

Financial Statements

April 30, 2022



CITY OF WATERLOO, ILLINOIS

FINANCIAL STATEMENTS

YEAR ENDED APRIL 30, 2022

CITY OF WATERLOO, ILLINOIS
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ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Waterloo, Illinois

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, 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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Waterloo, Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, other postemployment benefit information, and budgetary comparison information on pages 4 - 21, and A1 – A26 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual 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 Information

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

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

A handwritten signature in cursive script that reads "Scheffel Boyle".

Scheffel Boyle
Columbia, Illinois
January 27, 2023

FINANCIAL SECTION

CITY OF WATERLOO

Management's Discussion and Analysis April 30, 2022

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 22).

Financial Highlights

- The net assets of the City of Waterloo exceeded its liabilities at April 30, 2022 by \$91,411,695. Net assets invested in capital assets (net of depreciation and related debt) account for 66% of this amount, with a value of \$60,375,158. Other restricted assets account for 3% or \$3,010,863. 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 \$2,956,322. Governmental activities resulted in an increase in net position of \$2,020,285 with receipts in excess of expenditures. Net position from business-type activities increased \$936,037 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 \$3,185,307 for IMRF, and liability of \$3,845,728 for Police Pension on the statement of net position.
- During the fiscal year ended April 30, 2019, 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 \$1,183,528 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 \$904,014 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 4/30/22.
- The City of Waterloo entered into a joint agreement for federal participation between IDOT and the City of Waterloo on the Moore Street Phase V & VI project. Contract awarded for the project at a cost of \$2,266,806.12 with the federal portion being \$884,000.00. The City of Waterloo has allocated with IDOT approval \$716,639.40 of Local Rebuild Illinois Bond Funds towards this project and the balance to be paid by the City of Waterloo General Fund. \$44,597.42 has been paid on this project during fiscal year end 4/30/22.
- The City of Waterloo received \$719,751.71 as of 4/30/22 as part of the American Rescue Plan Act (ARPA) from the Coronavirus Local Fiscal Recovery Fund. The total ARPA amount the City of Waterloo will receive is \$1,439,503.43 and is to be used towards the construction of a new water tower.
- 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 construction of a new water tower at a cost of \$76,230 for the proposed 500,000 gallon elevated water tower for the City of Waterloo.
- On December 16, 2022, the City received a commitment for loan funds from the Illinois Environmental Protection Agency in the amount of \$30,907,437.50.
- 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 4/30/22.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8,792,854, or 111% 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.

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 \$91,411,695 at April 30, 2022. 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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and Other Assets	\$15,777,475	\$13,527,766	\$24,263,169	\$24,014,598	\$ 40,040,644	\$37,542,364
Non-Current Assets	<u>16,123,229</u>	<u>16,274,080</u>	<u>46,487,513</u>	<u>44,573,895</u>	<u>62,610,742</u>	<u>60,847,975</u>
Total Assets	<u>\$31,900,704</u>	<u>\$29,801,846</u>	<u>\$70,750,682</u>	<u>\$68,588,493</u>	<u>\$102,651,386</u>	<u>\$98,390,339</u>
Deferred Outflows of Resources	<u>\$ 2,702,800</u>	<u>\$ 2,670,976</u>	<u>\$ 645,762</u>	<u>\$ 1,027,435</u>	<u>\$ 3,348,562</u>	<u>\$ 3,698,411</u>
Long-term Liabilities	\$ 5,104,632	\$ 4,847,976	\$ 1,033,688	\$ 1,007,249	\$ 6,138,320	\$ 5,855,225
Other Liabilities	<u>575,307</u>	<u>580,448</u>	<u>1,209,180</u>	<u>1,640,812</u>	<u>1,784,487</u>	<u>2,221,260</u>
Total Liabilities	<u>\$5,679,939</u>	<u>\$5,428,424</u>	<u>\$ 2,242,868</u>	<u>\$ 2,648,061</u>	<u>\$ 7,922,807</u>	<u>\$ 8,076,485</u>
Deferred Inflows of Resources	<u>\$3,511,895</u>	<u>\$3,653,013</u>	<u>\$ 3,153,551</u>	<u>\$ 1,903,879</u>	<u>\$ 6,665,446</u>	<u>\$ 5,556,892</u>
Net Position:						
Invested in Capital Assets, net of related debt	16,123,229	16,274,080	44,251,929	43,881,191	60,375,158	60,155,271
Restricted	3,010,863	2,396,746	-	-	3,010,863	2,396,746
Unrestricted	<u>6,277,578</u>	<u>4,720,559</u>	<u>21,748,096</u>	<u>21,182,797</u>	<u>28,025,674</u>	<u>25,903,356</u>
Total Net Position	<u>\$25,411,670</u>	<u>\$23,391,385</u>	<u>\$66,000,025</u>	<u>\$65,063,988</u>	<u>\$ 91,411,695</u>	<u>\$88,455,373</u>

