

CITY OF JACKSONVILLE, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended  
December 31, 2011

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## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the City of Jacksonville, Illinois, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the City of Jacksonville, Illinois, as of December 31, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis which is supplementary information required by the Governmental Accounting Standards Board has not been presented in these financial statements.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 44 through 50, and retirement fund historical data on pages 51 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Jacksonville, Illinois' financial statements as a whole. The combining nonmajor fund financial statements, combining fiduciary fund financial statements, and schedule of equalized assessed valuations, tax rates, extensions and collections are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements and combining fiduciary fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The schedule of equalized assessed valuations, tax rates, extensions and collections has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Zandahor, MS, Smith, Foster & Flynn*

June 25, 2012

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF NET ASSETS

December 31, 2011

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash	\$ 17,052,751	\$ 6,395,957	\$ 23,448,708
Investments	1,339,498		1,339,498
Receivables:			
Taxes	5,291,989		5,291,989
Accounts	1,629,914	937,772	2,567,686
Due from Other Governments	2,166,697		2,166,697
Inventory		54,237	54,237
Prepaid Expenses	480	17,374	17,854
Capital Assets (Net of Accumulated Depreciation)	17,404,652	27,592,536	44,997,188
Other Assets		7,789	7,789
	<u>44,885,981</u>	<u>35,005,665</u>	<u>79,891,646</u>
<b>Total Assets</b>	<b><u>44,885,981</u></b>	<b><u>35,005,665</u></b>	<b><u>79,891,646</u></b>
<b>LIABILITIES</b>			
Accounts payable	394,909	807,060	1,201,969
Deferred revenue	5,440,861	349,467	5,790,328
Accrued salaries and wages	95,583	61,168	156,751
Long-term liabilities:			
Due within one year	125,849	361,080	486,929
Due in more than one year	688,219	2,863,521	3,551,740
	<u>6,745,421</u>	<u>4,442,296</u>	<u>11,187,717</u>
<b>Total Liabilities</b>	<b><u>6,745,421</u></b>	<b><u>4,442,296</u></b>	<b><u>11,187,717</u></b>
<b>NET ASSETS</b>			
Investments in capital assets, net of related debt	16,915,075	24,432,392	41,347,467
Restricted for:			
Debt Service		64,059	64,059
Purpose of Grantors/Trustees	2,143,162		2,143,162
Economic Loan	624,241		624,241
Public Safety	136,630		136,630
Public Works/Transportation	377,275		377,275
Health and Welfare	20,000		20,000
Culture and Recreation	1,814,533		1,814,533
Construction of Capital Assets	930,335		930,335
Unrestricted	15,179,309	6,066,918	21,246,227
	<u>15,179,309</u>	<u>6,066,918</u>	<u>21,246,227</u>
<b>Total Net Assets</b>	<b><u>\$ 38,140,560</u></b>	<b><u>\$ 30,563,369</u></b>	<b><u>\$ 68,703,929</u></b>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

Year Ended December 31, 2011

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
Governmental activities:			
General Control and Administration	\$ 2,606,750	\$ 522,518	\$
Public Safety	7,366,796	218,074	286,545
Public Works/Transportation	2,069,989		579,935
Health and Welfare	542,171	125,176	
Culture and Recreation	<u>1,880,232</u>	<u>450,237</u>	<u>53,659</u>
Total Governmental Activities	<u>14,465,938</u>	<u>1,316,005</u>	<u>920,139</u>
Business-type activities:			
Water Sewer	6,093,709	5,684,100	
Golf	<u>410,216</u>	<u>326,679</u>	
Total Business-Type Activities	<u>6,503,925</u>	<u>6,010,779</u>	<u>0</u>
Total Primary Government	<u>\$ 20,969,863</u>	<u>\$ 7,326,784</u>	<u>\$ 920,139</u>

General Revenues

Taxes

Property Tax  
City Sales Tax  
Utility and Franchise Tax  
Hotel Tax

Intergovernmental

Sales Tax  
Income Tax  
Replacement Tax  
Telecommunications Tax

Investment Income  
Gain on Sale of Assets  
Transfers

Total General Revenues

Change in Net Assets

Net Assets-Beginning

Net Assets-Ending

Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$	\$		\$
	(2,084,232)		(2,084,232)
47,630	(6,814,547)		(6,814,547)
332,248	(1,157,806)		(1,157,806)
	(416,995)		(416,995)
	<u>(1,376,336)</u>		<u>(1,376,336)</u>
<u>379,878</u>	<u>(11,849,916)</u>		<u>(11,849,916)</u>
		(409,609)	(409,609)
		<u>(83,537)</u>	<u>(83,537)</u>
<u>0</u>		<u>(493,146)</u>	<u>(493,146)</u>
<u>\$ 379,878</u>	<u>(11,849,916)</u>	<u>(493,146)</u>	<u>(12,343,062)</u>
	4,914,183		4,914,183
	1,826,168		1,826,168
	108,075		108,075
	116,035		116,035
	3,597,115		3,597,115
	1,548,396		1,548,396
	312,841		312,841
	449,846		449,846
	257,618	47,074	304,692
	44,735		44,735
	<u>(25,000)</u>	<u>25,000</u>	<u>0</u>
	<u>13,150,012</u>	<u>72,074</u>	<u>13,222,086</u>
	1,300,096	(421,072)	879,024
	<u>36,840,464</u>	<u>30,984,441</u>	<u>67,824,905</u>
	<u>\$ 38,140,560</u>	<u>\$ 30,563,369</u>	<u>\$ 68,703,929</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

GOVERNMENTAL FUNDS  
BALANCE SHEET  
December 31, 2011

	General Fund	Public Library Fund	Capital Improvement Fund	Total NonMajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 8,346,672	\$ 1,185,290	\$ 532,241	\$ 5,925,970	\$ 15,990,173
Investments				1,339,498	1,339,498
Property Taxes Receivable	3,466,002	493,260		1,332,727	5,291,989
Intergovernmental Receivables	2,123,115			43,582	2,166,697
Other Receivables	307,008			1,321,449	1,628,457
Prepaid Expenses	480			0	480
Due from Other Funds			165,314	28,217	193,531
<b>Total Assets</b>	<b>\$ 14,243,277</b>	<b>\$ 1,678,550</b>	<b>\$ 697,555</b>	<b>\$ 9,991,443</b>	<b>\$ 26,610,825</b>
LIABILITIES AND FUND BALANCE					
Accounts Payable	\$ 172,050	\$ 22,259	\$ 124,252	\$ 24,261	\$ 342,822
Accrued Salaries	89,479	6,104			95,583
Due to Other Funds	185,531		8,000		193,531
Deferred Revenue	3,543,929	493,260		1,324,762	5,361,951
<b>Total Liabilities</b>	<b>3,990,989</b>	<b>521,623</b>	<b>132,252</b>	<b>1,349,023</b>	<b>5,993,887</b>
Fund Balance					
Nonspendable				2,143,162	2,143,162
Restricted for:					
Economic Loan				624,241	624,241
Public Safety				136,630	136,630
Public Works/Transportation				377,275	377,275
Health and Welfare				20,000	20,000
Culture and Recreation		1,156,927		657,606	1,814,533
Construction of Capital Assets			565,303	355,032	920,335
Committed				4,328,473	4,328,473
Unassigned	10,252,288				10,252,288
<b>Total Fund Balance</b>	<b>10,252,288</b>	<b>1,156,927</b>	<b>565,303</b>	<b>8,642,419</b>	<b>20,616,937</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 14,243,277</b>	<b>\$ 1,678,550</b>	<b>\$ 697,555</b>	<b>\$ 9,991,442</b>	<b>\$ 26,610,824</b>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

RECONCILIATION OF GOVERNMENTAL FUND BALANCES TO THE  
STATEMENT OF NET ASSETS

Year Ended December 31, 2011

Fund Balances - Total Governmental Funds	\$ 20,616,938
Capital assets used in governmental activities are not financial resources and therefore are not reported in the Funds.	17,404,652
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. All liabilities, both current and long-term are reported in the Statement of Net Assets.	(814,068)
Internal Service Funds are used by management to charge the cost of self insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities section of the Statement of Net Assets.	<u>933,038</u>
Net Assets of Governmental Activities	\$ <u><u>38,140,560</u></u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS  
 GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUE, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 Year Ended December 31, 2011

	General Fund	Public Library Fund	Capital Improvement Fund	Total NonMajor Governmental Funds	Total Governmental Funds
<b>REVENUE</b>					
Taxes	\$ 5,040,326	\$ 476,515	\$	\$ 1,447,620	\$ 6,964,461
Intergovernmental	5,901,575	87,964	296,353	836,618	7,122,510
Licenses and Permits	310,591			0	310,591
Fines and Forfeits	127,973	6,745		42,077	176,795
Revenue from Services	590,580	10,741		25,082	626,403
Investment Income	134,522	10,446	640	112,009	257,617
Other	180,826	13,289	53,161	85,380	332,656
	<u>12,286,393</u>	<u>605,700</u>	<u>350,154</u>	<u>2,548,786</u>	<u>15,791,033</u>
Total Revenue					
<b>EXPENDITURES</b>					
Current:					
General Control and Administration	2,512,307			56,877	2,569,184
Public Safety	5,977,834			1,434,291	7,412,125
Public Works/Transportation	1,287,606			377,645	1,665,251
Health and Welfare	522,372			0	522,372
Culture and Recreation	894,206	618,492		187,187	1,699,885
Debt Service			53,207	88,877	142,084
Capital Outlay	88,068	32,935	1,006,013	10,000	1,137,016
	<u>11,282,393</u>	<u>651,427</u>	<u>1,059,220</u>	<u>2,154,877</u>	<u>15,147,917</u>
Total Expenditures					
Revenue Over (Under) Expenditures	<u>1,004,000</u>	<u>(45,727)</u>	<u>(709,066)</u>	<u>393,909</u>	<u>643,116</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Interfund Transfers					
Received	18,521	63,160	807,989	0	889,670
Paid	(692,814)	0	(10,000)	(211,856)	(914,670)
	<u>(674,293)</u>	<u>63,160</u>	<u>797,989</u>	<u>(211,856)</u>	<u>(25,000)</u>
Total Other Financing Sources (Uses)					
Net Change in Fund Balances	329,707	17,433	88,923	182,053	618,116
FUND BALANCE, BEGINNING - RESTATED	<u>9,922,581</u>	<u>1,139,494</u>	<u>476,380</u>	<u>8,460,366</u>	<u>19,998,821</u>
FUND BALANCE, ENDING	<u>\$ 10,252,288</u>	<u>\$ 1,156,927</u>	<u>\$ 565,303</u>	<u>\$ 8,642,419</u>	<u>\$ 20,616,937</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

