

# Byron Fire Protection District

Byron, Illinois

Annual Financial Report

August 31, 2023



# Byron Fire Protection District

Year Ended August 31, 2023

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# Byron Fire Protection District

Year Ended August 31, 2023

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## Independent Auditor's Report

Board of Trustees  
Byron Fire Protection District  
Byron, Illinois

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Byron Fire Protection District, as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the Byron Fire Protection District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Byron Fire Protection District, Illinois as of August 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Byron Fire Protection District, Illinois and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), 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 Byron Fire Protection District, Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibility for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Byron Fire Protection District, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Byron Fire Protection District, Illinois' ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that a management's discussion and analysis, the budgetary comparison information, multiyear schedule of changes in net pension liability and related ratios, and multiyear schedule of IMRF contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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.

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule listed in the table of contents as "Other Information" is presented for the purpose of additional analysis and is not a part of the financial statements and has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

## **Other Matter**

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

*Lucas Group CPAs + Advisors, PLLC*

Freeport, Illinois  
June 14, 2024

# Byron Fire Protection District

## Statement of Net Position

August 31, 2023

	Governmental Activities
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 8,203,717
Investments	8,705,608
Taxes receivable	1,650,479
Accounts receivable, net of a \$71,000 allowance	100,816
Interest receivable	33,733
Lease receivable, current portion	7,483
Prepaid insurance	18,973
<b>Total current assets</b>	<b>18,720,809</b>
Noncurrent assets:	
Lease receivable, less current portion	205,175
Capital assets:	
Not depreciated	523,367
Depreciated (Net of accumulated depreciation):	6,078,385
<b>Total noncurrent assets</b>	<b>6,806,927</b>
<b>Total assets</b>	<b>25,527,736</b>
<b>Deferred Outflows of Resources</b>	
Deferred outflows of pension resources	3,083,163
Deferred outflows of other-employment benefits	-
<b>Total deferred outflows of resources</b>	<b>3,083,163</b>
<b>Liabilities</b>	
Current liabilities:	
Bank overdraft	21,479
Accounts payable	47,094
Accrued payroll	69,460
<b>Total current liabilities</b>	<b>138,033</b>
Noncurrent liabilities:	
Compensated absences	152,899
Accrued other post-employment benefits	-
Net pension liability	5,016,729
<b>Total noncurrent liabilities</b>	<b>5,169,628</b>
<b>Total liabilities</b>	<b>5,307,661</b>
<b>Deferred Inflows of Resources</b>	
Property taxes	3,754,724
Deferred inflows of pension resources	2,899,188
Lease items	206,824
<b>Total deferred inflows of resources</b>	<b>6,860,736</b>
<b>Net Position</b>	
Investment in capital assets	6,601,752
Restricted for:	
Ambulance	2,569,004
Insurance	913,055
Public safety	44,856
Unrestricted	6,313,835
<b>Total net position</b>	<b>\$ 16,442,502</b>

See accompanying notes to financial statements.

# Byron Fire Protection District

## Statement of Activities

For the year ended August 31, 2023

Functions/Programs	Expenses	Program Revenue			Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental activities:						
Public safety	\$ 4,210,319	\$ 401,169	\$ 71,482	\$ -	\$	(3,737,668)
General revenues:						
Taxes:						
Property taxes						3,759,982
Other						104,613
Unrestricted investment earnings						467,083
Miscellaneous						45,531
Total general revenues						4,377,209
Change in net position						639,541
Net position - beginning						15,729,095
Prior period adjustment						73,866
Net position - beginning as restated						15,802,961
Net position - ending					\$	16,442,502

See accompanying notes to financial statements.

# Byron Fire Protection District

## Balance Sheet Governmental Funds

August 31, 2023

	General	Ambulance	Foreign Fire Insurance	Total Governmental Funds
<b>Assets</b>				
Cash	\$ 4,836,271	\$ 3,314,713	\$ 44,856	\$ 8,195,840
Investments	7,817,410	-	-	7,817,410
Receivables:				
Taxes	1,035,664	614,815	-	1,650,479
Accounts	-	100,816	-	100,816
Interest	28,212	-	-	28,212
Lease receivable	106,329	106,329	-	212,658
Total assets	\$ 13,823,886	\$ 4,136,673	\$ 44,856	\$ 18,005,415
<b>Liabilities</b>				
Bank overdraft	9,735	11,744	-	\$ 21,479
Accrued payroll	31,155	31,155	-	62,310
Accounts payable	24,033	22,697	-	46,730
Total liabilities	64,923	65,596	-	130,519
<b>Deferred Inflows of Resources</b>				
Property taxes	2,356,063	1,398,661	-	3,754,724
Lease items	103,412	103,412	-	206,824
Total deferred inflows of resources	2,459,475	1,502,073	-	3,961,548
<b>Fund Balance</b>				
Restricted	-	2,569,004	44,856	2,613,860
Committed for future capital expenditures	8,467,724	-	-	8,467,724
Unassigned	2,831,764	-	-	2,831,764
Total fund balance	11,299,488	2,569,004	44,856	13,913,348
Total liabilities and fund balance	\$ 13,823,886	\$ 4,136,673	\$ 44,856	\$ 18,005,415

See accompanying notes to financial statements.

# Byron Fire Protection District

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

August 31, 2023

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Total fund balances - governmental funds	\$ 13,913,348
Amounts reported for governmental activities in the statement of net position are different because:	
Accrued long-term employee benefits are not due and payable in the current period and therefore are not reported as liabilities of the funds, but are included as liabilities and deferred items in the statement of net position	(4,832,754)
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The net book value of capital assets as reported:	6,601,752
Internal services funds are used to charge the costs in insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	913,055
Long-term liabilities, including compensated absences and other post-employment benefits are not due and payable in the current period and therefore are not reported in the funds.	(152,899)
<hr/>	
Total net position - governmental activities	<hr/> <hr/> \$ 16,442,502

See accompanying notes to financial statements.

# Byron Fire Protection District

## Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds

For the year ended August 31, 2023

	General	Ambulance	Foreign Fire Insurance	Total Governmental Funds
<b>Revenue</b>				
Taxes	\$ 2,427,523	\$ 1,420,953	\$ 16,119	\$ 3,864,595
Fees	-	401,169	-	401,169
Other	350,994	210,281	2,378	563,653
Total revenue	2,778,517	2,032,403	18,497	4,829,417
<b>Expenditures</b>				
Current:				
Public safety	2,075,315	1,441,835	4,791	3,521,941
Capital outlay	418,146	74,936	25,298	518,380
Total expenditures	2,493,461	1,516,771	30,089	4,040,321
Income (loss) before other financing sources (uses)	285,056	515,632	(11,592)	789,096
<b>Other financing sources (uses)</b>				
Proceeds from sale of fixed assets	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	285,056	515,632	(11,592)	789,096
Fund balances, beginning	11,014,432	2,053,372	-	13,067,804
Prior period adjustment	-	-	56,448	56,448
Fund balances, beginning as restated	11,014,432	2,053,372	56,448	13,124,252
Fund balances, ending	\$ 11,299,488	\$ 2,569,004	\$ 44,856	\$ 13,913,348

See accompanying notes to financial statements.

# Byron Fire Protection District

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the year ended August 31, 2023

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Net change in fund balance	\$ 789,096
Amounts reported for governmental activities in the statement of activities are different because:	
The increase in the net pension liability recorded on the government-wide statements is not recorded in the governmental funds because it does not affect current expenditures. This is the change in the net pension liability in the period.	(186,144)
The decrease in the other post-employment benefits recorded on the government-wide statements is not recorded in the governmental funds because it does not affect current expenditures. This is the decrease in the other post-employment benefits in the period.	67,204
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capitalized fixed assets in the period.	(22,805)
The net effect of various transactions involving capital assets (i.e., disposals and sales) is to decrease net position	-
In the statement of activities, postretirement obligations, net pension obligations, and deferred sources are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year net pension liabilities and related deferred outflows exceed the amount paid by.	383,154
Compensated absences are reported in governmental funds as expenditures when paid. However, the increase in liability is recorded in the statement of activities. This is the increase in liability expensed in the period.	(4,375)
Internal services funds are used to charge the costs in insurance to individual funds. The net revenue and transfer of certain activities of internal service funds is reported with governmental activities.	(386,589)
<hr/> <b>Change in net position of governmental activities</b>	<hr/> <b>\$ 639,541</b>

See accompanying notes to financial statements.