The City of Waterloo's total assets are \$102,651,386 as of April 30, 2022. Of this amount, \$60,375,158 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, \$33,886,926 is accounted for in cash, cash equivalents, and pooled investments, \$ 5,512,320 in accounts, taxes, and other receivable, \$2,235,584 in net pension asset and \$641,398 in miscellaneous assets.

Deferred outflows of resources at April 30, 2022 is \$3,348,562 as a result of the inclusion of obligations related to pensions and other post employment benefits.

As of April 30, 2022, the City had outstanding liabilities of \$7,922,807 consisting of \$1,535,141 in accounts payable, \$1,109,064 in accrued liabilities, \$249,346 in deposits payable to customers, \$1,183,528 in other post employment benefit obligation, and \$3,845,728 in net pension liability.

Deferred inflows of resources at April 30, 2022 is \$6,665,446 with \$4,038,763 related to pensions, \$411,064 related to other post employment benefits, \$1,495,877 in unavailable property tax revenue, and \$719,742 deferred grant revenue.

The largest portion of the City's net position (65.5 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 (3.3 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (31.2 percent) may be used to meet the City's ongoing obligations to its citizens and creditors for all activities.

At April 30, 2022, 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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Program Revenues:						
Charges for services	\$ 1,819,774	\$ 1,778,072	\$19,780,512	\$19,257,251	\$21,600,286	\$21,035,323
Operating grants and contributions	49,237	562,455	-	-	49,237	560,955
Capital grants and contributions	967,936	-	-	-	967,936	-
General Revenues:						
Property taxes	1,460,798	1,555,620	-	-	1,460,798	1,555,620
Intergovernmental revenues	6,308,923	5,493,557	-	-	6,308,923	5,493,557
Utility taxes	727,044	710,254	-	-	727,044	710,254
Other	<u>523,676</u>	<u>494,854</u>	<u>(723,966)</u>	<u>95,576</u>	<u>(200,290)</u>	<u>591,930</u>
Total Revenues	<u>11,857,388</u>	<u>10,594,812</u>	<u>19,056,546</u>	<u>19,352,827</u>	<u>30,913,934</u>	<u>29,947,639</u>
Expenses:						
General government	1,183,108	1,244,311	-	-	1,183,108	1,244,311
Public safety	3,728,847	3,327,310	-	-	3,728,847	3,327,310
Highways and streets	3,216,649	2,642,513	-	-	3,216,649	2,642,513
Sanitation	864,185	840,246	-	-	864,185	840,246
Health	100	50	-	-	100	50
Culture and recreation	844,214	758,585	-	-	844,214	758,585
Small Business Grant Expenditures	-	39,550	-	-	-	39,550
Electric fund	-	-	10,974,695	11,093,440	10,974,695	11,093,440
Gas fund	-	-	3,248,583	2,760,398	3,248,583	2,760,398
Water fund	-	-	2,174,239	2,328,965	2,174,239	2,328,965
Sewer fund	<u>-</u>	<u>-</u>	<u>1,722,992</u>	<u>1,521,280</u>	<u>1,722,992</u>	<u>1,521,280</u>
Total Expenses	<u>9,837,103</u>	<u>8,852,565</u>	<u>18,120,509</u>	<u>17,704,083</u>	<u>27,957,612</u>	<u>26,556,648</u>
Transfer of Funds	-	-	-	-	-	-
Increase (decrease) in net assets	2,020,285	1,742,247	936,037	1,648,744	2,956,322	3,390,991
Net position– beginning	<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>
Net position – ending	<u>\$25,411,670</u>	<u>\$23,391,385</u>	<u>\$66,000,025</u>	<u>\$65,063,988</u>	<u>\$91,411,695</u>	<u>\$88,455,373</u>