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

Year Ended December 31, 2011

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

Net Changes in Fund Balances - Total Governmental Funds	\$ 618,116
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets were allocated over their estimated useful life and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.	96,730
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds	
Change in Compensated absences	179,378
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net assets. This is the net effect of these differences in the treatment of long-term debt.	
Repayment of Principal on Long-Term Debt	124,781
The net revenue of certain activities of internal service funds is not reported with governmental funds. However, a portion of this net revenue is allocated to governmental activities on the Statement of Activities. This is the amount that has been included on the Statement of Activities.	<u>281,091</u>
Change in Net Assets of Governmental Activities	<u>\$ 1,300,096</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

BALANCE SHEET  
 PROPRIETARY FUNDS  
 December 31, 2011

	Business-Type Activities-Enterprise Funds			Governmental
	Water & Sewer	Golf	Total Enterprise Funds	Internal Service Funds
<b>ASSETS</b>				
Cash	\$ 6,374,408	\$ 21,549	\$ 6,395,957	\$ 1,311,730
Receivables:				
Accounts (Net of Allowance for Uncollectibles of \$13,040)	417,900		417,900	1,799
Estimated Unbilled Revenue	519,872		519,872	
Inventory	54,237		54,237	
Prepaid Expenses	17,374		17,374	
Property, Plant & Equipment, Net of Accumulated Depreciation	26,396,116	1,196,420	27,592,536	
Other Assets	7,789		7,789	
<b>Total Assets</b>	<b>\$ 33,787,696</b>	<b>\$ 1,217,969</b>	<b>\$ 35,005,665</b>	<b>\$ 1,313,529</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 804,200	\$ 2,860	\$ 807,060	\$ 64,300
Accrued Salaries	60,404	764	61,168	
Deferred Revenue	311,410	38,057	349,467	97,413
Noncurrent Liabilities:				
Due Within One Year	361,080		361,080	
Due in More than One Year	2,861,292	2,229	2,863,521	
<b>Total Liabilities</b>	<b>4,398,386</b>	<b>43,910</b>	<b>4,442,296</b>	<b>161,713</b>
<b>NET ASSETS</b>				
Investments in Capital Assets, Net of Related Debt	23,235,972	1,196,420	24,432,392	
Restricted for:				
Debt Service	64,059		64,059	
Unrestricted	6,089,279	(22,361)	6,066,918	1,151,816
<b>Total Net Assets</b>	<b>29,389,310</b>	<b>1,174,059</b>	<b>30,563,369</b>	<b>1,151,816</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 33,787,696</b>	<b>\$ 1,217,969</b>	<b>\$ 35,005,665</b>	<b>\$ 1,313,529</b>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY FUNDS  
 Year Ended December 31, 2011

	Business-Type Activities-Enterprise Funds			Governmental
	Water & Sewer	Golf	Total Enterprise Funds	Internal Service Funds
Operating Revenues				
Revenue from Services	\$ 5,684,100	\$ 326,679	\$ 6,010,779	\$ 1,300,385
Investment Income				439
Total Operating Revenues	<u>5,684,100</u>	<u>326,679</u>	<u>6,010,779</u>	<u>1,300,824</u>
Operating Expenses:				
Personal Services	2,342,239	198,713	2,540,952	
Contractual Services and Other Supplies	1,188,880	108,836	1,297,716	4,986
Heat, Light and Power	433,351	48,166	481,517	
Depreciation	745,499	10,701	756,200	
Benefit Payments	1,291,159	43,800	1,334,959	950,857
Total Operating Expenses	<u>6,001,128</u>	<u>410,216</u>	<u>6,411,344</u>	<u>955,843</u>
Operating Income (Loss)	<u>(317,028)</u>	<u>(83,537)</u>	<u>(400,565)</u>	<u>344,981</u>
Nonoperating Revenue (Expenses)				
Investment Income	47,055	19	47,074	
Interest and Fiscal Charges	<u>(92,581)</u>		<u>(92,581)</u>	
Total Nonoperating Revenues (Expenses)	<u>(45,526)</u>	<u>19</u>	<u>(45,507)</u>	<u>0</u>
Income (Loss) Before Transfers	<u>(362,554)</u>	<u>(83,518)</u>	<u>(446,072)</u>	<u>344,981</u>
Transfers In		<u>25,000</u>	<u>25,000</u>	
Change in Net Assets	<u>(362,554)</u>	<u>(58,518)</u>	<u>(421,072)</u>	<u>344,981</u>
Total Net Assets, Beginning	<u>29,751,864</u>	<u>1,232,577</u>	<u>30,984,441</u>	<u>806,835</u>
Total Net Assets, Ending	<u>\$ 29,389,310</u>	<u>\$ 1,174,059</u>	<u>\$ 30,563,369</u>	<u>\$ 1,151,816</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS

Year Ended December 31, 2011

	Business Type Activities- Enterprise Funds	
	Water and Sewer	Golf
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Users	\$ 5,607,813	\$ 321,363
Payments to Employees	(2,348,954)	(198,109)
Payments to Suppliers	(1,833,559)	(167,597)
	<u>1,425,300</u>	<u>(44,343)</u>
Net Cash Provided (Used) by Operating Activities		
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of Fixed Assets	(582,330)	
Principal Paid on Capital Lease	(12,956)	
Principal Paid on Bonds	(406,452)	
	<u>(1,001,738)</u>	<u>0</u>
Net Cash Provided (Used) by Capital and Related Financing Activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received on Investments	47,609	19
Receipt of Interfund Transfer		25,000
Interest Paid on Debt	(92,581)	
	<u>(44,972)</u>	<u>25,019</u>
Net Cash Provided (Used) by Investing Activities		
Net Increase (Decrease) in Cash	378,590	(19,324)
CASH, BEGINNING	<u>5,995,818</u>	<u>40,873</u>
CASH, ENDING	<u>\$ 6,374,408</u>	<u>\$ 21,549</u>

<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 5,929,176	\$ 1,295,470
(2,547,063)	
<u>(2,001,156)</u>	<u>(1,014,990)</u>
<u>1,380,957</u>	<u>280,480</u>
(582,330)	
(12,956)	
<u>(406,452)</u>	<u>0</u>
<u>(1,001,738)</u>	
47,628	
25,000	
<u>(92,581)</u>	<u>0</u>
<u>(19,953)</u>	
359,266	280,480
<u>6,036,691</u>	<u>1,031,250</u>
<u>\$ 6,395,957</u>	<u>\$ 1,311,730</u>

See accompanying notes to the financial statements

## CITY OF JACKSONVILLE, ILLINOIS

PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS

Year Ended December 31, 2011

	Business Type Activities- Enterprise Funds	
	Water and Sewer	Golf
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ (317,028)	\$ (83,537)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	1,291,159	43,800
(Increase) Decrease in Accounts Receivable	(63,783)	
(Increase) Decrease in Inventory	(4,051)	
(Increase) Decrease in Prepaid Expenses	(17,374)	
Increase (Decrease) in Accounts Payable	555,596	106
Increase (Decrease) in Deferred Revenue	(12,504)	(5,316)
Increase (Decrease) in Accrued Salaries	18,906	(27)
Increase (Decrease) in Accrued Vacation	(25,621)	631
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,425,300</u>	<u>\$ (44,343)</u>

<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ (400,565)	\$ 344,981
1,334,959	
(63,783)	(1,799)
(4,051)	
(17,374)	
555,702	(59,147)
(17,820)	(3,555)
18,879	
<u>(24,990)</u>	<u>                    </u>
<u>\$ 1,380,957</u>	<u>\$ 280,480</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS  
STATEMENT OF FIDUCIARY NET ASSETS  
PENSION TRUST FUNDS

December 31, 2011

ASSETS

Cash and Short-Term Investments	\$ 1,787,100
Investments	26,348,812
Receivables:	
Accrued Interest	102,874
Employer Contributions	<u>1,181,161</u>
Total Assets	<u>29,419,947</u>

LIABILITIES

Vouchers Payable	<u>205,461</u>
Total Liabilities	<u>205,461</u>

NET ASSETS

Held in Trust for Pension Benefits	<u>\$ 29,214,486</u>
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See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
PENSION TRUST FUNDS

Year Ended December 31, 2011

Additions	
Contributions	
Employer Contributions	\$ 1,371,473
Employee Contributions	<u>352,806</u>
Total Contributions	<u>1,724,279</u>
Net Investment Income (Loss)	
Net Appreciation (Depreciation) in Fair Value of Investments	(1,892,632)
Interest/Dividends	1,068,018
Realized Gain (Loss) on Sale of Investments	1,084,959
Investment Expense	<u>(59,795)</u>
Net Investment Income	<u>200,550</u>
Total Additions	<u>1,924,829</u>
Deductions	
Benefits	2,420,564
Administrative expenses	<u>43,663</u>
Total Deductions	<u>2,464,227</u>
Change in Net Assets	(539,398)
Net Assets Held in Trust for Benefits, Beginning of Year	<u>29,753,884</u>
Net Assets Held in Trust for Benefits, End of Year	<u>\$ 29,214,486</u>

See accompanying notes to the financial statements

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 1. Summary of Significant Accounting Policies

The accounting policies of City of Jacksonville, Illinois (City) are based upon accounting principles generally accepted in the United States of America as applicable to governmental units (hereinafter referred to as GAAP). The following is a summary of the significant policies.

