

# Financial Statements

**April 30, 2021**



CITY OF WATERLOO, ILLINOIS

FINANCIAL STATEMENTS

YEAR ENDED APRIL 30, 2021

CITY OF WATERLOO, ILLINOIS  
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## INDEPENDENT AUDITOR'S REPORT

To the City Council  
City of Waterloo, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waterloo, Illinois (the City) as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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 and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **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 the aggregate remaining fund information of the City of Waterloo, Illinois as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, other postemployment benefit information, and budgetary comparison information on pages 3 - 20, and A1 – A23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual major and nonmajor fund financial statements, schedules of expenditures, schedule of investments, schedule of assessed valuation and additional information regarding customers and insurance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements, schedules of expenditures and schedule of investments are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and nonmajor fund financial statements, schedules of expenditures, and schedule of investments are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of assessed valuation and additional information regarding customers and insurance have 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 them.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2021, on our consideration of the City of Waterloo, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Waterloo, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Waterloo, Illinois' internal control over financial reporting and compliance.



Columbia, Illinois  
December 16, 2021

## **FINANCIAL SECTION**

## CITY OF WATERLOO

### Management's Discussion and Analysis April 30, 2021

The City of Waterloo's (the City) Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify material deviations from the financial plan, and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current fiscal year's activities, resulting changes and currently known facts, please read it in conjunction with the City's basic financial statements (beginning on page 21).

#### **Financial Highlights**

- The net assets of the City of Waterloo exceeded its liabilities at April 30, 2021 by \$88,455,373. Net assets invested in capital assets (net of depreciation and related debt) account for 68% of this amount, with a value of \$60,155,271. Other restricted assets account for 3% or \$2,396,746. The remaining assets may be used to meet the government's ongoing obligations to citizens and creditors, without legal restriction.
- The City's net position increased by \$3,390,991. Governmental activities resulted in an increase in net position of \$1,742,247 with receipts in excess of expenditures. Net position from business-type activities increased \$1,648,744 as a result of operating revenue in excess of expenditures and capital assets purchased.
- During the fiscal year ended April 30, 2016, the City adopted *Government Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions*. This statement changes the accounting principles relative to the City's participation in the Illinois Municipal Retirement Fund (IMRF) and the City's Police Pension Fund. In accordance with GASB No. 68, the City recognizes the net pension asset of \$986,196 for IMRF, and liability of \$3,874,199 for Police Pension on the statement of net position.
- During the fiscal year ended April 30, 2021, the City adopted *Government Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement changes the accounting principles relative to the City's reporting of projected benefit payments to be provided to current active and inactive employees. In accordance with GASB No. 75, the City recognizes the net post-employment benefit obligation of \$1,233,253 on the statement of net position.
- The City of Waterloo currently collects a utility franchise fee from the business-type activities (electric, gas, water and sewer) of 5% of gross receipts. A fee is also collected from cable service providers and telecommunications providers through the



Simplified Telecommunications Tax Act. The General Fund collected \$902,116 during the current fiscal year from the business-type activities.

- The City of Waterloo entered into a joint agreement for federal participation between IDOT and the City of Waterloo on the Moore Street Phase IV project. Contract awarded for the project at a cost of \$1,530,183.77 with the federal portion being \$525,000.00 and the balance to be paid by the City of Waterloo General Fund. \$288,838 is payable on project at fiscal year end 4/30/21.
- The City of Waterloo passed Resolutions 19-02, 19-03 and 21-03, authorizing the design and bidding services related to the new 3.25 million gallon water treatment facility for the City of Waterloo with a total not to exceed \$1,145,000.00 and for easement services related to the new 3.25 million gallon water treatment facility for the City of Waterloo with a total not to exceed \$145,000.00.
- The City of Waterloo purchased land for well sites at a cost of \$215,871 for the proposed 3.25 million gallon water treatment facility for the City of Waterloo.
- The City of Waterloo passed Resolution 20-01, approving the payoff of a loan with Illinois Environmental Protection Agency- Bureau of Water for the construction of the sewer treatment plant. The payoff was completed on January 24, 2020 for \$5,557,975. \$3,000,000 was transferred from the Capital Improvement Fund and \$700,000 was borrowed from the Electric Fund to assist the payoff. Sewer Fund reimbursement \$350,000 of the borrowing back to Electric Fund during FYE 4/30/21.
- The City of Waterloo incurred an additional expense of approximately \$520,000 in the Gas Fund due to a force majeure event caused by winter storm Uri. At fiscal year end 4/30/21, this is reflected in accounts payable.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,759,221, or 95% of total general fund expenditures.
- The City of Waterloo is under the Property Tax Extension Limitation Law (PTELL), which limits the amount of property taxes that the County Clerk can extend for non-home rule governments. The City's increase in the amount of taxes over the prior year is limited to 5%, or the Consumer Price Index (CPI), whichever is less. New property is excluded from this calculation.

## **Overview of the Financial Statements**

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

### **Government-wide financial statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, sanitation, health, culture and recreation, and debt service. The business-type activities include electric, gas, water, and sewer utilities.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as a useful indicator of financial health of the City. Other indicators include the condition of the City's infrastructure systems (roads, drainage systems, bridges, etc.), changes in property tax base, and general economic conditions within the City.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on taxes for funding. All changes in net assets are reported using the accrual basis of accounting, similar to the method used by most private-sector companies. The accrual basis of accounting requires that revenues be reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of the cash flow. Items such as uncollected taxes and charges for services, unpaid vendor invoices for items received before April 30, 2021, earned but unused sick or vacation leave, and pension obligations will be included in the statement of activities as revenue and expense, even though the cash associated with these items will not be received or distributed until after April 30, 2021.

The City has no separately identified component units included in the government-wide financial statements.

## **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Waterloo, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Waterloo can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Governmental Funds are used to account for most, if not all, of a government's tax-supported activities. Proprietary Funds are used to account for a government's business-type activities, where all or part of the costs of activities are supported by fees and charges that are paid directly by those who benefit from the activities. Fiduciary Funds are used to account for resources that are held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.

*Governmental Funds.* The Balance Sheet - Governmental Funds and Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds present separate columns of financial data for the General Fund. GASB Statement No. 34 defines a major fund as a fund whose assets, liabilities, revenues or expenditures comprise 1) at least 10% of the total dollar amount of the same category within either all government or all enterprise funds, as appropriate, and 2) at least 5% of the total dollar amount of all governmental and enterprise funds combined for the same category. The General Fund is always considered a major fund. The governmental fund financial statements can be found immediately following the government-wide financial statements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements in comparison to near-term resources available.

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

The City adopts an annual budget for its governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

*Proprietary Funds.* The City maintains one type of proprietary fund. Enterprise Funds are used to report the same function presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, gas, water, and sewer utility operations.

Proprietary fund statements follow the governmental fund statements in this report. They provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting. The proprietary fund financial statements provide information for the Electric Fund, Gas Fund, Water Fund, Sewer Fund, and Utility Deposit Fund of the City. There are no reconciling differences from the Proprietary Fund Statement of Net Assets to the business-type activity column on the Government-Wide Statement of Net Position.

*Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Statement of Fiduciary Net Assets can be found following the proprietary fund financial statements.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents combining statements, schedules of expenditures, and other supplementary information.

## Government-Wide Financial Analysis

### **Statement of Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's net position total is \$88,455,373 at April 30, 2021. The following table reflects the condensed Government-Wide Statement of Net Position:

#### City of Waterloo's Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current and Other Assets	\$13,527,766	\$12,203,749	\$24,014,598	\$22,338,460	\$37,542,364	\$34,542,209
Non-Current Assets	<u>16,274,080</u>	<u>15,918,505</u>	<u>44,573,895</u>	<u>44,174,551</u>	<u>60,847,975</u>	<u>60,093,056</u>
<b>Total Assets</b>	<u>\$29,801,846</u>	<u>\$28,122,254</u>	<u>\$68,588,493</u>	<u>\$66,513,011</u>	<u>\$98,390,339</u>	<u>\$94,635,265</u>
Deferred Outflows of Resources	<u>\$ 2,670,976</u>	<u>\$ 3,232,952</u>	<u>\$ 1,027,435</u>	<u>\$ 1,390,214</u>	<u>\$ 3,698,411</u>	<u>\$ 4,623,166</u>
Long-term Liabilities	\$ 4,847,976	\$ 5,922,173	\$ 1,007,249	\$ 1,435,857	\$ 5,855,225	\$ 7,358,030
Other Liabilities	<u>580,448</u>	<u>696,485</u>	<u>1,640,812</u>	<u>1,456,405</u>	<u>2,221,260</u>	<u>2,152,890</u>
<b>Total Liabilities</b>	<u>\$5,428,424</u>	<u>\$6,618,658</u>	<u>\$ 2,648,061</u>	<u>\$ 2,892,262</u>	<u>\$ 8,076,485</u>	<u>\$ 9,510,920</u>
Deferred Inflows of Resources	<u>\$3,653,013</u>	<u>\$3,087,410</u>	<u>\$ 1,903,879</u>	<u>\$ 1,595,719</u>	<u>\$ 5,556,892</u>	<u>\$ 4,683,129</u>
Net Position:						
Invested in Capital Assets, net of related debt	16,274,080	15,918,505	43,881,191	44,174,551	60,155,271	60,093,056
Restricted	2,396,746	2,008,084	-	-	2,396,746	2,008,084
Unrestricted	<u>4,720,559</u>	<u>3,722,549</u>	<u>21,182,797</u>	<u>19,240,693</u>	<u>25,903,356</u>	<u>22,963,242</u>
<b>Total Net Position</b>	<u>\$23,391,385</u>	<u>\$21,649,138</u>	<u>\$65,063,988</u>	<u>\$63,415,244</u>	<u>\$88,455,373</u>	<u>\$85,064,382</u>

The City of Waterloo's total assets are \$98,390,339 as of April 30, 2021. Of this amount, \$60,155,271 is accounted for by capital assets, which includes infrastructure. Historically, infrastructure (roads, bridges, etc.) has not been included in capital assets reporting for governmental activities. GASB Statement No. 34 requires that all capital assets, including infrastructure, be reported. The City reports all of its infrastructure assets in compliance with GASB 34 requirements.

Additionally, the government must elect to either 1) depreciate these assets over their estimated useful life or 2) develop a system of asset management designed to maintain their condition perpetually and to report on their condition within the financial statements. The City has elected the first method and will use the depreciation method on infrastructure systems reporting.

Of the remaining City assets, \$31,851,610 is accounted for in cash, cash equivalents, and pooled investments, \$ 5,055,088 in accounts, taxes, and other receivable, and \$635,666 in miscellaneous assets.

Deferred outflows of resources at April 30, 2021 is \$3,698,411 as a result of the inclusion of obligations related to pensions and other post employment benefits.

As of April 30, 2021, the City had outstanding liabilities of \$8,076,485 consisting of \$1,961,277 in accounts payable, \$1,041,265 in accrued liabilities, \$259,983 in deposits payable to customers, \$1,233,253 in other post employment benefit obligation, and \$3,580,707 in net pension liability.

Deferred inflows of resources at April 30, 2021 is \$5,556,892 with \$3,782,563 related to pensions, \$321,161 related to other post employment benefits, and \$1,453,168 in unavailable property tax revenue.

The largest portion of the City's net position (68.0 percent) reflects its investment in capital assets, less any outstanding related debt used to acquire those assets. The City's capital assets are used to provide services to citizens. Consequently, investments in capital assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position (2.7 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (29.3 percent) may be used to meet the City's ongoing obligations to its citizens and creditors for all activities.

At April 30, 2021, the City had positive balances in all categories of net position, for the government as a whole, for governmental activities, and for business-type activities.

## Statement of Activities – Changes in Net Assets

The following schedule compares the revenues and expense for the current fiscal year.

### City of Waterloo's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Program Revenues:</b>						
Charges for services	\$ 1,778,072	\$ 1,755,528	\$19,257,251	\$19,272,930	\$21,035,323	\$21,028,458
Operating grants and contributions	560,955	1,715	-	-	560,955	1,715
Capital grants and contributions	-	-	-	-	-	-
<b>General Revenues:</b>						
Property taxes	1,555,620	1,310,244	-	-	1,555,620	1,310,244
Intergovernmental revenues	5,493,557	4,685,332	-	-	5,493,557	4,685,332
Utility taxes	710,254	747,098	-	-	710,254	747,098
Other	496,354	637,354	95,576	816,213	591,930	1,453,567
<b>Total Revenues</b>	<u>10,594,812</u>	<u>9,137,271</u>	<u>19,352,827</u>	<u>20,089,143</u>	<u>29,947,639</u>	<u>29,226,414</u>
<b>Expenses:</b>						
General government	1,244,311	1,319,344	-	-	1,244,311	1,319,344
Public safety	3,327,310	1,911,824	-	-	3,327,310	1,911,824
Highways and streets	2,642,513	2,758,137	-	-	2,642,513	2,758,137
Sanitation	840,246	821,099	-	-	840,246	821,099
Health	50	100	-	-	50	100
Culture and recreation	758,585	736,754	-	-	758,585	736,754
Small Business Grant Expenditures	39,550	-	-	-	39,550	-
Electric fund	-	-	11,093,440	10,860,872	11,093,440	10,860,872
Gas fund	-	-	2,760,398	2,707,188	2,760,398	2,707,188
Water fund	-	-	2,328,965	2,151,326	2,328,965	2,151,326
Sewer fund	-	-	1,521,280	1,886,224	1,521,280	1,886,224
<b>Total Expenses</b>	<u>8,852,565</u>	<u>7,547,258</u>	<u>17,704,083</u>	<u>17,605,610</u>	<u>26,556,648</u>	<u>25,152,868</u>
Transfer of Funds	-	(3,217,951)	-	3,217,951	-	-
Increase (decrease) in net assets	1,742,247	(1,627,938)	1,648,744	5,701,484	3,390,991	4,073,546
Net position– beginning	<u>21,649,138</u>	<u>23,277,076</u>	<u>63,415,244</u>	<u>57,713,760</u>	<u>85,064,382</u>	<u>80,990,836</u>
Net position – ending	<u>\$23,391,385</u>	<u>\$21,649,138</u>	<u>\$65,063,988</u>	<u>\$63,415,244</u>	<u>\$88,455,373</u>	<u>\$85,064,382</u>

Total revenues for the City of Waterloo were \$29,947,639 for the year ended April 30, 2021. Governmental activities provided \$10,594,812 (35.4 percent), while \$19,352,827 (64.6 percent) of business-type activities revenue was provided by charges for services, connection fees, and other operating revenue.

### Financial Analysis of the City's Funds

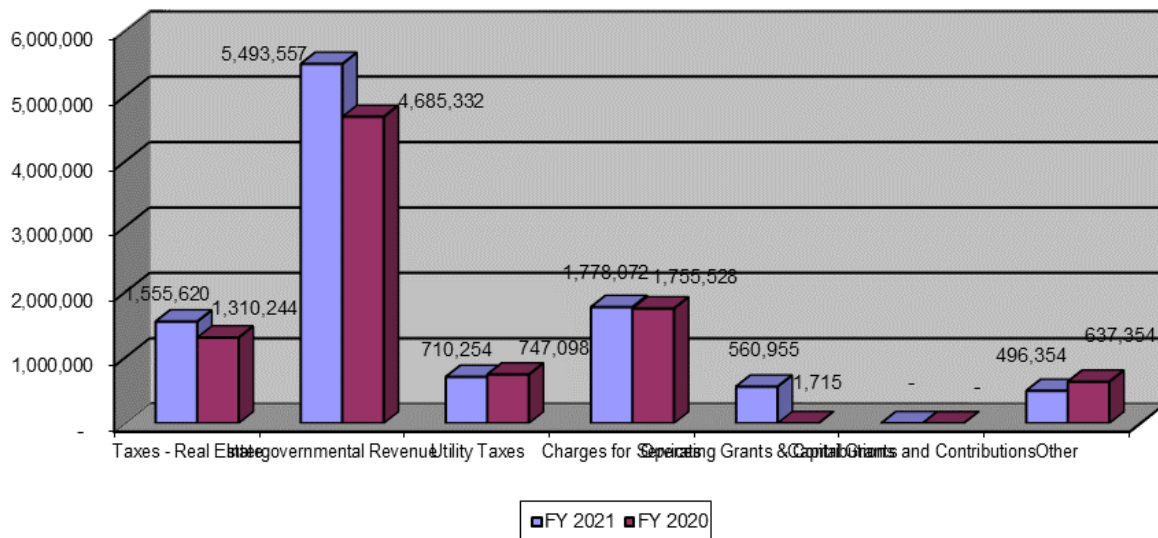
As noted earlier, the City of Waterloo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a financial analysis of the City's governmental and proprietary funds.

## Governmental Funds Revenue and Expense Analysis

The general governmental functions are contained in the General Fund. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

### Revenues Classified by Source Governmental Funds

Revenues by Source	April 30, 2021		April 30, 2020		Increases/Decreases	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Taxes – Real Estate	\$ 1,555,620	14.68%	\$ 1,310,244	14.34%	\$ 245,376	18.73%
Intergovernmental Revenue	5,493,557	51.85	4,685,332	51.28	808,225	17.25
Utility Taxes	710,254	6.70	747,098	8.18	(36,844)	(4.93)
Charges for Services	1,778,072	16.78	1,755,528	19.21	22,544	1.28
Operating Grants and Contributions	560,955	5.30	1,715	.02	559,240	326.09
Capital Grants and Contributions	-	-	-	-	-	-
Other	496,354	4.69	637,354	6.97	(141,000)	(22.12)
Total Revenues	10,594,812	100.00%	9,137,271	100.00%	1,457,541	15.95



- Real estate taxes** - This consists of real estate tax receipts received in 2021 for corporate, road and bridge, IMRF & FICA, police pension, band, and library purposes for the 2019 tax year. The 2020 real estate tax rate was .52453%, up from the 2019 real estate tax rate of .51772%. Under PTELL, the amount of taxes over the prior year is limited to 5% or the Consumer Price Index (CPI), whichever is less, excluding new property.



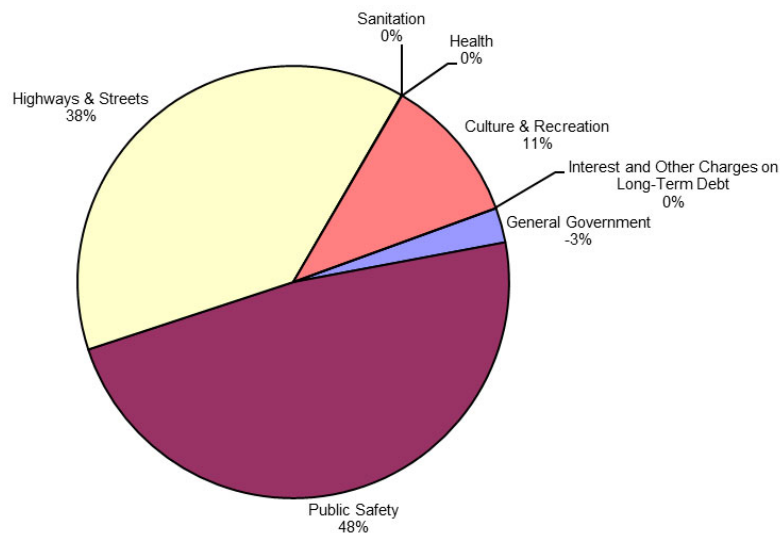
- **Intergovernmental revenue** – Up overall 17.25% from the previous year. Intergovernmental revenue includes sales tax, business district sales tax, state income tax, state replacement tax, video gaming, cannabis use tax and motor fuel tax.
  - Sales taxes were \$2,591,058, an increase of 9.60% from the previous year.
  - A Business District was formed in January 2008 and \$85,886 was collected in the Business District Tax Fund, an increase of 28.93% from the previous year as no tax was collected from January 1, 2020 through June 30, 2020 with the Amendment to the Business District term.
  - State income taxes were \$1,805,548, an increase of 23.80% from the previous year. This is particularly affected because the State extended the income tax due date until July 15, 2020 due to COVID-19 pandemic.
  - Video gaming began in January 2013 in which the City received \$113,101 from video gaming, a decrease of 12.95% from the previous year. The COVID-19 pandemic caused video gaming to be shut down during periods of time during the fiscal year.
  - Cannabis use tax began in January 2020 in which the City received \$10,670 from cannabis use tax during the fiscal year.
  - Motor fuel taxes and state replacement taxes were \$887,294, an increase of 33.72% from the previous year. The State distributed 3 allotments of \$119,439.90 each during the fiscal year as part of the Local REBUILD Illinois Bond Funds.
- **Utility taxes** – Down overall 4.93% from the previous year. This consists of a municipal electric tax \$300,817 (1.45% decrease), which is a step-rate based on 1kilowatt hour usage, a 5% municipal tax on gas and water usage \$217,918 (5.30% decrease), and other utility tax revenue \$191,519 (9.55% decrease), received from electric suppliers to City residents and from telecommunications companies through the Simplified Telecommunications Tax Act administered by the Illinois Department of Revenue.
- **Charges for services** – Up overall 1.28% from the previous year. This consists of charges for refuse collection \$842,879 (0.76% increase), a utility franchise charge from the business-type activities \$902,116 (2.94% increase), court fines \$33,077 (22.39% decrease).
- **Operating grants and contributions** – This consists of grants received from the State of Illinois. During Fiscal Year 4/30/21, the City received \$448,585 from the Coronavirus Urgent Remediation Emergency Support Program, \$39,550 through the Downstate Small Business Stabilization Program on behalf of three businesses, and the Library received grants of \$72,820. This consists of asset seizures during the fiscal year through the police department.
- **Capital grants and contributions** – This consists of contributed assets or street improvements (infrastructure), which is not normally reported as revenues, however, in the statement of activities, the cost of these assets are reported as program revenue. There were no capital grants and contributions recognized in the current year.

- **Other** – Down overall 22.12% from the previous year. This consists of licenses and permits \$271,013 (8.13% decrease), which includes building and other permits, inspection fees, liquor licenses, and franchise license fees. The remaining is interest income and investment income \$23,560 (88.63% decrease) and miscellaneous income \$201,781 (49.23% increase).

### Expenses and Program Revenues (Net) – Governmental Activities

City of Waterloo, Illinois  
Net Expenses  
(Expenses offset by revenues and changes in net assets derived by the functions)

April 30, 2021



The new reporting model allows us to present the net cost by function. The above chart represents the true cost of each function because we have offset the costs by the revenues and contributions derived by those departments.

- **General government** consists of the general and financial administration of the City of Waterloo. Departmental expenses in general government include legal, city clerk, legislation, zoning, annexation, finance, and building.
- **Public safety** departmental expenses include police, police commission, and ESDA. On May 1, 2003, the City of Waterloo Fire Department was consolidated with the Waterloo Rural Fire Protection District to form the Waterloo Community Fire Protection District, a tax-levying body.
- **Highways and streets** include the highway and street department in the General Fund as well as expenditures from the Motor Fuel Tax Fund. Expenditures are also offset by the capital contribution of new streets accepted into the City.