Total revenues for the City of Waterloo were \$30,913,934 for the year ended April 30, 2022. Governmental activities provided \$11,857,388 (38.3 percent), while \$19,056,546 (61.7 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

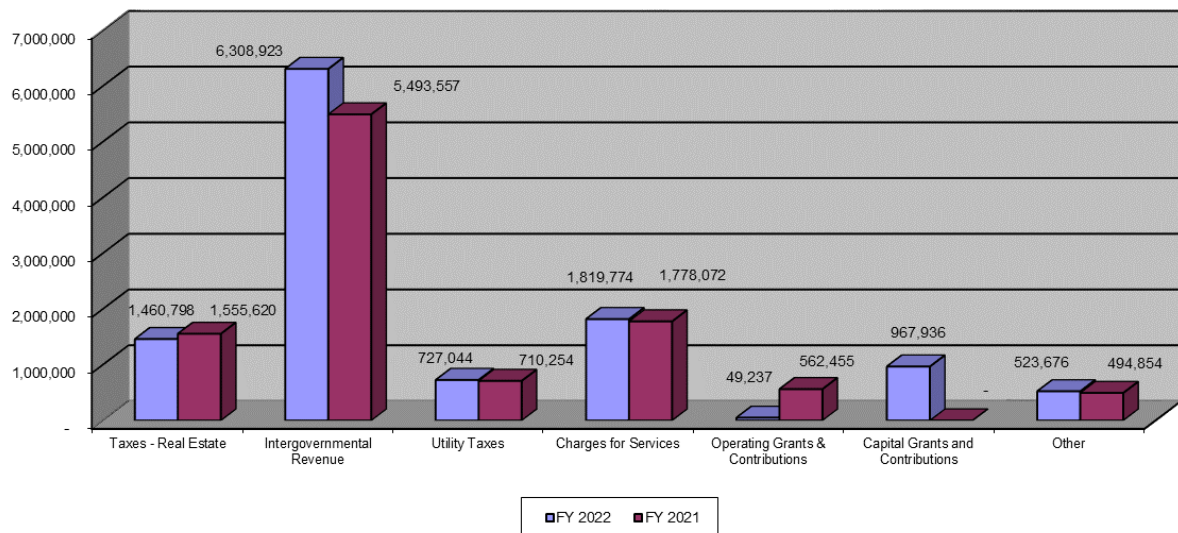
As noted earlier, the City of Waterloo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a financial analysis of the City's governmental and proprietary funds.

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, 2022		April 30, 2021		Increases/Decreases	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Taxes – Real Estate	\$ 1,460,798	12.32%	\$ 1,555,620	14.68%	\$ (94,822)	(6.10)%
Intergovernmental Revenue	6,308,923	53.21	5,493,557	51.85	815,366	14.84
Utility Taxes	727,044	6.13	710,254	6.70	16,790	2.36
Charges for Services	1,819,774	15.35	1,778,072	16.78	41,702	2.35
Operating Grants and Contributions	49,237	0.41	562,455	5.31	(513,218)	(91.25)
Capital Grants and Contributions	967,936	8.16	-	-	967,936	-
Other	523,676	4.42	494,854	4.68	28,822	5.82
Total Revenues	<u>11,857,388</u>	<u>100.00%</u>	<u>10,594,812</u>	<u>100.00%</u>	<u>1,262,576</u>	<u>11.92</u>



- Real estate taxes** - This consists of real estate tax receipts received in 2022 for corporate, road and bridge, IMRF & FICA, police pension, band, and library purposes for the 2020 tax year. The 2021 real estate tax rate was .52404%, down from the 2020 real estate tax rate of .52453%. 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.

