous	22,435	12,532	890	35,857	48,904
Total Operating Revenues	6,774,524	1,246,225	1,904,508	9,925,257	7,725,073
OPERATING EXPENSES					
Administration	-	-	-	-	7,822,661
Operations	4,458,117	1,386,220	2,091,506	7,935,843	-
Depreciation and Amortization	1,325,122	402,701	-	1,727,823	-
Total Operating Expenses	5,783,239	1,788,921	2,091,506	9,663,666	7,822,661
OPERATING INCOME (LOSS)	991,285	(542,696)	(186,998)	261,591	(97,588)
NON-OPERATING REVENUES (EXPENSES)					
Investment Income	100,769	46,294	361	147,424	27,909
Home Rule Sales Tax	-	12,265	-	12,265	-
Home Rule Motor Fuel Tax	-	199,225	-	199,225	-
Intergovernmental	342,689	-	-	342,689	-
Gain (Loss) on Disposal of Capital Assets	785	(41,324)	-	(40,539)	-
Interest Expense	(30,034)	-	-	(30,034)	-
Total Non-Operating Revenues (Expenses)	414,209	216,460	361	631,030	27,909
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,405,494	(326,236)	(186,637)	892,621	(69,679)
CONTRIBUTIONS					
Capital Grants and Contributions	100,000	981,797	-	1,081,797	-
Total Contributions	100,000	981,797	-	1,081,797	-
TRANSFERS					
Transfers (Out)	(311,000)	-	-	(311,000)	-
Total Transfers	(311,000)	-	-	(311,000)	-
CHANGE IN NET POSITION	1,194,494	655,561	(186,637)	1,663,418	(69,679)
NET POSITION, JANUARY 1	31,782,959	30,399,826	808	62,183,593	2,195,293
Change in Accounting Principle	(4,820)	-	-	(4,820)	-
NET POSITION, JANUARY 1, RESTATED	31,778,139	30,399,826	808	62,178,773	2,195,293
NET POSITION (DEFICIT), DECEMBER 31	\$ 32,972,633	\$ 31,055,387	\$ (185,829)	\$ 63,842,191	\$ 2,125,614

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended December 31, 2022

	Business-Type Activities				Governmental Activities
			Nonmajor Enterprise Funds		Internal Service Funds
	Water	Airport	Refuse	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 5,962,190	\$ 1,321,774	\$ 2,021,751	\$ 9,305,715	\$ -
Receipts from Interfund Services Transactions	-	-	-	-	6,019,311
Receipts from Employees and Others	-	-	-	-	1,689,623
Receipts from Miscellaneous Revenues	22,435	12,532	890	35,857	48,904
Payments to Other Funds	(769,981)	(59,573)	(140,000)	(969,554)	-
Payments to Suppliers	(992,523)	(1,203,413)	(1,893,692)	(4,089,628)	(7,809,349)
Payments to Employees	(2,561,057)	(340,305)	-	(2,901,362)	-
Net Cash from Operating Activities	1,661,064	(268,985)	(11,051)	1,381,028	(51,511)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Non-Operating Revenues - Home Rule Fuel Tax	-	199,225	-	199,225	-
Non-Operating Revenues - Home Rule Sales Tax	-	12,265	-	12,265	-
Intergovernmental	342,689	-	-	342,689	-
Transfers (Out)	(311,000)	-	-	(311,000)	-
Net Cash from Noncapital Financing Activities	31,689	211,490	-	243,179	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of Capital Assets	(1,748,942)	(48,957)	-	(1,797,899)	-
Proceeds Related to Future Development	100,000	397,203	-	497,203	-
Principal Payments on Long-Term Debt	(130,497)	-	-	(130,497)	-
Interest Payments on Long-Term Debt	(28,497)	-	-	(28,497)	-
Net Cash from Capital and Related Financing Activities	(1,807,936)	348,246	-	(1,459,690)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received on Investments and Leases	136,676	24,174	361	161,211	27,909
Net Cash from Investing Activities	136,676	24,174	361	161,211	27,909
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	21,493	314,925	(10,690)	325,728	(23,602)
CASH AND CASH EQUIVALENTS, JANUARY 1	6,906,443	5,207	113,496	7,025,146	2,227,206
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 6,927,936	\$ 320,132	\$ 102,806	\$ 7,350,874	\$ 2,203,604

(This statement is continued on the following page.)

CITY OF DEKALB, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended December 31, 2022

	Business-Type Activities				Governmental Activities
			Nonmajor Enterprise Funds		Internal Service Funds
	Water	Airport	Refuse	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 991,285	\$ (542,696)	\$ (186,998)	\$ 261,591	\$ (97,588)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities					
Depreciation and Amortization	1,325,122	402,701	-	1,727,823	-
Changes in Assets and Liabilities					
Accounts Receivable	(433,598)	152,924	(10,252)	(290,926)	-
Other Receivables	-	-	-	-	34,322
Lease Receivables	-	31,501	-	31,501	-
Inventory	-	(29,281)	-	(29,281)	-
Accounts Payable	(43,798)	(183,405)	57,814	(169,389)	(2,545)
Accrued Payroll	(927)	(1,120)	-	(2,047)	-
Claims Payable	-	-	-	-	15,857
Other Payables	126,700	(897)	-	125,803	-
Unearned Revenue	(356,301)	(2,868)	128,385	(230,784)	(1,557)
Lease Deferred Inflow	-	(93,476)	-	(93,476)	-
Pension Items - IMRF	(2,822,201)	(226,748)	-	(3,048,949)	-
Net Pension Liability - IMRF	2,887,441	229,416	-	3,116,857	-
OPEB Items	229,697	99	-	229,796	-
Total OPEB Liability	(285,997)	814	-	(285,183)	-
Compensated Absences	32,724	(5,949)	-	26,775	-
Deferred Outflows - Asset Retirement Obligation	10,917	-	-	10,917	-
NET CASH FROM OPERATING ACTIVITIES	\$ 1,661,064	\$ (268,985)	\$ (11,051)	\$ 1,381,028	\$ (51,511)
NONCASH TRANSACTIONS					
Lease Issuance	\$ 29,888	\$ -	\$ -	\$ 29,888	\$ -
Capital Contributions	-	584,594	-	584,594	-
TOTAL NONCASH TRANSACTIONS	\$ 29,888	\$ 584,594	\$ -	\$ 614,482	\$ -

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

December 31, 2022

ASSETS

Cash and Short-Term Investments	\$ 5,275,248
Investments	
Held in the Illinois Firefighters'	
Pension Investment Fund	32,182,600
U.S. Treasury Obligations	10,476,677
U.S. Agency Obligations	794,360
Corporate Bonds	987,680
Mutual Funds	28,492,160
Receivables	
Accrued Interest	34,610
Prepaid Expenses	<u>3,396</u>
 Total Assets	 <u>78,246,731</u>

LIABILITIES

Accounts Payable	<u>24,301</u>
 Total Liabilities	 <u>24,301</u>

**NET POSITION RESTRICTED
FOR PENSIONS**

\$ 78,222,430

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

For the Year Ended December 31, 2022

ADDITIONS

Contributions

Employer Contributions \$ 8,123,459

Employee Contributions 1,400,799

Total Contributions 9,524,258

Investment Income

Net (Depreciation) in Fair Value of Investments (13,807,112)

Interest 1,429,851

Total Investment Income (12,377,261)

Less Investment Expense (96,735)

Net Investment Income (12,473,996)

Total Additions (2,949,738)

DEDUCTIONS

Administrative Expenses 83,759

Benefits and Refunds 9,183,717

Total Deductions 9,267,476

NET (DECREASE) (12,217,214)

**NET POSITION RESTRICTED
FOR PENSIONS**

January 1 90,439,644

December 31 \$ 78,222,430

See accompanying notes to financial statements.

CITY OF DEKALB, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of DeKalb (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

The City is a municipal corporation governed by an elected mayor and council. As defined by GAAP established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

Based on the above criteria, the City has two fiduciary component units and one discretely presented component unit.

Fiduciary Component Units

Police Pension Employees Retirement System

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members are appointed by the City's Mayor, one elected by pension beneficiaries, and two elected police employees constitute the pension board. The City is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the City. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the PPERS being fiscally dependent upon the City. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Fiduciary Component Units (Continued)

Firefighters' Pension Employees Retirement System

The City's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members are appointed by the City's Mayor, one elected pension beneficiary, and two elected fire employees constitute the pension board. The City is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial burden on the City. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the FPERS being fiscally dependent on the City. FPERS is reported as a pension trust fund. FPERS does not issue a stand-alone financial report.

Discretely Presented Component Unit

The component unit column in the basic financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

The DeKalb Public Library

The DeKalb Public Library (the Library) operates and maintains the City's public library facilities. The Library's board is appointed by the Mayor with the consent of the City Council. The Library may not issue bonded debt, and its annual budget and property tax levy requests are subject to the City Council's approval. Separate financial statements for the Library are not available. Based on the criteria of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units – An Amendment of GASB Statement No. 14*, the Library does not have any component units. The Friends of the Library, a potential component unit, is not significant to the Library and, therefore, has been excluded from its reporting entity.

B. Fund Accounting

The City uses funds to report on its financial position and the change in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

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

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of committed, restricted, or assigned monies (special revenue funds), the funds committed, restricted, or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds committed, restricted, or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the City not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the City (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The City utilizes pension trust funds which are generally used to account for assets that the City holds in a fiduciary capacity and are fiduciary component units of the City.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The City reports the following major governmental funds:

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

The Mass Transit Fund accounts for the restricted grant revenues for the two community mass transit services: Northern Illinois University's Huskies Line and Voluntary Action Center's Trans Vac Service.

The American Rescue Plan Act Grant Fund is used to account for grant funds received from the U.S. Treasury in response to the COVID-19 pandemic.

The Capital Projects Fund is used to account for the City's general infrastructure improvements including street (re)construction, storm water management, public buildings, street lighting, sidewalk repairs, as well as the purchase of vehicles and equipment.

The City reports the following major proprietary funds:

The Water Fund accounts for the provision of water service to the residents of the City. All activity necessary to provide such services is accounted for in this fund including, but not limited to, administration, operation, maintenance, financing and related debt service, and billing and collection.

The Airport Fund is used to account for the operation of the DeKalb/Taylor Municipal Airport. Financing may be provided from a number of sources including federal and state grants, user fees and local motor fuel taxes.

Additionally, the City reports the following Internal Service Fund:

Internal Service Funds account for the City's self-insured property, casualty, workers' compensation, and health insurance programs provided to other departments or agencies of the City on a cost reimbursement basis. These are reported as part of the governmental activities on the government-wide financial statements as they provide services to the City's governmental funds/activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for sales taxes and telecommunication taxes which use 90 days. The City recognizes property taxes when they become both measurable and available in the year for which they are levied (i.e., intended to finance). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, restaurant and bar taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are; however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the City before it has a legal claim to them or prior to the provision of services, 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 or deferred inflows of resource for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

E. Cash and Investments

For purposes of the statement of cash flows, the City's proprietary funds considers cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of one year or less when purchased and all non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value. All investments of the pension trust funds, regardless of length of maturity, are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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; and Level 3 inputs are significant unobservable inputs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (current portion of interfund loans) or “advances to/from other funds” (noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances are offset by nonspendable fund balance in applicable governmental funds.

Interfund service transactions are accounted for as revenues, expenditures, or expenses.

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

G. Property Taxes

Property taxes for 2021 are levied in December 2021 and attach as an enforceable lien on the property on January 1, 2021. Tax bills are prepared by the County and issued on or about May 1, 2022 and August 1, 2022, and are due and collectible on or about June 1, 2022 and September 1, 2022. The County collects the taxes and remits them periodically to the City. Those 2021 taxes were intended to finance the fiscal year ended December 31, 2022. The 2022 levy, which attached as a lien on property as January 1, 2022, is intended to finance the 2023 fiscal year and is not considered available or earned for current operations and are, therefore, reported as deferred/unavailable revenue.

H. Inventories and Prepaid Items/Expenses

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid items/expenses are recorded as expenditures/expenses when consumed rather than when purchased.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets/Intangible Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads and bridges) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	40-50
Equipment	7-20
Vehicles	3-20
Infrastructure	20-50
Water Distribution System	30-50
Intangible Assets	3-20

Intangible assets represent the City's right-to-use a leased asset. These intangible assets, as defined by GASB Statement No. 87, *Leases*, are for lease contracts of nonfinancial assets including equipment and vehicles.

J. Compensated Absences

Vested or accumulated vacation and sick leave that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements, and the remainder is reported in governmental activities. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts, as well as the unamortized loss on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of any applicable bond premium or discount. Issuance costs are reported as expenses. The unamortized loss on refunding is reported as a deferred outflow of resources.

In the fund financial statements, governmental funds recognize bond premiums and discounts 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, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, 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.

M. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance resulted from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City Manager through the fund balance policy adopted by the City Council. Any residual fund balance of the General Fund is reported as unassigned. Deficit fund balances of other governmental funds are also reported as unassigned.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Fund Balance/Net Position (Continued)

The City has established a fund balance reserve policy for several of its funds. The policy requires unassigned fund balances to be maintained in the General Fund equivalent to 25% of the fund's annual operating expenditures. The Tax Increment Financing Funds should be self-supporting and should maintain a fund balance equivalent to meet the planned improvements identified in a multi-year capital schedule. The Capital Projects Fund should maintain a fund balance of the planned improvements identified in a multi-year capital schedule. The Special Revenue Funds should maintain the least fund balance necessary to cover current fiscal year expenditures, plus an amount to pay for those expenditures of the subsequent fiscal year needed to avoid a cash deficit position. The Water Operating Fund unrestricted net position will be maintained at a minimum level equal to 25% of the annual budgeted operating expenses. The unrestricted net position of the Airport Fund will be maintained at a minimum level equal to 25% of annual budgeted operational expenses, plus the budgeted capital improvements for the current fiscal year. The Health Insurance Fund should maintain unrestricted net position of one month of IPBC premiums. The Workers' Compensation/Liability Insurance Fund should maintain unrestricted net position of \$1,000,000 collectively.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

N. Use of Estimates

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

2. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust fund are held separately from those of other funds.

The City's investment policy authorizes the City to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, certificates of deposit, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, investment grade obligations of state, province and local governments and public authorities, and The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral at 110% of all bank balances in excess of federal depository insurance with the collateral held by an independent third party acting as the agent of the City.

Investments

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; and Level 3 inputs are significant unobservable inputs. The City did not have any investments measured at fair value as of December 31, 2022.

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring that deposits with financial institutions in excess of FDIC coverage be collateralized at 110% with collateral in excess of the uninsured deposits with the collateral held by a third party acting as the agent of the City. At the end of the year, the City's investments in The Illinois Funds were rated AAA by Standard and Poor's.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short-term and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. The Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. The City's investment policy limits the City's investments to the safest types of securities, pre-qualifies financial institutions, broker/dealers, intermediaries, and advisors with which the City does business and diversifies the investment portfolio so that potential losses on individual securities will be minimized.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at December 31, 2022:

GOVERNMENTAL ACTIVITIES

Local Use Tax	\$ 482,117
Sales Tax - State	1,803,209
Sales Tax - City	2,396,200
Auto Rental Sales Tax	6,122
Video Gaming Tax	67,438
Telecommunication Tax	119,576
Grants	3,040,588
State Motor Fuel Tax	<u>157,254</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 8,072,504</u>
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BUSINESS-TYPE ACTIVITIES

Airport Grants	<u>\$ 107,337</u>
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TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$ 107,337</u>
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The following receivables are included in other taxes receivable on the statement of net position at December 31, 2022:

GOVERNMENTAL ACTIVITIES

Hotel/Motel Tax	\$ 36,035
Restaurant and Bar Tax	230,655
Utility Tax	261,429
Business Licensing Tax	150,457
Franchise Tax	96,438
TIF Surplus Property Tax	13,561
Local Motor Fuel Tax	96,225
Miscellaneous	<u>44,489</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 929,289</u>
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The following receivables are included in other receivable on the statement of net position at December 31, 2022:

GOVERNMENTAL ACTIVITIES

IPBC Terminal Reserve	\$ 373,899
Miscellaneous	<u>187,050</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 560,949</u>
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CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES (Continued)

BUSINESS-TYPE ACTIVITIES

Airport Miscellaneous \$ 31,016

TOTAL BUSINESS-TYPE ACTIVITIES \$ 31,016

4. CAPITAL ASSETS

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

	Beginning Balances, Restated	Increases	Decreases	Transfers	Ending Balances
GOVERNMENTAL ACTIVITIES					
Tangible Assets Not Being Depreciated					
Land	\$ 11,833,940	\$ -	\$ -	\$ -	\$ 11,833,940
Land Right of Way	25,742,257	240,000	-	-	25,982,257
Construction in Progress	764,358	655,991	1,172,930	-	247,419
Total Tangible Assets Not Being Depreciated	38,340,555	895,991	1,172,930	-	38,063,616
Tangible Assets being Depreciated					
Buildings and Improvements	20,239,724	443,731	-	-	20,683,455
Equipment	3,469,072	52,986	1,012,973	108,500	2,617,585
Vehicles	9,279,048	1,344,277	1,022,322	(26,227)	9,574,776
Infrastructure	154,016,232	1,172,930	-	-	155,189,162
Total Tangible Assets Being Depreciated	187,004,076	3,013,924	2,035,295	82,273	188,064,978
Intangible Assets being Amortized					
Equipment	48,958	30,208	-	-	79,166
Vehicles	369,862	-	-	-	369,862
Total Intangible Assets Being Amortized	418,820	30,208	-	-	449,028
Less Accumulated Depreciation for					
Buildings and Improvements	5,850,651	381,733	-	-	6,232,384
Equipment	2,734,279	141,057	1,002,183	108,500	1,981,653
Vehicles	7,301,840	485,418	972,063	(26,227)	6,788,968
Infrastructure	95,176,535	2,993,589	-	-	98,170,124
Total Accumulated Depreciation	111,063,305	4,001,797	1,974,246	82,273	113,173,129
Less Accumulated Amortization for					
Equipment	-	26,422	-	-	26,422
Vehicles	-	72,063	-	-	72,063
Total Accumulated Amortization	-	98,485	-	-	98,485
Total Tangible and Intangible Assets Being Depreciated and Amortized, Net	76,359,591	(1,056,150)	61,049	-	75,242,392
GOVERNMENTAL ACTIVITIES					
CAPITAL ASSETS, NET	<u>\$ 114,700,146</u>	<u>\$ (160,159)</u>	<u>\$ 1,233,979</u>	<u>\$ -</u>	<u>\$ 113,306,008</u>

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances, Restated	Increases	Decreases	Transfers	Ending Balances
BUSINESS-TYPE ACTIVITIES					
Tangible Assets Not Being Depreciated					
Land	\$ 19,386,047	\$ -	\$ -	\$ -	\$ 19,386,047
Land Improvements	1,552,663	-	-	-	1,552,663
Construction in Progress	829,371	660,849	1,441,263	-	48,957
Total Tangible Assets Not Being Depreciated	21,768,081	660,849	1,441,263	-	20,987,667
Tangible Assets being Depreciated					
Buildings and Improvements	4,894,141	-	38,392	-	4,855,749
Equipment	1,078,428	-	50,790	(108,500)	919,138
Vehicles	1,296,781	51,025	52,425	26,227	1,321,608
Airport Infrastructure	13,874,652	721,287	-	-	14,595,939
Water Distribution System	49,365,479	2,390,595	-	-	51,756,074
Total Tangible Assets Being Depreciated	70,509,481	3,162,907	141,607	(82,273)	73,448,508
Intangible Assets being Amortized					
Vehicles	80,190	29,888	-	-	110,078
Total Intangible Assets Being Amortized	80,190	29,888	-	-	110,078
Less Accumulated Depreciation for					
Building and Improvements	2,556,448	94,978	21,721	-	2,629,705
Equipment	557,230	65,971	49,655	(108,500)	465,046
Vehicles	926,633	54,988	28,786	26,227	979,062
Airport Infrastructure	5,110,511	349,090	-	-	5,459,601
Water Distribution System	24,433,541	1,153,030	-	-	25,586,571
Total Accumulated Depreciation	33,584,363	1,718,057	100,162	(82,273)	35,119,985
Less Accumulated Amortization for					
Vehicles	-	9,766	-	-	9,766
Total Accumulated Amortization	-	9,766	-	-	9,766
Total Tangible and Intangible Assets Being Depreciated and Amortized, Net	37,005,308	1,464,972	41,445	-	38,428,835
BUSINESS-TYPE ACTIVITIES					
CAPITAL ASSETS, NET	\$ 58,773,389	\$ 2,125,821	\$ 1,482,708	\$ -	\$ 59,416,502

The beginning balances for both Governmental Activities and Business-Type Activities were restated due to the implementation of GASB Statement No. 87, *Leases*. Additionally, for Governmental Activities, a prior period adjustment is reflected that impacted beginning balances.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES

General Government	\$ 81,401
Public Safety	607,510
Community Development	229,111
Highways and Streets	<u>3,182,260</u>

TOTAL DEPRECIATION AND AMORTIZATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 4,100,282</u>
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BUSINESS-TYPE ACTIVITIES

Water	\$ 1,325,122
Airport	<u>402,701</u>

TOTAL DEPRECIATION AND AMORTIZATION EXPENSE - BUSINESS-TYPE ACTIVITIES	<u>\$ 1,727,823</u>
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Capital asset additions were charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES

General Government	\$ 22,897
Public Safety	1,010,339
Highways and Streets	<u>1,493,957</u>

TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES	<u>\$ 2,527,193</u>
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CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

A. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds issued for business-type activities are reported in the proprietary funds as they are expected to be repaid from proprietary revenues. General obligation bonds are direct obligations and pledged by the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances January 1	Issuances	Retirements	Balances December 31	Current Portion
\$5,415,000 2010C Series General Obligation Refunding Bonds, dated December 1, 2010, due in annual installments of \$180,000 to \$755,000, plus interest of 1.90% to 5.90% through January 1, 2023	General Debt Service	\$ 1,400,000	\$ -	\$ 755,000	\$ 645,000	\$ 645,000
\$9,905,000 2012A Series General Obligation Bonds, dated October 25, 2012, due in annual installments of \$505,000 to \$845,000, plus interest of 2.00% to 2.50% through January 1, 2030	General Debt Service	6,195,000	-	-	6,195,000	765,000
\$2,380,000 2013B Series General Obligation Bonds, dated June 18, 2013, due in annual installments of \$40,000 to \$745,000, plus interest of 0.80% to 3.00% through January 1, 2022	General Debt Service	745,000	-	745,000	-	-
\$3,925,000 2019 Series General Obligation Refunding Bonds, dated October 23, 2019, due in annual installments of \$20,000 to \$920,000, plus interest of 1.82% through January 1, 2028	General Debt Service	3,905,000	-	35,000	3,870,000	185,000

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

A. General Obligation Bonds (Continued)

Issue	Fund Debt Retired by	Balances January 1	Issuances	Retirements	Balances December 31	Current Portion
\$1,900,000 2020 Series General Obligation Refunding Bonds, dated November 19, 2020, due in annual installments of \$425,000 to \$935,000, plus interest of 2.30% to 2.50% through January 1, 2030	General Debt Service	\$ 1,900,000	\$ -	\$ -	\$ 1,900,000	\$ -
TOTAL		\$ 14,145,000	\$ -	\$ 1,535,000	\$ 12,610,000	\$ 1,595,000

B. Illinois Environmental Protection Agency Loan Contracts Payable

The City, through the Illinois Environmental Protection Agency (IEPA), received low interest loans for the construction of a water treatment facility. Loan contracts payable have been issued for business-type activities. IEPA loan contracts currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
\$283,072 IEPA Loan #L174045 Contract Payable of 2012, due in semiannual installments of \$5,749 including interest at 2.295% through October 26, 2032	Water	\$ 179,181	\$ -	\$ 14,495	\$ 164,686	\$ 14,830
\$694,701 IEPA Loan #L175473 Contract Payable of 2019, due in semiannual installments ranging from \$16,831 to \$20,923 including interest at 1.84% through June 30, 2039.	Water	623,665	-	30,510	593,155	31,074
TOTAL		\$ 802,846	\$ -	\$ 45,005	\$ 757,841	\$ 45,904

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

C. Installment Contracts

The City is committed under installment contracts for various vehicle and equipment purchases as follows:

Issue	Fund Debt Retired by	Balances January 1, Restated	Additions	Reductions	Balances December 31	Current Portion
Equipment	Capital Projects	\$ 311,695	\$ 460,970	\$ 174,782	\$ 597,883	\$ 164,270
Equipment	Water	144,752	-	37,236	107,516	38,213
TOTAL		\$ 456,447	\$ 460,970	\$ 212,018	\$ 705,399	\$ 202,483

D. Debt Service Requirements to Maturity

General Obligation Bonds Payable

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2023	\$ 1,595,000	\$ 256,919
2024	1,650,000	212,841
2025	1,680,000	181,121
2026	1,715,000	148,782
2027	1,750,000	115,256
2028	1,375,000	83,244
2029	1,405,000	52,211
2030	1,440,000	18,000
TOTAL	\$ 12,610,000	\$ 1,068,374

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

D. Debt Service Requirements to Maturity (Continued)

Year Ending December 31,	IEPA Loan Contracts	
	Business-Type Activities	
	Principal	Interest
2023	\$ 45,904	\$ 14,467
2024	46,820	13,550
2025	47,755	12,615
2026	48,709	11,661
2027	49,682	10,687
2028	50,675	9,694
2029	51,689	8,681
2030	52,722	7,648
2031	53,777	6,593
2032	54,853	5,517
2033	37,320	4,526
2034	38,009	3,836
2035	38,712	3,133
2036	39,428	2,418
2037	40,156	1,689
2038	40,899	947
2039	20,731	191
TOTAL	\$ 757,841	\$ 117,853

Year Ending December 31,	Installment Contracts			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 164,270	\$ 15,883	\$ 38,213	\$ 2,425
2024	168,967	11,188	39,217	1,422
2025	142,004	6,413	30,086	392
2026	105,980	2,699	-	-
2027	16,662	-	-	-
TOTAL	\$ 597,883	\$ 36,183	\$ 107,516	\$ 4,239

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

E. Changes in Long-Term Liabilities

During the year ended December 31, 2022, the following changes occurred in liabilities reported in the governmental activities:

	Balances January 1, Restated	Issuances or Accretions	Refundings or Reductions	Balances December 31	Current Portion
General Obligation Bonds Payable	\$ 14,145,000	\$ -	\$ 1,535,000	\$ 12,610,000	\$ 1,595,000
Premium on Bonds Payable	55,070	-	7,262	47,808	-
Installment Contracts	311,695	460,970	174,782	597,883	164,270
Lease Liabilities*	418,820	30,208	96,486	352,542	90,283
Compensated Absences Payable	4,525,503	1,060,622	905,101	4,681,024	936,205
Net Pension Liability - IMRF	-	4,878,178	-	4,878,178	-
Net Pension Liability - Police Pension	36,398,952	10,757,330	-	47,156,282	-
Net Pension Liability - Firefighters' Pension	50,783,230	9,133,044	-	59,916,274	-
Total OPEB Liability	33,290,313	-	7,256,104	26,034,209	1,594,632
Claims Payable	526,740	279,227	263,370	542,597	271,299
TOTAL GOVERNMENTAL ACTIVITIES	\$ 140,455,323	\$ 26,599,579	\$ 10,238,105	\$ 156,816,797	\$ 4,651,689

For the governmental activities, the compensated absences, net pension liabilities, and the total other postemployment benefit liability are generally liquidated by the General Fund. Claims payable are generally liquidated by the internal service funds.