# Byron Fire Protection District

## Statement of Net Position Proprietary Funds

August 31, 2023

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	Governmental Activities - Internal Service Fund
<hr/>	
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 7,877
Investments	888,198
Interest receivable	5,521
Prepaid insurance	18,973
<hr/>	
Total Assets	920,569
<hr/>	
<b>Liabilities</b>	
Current liabilities	
Accounts payable	364
Accrued payroll	6,383
Miscellaneous payroll deduction	767
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Total liabilities	7,514
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<b>Net Position</b>	
Restricted	\$ 913,055

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See accompanying notes to financial statements.

# Byron Fire Protection District

## Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

For the year ended August 31, 2023

	Governmental Activities - Internal Service Fund
<b><i>Operating expenses</i></b>	
Salaries	\$ 204,788
Professional services	16,411
Insurance	185,817
Miscellaneous	16
Total operating expenses	407,032
Operating loss	(407,032)
<b><i>Nonoperating revenues</i></b>	
Investment income	28,470
Net appreciation of investments	(8,027)
Total nonoperating revenues	20,443
Change in net position	(386,589)
Net position, beginning	1,282,226
Prior period adjustment	17,418
Net position, beginning as restated	1,299,644
Net position, ending	\$ 913,055

See accompanying notes to financial statements.

# Byron Fire Protection District

## Statement of Cash Flows Proprietary Funds

For the year ended August 31, 2023

	Governmental Activities -
	Internal Service Funds
<b>Cash Flows From Operating Activities</b>	
Payment to employees	\$ (204,335)
Payments to vendors	(203,488)
Net cash flows from operations	(407,823)
<b>Cash Flows From Investing Activities</b>	
Purchase of investments	(250,451)
Sales of investments	608,382
Investment income	29,396
Net cash flows from investing activities	387,327
Net change in cash and cash equivalents	(20,496)
Beginning cash and cash equivalents	28,373
Ending cash and cash equivalents	\$ 7,877
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (407,032)
Adjustments to reconcile operating income to net cash provided by (used in) operations:	
Changes in assets and liabilities:	
(Increase) in prepaid insurance	(1,555)
Increase in accounts payable	311
Increase in accrued payroll	296
Decrease in miscellaneous payroll deductions	157
Net cash used in operations	\$ (407,823)

See accompanying notes to financial statements.

# Byron Fire Protection District

## Statement of Fiduciary Net Position Fiduciary Funds

August 31, 2023

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	Pension Trust Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 363,562
Receivables:	
Accrued interest	-
Investments	
Annuities	878,211
Illinois Fire Fighter's Pension Investment Fund	11,876,559
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Total investments	12,754,770
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Total assets	13,118,332
<hr/>	
<b>Net Position</b>	
Net position restricted for pensions	\$ 13,118,332

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See accompanying notes to financial statements.

# Byron Fire Protection District

## Statement of Changes in Fiduciary Net Position Fiduciary Funds

For the year ended August 31, 2023

	Pension Trust Fund
<b>Additions</b>	
Contributions - employer taxes	\$ 600,300
Contributions - employer discretionary	-
Contributions - employees	96,220
Investment income	1,009,942
Investment expenses	(16,801)
Total additions	1,689,661
<b>Deductions</b>	
Benefits and refunds	917,543
Other charges and services	7,600
Total deductions	925,143
Change in net position	764,518
Net position held in trust for pension benefits:	
Net position, beginning	12,353,814
Net position, ending	\$ 13,118,332

See accompanying notes to financial statements.

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies**

#### **Reporting Entity**

The District operates under a board of trustees' form of government. The District's major operations include fire protection and ambulance services.

In evaluating how to define the government, for financial reporting purposes, the District has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the District and is generally available to its residents. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities.

The District is considered to be a primary government pursuant to GASB Statements since it is legally separate and financially independent. This report includes all of the funds and account groups of the District. It includes all activities considered to be part of (controlled by or dependent on) the District as set forth under the GAAP criteria.

#### **Government Wide, Fund Financial Statements and Basis of Accounting**

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 District. For the most part, the effect of the interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Earnings on investments are not included among program revenues, but are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds. Fiduciary funds for which the District maintains a Fiduciary or Agent responsibility are not presented in the government wide financial statements.

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

Earnings on investments are not included among program revenues, but are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds. Fiduciary funds for which the District maintains a Fiduciary or Agent responsibility are not presented in the government wide financial statements.

The government wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

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

The following fund types are used by the District:

#### **Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Governmental fund financial statements are reported using the modified accrual basis method of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. The following is a description of the governmental funds of the District:

1. General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
2. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a particular purpose.

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

#### **Proprietary Fund**

The focus of the proprietary fund's measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

A proprietary fund is a fund in which a fee is charged to external users of goods and services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on pricing policy designed to recover similar costs.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are charges to employees for insurance coverage. Operating expenses for internal service funds include the administrative expenses and insurance premiums. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **Major Funds**

The District reports the following major funds:

##### ***Governmental Funds:***

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

**Ambulance Fund:** To account for the ambulance activities of the District. Financing is through property taxes, ambulance fees and interest income.

**Foreign Fire Insurance Fund:** To account for revenues from the assessment of the foreign fire tax remitted directly to this fund, which maintains a separate bank account. There is a separate Board of Trustees that control the expenditures of this fund. Those expenditures, however, are to be used for the benefit of the District.

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

Under GASB issued Statement 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, the District may report any governmental or enterprise fund (but not internal service funds or fiduciary funds) as a major fund if the government officials believe the fund is “particularly important to financial statements users”. The District has chosen to include the Foreign Fire Insurance Fund as a major fund even though the fund calculations do not classify it as a major fund.

#### ***Proprietary Funds:***

Insurance Fund: To account for the insurance costs related to the District. Funding is provided by interest income.

#### ***Fiduciary Funds:***

The District fire employees participate in the Fire Pension Fund, a fiduciary component unit of the District. The Fire Pension fund functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the board of trustees, one elected by retirees and two elected by active members constitute the pension board. The District is obligated to fund all Fire Pension costs not funded by the Fire Pension Fund participants based upon actuarial valuations which creates a financial burden on the District. The State of Illinois is authorized to establish benefit levels and the District is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the Fire Pension Fund being fiscally dependent on the District. The Fire Pension Fund is reported as a pension trust fund. The Fire Pension Fund does not issue a separate report.

#### **Cash and Cash Equivalents**

The District’s cash and cash equivalents are considered to be checking, savings, money markets, and short-term investments with original maturities of three months or less from the date of acquisition.

#### **Investments**

The District invests in accordance with Illinois Compiled Statutes 30 ILCS 235 under the Public Funds Investment Act. Investments are reported at fair value which is determined using selected bases. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

#### **Property Taxes**

The District in which the District resides is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state legislation. The 2021 and 2022 levies were passed by the Board in November 2021 and November 2022. Property taxes become a lien on the first day of the levy year and may be paid in two equal installments. The first installment is due approximately on or before June 1 and the second installment is due approximately on or before September 1. Payments made after the September 1 installment date are assessed interest at the rate of 1% for farmland and 1-1/2% for all others.

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 1 Summary of Significant Accounting Policies (Continued)

#### Pensions

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

#### Other Post-Employment Benefit ("OPEB") Obligations

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

#### Deferred Outflows/Inflows of Resources

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

The District has one type of this item that qualifies for reporting in this category. Accordingly, the item, deferred outflows of pension resources is reported in the governmental wide statement of net position. These amounts are deferred and recognized as an outflow of resources in the period that the amounts become available.

In addition to liabilities, the Statement of Net 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 position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualify for reporting in this category. Accordingly, the items, deferred inflows of pension resources and property taxes are both reported in the government-wide statement of net position, and only the property taxes are reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The District has deferred inflows in the amount of \$3,754,724 from the 2022 tax levy. This revenue will be recognized in the fiscal year ending August 31, 2024. During the fiscal year ending August 31, 2023, the District recognized \$3,759,982 of revenue deferred from the 2021 tax levy.

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 1 Summary of Significant Accounting Policies (Continued)

#### Compensated Absences

Permanent full-time employees accrue and receive vested rights in vacation, personal, and sick pay according to their years of continuous service. Additionally accumulated vacation personal, and sick pay which is not subject to forfeiture will be paid to employees upon separation from Byron Fire Protection District's service.

Vacation, personal, and sick pay is expensed when incurred/paid in the governmental funds. All accumulated unpaid vacation pay, personal pay, and sick pay is reported in the government-wide financial statements.

#### Accounts Receivable

Receivables at August 31, 2023, for the Ambulance Fund are net of allowance for uncollectable. The allowance for uncollectable in the Ambulance Fund was \$71,000 at August 31, 2023.

#### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Fund Balances

The District follows fund balance reporting definition that provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

- Non-spendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The District reports a restricted fund balance within the Ambulance fund in the amount of \$2,569,004 for ambulance services and \$44,856 in the Foreign Fire Insurance fund for public safety;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint; The District reports a committed fund balance within the general fund for the following purpose:

Committed for future capital expenditures	<u>\$8,467,724</u>
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# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

- Assigned fund balances – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegate the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets construction, debt service, or other purpose).

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when amounts expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classification could be used.

#### **Leases**

A lessee should recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease, or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

A lessor should recognize a lease receivable and deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term and subsequently reduced by the principal portion of lease payments received. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods and subsequently recognized as revenue over the life of the lease term.

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 2 Deposits and Investments

**Deposits.** At year-end, the carrying amount of the District's deposits in checking, money market accounts, savings accounts and certificates of deposit was \$8,545,800 and the bank balance was \$8,567,540. Of the bank balance, \$8,257,139 was covered by Federal Depository Insurance or by collateral held by pledging bank's trust department or by its agent in the District's name and \$310,401 was uninsured.

The District has no foreign currency risk for deposits at year end.

**Investments.** As of August 31, 2023, the District's investments were as follows:

	<b><u>Fair Value</u></b>
<i>Governmental Activities:</i>	
CDs & BAs	\$4,331,537
Corporate bonds	180,583
Mortgage pools	46,791
Muni bonds	1,165,690
U.S. Government obligations	2,981,007
<hr/>	
Total	\$8,705,608
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<i>Pension Trust Funds:</i>	
Annuities	\$ 878,211
Illinois firefighters pension investment fund	11,876,559
<hr/>	
Total	\$12,754,770
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Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District has no specific policy on the interest rate risk at year-end.

Information about the sensitivity of the fair values of the District investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

# Byron Fire Protection District

## Notes to Financial Statements

### Note 2 Deposits and Investments (Continued)

#### Interest Rate Risk

	Remaining Maturity (in Months)			Total
	12 Months or Less	13-60 Months	60+ Months	
<i>Governmental activities:</i>				
U.S. Government obligations	\$416,053	\$2,564,954	\$ -	\$2,981,007
Corporate bonds	-	180,583	-	180,583
Mortgage pools	-	-	46,791	46,791
CDs & BAs	2,195,039	2,136,498	-	4,331,537
Muni bonds	<u>217,040</u>	<u>948,650</u>	<u>-</u>	<u>1,165,690</u>
Total	<u>\$2,828,132</u>	<u>\$5,830,685</u>	<u>\$46,791</u>	<u>\$8,705,608</u>

#### Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in U.S. Government obligations are not considered to be of any credit risk since they carry the full obligation and guarantee of the U.S. Government.

Presented below is the District's actual rating at fiscal year end for each investment type:

	Total as of August 31, 2023	Unrated	AAA	AA	A	BBB
<i>Governmental activities:</i>						
Certificates of deposits	\$4,331,537	\$4,331,537	\$ -	\$ -	\$ -	\$ -
Corporate bonds	180,583	133,299	-	47,284	-	-
Mortgage pools	46,791	46,791	-	-	-	-
Muni bonds	1,165,690	636,081	149,416	288,476	91,717	-
U.S. government obligations	2,981,007	49,564	2,931,443	-	-	-
Total governmental activities	<u>\$8,705,608</u>	<u>\$5,197,272</u>	<u>\$3,080,859</u>	<u>\$335,760</u>	<u>\$91,717</u>	<u>-</u>
<i>Pension trust funds:</i>						
Illinois firefighters pension investment fund	\$11,876,559	\$11,876,559	\$ -	\$ -	\$ -	\$ -

# Byron Fire Protection District

## Notes to Financial Statements

### Note 2 Deposits and Investments (Continued)

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy, as described under current accounting standards, are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or inputs other than quoted prices that are observable for the asset or liability.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table presents the District's approximate fair value hierarchy for the assets measured at fair value on a recurring basis as of August 31, 2023:

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value on a recurring basis:</b>				
Governmental activities:				
Certificates of deposits	\$4,331,537	\$ -	\$4,331,537	\$ -
Corporate bonds	180,583	-	180,583	-
Mortgage pools	46,791	-	46,791	-
Muni bonds	1,165,690	-	1,165,690	-
U.S. government obligations	2,981,007	2,981,007	-	-
<b>Total governmental activities</b>	<b>\$8,705,608</b>	<b>\$2,981,007</b>	<b>\$5,724,601</b>	<b>\$ -</b>

	Total	Fair Value Measurements at Reporting Date Using		
		(Level 1)	(Level 2)	(Level 3)
Pension trust funds:				
Annuities	\$ 878,211	\$ -	\$ 878,211	\$ -

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 2 Deposits and Investments (Continued)**

#### **Custodial Credit Risk**

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The District 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 obligations guaranteed by the United States Government and securities issued by certain agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Governments. The District's U.S. agency obligations are rated AAA or not rated. The District's municipal bonds are rated AAA to A. The District's corporate bonds AA or are not rated. The negotiable certificates of deposit are not rated but are all covered by FDIC insurance.

#### **Foreign Currency Risk**

The District has no foreign currency risk for investments at year end.

#### **Investment Information**

The District consolidated the investment of the Firefighters' Pension Fund with the Illinois Firefighters' Pension Investment Fund (IFPIF). The 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. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2023. 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](http://www.ifpif.org). The Fund transferred all eligible assets to the Investment Fund on October 1, 2021.

At year-end the Firefighters' Pension Fund has \$11,876,559 invested in IFPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at [www.ifpif.org](http://www.ifpif.org).

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

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 3 Leases – Lessor**

The District has entered into a long-term lease to lease out cell tower space to unrelated third parties. The lease is payable in monthly installments ranging from \$1,403 to \$2,122 (due to annual increases) with an interest rate of 4.69%. The lease periods extend through September 2062 with management believing it reasonably certain the lease will go through September 2037. Rent payments are subject to annual increases of 3% over that of the preceding year. The lessees have options to terminate the lease agreements with written notices to the District of 60 days. The General and Ambulance Fund in total recognized lease revenue and interest income of \$9,256 and \$7,580, respectively, during the year ended August 31, 2023. The lease receivable and deferred inflows of resources at August 31, 2023 were \$212,658 and \$206,824, respectively.

### **Note 4 Property, Plant, and Equipment**

Capital assets, which include buildings, land improvements, construction in progress and equipment are reported in the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of more than \$5,000 for equipment and vehicles, \$10,000 for buildings and improvements, and an estimated useful life in excess of one year.

Such assets are recorded at historical cost if purchased or constructed. Donated assets are stated at acquisition value as of the date of donation. The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, except construction in progress, are being depreciated using the straight-line method over the following useful lives:

Buildings & Improvements	20 - 50 years
Equipment	3 - 7 years
Vehicles	6 - 20 years

Capital assets in the governmental fund financial statements are reported as expenditures when incurred.

# Byron Fire Protection District

## Notes to Financial Statements

### Note 4 Property, Plant, and Equipment (Continued)

The governmental activities capital asset activity for the year ended August 31, 2023 is as follows:

	<u>Balance</u> <u>August 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>August 31, 2023</u>
Capital assets not being depreciated:				
Land	\$ 523,367	\$ -	\$ -	\$ 523,367
Capital assets being depreciated:				
Buildings and improvements	7,235,664	85,700	-	7,321,364
Equipment	418,787	401,680	43,500	776,967
Vehicles	4,673,945	-	-	4,673,945
Total capital assets being depreciated	12,328,396	487,380	43,500	12,772,276
Less accumulated depreciation for:				
Buildings and improvements	2,738,285	189,456	-	2,927,741
Equipment	251,553	70,405	43,500	278,458
Vehicles	3,237,368	250,324	-	3,487,692
Total accumulated depreciation	6,227,206	510,185	43,500	6,693,891
Total capital assets being depreciated, net	6,101,190	(22,805)	-	6,078,385
Governmental activities – capital assets, net	\$6,624,557	\$ (22,805)	\$ -	\$6,601,752

All depreciation expense is allocated to public safety function expense.

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 5 Long-Term Liabilities

Changes in Long-Term Liabilities:

During the year ended August 31, 2023, the following changes occurred in the long-term liabilities:

	Balance August 31, 2022	Additions	Deletions	Balance August 31, 2023
Compensated absences	\$148,524	\$4,375	\$ -	\$152,899
Other post-employment benefits	67,204	-	67,204	-
Total long-term liabilities	\$215,728	\$4,375	\$ 67,204	\$152,899

The District is subject to a debt limitation of 5.75% of its assessed valuation of \$693,307,370. As of August 31, 2023 the District had \$39,865,174 of remaining legal debt margin.