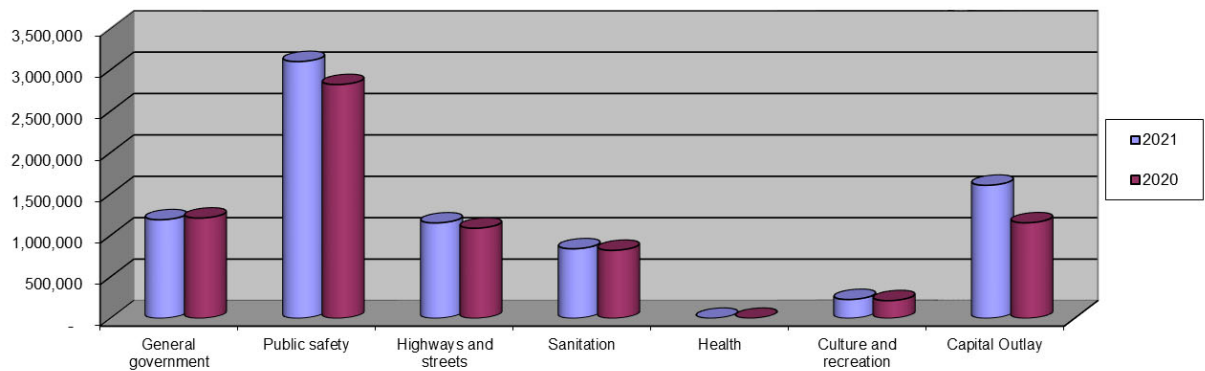
- **Sanitation** expense is the expenditure to an outside contractor for refuse collection. The amount collected from residents wholly offsets the expense for collection.
- **Health** includes any expenditure for health related issues.
- **Culture and recreation** includes expenditures of the municipal band and library. It also includes support towards community relations programs, the sister cities program and other senior citizen programs.
- **Interest and other charges on long-term debt** is the interest on any debt payment. The City currently has no debt in governmental activities.

The General Fund is the chief operating fund of the City. On April 30, 2021, unreserved fund balance of the General Fund was \$7,759,221. Total assets in the General Fund amounted to \$9,978,524, accounting for 77.76% of total governmental fund assets.

#### CITY OF WATERLOO'S GENERAL FUND

	2021	2020	Variance
<b>REVENUES:</b>			
Taxes – Real Estate	\$1,070,674	\$ 845,221	\$ 225,453
Intergovernmental	4,674,034	4,093,819	580,215
Utility Taxes	168,124	188,862	(20,738)
Charges for services	1,744,995	1,712,908	32,087
Licenses and permits	271,013	295,005	(23,992)
Fines	33,077	42,620	(9,543)
Grants	450,085	1,715	448,370
Miscellaneous	163,563	111,980	51,583
Interest	19,111	132,592	(113,481)
<b>TOTAL REVENUES</b>	<b>8,594,676</b>	<b>7,424,722</b>	<b>1,169,954</b>
<b>EXPENDITURES:</b>			
General government	1,190,543	1,210,877	(20,334)
Public safety	3,101,117	2,823,095	278,022
Highways and streets	1,151,967	1,088,471	63,496
Sanitation	840,246	821,099	19,147
Health	50	100	(50)
Culture and recreation	227,618	213,467	14,151
Capital Outlay	1,606,929	1,153,622	453,307
<b>TOTAL EXPENDITURES</b>	<b>8,118,470</b>	<b>7,310,731</b>	<b>807,739</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>476,206</b>	<b>113,991</b>	<b>362,215</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 476,206</b>	<b>\$ 113,991</b>	<b>\$ 362,215</b>

## City of Waterloo General Fund Expenditures



### **General Fund Budgetary Highlights**

The General Fund budget is approximately 8.5 million dollars. Differences between the original budget and the final budget were \$1,168,715, about a 13.79% difference. The difference includes an increase in revenue appropriations of \$392,955 and a decrease in expense appropriations of \$775,760. During the year, some revenue and expenditures were less than budgetary estimates.

Overruns exceeding \$5,000 are summarized below:

- Additional \$5,649 in health insurance reimbursements in the Finance department.
- Additional \$8,630 in sick leave in the Zoning/Building Inspector department
- Additional \$7,307 in vacation leave in the Zoning/Building Inspector department.
- Additional \$30,349 in professional services in the Zoning/Building Inspector department.
- Additional \$7,710 was expended in PEDA salaries in the Police department.
- Additional \$8,334 was expended in sick leave in the Police department.
- Additional \$33,479 was expended in holiday pay in the Police department.
- Additional \$26,552 in equipment-new in the Police department.
- Additional \$78,241 in equipment-vehicle in the Police department.
- Additional \$21,990 was expended in regular salaries in the Street department.
- Additional \$5,048 was expended in interdepartmental salaries in the Street department.
- Additional \$9,774 was expended in equipment repairs in the Street department.
- Additional \$10,130 in construction materials in the Street department.

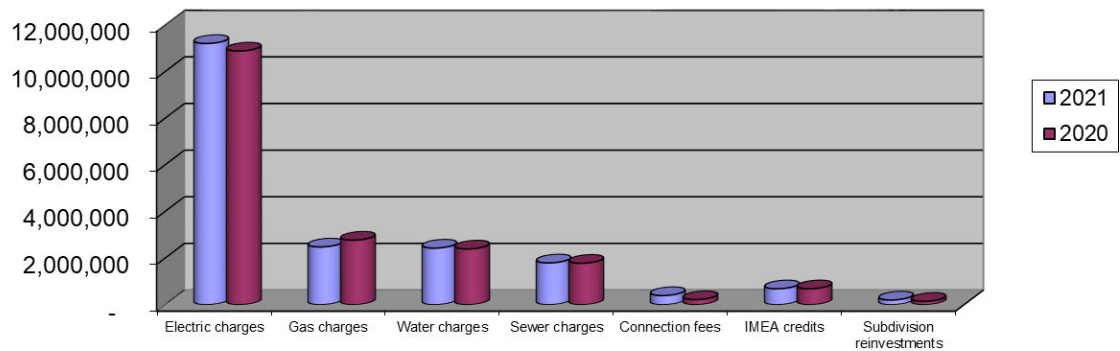
These overruns were offset by unused appropriations for alderman salaries of \$12,469, training of \$14,500, and miscellaneous of \$7,491 in the legislative department; unused appropriations of \$15,570 of health insurance, and \$5,150 for tourism in the finance department; unused appropriations of \$24,772 for equipment rental and service in the

building department; unused appropriations of \$86,671 of legal services; unused appropriations of \$7,676 for building inspector salaries and \$8,249 for health insurance in the zoning/building inspector department and unused appropriations of \$6,478 for health insurance in the records department. Unused appropriations in the police department include \$13,805 of part-time salaries, \$23,326 of over-time salaries, \$10,390 of vacation leave, \$65,299 of health insurance, \$13,932 of health insurance reimbursement, \$13,989 of insurance and bonds, and \$10,000 of canine. Unused appropriations in the social services department include \$25,074 of community relations and \$54,387 of downtown enhancement. Unused appropriations in the street department include \$11,750 of overtime salaries and \$9,088 of health insurance. Other unused appropriations in the street department include \$5,086 of insurance and bonds, \$10,492 in vehicle fuel and lube, \$26,158 in equipment, \$25,061 in equipment-vehicle, \$74,765 in storm drains and \$1,310,905 of capital projects budgeted, but not expended. The capital projects budgeted, but not expended include a portion of Moore Street improvements which were completed, but not billed by the State of Illinois in the current fiscal year, multi-purpose path along Route 3, and Lakeview Drive curb and gutter and sidewalk project.

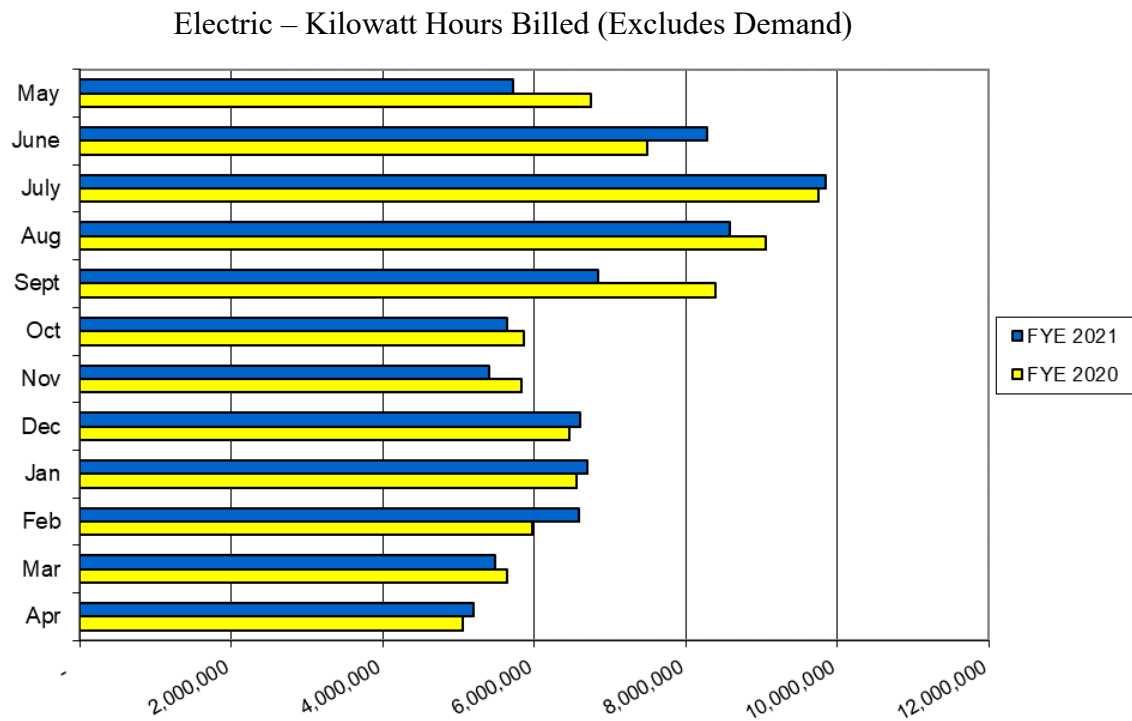
### **Proprietary Funds Revenue/Expense Analysis**

#### **Proprietary Funds Revenue**

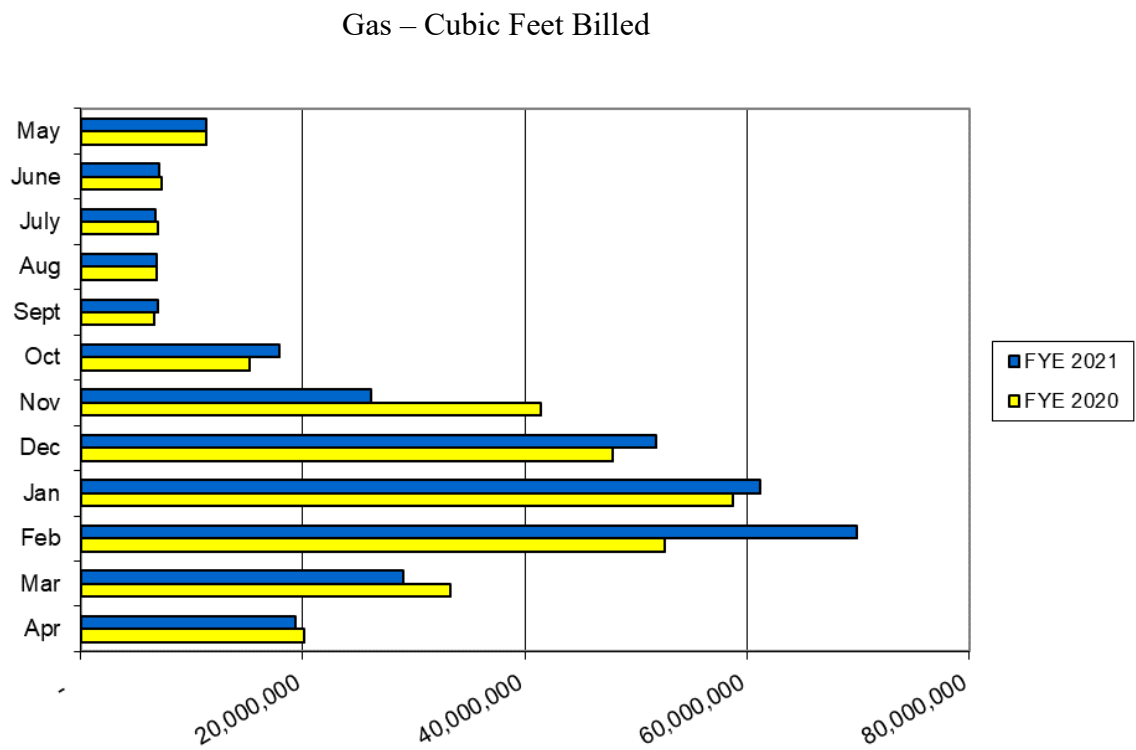
The business-type activities (electric, gas, water, and sewer fund) operating revenues for year ended April 30, 2021 were \$19,191,266, up 1.66% from last year. Charges for services were \$17,909,402, a 0.47% increase from last year. Connection fees were 78.83% more than what was received in the previous year. IMEA credits, which the City receives from IMEA for the Gas Turbine engines at the Power Plant, were slightly less than the previous year. Subdivision reinvestments received for utilities installed in their respective developments was \$204,030 compared to \$146,160 received in the previous year.



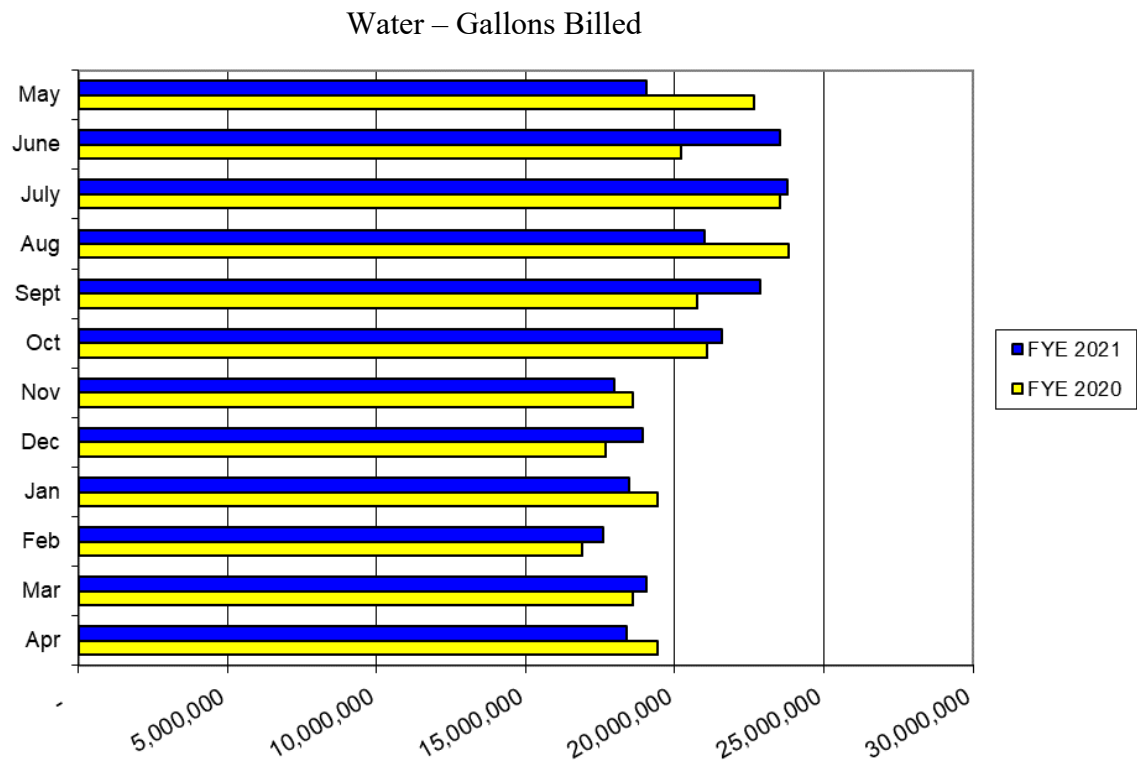
Electric charges for services increased 2.99% from the prior year, with a 2.33% decrease in the consumption of kilowatt hours (excluding demand).



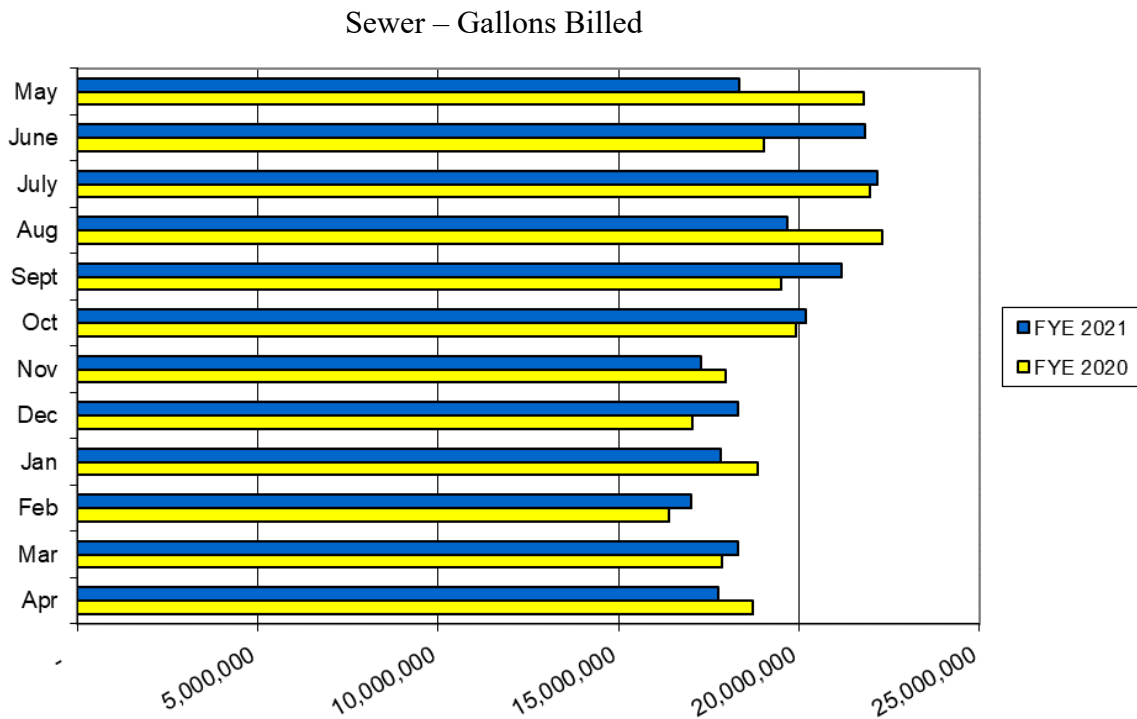
Gas charges for services decreased 10.58% from the prior year, with a 1.87% increase in the consumption of cubic feet of natural gas.



Water charges for services increased 1.54% from the prior year with a 0.18% decrease in gallons billed.

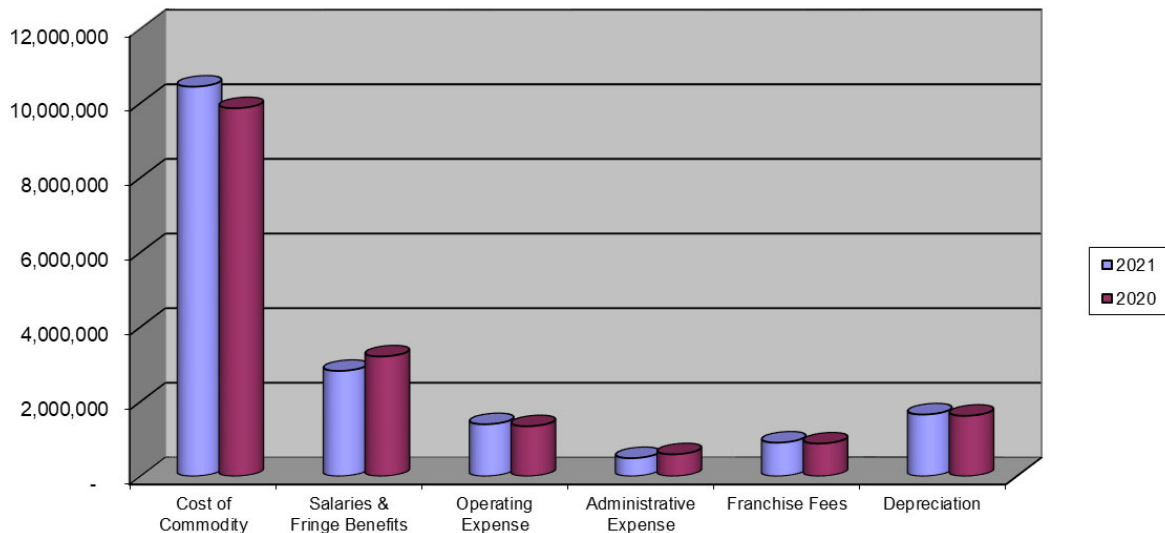


Sewer charges for services increased from the prior year, 0.82%. Since sewer is based on gallons of water consumed, there was also a decrease in consumption of 0.65% from the prior year.



### Proprietary Funds Expenses

The operating expenses of the proprietary funds for the fiscal year ended April 30, 2021 were \$17,704,083 up 1.15% from last year. Overall, the cost of electric, gas, and water purchased from an outside party increased from last year by \$577,450. However, salaries and fringe benefits decreased \$387,488 and operating expenses increased \$53,967 from the prior year. Administrative expenses decreased \$102,944 from the prior year. Franchise fees increased \$25,275 from the prior year due to the increase in charges for utilities. Finally, depreciation expense increased \$35,313.



### Capital Asset and Debt Administration

#### Capital Assets

The City of Waterloo's total investment in capital assets, including construction in progress, for its governmental and business type activities as of April 30, 2021, amounts to \$60,847,975 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture, machinery and equipment, and infrastructure.

Major capital project fund activities during the current fiscal year included the following:

#### Governmental Funds:

- Library renovations at a cost of \$518,422.
- Computer equipment at a cost of \$18,071 and conference room chairs at a cost of \$5,163 in administrative offices.
- Warning Siren for inclement weather was installed at a cost of \$17,108.
- License plate reader cameras at a cost of \$30,878, cameras in the downtown area at a cost of \$13,218, computer equipment and software at a cost of \$49,231 and three new police vehicles with equipment at a cost of \$135,241 were purchased in the Police department.



- Backhoe at a cost of \$96,400, hot tack machine at a cost of \$17,915 and a flatbed truck at a cost of \$59,939 were purchased by the street department.
- Street improvements include Marney's Clearing, Bradford Estates and Leland Terrace subdivision asphalt overlay at a cost of \$519,877.
- Construction in progress includes costs incurred for Moore Street improvements, shared use path on South Market, North Market Street sidewalk, and Morrison Avenue improvements.