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES					
IEPA Loans					
Water	\$ 802,846	\$ -	\$ 45,005	\$ 757,841	\$ 45,903
Net Pension Liability - IMRF					
Water	-	1,653,586	-	1,653,586	-
Airport	-	127,865	-	127,865	-
Total Net Pension Liability - IMRF	-	1,781,451	-	1,781,451	-
Compensated Absences					
Water	323,440	97,412	64,688	356,164	71,233
Airport	10,452	-	5,949	4,503	225
Total Compensated Absences	333,892	97,412	70,637	360,667	71,458

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

E. Changes in Long-Term Liabilities (Continued)

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES (CONTINUED)					
Total OPEB Liability					
Water	\$ 1,098,310	\$ -	\$ 285,997	\$ 812,313	\$ 70,179
Airport	-	814	-	814	-
Total OPEB Liability	1,098,310	814	285,997	813,127	70,179
Asset Retirement Obligation					
Water	450,000	-	-	450,000	-
Installment Contracts					
Water	144,752	-	37,236	107,516	38,213
Lease Liabilities*					
Water	115,310	29,888	48,256	96,942	16,943
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 2,945,110	\$ 1,909,565	\$ 487,131	\$ 4,367,544	\$ 242,696

*The beginning balances for both Governmental Activities and Business-Type Activities were restated due to the implementation of GASB Statement No. 87, *Leases*.

F. Legal Debt Margin

The City is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

5. LONG-TERM DEBT (Continued)

G. Conduit Debt

The City has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of December 31, 2022, there were four IDRBs outstanding totaling \$7,009,227.

H. Asset Retirement Obligation

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells range from 30 to 50 years.

I. Leases

In accordance with GASB Statement No. 87, *Leases*, the City's lessee activity is as follows:

The City entered into 14 lease arrangements with start dates ranging from November 2020 to August 2022, for the right-to-use vehicle assets. Payments ranging from \$310 to \$1,061 are due in monthly installments, through December 31, 2025. Total intangible right-to-use assets acquired under these agreements are \$369,862 and \$110,078 for governmental and business-type activities, respectively. Total principal payments made during the fiscal year on these arrangements were \$69,277 and \$48,256 for governmental and business-type activities, respectively. The lease liability associated with these arrangements is \$300,585 and \$96,942 for governmental and business-type activities, respectively.

The City entered into two lease arrangements with start dates ranging from October 2018 to November 2018, for the right-to-use postage machine equipment assets. Payments of \$200 are due in monthly installments through January 31, 2024. Total intangible right-to-use asset acquired under these agreements are \$9,646 for governmental activities. Total principal payments made during the fiscal year on these arrangements were \$4,687. The lease liability associated with these arrangements is \$4,960.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

I. Leases

The City entered into seven lease arrangements with start dates ranging from February 2018 to August 2022, for the right-to-use copier equipment assets. Payments ranging from \$122 to \$740 are due in monthly installments, through August 31, 2027. Total intangible right-to-use assets acquired under these agreements are \$69,520 for governmental activities. Total principal payments made during the fiscal year on these arrangements were \$22,522. The lease liability associated with these arrangements is \$46,997.

Obligations of governmental activities under lease liabilities, typically paid from the General Fund and Capital Equipment Replacement Fund, and obligations of business-type activities under lease liabilities, typically paid from the Water Fund, including future interest payments at December 31, 2022, were as follows:

Year Ending December 31,	Lease Liabilities			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 90,283	\$ 17,006	\$ 16,943	\$ 8,929
2024	88,544	12,286	22,472	5,096
2025	114,891	7,464	32,640	3,329
2026	55,842	854	24,887	551
2027	2,982	-	-	-
TOTAL	\$ 352,542	\$ 37,610	\$ 96,942	\$ 17,905

6. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the City's lessor activity is as follows:

The City entered into five lease arrangements with start dates ranging from May 2005 to March 2017, to lease cell tower property. Payments ranging from \$2,366 to \$2,500 are due to the City in monthly installments, through February 28, 2047, which reflects all renewal options being exercised for these agreements. The lease arrangements are noncancelable and maintains interest rates ranging from 0.48% to 1.80%. During the fiscal year, the City collected \$128,998 and recognized a \$187,515 reduction in the related deferred inflow of resource. The remaining lease receivable and deferred inflow of resource for these arrangements, recorded in the Capital Equipment Replacement Fund, is \$3,053,186 and \$2,994,669 as of December 31, 2022, respectively.

6. LESSOR DISCLOSURES (Continued)

The City entered into four lease arrangements with start dates ranging from June 2004 to January 2014, to lease airport land property. Payments ranging from \$255 to \$708 are due to the City in monthly installments, through February 28, 2070, including renewal options. The lease arrangements are noncancelable and maintains interest rates of 1.85%. During the fiscal year, the City collected \$1,997 and recognized a \$62,398 reduction in the related deferred inflow of resource. The remaining lease receivable and deferred inflow of resource for these arrangements, recorded in the Airport Fund, is \$2,378,165 and \$2,317,764 as of December 31, 2022, respectively.

The City entered into a lease arrangement on June 3, 2021, to lease an airport hangar. Payments ranging from \$2,475 to \$2,786 are due to the City in monthly installments, through June 14, 2026, including renewal options. The lease arrangement is noncancelable and maintains an interest rate of 0.60%. During the fiscal year, the City collected \$29,504 and recognized a \$31,078 reduction in the related deferred inflow of resource. The remaining lease receivable and deferred inflow of resource for this arrangement, recorded in the Airport Fund, is \$108,966 and \$107,392 as of December 31, 2022, respectively.

7. 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; natural disasters; and injuries to the City's employees. The City has purchased insurance from a public entity risk pool for health insurance and are self-insured for workers' compensation and general liability purposes. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expense in appropriate funds.

Intergovernmental Personnel Benefit Cooperative

Risks for medical and death benefits for employees and retirees are provided for through the City's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi-governmental, and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership. The City does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

7. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (Continued)

IPBC also acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. Through IPBC, the City offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the City is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000.

IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 80% of the City's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the City is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 20% of the City's employees and retirees are HMO participants.

The City makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC. The City makes monthly payments to IPBC for administration of the plan. The City had terminal reserve net of deficit of other accounts as of June 30, 2022 (most recent available) of \$373,899. This amount was declared as a dividend to the City and, therefore, has been recorded as a receivable in the Health Insurance Fund of \$373,899.

The City has established an internal service fund to account for both workers' compensation and liability/property insurance activities, and another internal service fund to account for health insurance activities. Each participating fund makes payments to the insurance funds. Such payments are displayed on the financial statements as revenues and expenditures/expenses to the extent that the charge to the other funds is based on the actual expenses of the funds plus an additional amount for catastrophic losses. Payments in excess of these amounts, if any, are reported as transfers.

The City has contracted with third party administrators (TPAs) to administer the workers' compensation program and to review and process claims. In addition, the City has contracted with third party carriers for specific and aggregate stop-loss coverage to limit the City's exposure to losses. Prior to May 2012, the City was completely self-insured for workers' compensation with no specific or aggregate stop-loss policies; however, as of December 31, 2022, the City is self-insured up to \$600,000 in potential claims losses while any additional claims liabilities are covered by a policy purchased from a national insurance provider.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (Continued)

There have been no significant changes in coverage from the prior two years and settlements have not exceeded coverage in any of the prior three fiscal years.

A reconciliation of claims payable for the fiscal years ended December 31, 2021 and 2022 are as follows:

	Workers' Compensation and Liability/Property	
	2021	2022
CLAIMS PAYABLE, JANUARY 1	\$ 900,924	\$ 526,740
Add Claims Incurred	241,812	355,196
Less Claims Paid	(615,996)	(339,339)
CLAIMS PAYABLE, DECEMBER 31	<u>\$ 526,740</u>	<u>\$ 542,597</u>

8. INDIVIDUAL FUND DISCLOSURES

A. Due From/To Other Funds

	Due From	Due To
General		
Capital Projects	\$ 1,366,229	\$ -
Nonmajor Governmental	19,180	-
Total General	<u>1,385,409</u>	<u>-</u>
Capital Projects		
General	-	1,366,229
Total Capital Projects	<u>-</u>	<u>1,366,229</u>
Nonmajor Governmental		
General	-	19,180
Total Nonmajor Governmental	<u>-</u>	<u>19,180</u>
TOTAL	<u>\$ 1,385,409</u>	<u>\$ 1,385,409</u>

Amounts will be repaid within the next fiscal year.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

B. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2022 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General		
Nonmajor Governmental	\$ -	\$ 2,680,280
Water	311,000	-
Total General	<u>311,000</u>	<u>2,680,280</u>
Nonmajor Governmental		
General	<u>2,680,280</u>	-
Total Nonmajor Governmental	<u>2,680,280</u>	-
Water		
General	<u>-</u>	<u>311,000</u>
Total Water	<u>-</u>	<u>311,000</u>
TOTAL	<u><u>\$ 2,991,280</u></u>	<u><u>\$ 2,991,280</u></u>

The purpose of significant transfers is as follows:

- \$311,000 transferred from the Water Fund to the General Fund to cover payment in lieu of taxes. This transfer will not be repaid.
- \$1,880,280 transferred from the General Fund to the Nonmajor Government Fund (Debt Service) to cover debt service payments. This transfer will not be repaid.
- \$800,000 transferred from the General Fund to the Nonmajor Government Fund (GEMT) for capital contributions for a fire truck purchase. This transfer will not be repaid.

C. Deficit Fund Balance/Net Position

The following funds reported a deficit net position as of the end of the fiscal year:

	<u>Deficit Balance</u>
Refuse Fund	\$ 185,829

9. CONTINGENT LIABILITIES

A. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

B. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. Sales Tax Sharing

The City has entered into intergovernmental agreements with DeKalb County (the County) and the City of Sycamore (the City) to share in the sales tax revenues generated from companies located within certain property developments through the fiscal year 2033 for the County and 2035 for the City. The total rebate expenditures incurred during the year ended December 31, 2022 was \$1,298,835 and the total rebate revenue earned during the year ended December 31, 2022 was \$131,898.

10. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for its eligible retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate report. The activity of the plan is reported in the City's governmental and business-type activities and the Library's governmental activities.

	City	Library	Total
Beginning OPEB			
Liability at January 1, 2022	\$ 34,388,623	\$ 352,780	\$ 34,741,403
Ending OPEB			
Liability at December 31, 2022	26,847,336	165,352	27,012,688

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

B. Benefits Provided

The City provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. All health care benefits are provided through the City's health insurance plan with IPBC. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan (pay-as-you-go) which results in an implicit subsidy to the City.

C. Membership

At December 31, 2022, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	147
Terminated Employees Entitled to Benefits but not yet Receiving Them	-
Active Employees	<u>199</u>
TOTAL	<u>346</u>
Participating Employers	<u><u>1</u></u>

D. Total OPEB Liability

The City's total OPEB liability of \$27,012,688 was measured as of December 31, 2022 and was determined by an actuarial valuation as of December 31, 2022.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2022, as determined by an actuarial valuation as of December 31, 2022, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial Cost Method	Entry-Age Normal
Actuarial Value of Assets	Not applicable
Inflation	2.50%
Discount Rate	4.31%
Healthcare Cost Trend Rates	7.25% Initial to 4.00% Ultimate

The discount rate was based on the December 31, 2022 S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices.

F. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2022	<u>\$ 34,741,403</u>
Changes for the Period	
Service Cost	669,635
Interest	777,724
Differences Between Expected and Actual Experience	52,709
Changes in Assumptions	(7,528,210)
Benefit Payments	<u>(1,700,573)</u>
Net Changes	<u>(7,728,715)</u>
BALANCES AT DECEMBER 31, 2022	<u>\$ 27,012,688</u>

Changes in assumptions reflect a change in the discount rate from 2.25% for the reporting period ended December 31, 2021, to 4.31% for the reporting period ended December 31, 2022. Also reflected as assumption changes are updated health care costs and premiums, updated health care cost trend rates, and updated retirement, termination, disability, and mortality rates.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

G. Rate Sensitivity

The following is a 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 total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.31%) or 1 percentage point higher (5.31%) than the current rate:

	1% Decrease (3.31%)	Current Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB Liability - City	\$ 29,617,431	\$ 26,847,336	\$ 24,479,007
Total OPEB Liability - Library	182,413	165,352	150,766
TOTAL	\$ 29,799,844	\$ 27,012,688	\$ 24,629,773

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.00% to 7.50% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.00% to 6.50%) or 1 percentage point higher (5.00% to 8.50%) than the current rate:

	1% Decrease (3.00% to 6.50%)	Current Healthcare Rate (4.00% to 7.50%)	1% Increase (5.00% to 8.50%)
Total OPEB Liability - City	\$ 24,227,694	\$ 26,847,336	\$ 29,942,579
Total OPEB Liability - Library	149,218	165,352	184,416
TOTAL	\$ 24,376,912	\$ 27,012,688	\$ 30,126,995

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

For the year ended December 31, 2022, the City recognized OPEB expense of \$1,387,072 and the Library recognized OPEB expense of \$17,892. At December 31, 2022, the City and Library reported combined deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 684,277	\$ -
Changes in Assumptions	3,834,619	7,811,913
TOTAL	\$ 4,518,896	\$ 7,811,913

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

Year Ending December 31,	City	Library	Total
2023	\$ (48,845)	\$ (300)	\$ (49,145)
2024	(48,845)	(301)	(49,146)
2025	214,862	1,323	216,185
2026	(1,267,250)	(7,805)	(1,275,055)
2027	(1,061,392)	(6,537)	(1,067,929)
Thereafter	(1,061,389)	(6,538)	(1,067,927)
TOTAL	\$ (3,272,859)	\$ (20,158)	\$ (3,293,017)
Share of Deferred Outflows	\$ 4,491,235	\$ 27,661	\$ 4,518,896
Share of Deferred Inflows	(7,764,094)	(47,819)	(7,811,913)
TOTAL	\$ (3,272,859)	\$ (20,158)	\$ (3,293,017)

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS

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

The table below is a summary for all City (primary government only) pension plans as of and for the year ended December 31, 2022:

	IMRF	Police Pension	Firefighters' Pension	Total
Net Pension Liability	\$ 6,659,629	\$ 47,156,282	\$ 59,916,274	\$ 113,732,185
Deferred Outflows of Resources	4,473,920	8,454,108	8,896,511	21,824,539
Deferred Inflows of Resources	-	195,012	93,720	288,732
Pension Expense	973,400	5,612,504	7,670,382	14,256,286

A. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police and Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

Plan Membership

At December 31, 2022, IMRF membership consisted of:

Inactive Employees or their Beneficiaries Currently Receiving Benefits	192
Inactive Employees Entitled to but not yet Receiving Benefits	106
Active Employees	102
TOTAL	400

11. DEFINED BENEFIT PENSION PLANS

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2022 was 12.29% of covered payroll.

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial Valuation Date	December 31, 2022
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.25%
Salary Increases	2.85% to 13.75%
Interest Rate	7.25%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Fair Value

For nondisabled 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.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2022 was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2022	\$ 65,506,911	\$ 71,411,086	\$ (5,904,175)
Changes for the Period			
Service Cost	594,937	-	594,937
Interest	4,628,293	-	4,628,293
Difference Between Expected and Actual Experience	441,647	-	441,647
Changes in Assumptions	-	-	-
Employer Contributions	-	882,163	(882,163)
Employee Contributions	-	324,945	(324,945)
Net Investment Income	-	(9,335,264)	9,335,264
Benefit Payments and Refunds	(3,931,697)	(3,931,697)	-
Other (Net Transfer)	-	54,000	(54,000)
Net Changes	1,733,180	(12,005,853)	13,739,033
BALANCES AT DECEMBER 31, 2022	\$ 67,240,091	\$ 59,405,233	\$ 7,834,858
	City	Library	Total
Beginning Net Pension Asset at January 1, 2022	\$ (5,077,591)	\$ (826,584)	\$ (5,904,175)
Employer Contributions	751,182	130,981	882,163
Ending Net Pension Liability at December 31, 2022	6,659,629	1,175,229	7,834,858

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2022, the City recognized pension expense of \$973,430 and the Library recognized pension expense of \$195,386.

At December 31, 2022, the City and Library combined deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 326,515	\$ -
Changes in Assumption	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,936,920	-
TOTAL	<u>\$ 5,263,435</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF allocated between the City and Library will be recognized in pension expense as follows:

Year Ending December 31,	City	Library	Total
2023	\$ (140,238)	\$ (24,650)	\$ (164,888)
2024	784,806	137,952	922,758
2025	1,379,863	242,551	1,622,414
2026	2,449,489	433,662	2,883,151
2027	-	-	-
Thereafter	-	-	-
TOTAL	<u>\$ 4,473,920</u>	<u>\$ 789,515</u>	<u>\$ 5,263,435</u>

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

	City	Library	Total
Share of Deferred Outflows	\$ 4,473,920	\$ 789,515	\$ 5,263,435
Share of Deferred Inflows	-	-	-
TOTAL	\$ 4,473,920	\$ 789,515	\$ 5,263,435

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) 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%)
Net Pension Liability - City	\$ 13,027,255	\$ 6,659,629	\$ 1,579,779
Net Pension Liability - Library	2,289,917	1,175,229	277,692
TOTAL	\$ 15,317,172	\$ 7,834,858	\$ 1,857,471

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Administration (Continued)

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Mayor, one member is elected by pension beneficiaries, and two members are elected by active police employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits, and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2022, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	65
Inactive Plan Members Entitled to but not yet Receiving Benefits	13
Active Plan Members	<u>63</u>
TOTAL	<u>141</u>

Benefits Provided

The Police 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, or for one year prior to the last day, whichever is greater. 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% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.50% of salary for each year of service. The monthly benefit 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% of the original pension, and 3% compounded annually thereafter.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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 greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or 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 is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% 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% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}\%$ 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.

Contributions

Employees are required by ILCS 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 and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The City has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2022, the City's contribution was 60.12% of covered payroll.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds, and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities, and real estate investment trusts. The investment policy was not modified during the year ended December 31, 2022.

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	3%	(0.20%)
Fixed Income	32%	
Aggregate Bonds		2.00%
Investment Grade Corporates		2.90%
Intermediate U.S. Treasuries		1.00%
High Yield		4.20%
Equities	65%	

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

Further, the policy diversifies in the following equity categories:

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic Equities	55%	
Large Caps		5.30%
Mid Caps		5.50%
Small Caps		5.40%
Commodities		0.50%
International Equities	5%	
Developed Foreign		7.20%
Emerging Markets		7.50%
Real Estate	5%	4.20%

ILCS limits the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The long-term expected real rates of return are net of a 2.60% factor for inflation and investment expense. The Fund has hired a fund manager to manage the fixed income portfolio and utilizes its consultant to assist with the equity investments.

The long-term expected rate of return on the Fund's investments was determined using the Asset Management and Trust Division of the investment management consultant's proprietary research and analytical tools in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are listed in the table above.

Investment Concentrations

At December 31, 2022, the Fund had no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (14.15%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance. Flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury Obligations	\$ 10,476,677	\$ 2,165,312	\$ 8,311,305	\$ -	\$ -
U.S. Agency Obligations	794,360	-	-	794,360	-
Corporate Bonds	987,680	987,680	-	-	-
TOTAL	\$ 12,258,717	\$ 3,153,052	\$ 8,311,305	\$ 794,360	\$ -

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Valuations

The Fund 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; and Level 3 inputs are significant unobservable inputs.

The Fund has the following recurring fair value measurements as of December 31, 2022: Mutual funds of \$28,492,160, are valued using quoted market prices (Level 1 inputs); U.S. Treasury obligations, U.S. agency obligations, and corporate bonds of \$12,258,717 are significant other observable inputs and are part of a limited secondary market (Level 2 inputs).

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government and corporate bonds in the top three investment classes by a national rating agency. The corporate bonds are rated A to AA, and the U.S. agencies and treasuries are rated AA+ by Standard and Poor's.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2022 was 7%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2022	\$ 87,434,571	\$ 51,035,619	\$ 36,398,952
Changes for the Period			
Service Cost	1,252,542	-	1,252,542
Interest	6,048,263	-	6,048,263
Difference Between Expected and Actual Experience	811,902	-	811,902
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Employer Contributions	-	3,707,827	(3,707,827)
Employee Contributions	-	864,492	(864,492)
Buy Back Contributions	-	-	-
Net Investment Income	-	(7,167,104)	7,167,104
Benefit Payments and Refunds	(4,566,720)	(4,566,720)	-
Administrative Expense	-	(49,838)	49,838
Net Changes	3,545,987	(7,211,343)	10,757,330
BALANCES AT DECEMBER 31, 2022	\$ 90,980,558	\$ 43,824,276	\$ 47,156,282

The funded status of the plan as of December 31, 2022 is 48.17%.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2022
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.50%
Interest Rate	7.00%
Cost of Living Adjustments	3.00% (Tier 1) 1.25% (Tier 2)
Asset Valuation Method	Fair Value

Mortality rates were based on the PubS-2010 Employee Mortality Table. There is no margin for future mortality improvement beyond the valuation date.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 7% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net Pension Liability	\$ 60,079,540	\$ 47,156,282	\$ 36,647,803

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2022, the City recognized pension expense of \$5,612,504. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,125,177	\$ -
Changes in Assumptions	1,107,432	195,012
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,221,499	-
TOTAL	<u>\$ 8,454,108</u>	<u>\$ 195,012</u>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

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

<u>Year Ending December 31,</u>	
2023	\$ 1,565,308
2024	1,979,665
2025	2,074,607
2026	2,407,544
2027	115,986
Thereafter	<u>115,986</u>
TOTAL	<u>\$ 8,259,096</u>

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Mayor, one member is elected by pension beneficiaries, and two members are elected by active firefighter employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2022, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	63
Inactive Plan Members Entitled to but not yet Receiving Benefits	7
Active Plan Members	<u>58</u>
TOTAL	<u><u>128</u></u>

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided

The following is a summary of benefits of the plan as provided for in ILCS:

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 at the date of retirement. 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% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit 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% of the original pension, and 3% 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 greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or 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 $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% 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% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}\%$ 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. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The City is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. The City has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2022, the City's contribution was 78.05% of covered payroll.

Illinois Firefighters' Pension Investment Fund

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, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory.

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions (Continued)

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires that any funds deposited directly in financial institutions should be made with fully federally insured financial institutions and that any deposits in excess of FDIC insurance should be collateralized at 110% of the fair market value of the deposits. The collateral will be held in a safekeeping by a third party and evidenced by a written agreement.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual comprehensive financial 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.

Fair Value Measurement

The plan categorizes 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; and Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at December 31, 2022.

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IFPIF was \$32,182,600 at December 31, 2022. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2022. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy

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 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.

Investment Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (13.42%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2022	\$ 90,187,255	\$ 39,404,025	\$ 50,783,230
Changes for the Period			
Service Cost	1,308,587	-	1,308,587
Interest	6,243,114	-	6,243,114
Difference Between Expected and Actual Experience	1,192,469	-	1,192,469
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Employer Contributions	-	4,415,632	(4,415,632)
Employee Contributions	-	536,307	(536,307)
Net Investment Income	-	(5,306,892)	5,306,892
Benefit Payments and Refunds	(4,616,997)	(4,616,997)	-
Administrative Expense	-	(33,921)	33,921
Net Changes	4,127,173	(5,005,871)	9,133,044
BALANCES AT DECEMBER 31, 2022	\$ 94,314,428	\$ 34,398,154	\$ 59,916,274

The funded status of the plan as of December 31, 2021 is 36.47%.

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2022
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.50%
Interest Rate	7.00%
Cost of Living Adjustments	3.00% (Tier 1) 1.25% (Tier 2)
Asset Valuation Method	Fair Value

Mortality rates were based on the PubS-2010 Employee Mortality Table. There is no margin for future mortality improvement beyond the valuation date.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 7% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net Pension Liability	\$ 73,030,059	\$ 59,916,274	\$ 49,201,288

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2022, the City recognized pension expense of \$7,670,382. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,181,259	\$ 93,720
Changes in Assumption	2,194,702	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,520,550	-
TOTAL	<u>\$ 8,896,511</u>	<u>\$ 93,720</u>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

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

<u>Year Ending December 31,</u>	
2023	\$ 2,262,955
2024	2,424,325
2025	1,737,320
2026	2,179,446
2027	198,745
Thereafter	-
TOTAL	<u>\$ 8,802,791</u>

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

B. Pension Fund Disclosures

Plan Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and Short-Term Investments	\$ 3,055,696	\$ 2,219,552	\$ 5,275,248
Investments			
Held in the Illinois Firefighters'			
Pension Investment Fund	-	32,182,600	32,182,600
U.S. Treasury Obligations	10,476,677	-	10,476,677
U.S. Agency Obligations	794,360	-	794,360
Corporate Bonds	987,680	-	987,680
Mutual Funds	28,492,160	-	28,492,160
Receivables			
Accrued Interest	34,610	-	34,610
Prepaid Expenses	3,146	250	3,396
Total Assets	43,844,329	34,402,402	78,246,731
LIABILITIES			
Accounts Payable	20,053	4,248	24,301
Total Liabilities	20,053	4,248	24,301
NET POSITION RESTRICTED FOR PENSIONS			
	<u>\$ 43,824,276</u>	<u>\$ 34,398,154</u>	<u>\$ 78,222,430</u>

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

B. Pension Fund Disclosures (Continued)

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 3,707,827	\$ 4,415,632	\$ 8,123,459
Employee	864,492	536,307	1,400,799
Total Contributions	4,572,319	4,951,939	9,524,258
Investment Income			
Net Depreciation in Fair Value of Investments	(8,293,712)	(5,513,400)	(13,807,112)
Interest	1,196,784	233,067	1,429,851
Total Investment Income	(7,096,928)	(5,280,333)	(12,377,261)
Less Investment Expense	(70,176)	(26,559)	(96,735)
Net Investment Income	(7,167,104)	(5,306,892)	(12,473,996)
Total Additions	(2,594,785)	(354,953)	(2,949,738)
DEDUCTIONS			
Administrative Expenses	49,838	33,921	83,759
Benefits and Refunds	4,566,720	4,616,997	9,183,717
Total Deductions	4,616,558	4,650,918	9,267,476
NET DECREASE	(7,211,343)	(5,005,871)	(12,217,214)
NET POSITION RESTRICTED FOR PENSIONS			
January 1	51,035,619	39,404,025	90,439,644
December 31	\$ 43,824,276	\$ 34,398,154	\$ 78,222,430

12. DISCRETELY PRESENTED COMPONENT UNIT - DEKALB PUBLIC LIBRARY

A. Financial Information

No separate financial statements are available for the DeKalb Public Library (the Library).

B. Deposits and Investments

Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral in excess of federal depository insurance with collateral held by the Library's agent in the Library's name.

Library Investments

The following table presents the investments and maturities of the Library's debt securities as of December 31, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
Negotiable Certificates of Deposit	\$ 791,881	\$ 791,881	\$ -	\$ -	\$ -
TOTAL	\$ 791,881	\$ 791,881	\$ -	\$ -	\$ -

The Library 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; and Level 3 inputs are significant unobservable inputs.

The Library has the following recurring fair value measurements as of December 31, 2022: negotiable certificates of deposit of \$791,881 are significant other observable inputs and are part of a limited secondary market (Level 2 inputs).