### Note 6 Pension Plan

#### Illinois Municipal Retirement Fund

##### *Plan Description*

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

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

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 6 Pension Plan (Continued)

#### **Benefits provided**

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

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

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

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

#### **Employees Covered by the Benefit Terms**

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

Inactive employees or beneficiaries currently receiving benefits	4
Inactive employees entitled to but not yet receiving benefits	1
Active employees	3
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Total	8
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# Byron Fire Protection District

## Notes to Financial Statements

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### Note 6 Pension Plan (Continued)

#### ***Contributions***

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2023 was 18.26%. For the fiscal year ended August 31, 2023, the District contributed \$46,623 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

#### ***Net Pension Liability***

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

#### ***Actuarial assumptions***

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees), the Pub-2010, Amount Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 6 Pension Plan (Continued)

#### *Actuarial assumptions (Continued)*

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

<b>Asset Class</b>	<b>Portfolio Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic Equity	35.5%	6.5%
International Equity	18.0%	7.6%
Fixed Income	25.5%	4.9%
Real Estate	10.5%	6.2%
Alternative Investments	9.5%	6.25-9.9%
Cash Equivalents	1.0%	4.0%
Total	100%	

#### **Single Discount Rate**

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

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

# Byron Fire Protection District

## Notes to Financial Statements

### Note 6 Pension Plan (Continued)

#### *Actuarial assumptions (Continued)*

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

#### *Changes in Net Pension Liability*

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balance January 1, 2022	\$1,983,985	\$1,891,661	\$92,324
Service costs	21,798	-	21,798
Interest on total pension liability	141,908	-	141,908
Difference between expected and actual experience	18,110	-	18,110
Changes in assumptions	-	-	-
Employer contributions	-	46,979	(46,979)
Employee contributions	-	10,193	(10,193)
Net investment income	-	(199,016)	199,016
Benefit payments – net of refunds	(75,070)	(75,070)	-
Other changes	-	1,680	(1,680)
Net changes	106,746	(215,234)	321,980
Balances as of December 31, 2022	\$2,090,731	\$1,676,427	\$414,304

#### *Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate*

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

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$668,347	\$414,304	\$211,454

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 6 Pension Plan (Continued)

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

For the year ended August 31, 2023, the District recognized pension expense of \$46,417. At August 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

#### ***Deferred Amounts Related to Pension***

	<b>Deferred Outflows Of Resources</b>	<b>Deferred Inflows Of Resources</b>
Differences between expected and actual experience	\$17,527	\$ 6,406
Changes in assumptions	-	3,231
Net difference between projected and actual earnings	118,656	-
Employer contributions subsequent to the measurement date	30,050	-
<b>Total</b>	<b>\$166,233</b>	<b>\$9,637</b>

The District reported \$30,050 as deferred outflows related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability from the measurement period ending December 31, 2023.

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

<b>Year Ending August 31:</b>	<b>Net Deferred Outflows of Resources</b>
2024	\$27,047
2025	24,141
2026	38,294
2027	67,114
2028	-
Thereafter	-
<b>Total</b>	<b>\$156,596</b>

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 6 Pension Plan (Continued)

#### Firefighter's Pension

##### *Plan description*

Fire sworn personnel are covered by the Firefighter's Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (ILCS) (Chapter 40-Article 5/4) and may be amended only by the Illinois legislature. The District accounts for the plan as a pension trust fund.

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

At September 1st, 2022, the actuarial valuation date, the Firefighter's Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	15
Active plan members	<u>13</u>
Total	<u>37</u>

##### *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 in two tiers depending on when a participant enters a plan. Tier I 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 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% 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 10 or more years of credible service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 6 Pension Plan (Continued)**

#### ***Benefits Provided (Continued)***

during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% of ½ of the change in the Consumer Price Index for the proceeding calendar year.

#### ***Contributions***

Covered employees are required to contribute 9.455 percent of the salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The District is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. The District's contributions must accumulate to the point where the past service cost for the Firefighter's Pension Plan is fully funded by the year 2034.

#### **Fair Value Measurement**

The Plan categorized 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 August 31, 2023.

#### ***Investment policy***

Illinois Compiled Statutes (ILCS) limit the Fire Pension Fund's investments to those allowable by ILCS and require the Fire Pension Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fire Pension Fund's investment policy authorizes the Fire Pension 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 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 Illinois Funds.

The Fire Pension 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

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 6 Pension Plan (Continued)**

#### ***Investment policy (continued)***

funds and corporate equity securities and real estate investment trusts.

The pooled investments consist of the investments as noted in the target allocation table available at [www.ifpif.org](http://www.ifpif.org).

ILCS limit 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.

#### ***Investment Valuations***

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at August 31 for debt securities, equity securities and mutual funds and contract values for insurance contracts. Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a \$1 per share value.

#### ***Investment Concentrations***

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of the Fire Pension Fund's investments.

#### ***Investment Rate of Return***

For the year ended August 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.50%. 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 Fire Pension Fund's deposits may not be returned to them. The Fire Pension Fund's investment policy requires all bank balances to be covered by federal depository insurance.

#### ***Interest Rate Risk***

In accordance with its investment policy, the Fire Pension 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 Fire Pension Fund.

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 6 Pension Plan (Continued)

#### ***Credit Risk***

The Fire Pension 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 obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment grade corporate bonds rated at or above BBB-by Standard and Poor's, Baa3 by Moody's and BBB-by Fitch by at least two of the three rating agencies. The fixed income securities are rated A1 to Aaa by Moody's. However, certain fixed income securities are not rated.

#### ***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 Fire Pension 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 Fire Pension 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 Fire Pension Fund's agent separate from where the investment was purchased in the Fire Pension Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

#### ***Net Pension Liability***

The components of the net pension liability of the Fire Pension Fund as of August 31, 2023 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	\$17,720,757
Plan fiduciary net position	13,118,332
District's net pension liability	4,602,425
Plan fiduciary net position as a percentage of the total pension liability	74.0%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fire Pension Fund.

# Byron Fire Protection District

## Notes to Financial Statements

### Note 6 Pension Plan (Continued)

#### *Actuarial Assumptions*

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

Actuarial valuation date	September 1, 2022
Actuarial cost method	Entry age normal (level % pay)
Amortization method	Straight Line
Asset Valuation Method	Fair Value
Assumptions:	
Investment rate of return	6.50%
Projected salary increases	4.00-4.75%
Aggregate payroll increases	3.25%
Inflation rate included	2.25%

Mortality rates were based on rates developed in the PubS-2010(A) Study for Illinois Fire Fighters. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

#### *Changes in Net Pension Liability*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance September 1, 2022	\$17,092,075	\$12,353,814	\$ 4,738,261
Service costs	295,097	-	\$ 295,097
Interest on total pension liability	1,092,866	-	1,092,866
Difference between expected and actual Experience	179,244	-	179,244
Changes in assumptions	-	-	-
Employer contributions	-	600,300	(600,300)
Changes in benefit terms	(20,982)	-	(20,982)
Employee contributions	-	96,220	(96,220)
Other contributions	-	-	-
Net investment income	-	993,141	(993,141)
Benefit payments – net of refunds	(917,543)	(917,543)	-
Other changes	-	(7,600)	7,600
Net changes	628,682	764,518	(135,836)
Balances as of August 31, 2023	\$17,720,757	\$13,118,332	\$4,602,425

# Byron Fire Protection District

## Notes to Financial Statements

### Note 6 Pension Plan (Continued)

#### ***Discount Rate***

The discount rate used to measure the total pension liability was 6.50%. 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 District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fire Pension Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

#### ***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 pension liability of the District calculated using the discount rate of 6.50% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	<b>1% Decrease (5.50%)</b>	<b>Current Discount Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
Net pension liability	\$6,931,173	\$4,602,425	\$2,684,042

#### ***Deferred Outflows of Resources and Deferred Inflows of Resources Related to Fire Pension Fund***

For the year ended August 31, 2023, the District recognized pension expense of \$398,947. At August 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows Of Resources</b>	<b>Deferred Inflows Of Resources</b>
Differences between expected and actual experience	\$ 980,740	\$ 906,521
Changes in assumptions	196,868	1,181,957
Net difference between projected and actual earnings	1,739,322	801,073
<b>Total</b>	<b>\$2,916,930</b>	<b>\$2,889,551</b>

# Byron Fire Protection District

## Notes to Financial Statements

### Note 6 Pension Plan (Continued)

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

<b>Year Ending August 31:</b>	<b>Net Deferred Outflows of Resources</b>
2024	\$(177,525)
2025	(18,150)
2026	493,285
2027	(146,477)
2028	(113,861)
Thereafter	(9,893)
Total	\$ 27,379

**Aggregate Pension Amounts:** At August 31, 2023, the District reported the following from all pension plans:

	<b>Fire Pension</b>	<b>IMRF</b>	<b>All Pension Plans</b>
Net pension liability (asset)	\$4,602,425	\$414,304	\$5,016,729
Deferred outflows of resources	2,916,930	166,233	3,083,163
Deferred inflows of resources	2,889,551	9,637	2,899,188
Pension expense	398,947	46,417	445,364

### Note 7 Other Post-Employment Benefits

#### *Plan description*

In addition to providing the pension benefits described, the District provides post-employment healthcare benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contribution are governed by the District and can be amended by the District through its personnel manual and union contracts. Retirees are 100% responsible for the premium cost. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District's governmental type activities.