#### Proprietary Funds:

- Equipment was purchased for use in the various utility departments at a total cost of \$73,715.
- Land was purchased at a cost of \$215,871 for well sites for the new water treatment plant.
- Water meters and AMI modules at a cost of \$113,516 were capitalized.
- Manhole re-lining was completed at a cost of \$18,993.
- A Ford F150 pickup truck with tool box was purchased at a cost of \$33,312 in the electric department.
- The purchase of electric meters, transformers, and poles accounted for \$85,357 invested into the electrical system of the City of Waterloo.
- A Ford F150 pickup truck with tool box was purchased at a cost of \$35,218 in the gas department.
- A trencher with trailer was purchased at a cost of \$51,986 in the gas department.
- Gas meters, indexes, and AMI modules at a cost of \$19,213 were capitalized.
- Construction in progress includes costs incurred for water main extension, water treatment plant facility plan and design, sewer line extension engineering, and SCADA systems for the sewer treatment plant and power plant.

#### **Long-Term Debt**

The City of Waterloo has no bonded debt or loans outstanding as of April 30, 2021.

#### **Requests for Information**

The financial report is designed to provide a general overview of the City of Waterloo's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, City of Waterloo, 100 West Fourth St., Waterloo, IL 62298.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF NET POSITION  
APRIL 30, 2021

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 10,188,212	\$ 4,386,787	\$ 14,574,999
Certificates of Deposit	3,000	-	3,000
Investments	497,668	16,775,943	17,273,611
Taxes Receivable	1,022,266	-	1,022,266
Accounts Receivable, Net	250,588	2,329,066	2,579,654
Inventories	-	405,030	405,030
Prepays	112,864	117,772	230,636
Real Estate Taxes Receivable, Net	1,453,168	-	1,453,168
Total Current Assets	<u>13,527,766</u>	<u>24,014,598</u>	<u>37,542,364</u>
NON-CURRENT ASSETS:			
Net Pension Asset	-	692,704	692,704
Capital Assets:			
Land and Construction in Progress	2,372,713	4,782,801	7,155,514
Other Capital Assets, Net of Accumulated Depreciation	13,901,367	39,098,390	52,999,757
Total Non-Current Assets	<u>16,274,080</u>	<u>44,573,895</u>	<u>60,847,975</u>
Total Assets	<u>29,801,846</u>	<u>68,588,493</u>	<u>98,390,339</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions	2,543,775	969,462	3,513,237
Related Other Post-Employment Benefits	127,201	57,973	185,174
	<u>2,670,976</u>	<u>1,027,435</u>	<u>3,698,411</u>
 <u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>			
CURRENT LIABILITIES:			
Accounts Payable	540,037	1,334,445	1,874,482
Wages and Benefits Payable	40,411	46,384	86,795
Consumer Deposits	-	259,983	259,983
Total Current Liabilities	<u>580,448</u>	<u>1,640,812</u>	<u>2,221,260</u>
NON-CURRENT LIABILITIES:			
Other Post-Employment Benefit Obligation	847,160	386,093	1,233,253
Compensated Absences	420,109	621,156	1,041,265
Net Pension Liability	3,580,707	-	3,580,707
Total Non-Current Liabilities	<u>4,847,976</u>	<u>1,007,249</u>	<u>5,855,225</u>
Total Liabilities	<u>5,428,424</u>	<u>2,648,061</u>	<u>8,076,485</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions	1,979,229	1,803,334	3,782,563
Related to Other Post Employment Benefits	220,616	100,545	321,161
Unavailable Revenue - Property Taxes	1,453,168	-	1,453,168
Total Deferred Inflows of Resources	<u>3,653,013</u>	<u>1,903,879</u>	<u>5,556,892</u>
 <u>NET POSITION</u>			
NET POSITION:			
Net Investment in Capital Assets	16,274,080	43,881,191	60,155,271
Restricted Net Position	2,396,746	-	2,396,746
Unrestricted Net Position	4,720,559	21,182,797	25,903,356
Total Net Position	<u>\$ 23,391,385</u>	<u>\$ 65,063,988</u>	<u>\$ 88,455,373</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF ACTIVITIES  
YEAR ENDED APRIL 30, 2021

	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>FUNCTION/PROGRAMS:</b>							
General Government	\$ 1,244,311	\$ 902,116	\$ 522,905	\$ -	\$ 180,710	\$ -	\$ 180,710
Public Safety	3,327,310	33,077	-	-	(3,294,233)	-	(3,294,233)
Highways and Streets	2,642,513	-	-	-	(2,642,513)	-	(2,642,513)
Sanitation	840,246	842,879	-	-	2,633	-	2,633
Health	50	-	-	-	(50)	-	(50)
Culture and Recreation	758,585	-	-	-	(758,585)	-	(758,585)
Small Business Grant Expenditures	39,550	-	39,550	-	-	-	-
Total Governmental Activities	8,852,565	1,778,072	562,455	-	(6,512,038)	-	(6,512,038)
<b>BUSINESS-TYPE ACTIVITIES:</b>							
Electric Fund	11,093,440	12,161,794	-	-	-	1,068,354	1,068,354
Gas Fund	2,760,398	2,584,669	-	-	-	(175,729)	(175,729)
Water Fund	2,328,965	2,497,378	-	-	-	168,413	168,413
Sewer Fund	1,521,280	2,013,410	-	-	-	492,130	492,130
Total Business-Type Activities	17,704,083	19,257,251	-	-	-	1,553,168	1,553,168
Totals	\$ 26,556,648	\$ 21,035,323	\$ 562,455	\$ -	(6,512,038)	1,553,168	(4,958,870)
<b>GENERAL REVENUES:</b>							
Taxes - Real Estate					1,555,620	-	1,555,620
Intergovernmental					5,493,557	-	5,493,557
Utility Taxes					710,254	-	710,254
Licenses and Permits					271,013	-	271,013
Miscellaneous					200,281	-	200,281
Interest Income					25,892	26,446	52,338
Investment Income					(2,332)	69,130	66,798
Total General Revenues					8,254,285	95,576	8,349,861
Change in Net Position					1,742,247	1,648,744	3,390,991
Net Position, Beginning of Year (restated)					21,649,138	63,415,244	85,064,382
Net Position, End of Year					\$ 23,391,385	\$ 65,063,988	\$ 88,455,373

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
APRIL 30, 2021

ASSETS	OTHER GOVERNMENTAL			
	GENERAL	LIBRARY	FUNDS	TOTAL
Cash and Cash Equivalents	\$ 8,058,426	\$ 675,310	\$ 1,454,476	\$ 10,188,212
Certificates of Deposit	-	3,000	-	3,000
Investments	497,668	-	-	497,668
Taxes Receivable	986,444	-	35,822	1,022,266
Accounts Receivable, Net	250,588	-	-	250,588
Due from Other Funds	12,698	-	-	12,698
Prepays	112,864	-	-	112,864
Real Estate Taxes Receivable, Net	945,460	484,741	22,967	1,453,168
Total Assets	\$ 10,864,148	\$ 1,163,051	\$ 1,513,265	\$ 13,540,464
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>				
LIABILITIES:				
Accounts Payable	\$ 524,036	\$ 7,584	\$ 8,417	\$ 540,037
Due to Other Funds	-	-	12,698	12,698
Wage and Benefits Payable	40,411	-	-	40,411
Total Liabilities	564,447	7,584	21,115	593,146
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Property Taxes	945,460	484,741	22,967	1,453,168
Total Deferred Inflows of Resources	945,460	484,741	22,967	1,453,168
FUND BALANCE:				
Nonspendable:				
Prepays	112,864	-	-	112,864
Restricted for:				
Hotel/Motel Tax	143,973	-	-	143,973
Culture and Recreation	-	670,726	26,912	697,638
Motor Fuel Tax	-	-	1,442,271	1,442,271
Committed for:				
IMRF Pension Plan	452,559	-	-	452,559
Capital Improvements	885,624	-	-	885,624
Unassigned:				
General Fund	7,759,221	-	-	7,759,221
Total Fund Balance	9,354,241	670,726	1,469,183	11,494,150
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 10,864,148	\$ 1,163,051	\$ 1,513,265	\$ 13,540,464

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
APRIL 30, 2021

Total fund balance - total governmental funds	\$ 11,494,150
Capital assets of \$44,203,904 net of accumulated depreciation of \$27,929,824, are not financial resources and, therefore are not reported in the funds	16,274,080
Certain liabilities are not due and payable in the current period and therefore not reported in the funds:	
Other post-employment benefit obligations (net of deferred outflows of resources)	(940,575)
Compensated absences	(420,109)
Net pension liability (net of deferred outflows and inflows of resources)	<u>(3,016,161)</u>
Net position of governmental activities	<u>\$ 23,391,385</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2021

	GENERAL	LIBRARY	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:				
Taxes - Real Estate	\$ 1,070,674	\$ 460,373	\$ 24,573	\$ 1,555,620
Intergovernmental	4,674,034	34,092	785,431	5,493,557
Utility Taxes	710,254	-	-	710,254
Charges for Services	1,744,995	-	-	1,744,995
Licenses and Permits	271,013	-	-	271,013
Fines	33,077	-	-	33,077
Federal Grants (Cures)	448,585	-	-	448,585
Grants	1,500	72,820	39,550	113,870
Miscellaneous	163,563	36,718	-	200,281
Interest	22,053	1,149	2,690	25,892
Investment Income	(2,332)	-	-	(2,332)
Total Revenues	<u>9,137,416</u>	<u>605,152</u>	<u>852,244</u>	<u>10,594,812</u>
EXPENDITURES:				
Current				
General Government	1,199,392	-	-	1,199,392
Public Safety	3,101,117	-	-	3,101,117
Highways and Streets	1,151,967	-	272,584	1,424,551
Sanitation	840,246	-	-	840,246
Health	50	-	-	50
Culture and Recreation	227,618	465,891	12,589	706,098
Small Business Grant Expenditures	-	-	39,550	39,550
Capital Outlay	<u>1,606,929</u>	<u>292,444</u>	<u>-</u>	<u>1,899,373</u>
Total Expenditures	<u>8,127,319</u>	<u>758,335</u>	<u>324,723</u>	<u>9,210,377</u>
Excess of Revenues	1,010,097	(153,183)	527,521	1,384,435
Other Financing (Uses)				
Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,010,097	(153,183)	527,521	1,384,435
Fund Balance, Beginning of Year	<u>8,344,144</u>	<u>823,909</u>	<u>941,662</u>	<u>10,109,715</u>
Fund Balance, End of Year	<u>\$ 9,354,241</u>	<u>\$ 670,726</u>	<u>\$ 1,469,183</u>	<u>\$ 11,494,150</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED APRIL 30, 2021

Net change in fund balance - total governmental funds	\$ 1,384,435
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation \$1,543,798 exceeded capital outlay \$1,899,373 in the current period.	355,575
Capital contributions to infrastructure are not reported is not a current resource and is not included in the net change in fund balance	-
Changes in other postemployment benefit obligations and related deferrals 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.	(67,846)
Changes in compensated absences 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.	(42,449)
Changes in the net pension liability and related deferrals reported in the statement of activities do not require the net of current financial resources, and, therefore, are not reported as expenditures in governmental funds.	<u>112,532</u>
Change in net position of governmental activities	<u>\$ 1,742,247</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
APRIL 30, 2021

<u>ASSETS</u>	<u>ENTERPRISE FUNDS</u>					<u>TOTAL</u>
	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>SEWER</u>	<u>UTILITY DEPOSITS</u>	
<b>CURRENT ASSETS:</b>						
Cash and Cash Equivalents	\$ 2,027,191	\$ 1,493,525	\$ 354,532	\$ 468,119	\$ 43,420	\$ 4,386,787
Investments	10,232,530	4,195,663	928,006	1,091,402	328,342	16,775,943
Accounts Receivable, Net	1,341,013	377,496	348,743	261,814	-	2,329,066
Due from Other Funds	350,000	-	-	-	-	350,000
Inventories	300,000	29,000	48,830	27,200	-	405,030
Prepays	76,881	11,629	9,847	19,415	-	117,772
Total Current Assets	<u>14,327,615</u>	<u>6,107,313</u>	<u>1,689,958</u>	<u>1,867,950</u>	<u>371,762</u>	<u>24,364,598</u>
<b>NON-CURRENT ASSETS:</b>						
Net Pension Asset	314,202	164,300	95,267	118,935	-	692,704
Capital Assets, Net	<u>19,144,570</u>	<u>4,893,835</u>	<u>7,988,476</u>	<u>11,854,310</u>	<u>-</u>	<u>43,881,191</u>
Total Non-Current Assets	<u>19,458,772</u>	<u>5,058,135</u>	<u>8,083,743</u>	<u>11,973,245</u>	<u>-</u>	<u>44,573,895</u>
Total Assets	<u>33,786,387</u>	<u>11,165,448</u>	<u>9,773,701</u>	<u>13,841,195</u>	<u>371,762</u>	<u>68,938,493</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>						
Related to Pensions	442,047	226,248	135,027	166,140	-	969,462
Related to Other Post Employment Benefits	<u>27,441</u>	<u>19,104</u>	<u>4,477</u>	<u>6,951</u>	<u>-</u>	<u>57,973</u>
Total Deferred Outflows of Resources	<u>469,488</u>	<u>245,352</u>	<u>139,504</u>	<u>173,091</u>	<u>-</u>	<u>1,027,435</u>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES:</b>						
Accounts Payable	570,588	601,901	131,876	30,080	-	1,334,445
Wages and Benefits Payable	22,294	10,065	5,990	8,035	-	46,384
Due to Other Funds	-	-	-	350,000	-	350,000
Consumer Deposits	<u>48,308</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,675</u>	<u>259,983</u>
Total Current Liabilities	<u>641,190</u>	<u>611,966</u>	<u>137,866</u>	<u>388,115</u>	<u>211,675</u>	<u>1,990,812</u>
<b>NON-CURRENT LIABILITIES:</b>						
Other Post-Employment Benefit Obligation	182,755	127,232	29,814	46,292	-	386,093
Compensated Absences	<u>250,522</u>	<u>136,459</u>	<u>97,407</u>	<u>136,768</u>	<u>-</u>	<u>621,156</u>
Total Non-Current Liabilities	<u>433,277</u>	<u>263,691</u>	<u>127,221</u>	<u>183,060</u>	<u>-</u>	<u>1,007,249</u>
Total Liabilities	<u>1,074,467</u>	<u>875,657</u>	<u>265,087</u>	<u>571,175</u>	<u>211,675</u>	<u>2,998,061</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Related to Pensions	817,970	427,727	248,010	309,627	-	1,803,334
Related to Other Post Employment Benefits	<u>47,593</u>	<u>33,133</u>	<u>7,764</u>	<u>12,055</u>	<u>-</u>	<u>100,545</u>
	<u>865,563</u>	<u>460,860</u>	<u>255,774</u>	<u>321,682</u>	<u>-</u>	<u>1,903,879</u>
<b>NET POSITION</b>						
<b>NET POSITION:</b>						
Net Investment in Capital Assets	19,144,570	4,893,835	7,988,476	11,854,310	-	43,881,191
Unrestricted Net Position	<u>13,171,275</u>	<u>5,180,448</u>	<u>1,403,868</u>	<u>1,267,119</u>	<u>160,087</u>	<u>21,182,797</u>
Total Net Position	<u>\$ 32,315,845</u>	<u>\$ 10,074,283</u>	<u>\$ 9,392,344</u>	<u>\$ 13,121,429</u>	<u>\$ 160,087</u>	<u>\$ 65,063,988</u>

See notes to financial statements.



CITY OF WATERLOO, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2021

	ENTERPRISE FUNDS					
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	TOTAL
OPERATING REVENUES:						
Charges for Services	\$ 11,206,326	\$ 2,478,106	\$ 2,429,901	\$ 1,795,069	\$ -	\$ 17,909,402
Connection Fees	85,410	41,885	58,400	208,693	-	394,388
IMEA Credits	683,446	-	-	-	-	683,446
Subdivision Reinvestments	152,586	51,444	-	-	-	204,030
Total Operating Revenues	<u>12,127,768</u>	<u>2,571,435</u>	<u>2,488,301</u>	<u>2,003,762</u>	<u>-</u>	<u>19,191,266</u>
OPERATING EXPENSES:						
Cost of Sales	8,183,069	1,654,856	1,137,044	-	-	10,974,969
Distribution	1,219,147	492,743	584,352	-	-	2,296,242
Treatment	-	-	-	553,072	-	553,072
Collection	-	-	-	152,852	-	152,852
Administration	909,435	420,168	358,620	382,480	-	2,070,703
Depreciation	781,789	192,631	248,949	432,876	-	1,656,245
Total Operating Expenses	<u>11,093,440</u>	<u>2,760,398</u>	<u>2,328,965</u>	<u>1,521,280</u>	<u>-</u>	<u>17,704,083</u>
Operating Income	<u>1,034,328</u>	<u>(188,963)</u>	<u>159,336</u>	<u>482,482</u>	<u>-</u>	<u>1,487,183</u>
NON-OPERATING REVENUES (EXPENSES):						
Interest Income	14,496	6,064	641	4,852	393	26,446
Investment Income	35,208	22,673	8,599	876	1,774	69,130
Interest Expense and Other Charges	-	-	-	-	-	-
Other Income	34,026	13,234	9,077	9,648	-	65,985
Total Non-Operating Revenues (Expenses)	<u>83,730</u>	<u>41,971</u>	<u>18,317</u>	<u>15,376</u>	<u>2,167</u>	<u>161,561</u>
Income (Loss) Before Transfers	1,118,058	(146,992)	177,653	497,858	2,167	1,648,744
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase in Net Position	1,118,058	(146,992)	177,653	497,858	2,167	1,648,744
Total Net Position, Beginning of Year (restated)	<u>31,197,787</u>	<u>10,221,275</u>	<u>9,214,691</u>	<u>12,623,571</u>	<u>157,920</u>	<u>63,415,244</u>
Total Net Position, End of Year	<u>\$ 32,315,845</u>	<u>\$ 10,074,283</u>	<u>\$ 9,392,344</u>	<u>\$ 13,121,429</u>	<u>\$ 160,087</u>	<u>\$ 65,063,988</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2021

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash Received from Customers	\$ 12,207,979	\$ 2,956,588	\$ 2,519,515	\$ 2,026,147	\$ 115,375	\$ 19,825,604
Cash Paid Out to Customers	316	-	-	-	(144,275)	(143,959)
Cash Payments to Suppliers for Goods and Services	(9,379,405)	(1,615,723)	(2,008,690)	(732,250)	-	(13,736,068)
Cash Payments to Employees and Professional Contractors for Services	(1,162,024)	(522,198)	(430,283)	(461,729)	-	(2,576,234)
Net Cash Flows Provided (Used) by Operating Activities	1,666,866	818,667	80,542	832,168	(28,900)	3,369,343
CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES:						
Transfer of Funds	350,000	-	-	(350,000)	-	-
Other Income	34,026	13,234	9,077	9,648	-	65,985
Net Cash Flows Provided by Non-Capital Related Financing Activities	384,026	13,234	9,077	(340,352)	-	65,985
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition and Construction of Capital Assets	(238,351)	(123,941)	(865,549)	(135,045)	-	(1,362,886)
Principal Paid on Bonds and Notes	-	-	-	-	-	-
Interest Paid on Bonds and Notes	-	-	-	-	-	-
Net Cash Flows (Used) by Capital and Related Financing Activities	(238,351)	(123,941)	(865,549)	(135,045)	-	(1,362,886)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Sale/(Purchase) of Investments	(2,035,209)	(22,673)	591,401	(500,875)	(1,775)	(1,969,131)
Investment Income (Loss)	49,704	28,737	9,240	5,728	2,167	95,576
Net Cash Flows Provided (Used) by Investing Activities	(1,985,505)	6,064	600,641	(495,147)	392	(1,873,555)
Net Increase (Decrease) in Cash and Cash Equivalents	(172,964)	714,024	(175,289)	(138,376)	(28,508)	198,887
Cash and Cash Equivalents at May 1, 2020	2,200,155	779,501	529,821	606,495	71,928	4,187,900
Cash and Cash Equivalents at April 30, 2021	<u>\$ 2,027,191</u>	<u>\$ 1,493,525</u>	<u>\$ 354,532</u>	<u>\$ 468,119</u>	<u>\$ 43,420</u>	<u>\$ 4,386,787</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2021

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
Operating Income	\$ 1,034,328	\$ (188,963)	\$ 159,336	\$ 482,482	\$ -	\$ 1,487,183
Adjustment to Reconcile Operating Income to						
Net Cash Provided by Operating Activities:						
Depreciation	781,789	192,631	248,949	432,876	-	1,656,245
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	55,218	385,153	31,214	22,385	-	493,970
(Increase) Decrease in Prepaid Insurance	(4,488)	1,328	(18)	1,089	-	(2,089)
(Increase) Decrease in Net Pension Asset	(314,202)	(164,300)	(95,267)	(118,935)	-	(692,704)
(Increase) Decrease in Deferred Outflow of Resources	136,839	97,293	50,858	77,789	-	362,779
Increase (Decrease) in Accounts Payable	(1,831)	557,130	(281,798)	2,919	-	276,420
Increase (Decrease) in Wages and Benefits Payable	(38,124)	(29,840)	(6,587)	(13,871)	-	(88,422)
Increase (Decrease) in Due to Other Funds	-	1,000	(1,000)	-	-	-
Increase (Decrease) in Other Post-Employment Benefit Obligation	(33,686)	(6,449)	(19,003)	(2,871)	-	(62,009)
Increase (Decrease) in Compensated Absences	16,920	(5,209)	9,052	(16,344)	-	4,419
Increase (Decrease) in Net Pension Liability	(161,627)	(90,921)	(51,117)	(67,353)	-	(371,018)
Increase (Decrease) in Deferred Inflow of Resources	170,421	69,814	35,923	32,002	-	308,160
Increase (Decrease) in Consumer Deposits	25,309	-	-	-	(28,900)	(3,591)
Total Adjustments	632,538	1,007,630	(78,794)	349,686	(28,900)	1,882,160
Net Cash Provided by Operating Activities	\$ 1,666,866	\$ 818,667	\$ 80,542	\$ 832,168	\$ (28,900)	\$ 3,369,343

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUND  
POLICE PENSION PLAN  
APRIL 30, 2021

	<u>ASSETS</u>	<u>EMPLOYEE RETIREMENT PLAN</u>
Cash and Cash Equivalents		\$ 647,070
RECEIVABLES:		
Employer		678,080
Interest		<u>28,998</u>
Total Receivables		707,078
Investments		<u>6,836,257</u>
Total Assets		<u>8,190,405</u>
	<u>LIABILITIES</u>	
Total Liabilities		<u>-</u>
	<u>NET POSITION</u>	
Held in Trust for Pension Benefits		<u>\$ 8,190,405</u>

A schedule of funding progress presented for the Police Pension Plan is presented in the Required Supplementary Information Section of this report.