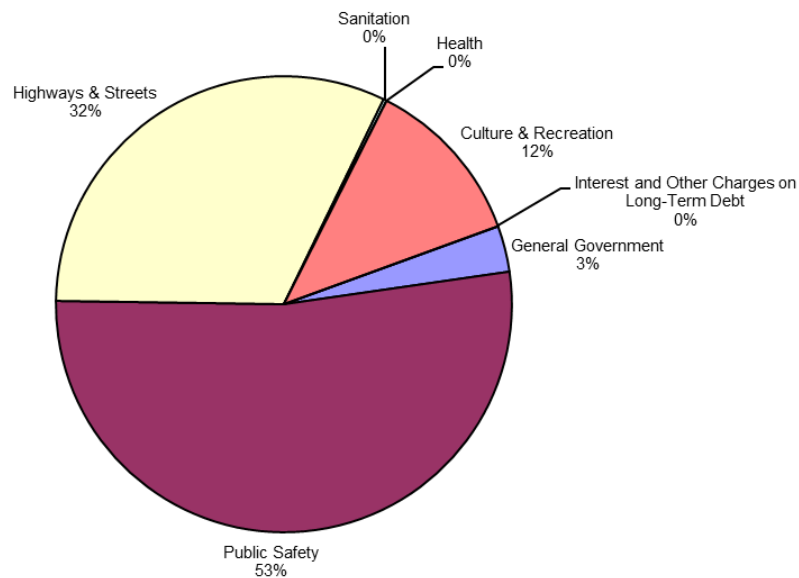
- **Intergovernmental revenue** – Up overall 14.84% from the previous year. Intergovernmental revenue includes sales tax, business district sales tax, state income tax, state replacement tax, video gaming, cannabis use tax and motor fuel tax.
 - Sales taxes were \$2,830,539, an increase of 9.24% from the previous year.
 - A Business District was formed in January 2008 and \$106,331 was collected in the Business District Tax Fund, an increase of 23.80% 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 \$2,163,404, an increase of 19.82% from the previous year.
 - Video gaming began in January 2013 in which the City received \$255,719 from video gaming, an increase of 126.10% from the previous year. The COVID-19 pandemic caused video gaming to be shut down during periods of time during the prior fiscal year.
 - Cannabis use tax began in January 2020 in which the City received \$17,506 from cannabis use tax during the fiscal year.
 - Motor fuel taxes and state replacement taxes were \$935,424, an increase of 9.46% from the previous year. The State distributed 2 allotments of \$119,439.90 each during the fiscal year as part of the Local REBUILD Illinois Bond Funds.
- **Utility taxes** – Up overall 2.36% from the previous year. This consists of a municipal electric tax \$306,502 (1.89% increase), which is a step-rate based on 1kilowatt hour usage, a 5% municipal tax on gas and water usage \$250,727 (15.06% increase), and other utility tax revenue \$169,815 (11.33% 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 2.35% from the previous year. This consists of charges for refuse collection \$880,033 (4.41% increase), a utility franchise charge from the business-type activities \$904,014 (0.21% increase), court fines \$35,727 (8.01% increase).
- **Operating grants and contributions** – This consists of grants received from the State of Illinois. During Fiscal Year 4/30/22, the City received \$18,146 from Illinois Emergency Management Agency Public Assistance Program Grant, \$893 from Illinois Law Enforcement Alarm Systems for training reimbursement, and the Library received grants of \$30,198. There were no 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 \$967,936 capital grants and contributions recognized in the current year.
- **Other** – Up overall 5.50% from the previous year. This consists of licenses and permits \$281,736 (3.96% increase), which includes building and other permits,

inspection fees, liquor licenses, and franchise license fees. The remaining is interest income and investment income (loss) of (\$5,243) and miscellaneous income \$247,183 (22.50% 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, 2022



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.