12. DISCRETELY PRESENTED COMPONENT UNIT - DEKALB PUBLIC LIBRARY
(Continued)

B. Deposits and Investments (Continued)

Library Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. The Library limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter term securities. Unless matched to a specific cash flow, the Library does not directly invest in securities maturing more than three years from the date of purchase.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in negotiable certificates of deposit. The negotiable certificates of deposit are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Library's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Library's agent in the Library's name, separate from where the investment was purchased.

Concentration of credit risk is the risk that the Library has a high percentage of their investments invested in one type of investment. The Library attempts to diversify its investments appropriate to the nature of the funds, purpose for the funds, and the amount available to invest.

C. Receivables

Property taxes for 2021 are levied in December 2021 and attach as an enforceable lien on the property on January 1, 2021. Tax bills are prepared by the County and issued on or about May 1, 2022 and August 1, 2022, and are due and collectible on or about June 1, 2022 and September 1, 2022. The County collects the taxes and remits them periodically to the Library. Those 2021 taxes were intended to finance the year ended December 31, 2022. The 2022 levy, which attached as a lien on property as January 1, 2022, is intended to finance the 2023 fiscal year and is not considered available or earned for current operations and are, therefore, reported as deferred/unavailable revenue.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DISCRETELY PRESENTED COMPONENT UNIT - DEKALB PUBLIC LIBRARY
(Continued)

D. Capital Assets

The following is a summary of the capital asset activity for the year ended December 31, 2022:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated				
Land	\$ 1,558,032	\$ -	\$ -	\$ 1,558,032
Total Capital Assets not Being Depreciated	1,558,032	-	-	1,558,032
Capital Assets Being Depreciated				
Buildings and Improvements	24,496,293	-	-	24,496,293
Equipment and Furniture	227,010	-	-	227,010
Total Capital Assets Being Depreciated	24,723,303	-	-	24,723,303
Less Accumulated Depreciation for				
Buildings and Improvements	3,106,291	604,449	-	3,710,740
Equipment and Furniture	224,572	2,171	-	226,743
Total Accumulated Depreciation	3,330,863	606,620	-	3,937,483
Total Capital Assets Being Depreciated, Net	21,392,440	(606,620)	-	20,785,820
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 22,950,472	\$ (606,620)	\$ -	\$ 22,343,852

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
Culture and Recreation	<u>\$ 606,620</u>
TOTAL DEPRECIATION EXPENSE -	
GOVERNMENTAL ACTIVITIES	<u><u>\$ 606,620</u></u>

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DISCRETELY PRESENTED COMPONENT UNIT - DEKALB PUBLIC LIBRARY
(Continued)

E. Long-Term Debt

General Obligation Bonds

The City issues general obligation bonds on behalf of the Library to provide funds for the acquisition and construction of major capital facilities. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances January 1	Issuances	Retirements Refundings	Balances December 31	Current Portion
\$6,685,000 2013A Series General Obligation Bonds, dated June 18, 2013, due in annual installments of \$265,000 to \$470,000, plus interest of 3% to 4% through January 1, 2033	Library General	\$ 4,670,000	\$ -	\$ 3,990,000	\$ 680,000	\$ 335,000
\$3,775,000 2022 Series General Obligation Refunding Bonds, dated October 4, 2022, due in annual installments of \$15,000 to \$460,000, plus interest 2.85% through January 1, 2033	Library General	-	3,775,000	-	3,775,000	40,000
TOTAL		\$ 4,670,000	\$ 3,775,000	\$ 3,990,000	\$ 4,455,000	\$ 375,000

Debt Service Requirements to Maturity

Year Ending December 31,	General Obligation Bonds	
	Principal	Interest
2023	\$ 375,000	\$ 94,599
2024	360,000	111,409
2025	370,000	100,748
2026	380,000	90,060
2027	390,000	79,088
2028	400,000	67,830
2029	415,000	56,216
2030	425,000	44,246
2031	435,000	31,991
2032	445,000	19,451
2033	460,000	6,555
TOTAL	\$ 4,455,000	\$ 702,193

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DISCRETELY PRESENTED COMPONENT UNIT - DEKALB PUBLIC LIBRARY
(Continued)

E. Long-Term Debt (Continued)

Changes in Long-Term Liabilities

During the year ended December 31, 2022, the following changes occurred in long-term liabilities for Library:

	Balances January 1	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General Obligation Bonds Payable	\$ 4,670,000	\$ 3,775,000	\$ 3,990,000	\$ 4,455,000	\$ 375,000
Compensated Absences Payable	43,219	7,038	8,644	41,613	8,323
Net Pension Liability - IMRF	-	1,175,229	-	1,175,229	-
Total OPEB Liability	352,780	-	187,428	165,352	35,762
TOTAL GOVERNMENTAL ACTIVITIES	\$ 5,065,999	\$ 4,957,267	\$ 4,186,072	\$ 5,837,194	\$ 419,085

The compensated absences, net pension liability, and the total other postemployment benefit liability are generally liquidated by the Library General Fund.

Current Refunding

On October 4, 2022, the Library issued \$3,775,000 of the Series 2022 General Obligation Refunding Bonds to currently refund \$3,665,000 of the Series 2013A General Obligation Bonds. The refunded bonds were paid from escrow on October 4, 2022. As a result of the refunding, the Library achieved cash flow savings of \$173,410 and an economic gain on the refunding of \$154,851.

13. TAX ABATEMENTS

The City rebates property taxes to recruit, retain, or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

For the year ended December 31, 2022, the City rebated 50% of the City portion of the property tax levy for the 3M distribution center located at 1650 Macom Drive. This is the fifth year of the five-year abatement. The abatement for the year amounted to \$71,285.

14. CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year ended December 31, 2022, the City implemented GASB Statement No. 87, *Leases*. With the implementation, the City is required to record the beginning net position/fund balance of lease receivable, intangible capital assets, lease liabilities, and lease deferred inflows of resources.

The beginning net position/fund balance of the following opinion units have been restated to reflect the new guidance as follows:

GOVERNMENTAL ACTIVITIES

The City recorded the lease receivable and lease deferred inflows of resources of \$3,182,184. Additionally, the City recorded intangible right-to-use assets and the associated lease liabilities associated with the new accounting pronouncement. A change in accounting principle adjustment of \$(16,675) was recorded to restate the financial statements in accordance with the new accounting requirements of GASB Statement No. 87, *Leases*.

BUSINESS-TYPE ACTIVITIES

The City recorded the lease receivable and lease deferred inflows of resources of \$2,518,632. Additionally, the City recorded intangible right-to-use assets and the associated lease liabilities associated with the new accounting pronouncement. A change in accounting principle adjustment of \$(4,820) was recorded to restate the financial statements in accordance with the new accounting requirements of GASB Statement No. 87, *Leases*.

CAPITAL EQUIPMENT REPLACEMENT FUND (NONMAJOR FUNDS)

The City recorded the lease receivable and lease deferred inflows of resources of \$3,182,184.

WATER FUND

The City recorded intangible right-to-use assets and the associated lease liabilities associated with the new accounting pronouncement. A change in accounting principle adjustment of \$(4,820) was recorded to restate the financial statements in accordance with the new accounting requirements of GASB Statement No. 87, *Leases*.

AIRPORT FUND

The City recorded the lease receivable and lease deferred inflows of resources of \$2,518,632.

15. PRIOR PERIOD ADJUSTMENT

GOVERNMENTAL ACTIVITIES

The City recorded a prior period adjustment of \$607,966 to dispose construction-in-progress capitalized in the prior year that relates to assets not owned by the City. In addition, the City recorded a prior period adjustment of \$53,827 to capitalize a vehicle purchased in prior years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DEKALB, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Nine Fiscal Years

FISCAL YEAR ENDED	JUNE 30,		DECEMBER 31,						
	2015	2016	2016*	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 1,234,927	\$ 1,106,410	\$ 610,585	\$ 1,120,679	\$ 1,068,890	\$ 807,655	\$ 1,005,799	\$ 967,775	\$ 882,163
Contribution in Relation to the Actuarially Determined Contribution	1,234,927	1,106,410	610,585	1,120,679	1,068,890	807,655	1,005,799	967,775	882,163
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,138,945	\$ 6,850,602	\$ 3,739,039	\$ 7,312,033	\$ 7,266,420	\$ 6,624,393	\$ 6,754,870	\$ 6,519,079	\$ 7,177,893
Contributions as a Percentage of Covered Payroll	20.12%	16.15%	16.33%	15.33%	14.71%	12.19%	14.89%	14.85%	12.29%

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 21 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually, and postretirement benefit increases of 2.75% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED	JUNE 30,					DECEMBER 31,				
	2014	2015	2016	2016*	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 1,379,234	\$ 1,627,268	\$ 1,730,712	\$ 1,080,991	\$ 2,502,904	\$ 2,680,967	\$ 3,079,438	\$ 3,446,287	\$ 3,614,881	\$ 3,707,827
Contribution in Relation to the Actuarially Determined Contribution	1,352,291	1,448,949	1,622,105	2,085,233	2,485,107	2,989,632	3,079,439	3,442,572	3,614,881	3,707,827
CONTRIBUTION DEFICIENCY (Excess)	\$ 26,943	\$ 178,319	\$ 108,607	\$ (1,004,242)	\$ 17,797	\$ (308,665)	\$ (1)	\$ 3,715	\$ -	\$ -
Covered Payroll	\$ 5,215,818	\$ 5,565,214	\$ 5,638,291	\$ 5,417,619	\$ 5,831,117	\$ 5,937,493	\$ 5,626,249	\$ 5,675,658	\$ 5,881,886	\$ 6,167,553
Contributions as a Percentage of Covered Payroll	25.93%	26.04%	28.77%	38.49%	42.62%	50.35%	54.73%	60.66%	61.46%	60.12%

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of December 31 of two years prior. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 18 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return of 7.00% annually and projected salary increase assumption of 3.50%.

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED	JUNE 30,				DECEMBER 31,					
	2014	2015	2016	2016*	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 2,078,061	\$ 2,250,772	\$ 2,373,253	\$ 1,312,560	\$ 2,990,000	\$ 3,183,910	\$ 3,503,332	\$ 3,951,651	\$ 4,282,230	\$ 4,415,632
Contribution in Relation to the Actuarially Determined Contribution	2,037,490	2,024,522	2,158,166	2,512,630	2,968,723	3,466,072	3,503,332	3,951,651	4,282,230	4,415,632
CONTRIBUTION DEFICIENCY (Excess)	\$ 40,571	\$ 226,250	\$ 215,087	\$ (1,200,070)	\$ 21,277	\$ (282,162)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 4,649,060	\$ 4,846,412	\$ 4,941,381	\$ 4,895,248	\$ 5,102,831	\$ 5,080,355	\$ 4,998,383	\$ 4,989,244	\$ 5,101,968	\$ 5,657,438
Contributions as a Percentage of Covered Payroll	43.83%	41.77%	43.68%	51.33%	58.18%	68.22%	70.09%	79.20%	83.93%	78.05%

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of December 31 of two years prior. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 18 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return of 7% annually and projected salary increase assumption of 3.50%.

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Nine Calendar Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017
TOTAL PENSION LIABILITY				
Service Cost	\$ 708,539	\$ 681,650	\$ 744,857	\$ 759,129
Interest	3,499,944	3,822,530	4,008,711	4,124,175
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	940,811	459,522	(502,701)	(135,610)
Changes of Assumptions	1,655,050	66,340	(267,155)	(1,715,186)
Benefit Payments, Including Refunds of Member Contributions	(2,279,953)	(2,414,792)	(2,579,844)	(2,896,009)
Net Change in Total Pension Liability	4,524,391	2,615,250	1,403,868	136,499
Total Pension Liability - Beginning	47,513,928	52,038,319	54,653,569	56,057,437
TOTAL PENSION LIABILITY - ENDING	\$ 52,038,319	\$ 54,653,569	\$ 56,057,437	\$ 56,193,936
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 1,417,780	\$ 1,122,559	\$ 1,190,069	\$ 1,120,679
Contributions - Member	292,711	351,553	332,849	331,025
Net Investment Income	2,586,081	223,883	3,018,640	8,294,534
Benefit Payments, Including Refunds of Member Contributions	(2,279,953)	(2,414,792)	(2,579,844)	(2,896,009)
Administrative Expense	550,760	162,122	(9,392)	(651,218)
Net Change in Plan Fiduciary Net Position	2,567,379	(554,675)	1,952,322	6,199,011
Plan Net Fiduciary Position - Beginning	42,679,497	45,246,876	44,692,201	46,644,523
PLAN NET FIDUCIARY POSITION - ENDING	\$ 45,246,876	\$ 44,692,201	\$ 46,644,523	\$ 52,843,534
EMPLOYER'S NET PENSION LIABILITY(ASSET)	\$ 6,791,443	\$ 9,961,368	\$ 9,412,914	\$ 3,350,402
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.90%	81.80%	83.20%	94.00%
Covered Payroll	\$ 6,138,945	\$ 6,850,602	\$ 7,288,918	\$ 7,312,033
Employer's Net Pension Liability (Asset) as a Percentage of Covered Payroll	110.60%	145.40%	129.10%	45.80%

2014 - Changes in assumptions related to the investment rate of return, retirement age, and mortality rates.

2015 - Changes in assumptions related to retirement age and mortality rates.

2016 - Changes in assumption related to the discount rate.

2017 - Changes in assumption related to the mortality rate.

2018 - Changes in assumption related to the investment rate of return.

2020 - Changes in assumptions related to salary rates, price inflation, retirement age, and mortality rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

2018	2019	2020	2021	2022
\$ 697,252	\$ 681,980	\$ 636,181	\$ 599,081	\$ 594,937
4,123,636	4,268,558	4,365,817	4,518,271	4,628,293
-	-	-	-	-
649,797	(247,821)	1,165,144	208,751	441,647
1,620,019	-	(494,343)	-	-
(3,121,485)	(3,254,979)	(3,421,634)	(3,681,250)	(3,931,697)
3,969,219	1,447,738	2,251,165	1,644,853	1,733,180
56,193,936	60,163,155	61,610,893	63,862,058	65,506,911
\$ 60,163,155	\$ 61,610,893	\$ 63,862,058	\$ 65,506,911	\$ 67,240,091
\$ 1,068,890	\$ 807,655	\$ 1,005,799	\$ 967,775	\$ 882,163
328,546	352,798	305,562	293,359	324,945
(2,996,024)	9,422,576	8,135,774	10,791,115	(9,335,264)
(3,121,485)	(3,254,979)	(3,421,634)	(3,681,250)	(3,931,697)
1,373,440	39,616	280,887	(130,868)	54,000
(3,346,633)	7,367,666	6,306,388	8,240,131	(12,005,853)
52,843,534	49,496,901	56,864,567	63,170,955	71,411,086
\$ 49,496,901	\$ 56,864,567	\$ 63,170,955	\$ 71,411,086	\$ 59,405,233
\$ 10,666,254	\$ 4,746,326	\$ 691,103	\$ (5,904,175)	\$ 7,834,858
82.30%	92.30%	98.90%	109.00%	88.30%
\$ 7,266,420	\$ 6,624,393	\$ 6,754,870	\$ 6,519,079	\$ 7,164,055
146.80%	71.60%	10.20%	(90.60%)	109.40%

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Ten Fiscal Years

MEASUREMENT DATE	JUNE 30, 2014	JUNE 30, 2015	JUNE 30, 2016	DECEMBER 31, 2016**
TOTAL PENSION LIABILITY				
Service Cost	\$ 983,478	\$ 994,063	\$ 1,138,556	\$ 581,851
Interest	3,601,542	3,816,916	4,396,163	2,278,348
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	654,735	546,806	(981,619)	(30,834)
Changes of Assumptions*	-	3,756,869	-	2,685,767
Contributions - Buy Back	-	-	157,490	11,240
Benefit Payments, Including Refunds of Member Contributions	(2,255,726)	(2,480,487)	(2,579,348)	(1,447,549)
Net Change in Total Pension Liability	2,984,029	6,634,167	2,131,242	4,078,823
Total Pension Liability - Beginning	49,148,427	52,132,456	58,766,623	60,897,865
TOTAL PENSION LIABILITY - ENDING	<u>\$ 52,132,456</u>	<u>\$ 58,766,623</u>	<u>\$ 60,897,865</u>	<u>\$ 64,976,688</u>
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 1,352,291	\$ 1,448,949	\$ 1,622,105	\$ 2,085,233
Contributions - Member	632,775	711,771	570,363	282,997
Contributions - Buy Back	-	-	157,490	11,240
Net Investment Income	3,240,785	312,398	17,314	1,516,374
Benefit Payments, Including Refunds of Member Contributions	(2,255,726)	(2,480,487)	(2,579,348)	(1,447,549)
Administrative Expense	(39,544)	(44,531)	(44,990)	(21,998)
Net Change in Plan Fiduciary Net Position	2,930,581	(51,900)	(257,066)	2,426,297
Plan Net Fiduciary Position - Beginning	26,078,320	29,008,901	28,957,001	28,699,935
PLAN NET FIDUCIARY POSITION - ENDING	<u>\$ 29,008,901</u>	<u>\$ 28,957,001</u>	<u>\$ 28,699,935</u>	<u>\$ 31,126,232</u>
EMPLOYER'S NET PENSION LIABILITY	<u>\$ 23,123,555</u>	<u>\$ 29,809,622</u>	<u>\$ 32,197,930</u>	<u>\$ 33,850,456</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	55.60%	49.30%	47.10%	47.90%
Covered Payroll	\$ 5,215,818	\$ 5,565,214	\$ 5,638,291	\$ 5,417,619
Employer's Net Pension Liability as a Percentage of Covered Payroll	443.30%	535.60%	571.10%	624.80%

*The December 31, 2016 valuation had changes in the mortality rates. The December 31, 2017 valuation had changes to the investment rate of return (from 7.50% to 7.00%) and changes related to salary increases, retirement, disability, termination rates, and changes to the percentage of active deaths and disabilities occurring in the line of duty. The December 31, 2018 valuation had changes to mortality rates. The December 31, 2021 valuation had changes to mortality and salary increase rates.

**The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

DECEMBER 31, DECEMBER 31, DECEMBER 31, DECEMBER 31, DECEMBER 31, DECEMBER 31,					
2017	2018	2019	2020	2021	2022
\$ 1,128,282	\$ 1,277,570	\$ 1,317,747	\$ 1,262,298	\$ 1,194,485	\$ 1,252,542
4,836,434	4,929,583	5,311,220	5,547,727	5,809,481	6,048,263
-	-	289,014	-	-	-
295,761	171,947	216,761	989,646	1,156,203	811,902
2,817,069	2,467,482	-	-	(292,516)	-
-	-	-	175,320	-	-
(3,238,369)	(3,341,647)	(3,527,953)	(3,873,301)	(4,462,361)	(4,566,720)
5,839,177	5,504,935	3,606,789	4,101,690	3,405,292	3,545,987
64,976,688	70,815,865	76,320,800	79,927,589	84,029,279	87,434,571
\$ 70,815,865	\$ 76,320,800	\$ 79,927,589	\$ 84,029,279	\$ 87,434,571	\$ 90,980,558
\$ 2,485,107	\$ 2,989,632	\$ 3,079,439	\$ 3,442,572	\$ 3,614,881	\$ 3,707,827
579,016	653,454	579,091	587,004	564,388	864,492
-	-	-	175,320	-	-
4,291,762	(2,080,446)	6,634,742	5,356,263	5,676,568	(7,167,104)
(3,238,369)	(3,341,647)	(3,527,953)	(3,873,301)	(4,462,361)	(4,566,720)
(37,520)	(48,498)	(44,897)	(83,805)	(61,055)	(49,838)
4,079,996	(1,827,505)	6,720,422	5,604,053	5,332,421	(7,211,343)
31,126,232	35,206,228	33,378,723	40,099,145	45,703,198	51,035,619
\$ 35,206,228	\$ 33,378,723	\$ 40,099,145	\$ 45,703,198	\$ 51,035,619	\$ 43,824,276
\$ 35,609,637	\$ 42,942,077	\$ 39,828,444	\$ 38,326,081	\$ 36,398,952	\$ 47,156,282
49.70%	43.70%	50.20%	54.40%	58.40%	48.20%
\$ 5,831,117	\$ 5,937,493	\$ 5,626,249	\$ 5,675,658	\$ 5,881,886	\$ 6,167,553
610.70%	723.20%	707.90%	675.30%	618.80%	764.60%

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND**

Last Ten Fiscal Years

MEASUREMENT DATE	JUNE 30, 2014	JUNE 30, 2015	JUNE 30, 2016	DECEMBER 31, 2016**
TOTAL PENSION LIABILITY				
Service Cost	\$ 1,033,286	\$ 1,077,550	\$ 1,103,489	\$ 560,373
Interest	3,857,132	4,102,276	4,495,233	2,345,602
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	1,330,700	(477,382)	(102,841)	26,697
Changes of Assumptions*	-	2,460,941	-	2,745,788
Contributions - Buy Back	-	-	-	80,812
Benefit Payments, Including Refunds of Member Contributions	(2,922,598)	(2,982,470)	(3,072,413)	(1,607,243)
Net Change in Total Pension Liability	3,298,520	4,180,915	2,423,468	4,152,029
Total pension liability - beginning	52,889,722	56,188,242	60,369,157	62,792,625
TOTAL PENSION LIABILITY - ENDING	\$ 56,188,242	\$ 60,369,157	\$ 62,792,625	\$ 66,944,654
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 2,037,490	\$ 2,024,522	\$ 2,158,156	\$ 2,512,630
Contributions - Member	420,534	466,475	477,022	257,245
Contributions - Buy Back	-	-	-	80,812
Net Investment Income	3,075,655	126,661	(403,920)	1,447,151
Benefit Payments, Including Refunds of Member Contributions	(2,922,598)	(2,982,470)	(3,072,413)	(1,607,243)
Administrative Expense	(34,562)	(43,547)	(41,613)	(17,540)
Net Change in Plan Fiduciary Net Position	2,576,519	(408,359)	(882,768)	2,673,055
Plan Net Fiduciary Position - Beginning	22,186,069	24,762,588	24,354,229	23,471,461
PLAN NET FIDUCIARY POSITION - ENDING	\$ 24,762,588	\$ 24,354,229	\$ 23,471,461	\$ 26,144,516
EMPLOYER'S NET PENSION LIABILITY	\$ 31,425,654	\$ 36,014,928	\$ 39,321,164	\$ 40,800,138
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	44.10%	40.30%	37.40%	39.10%
Covered Payroll	\$ 4,649,060	\$ 4,846,412	\$ 4,941,381	\$ 4,895,248
Employer's Net Pension Liability as a Percentage of Covered Payroll	676.00%	743.10%	795.80%	833.50%

*The December 31, 2016 valuation had changes in the mortality rates. The December 31, 2017 valuation had changes in the interest rate assumption (from 7.50% to 7.00%) and changes related to salary increases, retirement, disability, termination rates, and changes to the percentage of active deaths and disablements occurring in the line of duty. The December 31, 2018 valuation had changes to mortality rates. The December 31, 2021 valuation had changes to mortality rates and salary increase rates.

**The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

DECEMBER 31, DECEMBER 31, DECEMBER 31, DECEMBER 31, DECEMBER 31, DECEMBER 31,					
2017	2018	2019	2020	2021	2022
\$ 1,122,905	\$ 1,205,485	\$ 1,242,933	\$ 1,271,382	\$ 1,221,246	\$ 1,308,587
4,976,209	4,988,105	5,400,159	5,687,444	5,898,216	6,243,114
-	-	334,620	-	-	-
(656,039)	404,229	1,121,118	345,203	788,595	1,192,469
2,872,839	2,967,274	-	-	1,404,753	-
-	-	-	-	-	-
(3,436,210)	(3,542,390)	(3,889,742)	(4,156,663)	(4,329,070)	(4,616,997)
4,879,704	6,022,703	4,209,088	3,147,366	4,983,740	4,127,173
66,944,654	71,824,358	77,847,061	82,056,149	85,203,515	90,187,255
\$ 71,824,358	\$ 77,847,061	\$ 82,056,149	\$ 85,203,515	\$ 90,187,255	\$ 94,314,428
\$ 2,968,723	\$ 3,466,072	\$ 3,503,332	\$ 3,951,651	\$ 4,282,230	\$ 4,415,632
521,427	496,108	533,079	496,359	522,552	536,307
-	-	-	-	-	-
3,139,804	(2,414,863)	4,302,793	2,134,057	4,898,542	(5,306,892)
(3,436,210)	(3,542,390)	(3,889,742)	(4,156,663)	(4,329,070)	(4,616,997)
(32,382)	(43,134)	(38,784)	(30,916)	(43,066)	(33,921)
3,161,362	(2,038,207)	4,410,678	2,394,488	5,331,188	(5,005,871)
26,144,516	29,305,878	27,267,671	31,678,349	34,072,837	39,404,025
\$ 29,305,878	\$ 27,267,671	\$ 31,678,349	\$ 34,072,837	\$ 39,404,025	\$ 34,398,154
\$ 42,518,480	\$ 50,579,390	\$ 50,377,800	\$ 51,130,678	\$ 50,783,230	\$ 59,916,274
40.80%	35.00%	38.60%	40.00%	43.70%	36.50%
\$ 5,102,831	\$ 5,080,355	\$ 4,998,383	\$ 4,989,244	\$ 5,101,968	\$ 5,657,438
833.20%	995.60%	1,007.90%	1,024.80%	995.40%	1,059.10%

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED	2014	2015	2016	2016*	2017	2018	2019	2020	2021	2022
Annual Money-Weighted Rate of Return, Net of Investment Expense	12.36%	1.05%	(0.90%)	5.12%	14.21%	(5.92%)	19.93%	13.52%	12.66%	(14.15%)

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS
SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED	2014	2015	2016	2016*	2017	2018	2019	2020	2021	2022
Annual Money-Weighted Rate of Return, Net of Investment Expense	13.67%	0.73%	(1.53%)	5.93%	12.26%	(8.28%)	16.36%	6.90%	14.65%	(13.42%)

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020	2021	2022
TOTAL OPEB LIABILITY					
Service Cost	\$ 508,510	\$ 466,510	\$ 584,393	\$ 669,579	\$ 659,160
Interest	953,407	1,067,735	934,315	689,219	769,950
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	-	-	1,315,748	-	197,400
Changes of Assumptions	(1,838,730)	2,326,993	5,613,968	(1,233,393)	(7,502,986)
Benefit Payments, including Refunds of Member Contributions	(1,203,019)	(1,308,239)	(1,412,898)	(1,548,661)	(1,664,811)
Net Change in Total OPEB Liability	(1,579,832)	2,552,999	7,035,526	(1,423,256)	(7,541,287)
Total OPEB Liability - Beginning	27,803,186	26,223,354	28,776,353	35,811,879	34,388,623
TOTAL OPEB LIABILITY - ENDING	\$ 26,223,354	\$ 28,776,353	\$ 35,811,879	\$ 34,388,623	\$ 26,847,336
Covered Employee Payroll	\$ 16,439,764	\$ 17,291,344	\$ 15,829,785	\$ 16,649,768	\$ 17,723,004
Employer's Total OPEB Liability as a Percentage of Covered Employee Payroll	159.51%	166.42%	226.23%	206.54%	151.48%

Note: This schedule reflects information for the primary government (City of DeKalb) only.