A. Financial Reporting Entity

City of Jacksonville, Illinois is a Home Rule municipal corporation governed by an elected Mayor and City Council. These financial statements present the City of Jacksonville, Illinois, the primary government unit.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation – Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures/expenses. The various funds are summarized by type in the combined financial statements.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation – Fund Accounting (Continued)

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

**GOVERNMENTAL FUNDS**

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

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts) requiring separate accounting because of legal, regulatory provisions or administrative action.

**Debt Service Fund** – The Debt Service Fund is used for the accumulation of resources for, and payment of, general long-term debt principal and interest.

**Capital Project Funds** – Capital Project Funds are used to account for the acquisition and construction of major capital assets.

**Permanent Funds** – The Permanent Funds are used to account for funds that have a restriction on the principal which cannot be used.

**PROPRIETARY FUNDS**

**Enterprise Funds** – Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise – where tax interest of the City is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Internal Service Funds** – The Internal Service Fund is used to account for the financing of services provided by one fund to other departments or funds of the government unit, or to other government units, on a cost-reimbursement basis.

**FIDUCIARY FUNDS**

**Pension Trust Funds** – The Pension Trust Funds account for pension funds the government controls for its employees.

**AGENCY FUND**

The City has no Agency Funds.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are considered available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The *Public Library Fund* accounts for the revenues and expenditures related to the operation of the Jacksonville Public Library.

The *Capital Improvement Fund* accounts for the revenues and expenditures related to ongoing capital projects and the purchase of equipment.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

The City reports the following major proprietary funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to the residents of the City and water to additional nearby communities. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

The *Golf Fund* accounts for revenues received for use of the Nichols Park golf course and the Links, as well as the necessary expenses to operate and maintain both courses.

The City reports the following major pension funds:

*Police Pension Fund* and *Fire Pension Fund* account for the accumulation of resources needed to pay pension costs when due. Resources are contributions from the Police and Fire Department members at a rate fixed by State Statutes and City contribution in the form of an annual property tax levy.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments purchased with a maturity date of three months or less to be cash equivalents.

F. Cash and Investments

Cash and investments represent cash on hand, cash deposited in checking accounts, certificates of deposits, repurchase agreements and U.S. treasury bills and notes. Cash and cash equivalents are stated at cost (which approximates fair value). Investments are stated at fair value based on quoted market prices or other observable inputs. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

G. Receivables

GASB Statements No. 33 – *Accounting and Financial Reporting for Nonexchange Transactions* requires the recognition of receivables associated with nonexchange transactions as follows:

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 1. Summary of Significant Accounting Policies (Continued)

G. Receivables (Continued)

- Derived tax receivables (such as: sales, income and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as: property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government – mandates or voluntary non-exchange transaction receivable (such as: mandates or grants) are recognized when all eligibility requirements have been met.

H. Capital Assets

Capital assets, which include property, plant and equipment and infrastructure assets (e.g. roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

Governmental activities' capital assets having a useful life greater than one year are capitalized using the following dollar thresholds: \$50,000 for land, \$100,000 for buildings and improvements, \$25,000 for equipment, \$15,000 for vehicles, and \$200,000 for roads and bridges.

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

The City uses the direct expense method of accounting for planned major maintenance costs associated with property and equipment. The costs of such maintenance activities are expensed as incurred.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Description</u>	<u>Years</u>
Building and improvements	20 – 40
Equipment	3 – 10
Vehicles	3
Infrastructure	50

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 1. Summary of Significant Accounting Policies (Continued)

I. Inventories

Inventories of the City are carried at cost which approximates fair value. The cost of the inventories is determined on the first-in, first-out basis.

J. Compensated Absences

Accrued sick leave which employees have elected to accumulate is accounted for in hours. Accrued sick leave has not been recorded; the City is not liable to pay the amount to the employees upon retirement or discontinued services so the amount is undetermined.

Accrued vacation and comp time have been recorded as noncurrent liabilities due in more than one year.

K. Fund Equity

Beginning with fiscal year 2011, the City implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement 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:

Nonspendable fund balance: amounts that are not in 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

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

Assigned fund balance: 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 delegates authority

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 1. Summary of Significant Accounting Policies (Continued)

K. Fund Equity (Continued)

Unassigned fund balance: amounts that are available for any purpose; positive amounts are reported only in the General fund

The City Council establishes (and modifies and rescinds) fund balance commitments by passage of an ordinance or resolution. Assigned fund balance is established through lower level action of the City Council.

The City expends restricted resources first when both restricted and unrestricted resources are available for the same purpose. When unrestricted resources are expended, the City uses any committed resources first, followed by assigned resources and unassigned resources.

L. Property Tax Revenue

Property tax revenue line items include adjustments of prior year's tax revenue from tax sales, the adjustment for the allowance for uncollectible taxes and tax increment financing (TIF) distributions. These line items are not reported separately because the amounts are immaterial.

M. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as operating transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfer.

N. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF JACKSONVILLE, ILLINOIS  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2011

NOTE 2. Illinois Municipal Retirement Fund

**Plan Description.** The EMPLOYER'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 employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**Funding Policy.** As set by statute, the employer Regular plan members are required to contribute 4.50 percent 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 employer contribution rate for calendar year 2011 used by the City was 11.39 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 11.41 percent. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Annual Pension Cost.** For calendar year ending December 31, 2011, the employer's actual contributions for pension cost for the Regular were \$492,570. Its required contribution for calendar year 2011 was \$493,435.

**Three-Year Trend Information for the Regular Plan**

Fiscal Year Ending		Annual Pension Cost (APC)	Percentage of APC Contributed		Net Pension Obligation
12/31/11	\$	493,435	100%	\$	0
12/31/10		432,842	100%		0
12/31/09		264,859	100%		0

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 2. Illinois Municipal Retirement Fund (Continued)

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the City's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The City's plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

**Funded Status and Funding Progress.** As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 77.37 percent funded. The actuarial accrued liability for benefits was \$13,951,719 and the actuarial value of assets was \$10,794,902, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,156,817. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$4,324,587 and the ratio of the UAAL to the covered payroll was 73 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 3. Police and Firemen's Pension Funds

**Police Pension Fund**

**Plan Description.** The City of Jacksonville, Illinois, Police Pension Fund is a single-employer Public Employee Retirement System (PERS) that provides pension benefits to sworn officers of the City of Jacksonville Police Department. In addition to pension benefits, the plan also provides death and disability benefits. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature.

Service benefits vest after 8 years of credited service. A police officer age 50 or more with 20 or more years of creditable service, who is not a participant in the self-managed plan under Section 3-109.3 and who is no longer in service as a police officer, shall receive a pension of ½ of the salary attached to the rank held by the officer on the police force for one year immediately prior to retirement or, beginning July 1, 1987 for persons terminating service on or after that date, the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years of service through 30 years of service, to a maximum of 75% of such salary. Employees with 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

The Police Pension Fund is administered by state statutes. There is no statutory provision for termination of the plan. The plan is of a perpetual nature.

**Funding Policy.** Covered employees are required by statute to contribute 9.91 percent of their salary to the pension fund. Present employees' accumulated contributions at December 31, 2011 and 2010 were \$1,463,626 and \$1,521,729. If an employee leaves covered employment or dies before 8 years of credited service, accumulated employee contributions are refunded to the employee or designated beneficiary.

CITY OF JACKSONVILLE, ILLINOIS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2011

NOTE 3. Police and Firemen's Pension Funds (Continued)

Participant Information at December 31, 2011 and 2010:

	2011	2010
Number of Retirees and Beneficiaries Currently Receiving Benefits	39	39
Terminated Members Entitled To But Not Yet Receiving Benefits	4	3
Number of Deferred Beneficiaries	2	-
Current Active Members	38	35

**Annual Pension Cost.** For 2011, the City's annual pension cost of \$636,115 for the plan was equal to the required and actual contributions.

**Three-Year Trend Information for the Regular Plan**

Fiscal Year Ending		Annual Pension Cost (APC)	Percentage of APC Contributed		Net Pension Obligation
12/31/11	\$	636,115	100%	\$	0
12/31/10		737,510	100%		0
12/31/09		745,194	100%		0

The required contribution was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010 included (a) 7.0 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 5.5% a year, attributable to inflation. The actuarial value of the plan's assets was determined using fair value of assets. The plan's underfunded actuarial accrued liability period at December 31, 2010 was 30 years.

**Funded Status and Funding Progress.** As of December 31, 2010, the most recent actuarial valuation date, the plan was 65% funded. The actuarial accrued liability for benefits was \$22,743,170 and the actuarial value of assets was \$14,872,637 resulting in an underfunded actuarial accrued liability (UAAL) \$7,870,533. The covered payroll (annual payroll of active employees covered by the plan) was \$2,160,928 and the percentage of the UAAL to the covered payroll is 364%.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 3. Police and Firemen's Pension Funds (Continued)

The attained age at time of disability or retirement, sex, annual salary or pension, and completed years of service of each individual participant as of the date of the valuation balance sheet is used in calculating the liabilities of the fund.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Firemen's Pension Fund**

**Plan Description.** The City of Jacksonville, Illinois, Firemen's Pension Fund is a single-employer Public Employee Retirement System (PERS) that provides pension benefits to Firemen of the City of Jacksonville Fire Department. In addition to pension benefits, the plan also provides death and disability benefits. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature.

Service benefits vest after 10 years of credited service. Firemen who retire at or after age 50 with 20 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to a percentage of their final average salary, for each year of credited service. This percentage is as follows: 2 1/2% of final average salary for the first 20 years of credited service; 2% of final average salary for each year thereafter up to 30 years; and 1% of final average salary for 30 years to 35 years. The maximum amount of benefits is 75% of final average salary. Employees with 10 years but less than 20 years of credited service may retire and receive a reduced retirement benefit.