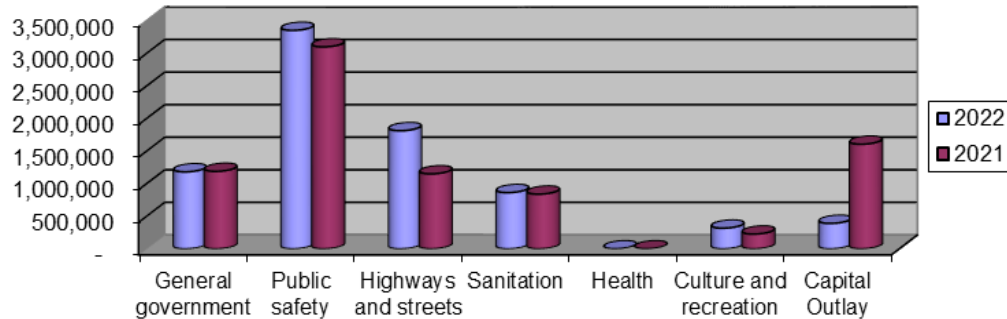
- **Sanitation** expense is the expenditure to an outside contractor for refuse collection. The amount collected from residents wholly offsets the expense for collection.
- **Health** includes any expenditure for health related issues.
- **Culture and recreation** includes expenditures of the municipal 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, 2022, unreserved fund balance of the General Fund was \$8,792,854. Total assets in the General Fund amounted to \$11,038,936, accounting for 69.91% of total governmental fund assets.

CITY OF WATERLOO'S GENERAL FUND

	2022	2021	Variance
REVENUES:			
Taxes – Real Estate	\$ 948,528	\$1,070,674	\$ (122,146)
Intergovernmental	5,529,615	4,674,034	855,581
Utility Taxes	143,175	168,124	(24,949)
Charges for services	1,784,047	1,744,995	39,052
Licenses and permits	281,736	271,013	10,723
Fines	35,727	33,077	2,650
Grants	19,039	450,085	(431,046)
Miscellaneous	211,113	163,563	47,550
Interest	10,614	19,111	(8,497)
TOTAL REVENUES	8,963,594	8,594,676	368,918
EXPENDITURES:			
General government	1,182,748	1,190,543	(7,795)
Public safety	3,354,601	3,101,117	253,484
Highways and streets	1,813,972	1,151,967	662,005
Sanitation	864,185	840,246	23,939
Health	100	50	50
Culture and recreation	318,332	227,618	90,714
Capital Outlay	391,689	1,606,929	(1,215,240)
TOTAL EXPENDITURES	7,925,627	8,118,470	(192,843)
EXCESS OF REVENUES OVER EXPENDITURES	1,037,967	476,206	561,761
OTHER FINANCING SOURCES (USES):			
Transfers	-	-	-
NET CHANGE IN FUND BALANCES	\$ 1,037,967	\$ 476,206	\$ 561,761

City of Waterloo General Fund Expenditures



General Fund Budgetary Highlights

The General Fund budget is approximately 7.8 million dollars. Differences between the original budget and the final budget were \$3,667,312. The difference includes an increase in revenue appropriations of \$763,286 and a decrease in expense appropriations of \$2,904,026. During the year, some revenue and expenditures were less than budgetary estimates.

Overruns exceeding \$5,000 are summarized below:

- Additional \$15,264 was expended in vacation leave in the Police department.
- Additional \$7,204 was expended in holiday pay in the Police department.
- Additional \$9,086 was expended in health insurance reimbursement in the Police department.
- Additional \$8,922 was expended in vehicle fuel and lube in the Police department.
- Additional \$9,658 was expended in canine in the Police department.
- Additional \$22,180 in equipment-new in the Police department.
- Additional \$76,532 in downtown enhancements.
- Additional \$10,143 was expended in regular salaries in the Street department.
- Additional \$16,377 was expended in equipment repairs in the Street department.
- Additional \$5,302 was expended in building improvements in the Street department.
- Additional \$20,250 in street improvements in the Street department.