2022: Changes in assumptions reflect a change in the discount rate from 2.25% for the reporting period ended December 31, 2021, to 4.31% for the reporting period ended December 31, 2022. Also reflected as assumption changes are updated health care costs and premiums, updated health care cost trend rates, and updated retirement, termination, disability and mortality rates.

2021: Changes in assumptions reflect a change in the discount rate from 1.93% for the reporting period ended December 2020, to 2.25% for the reporting period ended December 31, 2021.

2020: Changes in assumptions reflect a change in the discount rate from 3.26% for the reporting period ended December 31, 2019, to 1.93% for the reporting period ended December 31, 2020. Also reflected as assumption changes are updated health care costs and premiums, updated health care cost trend rates, and updated mortality tables.

2018, 2019: Changes in assumptions related to the discount rate were made since the prior measurement date.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 20,492,390	\$ 21,492,390	\$ 22,218,360
Licenses and Permits	836,986	836,986	874,445
Intergovernmental	13,243,404	13,252,384	18,344,390
Charges for Services	4,171,712	4,600,562	4,082,062
Fines and Forfeitures	484,332	484,332	450,437
Investment Income	75,000	75,000	304,073
Miscellaneous	549,980	121,130	191,509
Total Revenues	39,853,804	40,862,784	46,465,276
EXPENDITURES			
General Government	5,488,293	6,488,293	6,019,535
Public Safety	26,674,427	27,963,549	28,126,224
Highways and Streets	3,206,768	3,206,768	3,024,190
Community Development	1,322,545	1,322,545	1,238,092
Debt Service	-	-	27,616
Total Expenditures	36,692,033	38,981,155	38,435,657
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,161,771	1,881,629	8,029,619
OTHER FINANCING SOURCES (USES)			
Proceeds on Sale of Capital Assets	5,000	5,000	1,063
Lease Issuance	-	-	30,208
Transfers In	2,999,851	2,999,851	311,000
Transfers (Out)	(3,958,422)	(2,680,280)	(2,680,280)
Total Other Financing Sources (Uses)	(953,571)	324,571	(2,338,009)
NET CHANGE IN FUND BALANCE	<u>\$ 2,208,200</u>	<u>\$ 2,206,200</u>	5,691,610
FUND BALANCE, JANUARY 1			19,625,868
FUND BALANCE, DECEMBER 31			<u>\$ 25,317,478</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MASS TRANSIT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Federal Grants	\$ 8,150,000	\$ 8,150,000	\$ 6,595,404
Integrated Transit Services	2,065,055	2,065,055	2,065,053
Interest Income	1,500	1,500	23,689
Miscellaneous	58,000	58,000	74,933
Total Revenues	10,274,555	10,274,555	8,759,079
EXPENDITURES			
General Government			
Personal Services	263,954	263,954	258,766
Commodities	40,144	40,144	39,887
Contractual Services	8,436,595	8,436,595	8,078,492
Capital Outlay	1,438,000	1,438,000	-
Total Expenditures	10,178,693	10,178,693	8,377,145
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	95,862	95,862	381,934
OTHER FINANCING SOURCES (USES)			
Proceeds on Sale of Capital Assets	7,500	7,500	-
Total Other Financing Sources (Uses)	7,500	7,500	-
NET CHANGE IN FUND BALANCE			
	\$ 103,362	\$ 103,362	381,934
FUND BALANCE, JANUARY 1			
			2,485,449
FUND BALANCE, DECEMBER 31			
			\$ 2,867,383

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AMERICAN RESCUE PLAN ACT GRANT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	\$ 5,211,477	\$ 5,211,477	\$ 950,528
Charges for Services			
Rental Income	-	-	2,900
Interest Income	20,000	20,000	56,430
Total Revenues	5,231,477	5,231,477	1,009,858
EXPENDITURES			
General Government			
Contractual Services	305,000	305,000	462,546
Capital Outlay	-	1,000,000	490,882
Total Expenditures	305,000	1,305,000	953,428
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,926,477	3,926,477	56,430
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(2,837,285)	(1,837,285)	-
Total Other Financing Sources (Uses)	(2,837,285)	(1,837,285)	-
NET CHANGE IN FUND BALANCE	<u>\$ 2,089,192</u>	<u>\$ 2,089,192</u>	56,430
FUND BALANCE, JANUARY 1			<u>113</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 56,543</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2022

BUDGETS

Annual budgets are adopted for all governmental (except for Tax Increment Financing #1 Fund) and proprietary funds. Budgets are adopted on a basis consistent with GAAP. All annual appropriations lapse at fiscal year end. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental and proprietary funds. All outstanding encumbrances lapse at year end and do not carry forward into the subsequent fiscal year unless they are re-appropriated.

All departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. The budget is prepared by fund, department and division, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget may be amended by the governing body.

The budget officer can transfer amounts between departments within a fund; however, transfers between funds must be approved by the City Council. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, there were several budget transfers and amendments.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund accounts for all financial resources except those accounted for in another fund.

SPECIAL REVENUE FUNDS

The Mass Transit Fund is used to account for the two community mass transit services: Northern Illinois University Huskies Line and Voluntary Action Center's Trans Vac Service.

The American Rescue Plan Act Grant Fund is used to account for grant funds received from the U.S. Treasury in response to the COVID-19 pandemic.

CAPITAL PROJECT FUND

The Capital Projects Fund is used to account for the City's general infrastructure improvements including street (re)construction, storm water management, public buildings, street lighting, sidewalk repairs, as well as the purchase of vehicles and equipment.

CITY OF DEKALB, ILLINOIS**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property	\$ 6,845,317	\$ 6,845,317	\$ 6,756,139
Home Rule Sales	7,063,950	8,063,950	8,592,479
Utilities	3,181,130	3,181,130	2,904,660
Franchise	445,942	445,942	399,807
Restaurant/Bar	1,953,382	1,953,382	2,333,899
Miscellaneous	1,002,669	1,002,669	1,231,376
Total Taxes	20,492,390	21,492,390	22,218,360
Licenses and Permits			
Licenses			
Amusement	3,975	3,975	4,275
Fire/Life Safety	15,000	15,000	15,600
Liquor	292,500	292,500	310,506
Rooming House	11,300	11,300	9,540
Other	52,000	52,000	50,106
Permits			
Building and Electrical	435,211	435,211	448,783
Other	27,000	27,000	35,635
Total Licenses and Permits	836,986	836,986	874,445
Intergovernmental			
State Sales	5,824,413	5,824,413	6,626,891
Income	5,109,569	5,109,569	6,565,145
Local Use	1,585,642	1,585,642	1,632,879
Replacement	337,109	337,109	559,267
Grants	123,671	132,651	2,946,647
TIF Property Tax Surplus	263,000	263,000	13,561
Total Intergovernmental	13,243,404	13,252,384	18,344,390

(This schedule is continued on the following page.)

CITY OF DEKALB, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES (Continued)			
Charges for Services			
Fire Services	\$ 1,130,616	\$ 1,130,616	\$ 1,109,418
Ambulance Fees	2,659,587	2,659,587	1,926,575
Police Services	21,443	450,293	605,669
Zoning Fees	7,462	7,462	8,200
Inspection Fees	4,542	4,542	24,505
Administration Fees	148,266	148,266	169,004
Fuel Sales	22,157	22,157	30,807
Rental Crime Free Registration	136,861	136,861	170,277
Plan Review Fees	39,558	39,558	37,607
Background Check Fee	1,220	1,220	-
Total Charges for Services	4,171,712	4,600,562	4,082,062
Fines and Forfeitures			
Circuit Court	108,132	108,132	126,571
Tow	116,000	116,000	174,948
Parking	131,000	131,000	82,360
Abatement	-	-	5,730
False Fire Alarm	31,500	31,500	(45,950)
DUI	19,130	19,130	16,489
Police Forfeitures	17,497	17,497	2,013
Other	61,073	61,073	88,276
Total Fines and Forfeitures	484,332	484,332	450,437
Investment Income	75,000	75,000	304,073
Miscellaneous			
Refunds/Reimbursements	525,000	96,150	153,297
Miscellaneous	24,980	24,980	38,212
Total Miscellaneous	549,980	121,130	191,509
TOTAL REVENUES	\$ 39,853,804	\$ 40,862,784	\$ 46,465,276

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Elected Officials	\$ 85,104	\$ 85,104	\$ 78,762
Municipal Band	41,088	41,088	41,088
City Manager's Office Administration	757,102	757,102	688,047
Human Resources Division	324,037	324,037	287,341
General Fund Support Service	3,348,315	4,348,315	3,953,540
Finance Administration	466,125	466,125	471,277
Information and Technology	900,022	900,022	771,460
Less Administrative Costs Charged to Other Departments and Funds	(433,500)	(433,500)	(271,980)
Total General Government	5,488,293	6,488,293	6,019,535
PUBLIC SAFETY			
Police Protection	14,365,006	14,950,733	14,859,063
Fire Protection	12,309,421	13,012,816	13,267,161
Total Public Safety	26,674,427	27,963,549	28,126,224
HIGHWAYS AND STREETS			
Public Works Administration	278,517	278,517	283,989
Public Facilities and Fleet Maintenance	573,341	573,341	442,059
Streets	2,237,252	2,237,252	2,185,705
Engineering	117,658	117,658	112,437
Total Highways and Streets	3,206,768	3,206,768	3,024,190
COMMUNITY DEVELOPMENT			
Community Development Administration	604,349	604,349	644,519
Building and Code Enforcement	718,196	718,196	593,573
Total Community Development	1,322,545	1,322,545	1,238,092
DEBT SERVICE			
Principal Retirement	-	-	27,209
Interest and Fiscal Charges	-	-	407
Total Debt Service	-	-	27,616
TOTAL EXPENDITURES	\$ 36,692,033	\$ 38,981,155	\$ 38,435,657

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Elected Officials			
Personnel Services	\$ 69,849	\$ 69,849	\$ 69,850
Commodities	610	610	509
Contractual Services	14,645	14,645	8,403
Total Elected Officials	85,104	85,104	78,762
Municipal Band			
Contractual Services	41,088	41,088	41,088
Total Municipal Band	41,088	41,088	41,088
City Manager's Office Administration			
Personnel Services	529,441	529,441	483,997
Commodities	700	700	2,737
Contractual Services	226,961	226,961	201,193
Capital Outlay	-	-	120
Total City Manager's Office Administration	757,102	757,102	688,047
Human Resources Division			
Personnel Services	243,362	243,362	231,067
Commodities	2,250	2,250	969
Contractual Services	78,425	78,425	55,305
Total Human Resource Division	324,037	324,037	287,341
General Fund Support Service			
Personnel Services	1,068,042	1,068,042	1,068,042
Contractual Services	1,785,273	2,785,273	2,366,152
Intergovernmental	495,000	495,000	489,138
Capital Outlay	-	-	30,208
Total General Fund Support Service	3,348,315	4,348,315	3,953,540

(This schedule is continued on the following pages.)

CITY OF DEKALB, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Finance Administration			
Personnel Services	\$ 395,175	\$ 395,175	\$ 409,552
Commodities	2,700	2,700	3,605
Contractual Services	66,750	66,750	57,712
Capital Outlay	1,500	1,500	408
Total Finance Administration	466,125	466,125	471,277
Information and Technology			
Personnel Services	356,595	356,595	342,011
Commodities	29,895	29,895	25,207
Contractual Services	495,532	495,532	390,014
Capital Outlay	18,000	18,000	14,228
Total Information and Technology	900,022	900,022	771,460
Less Administrative Costs Charged to Other Departments and Funds	(433,500)	(433,500)	(271,980)
Total General Government	5,488,293	6,488,293	6,019,535
PUBLIC SAFETY			
Police Protection			
Police Department Administration			
Personnel Services	1,019,962	1,037,923	985,766
Commodities	133,686	133,686	150,797
Contractual Services	91,660	91,660	96,578
Total Police Department Administration	1,245,308	1,263,269	1,233,141
Patrol Services			
Personnel Services	7,899,140	8,303,259	8,245,681
Commodities	106,975	106,975	159,689
Contractual Services	117,770	117,770	107,321
Capital Outlay	2,000	2,000	2,300
Total Patrol Services	8,125,885	8,530,004	8,514,991

(This schedule is continued on the following pages.)

CITY OF DEKALB, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police Protection (Continued)			
Criminal Investigations			
Personnel Services	\$ 2,614,229	\$ 2,713,014	\$ 2,874,144
Commodities	18,975	18,975	27,755
Contractual Services	28,120	28,120	28,572
Total Criminal Investigations	2,661,324	2,760,109	2,930,471
Police Department Special Services			
Personnel Services	2,223,384	2,286,246	2,138,007
Commodities	5,375	7,375	10,953
Contractual Services	103,730	103,730	31,500
Total Police Department Special Services	2,332,489	2,397,351	2,180,460
Total Police Protection	14,365,006	14,950,733	14,859,063
Fire Protection			
Fire Department Administration			
Personnel Services	809,646	845,564	859,648
Commodities	38,264	38,264	86,559
Contractual Services	82,507	82,507	104,382
Total Fire Department Administration	930,417	966,335	1,050,589
Fire Department Operations			
Personnel Services	11,105,849	11,764,346	11,862,847
Commodities	94,249	103,229	159,798
Contractual Services	174,706	174,706	193,327
Capital Outlay	4,200	4,200	600
Total Fire Department Operations	11,379,004	12,046,481	12,216,572
Total Fire Protection	12,309,421	13,012,816	13,267,161
Total Public Safety	26,674,427	27,963,549	28,126,224

(This schedule is continued on the following pages.)

CITY OF DEKALB, ILLINOIS**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)**
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
HIGHWAYS AND STREETS			
Public Works Administration			
Personnel Services	\$ 269,317	\$ 269,317	\$ 276,726
Commodities	300	300	-
Contractual Services	8,900	8,900	7,263
Total Public Works Administration	278,517	278,517	283,989
Public Facilities and Fleet Maintenance			
Personnel Services	274,550	274,550	251,981
Commodities	25,893	25,893	26,189
Contractual Services	272,898	272,898	163,889
Total Public Facilities and Fleet Maintenance	573,341	573,341	442,059
Streets			
Personnel Services	1,575,222	1,575,222	1,503,504
Commodities	287,436	287,436	305,434
Contractual Services	366,794	366,794	323,160
Capital Outlay	7,800	7,800	53,607
Total Streets	2,237,252	2,237,252	2,185,705
Engineering			
Personnel Services	110,408	110,408	111,567
Commodities	6,550	6,550	-
Contractual Services	700	700	870
Total Engineering	117,658	117,658	112,437
Total Highways and Streets	3,206,768	3,206,768	3,024,190
COMMUNITY DEVELOPMENT			
Community Development Administration			
Personnel Services	285,459	285,459	334,794
Commodities	3,300	3,300	890
Contractual Services	315,590	315,590	308,835
Total Community Development Administration	604,349	604,349	644,519

(This schedule is continued on the following page.)

CITY OF DEKALB, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
COMMUNITY DEVELOPMENT (Continued)			
Building and Code Enforcement			
Personnel Services	\$ 663,895	\$ 663,895	\$ 559,508
Commodities	2,200	2,200	3,774
Contractual Services	52,101	52,101	29,064
Capital Outlay	-	-	1,227
Total Building and Code Enforcement	718,196	718,196	593,573
Total Community Development	1,322,545	1,322,545	1,238,092
DEBT SERVICE			
Principal Retirement	-	-	27,209
Interest and Fiscal Charges	-	-	407
Total Debt Service	-	-	27,616
TOTAL EXPENDITURES	\$ 36,692,033	\$ 38,981,155	\$ 38,435,657

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Local Motor Fuel Taxes	\$ 900,000	\$ 900,000	\$ 930,053
Intergovernmental			
Grants	-	1,580,020	1,362,739
Investment Interest	-	-	7,198
Miscellaneous	-	1,066,731	1,168,107
Total Revenues	900,000	3,546,751	3,468,097
EXPENDITURES			
General Government			
Commodities	52,173	22,962	22,000
Contractual Services	105,000	391,000	474,729
Capital Outlay	1,575,000	4,039,784	3,845,835
Debt Service			
Principal	-	29,211	29,211
Total Expenditures	1,732,173	4,482,957	4,371,775
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(832,173)	(936,206)	(903,678)
OTHER FINANCING SOURCES (USES)			
Proceeds from Sale of Capital Assets	75,000	-	-
Installment Contract Proceeds	-	129,033	129,033
Total Other Financing Sources (Uses)	75,000	129,033	129,033
NET CHANGE IN FUND BALANCE	\$ (757,173)	\$ (807,173)	(774,645)
FUND BALANCE, JANUARY 1			1,151,848
FUND BALANCE, DECEMBER 31			\$ 377,203

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Staffing for Adequate Fire and Emergency Response Grant Fund is used to account for grant funds received to hire additional public safety employees.

The GEMT Fund is used to account for federal Ground Emergency Medical Transportation program funds, which provides gap funding between Medicaid-paid ambulance transports and the actual cost of the ambulance service. The funds will be expended on fire related purposes.

The Motor Fuel Tax Fund is used to account for the operations of street maintenance programs and capital projects as authorized by the Illinois Department of Transportation. Financing is provided by the City's share of gasoline taxes.

The Foreign Fire Insurance Tax Fund is used to account for certain fire department related expenditures. Financing is provided by taxes on out-of-state insurance companies.

The Housing Rehabilitation Fund is used to account for federal and state grants received through 1983 that were targeted for low interest housing rehabilitation loans to income qualified properties.

The Community Development Block Grant Fund is used to account for the receipts and disbursement of community development grant funds.

The Heritage Ridge Special Service Area #3 Fund is used to account for the accumulation of resources for improvements for Special Service Area #3.

The Knolls Special Service Area #4 Fund is used to account for the accumulation of resources for improvements for Special Service Area #4.

The Greek Row Special Service Area #6 Fund is used to account for the accumulation of resources for improvements for Special Service Area #6.

The Heartland Fields Special Service Area #14 Fund is used to account for the accumulation of resources for improvements for Special Service Area #14.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

The Market Square Special Service Area #29 Fund is used to account for the accumulation of resources for improvements for Special Service Area #29.

The Hunter Ridgebrook Special Service Area #30 Fund is used to account for the accumulation of resources for improvements for Special Service Area #30.

The Tax Increment Financing #1 Fund is used to account for redevelopment activities within a defined area of the community in order to eliminate blighted conditions in that area. TIF #1 expired December 31, 2021 and a small balance is held for possible tax protests.

The Tax Increment Financing #3 Fund is used to account for redevelopment activities within a defined area of the community in order to eliminate blighted conditions in that area.

DEBT SERVICE FUNDS

The General Debt Service Fund is used to account for the accumulation of resources and payment of bond principal and interest on debt.

CAPITAL PROJECTS FUNDS

The Capital Equipment Replacement Fund is used to account for major equipment purchases which cost in excess of \$5,000 and have a useful life expectancy of three years or more.

CITY OF DEKALB, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2022

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 9,516,630	\$ 211,665	\$ 669,788	\$ 10,398,083
Receivables				
Property Taxes	818,801	-	-	818,801
Other Taxes	-	4,803	12,028	16,831
Accounts Receivable	-	-	7,300	7,300
Leases	-	-	3,053,186	3,053,186
Interest on Leases	-	-	4,308	4,308
Due from Other Governments	195,784	-	-	195,784
Prepaid Items	577	-	-	577
TOTAL ASSETS	\$ 10,531,792	\$ 216,468	\$ 3,746,610	\$ 14,494,870
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUNDS BALANCES				
LIABILITIES				
Accounts Payable	\$ 2,023,464	\$ -	\$ 7,505	\$ 2,030,969
Unearned Revenue	-	-	9,298	9,298
Due to Other Funds	19,180	-	-	19,180
Total Liabilities	\$ 2,042,644	\$ -	\$ 16,803	\$ 2,059,447
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	818,801	-	-	818,801
Unavailable Leases	-	-	2,994,669	2,994,669
Total Deferred Inflows of Resources	818,801	-	2,994,669	3,813,470
Total Liabilities and Deferred Inflows of Resources	2,861,445	-	3,011,472	5,872,917
FUND BALANCES				
Nonspendable - Prepaid Items	577	-	-	577
Restricted				
Public Safety	993,120	-	-	993,120
Highways and Streets	4,319,878	-	-	4,319,878
Economic Development	1,396,635	-	-	1,396,635
Specific Purpose	160,137	-	-	160,137
Assigned for Debt Service	-	216,468	-	216,468
Assigned for Public Safety	800,000	-	-	800,000
Assigned for Capital Projects	-	-	735,138	735,138
Total Fund Balances	7,670,347	216,468	735,138	8,621,953
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 10,531,792	\$ 216,468	\$ 3,746,610	\$ 14,494,870

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2022

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 708,687	\$ 69,136	\$ 132,868	\$ 910,691
Intergovernmental	3,115,540	-	-	3,115,540
Charges for Services	1,672,186	-	190,793	1,862,979
Fines and Forfeitures	-	28,035	-	28,035
Investment Income	136,496	2,768	66,422	205,686
Miscellaneous	9,346	-	216,340	225,686
Total Revenues	5,642,255	99,939	606,423	6,348,617
EXPENDITURES				
General Government	235,615	-	-	235,615
Public Safety	51,650	-	-	51,650
Highways and Streets	1,305,938	-	-	1,305,938
Community Development	927,231	-	-	927,231
Capital Outlay	4,693,342	-	920,686	5,614,028
Debt Service				
Principal Retirement	-	1,535,000	214,848	1,749,848
Interest and Fiscal Charges	-	320,539	34,114	354,653
Total Expenditures	7,213,776	1,855,539	1,169,648	10,238,963
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,571,521)	(1,755,600)	(563,225)	(3,890,346)
OTHER FINANCING SOURCES (USES)				
Transfers In	800,000	1,880,280	-	2,680,280
Installment Contract Proceeds	-	-	331,937	331,937
Proceeds from Sale of Capital Assets	-	-	15,522	15,522
Total Other Financing Sources (Uses)	800,000	1,880,280	347,459	3,027,739
NET CHANGE IN FUND BALANCES	(771,521)	124,680	(215,766)	(862,607)
FUND BALANCES, JANUARY 1	8,441,868	91,788	950,904	9,484,560
FUND BALANCES, DECEMBER 31	\$ 7,670,347	\$ 216,468	\$ 735,138	\$ 8,621,953

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2022

	GEMT	Motor Fuel Tax	Foreign Fire Insurance Tax	Housing Rehabilitation
ASSETS				
Cash and Investments	\$ 3,387,664	\$ 4,454,500	\$ 80,588	\$ 70,735
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	-	-	-	-
Due from Other Governments	-	157,254	-	-
Prepaid Items	-	-	-	-
TOTAL ASSETS	\$ 3,387,664	\$ 4,611,754	\$ 80,588	\$ 70,735
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUNDS BALANCES				
LIABILITIES				
Accounts Payable	\$ 1,662,179	\$ 291,876	\$ 12,953	\$ -
Due to Other Funds	-	-	-	-
Total Liabilities	1,662,179	291,876	12,953	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	1,662,179	291,876	12,953	-
FUND BALANCES				
Nonspendable - Prepaid Items	-	-	-	-
Restricted				
Public Safety	925,485	-	67,635	-
Highways and Streets	-	4,319,878	-	-
Economic Development	-	-	-	-
Specific Purpose	-	-	-	70,735
Assigned for Public Safety	800,000	-	-	-
Total Fund Balances	1,725,485	4,319,878	67,635	70,735
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 3,387,664	\$ 4,611,754	\$ 80,588	\$ 70,735

Community Development Block Grant	Heritage Ridge Special Service Area #3	Knolls Special Service Area #4	Greek Row Special Service Area #6	Heartland Fields Special Service Area #14	Market Square Special Service Area #29
\$ 4,250	\$ 2,251	\$ 5,506	\$ 20,744	\$ 12,670	\$ 28,275
-	1,000	5,500	12,000	2,000	50,000
38,530	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 42,780</u>	<u>\$ 3,251</u>	<u>\$ 11,006</u>	<u>\$ 32,744</u>	<u>\$ 14,670</u>	<u>\$ 78,275</u>
\$ 23,600	\$ -	\$ -	\$ 823	\$ -	\$ -
19,180	-	-	-	-	-
42,780	-	-	823	-	-
-	1,000	5,500	12,000	2,000	50,000
42,780	1,000	5,500	12,823	2,000	50,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,251	5,506	19,921	12,670	28,275
-	-	-	-	-	-
-	2,251	5,506	19,921	12,670	28,275
<u>\$ 42,780</u>	<u>\$ 3,251</u>	<u>\$ 11,006</u>	<u>\$ 32,744</u>	<u>\$ 14,670</u>	<u>\$ 78,275</u>

(This schedule is continued on the following page.)

CITY OF DEKALB, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2022

	Hunter Ridgebrook Special Service Area #30	TIF Increment Financing #1	TIF Increment Financing #3	Total
ASSETS				
Cash and Investments	\$ 52,812	\$ 18,894	\$ 1,377,741	\$ 9,516,630
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	50,000		698,301	818,801
Due from Other Governments	-		-	195,784
Prepaid Items	-	577	-	577
TOTAL ASSETS	\$ 102,812	\$ 19,471	\$ 2,076,042	\$ 10,531,792
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUNDS BALANCES				
LIABILITIES				
Accounts Payable	\$ 32,033	\$ -	\$ -	\$ 2,023,464
Due to Other Funds	-	-	-	19,180
Total Liabilities	32,033	-	-	2,042,644
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	50,000	-	698,301	818,801
Total Liabilities and Deferred Inflows of Resources	82,033	-	698,301	2,861,445
FUND BALANCES				
Nonspendable - Prepaid Items	-	577	-	577
Restricted				
Public Safety	-	-	-	993,120
Highways and Streets	-	-	-	4,319,878
Economic Development	-	18,894	1,377,741	1,396,635
Specific Purpose	20,779	-	-	160,137
Assigned for Public Safety	-	-	-	800,000
Total Fund Balances	20,779	19,471	1,377,741	7,670,347
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 102,812	\$ 19,471	\$ 2,076,042	\$ 10,531,792

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended December 31, 2022

	GEMT	Motor Fuel Tax	Foreign Fire Insurance Tax	Housing Rehabilitation
REVENUES				
Taxes	\$ -	\$ -	\$ 76,899	\$ -
Charges for Services	1,672,186	-	-	-
Intergovernmental	-	2,686,363	-	-
Investment Income	31,693	72,288	-	302
Miscellaneous	-	-	-	633
Total Revenues	1,703,879	2,758,651	76,899	935
EXPENDITURES				
General Government	-	-	-	427
Public Safety	6,533	-	45,117	-
Highways and Streets	-	1,305,938	-	-
Community Development	-	-	-	-
Capital Outlay	1,097,609	1,228,950	33,696	55
Total Expenditures	1,104,142	2,534,888	78,813	482
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	599,737	223,763	(1,914)	453
OTHER FINANCING SOURCES (USES)				
Transfers In	800,000	-	-	-
Total Other Financing Sources (Uses)	800,000	-	-	-
NET CHANGE IN FUND BALANCES	1,399,737	223,763	(1,914)	453
FUND BALANCES, JANUARY 1	325,748	4,096,115	69,549	70,282
FUND BALANCES, DECEMBER 31	\$ 1,725,485	\$ 4,319,878	\$ 67,635	\$ 70,735

Community Development Block Grant	Heritage Ridge Special Service Area #3	Knolls Special Service Area #4	Greek Row Special Service Area #6	Heartland Fields Special Service Area #14	Market Square Special Service Area #29
\$ -	\$ 1,000	\$ 5,452	\$ 15,513	\$ 2,491	\$ 50,039
-	-	-	-	-	-
429,177	-	-	-	-	-
-	13	31	114	67	1,166
-	-	-	-	-	-
429,177	1,013	5,483	15,627	2,558	51,205
187,442	1,098	3,098	10,677	840	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
241,735	-	-	-	-	222,948
429,177	1,098	3,098	10,677	840	222,948
-	(85)	2,385	4,950	1,718	(171,743)
-	-	-	-	-	-
-	-	-	-	-	-
-	(85)	2,385	4,950	1,718	(171,743)
-	2,336	3,121	14,971	10,952	200,018
\$ -	\$ 2,251	\$ 5,506	\$ 19,921	\$ 12,670	\$ 28,275

(This schedule is continued on the following page.)