The Firemen's Pension Fund is administered by state statutes. There is no statutory provision for termination of the plan. The plan is of a perpetual nature.

**Funding Policy.** Covered employees were required by statute to contribute 8.455 percent of their salary to the pension fund until July 1, 2004 when the contribution was increased to 9.455%. If an employee leaves covered employment or dies before 10 years of credited service, accumulated employee contributions are refunded to the employee or designated beneficiary.

Effective July 1, 1993, the City has until the year 2033 to fully fund past service costs of the Firefighter's Pension Plan.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2011

Note 3. Police and Firemen's Pension Funds (Continued)

Participant Information at December 31, 2011 and 2010:

	2011	2010
Number of Retirees and Beneficiaries Currently Receiving Benefits	36	35
Terminated Members Entitled To But Not Yet Receiving Benefits	0	0
Current Active Members	26	24

**Annual Pension Cost.** For 2011, the Plan's annual pension cost of \$545,046 was equal to the required and actual contributions.

**Three-Year Trend Information for the Plan**

Fiscal Year Ending		Annual Pension Cost (APC)	Percentage of APC Contributed		Net Pension Obligation
12/31/11	\$	545,046	100%	\$	0
12/31/10		642,121	100%		0
12/31/09		637,337	100%		0

The required contribution was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010 included (a) 7.0 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 5.5% a year, attributable to inflation. The actuarial value of the plan's assets was determined using fair value of assets. The plan's underfunded actuarial accrued liability period at December 31, 2010 was 22.5 years.

**Funded Status and Funding Progress.** As of December 31, 2010, the most recent actuarial valuation date, the plan was 73% funded. The actuarial accrued liability for benefits was \$20,415,613 and the actuarial value of assets was \$14,881,247, resulting in an underfunded actuarial accrued liability (UAAL) of \$5,534,366. The covered payroll (annual payroll of active employees covered by the plan) was \$1,437,124 and the percentage of the UAAL to the covered payroll is 385%.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2011

Note 3. Police and Firemen's Pension Funds (Continued)

The attained age at time of disability or retirement, sex, annual salary or pension, and completed years of service of each individual participant as of the date of the valuation balance sheet is used in calculating the liabilities of the fund.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 4. Deposits and Investments

The City is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act of Illinois.

**Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance (FDIC). Deposited funds may be invested in certificates of deposit. Collateral agreements must be approved prior to deposit of funds. The City Council designates a list of authorized depository institutions.

Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging financial institution's trust department or agent in the name of the City.

As of December 31, 2011 all of the City's deposits were covered by Federal Deposit Insurance or collateralized. Of the City's total deposits of \$24,576,490, \$3,128,083 is covered by Federal Deposit Insurance and \$21,448,408 is collateralized by securities held by the pledging financial institution in the name of the City.

**Investments**

Fair value of investments is determined based on readily available quoted market prices as of December 31, 2011. At December 31, 2011 the City's reporting entity had the following investments:

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 4. Deposits and Investments (Continued)

**Investments (Continued)**

		Fair Value		Cost	Quality Rating	Weighted Average Months to Maturity
Primary Government						
Non-Pooled Investments						
Corporate Bonds	\$	253,692	\$	250,567	A-	36
Mutual Fund Bonds		354,102		353,615	A	73
Common Stock/Equity		731,704		583,650	N/A	N/A
Total Primary Government Investments	\$	<b>1,339,498</b>	\$	<b>1,187,832</b>		

		Fair Value		Cost	Quality Rating	Weighted Average Months to Maturity
Fiduciary Funds						
Non-Pooled Investments						
U.S. Treasury Notes	\$	774,500	\$	728,513	AAA	62
U.S. Treasury Bonds		398,910		273,006	AAA	130
U.S. Treasury Strips		263,385		135,084	AAA	47
Federal Agency Notes		1,683,826		1,626,576	AAA	186
Mutual Funds Equity		5,324,758		5,643,628	N/A	N/A
Mutual Funds Index		11,630,115		11,727,043	N/A	N/A
Insurance Contracts		829,985		829,985	N/A	N/A
Municipal Bond		4,291,587		4,221,962	A1	34
Corporate Bonds		211,815		212,533	BAA3	19
Corporate Bonds		169,089		168,744	A1	49
Corporate Bonds		241,541		254,548	BAA1	82
Corporate Bonds		26,398		27,411	BA1	284
Corporate Bonds		350,053		350,225	A2	0
Corporate Bonds		152,850		152,571	AA2	12
Total Fiduciary Funds Investments	\$	<b>26,348,812</b>	\$	<b>26,351,829</b>		
<b>Grand Total Investments</b>	\$	<b>27,688,310</b>	\$	<b>27,539,661</b>		

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 4. Deposits and Investments (Continued)

- (1) Ratings are provided where applicable to indicate associated Credit Risk. N/A indicates not applicable.
- (2) Interest Rate Risk is estimated using either duration or weighted average months to maturity depending on the respective policy.

Investment Policies

City Policy

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investing activities are managed under the custody of the City Treasurer.

Investing is performed in accordance with investment policies adopted by the City Council complying with the Public Funds Investment Act of Illinois. City funds may be invested in securities as authorized by Sections 2 & 6 of the Public Funds Investment Act of Illinois.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Concentration of Credit Risk is the risk of loss attributed to the magnitude of the city's investment in a single issuer.

All amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized by (1) securities eligible for City investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating services to include Standard & Poor's, Moody's or Fitch, (2) mortgages, (3) letters of credit issued by a Federal Home Loan Bank, or (4) loans covered by a State Guaranty under the Illinois Farm Development Act. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. City policy provides that investment collateral is held by a third party custodian with whom the City has a current custodial agreement in the City's name or be held in the name of both parties by the Federal Reserve Bank servicing Illinois.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 5. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The City funds all amounts of compensation deferred under the plan, at the direction of the covered employee, through investments in fixed and variable rate annuity contracts.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

The City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The investment activity for the year ended December 31, 2011 is as follows:

Beginning Investment Balance	\$	2,381,052
Contributions		140,280
Investment Income		(81,135)
Withdrawals		(115,942)
Asset Fees		(12,398)
Life Ins. And Posted Only		(208)
Ending Investment Balance	\$	2,311,649
Life Insurance Policy Holder Account Value	\$	3,388

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 6. Illinois Environmental Protection Agency

The Illinois Environmental Protection Agency requires the following additional information concerning the Sewerage system:

- 1) The total wastewater received at the wastewater plant during 2011 was 2,398,432,000 gallons.
- 2) The billable flow during 2011 was 982,637,667 gallons.
- 3) The debt service of the sewerage system for 2011 is \$104,133.
- 4) There were 7,563 users connected to the system in 2011.
- 5) There were no "non-metered" users.
- 6) The following list is of those customers discharging both domestic and non-domestic and industrial waste into the wastewater system.

Nestle - Discharge of 14,502,710 gallons consisting of domestic, non-domestic and industrial waste.

South Jacksonville - Discharge of 286,138,030 gallons of domestic, non-domestic and industrial waste.

The Illinois Environmental Protection Agency requires the following additional information concerning the water system.

- 1) The billable flow 1,396,352,912.
- 2) The debt service of the water system for 2011 is \$337,432.
- 3) There were 7,874 users connected to the system in 2011.
- 4) There were no "non-metered" users.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 7. Interfund Balances

Interfund balances reported within the same activities column are eliminated from that column in the government-wide statement of activities.

At December 31, 2011, interfund receivables and payables consisted of the following:

		Due From Other Funds		Due To Other Funds
<b>General</b>				
Capital Improvement	\$		\$	165,314
Nonmajor Governmental				20,217
Total General				185,531
<b>Capital Improvement</b>				
General	\$	165,314	\$	
Nonmajor Governmental				8,000
Total Capital Improvement		165,314		8,000
<b>Nonmajor Governmental</b>				
General	\$	20,217	\$	
Capital Improvement		8,000		
Nonmajor Governmental				
Total Nonmajor Governmental		28,217		
<b>Total Interfund Balances-All Funds</b>	<b>\$</b>	<b>193,531</b>	<b>\$</b>	<b>193,531</b>

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 8. Operating Transfers

Operating transfers among funds reported within the same activities column are eliminated from that column in the government-wide statement of activities.

The following operating transfers were made:

		Operating Transfer In		Operating Transfer Out
<b>General</b>				
Public Library	\$		\$	2,500
Capital Improvement				665,314
Golf				25,000
Nonmajor Governmental		18,521		
Total General		18,521		692,814
<b>Public Library</b>				
General	\$	2,500	\$	
Nonmajor Governmental		60,660		
Total Public Library		63,160		
<b>Capital Improvement</b>				
General	\$	665,314	\$	10,000
Nonmajor Governmental		142,675		
Total Capital Improvement		807,989		10,000
<b>Golf</b>				
General	\$	25,000	\$	
<b>Nonmajor Governmental</b>				
Public Library	\$		\$	60,660
Capital Improvement				142,675
Nonmajor Governmental				8,521
Total Nonmajor Governmental				211,856
<b>Total Interfund Transfers-All Funds</b>	<b>\$</b>	<b>914,670</b>	<b>\$</b>	<b>914,670</b>

CITY OF JACKSONVILLE, ILLINOIS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2011

NOTE 9. Risk Management and Self Insurance

The City is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. The City maintains internal service funds for its self-insured employees health insurance program insurance claims. Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the fund financial statements as revenues and expenditures/expenses.