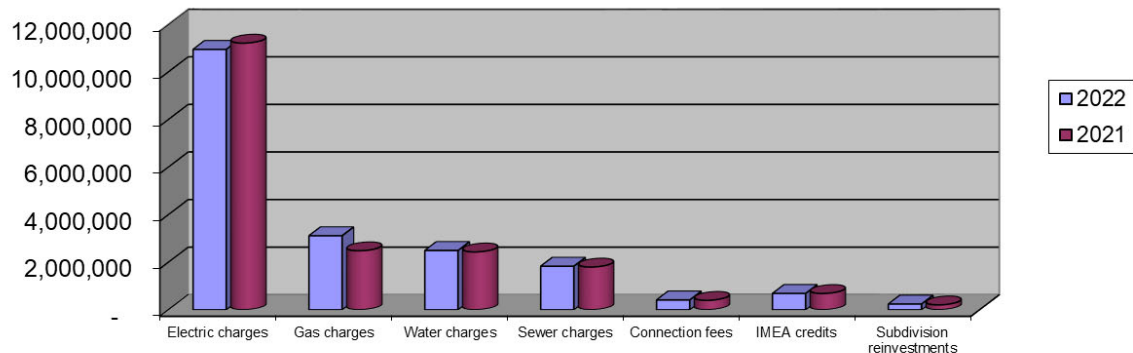
These overruns were offset by unused appropriations for alderman salaries of \$7,522, training of \$9,797, and sales tax rebate of \$13,308 in the legislative department; unused appropriations of \$11,394 of health insurance, and \$7,032 of health insurance reimbursement in the finance department; unused appropriations of \$21,540 for equipment rental and service in the building department; unused appropriations of \$76,615 of legal services; unused appropriations of \$25,231 for building inspector salaries, \$24,040 for professional services, and \$30,000 for equipment-vehicle in the

zoning/building inspector department. Unused appropriations in the police department include \$150,661 of regular salaries, \$6,638 of health insurance, \$5,945 of vehicle maintenance and repair, \$6,841 of training, and \$5,808 of information systems. Unused appropriations in the social services department include \$11,468 for refuse and \$9,360 of community relations. Unused appropriations in the street department include \$5,652 for part-time salaries, \$16,534 of overtime salaries, \$5,447 of interdepartmental salaries, and \$8,028 of health insurance. Other unused appropriations in the street department include \$10,531 of insurance and bonds, \$6,369 in equipment, \$6,403 in equipment leases, \$20,619 in storm drains and \$3,146,759 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. Other projects budgeted, but not completed in the fiscal year include Morrison Avenue and North Market sidewalk project.

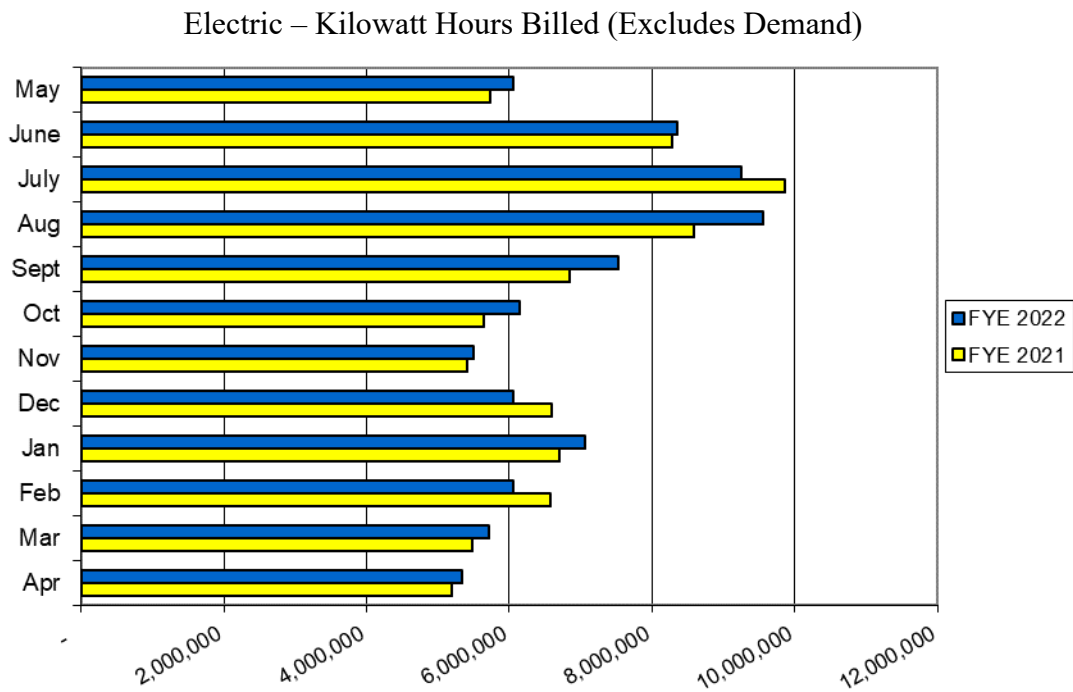
Proprietary Funds Revenue/Expense Analysis