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
POLICE PENSION PLAN  
YEAR ENDED APRIL 30, 2021

	<u>EMPLOYEE RETIREMENT PLAN</u>
ADDITIONS:	
Contributions:	
Employer	\$ 653,000
Plan Members	146,382
Total Contributions	<u>799,382</u>
Investment Income:	
Interest	102,957
Dividend	66,737
Gain on Investments	102,154
Unrealized Appreciation	849,513
Total Investment Income	<u>1,121,361</u>
Total Additions	<u>1,920,743</u>
DEDUCTIONS:	
Retirement Benefits	342,536
Disability	116,294
Portability	123,850
Administrative Expense	42,348
Total Deductions	<u>625,028</u>
Change in Net Position	1,295,715
Net Position, Beginning of Year	<u>6,894,690</u>
Net Position, End of Year	<u>\$ 8,190,405</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Management, in determining what potential component entities should be included for financial reporting purposes, considered accountability for fiscal matters, other manifestations of oversight responsibility, scope of public service, and special financing relationships. Fiscal accountability, the most significant of all the criteria, refers to conditions of financial interdependency between two entities including budgetary adoption, taxing authority, responsibility for debt, and control over or responsibility for financial management. Other manifestations of oversight responsibility encompass the ability to select governing authority, designate management, or significantly influence operations. The scope of public service evaluates the benefits derived in terms of the citizenry served or the geographic boundaries included.

Based upon these criteria, the City does not have any component units.

A. Introduction

The accounting and reporting framework and the more significant accounting principles and practices of the City of Waterloo, Illinois (City) are discussed in subsequent sections of this note. The remainder of the notes are organized to provide explanations, including required disclosures of the City's financial activities for the fiscal year ended April 30, 2021.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Government 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 identifiable activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. 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 identifiable activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Taxes and other items not included among program revenues are reported instead as general revenues.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Financial Statements

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

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

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the City are described below.

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 the fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Government 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, pensions and OPEB, and claims and judgments, are reported only when payment is due.

Sales and use taxes, income taxes, other intergovernmental revenue, and investment income 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. Only the portion of the special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and internal service funds are charges to customers for sales and services provided. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expense.

Governmental Funds

The City reports the following major governmental funds:

**General Fund** - The general fund reports on the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

**Library Fund** - The library fund account for the operating activities of the City's Library.

Proprietary Funds

The City reports the following major enterprise funds:

**Electric Fund** - The Electric fund accounts for the operating activities of the City's electric utilities services.

**Gas Fund** - The Gas fund accounts for the operating activities of the City's gas utilities services.

**Water Fund** - The Water fund accounts for the operating activities of the City's water utilities services.

**Sewer Fund** - The Sewer fund accounts for the operating activities of the City's sewer utilities services.

**Utility Deposits** - The utility deposits fund accounts for the utility deposits of the City's enterprise funds.

Other Fund Types

**Pension Trust Fund** - The pension trust fund reports fiduciary resources held in trust and the receipt, investment, and distribution of retirement contributions. The City's pension trust fund is limited to police officers.



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Allocation of Indirect Expenses

The City allocates, from its governmental funds, indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include overall City management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, and other administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. As a matter of policy, certain functions that use significant central services are not charged for the use of these services. These functions include police, street, and library.

Administrative Expenses

The City's general fund also charges an administrative fee to the City's proprietary funds in an amount equal to approximately five percent (5%) of the proprietary fund's gross receipts.

D. Cash and Investments

The City maintains and controls pooled and nonpooled cash and investments that are separately held and reflected in their respective funds as "Cash and cash equivalents" and "Investments".

The City has adopted a formal written investment and cash management policy. The City is restricted to investments outlined in the Public Funds Investment Act of the State of Illinois and Police Pension Fund in 40 ILCS 5/3-135.

The City considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value, except for investments with Illinois Metropolitan Investment Fund (IMET). Fair value is determined by closing market prices at year-end as reported by the investment custodian. Investments with IMET are reported at net asset value per share which approximates fair value.

E. Inventories and Prepaids

Inventories in governmental funds consist of expendable supplies held for consumption stated on a first-in, first-out basis. They are reported at cost which is recorded as an expenditure at the time individual inventory items are used. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis.

Prepaids record payments to vendors that benefit future reporting periods and are also reported on the consumption basis. Both inventories and prepaids are similarly reported in government-wide and fund financial statements.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

F. Capital Assets, Depreciation and Amortization

The City's property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired after June 30, 1980), with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City generally capitalizes building and infrastructure assets with a cost of \$25,000 or more as purchase and construction outlays occur. Furniture, fixtures and equipment are generally capitalized with a cost of \$5,000 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40
Improvements, other than buildings	15-25
Furniture, fixtures, and equipment	5-10

For more information describing capital assets, see Note 5.

G. Capitalized Interest

Interest costs are capitalized when incurred by proprietary funds on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. There were no funds affected in the year ended April 30, 2021.

H. Long-Term Debt and Bond Discounts/Premiums

In the government-wide and proprietary funds, outstanding debt is reported as liabilities. Bond discounts or premiums and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

I. Fund Equity

Beginning with fiscal year 2012, the City implemented GASB Statement No. 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

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

balances more transparent. The following classifications describe the relative strength of the spending constraints:

- ° 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 the City itself, using its highest level of decision-making authority (i.e., City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove the constraint.
- ° Assigned fund balance - amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority.
- ° Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council or the finance committee has provided otherwise in its commitment or assignment actions.

J. Net Position

Net positions represent the difference between assets and liabilities and deferred outflow / inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

1. Net investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.
2. Restricted net position - This amount is restricted by creditors, grantors, contributors, or laws or regulations of other governments.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3. Unrestricted net position - This is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

K. Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues for full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to all accrued vacation leave upon termination. Retirees are entitled to a percentage of their sick leave.

Police officers are not entitled to their proportionate sick leave balance until they retire or become disabled. However, these employees historically remain with the City until retirement. Selected management employees are entitled to all accrued sick and vacation leave balances at termination. The estimated liabilities include required salary-related payments. Compensated absences are reported as accrued in the government-wide and proprietary fund financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable.

L. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles as they relate to governmental entities requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

M. Deferred Inflows/Outflows of Resources

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

In addition to liabilities, the statement of financial position and balance sheet - governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS

Deposits

The City's deposits with local banks consist of the following at April 30, 2021:

	<u>CARRYING AMOUNT</u>	<u>BANK VALUE</u>
Governmental Activities:		
Cash and Cash Equivalents	\$ 10,188,212	\$ 10,489,761
Certificates of Deposit	3,000	3,000
Business-Type Activities:		
Cash and Cash Equivalents	4,386,787	5,148,295
Fiduciary Fund (Police Pension):		
Cash and Cash Equivalents	<u>647,070</u>	<u>647,195</u>
	<u>\$ 15,225,069</u>	<u>\$ 16,288,251</u>

*Custodial Credit Risk* - Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires collateral equal to 100 percent of the deposits which exceed the insurance limitation provided by the FDIC. The City's investment policy limits collateral to the following: U.S. government direct securities, obligations of federal agencies, obligations of federal instrumentalities, obligations of the State of Illinois, obligations of the City of Waterloo, letters of credit issued by a Federal Home Loan Bank, and acceptable collateral as identified in the Illinois Compiled Statutes for use by the Treasurer of the State of Illinois. The Police Pension Plan's investment policy requires collateral equal to 110 percent of the deposits which exceed the insurance limitation provided by the FDIC.

Of the bank balance at April 30, 2021, \$1,695,808 was covered by federal depository insurance, \$14,012,150 was covered by collateralized securities held by third-party institutions in the City's name, and \$580,293 was uncollateralized.

Investments

The City's investments consist of the following at April 30, 2021:

	<u>FAIR VALUE</u>	<u>COST</u>
Governmental Activities:		
IMET 1-3 Year Fund	\$ 497,668	\$ 500,000
Business-type Activities:		
IMET 1-3 Year Fund	<u>16,775,943</u>	<u>13,550,000</u>
Sub-Total (Carried Forward)	<u>17,273,611</u>	<u>14,050,000</u>

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (CONT'D)

	<u>FAIR VALUE</u>	<u>COST</u>
Sub-Total (Brought Forward)	\$ 17,273,611	\$ 14,050,000
Fiduciary Fund (Police Pension):		
Equity Mutual Funds	3,098,861	2,022,425
Corporate Bonds	1,355,839	1,296,263
U.S. Treasury Notes	1,021,597	998,135
U.S. Treasury Bonds	873,674	866,884
Federal Farm Credit Banks	122,403	111,327
Federal Home Loan Bank	105,195	104,606
Federal National Mortgage Association	10,277	9,905
Foreign Bonds, Notes and Debentures	73,697	66,507
Equity Exchange Traded Funds	174,714	144,402
	<u>6,836,257</u>	<u>5,620,454</u>
	<u>\$ 24,109,868</u>	<u>\$ 19,670,454</u>

The Illinois Metropolitan Investment Fund (IMET) is a quasi-intergovernmental entity created under the Intergovernmental Cooperation Act and the Illinois Municipal Code in 1996. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. IMET issues a publicly available financial report, which may be obtained at <http://www.investimet.com>.

The 1-3 Year Fund is designed as an investment vehicle for public funds not required to be spent in the near term and are available for investment in securities with slightly longer average maturities. Although the 1-3 Year Fund is designed for funds that may be invested for a year or more, there is no minimum investment term and there are no early withdrawal/redemption fees or penalties for funds invested for less than one year.

The 1-3 Year Fund provides 5 day liquidity, participants are able to redeem investment shares with 5 business days notice to the IMET Operations desk. The 1-3 Year Fund has a fluctuating net asset value (NAV) and an average portfolio maturity of one to three years. IMET invests exclusively in U.S. government backed securities (Treasuries and Agencies).

The Police Pension Plan's investment policy allows the Police Pension Board to invest in any type of security allowed for in Illinois Compiled Statutes (40 ILCS 5/1 -113.2 - 113.4) regarding the investment of pension funds. The policy also allows the Board to appoint investment advisors as defined in the Illinois Compiled Statutes (40 ILCS 5/1 - 101.4). Thus, the Board has entered into an agreement with an investment manager. Under the terms of the agreement, the investment manager has full power and authority to hold and manage all money and securities deposited with the investment manager.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (CONT'D)

*Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the holder of the investment. Both the City and Police Pension Plan limit their credit risk by investing in debt securities rated by Standard & Poor's and/or Moody's Investors Services as investment-grade.

Credit rating for the City's and Police Pension Plan's investments are as follow at April 30, 2021:

	STANDARD & POORS	MOODY'S INVESTORS SERVICES
IMET 1-3 Year Fund	Not Rated	Aaa
Corporate Bonds	AAA to BBB	Aaa to Baa3
U.S. Treasury Notes	AA	Aaa
U.S. Treasury Bonds	AA	Aaa
Federal Farm Credit Banks	AA+	Aaa
Federal Home Loan Bank	AA+	Aaa
Federal National Mortgage Association	AA+	Aaa

*Custodial Credit Risk* - Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to the investment, the City and Police Pension Plan will not be able to recover the value of its investment that is in possession of an outside party. The City's and Police Pension Plan's investment policies do not address custodial credit risk for investments. The City's IMET is not subject to custodial credit risk.

*Concentration of Credit Risk* - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's and Police Pension Plan's investment in a single issuer. The City's investment policy does not address concentration of credit risk. The City's investments were all invested in Illinois Metropolitan Investment Fund at April 30, 2021.

The Police Pension Plan's investment policy limits its concentration of credit risk by establishing diversification guidelines for its investment portfolio as follows:

ASSET CLASS	MINIMUM	MAXIMUM	ACTUAL AT APRIL 30, 2021
Equities	30%	45%	44%
Fixed Income	45%	70%	47%
Cash / Cash Equivalents	0%	10%	9%

The Police Pension Plan's investment portfolio totaled \$7,483,327 (which includes cash and cash equivalents) at April 30, 2021. The Plan's investment in a single issuer of 5 percent or more at April 30, 2021 consists of the following equity mutual funds: Vanguard High Dividend Yield Index = 7.54% and Vanguard Russell 1000 Index = 14.68%.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (CONT'D)

*Interest Rate Risk* - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's and the Police Pension Plan's investment policies do not specifically limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates.

Investments and maturities of the City's and Police Pension Plan's investments are as follows at April 30, 2021:

		SEGMENTED TIME DISTRIBUTION INVESTMENT MATURITIES IN YEARS			
		ON DEMAND			
	FAIR VALUE	OR <1	1-5	6-10	>10
Business-Type Activities:					
IMET 1-3 Year Fund	16,775,943	16,775,943	-	-	-
Fiduciary Fund (Police Pension):					
Equity Mutual Funds	3,098,861	3,098,861	-	-	-
Corporate Bonds	1,355,839	65,695	748,520	105,736	435,888
U.S. Treasury Notes	1,021,597	308,380	503,045	210,172	-
U.S. Treasury Bonds	873,674	-	150,377	129,273	594,024
Federal Farm Credit Banks	122,403	-	64,208	-	58,195
Federal Home Loan Bank	105,195	40,748	47,145	17,302	-
Federal National Mortgage Assoc.	10,277	-	10,277	-	-
Foreign Bonds, Notes & Debenture	73,697	-	61,636	-	12,061
Equity Exchange Traded Funds	174,714	174,714	-	-	-
	<u>6,836,257</u>	<u>3,688,398</u>	<u>1,585,208</u>	<u>462,483</u>	<u>1,100,168</u>
	<u>\$ 23,612,200</u>	<u>\$ 20,464,341</u>	<u>\$ 1,585,208</u>	<u>\$ 462,483</u>	<u>\$ 1,100,168</u>

The following table presents the valuation method for investments of the City measured at net asset value (NAV) per share as of April 30, 2021:

	FAIR VALUE	REDEMPTION FREQUENCY	REDEMPTION NOTICE PERIOD
Governmental Activities:			
IMET 1-3 Year Fund	\$ 497,668	Daily	5 Days
Business-Type Activities:			
IMET 1-3 Year Fund	<u>16,775,943</u>	Daily	5 Days
	<u>\$ 17,273,611</u>		



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (CONT'D)

The Illinois Metropolitan Investment Fund 1-3 Year Series is designed as an investment vehicle for funds not required to be spent in the short-term and which are available for investment in securities with average maturities and returns generally greater than those for money market instruments.

The IMET 1-3 Year Series comprises investments in U.S. Treasury obligations, U.S. government agency and agency-backed securities, and asset and mortgage-backed securities made on behalf of its participants. The Fund also comprises cash and money market mutual funds. The fair values of the underlying investments are used to determine NAV per share of the IMET 1-3 Year Fund investment.

NOTE 3. FAIR VALUE MEASUREMENTS

GASB Statement No. 72 Fair Value Measurement and Application, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table presents the fair value hierarchy for the balances of the investments of the City measured at fair value on a recurring basis as of April 30, 2021:

	FAIR VALUE	LEVEL 1	LEVEL 2	LEVEL 3
FIDUCIARY FUND (Police Pension):				
Equity Mutual Funds	\$ 3,098,861	\$ 3,098,861	\$ -	\$ -
Corporate Bonds	1,355,839	1,355,839	-	-
U.S. Treasury Notes	1,021,597	1,021,597	-	-
U.S. Treasury Bonds	873,674	873,674	-	-
Federal Farm Credit Banks	122,403	122,403	-	-
Federal Home Loan Bank	105,195	105,195	-	-
Federal National Mortgage Association	10,277	10,277	-	-
Foreign Bonds, Notes & Debentures	73,697	73,697	-	-
Equity Exchange Traded Funds	174,714	174,714	-	-
	<u>\$ 6,836,257</u>	<u>\$ 6,836,257</u>	<u>\$ -</u>	<u>\$ -</u>

Level 1 Fair Value Measurements

The fair value of investments in this category is based on quoted prices in active markets for identical assets.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 4. RECEIVABLES

Accounts receivable at April 30, 2021 consists of the following:

Garbage	\$ 130,380
Telecommunications Taxes	27,050
Video Gaming	23,884
Local Utility Taxes	69,274
Utility Bills	<u>2,329,066</u>
	<u>\$ 2,579,654</u>

There is no allowance for doubtful accounts as management expects utility deposits of \$211,675 sufficient to cover any uncollectible accounts receivable.

Taxes receivable of \$1,022,266 is comprised of sales, income, motor fuel tax and other intergovernmental revenue.

Real estate taxes are collected one year in arrears. Although levied in 2020 real estate taxes are collected subsequent to June 30, 2021. Accordingly, real estate taxes are reported as deferred revenue because they are not available to liquidate liabilities of the current period nor or they intended to do so.

Real estate taxes receivable are as follows:

Real Estate Taxes Receivable	\$ 1,456,810
Less Allowance for Uncollectible Accounts	<u>(3,642)</u>
Net Real Estate Taxes Receivable	<u>\$ 1,453,168</u>

NOTE 5. CAPITAL ASSETS

Changes in Capital Assets:

The following table provides a summary of changes in capital assets:

	CAPITAL ASSETS, NOT DEPRECIATED		
	LAND	CONSTRUCTION IN PROGRESS	TOTAL
<b>Governmental Activities</b>			
Balance at May 1, 2020	\$ 1,030,586	\$ 928,717	\$ 1,959,303
Increase	-	1,451,699	1,451,699
Decrease	-	<u>1,038,289</u>	<u>1,038,289</u>
Balance at April 30, 2021	<u>\$ 1,030,586</u>	<u>\$ 1,342,127</u>	<u>\$ 2,372,713</u>

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 5. CAPITAL ASSETS (CONT'D)

	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
Balance at May 1, 2020	\$ 5,119,514	\$ 29,008,874	\$ 6,216,840	\$ 40,345,228
Increases	518,422	519,877	447,664	1,485,963
Decreases	-	-	-	-
Balance at April 30, 2021	<u>5,637,936</u>	<u>29,528,751</u>	<u>6,664,504</u>	<u>41,831,191</u>
Accumulated Depreciation				
Balance at May 1, 2020	2,750,937	18,351,251	5,283,838	26,386,026
Increases	131,059	1,115,189	297,550	1,543,798
Decreases	-	-	-	-
Balance at April 30, 2021	<u>2,881,996</u>	<u>19,466,440</u>	<u>5,581,388</u>	<u>27,929,824</u>
Governmental Activities, Net	<u>\$ 2,755,940</u>	<u>\$ 10,062,311</u>	<u>\$ 1,083,116</u>	<u>\$ 13,901,367</u>
CAPITAL ASSETS, NOT DEPRECIATED				
<b>Business-Type Activities</b>	CONSTRUCTION			TOTAL
	LAND	IN PROGRESS		
Balance at May 1, 2020	\$ 3,102,166	\$ 749,058		\$ 3,851,224
Increases	215,871	715,706		931,577
Decreases	-	-		-
Balance at April 30, 2021	<u>\$ 3,318,037</u>	<u>\$ 1,464,764</u>		<u>\$ 4,782,801</u>
CAPITAL ASSETS, DEPRECIATED				
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
Balance at May 1, 2020	\$ 1,519,811	\$ 61,551,839	\$ 9,210,424	\$ 72,282,074
Increases	-	104,349	326,959	431,308
Decreases	-	-	-	-
Balance at April 30, 2021 (Carried Forward)	<u>\$ 1,519,811</u>	<u>\$ 61,656,188</u>	<u>\$ 9,537,383</u>	<u>\$ 72,713,382</u>

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 5. CAPITAL ASSETS (CONT'D)

	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND EQUIPMENT			TOTAL
	BUILDINGS	INFRASTRUCTURE		
Balance at April 30, 2021 (Brought Forward)	\$ 1,519,811	\$ 61,656,188	\$ 9,537,383	\$ 72,713,382
Accumulated Depreciation Balance at May 1, 2020	471,252	26,258,912	5,228,583	31,958,747
Increases	38,691	1,303,693	313,861	1,656,245
Decreases	-	-	-	-
Balance at April 30, 2021	509,943	27,562,605	5,542,444	33,614,992
Net Business-Type Capital Assets Depreciated	\$ 1,009,868	\$ 34,093,583	\$ 3,994,939	\$ 39,098,390
Governmental Activities:				
General Government			\$ 85,340	
Public Safety			130,062	
Highway and Streets			1,274,976	
Culture and Recreation			53,420	
			<u>\$ 1,543,798</u>	
Business-Type Activities:				
Electric Fund			\$ 781,789	
Gas Fund			192,631	
Water Fund			248,949	
Sewer Fund			432,876	
			<u>\$ 1,656,245</u>	

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 6. LONG-TERM LIABILITIES

A. Changes in Long-Term Debt:

The following is a summary of changes in long-term debt for the year ended April 30, 2021:

Governmental Activities

	BALANCE MAY 1, 2020	INCREASE	DECREASE	BALANCE APRIL 30, 2021
Compensated Absences	377,660	42,449	-	420,109
Net Pension Liability	4,606,539	-	1,025,832	3,580,707
Total Governmental Long-Term Liabilities	<u>4,984,199</u>	<u>42,449</u>	<u>1,025,832</u>	<u>4,000,816</u>

Business-Type Activities

Compensated Absences	616,737	4,419	-	621,156
Net Pension Liability (asset)	371,018	-	1,063,722	(692,704)
Total Business Long-Term Liability	<u>987,755</u>	<u>4,419</u>	<u>1,063,722</u>	<u>(71,548)</u>

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 6. LONG-TERM LIABILITIES (CONT'D)

B. Legal Debt Margin

At April 30, 2021, the legal debt margin of the City was as follows:

Assessed Valuation - 2020	\$ 306,081,628
Legal Debt Margin	<u>8.625%</u>
Debt Margin	\$ 26,399,540
Debt Outstanding	<u>-</u>
Legal Debt Margin	<u>\$ 26,399,540</u>

NOTE 7. DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Plan

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

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

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

*Employees Covered by Benefit Terms* . At December 31, 2020, the following employees were covered by the Plan:

Active	44
Inactive employees or beneficiaries currently receiving benefits	66
Inactive employees entitled to but not yet receiving benefits	9
Total	<u>119</u>

*Contributions* . As set by statute, the City's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2020 was 10.32 percent. For the fiscal year ended April 30, 2021, the City contributed \$334,343 to the plan. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Net Pension Liability* . The City's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial methods and assumption, applied to all periods included in the measurement:

## NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

Mortality

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Notes                      There were no benefit changes during the year.