For medical claims, self-insurance is in effect up to a stop loss of \$65,000 per individual occurrence. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claim handling procedures.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The changes in the aggregate liabilities for claims for the year ended December 31, 2011 were as follows:

<b>EMPLOYEE HEALTH INSURANCE</b>		
Claims Payable, Beginning of the Year	\$	121,211
Claims Incurred and Changes in Accrual		905,033
Claim Payments		(965,258)
Claims Payable, End of the Year	\$	<u>60,986</u>

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 10. Long Term Obligations

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2011

	Balance January 1, 2011	Additions	Retirements	Balance December 31, 2011	Due Within One Year
<b>Governmental Activities</b>					
Capital Lease Payable	\$ 94,382	\$	\$ 49,387	\$ 44,995	\$ 22,098
Note Payable	519,975		75,394	444,581	103,751
Compensated Absences	<u>503,869</u>		<u>179,377</u>	<u>324,492</u>	
Total	<u>\$ 1,118,226</u>	<u>\$ 0</u>	<u>\$ 304,158</u>	<u>\$ 814,068</u>	<u>\$ 125,849</u>
<b>Business-Type Activities</b>					
Water and Sewer					
Alternative Revenue Bonds	\$ 3,552,845	\$	\$ 406,452	\$ 3,146,393	\$ 361,080
Capital Lease Payable	26,709		13,033	13,676	
Compensated Absences	<u>89,409</u>		<u>24,877</u>	<u>64,532</u>	
Total	<u>\$ 3,668,963</u>	<u>\$ 0</u>	<u>\$ 444,362</u>	<u>\$ 3,224,601</u>	<u>\$ 361,080</u>

Total interest expense of the Governmental activities for the year was \$17,303.

Total interest expense of the Business-type activities for the year was \$92,581.

CITY OF JACKSONVILLE, ILLINOIS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2011

NOTE 10. Long Term Obligations (Continued)

1. Capital Leases

The City has entered into lease agreements for financing the acquisition of golf carts and a backhoe. These agreements qualify as capital leases for accounting purposes and therefore, have been recorded at present value of the future minimum lease payments in the amount of \$61,950.

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2011 are as follows:

Year Ending		Governmental		Proprietary
2012	\$	23,722	\$	
2013		23,721		14,507
Total Minimum Lease Payment		47,443		14,507
Less Amount Representation, Interest		(2,448)		(831)
Present Value of Minimum Lease Payments	\$	44,995	\$	13,676

2. Alternative Revenue Bonds

Alternative revenue bonds included as liabilities of the Water and Sewer enterprise fund consist of the following:

- a. \$1,650,000 due to Water Pollution Control Revolving Loan Fund, due in semi-annual installments of \$57,223 through June 30, 2012, interest rate 3.59%.
- b. \$3,129,907 issue of 1998 is due in semi-annual installments of \$103,259 through November 1, 2019, interest rate of 2.625%
- c. \$325,989 issue of 1999 is due in semi-annual installments of \$10,646 through May 1, 2020, interest rate of 2.525%.
- d. \$915,324 issue of 2000 is due in semi-annual installments of \$23,455 through May 1, 2021, including interest of 2.905%.

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 10. Long Term Obligations (Continued)

2. Alternative Revenue Bonds (Continued)

- e. \$792,848 issue of 2002 is due in semi-annual installments of \$25,975 through November 1, 2022, with a final payment of \$11,329 due May 1, 2023, including interest of 2.5700%.
- f. \$880,184 issue of 2002 is due in semi-annual installments of \$28,836 through November 1, 2022, with a final payment of \$12,577 due May 1, 2023, including interest of 2.5700%.

Principal and interest payments to maturity are as follows:

Year Ending December 31,		Principal		Interest		Total
2012	\$	361,080	\$	80,484	\$	441,564
2013		312,961		71,381		384,342
2014		321,272		63,070		384,342
2015		329,803		54,539		384,342
2016		338,562		45,780		384,342
2017		347,553		36,789		384,342
2018		356,784		27,558		384,342
2019		366,259		18,083		384,342
2020		154,194		9,750		163,944
2021		127,372		5,705		133,077
2022		106,950		2,672		109,622
2023		23,603		303		23,906
	\$	<b>3,146,393</b>	\$	<b>416,114</b>	\$	<b>3,562,507</b>

Alternative revenue bond ordinances of the Water and Sewer Utility Fund require that certain reserve accounts be maintained at designated minimum dollar amounts.

Account	Amount
Bond and Interest	\$ 64,059

CITY OF JACKSONVILLE, ILLINOIS  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2011

NOTE 10. Long Term Obligations (Continued)

3. Note Payable

The City has entered into a note agreement with the Bank of Springfield to borrow a maximum of \$1,000,000 at an interest rate of 2.89% to fund the downtown rehabilitation project. As of December 31, 2010, the City has drawn \$519,975 on the note. The agreement calls for monthly interest-only payments through March 2011, with monthly principal and interest payments of \$9,605 beginning April 1, 2011. Based on the outstanding balance as of December 31, 2011, annual principal and interest requirements expected to be paid from the Tax Increment Finance fund are as follows:

Year Ending December 31,	Principal	Interest	Total
2012	\$ 103,751	\$ 11,514	\$ 115,265
2013	106,824	8,441	115,265
2014	109,953	5,312	115,265
2015	124,053	1,756	125,809
	<b>\$ 444,581</b>	<b>\$ 27,023</b>	<b>\$ 471,604</b>

NOTE 11. Commitments and Contingent Liabilities

There are several lawsuits in which the City may potentially be involved. The City Attorney believes that the potential settlements from these claims, in excess of insurance coverage, would not materially affect the financial statements.

NOTE 12. Industrial Revenue Bonds

In 2006, the City issued \$32,390,000 in industrial revenue bonds. The bonds are backed only by the revenue stream of the recipient. No assets of the City have been pledged against this issuance. These bonds are not included on the Statement of Net Assets as a liability of the City, as they are to be repaid by the recipient corporation. The activity for the bonds for the year ended December 31, 2011 follows:

Outstanding 12/31/10	Issued	Retired	Outstanding 12/31/11
\$28,980,000	\$0	\$900,000	\$28,080,000

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 13. Capital Assets.

The following is a summary of changes in capital assets for the year ended  
December 31, 2011

	Beginning Balance January 1, 2011	Additions	Deletions	Ending Balance December 31, 2011
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,157,807	\$	\$	\$ 1,157,807
Infrastructure Land	459,635			459,635
Construction in Progress	<u>4,020,861</u>	<u>504,408</u>		<u>4,525,269</u>
 Total Capital Assets, Not Being Depreciated	 <u>5,638,303</u>	 <u>504,408</u>	 <u>0</u>	 <u>6,142,711</u>
Capital Assets, Being Depreciated:				
Buildings	5,384,753			5,384,753
Infrastructure	12,927,623			12,927,623
Machinery and Equipment	2,190,048	63,697		2,253,745
Licensed Vehicles	<u>1,092,939</u>	<u>143,682</u>	<u>177,288</u>	<u>1,059,333</u>
 Total Capital Assets, Being Depreciated	 <u>21,595,363</u>	 <u>207,379</u>	 <u>177,288</u>	 <u>21,625,454</u>
Less Accumulated Depreciation for:				
Buildings	3,134,904	81,887		3,216,791
Infrastructure	3,923,157	323,191		4,246,348
Machinery and Equipment	1,963,740	81,447		2,045,187
Licensed Vehicles	<u>903,943</u>	<u>128,532</u>	<u>177,288</u>	<u>855,187</u>
 Total Accumulated Depreciation	 <u>9,925,744</u>	 <u>615,057</u>	 <u>177,288</u>	 <u>10,363,513</u>
 Total Capital Assets, Being Depreciated, Net	 <u>11,669,619</u>	 <u>(407,678)</u>	 <u>0</u>	 <u>11,261,941</u>
 Governmental Activities Capital Assets, Net	 <u>\$ 17,307,922</u>	 <u>\$ 96,730</u>	 <u>\$ 0</u>	 <u>\$ 17,404,652</u>

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 13. Capital Assets (Continued)

	Beginning Balance January 1, 2011	Additions	Deletions	Ending Balance December 31, 2011
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 182,037	\$	\$ 8,224	\$ 173,813
Construction in Progress	<u>447,425</u>	<u>369,493</u>	<u></u>	<u>816,918</u>
Total Capital Assets, Not Being Depreciated	<u>629,462</u>	<u>369,493</u>	<u>8,224</u>	<u>990,731</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,809,041			1,809,041
Buildings & Infrastructure	56,860,027	192,062		57,052,089
Machinery and Equipment	<u>4,674,692</u>	<u>29,000</u>	<u></u>	<u>4,703,692</u>
Total Capital Assets, Being Depreciated	<u>63,343,760</u>	<u>221,062</u>	<u>0</u>	<u>63,564,822</u>
Less Accumulated Depreciation for:				
Land Improvements	534,551	8,592		543,143
Buildings & Infrastructure	31,662,009	1,269,256		32,931,265
Machinery and Equipment	<u>3,431,498</u>	<u>57,111</u>	<u></u>	<u>3,488,609</u>
Total Accumulated Depreciation	<u>35,628,058</u>	<u>1,334,959</u>	<u>0</u>	<u>36,963,017</u>
Total Capital Assets, Being Depreciated, Net	<u>27,715,702</u>	<u>(1,113,897)</u>	<u>0</u>	<u>26,601,805</u>
Business-Type Activities Capital Assets, Net	<u>\$ 28,345,164</u>	<u>\$ (744,404)</u>	<u>\$ 8,224</u>	<u>\$ 27,592,536</u>

CITY OF JACKSONVILLE, ILLINOIS  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2011

NOTE 13. Capital Assets (Continued)

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

Governmental Activities	
General Government	\$ 16,024
Public Safety	94,885
Public Works/Transportation	406,354
Health and Welfare	11,727
Culture and Recreation	<u>86,067</u>
	<u>\$ 615,057</u>
Business-Type Activities	
Water and Sewer	\$ 1,291,159
Golf	<u>43,800</u>
	<u>\$ 1,334,959</u>

NOTE 14. Restricted Fund Balance/Net Assets

Amounts included as restricted fund balances include property tax levies, grant funds, fines and fees, and other amounts externally restricted for specific purposes.