CITY OF DEKALB, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended December 31, 2022

	Hunter Ridgebrook Special Service Area #30	TIF Increment Financing #1	TIF Increment Financing #3	Total
REVENUES				
Taxes	\$ 50,039	\$ -	\$ 507,254	\$ 708,687
Charges for Services	-	-	-	1,672,186
Intergovernmental	-	-	-	3,115,540
Investment Income	269	-	30,553	136,496
Miscellaneous	-	-	8,713	9,346
Total Revenues	50,308	-	546,520	5,642,255
EXPENDITURES				
General Government	32,033	-	-	235,615
Public Safety	-	-	-	51,650
Highways and Streets	-	-	-	1,305,938
Community Development	-	-	927,231	927,231
Capital Outlay	-	-	1,868,349	4,693,342
Total Expenditures	32,033	-	2,795,580	7,213,776
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	18,275	-	(2,249,060)	(1,571,521)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	800,000
Total Other Financing Sources (Uses)	-	-	-	800,000
NET CHANGE IN FUND BALANCES	18,275	-	(2,249,060)	(771,521)
FUND BALANCES, JANUARY 1	2,504	19,471	3,626,801	8,441,868
FUND BALANCES, DECEMBER 31	\$ 20,779	\$ 19,471	\$ 1,377,741	\$ 7,670,347

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE GRANT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental Grants	\$ 851,565	\$ 851,565	\$ -
Total Revenues	851,565	851,565	-
EXPENDITURES			
Public Safety Contractual Services	851,565	851,565	-
Total Expenditures	851,565	851,565	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-
FUND BALANCE, JANUARY 1			<u>-</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ -</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GEMT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Charges for Services			
Fire Services	\$ 1,062,000	\$ 1,062,000	\$ 1,672,186
Interest Income	4,000	4,000	31,693
Total Revenues	1,066,000	1,066,000	1,703,879
EXPENDITURES			
Public Safety			
Commodities	-	-	6,533
Contractual Services	80,000	80,000	-
Capital Outlay	982,000	1,911,000	1,097,609
Total Expenditures	1,062,000	1,991,000	1,104,142
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,000	(925,000)	599,737
OTHER FINANCING SOURCES (USES)			
Transfers In	-	800,000	800,000
Total Other Financing Sources (Uses)	-	800,000	800,000
NET CHANGE IN FUND BALANCE	<u>\$ 4,000</u>	<u>\$ (125,000)</u>	1,399,737
FUND BALANCE, JANUARY 1			<u>325,748</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 1,725,485</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
State Motor Fuel Tax	\$ 1,631,027	\$ 1,631,027	\$ 1,719,113
REBUILD Illinois Funds	967,250	967,250	967,250
Investment Income	10,000	10,000	72,288
Miscellaneous Income	1,000,000	1,000,000	-
Total Revenues	3,608,277	3,608,277	2,758,651
EXPENDITURES			
Highways and Streets			
Commodities	350,000	350,000	348,866
Contractual Services	1,070,000	1,100,000	957,072
Capital Outlay	4,075,000	4,725,000	1,228,950
Total Expenditures	5,495,000	6,175,000	2,534,888
NET CHANGE IN FUND BALANCE	<u>\$ (1,886,723)</u>	<u>\$ (2,566,723)</u>	223,763
FUND BALANCE, JANUARY 1			<u>4,096,115</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 4,319,878</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE TAX FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Foreign Fire Insurance Tax	\$ 72,500	\$ 77,000	\$ 76,899
Total Revenues	72,500	77,000	76,899
EXPENDITURES			
Public Safety			
Commodities	12,750	24,750	32,198
Contractual Services	3,403	3,403	12,919
Capital Outlay	51,500	51,500	33,696
Total Expenditures	67,653	79,653	78,813
NET CHANGE IN FUND BALANCE	\$ 4,847	\$ (2,653)	(1,914)
FUND BALANCE, JANUARY 1			69,549
FUND BALANCE, DECEMBER 31			\$ 67,635

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING REHABILITATION FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Investment Income	\$ -	\$ -	\$ 302
Miscellaneous Income	30,000	30,000	633
Total Revenues	30,000	30,000	935
EXPENDITURES			
Current			
General Government			
Contractual Services	360	360	427
Capital Outlay	30,000	30,000	55
Total Expenditures	30,360	30,360	482
NET CHANGE IN FUND BALANCE	<u>\$ (360)</u>	<u>\$ (360)</u>	453
FUND BALANCE, JANUARY 1			<u>70,282</u>
FUND BALANCE, DECEMBER 31			<u>\$ 70,735</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental Grants	\$ 501,000	\$ 501,000	\$ 429,177
Total Revenues	501,000	501,000	429,177
EXPENDITURES			
General Government			
Commodities	100	100	-
Contractual Services	380,585	380,585	187,442
Capital Outlay	120,000	120,000	241,735
Total Expenditures	500,685	500,685	429,177
NET CHANGE IN FUND BALANCE	\$ 315	\$ 315	-
FUND BALANCE, JANUARY 1			-
FUND BALANCE, DECEMBER 31			\$ -

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HERITAGE RIDGE SPECIAL SERVICE AREA #3 FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property Taxes	\$ 1,000	\$ 1,000	\$ 1,000
Investment Income	-	-	13
Total Revenues	1,000	1,000	1,013
EXPENDITURES			
General Government			
Contractual Services	1,000	1,100	1,098
Total Expenditures	1,000	1,100	1,098
NET CHANGE IN FUND BALANCE	\$ -	\$ (100)	(85)
FUND BALANCE, JANUARY 1			2,336
FUND BALANCE, DECEMBER 31			\$ 2,251

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
KNOLLS SPECIAL SERVICE AREA #4 FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property Taxes	\$ 5,500	\$ 5,500	\$ 5,452
Investment Income	-	-	31
Total Revenues	5,500	5,500	5,483
EXPENDITURES			
General Government			
Contractual Services	5,500	5,500	3,098
Total Expenditures	5,500	5,500	3,098
NET CHANGE IN FUND BALANCE	\$ -	\$ -	2,385
FUND BALANCE, JANUARY 1			3,121
FUND BALANCE, DECEMBER 31			\$ 5,506

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GREEK ROW SPECIAL SERVICE AREA #6 FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property Taxes	\$ 15,500	\$ 15,500	\$ 15,513
Investment Income	-	-	114
Total Revenues	15,500	15,500	15,627
EXPENDITURES			
General Government			
Contractual Services	15,500	15,500	10,677
Total Expenditures	15,500	15,500	10,677
NET CHANGE IN FUND BALANCE	\$ -	\$ -	4,950
FUND BALANCE, JANUARY 1			14,971
FUND BALANCE, DECEMBER 31			\$ 19,921

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HEARTLAND FIELDS SPECIAL SERVICE AREA #14 FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property Taxes	\$ 2,500	\$ 2,500	\$ 2,491
Investment Income	-	-	67
Total Revenues	2,500	2,500	2,558
EXPENDITURES			
General Government			
Contractual Services	2,500	2,500	840
Total Expenditures	2,500	2,500	840
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	1,718
FUND BALANCE, JANUARY 1			<u>10,952</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 12,670</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MARKET SQUARE SPECIAL SERVICE AREA #29 FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property Taxes	\$ 50,000	\$ 50,000	\$ 50,039
Investment Income	-	-	1,166
Total Revenues	50,000	50,000	51,205
EXPENDITURES			
Capital Outlay	240,000	240,000	222,948
NET CHANGE IN FUND BALANCE	<u>\$ (190,000)</u>	<u>\$ (190,000)</u>	(171,743)
FUND BALANCE, JANUARY 1			<u>200,018</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 28,275</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HUNTER RIDGEBROOK SPECIAL SERVICE AREA #30 FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property Taxes	\$ 50,000	\$ 50,000	\$ 50,039
Investment Income	-	-	269
Total Revenues	50,000	50,000	50,308
EXPENDITURES			
General Government			
Contractual Services	150,000	150,000	32,033
Total Expenditures	150,000	150,000	32,033
NET CHANGE IN FUND BALANCE	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>	18,275
FUND BALANCE, JANUARY 1			<u>2,504</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 20,779</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING #3 FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property	\$ 460,000	\$ 507,000	\$ 507,254
Investment Income	250	250	30,553
Miscellaneous Income	-	-	8,713
Total Revenues	460,250	507,250	546,520
EXPENDITURES			
Community Development			
Contractual Services	1,499,432	1,546,432	927,231
Capital Outlay	1,250,000	1,800,000	1,868,349
Total Expenditures	2,749,432	3,346,432	2,795,580
NET CHANGE IN FUND BALANCE	<u><u>\$ (2,289,182)</u></u>	<u><u>\$ (2,839,182)</u></u>	(2,249,060)
FUND BALANCE, JANUARY 1			<u>3,626,801</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 1,377,741</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL DEBT SERVICE FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Hotel/Motel	\$ 56,000	\$ 56,000	\$ 69,136
Fines and Forfeitures	45,000	45,000	28,035
Investment Income	-	-	2,768
Total Revenues	101,000	101,000	99,939
EXPENDITURES			
Debt Service			
Principal	1,714,585	1,595,000	1,535,000
Interest and Fiscal Charges	167,595	287,180	320,539
Total Expenditures	1,882,180	1,882,180	1,855,539
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,781,180)	(1,781,180)	(1,755,600)
OTHER FINANCING SOURCES (USES)			
Transfers In	1,880,280	1,880,280	1,880,280
Total Other Financing Sources (Uses)	1,880,280	1,880,280	1,880,280
NET CHANGE IN FUND BALANCE	\$ 99,100	\$ 99,100	124,680
FUND BALANCE, JANUARY 1			91,788
FUND BALANCE, DECEMBER 31			\$ 216,468

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL EQUIPMENT REPLACEMENT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Local Motor Fuel Taxes	\$ 135,000	\$ 135,000	\$ 132,868
Charges for Services			
Rental Income	220,000	220,000	190,793
Investment Income	400	400	66,422
Miscellaneous Income	250,000	250,000	216,340
Total Revenues	605,400	605,400	606,423
EXPENDITURES			
General Government			
Contractual Services	20,000	20,000	-
Capital Outlay	1,247,000	1,025,984	920,686
Debt Service			
Principal	216,644	216,644	214,848
Interest	30,611	30,611	34,114
Total Expenditures	1,514,255	1,293,239	1,169,648
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(908,855)	(687,839)	(563,225)
OTHER FINANCING SOURCES (USES)			
Transfers In	800,000	-	-
Proceeds from Sale of Capital Assets	10,000	10,000	15,522
Installment Contract Proceeds	182,000	332,000	331,937
Total Other Financing Sources (Uses)	992,000	342,000	347,459
NET CHANGE IN FUND BALANCE	\$ 83,145	\$ (345,839)	(215,766)
FUND BALANCE, JANUARY 1			950,904
FUND BALANCE, DECEMBER 31			\$ 735,138

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

The Water Fund is used to account for the provision of water service to the residents of the City. All activity necessary to provide such services is accounted for in this fund including, but not limited to, administration, operation, maintenance, financing and related debt service, and billing and collection. The Water Fund consists of three sub-funds reported as departments: Operations and Maintenance, New Construction and Capital.

The Airport Fund is used to account for the operations of the DeKalb/Taylor Municipal Airport. Financing may be provided from a number of sources including federal and state grants, user fees and local motor fuel taxes.

NONMAJOR ENTERPRISE FUNDS

The Refuse Fund is used to account for the billing, collection, and payment of refuse collection.

CITY OF DEKALB, ILLINOIS

**COMBINING SCHEDULE OF NET POSITION
WATER FUND DEPARTMENT ACCOUNTS**

December 31, 2022

	Operations and Maintenance	System Construction	Capital	Eliminations	Total
CURRENT ASSETS					
Cash and Investments	\$ 1,944,154	\$ 1,067,176	\$ 3,916,606	\$ -	\$ 6,927,936
Receivables					
Accounts Receivable	3,149,680	-	-	-	3,149,680
Total Current Assets	5,093,834	1,067,176	3,916,606	-	10,077,616
NONCURRENT ASSETS					
Capital Assets (Tangible and Intangible)					
Not Depreciated or Amortized	528,648	-	-	-	528,648
Depreciable and Amortizable	55,959,292	-	-	-	55,959,292
Accumulated Depreciation and Amortization	(27,728,755)	-	-	-	(27,728,755)
Total Noncurrent Assets	28,759,185	-	-	-	28,759,185
Total Assets	33,853,019	1,067,176	3,916,606	-	38,836,801
DEFERRED OUTFLOWS OF RESOURCES					
Pension Items - IMRF	1,110,875	-	-	-	1,110,875
Pension Items - OPEB	135,890	-	-	-	135,890
Asset Retirement Obligation	406,333	-	-	-	406,333
Total Deferred Outflows of Resources	1,653,098	-	-	-	1,653,098
Total Assets and Deferred Outflows of Resources	35,506,117	1,067,176	3,916,606	-	40,489,899

(This schedule is continued on the following page.)

CITY OF DEKALB, ILLINOIS

COMBINING SCHEDULE OF NET POSITION (Continued)
WATER FUND DEPARTMENT ACCOUNTS

December 31, 2022

	Operations and Maintenance	System Construction	Capital	Eliminations	Total
CURRENT LIABILITIES					
Accounts Payable	\$ 2,133,882	\$ -	\$ 32,816	\$ -	\$ 2,166,698
Accrued Payroll	37,682	-	-	-	37,682
Accrued Interest Payable	2,323	-	-	-	2,323
Deposits Payable	16,750	122,500	-	-	139,250
Unearned Revenue	44,724	-	657,311	-	702,035
OPEB Liability	70,179	-	-	-	70,179
IEPA Loans Payable	45,903	-	-	-	45,903
Compensated Absences Payable	71,233	-	-	-	71,233
Installment Contracts	38,213	-	-	-	38,213
Lease Liabilities	16,943	-	-	-	16,943
Total Current Liabilities	2,477,832	122,500	690,127	-	3,290,459
LONG-TERM LIABILITIES					
OPEB Liability	742,134	-	-	-	742,134
Net Pension Liability - IMRF	1,653,586	-	-	-	1,653,586
IEPA Loans Payable	711,938	-	-	-	711,938
Compensated Absences Payable	284,931	-	-	-	284,931
Installment Contracts	69,303	-	-	-	69,303
Lease Liabilities	79,999	-	-	-	79,999
Asset Retirement Obligation	450,000	-	-	-	450,000
Total Long-Term Liabilities	3,991,891	-	-	-	3,991,891
Total Liabilities	6,469,723	122,500	690,127	-	7,282,350
DEFERRED INFLOWS OF RESOURCES					
Pension Items - OPEB	234,916	-	-	-	234,916
Total Deferred Inflows of Resources	234,916	-	-	-	234,916
Total Liabilities and Deferred Inflows of Resources	6,704,639	122,500	690,127	-	7,517,266
NET POSITION					
Net Investment in Capital Assets	27,796,886	-	-	-	27,796,886
Unrestricted	1,004,592	944,676	3,226,479	-	5,175,747
TOTAL NET POSITION	\$ 28,801,478	\$ 944,676	\$ 3,226,479	\$ -	\$ 32,972,633

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER FUND DEPARTMENT ACCOUNTS

For the Year Ended December 31, 2022

	Operations and Maintenance			System Construction		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
OPERATING REVENUES						
Charges for Services						
Water Sales	\$ 5,626,022	\$ 5,626,022	\$ 5,849,088	\$ 50,000	\$ 50,000	\$ 18,832
Permits	30,000	30,000	17,660	-	-	-
Miscellaneous	12,000	12,000	22,435	-	-	-
Total Operating Revenues	5,668,022	5,668,022	5,889,183	50,000	50,000	18,832
OPERATING EXPENSES EXCLUDING DEPRECIATION						
Personal Services	2,574,111	2,574,111	2,601,794	-	-	-
Commodities	540,750	540,750	533,009	-	-	-
Contractual Services	870,500	870,500	653,978	-	-	-
Other Services/Expenses	33,000	33,000	31,158	-	-	-
Equipment	-	-	-	600,000	600,000	-
Total Operating Expenses	4,018,361	4,018,361	3,819,939	600,000	600,000	-
OPERATING INCOME (LOSS)	1,649,661	1,649,661	2,069,244	(550,000)	(550,000)	18,832
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	200	200	20,831	100	100	15,021
Intergovernmental	-	-	-	-	-	-
Gain on Sale of Capital Assets	2,000	2,000	785	-	-	-
Principal	(98,366)	(98,366)	(130,497)	-	-	-
Interest Expense	(26,295)	(26,295)	(30,034)	-	-	-
Total Non-Operating Revenues (Expenses)	(122,461)	(122,461)	(138,915)	100	100	15,021
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,527,200	1,527,200	1,930,329	(549,900)	(549,900)	33,853
CONTRIBUTIONS						
Capital Grants and Contributions	-	-	-	-	-	-
Total Contributions	-	-	-	-	-	-
TRANSFERS						
Transfers In	8,704	8,704	1,748,944	-	-	-
Transfers (Out)	(2,562,505)	(2,562,505)	(1,913,972)	-	-	-
Total Transfers	(2,553,801)	(2,553,801)	(165,028)	-	-	-
CHANGE IN NET POSITION - BUDGETARY BASIS	\$ (1,026,601)	\$ (1,026,601)	1,765,301	\$ (549,900)	\$ (549,900)	33,853
ADJUSTMENTS TO GAAP BASIS						
Additions to Capital Assets			-			-
Principal Payments			130,497			-
Depreciation and Amortization			(1,325,122)			-
Amortization of Asset Retirement Obligation			(10,917)			-
Total Adjustment to GAAP Basis			(1,205,542)			-
CHANGE IN NET POSITION - GAAP BASIS			559,759			33,853
NET POSITION, JANUARY 1			28,246,539			910,823
Change in Accounting Principle			(4,820)			-
NET POSITION, JANUARY 1, RESTATED			28,241,719			910,823
NET POSITION, DECEMBER 31			\$ 28,801,478			\$ 944,676

(See independent auditor's report.)
- 138 -

CITY OF DEKALB, ILLINOIS**SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
AIRPORT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for Services			
Rents/Taxes	\$ 459,298	\$ 459,298	\$ 442,063
Fuel Sales	532,256	757,256	744,682
Airport Operations	22,143	22,143	46,948
Miscellaneous	4,004	4,004	12,532
Total Operating Revenues	1,017,701	1,242,701	1,246,225
OPERATING EXPENSES			
Personal Services	415,041	415,041	336,817
Commodities	419,250	644,250	563,430
Contractual Services	195,700	195,700	209,424
Surety Bonds	40,000	40,000	6,000
Equipment	3,500	3,500	861
Permanent Improvements	-	300,000	318,645
Total Operating Expenses	1,073,491	1,598,491	1,435,177
OPERATING INCOME (LOSS)	(55,790)	(355,790)	(188,952)
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	100	100	46,294
Home Rule Sales Tax	5,253	5,253	12,265
Home Rule Motor Fuel Tax	189,820	189,820	199,225
Loss on Disposal of Capital Assets	-	-	(41,324)
Principal Expense	(66,125)	(66,125)	-
Interest Expense	(1,561)	(1,561)	-
Total Non-Operating Revenues (Expenses)	127,487	127,487	216,460

(This statement is continued on the following page.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (Continued)
AIRPORT FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>\$ 71,697</u>	<u>\$ (228,303)</u>	<u>\$ 27,508</u>
CONTRIBUTIONS			
Capital Grants and Contributions	<u>-</u>	<u>300,000</u>	<u>981,797</u>
Total Contributions	<u>-</u>	<u>300,000</u>	<u>981,797</u>
CHANGE IN NET POSITION - BUDGETARY BASIS	<u><u>\$ 71,697</u></u>	<u><u>\$ 71,697</u></u>	<u>1,009,305</u>
ADJUSTMENTS TO GAAP BASIS			
Additions to Capital Assets			48,957
Depreciation and Amortization			<u>(402,701)</u>
Total Adjustments to GAAP Basis			<u>(353,744)</u>
CHANGE IN NET POSITION			655,561
NET POSITION, JANUARY 1			<u>30,399,826</u>
NET POSITION, DECEMBER 31			<u><u>\$ 31,055,387</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
REFUSE FUND**

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for Services	\$ 2,107,608	\$ 2,107,608	\$ 1,903,618
Miscellaneous	200	200	890
Total Operating Revenues	2,107,808	2,107,808	1,904,508
OPERATING EXPENSES			
Contractual Services	2,107,676	2,107,676	2,091,506
Total Operating Expenses	2,107,676	2,107,676	2,091,506
OPERATING INCOME (LOSS)	132	132	(186,998)
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	10	10	361
Total Non-Operating Revenues (Expenses)	10	10	361
CHANGE IN NET POSITION	\$ 142	\$ 142	(186,637)
NET POSITION, JANUARY 1			808
NET POSITION (DEFICIT), DECEMBER 31			\$ (185,829)

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

Workers' Compensation/Liability Insurance Fund - used to account for self-insurance activity related to workers' compensation, property and general liability. Financing is provided by contributions from other funds.

Health Insurance Fund - to account for payment of health insurance premiums. Financing is provided by contributions from City and Library employees, retirees, and other funds.

CITY OF DEKALB, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

December 31, 2022

	Workers' Compensation/ Liability Insurance	Health Insurance	Total
CURRENT ASSETS			
Cash and Investments	\$ 1,870,827	\$ 332,777	\$ 2,203,604
Receivables			
Other	37,729	523,220	560,949
Total Current Assets	1,908,556	855,997	2,764,553
CURRENT LIABILITIES			
Accounts Payable	25,737	54,817	80,554
Claims Payable	271,299	-	271,299
Unearned Revenue	-	15,788	15,788
Total Current Liabilities	297,036	70,605	367,641
NONCURRENT LIABILITIES			
Claims Payable	271,298	-	271,298
Total Noncurrent Liabilities	271,298	-	271,298
Total Liabilities	568,334	70,605	638,939
NET POSITION			
Unrestricted	1,340,222	785,392	2,125,614
TOTAL NET POSITION	\$ 1,340,222	\$ 785,392	\$ 2,125,614

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2022

	Workers' Compensation/Liability Insurance		
	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for Services			
Employer Contributions	\$ 881,000	\$ 881,000	\$ 753,317
Employee Contributions	-	-	-
Retiree Contributions	-	-	-
Library/Other Contributions	-	-	-
Miscellaneous	60,000	60,000	48,904
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	941,000	941,000	802,221
	<hr/>	<hr/>	<hr/>
OPERATING EXPENSES			
Administration			
Fringe Benefit Payments	-	-	-
Administrative Expenses	707,023	707,023	656,900
Health Insurance Premiums	-	-	-
Claims	425,000	425,000	355,196
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	1,132,023	1,132,023	1,012,096
	<hr/>	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(191,023)	(191,023)	(209,875)
	<hr/>	<hr/>	<hr/>
NON-OPERATING REVENUES			
Investment Income	250	250	26,936
	<hr/>	<hr/>	<hr/>
Total Non-Operating Revenues	250	250	26,936
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION	<u>\$ (190,773)</u>	<u>\$ (190,773)</u>	(182,939)
			<hr/>
NET POSITION, JANUARY 1			1,523,161
			<hr/>
NET POSITION, DECEMBER 31			<u><u>\$ 1,340,222</u></u>

Health Insurance			Total		
Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
\$ 4,978,493	\$ 4,978,493	\$ 5,233,229	\$ 5,859,493	\$ 5,859,493	\$ 5,986,546
901,070	901,070	879,409	901,070	901,070	879,409
763,120	763,120	659,453	763,120	763,120	659,453
307,244	307,244	150,761	307,244	307,244	150,761
-	-	-	60,000	60,000	48,904
6,949,927	6,949,927	6,922,852	7,890,927	7,890,927	7,725,073
405,500	405,500	382,279	405,500	405,500	382,279
10,251	10,251	3,269	717,274	717,274	660,169
6,857,049	6,857,049	6,425,017	6,857,049	6,857,049	6,425,017
-	-	-	425,000	425,000	355,196
7,272,800	7,272,800	6,810,565	8,404,823	8,404,823	7,822,661
(322,873)	(322,873)	112,287	(513,896)	(513,896)	(97,588)
135	135	973	385	385	27,909
135	135	973	385	385	27,909
<u>\$ (322,738)</u>	<u>\$ (322,738)</u>	113,260	<u>\$ (513,511)</u>	<u>\$ (513,511)</u>	(69,679)
		<u>672,132</u>			<u>2,195,293</u>
		<u>\$ 785,392</u>			<u>\$ 2,125,614</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended December 31, 2022

	Workers' Compensation/ Liability Insurance	Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Interfund Services Transactions	\$ 755,395	\$ 5,263,916	\$ 6,019,311
Receipts from Employees and Others	-	1,689,623	1,689,623
Receipts from Miscellaneous Revenue	48,904	-	48,904
Payments to Suppliers	(1,003,067)	(6,806,282)	(7,809,349)
Net Cash from Operating Activities	(198,768)	147,257	(51,511)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
None	-	-	-
Net Cash from Noncapital Financing Activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
None	-	-	-
Net Cash from Capital and Related Financing Activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	26,936	973	27,909
Net Cash from Investing Activities	26,936	973	27,909
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(171,832)	148,230	(23,602)
CASH AND CASH EQUIVALENTS, JANUARY 1	2,042,659	184,547	2,227,206
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,870,827</u>	<u>\$ 332,777</u>	<u>\$ 2,203,604</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (209,875)	\$ 112,287	\$ (97,588)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities			
Changes in Assets and Liabilities			
Receivables	2,078	32,244	34,322
Accounts Payable	(6,828)	4,283	(2,545)
Claims Payable	15,857	-	15,857
Unearned Revenue	-	(1,557)	(1,557)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (198,768)</u>	<u>\$ 147,257</u>	<u>\$ (51,511)</u>
SCHEDULE OF NONCASH TRANSACTIONS			
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

CITY OF DEKALB, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
PENSION TRUST FUNDS**

December 31, 2022

	Pension Trust		
	Police	Firefighters'	
	Pension	Pension	Total
ASSETS			
Cash and Short-Term Investments	\$ 3,055,696	\$ 2,219,552	\$ 5,275,248
Investments, at fair value			
Held in the Illinois Firefighters'			
Pension Investment Fund	-	32,182,600	32,182,600
U.S. Treasury Obligations	10,476,677	-	10,476,677
U.S. Agency Obligations	794,360	-	794,360
Corporate Bonds	987,680	-	987,680
Mutual Funds	28,492,160	-	28,492,160
Receivables			
Accrued Interest	34,610	-	34,610
Prepaid Expenses	3,146	250	3,396
Total Assets	43,844,329	34,402,402	78,246,731
LIABILITIES			
Accounts Payable	20,053	4,248	24,301
Total Liabilities	20,053	4,248	24,301
NET POSITION RESTRICTED FOR PENSIONS	\$ 43,824,276	\$ 34,398,154	\$ 78,222,430

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION PENSION TRUST FUNDS

For the Year Ended December 31, 2022

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer Contributions	\$ 3,707,827	\$ 4,415,632	\$ 8,123,459
Employee Contributions	864,492	536,307	1,400,799
Total Contributions	4,572,319	4,951,939	9,524,258
Investment Income			
Net (Depreciation) in Fair Value of Investments	(8,293,712)	(5,513,400)	(13,807,112)
Interest	1,196,784	233,067	1,429,851
Total Investment Income	(7,096,928)	(5,280,333)	(12,377,261)
Less Investment Expense	(70,176)	(26,559)	(96,735)
Net Investment Income	(7,167,104)	(5,306,892)	(12,473,996)
Total Additions	(2,594,785)	(354,953)	(2,949,738)
DEDUCTIONS			
Administrative Expenses	49,838	33,921	83,759
Benefits and Refunds	4,566,720	4,616,997	9,183,717
Total Deductions	4,616,558	4,650,918	9,267,476
NET (DECREASE)	(7,211,343)	(5,005,871)	(12,217,214)
NET POSITION RESTRICTED FOR PENSIONS			
January 1	51,035,619	39,404,025	90,439,644
December 31	\$ 43,824,276	\$ 34,398,154	\$ 78,222,430

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

STATEMENT OF CHANGES IN PLAN NET POSITION - BUDGET AND ACTUAL POLICE PENSION FUND

For the Year Ended December 31, 2022

	Police Pension		
	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer Contributions	\$ 3,707,827	\$ 3,707,827	\$ 3,707,827
Employee Contributions	562,458	562,458	864,492
Total Contributions	4,270,285	4,270,285	4,572,319
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	2,651,292	2,651,292	(8,293,712)
Interest	547,510	547,510	1,196,784
Total Investment Income	3,198,802	3,198,802	(7,096,928)
Less Investment Expense	(68,000)	(68,000)	(70,176)
Net Investment Income	3,130,802	3,130,802	(7,167,104)
Total Additions	7,401,087	7,401,087	(2,594,785)
DEDUCTIONS			
Administrative Expenses	85,928	85,928	49,838
Benefits and Refunds	4,591,085	4,591,085	4,566,720
Total Deductions	4,677,013	4,677,013	4,616,558
NET INCREASE (DECREASE)	\$ 2,724,074	\$ 2,724,074	(7,211,343)
NET POSITION RESTRICTED FOR PENSIONS			
January 1			51,035,619
December 31			\$ 43,824,276

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

STATEMENT OF CHANGES IN PLAN NET POSITION - BUDGET AND ACTUAL FIREFIGHTERS' PENSION FUND

For the Year Ended December 31, 2022

	Firefighters' Pension		
	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer Contributions	\$ 4,415,632	\$ 4,415,632	\$ 4,415,632
Employee Contributions	471,733	471,733	536,307
Total Contributions	4,887,365	4,887,365	4,951,939
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	1,025,085	1,025,085	(5,513,400)
Interest	461,000	461,000	233,067
Total Investment Income	1,486,085	1,486,085	(5,280,333)
Less Investment Expense	(58,473)	(58,473)	(26,559)
Net Investment Income	1,427,612	1,427,612	(5,306,892)
Total Additions	6,314,977	6,314,977	(354,953)
DEDUCTIONS			
Administrative Expenses	54,623	54,623	33,921
Benefits and Refunds	4,878,006	4,878,006	4,616,997
Total Deductions	4,932,629	4,932,629	4,650,918
NET INCREASE (DECREASE)	\$ 1,382,348	\$ 1,382,348	(5,005,871)
NET POSITION RESTRICTED FOR PENSIONS			
January 1			39,404,025
December 31			\$ 34,398,154

(See independent auditor's report.)