The District discontinued the post-employment healthcare benefits (OPEB) for retired employees during the fiscal year ending August 31, 2023. The District no longer has retirees receiving a premium benefit towards their health insurance and this benefit is no longer an option to current or future retirees.

# Byron Fire Protection District

## Notes to Financial Statements

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### Note 7 Other Post-Employment Benefits (Continued)

#### ***Benefits provided***

The District provides continued health insurance coverage at the active employer rate to all eligible employees. To be eligible for the benefits, an employee must qualify for retirement under one of the District's retirement plans.

#### ***Membership***

At August 31, 2023, membership consisted of:

Retirees and beneficiaries currently receiving benefits	-
Active vested plan members	-
Active non-vested plan members	-
Total	<u>0</u>
Number of participating employers	<u>1</u>

#### ***Funding policy***

For the fiscal year ending August 31, 2023, the employer contributed \$0. The District is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

The funded status of the plan as of August 31, 2023, was as follows:

Actuarial accrued liability (AAL)	\$ -
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	-
Funded ratio (actuarial value of plan assets/AAL)	-
Covered payroll (active plan members)	-
UAAL as a percentage of covered payroll	0.00%

# Byron Fire Protection District

## Notes to Financial Statements

### Note 7 Other Post-Employment Benefits (Continued)

#### **Assumptions and Other Inputs**

*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of August 31, 2023, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Actuarial valuation date	August 31, 2023
Actuarial cost method	Entry age normal
Discount rate	4.01%
Salary increase	3.50%
Rate of return	4.01%

Mortality rates: for retirement and beneficiary annuitants were based according to RPO2014 base rates projected fully generationally using scale MP2021.

Participation: 50% of employees currently enrolled in medical plans were assumed to participate in the plan.

Health care cost trends: actual trend used for fiscal year 2023. For fiscal years after, trend started at 8.5% and gradually decreases to an ultimate trend of 4.5%.

#### **Changes in total OPEB liability**

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at September 1, 2022	\$67,204	\$ -	\$67,204
Changes for the year:			
Service cost	-	-	-
Interest	1,298	-	1,298
Employer contributions	-	700	(700)
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(67,802)	-	(67,802)
Changes in assumptions	-	-	-
Benefit payments	(700)	(700)	-
Net changes	(67,204)	-	(67,204)
Balance at August 31, 2023	\$ -	\$ -	\$ -

# Byron Fire Protection District

## Notes to Financial Statements

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**Note 7 Other Post-Employment Benefits (Continued)**

***Deferred Outflows and Inflows***

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.* Deferred outflows of resources are the consumption of net position by the system that is applicable to future reporting periods.

***Deferred Outflows and Inflows Obligation***

The district's Deferred Outflows and Deferred Inflows of Resources by Sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	-
OPEB contributions made subsequent to the measurement date	-	-
Total	\$ -	\$ -

OPEB Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future OPEB Expenses:

<b>Year ended August 31:</b>	<b>Net Deferred Outflows of Resources</b>
2024	\$ -
2025	-
2026	-
2027	-
2028	-
Thereafter	-
Total	\$ -

# Byron Fire Protection District

## Notes to Financial Statements

### Note 7 Other Post-Employment Benefits (Continued)

#### ***Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate***

The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 4.01%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (5.01%) or lower (3.01%) than the current rate:

#### ***Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate (Continued)***

##### **Sensitivity of Net OPEB Liability as of August 31, 2023 to the Single Discount Rate Assumption**

	1% Decrease (3.01%)	Current Single Discount Rate Assumption (4.01%)	1% Increase (5.01%)
Net OPEB liability	\$ -	\$ -	\$ -

#### **Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates of well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates.

##### **Sensitivity of Net OPEB Liability as of August 31, 2023 to the Healthcare Cost Trend Rate Assumption**

	1% Decrease (A) N/A	Healthcare Cost Trend Rates Assumption N/A	1% Increase (B) N/A
Net OPEB liability	\$ -	\$ -	\$ -

(A) Healthcare trend rates that are 1 percentage point higher than the trend rates used for the actuarial valuation

(B) Healthcare trend rates that are 1 percentage point lower than the trend rates used for the actuarial valuation

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 8 Self-Insurance**

The District is partially self-insured for liability claims against it. A reserve has been established from which claims in excess of the District's liability insurance will be paid. Various policies of the District will cover up to \$1,000,000 of liability claims while the umbrella policy has a limit of \$5,000,000. Any claims in excess of these amounts will be paid from the Self-Insurance Fund. Premiums for general insurance coverage, unemployment and workers compensation coverage are paid from the self-insurance fund.

### **Note 9 Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. In order to handle such risks of loss, the District purchases commercial insurance coverage. The deductibles in effect through these policies as of August 31, 2023 ranged from \$-0- to \$2,500. The amounts of settlements have not exceeded insurance coverage for any of the past three years. See Note 8 for an explanation of Self-Insurance.

### **Note 10 Economic Dependency**

Because Exelon's nuclear plant's assessed valuation represents nearly 75% of the District's total assessed valuation, it is economically dependent upon Exelon in order to maintain its current level of services to the public.

### **Note 11 Contingencies**

During the fiscal year end 2009, a four year agreement was made between Exelon and the taxing bodies for the Annual Credit Trigger Amounts. This agreement wiped away all (3) years worth of appealed EAV's filed with PTAB plus defined the EAV of the Exelon Byron Nuclear Station for tax years 2008, 2009, 2010 and 2011. This agreement started the EAV of the Exelon Byron Nuclear Station at \$450,000,000 for 2008 and adds \$10,000,000 every year thereafter with an ending EAV of \$480,000,000 for tax year 2011. The agreement expired at the end of the 2013 fiscal year. The current assessment is under appeal until an agreement is made between the taxing bodies and Exelon. The outcome of the appeal cannot be reasonably determined at this time. The financial statements do not reflect any adjustment that may be necessary for the future outcome of this appeal.

### **Note 12 Restricted Net Position**

The following restricted net position existed as of August 31, 2023:

Restricted for Ambulance	<u>\$2,569,004</u>
Restricted for Insurance	<u>\$ 913,055</u>
Restricted for Public Safety	<u>\$ 44,856</u>
Fiduciary fund:	
Held in trust for pension benefits	<u>\$13,118,332</u>

# Byron Fire Protection District

## Notes to Financial Statements

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### **Note 13 Prior Period Adjustment**

For the year ending August 31, 2023, the District is properly recording the Foreign Fire Insurance Fund within the Basic Financial Statements. This required a prior period adjustment of \$56,448 to record the beginning fund balance in the Foreign Fire Insurance Fund. A prior period adjustment of \$17,418 was made in the Proprietary Internal Service Insurance Fund to properly account for prepaid insurance.

### **Note 14 Pending Accounting Pronouncements**

GASB Statement No. 100, Accounting Changes and Error Corrections, enhances accounting and financial reporting for accounting changes in error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The District has not determined the effect of this Statement.

GASB Statement No. 101, Compensated Absences, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The District has not determined the effect of this Statement.

GASB Statement No. 102, Certain Risk Disclosures, requires entities to disclose critical information about their exposure to risks due to certain concentrations or limitations that could lead to financial distress or operational challenges. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The District has not determined the effect of this Statement.