NOTE 15. Fund Balance Restatement

As a result of implementing GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions" the City has restated beginning fund balance of the General Fund to include funds that were previously reported separately. Below is a calculation:

General Fund Beginning, as Previously Reported	\$	9,770,570
Inclusion of Parks and Lakes	\$	44,051
Inclusion of Cemetery		107,960
General Fund Beginning, as Restated	\$	<u>9,922,581</u>

CITY OF JACKSONVILLE, ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2011

NOTE 16. Legal Debt Margin

Equalized Assessed Valuation, 2011 Tax Year	\$ <u>236,091,279</u>
Statutory Debt Limitation (5.75% of Equalized Assessed Valuation)	\$ 13,575,249
Less: Bond Indebtedness	<u>0</u>
Legal Debt Margin	\$ <u>13,575,249</u>

NOTE 17. Subsequent Events

Events that occur after the statement of net assets date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net assets date are recognized in the accompanying financial statement. Subsequent events which provide evidence about conditions that existed after the statement of net assets date require disclosure in the accompanying notes. Management evaluated the activity of the City through June 25, 2012, the date which the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

## CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUE</b>				
Property Taxes	\$ 3,115,306	\$ 3,115,306	\$ 3,106,083	\$ (9,223)
City Sales Tax	1,750,000	1,750,000	1,826,168	76,168
Franchise Tax	112,000	112,000	108,075	(3,925)
Intergovernmental:				
State Income Tax	1,800,000	1,800,000	1,548,396	(251,604)
Replacement Tax			52,844	52,844
Sales Tax	3,454,000	3,454,000	3,597,115	143,115
Telecommunications Tax	370,000	370,000	449,846	79,846
Federal Grant	532,000	532,000	68,089	(463,911)
State Expense Reimbursement	142,893	142,893	126,398	(16,495)
Local Expense Reimbursement	58,886	58,886	58,887	1
Licenses and Permits	286,195	286,195	310,591	24,396
Fines and Forfeitures	130,000	130,000	127,973	(2,027)
Revenue from Services	598,200	598,200	590,580	(7,620)
Rent	46,000	46,000	54,000	8,000
Investment Income	120,500	120,500	134,522	14,022
Other	67,700	67,700	126,826	59,126
	<u>12,583,680</u>	<u>12,583,680</u>	<u>12,286,393</u>	<u>(297,287)</u>
<b>Total Revenue</b>				
<b>EXPENDITURES</b>				
Current:				
General Control and Administration	2,663,235	2,663,235	2,512,307	150,928
Public Safety	6,082,317	6,082,317	5,977,834	104,483
Public Works/Transportation	1,468,249	1,468,249	1,287,606	180,643
Culture & Recreation	948,721	948,721	894,206	54,515
Health and Welfare	575,276	575,276	522,372	52,904
Capital Outlay	40,968	40,968	88,068	(47,100)
	<u>11,778,766</u>	<u>11,778,766</u>	<u>11,282,393</u>	<u>496,373</u>
<b>Total Expenditures</b>				
Revenue Over (Under) Expenditures	<u>804,914</u>	<u>804,914</u>	<u>1,004,000</u>	<u>199,086</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund Transfers				
Received	12,000	12,000	18,521	6,521
Paid	<u>(1,188,314)</u>	<u>(1,188,314)</u>	<u>(692,814)</u>	<u>495,500</u>
	<u>(1,176,314)</u>	<u>(1,176,314)</u>	<u>(674,293)</u>	<u>502,021</u>
<b>Total Other Financing Sources</b>				
Net Change in Fund Balances	\$ <u>(371,400)</u>	\$ <u>(371,400)</u>	329,707	\$ <u>701,107</u>
FUND BALANCE, BEGINNING - RESTATED			<u>9,922,581</u>	
FUND BALANCE, ENDING			\$ <u>10,252,288</u>	

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND  
SCHEDULE OF EXPENDITURES

Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>CURRENT:</b>				
General Control and Administration:				
Aldermen				
Personal Services	\$ 29,682	\$ 29,682	\$ 29,579	\$ 103
Other Services and Charges	8,600	8,600	8,509	91
	<u>38,282</u>	<u>38,282</u>	<u>38,088</u>	<u>194</u>
Mayor's Office				
Personal Services	277,809	277,809	274,056	3,753
Supplies	1,500	1,500	1,416	84
Other Services and Charges	16,900	16,900	15,118	1,782
	<u>296,209</u>	<u>296,209</u>	<u>290,590</u>	<u>5,619</u>
Revolving Loan				
Personal Services	2,729	2,729	2,686	43
	<u>2,729</u>	<u>2,729</u>	<u>2,686</u>	<u>43</u>
City Clerk's Office				
Personal Services	338,404	338,404	333,696	4,708
Supplies	1,700	1,700	745	955
Other Services and Charges	10,600	10,600	8,488	2,112
	<u>350,704</u>	<u>350,704</u>	<u>342,929</u>	<u>7,775</u>
City Treasurer's Office				
Personal Services	80,541	80,541	79,416	1,125
Supplies	250	250	96	154
Other Services and Charges	4,100	4,100	3,247	853
	<u>84,891</u>	<u>84,891</u>	<u>82,759</u>	<u>2,132</u>
City Attorney's Office				
Personal Services	91,894	91,894	89,525	2,369
Supplies	9,850	9,850	7,050	2,800
Other Services and Charges	97,000	97,000	73,498	23,502
	<u>198,744</u>	<u>198,744</u>	<u>170,073</u>	<u>28,671</u>
Boards and Commissions				
Other Services and Charges	16,446	16,446	16,133	313
	<u>\$ 16,446</u>	<u>\$ 16,446</u>	<u>\$ 16,133</u>	<u>\$ 313</u>

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND  
 SCHEDULE OF EXPENDITURES  
 -continued-

Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Audit				
Other Services and Charges	\$ 30,000	\$ 30,000	\$ 32,872	\$ (2,872)
	<u>30,000</u>	<u>30,000</u>	<u>32,872</u>	<u>(2,872)</u>
Major Departmental Emergency				
Personal Services	48,634	48,634	50,667	(2,033)
Supplies	17,000	17,000	15,025	1,975
Other Services and Charges	382,550	382,550	338,319	44,231
	<u>448,184</u>	<u>448,184</u>	<u>404,011</u>	<u>44,173</u>
City Hall and Plaza				
Personal Services	213,418	213,418	190,206	23,212
Supplies	29,000	29,000	29,726	(726)
Other Services and Charges	125,000	125,000	116,743	8,257
	<u>367,418</u>	<u>367,418</u>	<u>336,675</u>	<u>30,743</u>
City Insurance				
Other Services and Charges	726,258	726,258	694,531	31,727
	<u>726,258</u>	<u>726,258</u>	<u>694,531</u>	<u>31,727</u>
Central Supply				
Supplies	20,000	20,000	17,770	2,230
	<u>20,000</u>	<u>20,000</u>	<u>17,770</u>	<u>2,230</u>
Human Resource				
Personal Services	75,020	75,020	74,881	139
Other Services and Charges	8,350	8,350	8,309	41
	<u>83,370</u>	<u>83,370</u>	<u>83,190</u>	<u>180</u>
Total General Control and Administration	<u>2,663,235</u>	<u>2,663,235</u>	<u>2,512,307</u>	<u>150,928</u>
Public Safety:				
Police Department				
Personal Services	3,337,959	3,337,959	3,299,146	38,813
Supplies	27,500	27,500	28,375	(875)
Other Services and Charges	146,141	146,141	138,633	7,508
	<u>3,511,600</u>	<u>3,511,600</u>	<u>3,466,154</u>	<u>45,446</u>
Fire Department				
Personal Services	1,815,847	1,815,847	1,772,487	43,360
Supplies	11,000	11,000	8,655	2,345
Other Services and Charges	82,600	82,600	71,190	11,410
	<u>\$ 1,909,447</u>	<u>\$ 1,909,447</u>	<u>\$ 1,852,332</u>	<u>\$ 57,115</u>

CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND  
SCHEDULE OF EXPENDITURES  
-continued-

Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Inspection/Community Development				
Personal Services	\$ 419,935	\$ 419,935	\$ 415,551	\$ 4,384
Supplies	1,500	1,500	1,178	322
Other Services and Charges	89,350	89,350	89,293	57
	<u>510,785</u>	<u>510,785</u>	<u>506,022</u>	<u>4,763</u>
Emergency Services				
Personal Services	131,935	131,935	133,017	(1,082)
Supplies	6,550	6,550	8,243	(1,693)
Other Services and Charges	12,000	12,000	12,066	(66)
	<u>150,485</u>	<u>150,485</u>	<u>153,326</u>	<u>(2,841)</u>
 Total Public Safety	 <u>6,082,317</u>	 <u>6,082,317</u>	 <u>5,977,834</u>	 <u>104,483</u>
Public Works/Transportation:				
Municipal Services				
Personal Services	661,449	661,449	596,607	64,842
Supplies	364,500	364,500	344,883	19,617
Other Services and Charges	161,800	161,800	113,375	48,425
	<u>1,187,749</u>	<u>1,187,749</u>	<u>1,054,865</u>	<u>132,884</u>
Street Lighting				
Other Services and Charges	280,500	280,500	232,741	47,759
	<u>280,500</u>	<u>280,500</u>	<u>232,741</u>	<u>47,759</u>
 Total Public Works/ Transportation	 <u>1,468,249</u>	 <u>1,468,249</u>	 <u>1,287,606</u>	 <u>180,643</u>
Culture and Recreation:				
Parks & Lakes	895,282	895,282	842,628	52,654
Personal Services	53,439	53,439	51,578	1,861
 Total Culture and Recreation	 <u>948,721</u>	 <u>948,721</u>	 <u>894,206</u>	 <u>54,515</u>
Health and Welfare:				
Animal Control				
Other Services and Charges	38,428	38,428	38,428	-
	<u>\$ 38,428</u>	<u>\$ 38,428</u>	<u>\$ 38,428</u>	<u>\$ -</u>