**DISCRETELY PRESENTED
COMPONENT UNIT - DEKALB PUBLIC LIBRARY**

CITY OF DEKALB, ILLINOIS
COMPONENT UNIT - DEKALB PUBLIC LIBRARY

STATEMENT OF NET POSITION AND COMBINING BALANCE SHEET

December 31, 2022

	<u>General</u>	<u>Capital Projects</u>	<u>Permanent</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
CURRENT ASSETS			
Cash and Investments	\$ 2,183,328	\$ 45,826	\$ 194,679
Receivables (Net, Where Applicable, of Allowance for Uncollectibles)			
Property Taxes	2,975,905	-	-
Accounts	13,806	-	-
Prepaid Items	44,759	-	-
	<hr/>	<hr/>	<hr/>
Total Current Assets	5,217,798	45,826	194,679
	<hr/>	<hr/>	<hr/>
NONCURRENT ASSETS			
Capital Assets			
Not Depreciated	-	-	-
Depreciated (Net of Accumulated Depreciation)	-	-	-
	<hr/>	<hr/>	<hr/>
Total Noncurrent Assets	-	-	-
	<hr/>	<hr/>	<hr/>
Total Assets	5,217,798	45,826	194,679
	<hr/>	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Items - IMRF	-	-	-
OPEB Items	-	-	-
Unamortized Loss on Refunding	-	-	-
	<hr/>	<hr/>	<hr/>
Total Deferred Outflows of Resources	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<hr/>	<hr/>	<hr/>
	\$ 5,217,798	\$ 45,826	\$ 194,679
	<hr/>	<hr/>	<hr/>

Total	Adjustments	Statement of Net Position
\$ 2,423,833	\$ -	\$ 2,423,833
2,975,905	-	2,975,905
13,806	-	13,806
44,759	-	44,759
5,458,303	-	5,458,303
-	1,558,032	1,558,032
-	20,785,820	20,785,820
-	22,343,852	22,343,852
5,458,303	22,343,852	27,802,155
-	789,515	789,515
-	27,661	27,661
-	67,738	67,738
-	884,914	884,914
\$ 5,458,303	\$ 23,228,766	\$ 28,687,069

(This statement is continued on the following page.)

CITY OF DEKALB, ILLINOIS
COMPONENT UNIT - DEKALB PUBLIC LIBRARY

STATEMENT OF NET POSITION AND COMBINING BALANCE SHEET (Continued)

December 31, 2022

	<u>General</u>	<u>Capital Projects</u>	<u>Permanent</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/ NET POSITION			
LIABILITIES			
Accounts Payable	\$ 191,828	\$ -	\$ -
Accrued Payroll	31,695	-	-
Accrued Interest Payable	-	-	-
Long-Term Liabilities			
Due Within One Year	-	-	-
Due in More than One Year	-	-	-
	<hr/>	<hr/>	<hr/>
Total Liabilities	223,523	-	-
	<hr/>	<hr/>	<hr/>
DEFERRED INFLOWS OF RESOURCES			
OPEB Items	-	-	-
Unavailable Property Taxes	2,975,905	-	-
	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	2,975,905	-	-
	<hr/>	<hr/>	<hr/>
Total Liabilities and Deferred Inflows of Resources	3,199,428	-	-
	<hr/>	<hr/>	<hr/>
FUND BALANCES/NET POSITION			
Net Investment in Capital Assets	-	-	-
Nonspendable	44,759	-	-
Restricted - Endowments	-	-	194,679
Assigned	-	45,826	-
Unrestricted (Deficit)	1,973,611	-	-
	<hr/>	<hr/>	<hr/>
Total Fund Balances/Net Position	2,018,370	45,826	194,679
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/ NET POSITION	<u>\$ 5,217,798</u>	<u>\$ 45,826</u>	<u>\$ 194,679</u>

			Statement of		
Total			Adjustments		
			Net Position		
\$	191,828	\$	-	\$	191,828
	31,695		-		31,695
	-		36,198		36,198
	-		419,085		419,085
	-		5,418,109		5,418,109
	223,523		5,873,392		6,096,915
	-		47,819		47,819
	2,975,905		-		2,975,905
	2,975,905		47,819		3,023,724
	3,199,428		5,921,211		9,120,639
	-		17,956,590		17,956,590
	44,759		(44,759)		-
	194,679		-		194,679
	45,826		(45,826)		-
	1,973,611		(558,450)		1,415,161
	2,258,875		17,307,555		19,566,430
\$	5,458,303	\$	23,228,766	\$	28,687,069

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS
COMPONENT UNIT - DEKALB PUBLIC LIBRARY

STATEMENT OF ACTIVITIES AND COMBINING STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES/NET POSITION

For the Year Ended December 31, 2022

	General	Capital Projects	Permanent
REVENUES			
Taxes			
Property Taxes	\$ 2,642,964	\$ -	\$ -
Replacement Taxes	132,597	-	-
Intergovernmental	491,050	-	-
Grants	114,188	-	-
Charges for Services	13,417	-	-
Investment Income	(15,510)	(697)	(3,178)
Miscellaneous	6,399	-	-
	<hr/>	<hr/>	<hr/>
Total Revenues	3,385,105	(697)	(3,178)
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
Culture and Recreation	2,618,799	-	1,557
Debt Service			
Principal	325,000	-	-
Interest and Fiscal Charges	199,963	-	-
	<hr/>	<hr/>	<hr/>
Total Expenditures	3,143,762	-	1,557
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	241,343	(697)	(4,735)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Bonds Issued, at Par	3,775,000	-	-
Payment to Escrow Agent	(3,732,738)		
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	42,262	-	-
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES/ NET POSITION	283,605	(697)	(4,735)
	<hr/>	<hr/>	<hr/>
FUND BALANCES/ NET POSITION, JANUARY 1	1,734,765	46,523	199,414
	<hr/>	<hr/>	<hr/>
FUND BALANCES/ NET POSITION, DECEMBER 31	\$ 2,018,370	\$ 45,826	\$ 194,679
	<hr/>	<hr/>	<hr/>

	Total	Adjustments	Statement of Activities
\$	2,642,964	\$ -	\$ 2,642,964
	132,597	-	132,597
	491,050	-	491,050
	114,188	-	114,188
	13,417	-	13,417
	(19,385)	-	(19,385)
	6,399	-	6,399
	3,381,230	-	3,381,230
	2,620,356	545,561	3,165,917
	325,000	(325,000)	-
	199,963	(46,613)	153,350
	3,145,319	173,948	3,319,267
	235,911	(173,948)	61,963
	3,775,000	(3,775,000)	-
	(3,732,738)	3,732,738	-
	42,262	(42,262)	-
	278,173	(216,210)	61,963
	1,980,702	17,523,765	19,504,467
\$	2,258,875	\$ 17,307,555	\$ 19,566,430

(See independent auditor's report.)

SUPPLEMENTAL FINANCIAL INFORMATION

CITY OF DEKALB, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS OF 2010C**

December 31, 2022

Date of Issue	December 1, 2010
Date of Maturity	January 1, 2023
Authorized Issue	\$5,415,000
Denomination of Notes	\$5,000
Interest Rates	1.90% to 5.90%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Northern Trust Company, Chicago, Illinois
Purpose	Refund a portion of the Series 2014 and 2009 Bond Anticipation Notes

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	January 1	Amount	July 1	Amount
2022	\$ 645,000	\$ 19,028	\$ 664,028	2023	\$ 19,028	2023	\$ -
	<u>\$ 645,000</u>	<u>\$ 19,028</u>	<u>\$ 664,028</u>		<u>\$ 19,028</u>		<u>\$ -</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2012A**

December 31, 2022

Date of Issue	October 25, 2012
Date of Maturity	January 1, 2030
Authorized Issue	\$9,905,000
Denomination of Notes	\$5,000
Interest Rates	2.00% to 2.50%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago, Chicago, Illinois
Purpose	Police Station Construction

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Total	January 1	Amount	July 1	Amount
2022	\$ 765,000	\$ 123,031	\$ 888,031	2023	\$ 65,340	2023	\$ 57,691
2023	780,000	107,582	887,582	2024	57,691	2024	49,891
2024	795,000	91,832	886,832	2025	49,891	2025	41,941
2025	810,000	75,782	885,782	2026	41,941	2026	33,841
2026	830,000	58,863	888,863	2027	33,841	2027	25,022
2027	845,000	41,066	886,066	2028	25,022	2028	16,044
2028	865,000	22,356	887,356	2029	16,044	2029	6,312
2029	505,000	6,312	511,312	2030	6,312	2030	-
	<u>\$ 6,195,000</u>	<u>\$ 526,824</u>	<u>\$ 6,721,824</u>		<u>\$ 296,082</u>		<u>\$ 230,742</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS OF 2019**

December 31, 2022

Date of Issue	October 23, 2019
Date of Maturity	January 1, 2028
Authorized Issue	\$3,925,000
Denomination of Notes	\$5,000
Interest Rates	1.82%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	JPMorgan Chase Bank, Chicago, Illinois
Purpose	Refund the Refunding Series 2010B Bonds

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	January 1	Amount	July 1	Amount
2022	\$ 185,000	\$ 68,751	\$ 253,751	2023	\$ 35,217	2023	\$ 33,534
2023	870,000	59,150	929,150	2024	33,534	2024	25,616
2024	885,000	43,180	928,180	2025	25,617	2025	17,563
2025	905,000	26,890	931,890	2026	17,563	2026	9,327
2026	920,000	10,283	930,283	2027	9,328	2027	955
2027	105,000	955	105,955	2028	955	2028	-
	<u>\$ 3,870,000</u>	<u>\$ 209,209</u>	<u>\$ 4,079,209</u>		<u>\$ 122,214</u>		<u>\$ 86,995</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS OF 2020**

December 31, 2022

Date of Issue	November 19, 2020
Date of Maturity	January 1, 2030
Authorized Issue	\$1,900,000
Denomination of Notes	\$5,000
Interest Rates	2.30% to 2.50%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago, Chicago, Illinois
Purpose	Refund principal installments of bonds payable in the year 2021

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	January 1	Amount	July 1	Amount
2022	\$ -	\$ 46,110	\$ 46,110	2023	\$ 23,055	2023	\$ 23,055
2023	-	46,110	46,110	2024	23,055	2024	23,055
2024	-	46,110	46,110	2025	23,055	2025	23,055
2025	-	46,110	46,110	2026	23,055	2026	23,055
2026	-	46,110	46,110	2027	23,055	2027	23,055
2027	425,000	41,223	466,223	2028	23,055	2028	18,168
2028	540,000	29,856	569,856	2029	18,168	2029	11,688
2029	935,000	11,689	946,689	2030	11,689	2030	-
	<u>\$ 1,900,000</u>	<u>\$ 313,318</u>	<u>\$ 2,213,318</u>		<u>\$ 168,187</u>		<u>\$ 145,131</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
IEPA LOAN #L174045 CONTRACT PAYABLE OF 2012**

December 31, 2022

Date of Issue	August 9, 2013
Date of Maturity	October 26, 2032
Authorized Issue	\$283,072
Interest Rates	2.295%
Interest Dates	April 26 and October 26
Payable at	Illinois Environmental Protection Agency
Purpose	Hollister Avenue Watermain Replacement

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Total
2023	\$ 14,830	\$ 3,695	\$ 18,525
2024	15,172	3,353	18,525
2025	15,522	3,003	18,525
2026	15,880	2,644	18,524
2027	16,247	2,277	18,524
2028	16,622	1,903	18,525
2029	17,005	1,519	18,524
2030	17,398	1,127	18,525
2031	17,800	725	18,525
2032	18,210	312	18,522
	<u>\$ 164,686</u>	<u>\$ 20,558</u>	<u>\$ 185,244</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
IEPA LOAN #L175473 CONTRACT PAYABLE OF 2019**

December 31, 2022

Date of Issue	June 30, 2019
Date of Maturity	June 30, 2039
Authorized Issue	\$694,701
Interest Rates	1.840%
Interest Dates	June 30 and December 30
Payable at	Illinois Environmental Protection Agency
Purpose	Watermain Upgrades Phase 2

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Total
2023	\$ 31,074	\$ 10,772	\$ 41,846
2024	31,648	10,197	41,845
2025	32,233	9,612	41,845
2026	32,829	9,016	41,845
2027	33,435	8,409	41,844
2028	34,054	7,792	41,846
2029	34,683	7,163	41,846
2030	35,324	6,521	41,845
2031	35,977	5,868	41,845
2032	36,642	5,203	41,845
2033	37,319	4,525	41,844
2034	38,010	3,836	41,846
2035	38,712	3,133	41,845
2036	39,427	2,418	41,845
2037	40,156	1,689	41,845
2038	40,899	947	41,846
2039	20,733	191	20,924
	\$ 593,155	\$ 97,292	\$ 690,447

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS
COMPONENT UNIT - DEKALB PUBLIC LIBRARY

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2013A

December 31, 2022

Date of Issue	June 18, 2013
Date of Maturity	January 1, 2033
Authorized Issue	\$6,685,000
Denomination of Notes	\$5,000
Interest Rates	3% to 4%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago, Chicago, Illinois
Purpose	Library Expansion

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 335,000	\$ 15,375	\$ 350,375
2024	345,000	5,175	350,175
	<u>\$ 680,000</u>	<u>\$ 20,550</u>	<u>\$ 700,550</u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS
COMPONENT UNIT - DEKALB PUBLIC LIBRARY

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS OF 2022

December 31, 2022

Date of Issue	October 4, 2022
Date of Maturity	January 1, 2033
Authorized Issue	\$3,775,000
Denomination of Notes	\$5,000
Interest Rates	2.850%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	JP Morgan Chase Bank, N.A.
Purpose	Library Expansion

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 40,000	\$ 79,224	\$ 119,224
2024	15,000	106,234	121,234
2025	370,000	100,748	470,748
2026	380,000	90,060	470,060
2027	390,000	79,088	469,088
2028	400,000	67,830	467,830
2029	415,000	56,216	471,216
2030	425,000	44,246	469,246
2031	435,000	31,991	466,991
2032	445,000	19,451	464,451
2033	460,000	6,555	466,555
	<u>\$ 3,775,000</u>	<u>\$ 681,643</u>	<u>\$ 4,456,643</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the City of DeKalb, Illinois' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	164-173
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, sales tax and property tax.	174-181
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	182-185
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	186-187
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	188-192

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

CITY OF DEKALB, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2016*
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 116,047,087	\$ 113,826,017	\$ 111,898,622	\$ 109,971,927
Restricted	11,764,636	12,897,923	13,365,048	13,940,693
Unrestricted (Deficit)	(11,899,046)	(69,597,568)	(79,546,145)	(78,676,335)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 115,912,677	\$ 57,126,372	\$ 45,717,525	\$ 45,236,285
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 49,590,809	\$ 52,605,345	\$ 52,803,874	\$ 52,481,077
Unrestricted	4,329,375	4,305,333	3,123,080	3,146,393
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 53,920,184	\$ 56,910,678	\$ 55,926,954	\$ 55,627,470
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 165,637,896	\$ 166,431,362	\$ 164,702,496	\$ 162,453,004
Restricted	11,764,636	12,897,923	13,365,048	13,940,693
Unrestricted (Deficit)	(7,569,671)	(65,292,235)	(76,423,065)	(75,529,942)
TOTAL PRIMARY GOVERNMENT	\$ 169,832,861	\$ 114,037,050	\$ 101,644,479	\$ 100,863,755

Note: The City implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015 and GASB Statement No. 75 for the fiscal year ended December 31, 2018.

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

Audited Financial Statements

2017	2018	2019	2020	2021	2022
\$ 108,657,023	\$ 106,591,976	\$ 104,229,352	\$ 101,978,389	\$ 100,713,960	\$ 100,027,579
13,672,932	8,135,923	9,053,404	9,052,513	10,601,569	9,737,153
(81,592,842)	(105,205,972)	(105,991,353)	(105,910,709)	(95,988,583)	(96,015,859)
\$ 40,737,113	\$ 9,521,927	\$ 7,291,403	\$ 5,120,193	\$ 15,326,946	\$ 13,748,873
\$ 54,064,502	\$ 54,929,044	\$ 53,576,318	\$ 54,420,312	\$ 57,750,421	\$ 58,454,203
2,550,706	2,080,736	2,563,240	3,448,734	4,433,172	5,387,988
\$ 56,615,208	\$ 57,009,780	\$ 56,139,558	\$ 57,869,046	\$ 62,183,593	\$ 63,842,191
\$ 162,721,525	\$ 161,521,020	\$ 157,805,670	\$ 156,398,701	\$ 158,464,381	\$ 158,481,782
13,672,932	8,135,923	9,053,404	9,052,513	10,601,569	9,737,153
(79,042,136)	(103,125,236)	(103,428,113)	(102,461,975)	(91,555,411)	(90,627,871)
\$ 97,352,321	\$ 66,531,707	\$ 63,430,961	\$ 62,989,239	\$ 77,510,539	\$ 77,591,064

CITY OF DEKALB, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2016*
EXPENSES				
Governmental Activities				
General Government	\$ 9,744,441	\$ 12,795,131	\$ 8,456,094	\$ 5,395,790
Public Safety	20,797,002	22,259,920	33,400,660	13,631,506
Highways and Streets	5,016,398	4,158,954	8,086,082	4,480,747
Community Development	10,726,424	8,859,472	6,984,506	7,362,107
Interest	1,209,191	987,476	1,057,938	433,303
Total Governmental Activities Expenses	47,493,456	49,060,953	57,985,280	31,303,453
Business-Type Activities				
Water and Sewer	4,080,350	4,288,137	5,354,514	2,766,772
Airport	1,322,518	1,410,722	1,263,527	674,622
Refuse	1,844,724	1,920,958	2,110,657	1,024,302
Total Business-Type Activities Expenses	7,247,592	7,619,817	8,728,698	4,465,696
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 54,741,048	\$ 56,680,770	\$ 66,713,978	\$ 35,769,149
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 485,114	\$ 417,915	\$ 456,082	\$ 291,387
Public Safety	2,504,342	3,608,300	2,875,539	1,580,396
Highways and Streets	144,137	107,317	-	-
Community Development	460,458	4,588,613	685,065	231,479
Operating Grants and Contributions	1,166,973	1,114,773	1,218,315	672,466
Capital Grants and Contributions	4,072,079	4,375,595	3,933,596	1,866,646
TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES	8,833,103	14,212,513	9,168,597	4,642,374
Business-Type Activities				
Charges for Services				
Water and Sewer	5,179,180	5,377,744	5,391,676	2,929,368
Airport	772,805	658,557	468,110	328,053
Refuse	2,053,424	2,010,485	2,047,188	1,063,382
Capital Grants and Contributions	959,182	2,566,070	81,555	42,829
Total Business-Type Activities Program Revenues	8,964,591	10,612,856	7,988,529	4,363,632
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 17,797,694	\$ 24,825,369	\$ 17,157,126	\$ 9,006,006
NET (EXPENSE) REVENUE				
Governmental Activities	\$ (38,660,353)	\$ (34,848,440)	\$ (48,816,683)	\$ (26,661,079)
Business-Type Activities	1,716,999	2,993,039	(740,169)	(102,064)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (36,943,354)	\$ (31,855,401)	\$ (49,556,852)	\$ (26,763,143)

2017	2018	2019	2020	2021	2022
\$ 8,247,776	\$ 8,430,414	\$ 13,266,076	\$ 12,290,289	\$ 12,950,452	\$ 16,444,404
26,862,629	30,080,212	30,633,036	31,062,832	29,347,402	34,684,973
4,887,066	8,903,634	8,642,569	8,381,178	8,177,322	11,358,424
12,186,289	13,587,704	11,074,609	8,084,930	6,566,844	4,521,245
777,001	695,210	567,712	344,390	257,132	360,140
52,960,761	61,697,174	64,184,002	60,163,619	57,299,152	67,369,186
5,174,324	5,246,979	6,161,930	4,530,798	4,215,143	5,813,273
1,357,269	1,481,000	1,499,191	1,429,568	1,743,851	1,830,245
2,132,643	2,086,409	1,869,548	1,880,876	2,048,917	2,091,506
8,664,236	8,814,388	9,530,669	7,841,242	8,007,911	9,735,024
\$ 61,624,997	\$ 70,511,562	\$ 73,714,671	\$ 68,004,861	\$ 65,307,063	\$ 77,104,210
\$ 506,158	\$ 538,305	\$ 545,288	\$ 568,435	\$ 2,368,356	\$ 2,718,882
2,866,226	3,266,797	4,455,679	3,584,171	5,574,418	6,178,567
-	-	-	-	-	-
608,386	459,501	689,914	652,167	925,679	760,272
1,213,286	1,308,752	1,537,111	3,686,140	8,140,559	9,674,942
3,737,849	3,960,020	8,945,753	7,784,936	2,902,639	3,516,060
8,931,905	9,533,375	16,173,745	16,275,849	19,911,651	22,848,723
5,762,896	5,686,158	5,934,319	6,093,310	6,514,842	6,752,089
776,906	837,997	816,913	821,246	871,721	1,233,693
2,160,482	2,058,770	1,871,079	1,913,462	2,044,023	1,903,618
789,468	478,930	36,230	72,943	2,251,665	1,081,797
9,489,752	9,061,855	8,658,541	8,900,961	11,682,251	10,971,197
\$ 18,421,657	\$ 18,595,230	\$ 24,832,286	\$ 25,176,810	\$ 31,593,902	\$ 33,819,920
\$ (44,028,856)	\$ (52,163,799)	\$ (48,010,257)	\$ (43,887,770)	\$ (37,387,501)	\$ (44,520,463)
825,516	247,467	(872,128)	1,059,719	3,674,340	1,236,173
\$ (43,203,340)	\$ (51,916,332)	\$ (48,882,385)	\$ (42,828,051)	\$ (33,713,161)	\$ (43,284,290)

CITY OF DEKALB, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2016*
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 12,392,230	\$ 11,981,519	\$ 11,812,941	\$ 12,678,579
Sales	10,435,096	11,092,497	11,801,518	6,197,334
Utility	3,600,059	3,433,879	3,202,384	1,513,310
Income	4,197,440	4,515,729	4,462,992	1,786,638
Other	4,994,817	5,340,751	5,585,744	3,279,118
American Plan Rescue Act	-	-	-	-
Investment Income	164,693	182,353	(257,706)	103,038
Miscellaneous	953,687	1,258,401	598,730	344,060
Gain on Sale of Capital Assets	-	-	1,741	23,515
Transfers In (Out)	627,800	(29,377)	(62,163)	254,247
Total Governmental Activities	37,365,822	37,775,752	37,146,181	26,179,839
Business-Type Activities				
Taxes				
Sales	-	-	-	-
Other	-	-	-	-
American Plan Rescue Act	-	-	-	-
Investment Income	113	27	38,672	18,951
Miscellaneous	2,492	4,326	109,342	37,876
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Transfers In (Out)	(627,800)	29,337	62,163	(254,247)
Total Business-Type Activities	(625,195)	33,690	210,177	(197,420)
TOTAL PRIMARY GOVERNMENT	\$ 36,740,627	\$ 37,809,442	\$ 37,356,358	\$ 25,982,419
CHANGE IN NET POSITION				
Governmental Activities	\$ (1,294,531)	\$ 2,927,312	\$ (11,670,502)	\$ (481,240)
Business-Type Activities	1,091,804	3,026,729	(529,992)	(299,484)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ (202,727)	\$ 5,954,041	\$ (12,200,494)	\$ (780,724)

Note: The City implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, and GASB Statement No. 75 for the fiscal year ended December 31, 2018.

The City correctly included Public Works General Fund expenses under Highway and Streets for fiscal year ended June 30, 2016.