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CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

ASSET CLASS	PORTFOLIO TARGET PERCENTAGE	LONG-TERM EXPECTED REAL RATE OF RETURN
Equities	37.00 %	5.00 %
International Equities	18.00	6.00
Fixed Income	28.00	1.30
Real Estate	9.00	6.20
Alternatives	7.00	
Private Entity		6.95
Hedge Funds		N/A
Commodities		2.85
Cash Equivalents	<u>1.00</u>	0.70
	<u><u>100.00</u></u> %	

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

*Changes in the City's Net Pension Liability.* Changes in the City's net pension liability for the year ended December 31, 2020, were as follows:

	TOTAL PENSION LIABILITY	PLAN FIDUCIARY NET POSITION	NET PENSION LIABILITY (ASSET)
Balance, December 31, 2019	<u>\$ 19,515,128</u>	<u>\$ 18,991,387</u>	<u>\$ 523,741</u>
Changes for the Year:			
Service Cost	349,839	-	349,839
Interest	1,393,446	-	1,393,446
Difference Between Expected and Actual Experience	238,621	-	238,621
Changes in Assumptions	(163,821)	-	(163,821)
Contributions-Employees	-	146,944	(146,944)
Contributions-Employer	-	336,993	(336,993)
Net Investment Income	-	2,650,312	(2,650,312)
Benefit Payments Including Refunds of Employee Contributions	(940,193)	(940,193)	-
Other (Net Transfer)	-	193,774	(193,774)
Net Changes	<u>877,892</u>	<u>2,387,830</u>	<u>(1,509,938)</u>
Balance, December 31, 2020	<u>\$ 20,393,020</u>	<u>\$ 21,379,217</u>	<u>\$ (986,197)</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liability calculated using the discount rate of 7.25 percent, as well as, what the net position liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	DISCOUNT RATE		NET PENSION LIABILITY (ASSET)
1% decrease	6.25	%	\$ 1,427,600
Current discount rate	7.25		(986,197)
1% increase	8.25		(2,932,510)

*Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources.* For the year ended April 30, 2021, the City recognized pension income of \$304,157. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference Between Expected and Actual Experience	\$ 307,662	\$ -
Changes in Assumption	89,273	120,250
Net Difference Between Projected and Actual Earnings on Plan Investments	868,454	2,447,140
Contributions After Measurement Date	<u>115,729</u>	<u>-</u>
Total	<u>\$ 1,381,118</u>	<u>\$ 2,567,390</u>

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

YEAR ENDING <u>DECEMBER 31,</u>	
2021	\$ (166,401)
2022	(149,566)
2023	(613,714)
2024	(256,591)
2025	-
Thereafter	-
Total	<u>\$ (1,186,272)</u>

NOTE 8. POLICE PENSION PLAN

*Plan Administration* - Police sworn personnel are covered by the police pension plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by the Illinois Compiled Statutes (chapter 40 ILCS 5/3-101) and may be amended only by the Illinois legislature.

The City accounts for the plan as a pension trust fund. The City does not, however, separately issue a financial report for the police pension plan.

Management of the police pension plan is vested in the City's Police Pension Board, which consists of five members - two elected by active plan members, one elected by retired members and two members appointed by the mayor.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 8. POLICE PENSION PLAN (CONT'D)

Plan membership at April 30, 2021, consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	10
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	3
Active Plan Members	<u>17</u>
 Total	 <u>30</u>

*Benefits Provided* - The Police Pension Plan provides retirement disability and death benefits. Benefits provided under the statute are summarized as follows:

Tier 1 - For police officers first entering Article 3 prior to January 1, 2011.

Tier 2 - For police officers first entering Article 3 after December 31, 2010.

**Normal Pension Amount**

Tier 1 - Age 50 with 20 or more years of creditable service. Pension is 50% of the greater of the annual salary held in the year proceeding retirement or the annual salary held on the last day of service, plus 2 1/2% of such annual salary for service from 20 to 30 years (maximum 25%).

Tier 2 - Age 55 with 10 or more years of creditable service. Pension is 2 1/2% of the final average salary for each year of service. Final Average Salary is the highest salary based on the highest consecutive 96 months of the final 120 months of service.

**Disability Pension Amount**

Line of duty - Greater of 65% of salary attached to rank at date of suspension or retirement and the retirement pension available. Minimum of \$1,000 per month.

Not on duty - 50% of salary attached to rank at date of suspension or retirement. Minimum of \$1,000 per month.

**Pension to Survivors**

Death of Retired Member

Tier 2 - 66 2/3 % of pension amount to surviving spouse (or dependent children), subject to the following increase: the lesser of 1/2 of the Consumer Price Index - Urban (CPI-U) or 3% of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount each January 1 thereafter.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 8. POLICE PENSION PLAN (CONT'D)

Death While in Service (Not in line of duty)

With 20 years of creditable service, the pension amount earned as of the date of death.

With between 10 and 20 years of creditable service, 50 percent of the salary attached to the rank for the year prior to the date of death.

Death in Line of Duty

100% of the salary attached to the rank for the last day of service year prior to date of death.

Minimum Survivor Pension

\$1,000 per month to all surviving spouses.

**Pension Increases**

Tier 1 - 3% increase each January 1.

Tier 2 - 3% increase of the original pension amount each January 1.

Disabled - 3% increase of the original amount each January 1.

*Contributions by Police Officer* - Covered employees are required to contribute 9.91 percent of their base salary to the police pension plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary.

*Contributions by the City* - The City files an annual report with the Illinois Department of Insurance in compliance with the Illinois Compiled Statute. The City also engages an actuary to determine the employer contributions in an amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended April 30, 2021, the City contributed, \$653,000 which was 46.97% of covered payroll.

*Investment Policy* - The Pension Plan's investment policy follows the investments permissible under the Illinois Compiled Statutes 40 ILCS 5/Illinois Pension Code.

*Rate of Return* - For the year ended April 30, 2021 the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.39 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 8. POLICE PENSION PLAN (CONT'D)

*Net Pension Liability of the City* - The components of the net pension liability of the City at April 30, 2021, were:

Total Pension Liability	\$ 12,064,604
Plan Fiduciary Net Position	(8,190,405)
City's Net Pension Liability	<u>\$ 3,874,199</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.89%
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*Actuarial Assumptions* - The total pension liability was determined by an actuarial valuation as of April 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Actuarial Valuation Method	5-year smoothed market, no corridor
Inflation	2.5 percent
Salary Increases	Graded rates from 4.86 % at age 25 to 1.12% at age 55, plus 2 percent inflation allowance
Investment Rate of Return	6.50%, net of pension plan investment expense, including inflation
Retirement Age	Active plan members were assumed to retire between the ages of 50 and 69
Mortality	For active plan members, rates were developed from the RP-2000 Combined Healthy Mortality Table (Male) with blue collar adjustment projected by Scale BB to 2015. For disabled plan members, rates were developed from the RP-2000 Combined Healthy Mortality Table (Male) with blue collar adjustment projected by Scale BB to 2015 with a 150% load for participants under age 50.
Other Information	There were no benefit changes during the year.

The long-term expected rate of return on pension plan investments was based on the city council's decision with the actuary and the long-term expected rate of return based on the investment portfolio as a whole.

*Discount Rate* - The discount rate used to measure the total pension liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 8. POLICE PENSION PLAN (CONT'D)

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* - The following presents the net pension liability of the City, calculated using the discount rate of 6.50 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% DECREASE (5.50%)	CURRENT DISCOUNT RATE (6.50%)	1% INCREASE (7.50%)
City's Net Pension Liability	\$ 5,789,891	\$ 3,874,199	\$ 2,332,121

*Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources*. For the year ended April 30, 2021, the City recognized pension expense of \$729,847. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to Police Pension from the following sources:

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference Between Expected and Actual Experience	\$ 1,378,835	\$ 906,395
Changes of assumptions	753,284	-
Difference Between Projected and Actual Investment	-	308,779
Total	<u>\$ 2,132,119</u>	<u>\$ 1,215,174</u>

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

YEAR ENDING APRIL 30,	
2022	\$ 215,012
2023	192,334
2024	174,839
2025	124,452
2026	187,093
Thereafter	23,215
Total	<u>\$ 916,945</u>

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 9. OTHER POSTEMPLOYMENT BENEFIT PLAN

**Plan Description** - The City of Waterloo defined other postemployment benefit plan (OPEB) is a single-employer defined benefit healthcare Plan that is administered by the City and covers retired employees of the City and their dependents. The Plan provides for the continuation of health care benefits for eligible retired employees. The City has the authority to establish and amend benefit provisions of the plan. The Plan does not issue a separate publicly available report.

**Benefits Provided** - The City provides to retirees the option to continue healthcare coverage under the City's group health program. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the IMRF.

At April 30, 2021, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Inactive	
Participants Entitled to But Not Yet Receiving Benefits	5
Active Participants	<u>59</u>
Total	<u>64</u>

**Contributions** - Retirees and their dependents may continue the coverage under the group health program by contributing one hundred percent (100%) of the blended average action group cost. The City pays one hundred percent (100%) of the cost of coverage for duty disabled police officers.

**Net OPEB Liability** - The components of the net OPEB liability of the plan at April 30, 2021, calculated in accordance with GASB Statement No. 75 were as follows:

Total OPEB Liability	\$ 1,233,253
Plan Fiduciary Net Position	<u>-</u>
Net OPEB Liability	<u>\$ 1,233,253</u>

Plan fiduciary net position as a percentage of the total OPEB Liability 0.00%

See the schedule of post-retirement benefits liability and related ratios in the required supplementary information for additional information related to the funded status of the plan.

**Actuarial Assumptions** - The total OPEB liability was determined by an actuarial valuation as of April 30, 2021, using the following actuarial assumptions:

Salary Increases	3.50%
Investment Rate of Return	N/A
Municipal Bond Index Rate	2.12%
(Unfunded Plan)	

Mortality RP2014 base rates projected using scale MP2020.

Healthcare Inflation 8.5%, grading down .50% per year until 4.5% is reached.



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 9. OTHER POSTEMPLOYMENT BENEFIT PLAN (CONT'D)

Changes in Net OPEB Liability - Changes in net OPEB liability calculated under GASB Statement No. 75 are as follows:

	TOTAL OPEB LIABILITY	PLAN FIDUCIARY NET POSITION	NET OPEB LIABILITY
Balance May 1, 2020	\$ 1,386,076	\$ -	\$ 1,386,076
Changes for the year:			
Service cost	96,935	-	96,935
Interest cost	39,675	-	39,675
Differences Between Expected & Actual Experience	(354,823)	-	(354,823)
Assumption changes	110,673	-	110,673
Contributions - Employer	-	45,283	45,283
Benefit payments	(45,283)	(45,283)	(90,566)
Net Changes	(152,823)	-	(152,823)
Balance April 30, 2021	\$ 1,233,253	\$ -	\$ 1,233,253

**Discount Rate** - The discount rate used to measure the total OPEB liability was 2.12%. Since the plan is unfunded, this is based on the 20-year muni index rate.

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** - The following presents the net OPEB liability of the plan, calculated using the discount rate of 2.91%, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

	DISCOUNT RATE	NET OPEB LIABILITY (ASSET)
1% decrease	1.91%	\$ 1,338,703
Current discount rate	2.91%	1,233,253
1% increase	3.91%	1,134,508

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates** - Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the plan, as well as, what the plan's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher:

	TREND RATE	NET OPEB LIABILITY (ASSET)
1% decrease	6.25%	\$ 1,082,721
Current discount rate	7.25%	1,233,253
1% increase	8.25%	1,411,171

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 9. OTHER POSTEMPLOYMENT BENEFIT PLAN (CONT'D)

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

For the year ended April 30, 2021 the City recognized OPEB expense of \$124,865. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Assumption Changes	<u>\$ 185,172</u>	<u>\$ (321,161)</u>

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

<u>YEAR ENDED APRIL 30,</u>	
2022	\$ (11,745)
2023	(11,745)
2024	(11,745)
2025	(11,745)
2026	(11,745)
Thereafter	<u>(77,264)</u>
	<u>\$ (135,989)</u>

NOTE 10. PROPERTY TAXES

The City's 2019 property tax levy was passed by the City on December 2, 2019. Property taxes attach as an enforceable lien on property as of January 1. Taxes were payable in two (2) installments on September 25, 2020 and November 6, 2020. Major tax payments were received by the City funds by April 30, 2021 for taxes payable in 2020.

The City's 2020 property tax levy was passed by the Board on November 16, 2020.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 11. COMMITMENTS AND CONTINGENCIES

A. Water Treatment Facility

The City is planning to construct a 3.25 million gallon water treatment facility.

Well site, plant site, and easements have been purchased as of April 30, 2021.

The City has approved a professional services agreement relative to the acquisition of easements with a total cost not to exceed \$145,000. As of April 30, 2021, \$128,056 has been expended.

The City has approved a professional services agreement for designing and bidding a 3.25 million gallon water treatment facility at a cost not to exceed \$1,145,000. As of April 30, 2021, \$858,803 has been expended.

B. Federal and State Grants

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authorities, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

C. State Motor Fuel Fund

This fund is under the direct supervision of state authorities and is subject to audit and review by them. Therefore, this report does not constitute final approval. Under current procedures, the allotments of the City are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois.

NOTE 12. RISK MANAGEMENT

The City is a member of the Illinois Municipal League Risk Management Association, a public entity risk pool, currently operating as a common risk management and insurance program. The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by their participation in a public entity risk pool. Whenever the pool determines that the assets of the fund are less than the reserves which would be required to be maintained by the fund, then the fund shall assess each public agency member the amount necessary to correct the deficiency. Each assessment will be prorated based upon the public agencies' annual contributions, provided

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 12. RISK MANAGEMENT (CONT'D)

that in no event shall the annual total of any assessment exceed 10 percent of the gross annual premium or contributions to the fund during the most recent year. The premium for the year ended April 30, 2021 was \$345,955. In the opinion of the City officials, no additional liability will be incurred. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in the prior year.

NOTE 13. CONCENTRATIONS

Management expects that approximately \$600,000 in sales tax revenue is derived from the Wal-Mart Super Center located within the corporate limits.

The City also had approximately \$348,580 in gross utility revenue from Wal-Mart in the Proprietary fund.

Included in charges for services within governmental revenue is \$902,116 in administrative fees received from the Proprietary funds (Electric, Gas, Water and Sewer).

NOTE 14. INTERFUND TRANSFERS/LOANS

The Electric Fund loaned the Sewer Fund \$700,000 for purposes of retiring the debt to the Illinois Environmental Protection Agency, of which \$350,000 remains outstanding at 4/30/21.

NOTE 15. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds incurred expenditures in excess of appropriations in the following amounts for the year ended April 30, 2021:

<u>FUND</u>	<u>DEPARTMENT</u>	<u>OBJECT CATEGORY</u>	<u>EXCEEDING APPROPRIATIONS</u>
General Fund	Finance	Sick Leave	\$ 321
General Fund	Finance	Vacation Leave	94
General Fund	Finance	Health Insurance Reimbursement	649
General Fund	Zoning/Building Inspector	Sick Leave	8,630
General Fund	Zoning/Building Inspector	Vacation Leave	7,307
General Fund	Zoning/Building Inspector	Unemployment Insurance	8
General Fund	Zoning/Building Inspector	FICA	90
General Fund	Zoning/Building Inspector	IMRF	1,008
General Fund	Records	Vacation Leave	499
General Fund	Records	Recording Fees	685
General Fund	Police	Clothing Allowance	132
General Fund	Streets and Alleys	Vacation Leave	1,549
General Fund	Streets and Alleys	Communications	17
General Fund	Streets and Alleys	Construction Materials	130

The excess expenditures were covered by available fund balance in the funds.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2021

NOTE 16. LEASE REVENUE

The City has a lease agreement with Verizon Wireless for rental of a parcel of property on which communications equipment will be stationed. The terms of this agreement are based on 5 year increments. After each 5 year period, the next term will be automatically renewed unless canceled by either party. Rent under this agreement will be paid in annual installments of \$9,000 and increase at each renewal date as set forth in the lease. This lease was amended to provide additional space at a total cost of \$4,800 for the initial term. The lease provides for annual increases.

The City has a lease agreement with Sprint Spectrum L.P. for rental of a parcel of property on which communications equipment will be stationed. The terms of this agreement are based on 5 year increments. After each 5 year period, the next term will be automatically renewed for 5 years unless canceled by either party. Rent under this agreement will be paid in annual installments of \$7,000 and increase at each renewal date as set forth in the lease.

Minimal rentals on leases for the next five years are as follows:

5/1/21 - 4/30/22	\$	32,805
5/1/22 - 4/30/23		32,805
5/1/23 - 4/30/24		35,566
5/1/24 - 4/30/25		35,566
5/1/25 - 4/30/26		35,566

The leases included in the balance shown in the previous schedule include rental amounts that are determined annually based on formulas prescribed in the individual lease agreements. The minimum future rentals for these leases were determined using the rates in effect at April 30, 2021.

NOTE 17. NEW ACCOUNTING PRONOUNCEMENTS

During the current fiscal year, the City adopted Statement No. 84, Fiduciary Activities. The adoption of this new accounting pronouncement had no effect on the City's financial statements.

NOTE 18. SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact the operating revenues. Other financial impact could occur though such potential impact is unknown at this time.

## **REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF WATERLOO, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
APRIL 30, 2021

LAST 10 CALENDAR YEARS (SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2014)

Calendar Year Ending December 31,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>TOTAL PENSION LIABILITY:</b>										
Service Cost	\$ 349,839	\$ 328,098	\$ 316,253	\$ 341,104	\$ 349,687	\$ 323,114				
Interest on the Total Pension Liability	1,393,446	1,325,447	1,249,990	1,233,973	1,208,003	1,132,785				
Benefit Changes	-	-	-	-	-	-				
Difference Between Expected and Actual Experience	238,621	162,941	350,276	(38,812)	(522,498)	236,500				
Assumption Changes	(163,821)	-	509,057	(567,969)	(40,678)	40,371				
Benefit Payments and Refunds	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)				
Net Change in Total Pension Liability	877,892	977,813	1,632,230	277,020	311,752	1,015,357				
Total Pension Liability - Beginning	19,515,128	18,537,315	16,905,085	16,628,065	16,316,313	15,300,956				
Total Pension Liability - Ending (a)	20,393,020	19,515,128	18,537,315	16,905,085	16,628,065	16,316,313				
<b>PLAN FIDUCIARY NET POSITION:</b>										
Employer Contributions	336,993	254,673	328,734	340,217	360,379	468,089				
Employee Contributions	146,944	140,962	137,227	135,605	133,474	131,980				
Pension Plan Net Investment Income	2,650,312	3,030,965	(882,965)	2,625,678	994,458	71,203				
Benefit Payments and Refunds	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)				
Other	193,774	94,995	358,953	(194,275)	(131,549)	16,808				
Net Change in Plan Fiduciary Net Position	2,387,830	2,682,922	(851,397)	2,215,949	674,000	(29,333)				
Plan Fiduciary Net Position - Beginning	18,991,387	16,308,465	17,159,862	14,943,913	14,269,913	14,299,246				
Plan Fiduciary Net Position - Ending (b)	\$ 21,379,217	\$ 18,991,387	\$ 16,308,465	\$ 17,159,862	\$ 14,943,913	\$ 14,269,913				
Net Pension Liability/(Asset) - Ending (a)-(b)	\$ (986,197)	\$ 523,741	\$ 2,228,850	\$ (254,777)	\$ 1,684,152	\$ 2,046,400				
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.84%	97.32%	87.98%	101.51%	89.87%	87.46%				
Covered Valuation Payroll	\$ 3,265,434	\$ 3,132,508	\$ 3,049,475	\$ 3,013,449	\$ 2,966,080	\$ 2,932,889				
Net Pension Liability as a Percentage of Covered Valuation Payroll	-30.20%	16.72%	73.09%	-8.45%	56.78%	69.77%				

CITY OF WATERLOO, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
MULTIYEAR SCHEDULE OF CONTRIBUTIONS  
APRIL 30, 2021

LAST 10 CALENDAR YEARS

CALENDAR YEAR ENDING DECEMBER 31,	ACTUARIALLY DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION	CONTRIBUTION DEFICIENCY (EXCESS)	COVERED VALUATION PAYROLL	ACTUAL CONTRIBUTION AS A % OF COVERED VALUATION PAYROLL
2015	\$ 468,089	\$ 468,089	\$ -	\$ 2,932,889	15.96%
2016	360,379	360,379	-	2,966,080	12.15%
2017	340,218	340,217	1	3,013,449	11.29%
2018	328,733	328,734	(1)	3,049,475	10.78%
2019	254,986	254,673	313	3,132,508	8.13%
2020	336,993	336,993	-	3,265,434	10.32%



CITY OF WATERLOO, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
NOTES TO SCHEDULE OF CONTRIBUTIONS  
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2020 CONTRIBUTION RATE\*  
APRIL 30, 2021

**Valuation Date:**

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

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

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 23-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (three employers were financed over 27 years and four others were financed over 28 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes There were no benefit changes during the year.