# Byron Fire Protection District

## Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

IMRF Regular Plan - Last Ten Calendar Years

(Schedule to be built prospectively from 2014)

Required Supplementary Information

Calendar Year Ending December 31,

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability:</b>									
Service cost	\$ 21,798	\$ 22,732	\$ 22,960	\$ 22,345	\$ 20,099	\$ 21,453	\$ 21,469	\$ 20,829	\$ 21,602
Interest on the total pension liability	141,908	136,981	129,791	123,883	117,547	116,582	110,477	105,475	99,185
Benefit changes	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	18,110	(17,124)	43,372	5,486	22,234	(15,519)	15,874	6,027	(5,714)
Assumption changes	-	-	(24,501)	-	49,148	(42,102)	(23,722)	1,904	38,378
Benefit payments and refunds	(75,070)	(73,252)	(71,443)	(69,619)	(67,785)	(65,969)	(67,299)	(62,400)	(59,044)
<b>Net change in total pension liability</b>	<b>106,746</b>	<b>69,337</b>	<b>100,179</b>	<b>82,095</b>	<b>141,243</b>	<b>14,445</b>	<b>56,799</b>	<b>71,835</b>	<b>94,407</b>
<b>Total pension liability - beginning</b>	<b>1,983,985</b>	<b>1,914,648</b>	<b>1,814,469</b>	<b>1,732,374</b>	<b>1,591,131</b>	<b>1,576,686</b>	<b>1,519,887</b>	<b>1,448,052</b>	<b>1,353,645</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 2,090,731</b>	<b>\$ 1,983,985</b>	<b>\$ 1,914,648</b>	<b>\$ 1,814,469</b>	<b>\$ 1,732,374</b>	<b>\$ 1,591,131</b>	<b>\$ 1,576,686</b>	<b>\$ 1,519,887</b>	<b>\$ 1,448,052</b>
<b>Plan fiduciary net position:</b>									
Employer contributions	\$ 46,979	\$ 47,680	\$ 46,937	\$ 40,076	\$ 41,292	\$ 38,279	\$ 39,554	\$ 39,596	\$ 38,524
Employee contributions	10,193	9,444	9,421	8,801	8,571	8,164	7,729	7,895	7,668
Pension plan net investment income	(199,016)	262,851	198,410	220,748	(54,176)	192,705	76,088	5,171	60,039
Benefit payments and refunds	(75,070)	(73,252)	(71,443)	(69,619)	(67,785)	(65,969)	(67,299)	(62,400)	(59,044)
Administrative expense	-	-	-	-	-	-	-	-	-
Other	1,680	(2,230)	7,495	2,905	26,125	(20,747)	8,868	50,110	3,799
<b>Net change in plan fiduciary net position</b>	<b>(215,234)</b>	<b>244,493</b>	<b>190,820</b>	<b>202,911</b>	<b>(45,973)</b>	<b>152,432</b>	<b>64,940</b>	<b>40,372</b>	<b>50,986</b>
<b>Plan fiduciary net position - beginning</b>	<b>1,891,661</b>	<b>1,647,168</b>	<b>1,456,348</b>	<b>1,253,437</b>	<b>1,299,410</b>	<b>1,146,978</b>	<b>1,082,038</b>	<b>1,041,666</b>	<b>990,680</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,676,427</b>	<b>\$ 1,891,661</b>	<b>\$ 1,647,168</b>	<b>\$ 1,456,348</b>	<b>\$ 1,253,437</b>	<b>\$ 1,299,410</b>	<b>\$ 1,146,978</b>	<b>\$ 1,082,038</b>	<b>\$ 1,041,666</b>
<b>Net pension liability(asset) - Ending (a) - (b)</b>	<b>\$ 414,304</b>	<b>\$ 92,324</b>	<b>\$ 267,480</b>	<b>\$ 358,121</b>	<b>\$ 478,937</b>	<b>\$ 291,721</b>	<b>\$ 429,708</b>	<b>\$ 437,849</b>	<b>\$ 406,386</b>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	<b>80.18%</b>	<b>95.35%</b>	<b>86.03%</b>	<b>80.26%</b>	<b>72.35%</b>	<b>81.67%</b>	<b>72.75%</b>	<b>71.19%</b>	<b>71.94%</b>
<b>Covered valuation payroll</b>	<b>226,515</b>	<b>209,861</b>	<b>209,356</b>	<b>195,590</b>	<b>190,465</b>	<b>181,413</b>	<b>175,437</b>	<b>175,437</b>	<b>170,390</b>
<b>Net pension liability as a percentage of covered valuation payroll</b>	<b>182.90%</b>	<b>43.99%</b>	<b>127.76%</b>	<b>183.10%</b>	<b>251.46%</b>	<b>160.80%</b>	<b>244.94%</b>	<b>249.58%</b>	<b>238.50%</b>

See Notes to Required Supplementary Information

# Byron Fire Protection District

## Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Fire Pension Fund - Last Ten Fiscal Years

(Schedule to be built prospectively from 2014)

Required Supplementary Information

For the Fiscal Year Ending August 31,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability:</b>										
Service cost	\$ 295,097	\$ 251,896	\$ 301,582	\$ 337,058	\$ 325,043	\$ 288,868	\$ 255,674	\$ 278,873	\$ 277,948	\$ 255,390
Interest on the total pension liability	1,092,866	1,055,712	1,101,976	1,016,889	986,081	941,100	932,785	791,830	765,180	788,579
Benefit changes	(20,982)	-	-	119,042	-	-	-	-	-	-
Difference between expected and actual experience	179,244	(1,282,248)	346,166	511,414	(240,885)	(29,228)	1,020,549	(1,051,048)	(284,671)	-
Assumption changes	-	-	-	(253,563)	(931,549)	(407,060)	(1,469,771)	1,330,967	643,096	-
Benefit payments and refunds	(917,543)	(845,848)	(820,058)	(784,787)	(747,628)	(635,991)	(556,767)	(486,557)	-	(415,756)
<b>Net change in total pension liability</b>	<b>628,682</b>	<b>(820,488)</b>	<b>929,666</b>	<b>946,053</b>	<b>(608,938)</b>	<b>157,689</b>	<b>182,470</b>	<b>864,065</b>	<b>1,401,553</b>	<b>628,213</b>
<b>Total pension liability - beginning</b>	<b>17,092,075</b>	<b>17,912,563</b>	<b>16,982,897</b>	<b>16,036,844</b>	<b>16,645,782</b>	<b>16,488,093</b>	<b>16,305,623</b>	<b>15,441,558</b>	<b>14,040,005</b>	<b>13,411,792</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 17,720,757</b>	<b>\$ 17,092,075</b>	<b>\$ 17,912,563</b>	<b>\$ 16,982,897</b>	<b>\$ 16,036,844</b>	<b>\$ 16,645,782</b>	<b>\$ 16,488,093</b>	<b>\$ 16,305,623</b>	<b>\$ 15,441,558</b>	<b>\$ 14,040,005</b>
<b>Plan fiduciary net position:</b>										
Employer contributions	\$ 600,300	\$ 524,900	\$ 724,945	\$ 500,120	\$ 200,038	\$ 169,967	\$ 170,976	\$ 171,974	\$ 160,010	\$ 179,992
Employee contributions	96,220	99,009	97,924	107,047	86,531	84,508	87,799	83,881	74,556	74,108
Contribution others	-	1,801	-	-	-	-	-	-	-	-
Pension plan net investment income	993,141	(1,960,796)	2,048,286	1,468,184	409,133	921,544	728,833	440,593	52,029	811,989
Benefit payments and refunds	(917,543)	(845,848)	(820,058)	(784,787)	(747,628)	(635,991)	(556,767)	(486,557)	(444,911)	(391,232)
Administrative expense	(7,600)	(14,445)	(12,477)	(11,982)	(35,331)	(37,340)	(12,219)	(7,840)	(32,916)	(5,086)
Other	-	-	-	-	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>764,518</b>	<b>(2,195,379)</b>	<b>2,038,620</b>	<b>1,278,582</b>	<b>(87,257)</b>	<b>502,688</b>	<b>418,622</b>	<b>202,051</b>	<b>(191,232)</b>	<b>669,771</b>
<b>Plan fiduciary net position - beginning</b>	<b>12,353,814</b>	<b>14,549,193</b>	<b>12,510,573</b>	<b>11,231,991</b>	<b>11,319,248</b>	<b>10,816,560</b>	<b>10,397,938</b>	<b>10,195,887</b>	<b>10,387,119</b>	<b>9,717,348</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 13,118,332</b>	<b>\$ 12,353,814</b>	<b>\$ 14,549,193</b>	<b>\$ 12,510,573</b>	<b>\$ 11,231,991</b>	<b>\$ 11,319,248</b>	<b>\$ 10,816,560</b>	<b>\$ 10,397,938</b>	<b>\$ 10,195,887</b>	<b>\$ 10,387,119</b>
<b>Net pension liability(asset) - Ending (a) - (b)</b>	<b>\$ 4,602,425</b>	<b>\$ 4,738,261</b>	<b>\$ 3,363,370</b>	<b>\$ 4,472,324</b>	<b>\$ 4,804,853</b>	<b>\$ 5,326,534</b>	<b>\$ 5,671,533</b>	<b>\$ 5,907,685</b>	<b>\$ 5,245,671</b>	<b>\$ 3,652,886</b>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	<b>74.03%</b>	<b>72.28%</b>	<b>81.22%</b>	<b>73.67%</b>	<b>70.04%</b>	<b>68.00%</b>	<b>65.60%</b>	<b>63.77%</b>	<b>66.03%</b>	<b>73.98%</b>
<b>Covered valuation payroll</b>	<b>1,017,662</b>	<b>1,047,161</b>	<b>789,398</b>	<b>1,126,373</b>	<b>901,509</b>	<b>823,986</b>	<b>814,012</b>	<b>747,408</b>	<b>938,248</b>	<b>897,845</b>
<b>Net pension liability as a percentage of covered valuation payroll</b>	<b>452.25%</b>	<b>452.49%</b>	<b>426.07%</b>	<b>397.06%</b>	<b>532.98%</b>	<b>646.44%</b>	<b>696.74%</b>	<b>790.42%</b>	<b>559.09%</b>	<b>406.85%</b>