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

Audited Financial Statements

	2017	2018	2019	2020	2021	2022
\$	13,783,140	\$ 14,454,907	\$ 14,519,186	\$ 13,124,148	\$ 13,953,220	\$ 7,387,926
	11,857,871	11,966,582	12,192,725	10,871,781	13,881,546	15,219,370
	3,144,611	3,252,309	3,148,963	2,957,600	2,979,368	2,904,660
	4,044,119	4,216,580	4,686,511	4,784,693	5,787,319	6,565,145
	5,648,898	5,966,613	9,087,721	7,983,331	7,200,264	7,379,745
	-	-	-	-	2,989,112	2,947,963
	201,169	547,273	747,317	152,682	35,808	597,076
	671,129	765,685	787,132	811,637	962,391	200,319
	10,744	14,785	-	581,038	-	-
	168,003	(299,600)	321,800	449,650	68,015	311,000
	39,529,684	40,885,134	45,491,355	41,716,560	47,857,043	43,513,204
	716	12,864	11,467	7,101	7,806	12,265
	267,120	284,299	268,072	183,805	202,958	199,225
	-	-	-	-	-	342,689
	10,557	739	5,894	3,687	921	147,424
	51,832	61,426	38,273	25,700	36,771	35,857
	-	-	-	-	-	785
	(168,003)	299,600	(321,800)	(449,650)	(68,015)	(311,000)
	162,222	658,928	1,906	(229,357)	180,441	427,245
\$	39,691,906	\$ 41,544,062	\$ 45,493,261	\$ 41,487,203	\$ 48,037,484	\$ 43,940,449
\$	(4,499,172)	\$ (11,278,665)	\$ (2,518,902)	\$ (2,171,210)	\$ 10,469,542	\$ (1,007,259)
	987,738	906,395	(870,222)	830,362	3,854,781	1,663,418
\$	(3,511,434)	\$ (10,372,270)	\$ (3,389,124)	\$ (1,340,848)	\$ 14,324,323	\$ 656,159

CITY OF DEKALB, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2016*
GENERAL FUND				
Nonspendable	\$ 30,216	\$ 22,865	\$ 361,584	\$ 570,613
Restricted	104,523	173,187	-	283,543
Committed	6,262	6,447	-	-
Unassigned	5,916,598	8,018,754	9,123,076	8,374,964
TOTAL GENERAL FUND	\$ 6,057,599	\$ 8,221,253	\$ 9,484,660	\$ 9,229,120
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ 51
Restricted	11,660,113	12,728,487	13,365,048	13,679,908
Assigned	498,285	571,040	358,251	1,130,130
Unassigned (Deficit)	(205,934)	-	(23,787)	(1,583)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 11,952,464	\$ 13,299,527	\$ 13,699,512	\$ 14,808,506

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

Audited Financial Statements

2017	2018	2019	2020	2021	2022
\$ 591,381	\$ 78,507	\$ 36,238	\$ 22,864	\$ 19,901	\$ 34,573
210,625	171,555	154,897	101,934	-	-
-	-	-	-	-	-
8,271,793	7,152,795	10,333,569	12,161,612	19,605,967	25,282,905
\$ 9,073,799	\$ 7,402,857	\$ 10,524,704	\$ 12,286,410	\$ 19,625,868	\$ 25,317,478
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 577
13,462,307	7,964,368	8,898,507	8,950,579	10,601,569	9,737,153
587,790	782,790	1,221,434	1,154,051	2,520,401	2,185,352
(13,977)	27,452	(589,845)	(6,782)	-	-
\$ 14,036,120	\$ 8,774,610	\$ 9,530,096	\$ 10,097,848	\$ 13,121,970	\$ 11,923,082

CITY OF DEKALB, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2016*
REVENUES				
Taxes	\$ 24,430,463	\$ 24,733,924	\$ 25,403,303	\$ 19,709,294
Intergovernmental	16,384,065	18,199,099	16,614,186	8,284,796
Licenses, Permits, and Fees	554,740	713,565	876,788	308,697
Charges for Services	1,961,818	2,003,002	2,285,408	1,447,496
Fines and Forfeitures	1,077,493	1,005,578	854,491	347,070
Investment Income	163,453	182,313	(257,706)	103,038
Miscellaneous	953,687	1,258,401	600,698	344,060
Total Revenues	45,525,719	48,095,882	46,377,168	30,544,451
EXPENDITURES				
General Government	9,356,378	11,547,939	8,310,899	5,067,474
Public Safety	19,942,140	20,479,288	21,418,254	13,881,369
Highways and Streets	800,879	537,655	3,773,836	2,317,801
Community Development	4,015,770	8,500,421	3,588,312	1,432,478
Capital Outlay	10,892,511	1,547,500	4,835,430	6,213,218
Debt Service				
Principal Retirement	2,548,453	2,296,031	2,065,017	861,667
Interest and Fiscal Charges	1,054,116	988,529	911,606	437,752
Payment to Escrow Agent	-	-	-	-
Total Expenditures	48,610,247	45,897,363	44,903,354	30,211,759
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,084,528)	2,198,519	1,473,814	332,692
OTHER FINANCING SOURCES (USES)				
Transfers In	6,123,312	5,655,359	3,130,209	2,193,115
Transfers (Out)	(6,220,512)	(6,034,736)	(2,942,372)	(1,695,868)
Bonds Issued	-	776,775	-	-
Capital Lease Issuance	-	-	-	-
Lease Issuance	-	-	-	-
Installment Contract Issuance	-	-	-	-
Payment to Bond Escrow Agent	-	(776,775)	-	-
Sale of Capital Assets	55,198	6,920	1,741	23,515
Total Other Financing Sources (Uses)	(42,002)	(372,457)	189,578	520,762
NET CHANGE IN FUND BALANCES	\$ (3,126,530)	\$ 1,826,062	\$ 1,663,392	\$ 853,454
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	8.00%	7.35%	6.79%	4.32%

Note: For fiscal year 2016, the City correctly included Public Works General Fund expenditures under Highway and Streets.

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

Audited Financial Statements

	2017	2018	2019	2020	2021	2022
\$	27,155,993	\$ 28,247,127	\$ 28,400,416	\$ 25,602,576	\$ 29,598,513	\$ 24,059,104
	16,273,781	16,878,635	25,717,553	25,590,052	30,034,472	32,433,654
	707,768	539,473	786,023	782,199	1,057,539	874,445
	2,578,224	3,000,898	4,226,585	3,560,391	5,498,543	5,947,941
	694,778	724,233	678,274	462,184	513,413	478,472
	201,169	547,273	747,317	152,682	35,808	597,076
	671,129	765,685	787,132	811,637	962,391	1,660,235
	48,282,842	50,703,324	61,343,300	56,961,721	67,700,679	66,050,927
	8,121,452	8,743,307	13,202,365	12,654,811	14,239,248	15,591,570
	23,393,464	24,675,119	24,895,032	26,254,131	27,105,336	28,177,874
	4,107,314	3,889,329	3,525,262	3,778,587	3,988,755	4,330,128
	2,278,250	7,487,615	6,719,997	4,541,106	4,470,121	2,165,323
	8,636,195	8,841,258	6,752,289	5,970,508	6,401,122	9,950,745
	2,145,092	2,331,667	2,411,667	2,531,572	1,278,723	1,806,268
	837,529	767,026	716,793	569,014	76,004	355,060
	-	-	87,905	-	-	-
	49,519,296	56,735,321	58,311,310	56,299,729	57,559,309	62,376,968
	(1,236,454)	(6,031,997)	3,031,990	661,992	10,141,370	3,673,959
	3,866,057	6,757,503	3,427,783	8,297,685	4,199,300	2,991,280
	(3,568,054)	(7,307,103)	(3,105,983)	(7,848,035)	(4,131,285)	(2,680,280)
	-	-	3,925,000	1,900,000	-	-
	-	-	-	414,385	305,464	-
	-	-	-	-	-	30,208
	-	-	-	-	-	460,970
	-	-	(3,891,000)	(1,795,554)	-	-
	10,744	14,785	201,165	698,985	111,520	16,585
	308,747	(534,815)	556,965	1,667,466	484,999	818,763
\$	(927,707)	\$ (6,566,812)	\$ 3,588,955	\$ 2,329,458	\$ 10,626,369	\$ 4,492,722
	6.21%	5.54%	5.58%	5.62%	2.50%	3.61%

CITY OF DEKALB, ILLINOIS

TAXABLE SALES BY CATEGORY

Last Ten Calendar Years

Calendar Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Merchandise	\$ 145,091,378	\$ 145,331,012	\$ 142,983,051	\$ 137,420,731	\$ 134,043,552	\$ 137,457,526	\$ 140,297,236	\$ 122,523,873	\$ 124,968,842	\$ 127,003,000
Food	65,400,022	65,602,683	62,574,399	60,061,923	61,402,912	60,556,999	63,316,542	61,187,309	64,444,080	70,961,200
Drinking and Eating Places	67,411,032	72,375,099	73,690,804	75,136,564	78,199,389	77,415,911	78,536,423	65,058,399	82,401,510	85,191,200
Apparel	8,019,269	9,156,209	9,682,582	9,307,673	8,752,664	8,940,050	8,829,338	6,365,279	12,969,491	11,548,300
Furniture, H.H., and Radio	20,194,461	20,299,326	22,219,433	21,361,547	20,542,886	20,796,026	20,271,123	19,484,265	20,623,337	17,367,500
Lumber, Building Hardware	23,492,009	26,215,248	26,667,559	28,115,438	28,176,775	26,415,723	27,954,666	32,970,571	36,541,796	62,067,000
Automobile and Filling Stations	81,838,781	83,933,383	81,644,714	75,090,664	81,886,476	88,657,779	92,950,445	72,723,001	86,920,239	98,488,900
Drugs and Miscellaneous Retail	78,920,501	81,900,819	86,883,148	89,850,869	88,288,532	90,418,273	93,950,025	93,616,891	146,359,704	142,466,500
Agriculture and All Others	30,174,323	30,610,577	26,789,604	26,717,140	29,536,527	28,344,059	30,044,964	24,683,192	40,926,766	42,467,800
Manufacturers	3,116,244	3,392,915	1,455,793	3,703,355	4,092,447	4,035,268	5,179,972	4,169,842	4,440,419	5,127,600
TOTAL	\$ 523,658,020	\$ 538,817,271	\$ 534,591,087	\$ 526,765,904	\$ 534,922,160	\$ 543,037,614	\$ 561,330,734	\$ 502,782,622	\$ 620,596,184	\$ 662,689,000
CITY DIRECT SALES										
TAX RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Note: The data presents taxable sales subject to the Municipal Retailer's Occupation Tax.

Data Source

Illinois Department of Revenue

CITY OF DEKALB, ILLINOIS

TAXABLE SALES BY CATEGORY - HOME RULE

Last Ten Calendar Years

Calendar Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Merchandise	\$ 96,069,313	\$ 95,614,092	\$ 94,092,573	\$ 93,307,247	\$ 91,778,515	\$ 91,746,946	\$ 87,715,878	\$ 80,974,905	\$ 89,174,458	\$ 90,739,600
Food	28,856,277	28,086,495	24,719,290	23,139,941	24,029,142	23,108,895	25,661,271	21,583,161	28,270,968	36,074,571
Drinking and Eating Places	66,489,229	70,711,436	71,004,958	74,617,226	77,430,970	76,139,535	77,114,722	63,914,505	81,165,651	83,537,314
Apparel	7,946,743	9,091,595	9,583,535	9,213,771	8,675,507	8,888,619	8,753,242	6,297,903	12,927,623	11,512,171
Furniture, H.H., and Radio	20,039,027	20,419,645	22,061,903	21,256,310	20,441,189	20,702,497	20,186,846	19,434,401	20,621,497	17,366,686
Lumber, Building Hardware	23,431,577	26,161,570	26,623,933	28,061,982	28,122,673	26,358,482	27,900,877	32,921,512	36,394,317	62,008,000
Automobile and Filling Stations	48,575,366	46,268,699	38,844,447	33,810,004	37,358,062	45,233,786	45,730,317	35,305,553	43,436,078	53,399,943
Drugs and Miscellaneous Retail	58,367,979	59,423,173	59,678,688	59,042,749	57,463,105	57,367,783	57,096,451	52,209,241	92,065,093	93,787,429
Agriculture and All Others	28,584,214	29,168,574	25,247,798	25,269,254	27,645,407	26,141,655	26,328,704	22,478,730	37,264,339	39,176,114
Manufacturers	2,801,034	3,018,957	1,149,345	3,446,081	3,871,997	3,840,194	4,992,557	3,993,901	4,300,702	5,020,800
TOTAL	\$ 381,160,759	\$ 387,964,236	\$ 373,006,470	\$ 371,164,565	\$ 376,816,567	\$ 379,528,392	\$ 381,480,865	\$ 339,113,812	\$ 445,620,726	\$ 492,622,628
CITY DIRECT SALES										
TAX RATE	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%

Note: The data presents taxable sales subject to the City's Home Rule Sales Tax.

Data Source

Illinois Department of Revenue

CITY OF DEKALB, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Calendar Years

Calendar Year	City Home Rule Rate	Municipal Retailers Occupation Tax	County Rate	State Rate	Total
2013	1.75%	1.00%	0.25%	5.00%	8.00%
2014	1.75%	1.00%	0.25%	5.00%	8.00%
2015	1.75%	1.00%	0.25%	5.00%	8.00%
2016*	1.75%	1.00%	0.25%	5.00%	8.00%
2017	1.75%	1.00%	0.25%	5.00%	8.00%
2018	1.75%	1.00%	0.25%	5.00%	8.00%
2019	1.75%	1.00%	0.25%	5.00%	8.00%
2020	1.75%	1.00%	0.25%	5.00%	8.00%
2021	1.75%	1.00%	0.25%	5.00%	8.00%
2022	1.75%	1.00%	0.25%	5.00%	8.00%

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

City, County, and State Records

CITY OF DEKALB, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential	Commercial	Industrial	Farm	Railroad	Total	Total Direct Tax Rate*
2013	\$ 300,043,381	\$ 143,720,391	\$ 39,939,551	\$ 673,596	\$ 1,546,704	\$ 485,923,623	\$ 1.3511
2014	285,032,206	138,851,901	38,459,111	1,010,413	1,612,750	464,966,381	1.4113
2015	283,233,886	142,889,179	38,998,251	1,020,259	1,936,167	468,077,742	1.6853
2016**	298,748,883	154,031,848	48,012,868	1,098,215	1,970,015	503,861,829	1.6583
2017	305,785,673	164,843,724	55,827,547	1,162,643	2,009,877	529,629,464	1.6140
2018	316,779,699	170,625,427	57,198,687	1,184,329	2,159,545	547,947,687	1.3964
2019	336,652,943	182,469,081	62,998,697	1,248,640	2,357,478	585,726,839	1.5418
2020	351,406,926	189,583,406	65,682,775	1,202,192	2,457,763	610,333,062	1.4564
2021	388,913,054	215,495,770	85,864,902	1,223,239	2,674,708	694,171,673	1.3716
2022	415,095,442	233,757,721	141,369,799	1,404,643	2,934,325	794,561,930	1.2705

Note: The City only reports the rate setting EAV.

*This includes the City of DeKalb and the DeKalb Public Library.

**The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

Office of the County Clerk

CITY OF DEKALB, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
TAX RATES										
City of DeKalb	0.9809	1.0245	1.1942	1.2021	1.2268	1.1883	1.1549	1.0687	0.9861	0.8960
DeKalb Library	0.3701	0.3868	0.4911	0.4562	0.3872	0.2081	0.3868	0.3877	0.3855	0.3745
	1.3510	1.4113	1.6853	1.6583	1.6140	1.3964	1.5417	1.4564	1.3716	1.2705
DeKalb County	1.2013	1.2483	1.2364	1.1429	1.1201	1.0951	1.0752	1.0629	1.0315	0.9677
DeKalb Township	0.1687	0.1797	0.1820	0.1724	0.1709	0.1683	0.1632	0.1600	0.1486	0.1411
DeKalb Road & Bridge	0.1977	0.2106	0.2133	0.2020	0.2006	0.1961	0.1867	0.1849	0.1730	0.1678
DeKalb County Forest Preserve District	0.0852	0.0876	0.0853	0.0799	0.0783	0.0766	0.0748	0.0740	0.0736	0.0692
Kishwaukee Water Reclamation District	0.1393	0.1486	0.1504	0.1425	0.1389	0.1375	0.1360	0.1337	0.1200	0.1094
DeKalb School District #428	7.8215	8.2714	8.2500	7.8132	7.7209	7.3854	7.1838	7.0649	6.8084	6.0934
Kishwaukee Community College	0.7294	0.7123	0.6972	0.6700	0.6669	0.6683	0.6528	0.6528	0.6432	0.6087
DeKalb Park District	0.7519	0.7969	0.7960	0.7559	0.7450	0.7366	0.7205	0.7098	0.6963	0.6780
TOTAL TAX RATE PER \$100 EQUALIZED ASSESSED VALUATION	12.4460	13.0667	13.2959	12.6371	12.4556	11.8603	11.7347	11.4994	11.0662	10.1058
SHARE OF TOTAL TAX RATE LEVIED BY CITY OF DEKALB AND THE DEKALB LIBRARY	10.85%	10.80%	12.68%	13.12%	12.96%	11.77%	13.14%	12.67%	12.39%	12.57%

The rates are directly applied to the total rate setting EAV amounts listed in the schedule of EAV by property class.

Data Source

Office of the County Clerk

CITY OF DEKALB, ILLINOIS

PRINCIPAL TAXPAYERS

Current Year and Nine Years Ago

Taxpayers	Type of Business	2022		Percentage of Total Assessed Valuation	2013		Percentage of Total Assessed Valuation
		Taxable Assessed Valuation	Rank		Taxable Assessed Valuation	Rank	
Ventus Tech Services, LLC (Meta)	Data Center	\$ 46,300,586	1	5.83%			
DeKalb Distribution Associates (Ferrara Candy)	Warehouse/Distribution	31,491,805	2	3.96%			
3M	Warehouse/Distribution	29,327,165	3	3.69%	\$ 11,357,544	1	2.34%
Target	Warehouse/Distribution	12,992,995	4	1.64%	11,061,281	2	2.28%
DeKalb Area Retirement Center (Oak Crest)	Retirement Center	8,012,388	5	1.01%	5,423,203	7	1.12%
ARC - Goodyear	Warehouse/Distribution	7,956,450	6	1.00%	6,847,508	4	1.41%
Nestle	Warehouse/Distribution	7,497,861	7	0.94%	6,622,065	5	1.36%
Panduit	Manufacturing	7,162,765	8	0.90%	7,321,367	3	1.51%
DeKalb 1 Preservation - Univserity Village I & II	Apartments	6,029,180	9	0.76%			
Amazon	Warehouse/Distribution	4,677,124	10	0.59%			
Northland Plaza	Retail				5,584,704	6	1.15%
Fairview MSFP II, LLC	Warehouse/Distribution				4,137,780	8	0.85%
Dream Fund LLC	Apartments				4,028,781	9	0.83%
JLAR	Apartments/Retail				3,412,711	10	0.70%
TOTAL		<u>\$ 161,448,319</u>		<u>20.32%</u>	<u>\$ 65,796,944</u>		<u>13.55%</u>

Note: Some taxpayers contain multiple parcels.

Data Sources

County Assessors Office (not adjusted for unreported title transfers)
City of DeKalb

CITY OF DEKALB, ILLINOIS

PROPERTY TAX RATES, LEVIES, AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	City of DeKalb							DeKalb Library						
	Rates per \$100	Total Tax Levy Requested	Collections within the Levy Year			Total Collections to Date		Rates per \$100	Total Tax Levy Requested	Collections within the Levy Year			Total Collections to Date	
			Amount	Percent of Levy Collected	Collections in Subsequent Years	Amount	Percent of Levy Collected			Amount	Percent of Levy Collected	Collections in Subsequent Years	Amount	Percent of Levy Collected
2013	0.9809	\$ 4,270,457	\$ 4,203,106	98.42%	-	\$ 4,203,106	98.42%	0.3701	\$ 1,798,549	\$ 1,769,239	98.37%	\$ -	\$ 1,769,239	98.37%
2014	1.0245	4,270,540	4,231,993	99.10%	-	4,231,993	99.10%	0.3868	2,289,658	2,257,413	98.59%	-	2,257,413	98.59%
2015	1.1942	5,094,730	5,049,737	99.12%	-	5,049,737	99.12%	0.4911	2,786,674	2,768,573	99.35%	-	2,768,573	99.35%
2016	1.2021	5,565,384	5,523,531	99.25%	-	5,523,531	99.25%	0.4562	2,748,500	2,770,128	100.79%	-	2,770,128	100.79%
2017	1.2268	6,004,594	5,869,058	97.74%	-	5,869,058	97.74%	0.3872	2,748,500	2,487,807	90.52%	-	2,487,807	90.52%
2018	1.1883	6,017,140	5,897,168	98.01%	-	5,897,168	98.01%	0.2081	2,621,799	1,122,926	42.83%	-	1,122,926	42.83%
2019	1.1549	6,269,649	6,178,386	98.54%	-	6,178,386	98.54%	0.3868	2,754,942	2,721,263	98.78%	-	2,721,263	98.78%
2020	1.0687	6,522,456	6,433,050	98.63%	-	6,433,050	98.63%	0.3877	2,366,378	2,334,102	98.64%	-	2,334,102	98.64%
2021	0.9861	6,845,317	6,756,139	98.70%	-	6,756,139	98.70%	0.3855	2,675,708	2,642,964	98.78%	-	2,642,964	98.78%
2022	0.8960	7,119,130	-	0.00%	-	-	0.00%	0.3745	2,975,905	-	0.00%	-	-	0.00%

Note: Amount reflects collection through December 31, 2022.

Data Sources

Office of the County Clerk
Office of the County Treasurer

Rates per \$100	Total Tax Levy Requested	Total				
		Collections within the Levy Year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy Collected		Amount	Percent of Levy Collected
1.3510	\$ 6,069,006	\$ 5,972,345	98.41%	\$ -	\$ 5,972,345	98.41%
1.4113	6,560,198	6,489,406	98.92%	-	6,489,406	98.92%
1.6853	7,881,404	7,818,310	99.20%	-	7,818,310	99.20%
1.6583	8,313,884	8,293,659	99.76%	-	8,293,659	99.76%
1.6140	8,753,094	8,356,865	95.47%	-	8,356,865	95.47%
1.3964	8,638,939	7,020,094	81.26%	-	7,020,094	81.26%
1.5417	9,024,591	8,899,649	98.62%	-	8,899,649	98.62%
1.4564	8,888,834	8,767,152	98.63%	-	8,767,152	98.63%
1.3716	9,521,025	9,399,103	98.72%	-	9,399,103	98.72%
1.2705	10,095,035	-	0.00%	-	-	0.00%

CITY OF DEKALB, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income*	Per Capita*
	G.O. Bonds	Installment Contracts	Lease Payable	G.O. Bonds	IEPA Loan Payable	Installment Contracts	Lease Payable			
2014	\$ 29,313,530	\$ 233,333	\$ 294,364	\$ 2,996,366	\$ 3,370,464	\$ -	\$ 7,038	\$ 36,215,095	4.23%	\$ 822.51
2015	27,274,168	216,666	-	2,093,225	2,951,138	-	-	32,535,197	3.86%	738.53
2016	25,305,591	199,999	-	1,726,575	2,518,781	-	-	29,750,946	3.54%	675.70
2016**	24,153,425	183,333	-	1,792,865	2,480,195	-	-	28,609,818	3.40%	649.78
2017	22,235,654	166,665	-	1,370,000	1,849,536	-	-	25,621,855	2.89%	581.92
2018	19,872,398	149,998	-	1,030,000	1,389,155	-	-	22,441,551	2.43%	509.69
2019	17,467,275	133,331	-	685,000	1,600,094	-	-	19,885,700	2.01%	451.64
2020	15,371,601	385,402	115,742	345,000	1,086,578	181,035	41,650	17,527,008	1.48%	398.07
2021	14,200,070	311,695	361,190	-	802,846	144,752	113,250	15,933,803	1.59%	395.48
2022***	12,657,808	597,883	352,541	-	757,841	107,516	96,942	14,570,531	1.44%	361.64

Note: Details regarding the City's outstanding debt can be found in the notes to financial statements. The City abates the entire property tax levied to pay general obligation bond debt each year.

*See the schedule of Demographic and Economic Information for personal income and population data.

**The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

***The City implemented GASB 87 and retroactively adjusted installment contracts payable vs. lease payable.

CITY OF DEKALB, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended	General Obligation Bonds	Less Amounts Available in Debt Service Fund	Total	Percentage of Total Taxable Assessed Value of Property*	Per Capita**
2014	\$ 32,309,896	\$ -	\$ 32,309,896	6.65%	\$ 733.82
2015	29,367,393	-	29,367,393	6.32%	666.62
2016	27,111,784	-	27,111,784	5.79%	615.76
2016***	25,946,290	-	25,946,290	5.15%	589.29
2017	23,605,654	-	23,605,654	4.46%	536.13
2018	20,902,398	-	20,902,398	3.81%	474.73
2019	18,152,275	-	18,152,275	3.10%	412.27
2020	15,716,601	-	15,716,601	2.58%	356.95
2021	14,200,070	-	14,200,070	2.05%	352.45
2022	12,657,808	-	12,657,808	1.59%	314.17

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

*See the schedule of Assessed Value and Actual Value of Taxable Property for property value data.

**See the schedule of Demographics and Economic Information for population data.

***The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

CITY OF DEKALB, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2022

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to the City*	City's Share of Debt
City of DeKalb	\$ 13,608,232	100.00%	\$ 13,608,232
DeKalb County	42,628,355	31.65%	13,491,874
DeKalb Community Unit School District #428	85,929,341	83.27%	71,553,362
Sycamore Community School District #427	87,550,802	2.17%	1,899,852
Kishwaukee Community College #523	55,833,790	29.15%	16,275,550
DeKalb Park District	-	99.10%	-
Total Overlapping	<u>\$ 271,942,288</u>		<u>\$ 103,220,638</u>
Total Direct and Overlapping	<u>\$ 285,550,520</u>		<u>\$ 116,828,870</u>

*Determined by ratio of assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in City.