## CITY OF JACKSONVILLE, ILLINOIS

GENERAL FUND  
SCHEDULE OF EXPENDITURES  
-continued-

Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Landfill				
Personal Services	\$ 9,824	\$ 9,824	\$ 9,835	\$ (11)
Other Services and Charges	<u>181,791</u>	<u>181,791</u>	<u>151,217</u>	<u>30,574</u>
	<u>191,615</u>	<u>191,615</u>	<u>161,052</u>	<u>30,563</u>
Public Service				
Other Services and Charges	<u>1,200</u>	<u>1,200</u>	<u>400</u>	<u>800</u>
	<u>1,200</u>	<u>1,200</u>	<u>400</u>	<u>800</u>
Cemetery	<u>344,033</u>	<u>344,033</u>	<u>322,492</u>	<u>21,541</u>
	<u>344,033</u>	<u>344,033</u>	<u>322,492</u>	<u>21,541</u>
Total Health and Welfare	<u>575,276</u>	<u>575,276</u>	<u>522,372</u>	<u>52,904</u>
Total Current Expenditures	<u>11,737,798</u>	<u>11,737,798</u>	<u>11,194,325</u>	<u>543,473</u>
Capital Outlay:				
General Control and Administration:				
City Attorney's Office	800	800	654	146
Major Departmental Emergency	0	0	48,544	(48,544)
Public Safety:				
Police Department	25,668	25,668	24,858	810
Fire Department	1,500	1,500	1,345	155
Inspection/Community Development	3,000	3,000	2,867	133
Health & Welfare				
Cemetery	<u>10,000</u>	<u>10,000</u>	<u>9,800</u>	<u>200</u>
Total Capital Outlay	<u>40,968</u>	<u>40,968</u>	<u>88,068</u>	<u>(47,100)</u>
Total General Fund Expenditures	<u>\$ 11,778,766</u>	<u>\$ 11,778,766</u>	<u>\$ 11,282,393</u>	<u>\$ 496,373</u>

CITY OF JACKSONVILLE, ILLINOIS

PUBLIC LIBRARY FUND  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUE</b>				
Taxes	\$ 476,500	\$ 476,500	\$ 476,515	\$ 15
Intergovernmental				
Replacement Tax	63,000	63,000	66,849	3,849
State Grant			21,115	21,115
Fines and Forfeits	8,500	8,500	6,745	(1,755)
Revenue from Services	11,000	11,000	10,741	(259)
Investment Income	70,000	70,000	10,446	(59,554)
Other	29,000	29,000	13,289	(15,711)
	<u>658,000</u>	<u>658,000</u>	<u>605,700</u>	<u>(52,300)</u>
<b>EXPENSES</b>				
Current:				
Culture and Recreation	638,000	638,000	618,492	19,508
Capital Outlay			32,935	(32,935)
	<u>638,000</u>	<u>638,000</u>	<u>651,427</u>	<u>(13,427)</u>
Total Expenditures				
	<u>638,000</u>	<u>638,000</u>	<u>651,427</u>	<u>(13,427)</u>
Revenue Over (Under)				
Expenditures	<u>20,000</u>	<u>20,000</u>	<u>(45,727)</u>	<u>(65,727)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund Transfers				
Received			63,160	63,160
Paid			0	0
	<u></u>	<u></u>	<u>63,160</u>	<u>63,160</u>
Total Other Financing Sources (Uses)				
	<u></u>	<u></u>	<u>63,160</u>	<u>63,160</u>
Net Change in Fund Balances	\$ <u>20,000</u>	\$ <u>20,000</u>	17,433	\$ <u>(2,567)</u>
FUND BALANCE, BEGINNING			<u>1,139,494</u>	
FUND BALANCE, ENDING			\$ <u>1,156,927</u>	

CITY OF JACKSONVILLE, ILLINOIS

CAPITAL IMPROVEMENT FUND  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUE</b>				
Intergovernmental				
Federal Grant	\$ 843,780	\$ 843,780	\$ 296,353	\$ (547,427)
State Grant	592,500	592,500		(592,500)
Investment Income	1,000	1,000	640	(360)
Other	48,700	48,700	53,161	4,461
	<u>1,485,980</u>	<u>1,485,980</u>	<u>350,154</u>	<u>(1,135,826)</u>
Total Revenue				
<b>EXPENSES</b>				
Debt Service			53,207	(53,207)
Capital Outlay	2,126,980	2,126,980	1,006,013	1,120,967
	<u>2,126,980</u>	<u>2,126,980</u>	<u>1,059,220</u>	<u>1,067,760</u>
Total Expenditures				
Revenue Over (Under) Expenditures	<u>(641,000)</u>	<u>\$ (641,000)</u>	<u>(709,066)</u>	<u>\$ (68,066)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund Transfers				
Received	645,000	645,000	807,989	162,989
Paid		-	(10,000)	(10,000)
	<u>645,000</u>	<u>645,000</u>	<u>797,989</u>	<u>152,989</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	\$ <u>4,000</u>	\$ <u>4,000</u>	88,923	\$ <u>84,923</u>
FUND BALANCE, BEGINNING			<u>476,380</u>	
FUND BALANCE, ENDING			\$ <u>565,303</u>	

City of Jacksonville, Illinois  
 Schedule of Funding Progress  
 (in thousands of dollars)  
 Illinois Municipal Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	10,795	13,952	3,157	77.37	4,325	73.00%
12/31/10	11,784	14,022	2,238	84.04	4,182	53.51%
12/31/09	10,696	13,099	2,403	81.65	4,258	56.44%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$10,196,952.  
 On a market basis, the funded ratio would be 73.09%.

City of Jacksonville, Illinois  
 Schedule of Funding Progress  
 (in thousands of dollars)  
 Firemen's Pension Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	NOT AVAILABLE					
12/31/10	14,881	20,415	5,534	73%	1,437	385%
12/31/09	13,178	19,955	6,777	66%	1,445	469%

City of Jacksonville, Illinois  
 Schedule of Funding Progress  
 (in thousands of dollars)  
 Police Pension Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	NOT AVAILABLE					
12/31/10	14,873	22,743	7,870	65%	2,161	364%
12/31/09	13,839	22,047	8,208	63%	2,124	386%

CITY OF JACKSONVILLE, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS

December 31, 2011

	Total Nonmajor Governmental Funds	Special Revenue Funds	
		Motor Fuel Tax	Economic Loan
<b>ASSETS</b>			
Cash	\$ 5,925,970	\$ 325,693	\$ 347,995
Investments	1,339,498		
Receivables:			
Taxes	1,332,727		
Accounts	24,800		
Intergovernmental	43,582	43,582	
Loans	1,270,634		276,246
Accrued Interest	26,015		
Prepaid Expenses	0		
Due from Other Funds	28,217	8,000	
Total Assets	\$ 9,991,443	\$ 377,275	\$ 624,241
<b>LIABILITIES AND FUND BALANCE</b>			
Accounts Payable	\$ 24,261	\$ 0	\$
Accrued Salaries	0		
Due to Other Funds	0	0	
Deferred Revenue	1,324,762		
Total Liabilities	1,349,023	0	0
Fund Balance:			
Nonspendable	2,143,162		
Restricted for:			
Economic Loan	624,241		624,241
Public Safety	136,630		
Public Works/Transportation	377,275	377,275	
Health and Welfare	20,000		
Culture and Recreation	657,606		
Construction of Capital Assets	355,032		
Committed	4,328,473		
Unassigned	0		
Total Fund Balance	8,642,419	377,275	624,241
Total Liabilities and Fund Balance	\$ 9,991,442	\$ 377,275	\$ 624,241

Special Revenue Funds

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Goveia Trust	Heritage Cultural Center	Tourism	Drug Enforcement
\$ 614,860	\$ 45,606	\$ 9,857	\$ 41,803
		7,965	
3,195			
<u>618,055</u>	<u>45,606</u>	<u>17,822</u>	<u>41,803</u>
\$ 6,055	\$	\$ 17,822	\$ 384
<u>6,055</u>	<u>0</u>	<u>17,822</u>	<u>384</u>
			41,419
612,000	45,606		
<u>612,000</u>	<u>45,606</u>	<u>0</u>	<u>41,419</u>
<u>\$ 618,055</u>	<u>\$ 45,606</u>	<u>\$ 17,822</u>	<u>\$ 41,803</u>

CITY OF JACKSONVILLE, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS

December 31, 2011

	Special Revenue Funds		
	Police and Fire Retirement Funds	Police Department Evidence	Foreign Fire Insurance Tax
<b>ASSETS</b>			
Cash	\$	\$ 41,670	\$ 53,541
Investments			
Receivables:			
Taxes	1,181,161		
Accounts			
Intergovernmental			
Loans			
Accrued Interest			
Prepaid Expenses			
Due from Other Funds			
Total Assets	\$ 1,181,161	\$ 41,670	\$ 53,541
<b>LIABILITIES AND FUND BALANCE</b>			
Accounts Payable	\$	\$	\$
Accrued Salaries			
Due to Other Funds			
Deferred Revenue	1,181,161		
Total Liabilities	1,181,161	0	0
Fund Balance:			
Nonspendable			
Restricted for:			
Economic Loan			
Public Safety		41,670	53,541
Public Works/Transportation			
Health and Welfare			
Culture and Recreation			
Construction of Capital Assets			
Committed			
Unassigned			
Total Fund Balance	0	41,670	53,541
Total Liabilities and Fund Balance	\$ 1,181,161	\$ 41,670	\$ 53,541