See Notes to Required Supplementary Information

## Byron Fire Protection District

### Multiyear Schedule of IMRF Contributions (Schedule to be built prospectively from 2015) Required Supplementary Information

Fiscal Year Ending August 31,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2023	46,623	46,623	-	244,476	19.07%
2022	47,883	47,883	-	209,861	22.82%
2021	46,413	46,413	-	205,238	22.61%
2020	46,938	46,937	1	209,356	22.42%
2019	40,076	40,076	-	195,590	20.49%
2018	41,293	41,292	1	190,465	21.68%
2017	38,278	38,279	(1)	181,413	21.10%
2016	39,554	39,554	-	171,751	23.03%
2015	39,596	39,596	-	175,437	22.57%

\* Estimated based on 2023 calendar year contribution rate of 18.26%, 2022 calendar year contribution rate of 20.74% and covered payroll at \$244,476

The District implemented GASB Statement No. 68 effective August 31, 2015.

# Byron Fire Protection District

Schedule of Employer Contributions  
 Fire Pension Fund - Last Ten Fiscal Years  
 (Schedule to be built prospectively from 2014)  
 Required Supplementary Information

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 393,577	\$ 401,747	\$ 349,015	\$ 275,844	\$ 184,183	\$ 133,594	\$ 150,717	\$ 171,815	\$ 157,052	\$ 177,163
Contributions in Relation to the Actuarially Determined Contribution	600,300	524,900	724,945	500,120	200,038	169,967	170,976	171,974	160,010	179,992
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (206,723)</b>	<b>\$ (123,153)</b>	<b>\$ (375,930)</b>	<b>\$ (224,276)</b>	<b>\$ (15,855)</b>	<b>\$ (36,373)</b>	<b>\$ (20,259)</b>	<b>\$ (159)</b>	<b>\$ (2,958)</b>	<b>\$ (2,829)</b>
Covered-Employee Payroll	1,017,662	1,047,161	789,398	1,126,373	901,509	823,986	814,012	747,408	938,248	897,845
Contributions as a Percentage of Covered-Employee Payroll	59.0%	50.1%	91.8%	44.4%	22.2%	20.6%	21.0%	23.0%	17.1%	20.0%

The information presented was determined as part of the actuarial valuations as of August 31. 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 pay, closed and the amortization period was 20 years, the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return of 6.50% annually, projected salary increase assumption of 3.50% to 12.50% plus 2% for inflation compounded annually.

# Byron Fire Protection District

## Schedule of Investment Returns Firefighter Pension Fund For the year ending August 31, 2023 Required Supplementary Information

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	2023	2022	2021	2020	2019
<b>Firefighter Pension Fund</b>					
Annual money - weighted rate of return, net of investment expense	7.79%	-16.25%	14.59%	13.17%	3.63%

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

# Byron Fire Protection District

## Multiyear Schedule of Changes in Net OPEB Liability and Related Ratios OPEB - Last Ten Fiscal Years (Scheduled to be built prospectively from 2019) Required Supplementary Information

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fiscal year ending August 31,											
Total OPEB liability:											
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on the total OPEB liability	-	1,298	1,483	1,693	2,193	-	-	-	-	-	-
Benefit changes	-	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(67,802)	1,934	-	-	-	-	-	-	-	-
Assumption changes	-	-	2,259	1,757	6,960	-	-	-	-	-	-
Benefit payments and refunds	-	(700)	(4,200)	(4,200)	(4,200)	-	-	-	-	-	-
Net change in OPEB liability	-	(67,204)	1,476	(750)	4,953	-	-	-	-	-	-
Total OPEB liability - beginning	\$ -	\$ 67,204	65,728	66,478	61,525	-	-	-	-	-	-
Total OPEB liability - ending (a)	\$ -	\$ -	\$ 67,204	\$ 65,728	\$ 66,478	-	-	-	-	-	-
Plan fiduciary net position:											
Employer contributions	\$ -	700	\$ 4,200	\$ 4,200	\$ 4,200	-	-	-	-	-	-
Employee contributions	-	-	-	-	-	-	-	-	-	-	-
Pension plan net investment income	-	-	-	-	-	-	-	-	-	-	-
Benefit payments and refunds	-	(700)	(4,200)	(4,200)	(4,200)	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability(asset) - Ending (a) - (b)	\$ -	\$ -	\$ 67,204	\$ 65,728	\$ 66,478	-	-	-	-	-	-
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered valuation payroll	1,304,711	1,130,164	1,091,946	1,328,244	1,283,328	-	-	-	-	-	-
Net OPEB liability as a percentage of covered valuation payroll	0.00%	0.00%	6.15%	4.95%	5.18%	-	-	-	-	-	-

The District implemented GASB Statement No. 75 in August 31, 2019

See Notes to Required Supplementary Information

# Byron Fire Protection District

## Multiyear Schedule of Contributions - OPEB (schedule to be built prospectively from 2019) Required Supplementary Information

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<b>Fiscal Year Ending August 31,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contributions</b>	<b>Contribution Deficiency (excess)</b>	<b>Covered Valuation Payroll</b>	<b>Actual Contribution as a % of Covered Valuation Payroll</b>
2023	-	-	-	1,304,711	0.00%
2022	700	700	-	1,130,164	0.06%
2021	4,200	4,200	-	1,091,946	0.38%
2020	4,200	4,200	-	1,328,244	0.32%
2019	4,200	4,200	-	1,283,328	0.33%

The District implemented GASB Statement No. 75 in August 31, 2019

The District implemented GASB Statement No. 68 in August 31, 2015

# Byron Fire Protection District

## General Fund Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

For the year ended August 31, 2023

	Original & Final Budget	Actual	Over (Under) Budget
<b>Revenues</b>			
Taxes			
Fire levy	\$ 1,782,000	1,782,976	\$ 976
Pension levy	600,000	600,300	300
Replacement tax	40,000	44,247	4,247
<b>Total taxes</b>	<b>2,422,000</b>	<b>2,427,523</b>	<b>5,523</b>
Other			
Interest (net unrealized loss on investments)	50,000	291,651	241,651
Training reimbursements	-	1,543	1,543
Foreign fire insurance	13,000	-	(13,000)
Grants	1,000	35,741	34,741
Miscellaneous	15,500	22,059	6,559
<b>Total other</b>	<b>79,500</b>	<b>350,994</b>	<b>271,494</b>
<b>Total revenues</b>	<b>\$ 2,501,500</b>	<b>\$ 2,778,517</b>	<b>\$ 277,017</b>
<b>Expenditures</b>			
Personnel:			
Salaries, firemen	\$ 945,000	\$ 811,271	\$ (133,729)
Salaries, office	108,000	110,297	2,297
Salaries, trustees	7,500	7,500	-
Employee benefits	35,000	13,028	(21,972)
Employee insurance	225,000	157,682	(67,318)
Social security taxes	50,000	41,650	(8,350)
Employee pension contribution	225,000	23,581	(201,419)
Employee incentive program	10,000	5,136	(4,864)
Pension expense	600,000	600,300	300
Fire commission board	5,000	1,498	(3,502)
<b>Total personnel</b>	<b>2,210,500</b>	<b>1,771,943</b>	<b>(438,557)</b>
Commodities			
Office supplies and postage	5,000	2,042	(2,958)
Gas and oil	20,000	17,671	(2,329)
Operating supplies	15,000	9,116	(5,884)
Uniforms	10,000	14,462	4,462
Publications and printing	4,000	2,771	(1,229)
<b>Total commodities</b>	<b>54,000</b>	<b>46,062</b>	<b>(7,938)</b>

See Notes to Required Supplementary Information

# Byron Fire Protection District

## General Fund Schedule of Revenues and Expenditures Compared with Budget (Continued) Required Supplementary Information