\*Based on Valuation Assumptions used in the December 31, 2018 actuarial valuation

CITY OF WATERLOO  
MULTIYEAR SCHEDULE OF POST RETIREMENT BENEFITS  
GASB 75 HISTORICAL NET OPEB LIABILITY

LAST 10 CALENDAR YEARS  
(schedule to be built prospectively from 2018)

Calendar year ending April 30,

**Total OPEB Liability**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Discount Rate	0.00%	0.00%	0.00%	0.00%						
Service Cost	\$ 96,935	\$ 83,870	\$ 78,330	\$ -						
Interest Cost	39,675	46,023	44,905	-						
Plan Amendments	-	(20,350)	-	-						
Actuarial Losses/(Gains)	(354,823)	-	-	-						
Assumption Changes	110,673	92,135	17,522	-						
Benefit Payments	(45,283)	(59,880)	(55,189)	-						
<b>Net Change in Total OPEB Liability</b>	<b>(152,823)</b>	<b>141,798</b>	<b>85,568</b>	<b>-</b>						
<b>Total OPEB Liability - Beginning</b>	<b>1,386,076</b>	<b>1,244,278</b>	<b>1,158,710</b>	<b>-</b>						
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 1,233,253</b>	<b>\$ 1,386,076</b>	<b>\$ 1,244,278</b>	<b>\$ -</b>						

**Plan Fiduciary Net Position**

Employer Contributions	\$ 45,283	\$ 59,880	\$ 55,189	\$ -						
Employee Contributions	-	-	-	-						
Net Investment Income	-	-	-	-						
Benefit Payments	(45,283)	(59,880)	(55,189)	-						
Administrative Expenses	-	-	-	-						
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>						
<b>Plan Fiduciary Net Position - Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>						
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>						
<b>Net OPEB Liability/(Asset) -Ending (a)-(b)</b>	<b>\$ 1,233,253</b>	<b>\$ 1,386,076</b>	<b>\$ 1,244,278</b>	<b>\$ -</b>						
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%	0.00%	0.00%							
Covered Valuation Payroll	\$ 4,212,520	\$ 4,162,934	\$ 4,022,159	\$ -						
Net OPEB Liability as a Percentage of Covered Valuation Payroll	29.28%	33.30%	30.94%							

CITY OF WATERLOO  
MULTIYEAR SCHEDULE OF EMPLOYER PAID CONTRIBUTIONS  
POST RETIREMENT BENEFITS

LAST 10 CALENDAR YEARS

<u>YEAR</u> <u>ENDING</u> <u>APRIL 30,</u>	<u>ACTUARIALLY</u> <u>DETERMINED</u> <u>CONTRIBUTION</u>	<u>ACTUAL</u> <u>CONTRIBUTION</u>	<u>CONTRIBUTION</u> <u>DEFICIENCY</u> <u>(EXCESS)</u>	<u>COVERED</u> <u>VALUATION</u> <u>PAYROLL</u>	<u>ACTUAL CONTRIBUTION</u> <u>AS A % OF COVERED</u> <u>VALUATION PAYROLL</u>
2019	\$ 55,189	\$ 55,189	\$ -	\$ 4,022,159	1.37%
2020	59,880	59,880	-	4,162,934	1.44%
2021	45,283	45,283	-	4,212,520	1.07%

CITY OF WATERLOO  
NOTES TO THE SCHEDULE OF POST RETIREMENT BENEFITS  
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2021 TOTAL OPEB LIABILITY  
POST RETIREMENT BENEFITS

**Methods and Assumptions Used to Determine the 2021 Total OPEB Liability:**

Funding Method	Entry Age Normal Cost Method - A method under which the actuarial present value of the projected benefits of each active participant is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to the valuation year is called the Normal Cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the Actuarial Accrued Liability.										
Mortality Rates	<p>Pre-Retirement: Males: RP-2014 Healthy Employee Table for males, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Females: RP-2014 Healthy Employee Table for females, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Post-Retirement: Males: RP-2014 Healthy Employee Table for males, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Females: RP-2014 Healthy Employee Table for females, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p>										
Discount Rate	2.12%										
Salary Appreciation	Increase Rate: 3.5% per annum; compounded annually (includes 1.75% merit component)										
Assumed Retirement Age	Age 56 and the completion of 20 Years of Service but not later than Age 60 with 10 Years of Service.										
Termination prior to Retirement other	<p>T-1 Actuary's Table, Sample Values:</p> <table> <tr> <th><u>Age</u></th><th><u>Probability of Termination</u></th></tr> <tr> <td>20</td><td>0.054417</td></tr> <tr> <td>30</td><td>0.037056</td></tr> <tr> <td>40</td><td>0.011306</td></tr> <tr> <td>50+</td><td>0.000000</td></tr> </table>	<u>Age</u>	<u>Probability of Termination</u>	20	0.054417	30	0.037056	40	0.011306	50+	0.000000
<u>Age</u>	<u>Probability of Termination</u>										
20	0.054417										
30	0.037056										
40	0.011306										
50+	0.000000										
Healthcare Inflation	Initial rate of 7.25%, grading down .25% per year until an ultimate rate of 4.5% is reached.										
Plan Assets and Funding Policy	There are no designated plan assets to pay benefits. Benefits are paid on a pay-as-you-go basis.										

CITY OF WATERLOO  
NOTES TO THE SCHEDULE OF POST RETIREMENT BENEFITS  
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2021 TOTAL OPEB LIABILITY  
POST RETIREMENT BENEFITS

**Methods and Assumptions Used to Determine the 2021 Total OPEB Liability Continued:**

Monthly Health Plan Premium  
Costs (Blended)

<u>Coverage</u>	<u>Medical</u>	<u>Dental &amp; Vision</u>
Employee Only	\$ 798.88	\$ 35.57
Employee Plus Spouse	1,675.67	73.90
Employee Plus Children	1,491.11	70.66
Family	2,367.89	118.25

Dental Costs are included above and are assumed to not be age weighted. For Medicare retirees, there is an employer liability for dental costs only.

Medical Premiums are age weighted for retirees based on the 2013 Society of Actuaries commissioned paper, "Health Care Costs-From Birth to Death", published in June 2013. The 5-year age weight bands are based on a 50% male/50% female claim distribution split, as follows:

<u>Age Group</u>	<u>Age Weight</u>
Less than 20	0.5435
20-24	0.5095
25-29	0.6660
30-34	0.8400
35-39	0.9230
40-44	1.0170
45-49	1.1825
50-54	1.4630
55-59	1.7875
60-64	2.2085

Coverage Election

It is assumed that 100% of active plan members who retiree and are eligible elect plan coverage.

Marital Status

Assumed 80% are married,  
Spouse is assumed to be 3 years younger than the participant.

Covered Lives for Claim Cost  
Development

For actives and retirees who are not married, it is assumed there are no covered dependents. For married actives, it is assumed there are 1.5 covered dependents on average. For married retirees, it is assumed there is 1 covered dependent.

Expense Load

Included in retiree per capita costs.

CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2021

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>TOTAL PENSION LIABILITY:</b>										
Service Cost	\$ 347,712	\$ 350,827	\$ 350,827	\$ 329,507	\$ 246,585	\$ 268,414	\$ 282,417			
Interest on the Total Pension Liability	741,317	631,372	633,007	551,919	505,436	500,155	382,427			
Changes of Benefit Terms	-	-	-	-	-	-	-			
Difference Between Expected and Actual Experience	209,748	476,317	(960,117)	669,634	226,932	(465,422)	790,465			
Changes of Assumptions	-	728,347	-	-	-	-	561,107			
Changes of Benefit Terms	-	27,379								
Benefit Payments	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)			
Net Change in Total Pension Liability	716,098	1,757,596	(292,665)	1,258,353	739,569	96,054	1,812,781			
Total Pension Liability - Beginning	11,348,506	9,590,910	9,883,575	8,625,222	7,885,653	7,789,599	5,976,818			
Total Pension Liability - Ending	12,064,604	11,348,506	9,590,910	9,883,575	8,625,222	7,885,653	7,789,599			
<b>PLAN FIDUCIARY NET POSITION:</b>										
Employer Contributions	653,000	500,000	538,000	418,000	405,000	441,000	380,000			
Employee Contributions	146,383	106,943	121,205	107,693	79,999	96,824	94,024			
Pension Plan Net Investment Income	1,101,477	180,516	294,505	236,870	295,773	(44,528)	156,597			
Benefit Payments and Refunds	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)			
Other	(22,466)	(28,081)	(28,180)	(28,180)	(16,893)	(17,115)	(18,460)			
Net Change in Plan Fiduciary Net Position	1,295,715	302,732	609,148	441,676	524,495	269,088	408,526			
Plan Fiduciary Net Position - Beginning	6,894,690	6,591,958	5,982,810	5,541,134	5,016,639	4,747,551	4,339,025			
Plan Fiduciary Net Position - Ending	\$ 8,190,405	\$ 6,894,690	\$ 6,591,958	\$ 5,982,810	\$ 5,541,134	\$ 5,016,639	\$ 4,747,551			
Net Pension Liability/(Asset)	\$ 3,874,199	\$ 4,453,816	\$ 2,998,952	\$ 3,900,765	\$ 3,084,088	\$ 2,869,014	\$ 3,042,048			
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	67.89%	60.75%	68.73%	60.53%	64.24%	63.62%	60.95%			
Covered Valuation Payroll	\$ 1,390,236	\$ 1,340,280	\$ 1,382,122	\$ 1,262,314	\$ 871,922	\$ 914,496	\$ 987,469			
Net Pension Liability as a Percentage of Covered Valuation Payroll	278.67%	332.30%	216.98%	309.02%	353.71%	313.73%	308.07%			

CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2021

MULTIYEAR SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS

FISCAL YEAR ENDING APRIL 30,	ACTUARIALLY DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION	CONTRIBUTION DEFICIENCY (EXCESS)	COVERED VALUATION PAYROLL	ACTUAL CONTRIBUTION AS A % OF COVERED VALUATION PAYROLL
2021	\$ 652,568	\$ 653,000	\$ (432)	\$ 1,390,236	46.97%
2020	479,637	500,000	(20,363)	1,340,280	37.31%
2019	534,652	538,000	(3,348)	1,262,314	42.62%
2018	412,129	418,000	(5,871)	871,922	47.94%
2017	402,177	405,000	(2,823)	914,496	44.29%
2016	440,707*	441,000	(293)	967,469	45.58%
2015	380,000*	380,000	-	873,150	43.52%

\* Estimate based on the prior year actuarial evaluation.

CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2021

SCHEDULE OF INVESTMENT RETURNS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Annual Money - Weighted Rate of Return, Net of Investment Expense	3.09%	-1.25%	5.43%	3.69%	4.33%	3.29%	17.39%	-	-	-



CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2021

NOTES TO SCHEDULE OF CONTRIBUTIONS

**Valuation Date:** Actuarially determined contributions are calculated as of May 1 of each year prior to the beginning of the year in which contributions are reported.

**Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar
Amortization Period	Ends in fiscal year 2041
Asset Valuation Method	5-year smoothed market, no corridor
Salary Increases	Graded rates from 4.86% at age 25 to 1.12 % at age 55, plus 2.0% inflation allowance
Payroll Growth	3.50% per year
Investment Rate of Return	6.50% per year
Retirement Age	

<u>AGE</u>	<u>RATE OF RETIREMENT</u>	<u>AGE</u>	<u>RATE OF RETIREMENT</u>
50	0.36	60	0.22
51	0.22	61	0.30
52	0.18	62	0.39
53	0.19	63	0.48
54	0.19	64	0.57
55	0.20	65	0.65
56	0.20	66	0.74
57	0.20	67	0.83
58	0.21	68	0.91
59	0.21	69	1.00

Mortality Active Lives  
RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment  
projected by Scale BB to 2015

Disabled Lives  
RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment  
projected by Scale BB to 2015 with a 150% load for participants under age 50

**Other Information:** There were no benefit changes during the year.

Municipal Contributions at 100% based upon 5-year historical average. Contributions are assumed to be based upon the ARC or ADEC calculated two years prior. A detailed description of the actuarial assumptions and methods can be found in the May 1, 2019 actuarial valuation report.

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS (BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUE:				
Property Tax IMRF/FICA	\$ 114,800	\$ 114,800	\$ 114,218	\$ (582)
Property Tax Road and Bridge	55,000	55,000	54,722	(278)
Property Tax Gen. Corporate	250,000	250,000	248,734	(1,266)
Liquor License	22,000	22,000	21,770	(230)
Franchise License	130,000	125,000	120,442	(4,558)
Utility Franchise	923,000	867,000	902,116	35,116
Infrastructure Fee	191,000	172,000	170,799	(1,201)
Fees and Permits	110,000	110,000	113,801	3,801
Inspection Fees	20,000	15,000	15,000	-
State Income Tax	1,528,000	1,666,000	1,732,736	66,736
State Replacement Tax	61,500	58,000	67,771	9,771
Mobile Home Taxes	5	5	6	1
Cops Grant/SRO Officer	57,000	67,555	67,556	1
Grant	-	450,100	450,085	(15)
Sales Tax	2,350,000	2,420,000	2,477,442	57,442
Business District Tax	50,000	59,000	59,910	910
Video Gaming	146,000	86,000	95,787	9,787
Cannabis Use Tax	-	7,500	8,888	1,388
Court Fines	50,000	35,000	33,077	(1,923)
Penalties on Service	10,000	5,600	5,543	(57)
Refuse Fees	845,500	842,500	837,032	(5,468)
Utility Bill Adjustment	(250)	(250)	(101)	149
Interest Income	140,000	20,000	19,111	(889)
Tower Rental	32,800	32,800	32,805	5
Sundry Income	6,000	6,000	6,250	250
Donations	31,000	18,000	22,523	4,523
Asset Seizure	-	12,500	12,521	21
Hotel/Motel Tax	21,000	14,000	15,210	1,210
Miscellaneous	500	6,700	7,038	338
Total Revenue	<u>\$ 7,144,855</u>	<u>\$ 7,537,810</u>	<u>\$ 7,712,792</u>	<u>\$ 174,982</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>EXPENDITURES:</b>				
Legislative				
Mayor	\$ 26,000	\$ 26,000	\$ 24,224	\$ 1,776
Aldermen	135,000	130,000	122,531	7,469
FICA	12,500	12,500	11,227	1,273
Professional Services	36,000	36,000	35,043	957
Communications	5,000	5,000	3,471	1,529
Printing and Publishing	7,000	7,000	6,688	312
Membership and Dues	12,000	12,000	11,600	400
Training	14,500	-	-	-
Books and Publications	500	500	458	42
Bad Debt Expense	2,000	2,000	1,673	327
Insurance and Bonds	400	400	335	65
Sales Tax Rebate	50,000	50,000	48,939	1,061
Miscellaneous	15,000	11,000	8,991	2,009
Office Supplies	200	200	90	110
Capital Projects	-	-	-	-
Legislative Total Expense	<u>316,100</u>	<u>292,600</u>	<u>275,270</u>	<u>17,330</u>
Finance				
District of Public Works	26,000	27,000	26,795	205
Finance Director	22,000	22,000	21,845	155
Clerical	63,000	65,000	64,116	884
Human Resource	12,000	10,000	9,192	
Part-Time Salaries	5,600	5,000	4,200	800
Over-Time Salaries	2,000	2,000	1,357	643
Sick Leave	3,500	4,800	5,121	(321)
Vacation Leave	11,000	8,000	8,094	(94)
Treasurer	8,900	8,900	8,850	50
Health Insurance	29,000	20,000	13,430	6,570
Health Insurance Reimbursement	15,000	20,000	20,649	(649)
Unemployment Insurance	250	250	184	66
FICA	12,500	12,500	11,213	1,287
IMRF	14,500	14,500	13,926	574
Bank Charges	1,000	1,000	703	297
Clothing Allowance	1,500	1,500	1,287	213
Sub-Total (Carried Forward)	<u>\$ 227,750</u>	<u>\$ 222,450</u>	<u>\$ 210,962</u>	<u>\$ 10,680</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Sub-Total (Brought Forward)	\$ 227,750	\$ 222,450	\$ 210,962	\$ 10,680
Equipment Rental and Service	2,400	2,400	2,158	242
Professional Services	3,200	3,200	2,436	764
Postage	1,600	1,600	652	948
Communications	19,500	19,500	18,735	765
Printing and Publishing	1,500	1,500	790	710
Membership and Dues	600	600	409	191
Training	4,000	500	114	386
Insurance and Bonds	12,000	12,000	10,549	1,451
Miscellaneous	500	500	45	455
Office Supplies	5,000	5,000	2,694	2,306
Department Supplies	1,600	1,600	936	664
Equipment - Office	9,000	9,000	6,100	2,900
Furniture and Fixtures	2,000	-	-	-
Information Systems	13,000	13,000	10,937	2,063
Tourism	13,000	13,000	7,850	5,150
Finance Total Expenses	<u>316,650</u>	<u>305,850</u>	<u>275,367</u>	<u>29,675</u>
Building				
Building Repairs	10,000	15,000	6,187	8,813
Equipment Rental and Service	50,000	50,000	25,228	24,772
Professional Services	3,500	3,500	2,990	510
Independent Contractor	24,000	24,000	23,279	721
Utilities	62,000	64,000	62,860	1,140
Janitorial Supplies	2,000	2,000	1,739	261
Fuels	1,000	1,000	312	688
Equipment	11,500	11,500	7,565	3,935
Furniture and Fixtures	6,000	6,000	5,163	837
Building Total Expenses	<u>170,000</u>	<u>177,000</u>	<u>135,323</u>	<u>41,677</u>
Legal				
Legal	175,000	120,000	88,329	31,671
Legal Total Expenses	<u>\$ 175,000</u>	<u>\$ 120,000</u>	<u>\$ 88,329</u>	<u>\$ 31,671</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Zoning/Building Inspector				
Planning Commission	\$ 6,420	\$ 6,420	\$ 2,000	\$ 4,420
Zoning Board	6,180	6,420	2,960	3,460
Zoning Officer	76,500	80,000	78,041	1,959
Building Inspector	54,500	54,500	46,824	7,676
Part-Time Salaries	500	-	-	-
Sick Leave	4,000	4,000	12,630	(8,630)
Vacation Leave	8,500	8,500	15,807	(7,307)
Health Insurance	58,000	54,000	49,751	4,249
Health Insurance Reimbursement	8,000	8,000	4,633	3,367
Unemployment Insurance	200	200	208	(8)
FICA	11,700	12,000	12,090	(90)
IMRF	14,600	14,600	15,608	(1,008)
Vehicle Maintenance and Repair	1,500	2,000	1,124	876
Professional Services	40,000	75,000	70,349	4,651
Postage	1,100	100	50	50
Communications	1,300	1,300	1,087	213
Printing and Publishing	100	100	73	27
Membership and Dues	200	500	348	152
Training	2,000	1,000	350	650
Books and Publications	500	500	-	500
Insurance and Bonds	9,000	9,000	8,226	774
Miscellaneous	500	500	-	500
Office Supplies	2,000	2,000	1,530	470
Vehicle Fuel and Lube	1,500	1,500	995	505
Equipment - Office	2,000	3,000	2,508	492
Information Systems	1,500	1,500	1,200	300
Zoning/Building Inspector				
Total Expenses	<u>\$ 312,300</u>	<u>\$ 346,640</u>	<u>\$ 328,392</u>	<u>\$ 18,248</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Records				
Deputy City Clerk	\$ 56,000	\$ 58,500	\$ 56,076	\$ 2,424
Over-Time Salaries	500	500	-	500
Sick Leave	2,000	2,000	1,073	927
Vacation Leave	5,400	5,400	5,899	(499)
City Clerk	18,000	18,000	16,783	1,217
Health Insurance	17,000	12,000	10,522	1,478
Health Insurance Reimbursement	4,600	4,600	3,971	629
Unemployment Insurance	100	100	87	13
FICA	6,100	6,500	5,909	591
IMRF	6,300	6,500	6,434	66
Clothing Allowance	250	300	215	85
Equipment Repairs	200	200	-	200
Professional Services	7,000	7,000	2,878	4,122
Postage	100	100	50	50
Printing and Publishing	5,000	5,000	3,121	1,879
Membership and Dues	100	100	30	70
Training	3,500	100	(40)	140
Books and Publications	100	100	-	100
Insurance and Bonds	400	400	179	221
Recording Fees	1,500	1,500	2,185	(685)
Miscellaneous	100	100	-	100
Office Supplies	500	500	189	311
Equipment - office	500	1,500	1,157	343
Information systems	500	-	-	-
Records Total Expenses	<u>\$ 135,750</u>	<u>\$ 131,000</u>	<u>\$ 116,718</u>	<u>\$ 14,282</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	
Police				
Regular Salaries	\$ 1,320,000	\$ 1,350,000	\$ 1,320,250	\$ 29,750
Part-Time Salaries	23,000	10,000	9,195	805
PEDA Salaries	-	10,000	7,710	2,290
Over-Time Salaries	50,000	30,000	26,674	3,326
Sick Leave	35,000	50,000	43,334	6,666
Vacation Leave	83,000	75,000	72,610	2,390
Holiday	65,000	100,000	98,479	1,521
Health Insurance	370,000	310,000	304,701	5,299
Health Insurance Reimbursement	45,000	45,000	31,068	13,932
Unemployment Insurance	1,600	2,000	1,835	165
FICA	115,000	125,000	115,242	9,758
IMRF	6,100	6,200	6,148	52
Clothing Allowance	16,500	16,500	16,632	(132)
Vehicle Maintenance and Repair	20,000	20,000	16,497	3,503
Equipment Rental and Service	3,000	3,000	2,457	543
Postage	500	500	278	222
Communications	203,000	203,000	201,853	1,147
Printing and Publishing	1,000	1,000	781	219
Membership and Dues	13,500	13,500	12,039	1,461
Training	15,500	20,500	19,379	1,121
Books and Publications	1,200	1,200	-	1,200
Insurance and Bonds	110,000	100,000	96,011	3,989
Miscellaneous	3,000	3,000	180	2,820
Office Supplies	5,000	5,000	3,061	1,939
Department Supplies	6,500	8,500	8,322	178
Vehicle Fuel and Lube	36,000	33,000	31,358	1,642
Ammunition	2,000	2,000	1,959	41
Canine	10,000	-	-	-
Equipment - Office	4,000	5,150	5,102	48
Equipment - New	37,500	65,100	64,052	1,048
Equipment - Vehicle	57,000	136,000	135,241	759
Information Systems	52,000	52,000	49,028	2,972
Community Relations	3,500	3,500	1,530	1,970
DARE Fund	4,000	4,000	538	3,462
DUI Fund	7,000	7,000	5,284	1,716
Police Total Expenses	<u>\$ 2,725,400</u>	<u>\$ 2,816,650</u>	<u>\$ 2,708,828</u>	<u>\$ 107,822</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Emergency Management Agency				
ESDA Coordinator	\$ 6,000	\$ 6,000	\$ 5,760	\$ 240
Unemployment Insurance	100	100	37	63
FICA	500	500	441	59
IMRF	-	-	-	-
Vehicle Maintenance and Repair	500	-	-	-
Postage	100	100	50	50
Communications	300	300	216	84
Training	200	200	-	200
Vehicle Fuel and Lube	100	-	-	-
Equipment - New	-	17,600	17,506	94
Emergency Management Agency Total Expenses	<u>7,800</u>	<u>24,800</u>	<u>24,010</u>	<u>790</u>
Police Commission				
Legal	1,000	1,000	-	1,000
Officer Candidates Testing	1,000	1,000	200	800
Testing for Officer Hiring	5,000	5,000	1,423	3,577
Printing and Publishing	100	100	-	100
Membership and Dues	500	500	-	500
Training	2,000	2,000	-	2,000
Office Supplies	100	100	-	100
Police Commission Total Expenses	<u>9,700</u>	<u>9,700</u>	<u>1,623</u>	<u>8,077</u>
Health and Ordinance				
Postage	100	100	50	50
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Health and Ordinance Total Expenses	<u>\$ 1,100</u>	<u>\$ 1,100</u>	<u>\$ 50</u>	<u>\$ 1,050</u>



CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Social Services				
Community Relations Coordinator	\$ 54,000	\$ 52,000	\$ 51,045	\$ 955
Sick Leave	1,500	4,500	4,344	156
Vacation Leave	4,000	6,000	4,823	1,177
Health Insurance	29,000	27,000	26,519	481
Health Insurance Reimbursement	3,000	3,000	-	3,000
Unemployment Insurance	100	100	88	12
FICA	4,700	4,700	4,518	182
IMRF	6,200	6,200	6,143	57
Communications	1,000	1,000	894	106
Printing and Publishing	100	100	-	100
Training	1,200	500	12	488
Books and Publications	50	50	30	20
Street Lighting	70,000	70,000	69,125	875
Refuse	841,500	841,500	838,609	2,891
Insurance and Bonds	700	700	636	64
Miscellaneous	150	150	-	150
Office Supplies	3,000	3,000	848	2,152
Office Equipment	500	1,500	742	758
Information Systems	4,000	3,000	2,973	27
Community Relations	28,000	20,000	2,926	17,074
Contribution Sr. Citizens	7,500	7,500	7,500	-
Sister Cities Program	1,000	500	310	190
Downtown Enhancement	170,000	150,000	115,613	34,387
Social Services Total Expenses	<u>\$ 1,231,200</u>	<u>\$ 1,203,000</u>	<u>\$ 1,137,698</u>	<u>\$ 65,302</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Streets and Alleys				
Regular Salaries	\$ 308,000	\$ 334,000	\$ 329,990	\$ 4,010
Part-Time Salaries	6,000	6,000	4,371	1,629
Over-Time Salaries	25,000	20,000	13,250	6,750
Sick Leave	8,000	8,500	8,115	385
Vacation Leave	23,000	23,000	24,549	(1,549)
Interdepartmental Salaries	15,000	21,000	20,048	952
Health Insurance	80,000	72,000	70,912	1,088
Health Insurance Reimbursement	12,000	12,000	10,977	1,023
Unemployment Insurance	500	500	480	20
FICA	30,000	31,000	29,149	1,851
IMRF	39,000	41,000	40,388	612
Clothing Allowance	2,875	2,875	2,829	46
Building Repairs	5,000	5,000	1,845	3,155
Equipment Repairs	50,000	60,000	59,774	226
Communications	2,100	2,000	2,017	(17)
Training	2,000	2,000	1,231	769
Utilities	19,000	19,000	17,419	1,581
Insurance and Bonds	55,000	50,000	49,914	86
Miscellaneous	6,000	6,000	4,928	1,072
Street Maintenance and Repair	50,000	50,000	47,520	2,480
Street Signs	5,000	10,000	9,657	343
Construction Materials	30,000	40,000	40,130	(130)
Department Supplies	10,000	10,000	7,431	2,569
Tools	3,000	3,000	2,987	13
Janitorial Supplies	2,500	7,500	5,927	1,573
Vehicle Fuel and Lube	35,000	30,000	24,508	5,492
Safety Materials	7,500	10,000	8,842	1,158
Land	-	-	-	-
Building Improvements	1,000	1,000	-	1,000
Equipment	150,000	150,000	123,842	26,158
Equipment - Vehicle	85,000	97,000	59,939	37,061
Street Improvements	150,000	160,000	151,844	8,156
Other Improvements - Storm Drains	75,000	5,000	235	4,765
Capital Projects	2,555,000	1,755,000	1,244,095	510,905
Streets and Alleys Total Expenses	3,847,475	3,044,375	2,419,143	625,232
Total Expenditures (Carried Forward)	\$ 9,248,475	\$ 8,472,715	\$ 7,510,751	\$ 961,156

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS (BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Total Expenditures (Brought Forward)	<u>\$ 9,248,475</u>	<u>\$ 8,472,715</u>	<u>\$ 7,510,751</u>	<u>\$ 961,156</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,103,620)</u>	<u>\$ (934,905)</u>	<u>202,041</u>	<u>\$ 1,136,946</u>
Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:				
Effect of Unrecorded Assets			228,884	
Effect of Unrecorded Liabilities			<u>45,281</u>	
Excess (Deficiency) of Revenues Over Expenses			476,206	
BEGINNING FUND BALANCE			<u>7,992,411</u>	
ENDING FUND BALANCE			<u>\$ 8,468,617</u>	

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - LIBRARY FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	
REVENUE:				
City Library Tax	\$ 386,000	\$ 386,000	\$ 384,034	\$ (1,966)
City Building & Maintenance Tax	51,500	51,500	51,266	(234)
City IMRF/FICA Tax	25,200	25,200	25,073	(127)
LSTA Grant	500	500	500	-
ISL Digital Imaging Grant	-	-	58,727	58,727
State Replacement Tax	25,000	25,000	34,092	9,092
Per Capita Grant	8,156	8,156	13,593	5,437
Interest	800	800	1,149	349
Non-Resident Fees	10,000	10,000	8,198	(1,802)
Replacement Cards	50	50	10	(40)
Fax Fees	1,500	1,500	720	(780)
Photocopies/Printouts	5,000	5,000	1,461	(3,539)
Fines Collected	2,500	2,500	216	(2,284)
Lost/Damaged Materials	1,000	1,000	870	(130)
Microform Copies	50	50	40	(10)
Miscellaneous Income	550	550	23,536	22,986
Book Sales Receipts	50	50	2	(48)
Refunds/Overcharges	50	50	431	381
Gifts/Donations	3,800	3,800	1,234	(2,566)
Total Revenue	<u>521,706</u>	<u>521,706</u>	<u>605,152</u>	<u>83,446</u>
EXPENDITURES:				
Staff Salaries	231,755	231,755	205,184	(26,571)
Adult Print Materials	23,500	23,500	17,213	(6,287)
Juvenile Print Materials	6,500	6,500	5,979	(521)
Adult Nonprint Materials	11,000	11,000	6,918	(4,082)
Juvenile Nonprint Materials	1,500	1,500	881	(619)
Adult Databases	11,000	11,000	8,148	(2,852)
City Utilities-MTL	21,000	21,000	19,968	(1,032)
Trash Disposal	650	650	580	(70)
Telephone	3,100	3,100	3,199	99
Postage	400	400	318	(82)
Lost/Damaged Materials	250	250	161	(89)
Travel Expense/Mileage	2,000	2,000	172	(1,828)
Continuing Education	2,000	2,000	234	(1,766)
Miscellaneous Expenses	3,334	3,334	(849)	(4,183)
Sub Total (Carried Forward)	<u>\$ 317,989</u>	<u>\$ 317,989</u>	<u>\$ 268,106</u>	<u>\$ (49,883)</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - LIBRARY FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	
Sub Total (Brought Forward)	\$ 317,989	\$ 317,989	\$ 268,106	\$ (49,883)
Dues & Fees	1,000	1,000	467	(533)
Legal Fees	500	500	-	(500)
Accounting Fees	650	650	469	(181)
Cleaning Services	15,500	15,500	15,101	(399)
Lawn Maintenance	4,000	4,000	3,777	(223)
HVAC Maintenance & Repair	3,000	3,000	3,017	17
MTL General Maintenance & Repair	3,000	3,000	3,618	618
Photocopier Service Contracts	2,000	2,000	1,115	(885)
Computer Service Contracts	10,050	10,050	10,488	438
Security System	1,000	1,000	11,284	10,284
Elevator Service Contract	4,000	4,000	4,170	170
Liability, Umbrella Premium	3,900	3,900	3,462	(438)
Surety Bond	500	500	418	(82)
Workers' Compensation	750	750	528	(222)
Employee Health Insurance	35,718	35,718	19,914	(15,804)
HRA Fees & Reimbursements	9,108	9,108	4,391	(4,717)
Library Supplies	7,100	7,100	5,285	(1,815)
Promotional Materials	1,000	1,000	25	(975)
Summer Reading Program	1,500	1,500	241	(1,259)
Programming Expenses	1,500	1,500	1,892	392
Public Relations	1,500	1,500	2	(1,498)
Advertising	500	500	455	(45)
GateNet Online Charges	9,000	9,000	8,640	(360)
Internet	1,000	1,000	719	(281)
OCLO Selective User	250	250	206	(44)
Furnishings	5,000	5,000	3,140	(1,860)
Library Equipment	1,000	1,000	105	(895)
Computer Equipment	10,000	10,000	430	(9,570)
Parking Lot	2,400	2,400	2,400	-
Capital Improvements	27,000	27,000	292,444	265,444
Contractual Services - Grant	500	500	52,194	51,694
Col. M - Utilities	2,000	2,000	4,263	2,263
Col. M - General Maintenance & Repair	500	500	1,828	1,328
Payroll Taxes	18,527	18,527	16,335	(2,192)
IMRF	18,764	18,764	17,406	(1,358)
Total Expenditures	521,706	521,706	758,335	236,629

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - LIBRARY FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS (BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Excess of Revenues Over Expenditures	-	-	(153,183)	(153,183)
OTHER FINANCING (USES):				
Transfers (Out)	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(153,183)</u>	<u>\$ (153,183)</u>
Excess (Deficiency) of Revenues Over Expenses			(153,183)	
BEGINNING FUND BALANCE			<u>823,909</u>	
ENDING FUND BALANCE			<u>\$ 670,726</u>	

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - UTILITY TAX FUND  
YEAR ENDED APRIL 30, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	
REVENUE:				
City Utility Tax	\$ 242,000	\$ 207,000	\$ 218,002	\$ 11,002
Other Utility Tax	23,000	23,000	23,337	337
Electric Municipal Tax	310,000	294,000	300,613	6,613
Utility Bill Adjustment	(2,000)	(2,000)	(64)	1,936
Interest Income	2,000	3,400	2,943	(457)
Investment Income	-	-	(2,332)	(2,332)
Total Revenue	<u>575,000</u>	<u>525,400</u>	<u>542,499</u>	<u>17,099</u>
EXPENDITURES:				
Bad Debt Expense	2,000	2,000	534	1,466
Customer Refunds	200	200	20	180
Capital Projects	<u>100,000</u>	<u>5,000</u>	<u>8,315</u>	<u>-</u>
Total Expenditures	<u>102,200</u>	<u>7,200</u>	<u>8,869</u>	<u>1,646</u>
Excess of Revenues Over Expenditures	472,800	518,200	533,630	15,430
OTHER FINANCING (USES):				
Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 472,800</u>	<u>\$ 518,200</u>	<u>533,630</u>	<u>\$ 15,430</u>
Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:				
Effect of Unrecorded Assets			241	
Effect of Unrecorded Liabilities			<u>20</u>	
Excess (Deficiency) of Revenues Over Expenses			533,891	
BEGINNING FUND BALANCE			<u>351,733</u>	
ENDING FUND BALANCE			<u>\$ 885,624</u>	

CITY OF WATERLOO, ILLINOIS  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
YEAR ENDED APRIL 30, 2021

Budget Policy and Practice

The City Collector - Budget Officer submits an annual budget to the City Council for review and public hearings are held to address priorities and the allocation of resources. In April of the prior fiscal year (2020), the City Council adopted the annual fiscal year budget for the City operating funds. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Basis of Budgeting

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source.

The budgets for the operating funds are prepared on the cash basis. Revenues are budgeted in the year receipt is expected and expenditures are budgeted in the year expected to be paid. Appropriations lapse at year-end.

The City adopted its annual budget for the fiscal year ended April 30, 2021 on April 20, 2020 and it was amended on April 5, 2021.



## **OTHER SUPPLEMENTAL INFORMATION**

CITY OF WATERLOO, ILLINOIS  
COMBINING BALANCE SHEET - GENERAL FUND  
YEAR ENDED APRIL 30, 2021

<u>ASSETS</u>	<u>GENERAL</u>	<u>UTILITY TAX FUND</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$ 7,739,744	\$ 318,682	\$ 8,058,426
Investments	-	497,668	497,668
Taxes Receivable	986,444	-	986,444
Accounts Receivable, Net	181,314	69,274	250,588
Due from Other Funds	12,698	-	12,698
Prepays	112,864	-	112,864
Real Estate Taxes Receivable, Net	945,460	-	945,460
	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 9,978,524</u>	<u>\$ 885,624</u>	<u>\$ 10,864,148</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>			
LIABILITIES:			
Accounts Payable	\$ 524,036	\$ -	\$ 524,036
Wage and Benefits Payable	40,411	-	40,411
	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	<u>564,447</u>	<u>-</u>	<u>564,447</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue - Property Taxes	945,460	-	945,460
	<u>          </u>	<u>          </u>	<u>          </u>
Total Deferred Inflows of Resources	<u>945,460</u>	<u>-</u>	<u>945,460</u>
FUND BALANCE:			
Nonspendable			
Prepays	112,864	-	112,864
Restricted for:			
Hotel/Motel Tax	143,973	-	143,973
Committed for:			
IMRF Pension Plan	452,559	-	452,559
Capital Improvements	-	885,624	885,624
Unassigned:			
General Fund	7,759,221	-	7,759,221
	<u>          </u>	<u>          </u>	<u>          </u>
Total Fund Balance	<u>8,468,617</u>	<u>885,624</u>	<u>9,354,241</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 9,978,524</u>	<u>\$ 885,624</u>	<u>\$ 10,864,148</u>

CITY OF WATERLOO, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GENERAL FUND  
YEAR ENDED APRIL 30, 2021

	<u>GENERAL</u>	<u>UTILITY TAX FUND</u>	<u>TOTAL</u>
REVENUES:			
Taxes - Real Estate	\$ 1,070,674	\$ -	\$ 1,070,674
Intergovernmental	4,674,034	-	4,674,034
Utility Taxes	168,124	542,130	710,254
Charges for Services	1,744,995	-	1,744,995
Licenses and Permits	271,013	-	271,013
Fines	33,077	-	33,077
Grants	450,085	-	450,085
Miscellaneous	163,563	-	163,563
Interest	19,111	2,942	22,053
Investment Income	-	(2,332)	(2,332)
Total Revenues	<u>8,594,676</u>	<u>542,740</u>	<u>9,137,416</u>
EXPENDITURES:			
Current			
General Government	1,190,543	8,849	1,199,392
Public Safety	3,101,117	-	3,101,117
Highways and Streets	1,151,967	-	1,151,967
Sanitation	840,246	-	840,246
Health	50	-	50
Culture and Recreation	227,618	-	227,618
Capital Outlay	<u>1,606,929</u>	<u>-</u>	<u>1,606,929</u>
Total Expenditures	<u>8,118,470</u>	<u>8,849</u>	<u>8,127,319</u>
Excess (Deficiency) of Revenues Over Expenditures	476,206	533,891	1,010,097
Other Financing (Uses)			
Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	476,206	533,891	1,010,097
Fund Balance, Beginning of Year	<u>7,992,411</u>	<u>351,733</u>	<u>8,344,144</u>
Fund Balance, End of Year	<u>\$ 8,468,617</u>	<u>\$ 885,624</u>	<u>\$ 9,354,241</u>

CITY OF WATERLOO, ILLINOIS  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED APRIL 30, 2021

<u>ASSETS</u>	MOTOR FUEL TAX	MUNICIPAL BAND FUND	GRANT FUND	TOTAL
Cash in Bank	\$ 1,427,564	\$ 26,912	\$ -	\$ 1,454,476
Taxes Receivable	35,822	-	-	35,822
Real Estate Taxes Receivable, Net	<u>-</u>	<u>22,967</u>	<u>-</u>	<u>22,967</u>
Total Assets	<u>\$ 1,463,386</u>	<u>\$ 49,879</u>	<u>\$ -</u>	<u>\$ 1,513,265</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts Payable	\$ 8,417	\$ -	\$ -	\$ 8,417
Due to Other Funds	<u>12,698</u>	<u>-</u>	<u>-</u>	<u>12,698</u>
Total Liabilities	<u>21,115</u>	<u>-</u>	<u>-</u>	<u>21,115</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Property Taxes	<u>-</u>	<u>22,967</u>	<u>-</u>	<u>22,967</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>22,967</u>	<u>-</u>	<u>22,967</u>
FUND BALANCES:				
Restricted for:				
Culture and Recreation	-	26,912	-	26,912
Motor Fuel Tax	<u>1,442,271</u>	<u>-</u>	<u>-</u>	<u>1,442,271</u>
Total Fund Balances	<u>1,442,271</u>	<u>26,912</u>	<u>-</u>	<u>1,469,183</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,463,386</u>	<u>\$ 49,879</u>	<u>\$ -</u>	<u>\$ 1,513,265</u>

CITY OF WATERLOO, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2021

	MOTOR FUEL TAX	MUNICIPAL BAND FUND	GRANT FUND	TOTAL
REVENUES:				
Taxes - Real Estate	\$ -	\$ 24,573	\$ -	\$ 24,573
Intergovernmental	785,431	-	-	785,431
State Grant	-	-	39,550	39,550
Interest	2,690	-	-	2,690
	<u>788,121</u>	<u>24,573</u>	<u>39,550</u>	<u>852,244</u>
Total Revenues				
EXPENDITURES:				
Highways and Streets	272,584	-	-	272,584
Culture and Recreation	-	12,589	-	12,589
Small Business Grant Expenditures	-	-	39,550	39,550
	<u>272,584</u>	<u>12,589</u>	<u>39,550</u>	<u>324,723</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over Expenditures	515,537	11,984	-	527,521
FUND BALANCE - BEGINNING OF YEAR	<u>926,734</u>	<u>14,928</u>	<u>-</u>	<u>941,662</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,442,271</u>	<u>\$ 26,912</u>	<u>\$ -</u>	<u>\$ 1,469,183</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
General Government		
Legal		
Legal Fees	\$ 95,430	\$ 117,075
Total Legal	<u>95,430</u>	<u>117,075</u>
City Clerk		
Salaries - City Clerk	16,783	16,851
Salaries - Deputy City Clerk	53,552	55,315
Salaries - Sick Leave	1,073	1,367
Salaries - Vacation Leave	5,899	3,785
FICA	5,909	5,560
IMRF	6,434	5,229
Group Hospital Insurance	10,522	14,510
Health Insurance Reimbursement	3,971	559
Unemployment Tax	87	80
Clothing Allowance	215	-
Postage	50	100
Printing and Publishing	3,601	3,380
Memberships and Dues	30	30
Training	(40)	80
Recording Fees	2,185	1,306
Insurance and Bonds	181	244
Office Supplies	189	70
Professional Services	1,101	2,512
Miscellaneous	-	10
Office Equipment	-	-
Total City Clerk	<u>111,742</u>	<u>110,988</u>
Legislation		
Salaries - Mayor	24,224	24,296
Salaries - Alderman	122,531	123,006
FICA	11,227	11,268
Memberships and Dues	11,600	11,600
Professional Services	35,182	34,634
Office Supplies	90	67
Miscellaneous	9,527	9,009
Insurance and Bonds	343	358
Bad Debts	1,673	660
Books and Publications	7,145	7,066
Training	-	3,389
Communications	3,469	3,814
Capital Projects	-	-
Sales Tax Rebate	49,852	94,707
Total Legislation	<u>276,863</u>	<u>323,874</u>
Sub-Total General Government (Carried Forward)	<u>\$ 484,035</u>	<u>\$ 551,937</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Sub-Total General Government (Brought Forward)	\$ 484,035	\$ 551,937
General Government (Continued)		
Zoning		
Planning Commission	2,000	2,475
Zoning Board	2,960	2,715
Salaries - Zoning Officer	73,735	73,463
Salaries - Building Inspector	45,270	48,559
Salaries - Part-Time	-	280
Salaries - Sick Leave	12,630	4,704
Salaries - Vacation Leave	15,807	8,660
FICA	12,090	10,656
IMRF	15,608	11,815
Group Hospital Insurance	49,751	49,586
Health Insurance Reimbursement	4,633	4,400
Unemployment Tax	208	188
Books & Publications	-	-
Postage	50	100
Printing and Publishing	72	-
Memberships and Dues	348	150
Professional Services	71,408	39,858
Vehicle Maintenance and Repair	1,404	284
Equipment	-	1,325
Training	350	2,046
Office Supplies	843	1,587
Insurance and Bonds	7,971	7,574
Communications	1,077	1,135
Vehicle Fuel and Lubrications	1,015	1,160
Information Systems	1,200	1,200
Total Zoning	<u>320,430</u>	<u>273,920</u>
Sub-Total General Government (Carried Forward)	\$ 804,465	\$ 825,857

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	2021	2020
Sub-Total General Government (Brought Forward)	<u>\$ 804,465</u>	<u>\$ 825,857</u>
General Government (Continued)		
Finance		
Salaries - Treasurer	8,850	8,719
Salaries - Director of Public Works	25,852	25,316
Salaries - Finance Director	21,079	21,152
Salaries - Clerical	61,074	60,288
Salaries - Human Resource	6,270	11,953
Salaries - Overtime	1,357	999
Salaries - Part-Time	4,200	2,214
Salaries - Sick Leave	5,121	2,432
Salaries - Vacation Leave	8,094	8,238
FICA	11,213	10,305
IMRF	13,926	11,267
Group Hospital Insurance	13,411	13,762
Health Insurance Reimbursement	20,649	16,436
Unemployment	184	155
Dues and Memberships	409	379
Insurance and Bonds	10,591	11,148
Communications and Dispatch	18,636	17,732
Equipment Rental and Service	2,158	2,044
Training	114	2,098
Clothing Allowance	1,287	-
Office Supplies	2,753	2,901
Postage	652	1,275
Equipment	-	785
Tourism	7,850	11,530
Professional Services	2,416	2,293
Miscellaneous	45	178
Printing and Publishing	790	1,232
Department Supplies	950	1,254
Bank Charges	726	770
Information Systems	11,747	9,697
Total Finance	<u>262,404</u>	<u>258,552</u>
Building		
Building Repairs	6,573	13,657
Equipment Rental and Service	25,228	28,346
Professional Services	3,390	2,125
Independent Contractors	22,873	22,400
Utilities	63,409	58,222
Janitorial Supplies	1,889	1,655
Fuels	312	63
Equipment	-	-
Total Building	<u>123,674</u>	<u>126,468</u>
Total General Government	<u>\$ 1,190,543</u>	<u>\$ 1,210,877</u>



CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Public Safety		
Police		
Salaries - Regular	\$ 1,272,442	\$ 1,148,420
Salaries - Part-Time	9,600	16,253
Salaries - Overtime	26,674	52,379
Salaries - Sick Leave	43,334	64,195
Salaries - Vacation Leave	72,610	103,315
Salaries - Holiday	98,479	84,347
FICA	115,242	104,622
IMRF	6,148	4,997
Pension	653,000	500,000
Group Hospital Insurance	304,701	265,739
Health Insurance Reimbursement	31,068	46,018
Unemployment Tax	1,835	1,577
Insurance and Bonds	99,624	103,056
Communication and Dispatch	203,471	191,758
Training	25,079	5,657
Equipment Rental and Service	3,257	2,019
Vehicle Maintenance and Repairs	16,977	11,354
Memberships and Dues	12,039	11,884
Community Services Programs	2,069	3,362
Office Supplies	3,122	2,803
Postage	278	440
Ammunition	2,199	1,735
Clothing Allowance	16,391	19,303
Vehicle Fuel and Lubrications	32,714	32,840
Information Systems	21,816	18,006
Department Supplies	8,251	5,533
Canine	-	-
Printing and Publishing	781	962
Miscellaneous	155	1,451
Books and Publications	-	612
DUI Fund	5,284	205
Equipment - New	3,934	3,965
Equipment - Office	-	3,690
Equipment - Vehicle	-	-
Total Police	<u>3,092,574</u>	<u>2,812,497</u>
Sub-Total Public Safety (Carried Forward)	<u>\$ 3,092,574</u>	<u>\$ 2,812,497</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Sub-Total Public Safety (Brought Forward)	\$ 3,092,574	\$ 2,812,497
Public Safety (Continued)		
Police Commissioners		
Testing for Officer Hiring	1,623	2,702
Printing and Publishing	-	118
Training	-	867
Memberships and Dues	-	375
Total Police Commissioners	<u>1,623</u>	<u>4,062</u>
E.S.D.A.		
E.S.D.A. Coordinator	5,760	5,760
FICA	441	441
IMRF	-	-
Communications and Dispatch	234	205
Postage	50	100
Unemployment	37	30
Equipment - New	398	-
Total E.S.D.A.	<u>6,920</u>	<u>6,536</u>
Total Public Safety	<u>\$ 3,101,117</u>	<u>\$ 2,823,095</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	2021	2020
Highways and Streets		
Salaries - Regular	\$ 315,564	\$ 302,614
Salaries - Part-Time	-	898
Salaries - Overtime	13,250	12,051
Salaries - Sick Leave	8,115	6,145
Salaries - Vacation Leave	24,549	17,867
Salaries - Interdepartmental	20,048	11,856
FICA	29,149	25,356
IMRF	40,388	30,265
Group Hospital Insurance	70,912	69,275
Health Insurance Reimbursement	10,977	12,885
Unemployment Tax	480	428
Equipment Repairs	52,604	56,564
Building Repairs	1,390	4,051
Utilities	17,510	16,566
Insurance and Bonds	50,920	50,829
Communication and Dispatch	2,017	1,458
Training	1,442	693
Safety Materials	8,842	4,947
Janitorial Supplies	5,582	2,972
Clothing Allowance	2,829	104
Tools	2,987	3,639
Street Maintenance and Repairs	48,621	32,687
Construction Materials	38,954	23,276
Vehicle Fuel and Lubrications	24,343	31,706
Equipment	5,047	6,112
Street Improvements	264,323	234,329
Storm Drains, Meter Repairs	-	38,819
Street Lights	69,125	69,163
Street Signs	9,657	5,589
Equipment Leases	-	-
Miscellaneous	4,928	6,459
Supplies	7,414	8,868
Total Highways and Streets	<u>\$ 1,151,967</u>	<u>\$ 1,088,471</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Sanitation		
Solid Waste Collection	\$ 840,246	\$ 821,099
Total Sanitation	<u>840,246</u>	<u>821,099</u>
Health		
Postage	<u>50</u>	<u>100</u>
Total Health	<u>50</u>	<u>100</u>
Cultural and Recreation		
Salaries - Community Relations Coordinator	49,102	53,518
Salaries - Sick Leave	4,344	843
Salaries - Vacation Leave	4,823	3,462
FICA	4,518	4,268
IMRF	6,143	5,013
Group Hospital Insurance	26,519	25,118
Unemployment Tax	88	80
Equipment Leases	-	-
Insurance and Bonds	638	689
Communication and Dispatch	889	896
Training	12	588
Office Supplies	874	2,224
Equipment	-	-
Books and Publications	30	30
Information Systems	2,973	2,662
Community Relations	2,920	25,811
Contributions - Senior Citizens	7,500	7,500
Downtown Enhancement	115,935	80,455
Sister Cities Programs	<u>310</u>	<u>310</u>
Total Cultural and Recreation	<u>227,618</u>	<u>213,467</u>
Capital Outlay		
General Government	23,234	12,814
Public Safety	245,676	64,322
Highways and Streets	<u>1,338,019</u>	<u>1,076,486</u>
Total Capital Outlay	<u>1,606,929</u>	<u>1,153,622</u>
Total Expenditures - General Fund	<u>\$ 8,118,470</u>	<u>\$ 7,310,731</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

Electric Fund	2021	2020
Cost of Sales		
Cost of Power	\$ 7,649,590	\$ 7,574,032
Salaries	277,976	182,069
FICA	20,583	12,980
IMRF	(20,987)	12,665
Group Hospital	68,599	39,499
Health Insurance Reimbursement	6,855	4,681
Unemployment	346	159
Professional Services	-	65
Communications	2,390	1,838
Safety Materials	1,185	1,102
E.P.A. Permits	5,626	5,626
Utilities	40,521	34,349
Clothing Allowances	2,251	1,591
Department Supplies	2,574	2,291
Tools	991	580
Vehicle Fuel and Lubrications	10,710	4,575
Chemicals	5,520	4,095
Training	1,009	654
Building Repairs	3,203	617
Utility System Maintenance	99,390	48,481
Equipment	501	1,196
Janitorial Supplies	4,236	2,567
Total Cost of Sales	<u>8,183,069</u>	<u>7,935,712</u>
Distribution		
Salaries	686,393	649,266
FICA	52,467	46,614
IMRF	(63,873)	45,856
Group Hospital	117,985	118,224
Health Insurance Reimbursement	15,012	19,968
Other Post Employee Benefit	1,522	6,915
Other - IMRF	8,874	4,309
Unemployment	693	614
Building Repairs	1,050	2,020
Machinery Repairs	24,503	10,804
Communications	4,939	3,946
Utilities	22,544	21,444
Clothing Allowances	3,020	2,346
Tools	5,135	2,717
Professional Services	<u>4,062</u>	<u>2,078</u>
Sub-Total (Carried Forward)	<u>\$ 884,326</u>	<u>\$ 937,121</u>

SCHEDULE "15" (CONTD)

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Sub-Total Carried Forward	\$ 884,326	\$ 937,121
Distribution (continued)		
Department Supplies	23,074	27,289
Safety Materials	5,622	11,824
Line Materials	162,686	85,077
Training	1,703	2,011
Miscellaneous	-	-
Street Light Materials	84,117	77,177
Equipment	3,894	3,518
Janitorial Supplies	346	1,360
PCB Program	395	455
Vehicle Fuel and Lubrication	12,134	15,825
Repairs and Maintenance	40,850	23,775
Total Distribution	<u>1,219,147</u>	<u>1,185,432</u>
Administrative		
Salaries	142,170	156,069
FICA	10,918	11,570
IMRF	(12,045)	8,865
Group Hospital	27,601	26,363
Health Insurance Reimbursement	2,750	2,528
Unemployment	192	250
Insurance and Bonds	110,834	111,296
Equipment Rentals	2,158	2,222
Postage	8,193	11,295
Printing and Publishing	790	1,232
Professional Services	30,219	77,018
Miscellaneous	2,610	2,934
Office Supplies	2,578	3,413
Information Systems	11,984	9,623
Training	99	5,391
Bad Debts	8,857	9,602
Equipment	-	1,670
Refunds	325	1,594
Administrative - General Fund	<u>559,202</u>	<u>533,734</u>
Total Administrative	<u>909,435</u>	<u>976,669</u>
Depreciation	<u>781,789</u>	<u>763,059</u>
	<u>781,789</u>	<u>763,059</u>
Total Operating Expenses - Electric Fund	<u>\$ 11,093,440</u>	<u>\$ 10,860,872</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Gas Fund		
Cost of Sales		
Gas Purchased	\$ 1,654,856	\$ 1,282,121
Total Cost of Sales	<u>1,654,856</u>	<u>1,282,121</u>
Distribution		
Salaries	307,718	446,657
FICA	24,113	31,464
IMRF	(38,628)	29,042
Group Hospital Insurance	82,040	99,539
Health Insurance Reimbursement	12,547	15,788
Other Post Employment Benefit	16,879	8,800
Other - IMRF	(12,763)	2,449
Unemployment	364	496
Repairs	10,059	15,718
Vehicle Fuel	10,547	11,727
Utilities	15,242	14,041
Communications	5,315	4,662
Training	1,189	1,126
Miscellaneous	-	-
Office Supplies	380	135
Chemicals	1,791	3,024
Line Materials	33,315	62,411
Safety Materials	3,443	3,115
Clothing Allowances	2,071	1,291
Department Supplies	2,978	1,363
Tools	2,160	3,934
Janitorial Supplies	533	187
Other Repairs and Maintenance	2,167	11,571
Equipment and Building	<u>9,283</u>	<u>2,929</u>
Total Distribution	<u>\$ 492,743</u>	<u>\$ 771,469</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Gas Fund (Continued)		
Administration		
Salaries	\$ 142,172	\$ 156,077
FICA	10,918	11,594
IMRF	(12,045)	8,865
Group Hospital Insurance	27,601	26,363
Health Insurance Reimbursement	2,750	2,371
Unemployment	192	251
Insurance and Bonds	34,961	35,186
Equipment Rentals	2,158	2,222
Office Supplies	2,600	3,128
Postage	8,193	11,383
Information Systems	11,984	9,623
Memberships and Dues	4,740	395
Miscellaneous	2,580	3,084
Printing and Publishing	1,134	1,232
Professional Services	37,259	31,440
Legal	10,350	26,656
Training	99	89
Bad Debts	2,773	2,686
Equipment	-	1,078
Refunds	125	-
Administration - General Fund	<u>129,624</u>	<u>138,439</u>
Total Administration	420,168	472,162
Depreciation	<u>192,631</u>	<u>181,436</u>
Total Operating Expenses - Gas Fund	<u>\$ 2,760,398</u>	<u>\$ 2,707,188</u>



CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Water Fund		
Cost of Sales		
Water Purchased	\$ 1,137,044	\$ 1,007,887
Total Cost of Sales	<u>1,137,044</u>	<u>1,007,887</u>
Distribution		
Salaries	272,558	169,860
FICA	19,966	12,404
IMRF	(9,432)	12,447
Group Hospital Insurance	28,590	27,403
Health Insurance Reimbursement	4,091	5,430
Other Post Employment Benefit	(12,320)	2,569
Other - IMRF	(2,703)	6,478
Unemployment	244	152
Repairs	15,175	6,858
Communications	4,815	4,169
Utilities	12,807	14,342
Miscellaneous	4,655	4,684
Department Supplies	1,973	1,065
Tools	2,610	2,599
Vehicle Fuel and Lubrications	3,268	3,394
Chemicals	5,701	2,733
Safety Materials	646	1,054
Repairs and Maintenance	62,804	35,741
Testing	6,698	6,364
Professional Services	209	-
Clothing Allowance	1,082	234
Training	964	684
Capital Projects	159,951	214,767
Total Distribution	<u>584,352</u>	<u>535,431</u>
Administration		
Salaries	141,616	156,049
FICA	10,922	11,576
IMRF	(12,045)	8,865
Group Hospital Insurance	27,611	26,363
Health Insurance Reimbursement	2,750	2,371
Unemployment	192	251
Insurance and Bonds	14,753	14,907
Equipment Rentals	2,158	2,222
Office Supplies	2,410	2,749
Postage	8,205	11,328
Memberships and Dues	361	598
Miscellaneous	2,580	2,933
Printing and Publishing	790	1,232
Professional Services	18,574	3,606
Customer Refunds	1,068	-
Information Systems	11,983	9,623
Bad Debts	2,053	2,261
Equipment	-	1,228
Administration - General Fund	122,540	117,152
Training	99	42
Total Administration	<u>358,620</u>	<u>375,356</u>
Depreciation and Amortization	<u>248,949</u>	<u>232,652</u>
Total Operating Expenses - Water Fund	<u>\$ 2,328,965</u>	<u>\$ 2,151,326</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Sewer Fund		
Sewer Treatment Plant		
Salaries	\$ 231,648	\$ 294,163
FICA	17,523	21,519
IMRF	(24,637)	19,216
Group Hospital Insurance	49,681	47,220
Health Insurance Reimbursement	4,461	2,953
Other Post Employment Benefits	5,653	1,577
Other - IMRF	(9,805)	8,302
Unemployment	279	322
Building Repairs	-	723
Machinery Repairs	25,110	65,025
Utilities	206,788	207,558
Communications	5,020	28,317
Department Supplies	961	354
Safety Materials	1,291	1,063
Disposal Fees	4,320	8,031
Chemicals	11,581	5,786
Clothing Allowance	1,034	1,357
Tools	-	169
Vehicle Fuels	19	416
Miscellaneous	3,510	3,791
Office Supplies	-	41
E.P.A. Permits	17,500	17,500
Janitorial Supplies	126	185
Training	1,009	787
Total Sewer Treatment Plant	<u>553,072</u>	<u>736,375</u>
Sewer Collection System		
Equipment Lease	-	-
Utilities	74,498	69,554
Building Repairs	-	657
Equipment Repairs	60,575	79,686
Vehicle Fuels	5,460	3,600
Department Supplies	2,402	3,199
Tools	555	758
Fuels	1,232	-
Safety Materials	653	465
Repairs and Maintenance	7,477	2,929
Total Sewer Collection System	<u>\$ 152,852</u>	<u>\$ 160,848</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2021  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2020)

	<u>2021</u>	<u>2020</u>
Sewer Fund (Continued)		
Administration		
Salaries	\$ 139,479	\$ 136,423
FICA	10,687	9,970
IMRF	(12,045)	8,865
Group Hospital Insurance	27,592	26,363
Health Insurance Reimbursement	2,750	2,371
Unemployment	173	154
Insurance and Bonds	30,211	31,742
Equipment Rentals	2,158	2,044
Office Supplies	2,694	2,854
Postage	8,193	11,312
Printing and Publishing	790	1,232
Miscellaneous	2,580	2,934
Professional Services	60,387	40,532
Customer Refunds	1,917	65,530
Information Systems	11,984	9,623
Bad Debts	2,082	1,867
Equipment	-	785
Administration - General Fund	90,749	87,515
Training	99	-
Total Administration	<u>382,480</u>	<u>442,116</u>
Depreciation	<u>432,876</u>	<u>443,785</u>
Total Operating Expenses - Sewer Fund	<u>\$ 1,521,280</u>	<u>\$ 1,783,124</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF INVESTMENTS  
YEAR ENDED APRIL 30, 2021

<b>Governmental Activities</b>	<b>ISSUER</b>	<b>AMOUNT</b>
Capital Improvements Fund		
1 - 3 Year Investment Fund	IMET	\$ 497,668
Total Capital Improvements Fund		<u>497,668</u>
Total Governmental Activities		<u>497,668</u>
<b>Business-Type Activities</b>		
Water Fund		
1 - 3 Year Investment Fund	IMET	<u>928,006</u>
Total Water Fund		<u>928,006</u>
Sewer Fund		
1 - 3 Year Investment Fund	IMET	<u>1,091,402</u>
Total Sewer Fund		<u>1,091,402</u>
Electric Fund		
1 - 3 Year Investment Fund	IMET	<u>10,232,530</u>
Total Electric Fund		<u>10,232,530</u>
Gas Fund		
1 - 3 Year Investment Fund	IMET	<u>4,195,663</u>
Total Gas Fund		<u>4,195,663</u>
Utility Deposits		
1-3 Year Investment Fund	IMET	<u>328,342</u>
Total Utility Deposits		<u>328,342</u>
Total Business-Type Activities		<u>\$ 16,775,943</u>

SCHEDULE "17" (CONT'D)

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF INVESTMENTS  
YEAR ENDED APRIL 30, 2021

<b>Fiduciary Fund Types</b>	<u>ISSUER</u>	<u>AMOUNT</u>
Police Pension		
Equity Mutual Funds		\$ 3,098,861
Corporate Bonds		1,355,839
U.S. Treasury Notes		1,021,597
U.S. Treasury Bonds		873,674
ETF- Equity		174,714
Federal Farm Credit Banks		122,403
Federal Home Loan Bank		105,195
Foreign Bonds, Notes and Debentures		73,697
Federal National Mortgage Association		<u>10,277</u>
Total Police Pension		<u>6,836,257</u>
 Total Fiduciary Fund Types		 <u>6,836,257</u>
 Total Investments		 <u><u>\$ 24,109,868</u></u>



ALTON   EDWARDSVILLE   BELLEVILLE   HIGHLAND  
JERSEYVILLE   COLUMBIA   CARROLLTON

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

To the City Council  
City of Waterloo, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Waterloo, Illinois, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Waterloo, Illinois basic financial statements, and have issued our report thereon dated December 16, 2021.

**Internal Control over Financial Reporting**

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

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

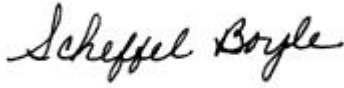
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Compliance and Other Matters**

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

## **Purpose of this Report**

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

A handwritten signature in black ink that reads "Scheffel Boyle". The script is cursive and fluid, with the first name "Scheffel" being more prominent than the last name "Boyle".

Scheffel Boyle  
Columbia, Illinois  
December 16, 2021

**ADDITIONAL INFORMATION**  
**(UNAUDITED)**



CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF ASSESSED VALUATION - TAX RATES  
TAXES EXTENDED AND COLLECTED

	TAX YEAR		
	2020	2019	2018
Assessed Valuation	<u>\$ 277,736,267</u>	<u>\$ 274,108,760</u>	<u>\$ 267,094,823</u>
Tax Rates (Per \$100 of Assessed Valuation)			
Corporate	0.04269	0.09209	0.07061
Road and Bridge	0.01801	0.02026	0.02164
Municipal Band	0.00829	0.00847	0.00905
Library	0.15000	0.14218	0.14457
Illinois Municipal Retirement	0.01639	0.05157	0.05311
Social Security	0.03403	-	-
Police Pension	0.23512	0.18417	0.21164
Special Library	<u>0.02000</u>	<u>0.01898</u>	<u>0.01928</u>
	<u>0.52453</u>	<u>0.51772</u>	<u>0.52990</u>
Taxes Extended			
Corporate	\$ 118,566	\$ 249,214	\$ 179,502
Road and Bridge	50,020	54,828	55,013
Municipal Band	23,024	22,921	23,007
Library	416,604	384,767	367,521
Illinois Municipal Retirement	45,521	139,558	135,014
Social Security	94,514	-	-
Police Pension	653,014	498,400	538,024
Special library	<u>55,547</u>	<u>51,364</u>	<u>49,013</u>
	<u>\$ 1,456,810</u>	<u>\$ 1,401,052</u>	<u>\$ 1,347,094</u>
Taxes Collected			
Corporate		\$ 248,734	\$ 179,345
Road and Bridge		54,722	54,965
Municipal Band		22,877	22,986
Library		384,028	367,200
Illinois Municipal Retirement		139,291	134,896
Police Pension		497,443	537,553
Special Library		<u>51,266</u>	<u>48,970</u>
		<u>\$ 1,398,361</u>	<u>\$ 1,345,915</u>
Percentage of Extension Collected		<u>99.81%</u>	<u>99.91%</u>

CITY OF WATERLOO, ILLINOIS  
ADDITIONAL INFORMATION  
REGARDING CUSTOMERS AND INSURANCE  
YEAR ENDED APRIL 30, 2021

## NOTE 1. CUSTOMERS

The City provides water and sewer service to the following number of customers:

	<u>WATER</u>	<u>SEWER</u>	<u>GAS</u>	<u>ELECTRIC</u>	<u>TRASH</u>
Beginning of Year	4,689	4,494	4,142	4,912	4,327
End of Year	4,745	4,543	4,184	4,980	4,379

## NOTE 2. INSURANCE

The following insurance policies are maintained by the City and are in effect as of April 30, 2021.

A. Illinois Municipal League Risk Management Association

Coverage period: December 31, 2020 to December 31, 2021

**SELF-INSURED RETENTION FUND AND EXCESS OR REINSURANCE  
COVERAGES COMBINED LIMITS OF LIABILITY**

General Liability, Auto Liability	\$8,000,000 each occurrence,
Broad Form Property, Civil Constitutional	each covered member, for all
Rights - Assault/Battery, Contractual Liability	applicable coverages
Employee Benefit Programs Liability,	
Incidental Malpractice, Intentional Building Removal,	
Limited Worldwide Liability, Personal Injury/	
Advertising Liability, and Watercraft Liability	

**SPECIAL LIABILITY COVERAGES**

<u>Fire Legal Liability</u>	\$100,000 each occurrence, \$100,000 annual aggregate
<u>Premises Medical Payments</u>	\$3,000 each person, \$1,000,000 each occurrence
<u>Liquor Liability</u>	\$1,000,000 each occurrence, \$1,000,000 annual aggregate
<u>Public Officials/Employees</u>	\$1,000,000 each occurrence, \$8,000,000 annual aggregate
<u>Auto Medical Payments</u>	\$10,000 each person, \$1,000,000 each occurrence
<u>Uninsured/Underinsured Motorist</u>	\$100,000 each person, \$300,000 each accident

CITY OF WATERLOO, ILLINOIS  
ADDITIONAL INFORMATION  
REGARDING CUSTOMERS AND INSURANCE  
YEAR ENDED APRIL 30, 2021

**PROPERTY COVERAGES**

<u>Personal Property/Building</u>	Combined limit: \$30,000,000
<u>Auto Physical Damage</u>	any location, each occurrence; \$250,000,000 each occurrence, all members
<u>Inland Marine</u>	\$50,000 extra expense
<u>Valuable Papers/Records</u>	\$50,000 each occurrence
<u>Flood and Earthquake Coverage</u>	\$5,000,000 each occurrence / annual aggregate, each covered member, \$76,500,000, annual aggregate, all members

**STAND-ALONE COVERAGES**

<u>Crime Coverage</u>	\$100,000 each occurrence
<u>Workers Compensation/ Occupational Disease</u>	Statutory
<u>Employer's Liability</u>	\$3,000,000 each accident
<u>General Liability, Auto Liability Broad Form Property, Civil Constitutional Rights - Assault/Battery, Contractual Liability Employee Benefit Programs Liability, Incidental Malpractice, Intentional Building Removal Limited Worldwide Liability, Personal Injury/ Advertising Liability, and Watercraft Liability</u>	\$2,000,000 each occurrence
<u>Fire Legal Liability</u>	\$100,000 each occurrence, \$100,000 annual aggregate
<u>Premises Medical Payments</u>	\$3,000 each person, \$2,000,000 each occurrence
<u>Liquor Liability</u>	\$1,000,000 each occurrence, \$1,000,000 annual aggregate
<u>Public Officials/Employees</u>	\$2,000,000 each occurrence

CITY OF WATERLOO, ILLINOIS  
ADDITIONAL INFORMATION  
REGARDING CUSTOMERS AND INSURANCE  
YEAR ENDED APRIL 30, 2021

**STAND-ALONE COVERAGES (CONTINUED)**

<u>Auto Medical Payments</u>	\$10,000 each person, \$1,000,000 each occurrence
<u>Uninsured/Underinsured Motorist</u>	\$100,000 each person, \$300,000 each accident
<u>Flood/Earthquake</u>	\$1,500,000 each occurrence
<u>Auto Physical Damage,</u> <u>Building/Personal Property, Inland Marine</u>	\$2,000,000 each occurrence, each location; \$50,000 extra expense
<u>Crime Coverage</u>	\$100,000 each occurrence
<u>Valuable Papers/Records</u>	\$50,000 each occurrence
<u>Workers Compensation/</u> <u>Occupational Disease</u>	\$2,000,000 each occurrence
<u>Employer's Liability</u>	\$2,000,000 each accident
<u>Additional Endorsements for Electric Utility Liability</u>	\$8,000,000 with no annual aggregate limit
<u>Additional Endorsements for Replacement Cost Value</u>	
Electric Utility Property	\$ 23,388,162
Gas Utility Property	1,704,298

**B. Illinois Municipal League Risk Management Association - Public Official Bond Coverage**

Coverage Period: December 31, 2020 to December 31, 2021

<u>POSITION</u>	<u>INSURED</u>	<u>COVERAGE</u>
Mayor	Tom Smith	\$ 50,000
City Clerk	Mechelle Childers	50,000
Finance Officer	Shawn Kennedy	50,000
Treasurer	Brad Papenberg	50,000