Capital Improvement Funds			Permanent Funds	
Lake Reclamation	Securities Investment	Tax Increment Finance	Public Library Endowment Trust	Cemetery Perpetual Care
\$ 1,764,278	\$ 1,603,429	\$ 272,192	\$ 19,470 1,339,498	\$ 785,576
24,800		143,601		
7,840	913,147 14,980	81,241		
		1,599		18,618
<u>\$ 1,796,918</u>	<u>\$ 2,531,556</u>	<u>\$ 498,633</u>	<u>\$ 1,358,968</u>	<u>\$ 804,194</u>
\$	\$	\$	\$	\$
				0
		143,601		
<u>0</u>	<u>0</u>	<u>143,601</u>	<u>0</u>	<u>0</u>
			1,358,968	784,194
				20,000
1,796,918	2,531,555	355,032		
<u>1,796,918</u>	<u>2,531,555</u>	<u>355,032</u>	<u>1,358,968</u>	<u>804,194</u>
<u>\$ 1,796,918</u>	<u>\$ 2,531,555</u>	<u>\$ 498,633</u>	<u>\$ 1,358,968</u>	<u>\$ 804,194</u>

CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS

Year Ended December 31, 2011

	Total Nonmajor Governmental Funds	Special Revenue Funds	
		Motor Fuel Tax	Economic Loan
REVENUE			
Taxes	\$ 1,447,620	\$	\$
Intergovernmental	836,618	615,830	
Licenses and Permits	0		
Fines and Forfeitures	42,077		
Revenue from Services	25,082		
Investment Income	112,009	473	9,698
Other	85,380		
Total Revenue	<u>2,548,786</u>	<u>616,303</u>	<u>9,698</u>
EXPENDITURES			
Current:			
General Control and Administration	56,877		
Public Safety	1,434,291		
Public Works/Transportation	377,645	377,645	
Health and Welfare	0		
Culture and Recreation	187,187		
Debt Service	88,877		
Capital Outlay	10,000	10,000	
Total Expenditures	<u>2,154,877</u>	<u>387,645</u>	<u>0</u>
Revenue Over (Under) Expenditures	<u>393,909</u>	<u>228,658</u>	<u>9,698</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers			
Received	0		
Paid	(211,856)	(100,000)	
Total Other Financing Sources (Uses)	<u>(211,856)</u>	<u>(100,000)</u>	<u>0</u>
Net Change in Fund Balances	182,053	128,658	9,698
FUND BALANCE, BEGINNING	<u>8,460,366</u>	<u>248,617</u>	<u>614,543</u>
FUND BALANCE, ENDING	<u>\$ 8,642,419</u>	<u>\$ 377,275</u>	<u>\$ 624,241</u>

Special Revenue Funds

Goveia Trust	Heritage Cultural Center	Tourism	Drug Enforcement
\$	\$	\$ 116,035	\$
			11,244
8,521	504		805
8,521	504	116,035	7,526
			19,575
			34,217
	1,940	116,035	
0	1,940	116,035	34,217
8,521	(1,436)	0	(14,642)
(8,521)			
(8,521)	0	0	0
0	(1,436)	0	(14,642)
612,000	47,042	0	56,061
\$ 612,000	\$ 45,606	\$ 0	\$ 41,419

CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS

Year Ended December 31, 2011

	Special Revenue Funds		
	Police and Fire Retirement Funds	Police Department Evidence	Foreign Fire Insurance Tax
REVENUE			
Taxes	\$ 1,178,325	\$	\$
Intergovernmental	193,148		27,640
Licenses and Permits			
Fines and Forfeitures		30,833	
Revenue from Services			
Investment Income		140	86
Other			863
Total Revenue	<u>1,371,473</u>	<u>30,973</u>	<u>28,589</u>
EXPENDITURES			
Current:			
General Control and Administration			
Public Safety	1,371,473	6,300	22,301
Public Works/Transportation			
Health and Welfare			
Culture and Recreation			
Debt Service			
Capital Outlay			
Total Expenditures	<u>1,371,473</u>	<u>6,300</u>	<u>22,301</u>
Revenue Over (Under) Expenditures	<u>0</u>	<u>24,673</u>	<u>6,288</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers			
Received			
Paid			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	24,673	6,288
FUND BALANCE, BEGINNING	<u>0</u>	<u>16,997</u>	<u>47,253</u>
FUND BALANCE, ENDING	<u>\$ 0</u>	<u>\$ 41,670</u>	<u>\$ 53,541</u>

Capital Improvement Funds			Permanent Funds	
Lake Reclamation	Securities Investment	Tax Increment Finance	Public Library Endowment Trust	Cemetery Perpetual Care
\$	\$	\$ 153,260	\$	\$
24,797	43,439	5,965	17,524	25,082
57,736			19,255	57
<u>82,533</u>	<u>43,439</u>	<u>159,225</u>	<u>36,779</u>	<u>25,139</u>
		56,877		
59,399		88,877	9,813	
<u>59,399</u>	<u>0</u>	<u>145,754</u>	<u>9,813</u>	<u>0</u>
23,134	43,439	13,471	26,966	25,139
	(42,675)	0	0	
<u>0</u>	<u>(42,675)</u>	<u>0</u>	<u>(60,660)</u>	<u>0</u>
23,134	764	13,471	(33,694)	25,139
<u>1,773,784</u>	<u>2,530,791</u>	<u>341,561</u>	<u>1,392,662</u>	<u>779,055</u>
<u>\$ 1,796,918</u>	<u>\$ 2,531,555</u>	<u>\$ 355,032</u>	<u>\$ 1,358,968</u>	<u>\$ 804,194</u>

CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
PENSION TRUST FUNDS

December 31, 2011

ASSETS	Firemen's Pension Trust Fund	Policemen's Pension Trust Fund	Total
Cash and Short-Term Investments	\$ 1,154,927	\$ 632,173	\$ 1,787,100
Investments	13,124,952	13,223,860	26,348,812
Receivables:			
Accrued Interest	2,426	100,448	102,874
Employer Contributions	<u>545,046</u>	<u>636,115</u>	<u>1,181,161</u>
Total Assets	<u>14,827,351</u>	<u>14,592,596</u>	<u>29,419,947</u>
LIABILITIES			
Vouchers Payable	<u>95,879</u>	<u>109,582</u>	<u>205,461</u>
Total Liabilities	<u>95,879</u>	<u>109,582</u>	<u>205,461</u>
NET ASSETS			
Held in Trust for Pension Benefits	<u>\$ 14,731,472</u>	<u>\$ 14,483,014</u>	<u>\$ 29,214,486</u>

## CITY OF JACKSONVILLE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS  
AVAILABLE FOR BENEFITS  
PENSION TRUST FUNDS

Year Ended December 31, 2011

	Firemen's Pension	Police Pension	Total
ADDITIONS			
Contributions:			
Employer Contributions	\$ 633,617	\$ 737,856	\$ 1,371,473
Employee Contributions	<u>138,658</u>	<u>214,148</u>	<u>352,806</u>
Total Contributions	<u>772,275</u>	<u>952,004</u>	<u>1,724,279</u>
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments	(806,616)	(1,086,016)	(1,892,632)
Interest/Dividends	691,038	376,980	1,068,018
Realized Gain (Loss) on Sale of Investments	386,200	698,759	1,084,959
Investment Expense	<u>(30,335)</u>	<u>(29,460)</u>	<u>(59,795)</u>
Net Investment Income	<u>240,287</u>	<u>(39,737)</u>	<u>200,550</u>
Total Additions	<u>1,012,562</u>	<u>912,267</u>	<u>1,924,829</u>
DEDUCTIONS			
Benefits	1,150,800	1,269,764	2,420,564
Administration Expenses	<u>11,537</u>	<u>32,126</u>	<u>43,663</u>
Total Deductions	<u>1,162,337</u>	<u>1,301,890</u>	<u>2,464,227</u>
Net Increase (Decrease)	(149,775)	(389,623)	(539,398)
NET ASSETS, BEGINNING OF YEAR	<u>14,881,247</u>	<u>14,872,637</u>	<u>29,753,884</u>
NET ASSETS, END OF YEAR	<u>\$ 14,731,472</u>	<u>\$ 14,483,014</u>	<u>\$ 29,214,486</u>

CITY OF JACKSONVILLE, ILLINOIS

SCHEDULE OF EQUALIZED ASSESSED VALUATIONS, TAX RATES,  
EXTENSIONS AND COLLECTIONS

	2011	Tax Year 2010	2009
EQUALIZED ASSESSED VALUATIONS	\$ <u>236,091,279</u>	\$ <u>238,512,365</u>	\$ <u>236,133,169</u>
TAX LEVY			
General	\$ 3,227,645	\$ 2,888,299	\$ 2,691,851
Firemen's Pension	545,046	642,121	637,337
Police Pension	636,115	737,510	745,194
Library	493,260	477,490	445,000
Road District No. 14	<u>238,357</u>	<u>227,007</u>	<u>216,918</u>
	\$ <u>5,140,423</u>	\$ <u>4,972,427</u>	\$ <u>4,736,300</u>
TAX LEVY RATES			
General	1.36712	1.21097	1.13998
Firemen's Pension	0.23087	0.26922	0.26991
Police Pension	0.26944	0.30922	0.31559
Library	0.20893	0.20020	0.18846
Road District No. 14	<u>0.09744</u>	<u>0.09518</u>	<u>0.09186</u>
	<u>2.17380</u>	<u>2.08479</u>	<u>2.00580</u>
TAX EXTENSIONS			
General	\$ 3,227,651	\$ 2,888,313	\$ 2,691,871
Firemen's Pension	545,064	642,123	637,347
Police Pension	636,124	737,528	745,213
Library	493,266	477,502	445,017
Road District No. 14	<u>230,047</u>	<u>227,016</u>	<u>216,198</u>
	\$ <u>5,132,152</u>	\$ <u>4,972,482</u>	\$ <u>4,735,646</u>
TAX COLLECTIONS			
General		\$ 2,882,265	\$ 2,636,793
Firemen's Pension		640,779	624,306
Police Pension		735,984	729,965
Library		476,502	435,912
Road District No. 14		223,728	216,896
Tax Increment Finance		<u>154,297</u>	<u>161,600</u>
		\$ <u>5,113,555</u>	\$ <u>4,805,472</u>