For the year ended August 31, 2023

	Original & Final Budget	Actual	Over (Under) Budget
<b>Expenditures (Continued)</b>			
Contractual services:			
Maintenance:			
Buildings and grounds	50,000	40,165	(9,835)
Vehicles	60,000	42,327	(17,673)
Equipment	50,000	46,398	(3,602)
Radio	5,000	3,469	(1,531)
Other	20,000	15,843	(4,157)
Telephone	10,000	7,891	(2,109)
Utilities - water	1,000	491	(509)
Utilities - heat	7,000	5,946	(1,054)
Utilities - electric	16,000	15,511	(489)
Training - schools and seminars	20,000	15,237	(4,763)
Training - materials	12,000	3,042	(8,958)
Fire prevention and inspection	15,000	12,815	(2,185)
Professional services-accounting	10,000	6,770	(3,230)
Professional services-legal & other	41,000	27,645	(13,355)
Investment manager fees	10,000	7,881	(2,119)
Dues	4,000	3,386	(614)
Foreign fire insurance tax transfer	13,000	-	(13,000)
Contingent expense	6,000	365	(5,635)
Public relations	10,000	2,128	(7,872)
<b>Total contractual services</b>	<b>360,000</b>	<b>257,310</b>	<b>(102,690)</b>
<b>Capital Outlay</b>			
Equipment	475,000	375,296	(99,704)
Building & Improvements	55,000	42,850	(12,150)
Vehicles	-	-	-
<b>Total capital outlay</b>	<b>530,000</b>	<b>418,146</b>	<b>(111,854)</b>
<b>Total expenditures</b>	<b>\$ 3,154,500</b>	<b>\$ 2,493,461</b>	<b>\$ (661,039)</b>

See Notes to Required Supplementary Information

# Byron Fire Protection District

## Ambulance Fund Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

For the year ended August 31, 2023

	Original & Final Budget	Actual	Over (Under) Budget
<b>Revenues</b>			
Taxes:			
Ambulance levy	\$ 1,376,000	1,376,706	\$ 706
Replacement tax	40,000	44,247	4,247
<b>Total taxes</b>	<b>1,416,000</b>	<b>1,420,953</b>	<b>4,953</b>
Fees:			
Ambulance	400,000	401,169	1,169
Other:			
Interest	50,000	152,611	102,611
Grants	-	35,741	35,741
Miscellaneous	15,500	21,929	6,429
<b>Total other</b>	<b>65,500</b>	<b>210,281</b>	<b>144,781</b>
<b>Total revenues</b>	<b>\$ 1,881,500</b>	<b>\$ 2,032,403</b>	<b>\$ 150,903</b>
<b>Expenditures</b>			
Personnel:			
Salaries, ambulance	\$ 1,115,000	811,269	\$ (303,731)
Salaries, office	108,000	110,297	2,297
Salaries, trustees	7,500	7,500	-
Fire commission board	5,000	1,498	(3,502)
Employee benefits	35,000	13,028	(21,972)
Employee insurance	225,000	157,686	(67,314)
Social security taxes	65,000	41,640	(23,360)
Employee incentive program	10,000	5,136	(4,864)
Employee pension contribution	160,000	23,580	(136,420)
<b>Total personnel</b>	<b>1,730,500</b>	<b>1,171,634</b>	<b>(558,866)</b>
Commodities:			
Office supplies and postage	5,000	2,040	(2,960)
Gas and oil	20,000	17,671	(2,329)
Operating supplies	25,000	18,172	(6,828)
Uniforms	10,000	14,462	4,462
Publications and printing	2,000	1,822	(178)
<b>Total commodities</b>	<b>62,000</b>	<b>54,167</b>	<b>(7,833)</b>

See Notes to Required Supplementary Information

# Byron Fire Protection District

## Ambulance Fund Schedule of Revenues and Expenditures Compared with Budget (Continued) Required Supplementary Information

For the year ended August 31, 2023

	Original & Final Budget	Actual	Over (Under) Budget
<b>Expenditures (Continued)</b>			
Contractual services:			
Maintenance:			
Building and grounds	50,000	40,165	(9,835)
Vehicles	30,000	11,439	(18,561)
Equipment	30,000	17,801	(12,199)
Radio	5,000	3,469	(1,531)
Other	25,000	15,843	(9,157)
Telephone	10,000	7,932	(2,068)
Utilities - water & heat	8,000	6,437	(1,563)
Utilities - electric	16,000	15,511	(489)
Training - schools and seminars	20,000	18,294	(1,706)
Training - materials	5,000	3,076	(1,924)
Professional services	81,000	70,125	(10,875)
Dues	4,000	3,211	(789)
Public relations	10,000	2,128	(7,872)
Contingent expenses	6,000	603	(5,397)
<b>Total contractual services</b>	<b>300,000</b>	<b>216,034</b>	<b>(83,966)</b>
<b>Capital Outlay</b>			
Equipment	15,000	32,086	17,086
Building & Improvements	55,000	42,850	(12,150)
Vehicles	-	-	-
<b>Total capital outlay</b>	<b>70,000</b>	<b>74,936</b>	<b>4,936</b>
<b>Total expenditures</b>	<b>\$ 2,162,500</b>	<b>\$ 1,516,771</b>	<b>\$ (645,729)</b>

See Notes to Required Supplementary Information

# Byron Fire Protection District

## Foreign Fire Insurance Fund Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

For the year ended August 31, 2023

	Original & Final Budget	Actual	Over (Under) Budget
<b>Revenues</b>			
Taxes:			
Foreign fire insurance tax	\$ -	\$ 16,119	\$ 16,119
Total taxes	-	16,119	16,119
Fees:			
Ambulance	-	-	-
Other:			
Interest	-	2,378	2,378
Miscellaneous	-	-	-
Total other	-	2,378	2,378
Total revenues	\$ -	\$ 18,497	\$ 18,497
<b>Expenditures</b>			
Commodities:			
Operating supplies	\$ -	\$ 4,791	\$ 4,791
Public relations	-	-	-
Total contractual services	-	4,791	4,791
<b>Capital Outlay</b>			
Equipment	-	25,298	25,298
Building & Improvements	-	-	-
Total capital outlay	-	25,298	25,298
Total expenditures	\$ -	\$ 30,089	\$ 30,089

See Notes to Required Supplementary Information

# Byron Fire Protection District

## Notes to Required Supplementary Information

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### **Note 1 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate for IMRF \***

#### **Valuation date:**

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

#### **Methods and Assumptions Used to Determine 2022 Contribution Rates:**

Actuarial Cost Method Aggregate Entry Age Normal

Amortization Method Level Percentage of Payroll, Closed

Remaining Amortization Period Non-Taxing bodies: 10-year rolling period.

Taxing bodies (Regular, SLEP and ECO groups): 21-year closed period.  
Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).

Asset Valuation Method 5-Year smoothed market; 20% corridor

Wage growth 2.75%

Price Inflation 2.25%

Salary Increases 2.85% to 13.75% including inflation

Investment Rate of Return 7.25%

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

# Byron Fire Protection District

## Notes to Required Supplementary Information

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### **Note 1 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate for IMRF \* (Continued)**

Mortality For non-disabled retirees, the Pub-2010, Amount-weighted, below-median income, general, retiree, male (adjusted 106%) and female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-weighted, below-median income, general, disabled retiree, male and female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-weighted, below-median income, general, employee, male and female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

#### **Other Information:**

Notes There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

### **Note 2 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate for OPEB**

#### **Summary of Actuarial Assumptions**

Actuarial Cost Method	Entry Age Normal
Discount (Interest) Rate	4.01%
Salary Increase	3.50%
Mortality	Probabilities of death for participants were according to RP2014 base rates projected fully generationally using scale MP2021.
Participation	50% of employees currently enrolled in medical plans were assumed to participate in the plan
Rate of return	4.01%

# Byron Fire Protection District

## Notes to Required Supplementary Information

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### **Note 3    Budgets**

The term "budget" used throughout the financial statements represents the estimated revenues and appropriations as set forth in the District's annual appropriation ordinance adopted for the fiscal year ended August 31, 2023. Budgets are adopted on a basis consistent with the modified accrual basis of accounting.

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

- a. At least 30 days prior to approving the budget, the Board proposes a means of financing expenditure appropriations for the fiscal year commencing on September 1.
- b. Normally at the board meeting in October of the current fiscal year, the budget is legally enacted through passage of the appropriation ordinance.
- c. Budgeted amounts are as originally reported or as amended by the District. No amendments occurred during fiscal year 2023.
- d. Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established by the amount of expenditures budgeted for each object and purpose, but management control is exercised at budgetary line item levels.
- e. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

# Byron Fire Protection District

## Schedule of Tort Expenditures

For the year ended August 31, 2023

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Risk management related salaries and benefits	204,788
Legal services	16,411
Insurance	185,817
Miscellaneous	17
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Total tort expenditures	\$ 407,033
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