Data Source

Office of the County Clerk

CITY OF DEKALB, ILLINOIS

LEGAL DEBT MARGIN

December 31, 2022

The City is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

CITY OF DEKALB, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Equalized Assessed Value	Personal Income	Per Capita Personal Income	Median Family Income	Unemployment Rate
2014	44,030	\$ 485,923,623	\$ 856,999,920	\$ 19,464	\$ 60,571	6.9%
2015	44,054	464,966,381	843,854,370	19,155	60,571	5.0%
2016	44,030	468,077,742	840,444,640	19,088	59,588	5.2%
2016*	44,030	503,861,829	840,444,640	19,088	59,588	5.2%
2017	44,030	529,629,464	886,588,080	20,136	61,164	4.5%
2018	44,030	547,947,687	924,057,610	20,987	59,671	4.4%
2019	44,030	585,726,839	989,486,190	22,473	44,222	4.1%
2020	44,030	610,333,062	1,186,960,740	26,958	45,020	7.1%
2021	40,290	694,171,673	999,957,510	24,819	44,223	4.3%
2022	40,290	794,561,930	1,010,956,680	25,092	45,591	4.2%

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Sources

City Records, U.S. Census Bureau, Illinois Department of Employment Security, and Office of the County Clerk

CITY OF DEKALB, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2022			2013		
	Rank	Employees	% of Total City Population	Rank	Employees	% of Total City Population
Northern Illinois University	1	3,344	8.30%	1	4,000	9.08%
Target Distribution Center	2	1,250	3.10%	5	494	1.12%
KishHealth System	3	1,200	2.98%	2	1,200	2.73%
DeKalb School District	4	1,162	2.88%			
3M	5	950	2.36%	3	480	1.09%
Ferrara Candy	6	500	1.24%			
Wal-Mart Super Center	7	360	0.89%	4	475	1.08%
American Marketing & Publishing	8	350	0.87%	6	358	0.81%
Nestle Distribution	9	265	0.66%	8	250	0.57%
Sonoco Corp - Alloyd Brands	10	250	0.62%	7	325	0.74%
CST Storage				9	120	0.27%
CVG DeKalb				10	120	0.27%

Data Sources

Illinois Manufacturers Directory, Illinois Services Directory, DeKalb County Economic Development Corporation, City Records

CITY OF DEKALB, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2016*
GENERAL GOVERNMENT				
Legislative	9.00	9.00	9.00	9.00
Administrative Services	20.50	22.50	24.00	23.50
	29.50	31.50	33.00	32.50
PUBLIC SAFETY				
Police				
Officers	65.00	65.00	65.00	65.00
Civilians	30.50	34.00	34.00	34.00
	95.50	99.00	99.00	99.00
Fire				
Firefighters	57.00	57.00	57.00	57.00
Staff	1.00	1.50	2.00	2.00
	58.00	58.50	59.00	59.00
COMMUNITY IMPROVEMENT				
Community Development	8.00	6.50	6.00	7.50
Public Works				
Administration	2.00	2.00	2.00	2.00
Public Facilities	1.00	1.00	1.00	1.00
Engineering	0.50	0.50	2.00	2.00
Streets	21.00	21.00	21.00	21.00
	32.50	31.00	32.00	33.50
Water and Sewer	10.50	10.50	10.50	10.50
Airport Division	6.00	6.00	6.00	6.00
Mass Transit	2.00	3.50	3.50	3.50
TOTAL FULL-TIME EQUIVALENT EMPLOYEES	234.00	240.00	243.00	244.00

Note: This schedule lists positions budgeted but not necessarily filled. These positions are part-time.

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

City Budget Records

2017	2018	2019	2020	2021	2022
9.00	9.00	9.00	9.00	9.00	9.00
22.50	22.50	20.00	19.00	16.00	18.00
31.50	31.50	29.00	28.00	25.00	27.00
65.00	63.00	64.00	65.00	65.00	66.00
34.00	24.50	22.00	23.00	24.00	23.50
99.00	87.50	86.00	88.00	89.00	89.50
57.00	57.00	56.00	55.00	53.00	60.00
2.00	2.00	1.50	1.00	1.50	2.50
59.00	59.00	57.50	56.00	54.50	62.50
10.00	11.00	11.00	7.50	7.00	8.00
2.00	3.00	4.00	3.00	3.00	3.00
1.00	2.00	2.00	2.00	2.00	3.00
2.00	0.00	-	1.50	1.00	1.50
21.00	21.00	17.50	18.00	15.50	18.50
36.00	37.00	34.50	32.00	28.50	34.00
10.00	10.00	10.50	10.50	9.50	9.50
6.00	6.00	5.00	6.50	4.50	5.00
3.50	4.00	2.50	2.50	2.50	2.50
245.00	235.00	225.00	223.50	213.50	230.00

CITY OF DEKALB, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2016*
GENERAL GOVERNMENT				
Community Development				
Building Permits Issued				
Residential Permits Issued				
New Construction	4	3	6	-
Remodel	52	49	54	25
Industrial/Commercial Permits Issued				
New Construction	21	19	16	5
Remodel	25	27	33	22
Other Permits	651	580	595	355
Total Number of Permits	753	678	704	407
Total Building Permit Valuation	\$ 8,958,807	\$ 54,359,021	\$ 66,276,980	\$ 3,581,909
PUBLIC SAFETY				
Police				
Physical Arrests	2,795	2,987	2,911	1,650
Traffic Violations	4,253	3,956	3,788	1,442
Parking Violations	7,144	6,335	5,555	2,899
Fire				
Fire Responses (Fire and Non-Fire)	3,489	3,948	4,084	1,667
Emergency Medical Services Responses	5,207	5,196	5,344	2,122
PUBLIC WORKS				
Vehicles Maintained by Department	135	142	144	145
Street Construction (Miles)	-	-	-	-
Street Reconstruction (Miles)	0.43	-	-	-
Street Resurfacing (Miles)	1.22	1.66	1.77	1.14
WATER				
Average Daily Consumption 12/31				
Industrial/Commercial	200,651	200,225	218,893	222,383
Residential	1,062,330	998,511	961,306	979,803
Government/Church/School	281,486	256,770	251,341	305,061
Water Billing Accounts on 12/31				
Industrial/Commercial	731	717	682	749
Residential	9,960	9,963	10,030	9,964
Government/Church/School	222	211	217	217

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

Various City Departments

2017	2018	2019	2020	2021	2022
2	23	5	6	9	2
33	43	48	51	50	43
21	1	12	16	25	6
47	27	33	46	27	53
860	949	981	1,061	1,231	1,427
963	1,043	1,079	1,180	1,342	1,531
\$ 35,210,556	\$ 6,296,207	\$ 43,564,241	\$ 98,621,090	\$ 255,083,715	\$ 1,533,839,218
2,811	2,954	2,650	2,123	1,880	2,047
3,612	3,222	2,947	1,976	2,208	3,661
5,049	6,261	4,893	5,179	6,657	5,870
4,062	3,549	1,547	1,259	1,473	1,376
5,376	5,829	5,121	5,066	5,973	6,061
142	144	144	138	138	143
-	-	-	-	-	1.00
-	-	-	0.89	0.30	-
1.07	1.56	1.56	3.70	1.85	2.90
187,775	180,052	179,796	156,608	162,687	184,539
986,419	967,315	932,695	990,901	991,829	972,952
272,898	236,905	237,628	175,944	199,929	238,460
751	745	741	738	727	716
9,968	9,990	10,009	10,024	10,023	10,036
218	216	216	215	212	211

CITY OF DEKALB, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2016*	2017	2018	2019	2020	2021	2022
PUBLIC SAFETY										
Police										
Stations/Municipal Center	1	1	1	1	1	1	1	1	1	1
Patrol Vehicles	28	29	29	28	28	31	32	33	34	33
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Ambulances	7	6	6	6	6	6	6	6	6	6
Fire Trucks	4	5	5	5	6	6	6	6	6	8
PUBLIC WORKS										
Residential Streets (Miles)	128	128	128	128	128	128	128	128	129	129
Traffic Signals	24	24	24	24	24	24	25	25	25	25
WATER										
Water Towers	4	4	4	4	4	4	4	4	4	4
Storage Capacity (MG)	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Water Wells	9	9	9	9	9	9	9	9	9	9
Water Mains (Miles)	177	177	178	178	178	178	178	178	181	181

*The City changed its fiscal year end from June 30 to December 31 effective December 31, 2016.

Data Source

Various City Departments



CITY OF DEKALB, ILLINOIS

SINGLE AUDIT REPORT

For the Year Ended December 31, 2022

An abstract background featuring a complex pattern of overlapping, semi-transparent geometric shapes, primarily triangles and polygons, in shades of gray and white, creating a sense of depth and architectural structure.

SIKICH.COM

CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
Independent Auditor's Report on Compliance for Each Major Federal Program; and on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.....	3-5
Schedule of Expenditures of Federal Awards.....	6-8
Notes to the Schedule of Expenditures of Federal Awards	9
Schedule of Findings and Questioned Costs.....	10-11

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

Members of the City Council
City of DeKalb, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of DeKalb, Illinois (the City) as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 20, 2023. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component unit.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Sikich LLP

Naperville, Illinois
June 20, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; AND ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Members of the City Council
City of DeKalb, Illinois

Report on Compliance for Each Major Federal Program

We have audited the City of DeKalb, Illinois' (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibility for the Auditor Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 20, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Naperville, Illinois
June 20, 2023

CITY OF DEKALB, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2022

Federal Grantor	Pass-Through Grantor	Program Title	Federal ALN Number	Program/Grant Number	Expenditures	Amount Provided to Subrecipients
Department of Homeland Security	Illinois Emergency Management Agency	COVID-19 Disaster Assistance Public Assistance	97.036	FEMA-4489-DR-IL	\$ 5,444	\$ -
Department of Homeland Security	Federal Emergency Management Agency	Staffing for Adequate Fire & Emergency Response (SAFER)	97.083*	EMW-2020-FF-01625	771,938	-
Total Department of Homeland Security					777,382	-
Department of Justice	N/A	Bulletproof Vest Partnership Program	16.607	N/A	2,000	-
Department of Justice	N/A	Edward Byrne Justice Assistance Program	16.738	2017-DJ-BX-0874	16,014	-
Department of Justice	N/A	Edward Byrne Justice Assistance Program	16.738	2018-DJ-BX-0528	16,167	-
Department of Justice	N/A	Edward Byrne Justice Assistance Program	16.738	2020-DJ-BX-0403	14,422	-
Department of Justice	N/A	Edward Byrne Justice Assistance Program	16.738	15PBJA-21-GG-01458-JAGX	17,512	-
Total Edward Byrne Justice Assistance Program					64,115	-
Total Department of Justice					66,115	-
CDBG Entitlement Grant Cluster						
Department of Housing and Urban Development	N/A	Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-17-0034	3,689	-
Department of Housing and Urban Development	N/A	Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-17-0034	23,246	-
Department of Housing and Urban Development	N/A	Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-17-0034	107,142	-
Department of Housing and Urban Development	N/A	COVID-19 Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-17-0034	295,099	80,996
Total Department of Housing and Urban Development					429,176	80,996

CITY OF DEKALB, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

For the Year Ended December 31, 2022

Federal Grantor	Pass-Through Grantor	Program Title	Federal ALN Number	Program/Grant Number	Expenditures	Amount Provided to Subrecipients
Department of Transportation	Illinois Department of Transportation	Airport Improvement Program	20.106*	DKB-4800 (21-0327-23909)	\$ 41,417	\$ -
Department of Transportation	Illinois Department of Transportation	Airport Improvement Program	20.106*	DKB-4556	15,840	-
Department of Transportation	Illinois Department of Transportation	Airport Improvement Program	20.106*	DKB-4875 (22-327-30563)	214,227	-
Department of Transportation	Illinois Department of Transportation	Airport Improvement Program	20.106*	DKB-4924	44,061	-
Department of Transportation	Illinois Department of Transportation	COVID-19 Airport Improvement Program	20.106*	DKB-4913 (CARES/ARPA)	32,000	-
Department of Transportation	Illinois Department of Transportation	COVID-19 Airport Improvement Program	20.106*	DKB-4912 (CARES/CRRSA)	13,000	-
Department of Transportation	Illinois Department of Transportation	Airport Improvement Program-Noncash	20.106*	DKB-4800 (21-0327-23909)	1,744,851	-
Department of Transportation	Illinois Department of Transportation	Airport Improvement Program-Noncash	20.106*	DKB-4556	507,184	-
Department of Transportation	Illinois Department of Transportation	Airport Improvement Program-Noncash	20.106*	DKB-4875 (22-327-30563)	1,129,917	-
		Subtotal Airport Improvement Program grants			3,742,497	-
		Federal Transit Cluster				
Department of Transportation	N/A	Federal Transit Formula Grants	20.507*	IL-2017-032-00 (IL-90-X775)	5,901	-
Department of Transportation	N/A	Federal Transit Formula Grants	20.507*	IL-2021-001-00 (IL-90-X836)	436,407	-
Department of Transportation	N/A	Federal Transit Formula Grants	20.507*	IL-90-X735-00	52,990	-
		COVID-19 Federal Transit Formula Grants	20.507*	IL-2020-017-00 (IL-90-4001)	704,943	-
		Subtotal Federal Transit Formula Grants			1,200,241	-

CITY OF DEKALB, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

For the Year Ended December 31, 2022

Federal Grantor	Pass-Through Grantor	Program Title	Federal ALN Number	Program/Grant Number	Expenditures	Amount Provided to Subrecipients
		Highway Safety Cluster				
Department of Transportation	Illinois Department of Transportation	State and Community Highway Safety	20.600	HS-22-0182	\$ 8,285	\$ -
Department of Transportation	Illinois Department of Transportation	State and Community Highway Safety	20.600	HS-23-0188	5,197	-
		Subtotal State and Community Highway Safety			13,482	-
		Total Department of Transportation			4,956,220	-
Department of Treasury	N/A	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027*	20-494251	3,290,652	-
Department of Health and Human Services	N/A	Block Grants Prevention and Treatment of Substance Abuse	93.959	TEPO-200-0000 & 267334900	5,676	-
TOTAL EXPENDITURES OF FEDERAL AWARDS					<u>\$ 9,525,221</u>	<u>\$ 80,996</u>

*Denotes Major Program

CITY OF DEKALB, ILLINOIS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2022

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards has been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by GASB. It is a summary of the activity of the City's federal award programs prepared on the accrual basis of accounting. Accordingly, expenditures are recognized when the liability has been incurred and revenues are recognized when the qualifying expenditure has been incurred.

Note B - Illinois Environmental Protection Agency Loans

The City had Illinois Environmental Protection Agency Loans outstanding in the amount of \$757,841 at December 31, 2022. The loans have no continuing compliance requirements aside from loan repayment.

Note C - Other Information

The City did not elect to use the 10% federal de minimis indirect cost rate.

CITY OF DEKALB ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? yes X no

Identification of major federal programs:

<u>ALN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
20.106	Airport Improvement Program
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)
20.507	Federal Transit Formula Grant Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

CITY OF DEKALB, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended December 31, 2022

Section II - Findings - Financial Statement Audit

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Summary Schedule of Prior Audit Findings

None



CITY OF DEKALB, ILLINOIS

REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1142

For the Year Ended December 31, 2022

An abstract background featuring a complex pattern of overlapping, semi-transparent geometric shapes, primarily triangles and polygons, in shades of gray and white, creating a sense of depth and architectural structure.

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CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT ACCOUNTANT’S REPORT	1
INDEPENDENT AUDITOR’S REPORT ON SUPPLEMENTARY INFORMATION	2
SUPPLEMENTARY INFORMATION	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Tax Increment Financing Tax Increment Financing Districts Redevelopment Funds	3
Schedule of Fund Balance by Source	
Tax Increment Financing #1 Fund	4
Tax Increment Financing #3 Fund	5

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Naperville, IL 60563
630.566.8400

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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of DeKalb, Illinois

We have examined management's assertion, included in its representation letter dated June 20, 2023, that the City of DeKalb, Illinois (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2022. Management is responsible for the City's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City of DeKalb's compliance with the specified requirements.

In our opinion, management's assertion that the City of DeKalb complied with the aforementioned requirements for the year ended December 31, 2022 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the Members of the City Council, management of the City, Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
June 20, 2023

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the City Council
City of DeKalb, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of DeKalb, Illinois (the City) as of and for the year ended December 31, 2022, which collectively comprise the basic financial statements of the City and have issued our report thereon dated June 20, 2023, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information (schedule of revenues, expenditures, and changes in fund balances and schedules of fund balance by source for the Tax Increment Financing #1 Fund and the Tax Increment Financing # 3 Fund) are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Sikich LLP

Naperville, Illinois
June 20, 2023

SUPPLEMENTARY INFORMATION

CITY OF DEKALB, ILLINOIS

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
TAX INCREMENT FINANCING DISTRICTS REDEVELOPMENT FUNDS**

For the Year Ended December 31, 2022

	Special Revenue Funds	
	Tax Increment Financing #1	Tax Increment Financing #3
REVENUES		
Taxes	\$ -	\$ 507,254
Investment Income	-	30,553
Miscellaneous Income	-	8,713
Total Revenues	-	546,520
EXPENDITURES		
Community Development		
Contractual Services	-	927,231
Capital Outlay	-	1,868,349
Total Expenditures	-	2,795,580
NET CHANGE IN FUND BALANCES	-	(2,249,060)
FUND BALANCES, JANUARY 1	19,471	3,626,801
FUND BALANCES, DECEMBER 31	\$ 19,471	\$ 1,377,741

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF FUND BALANCE BY SOURCE
TAX INCREMENT FINANCING #1 FUND**

For the Year Ended December 31, 2022

BEGINNING BALANCE, JANUARY 1, 2022	<u>\$ 19,471</u>
DEPOSITS	
Property Taxes	-
Investment Income	<u>-</u>
Total Deposits	<u>-</u>
Balance Plus Deposits	<u>19,471</u>
EXPENDITURES AND TRANSFERS	
Community Development	-
Capital Outlay	-
Transfers Out	<u>-</u>
Total Expenditures and Transfers	<u>-</u>
ENDING BALANCE, DECEMBER 31, 2022	<u><u>\$ 19,471</u></u>
ENDING BALANCE BY SOURCE	
Property Tax	<u>\$ 19,471</u>
Subtotal	19,471
Less Surplus Funds	<u>-</u>
ENDING BALANCE	<u><u>\$ 19,471</u></u>

(See independent auditor's report.)

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF FUND BALANCE BY SOURCE
TAX INCREMENT FINANCING #3 FUND**

For the Year Ended December 31, 2022

BEGINNING BALANCE, JANUARY 1, 2022	<u>\$ 3,626,801</u>
DEPOSITS	
Property Taxes	507,254
Investment Income	30,553
Miscellaneous Income	<u>8,713</u>
Total Deposits	<u>546,520</u>
Balance Plus Deposits	<u>4,173,321</u>
EXPENDITURES	
Community Development	927,231
Capital Outlay	<u>1,868,349</u>
Total Expenditures	<u>2,795,580</u>
ENDING BALANCE, DECEMBER 31, 2022	<u><u>\$ 1,377,741</u></u>
ENDING BALANCE BY SOURCE	
Property Tax	<u>\$ 1,377,741</u>
Subtotal	1,377,741
Less Surplus Funds	<u>-</u>
ENDING BALANCE	<u><u>\$ 1,377,741</u></u>

(See independent auditor's report.)



CITY OF DEKALB, ILLINOIS

DOWNSTATE OPERATING ASSISTANCE CERTIFICATION AND INDEPENDENT AUDITOR'S REPORTS

For the Fiscal Year Ended June 30, 2022

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CITY OF DEKALB, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT ON SCHEDULE OF REVENUES AND EXPENSES UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-22-48-IL	1-3
SCHEDULE OF REVENUES AND EXPENSES UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-22-48-IL	4-5
NOTES TO FINANCIAL STATEMENTS	6-7
INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS APPLICABLE TO THE FINANCIAL ASSISTANCE RECEIVED UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-22-48-IL	8-9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	10

**INDEPENDENT AUDITOR'S REPORT
ON SCHEDULE OF REVENUES AND EXPENSES
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-22-48-IL**

Members of the City Council
City of DeKalb
DeKalb, Illinois

Report on the Audit of the Schedule

Opinion

We have audited the accompanying schedule of revenues and expenses under downstate operating assistance grant OP-22-48 of City of DeKalb, Illinois for the year ended June 30, 2022.

In our opinion, the accompanying schedule present fairly, in all material respects, the schedule of revenues and expenses under downstate operating assistance grant OP-22-48 of City of DeKalb, Illinois for the year ended June 30, 2022, in accordance with accounting principles generally accepted in the United States of America and provisions of the Downstate Operating Assistance Grant Agreement.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of the Downstate Operating Assistance Grant Agreement. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule 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 opinion.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of this schedule 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 schedule, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern within one year after the date that the schedule is available to be issued.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 schedule.

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 this schedule.
- 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 schedule.
- 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.

Report on the Audit of the Financial Statements

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of DeKalb, as of and for the year ended December 31, 2022, and our report thereon, dated June 20, 2023, expressed as an unmodified opinion on those financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 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.

Sikich LLP

Naperville, Illinois
June 20, 2023

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES AND EXPENSES
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-22-48-IL**

FOR THE YEAR ENDED JUNE 30, 2022

OPERATING REVENUES AND INCOME

401	Passenger fares for transit services	\$ 4,062
402	Special transit fares	-
403	School bus service	-
404	Freight tariffs	-
405	Total charter service revenues	-
406	Auxiliary revenue	-
407	Non-transportation revenue	-
407 .99	Sec. 5307 force acct & admin cost reimbursement	-
411	State cash grants and reimbursement - <i>other than</i> <i>Downstate Operating Assistance</i>	-
412	State special fare assistance	-
413	Federal cash grants & reimbursement	861,870
413 .99	Sec. 5307 capital funds applied to state eligible op. expenses	-
.99	Job Access Reverse Commute & New Freedom	-
430	Contributed services	1,913,692
440	Subsidy from other sectors of operations	-
Total operating revenues and income		<u><u>\$ 2,779,624</u></u>

OPERATING EXPENSES

501	Labor	\$ 184,123
502	Fringe benefits	75,297
503	Professional services	23,713
504	Materials & supplies consumed	881,234
505	Utilities	1,007
506	Casualty & liability	-
507	Taxes	-
508	Net purchased transportation	6,736,172
509	Miscellaneous expense	6,129
511	Interest expense	-
512	Leases, rentals, and purchase-lease payments	-
Total operating expenses		7,907,675
Total eligible operating expenses		<u><u>\$ 7,907,675</u></u>

CITY OF DEKALB, ILLINOIS

**SCHEDULE OF REVENUES AND EXPENSES
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-22-48-IL (Continued)**

FOR THE YEAR ENDED JUNE 30, 2022

Total eligible operating expenses	\$ 7,907,675
Total operating revenues and income	<u>2,779,624</u>
Deficit	<u>\$ 5,128,051</u>
65% of eligible expenses	<u>\$ 5,139,989</u>
Maximum contract amount	<u>\$ 5,621,396</u>
FY22 eligible downstate operating assistance (deficit, 65% of eligible expense, or maximum contract amount, whichever is less)	<u>\$ 5,128,051</u>
FY22 downstate operating assistance received (prior to the close of fiscal year)	<u>\$ 5,137,621</u>
FY22 downstate operating assistance receivable (at close of fiscal year and subsequently received)	<u>\$ -</u>
FY22 downstate operating assistance (over) under paid	<u>\$ (9,570)</u>

CITY OF DEKALB, ILLINOIS

NOTES TO FINANCIAL STATEMENTS DOWNSTATE OPERATING ASSISTANCE CERTIFICATION

December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The schedule of revenues and expenses under Downstate Operating Assistance Grant OP-22-48-IL (the Schedule) of the City of DeKalb (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

The schedule presents only the revenues and expenditures of the Downstate Operating Assistance Grant, which is part of the City's Mass Transit Fund.

B. Measurement Focus and Basis of Accounting

The Schedule is reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days. Expenditures are recorded when the related fund liability is incurred.

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, restaurant and bar taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are; however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

CITY OF DEKALB, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Use of Estimates

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

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND
REGULATIONS APPLICABLE TO THE FINANCIAL ASSISTANCE RECEIVED
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-22-48-IL**

Members of the City Council
City of DeKalb
DeKalb, Illinois

Report on Compliance

Opinion

We have audited the City of DeKalb's (the City) compliance with the applicable provisions of the Downstate Public Transportation Act (as amended) 30 ILCS 740/2, the Civil Administrative Code of Illinois, 20 ILCS 2705/49.19, and the rules and regulations of the Illinois Department of Transportation that are applicable to the financial assistance for the year ended June 30, 2022.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that have a direct and material effect on the downstate operating assistance grant for the year ended June 30, 2022.

Basis for Opinion

We conducted our audit on compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of the "Downstate Operating Assistance Grant Program Agreement" with the State of Illinois Department of Transportation. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Report of Compliance 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 opinion on compliance. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the financial assistance received under the downstate operating assistance grant.

Auditor's Responsibilities for the Report of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the provisions of the "Downstate Operating Assistance Grant Program Agreement" with the State of Illinois Department of Transportation will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the report on compliance.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the provisions of the "Downstate Operating Assistance Grant Program Agreement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Purpose of this Report

The purpose of this report on is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the Downstate Public Transportation Act (as amended) 30 ILCS 740/2, the Civil Administrative Code of Illinois, 20 ILCS 2705/49.19, and the rules and regulations of the Illinois Department of Transportation. Accordingly, this report is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
June 20, 2023

CITY OF DEKALB, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2022

Findings and Questioned Costs

None

Summary Schedule of Prior Audit Findings

None



CITY OF DEKALB, ILLINOIS

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT - CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended December 31, 2022

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CITY OF DEKALB
DEKALB, ILLINOIS
CONSOLIDATED YEAR-END FINANCIAL REPORT
TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditor’s Report on Supplementary Information	1
Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report	2

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Naperville, IL 60563
630.566.8400

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Members of the City Council
City of DeKalb, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of DeKalb (the 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. We issued our report thereon dated June 20, 2023, which expressed unmodified opinions on those financial statements. 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 Consolidated Year-End Financial Report is presented for purposes of additional analysis, as required by the Illinois Grant Accountability and Transparency Act, 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Naperville, Illinois
June 20, 2023

CITY OF DEKALB, ILLINOIS

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT**

For the Year Ended December 31, 2022

CSFA Number	Program Name	State	Federal	Other	Total
420-00-1960	Afton Rd and Bike Path and ADA sidewalk ramps and other	\$ 596,052	\$ -	\$ -	\$ 596,052
444-26-1565	Tobacco Enforcement Program	-	5,676	-	5,676
493-80-2595	Violent Crime - FOID Card Grant	3,689	-	-	3,689
494-00-0957	Gurler Rd/IL 23 Preliminary & Construction (Ferrara)	766,687	-	-	766,687
494-00-1006	Illinois Special Bridge Program	-	-	-	-
494-00-2356	REBUILD ILLINOIS Local Bond Program	313,697	-	-	313,697
494-10-0343	Highway Safety STEP grant (State and Community Highway Safety/Nat'l Priority Safety)	-	13,482	-	13,482
494-60-0327	Airport Improvement Program	3,328	3,697,497	-	3,700,825
494-60-2421	Airport Improvement Program (CARES)	-	45,000	-	45,000
494-60-2511	Aviation Fuel Tax Grant	33,329	-	-	33,329
494-80-1141	Transit Downstate Operating Assistance Program (DOAP)	5,383,066	-	-	5,383,066
494-80-1284	State Capital Grant Contract 5124	12,098	-	-	12,098
569-00-2537	Law Enforcement Camera Grant	17,256	-	-	17,256
	Other Grant Programs and Activities	-	5,763,566	69,432	5,832,998
	All Other Costs not Allocated	-	-	63,762,307	63,762,307
TOTALS		<u>\$ 7,129,202</u>	<u>\$ 9,525,221</u>	<u>\$ 63,831,739</u>	<u>\$ 80,486,162</u>

Note: \$3,381,952 of the Airport Improvement Program (CSFA #494-60-0327) expenses are noncash contributions recognized on the Schedule of Expenditures of Federal Awards in accordance with the reporting requirements imposed by the Illinois Department of Transportation and the Federal Aviation Administration.

(See independent auditor's report on supplementary information.)



1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

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The Honorable Mayor
Members of the City Council
City of DeKalb, Illinois

Ladies and Gentlemen:

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of DeKalb, Illinois (the City) as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis.

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

This communication is intended solely for the information and use of the Mayor, the City Council, and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

SiKich LLP

Naperville, Illinois
June 20, 2023