Proprietary Funds Revenue

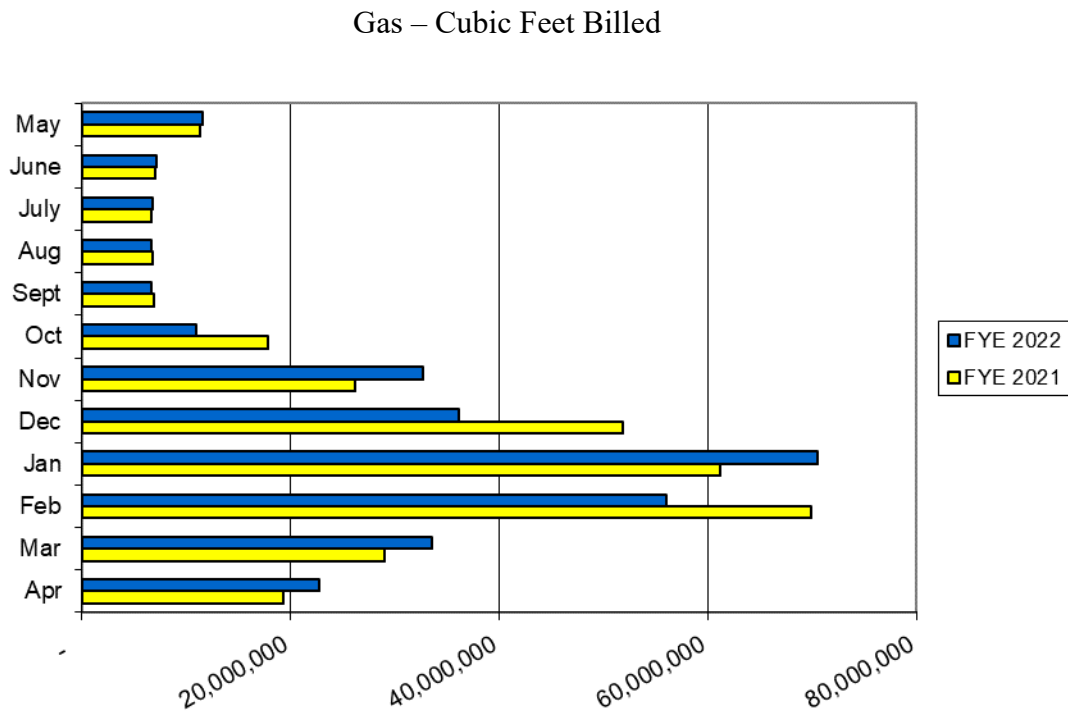
The business-type activities (electric, gas, water, and sewer fund) operating revenues for year ended April 30, 2022 were \$19,727,107, up 2.79% from last year. Charges for services were \$18,382,852, a 2.64% increase from last year. Connection fees were 5.08% more than what was received in the previous year. IMEA credits, which the City receives from IMEA for the Gas Turbine engines at the Power Plant, were slightly more than the previous year. Subdivision reinvestments received for utilities installed in their respective developments was \$241,916 compared to \$204,030 received in the previous year.



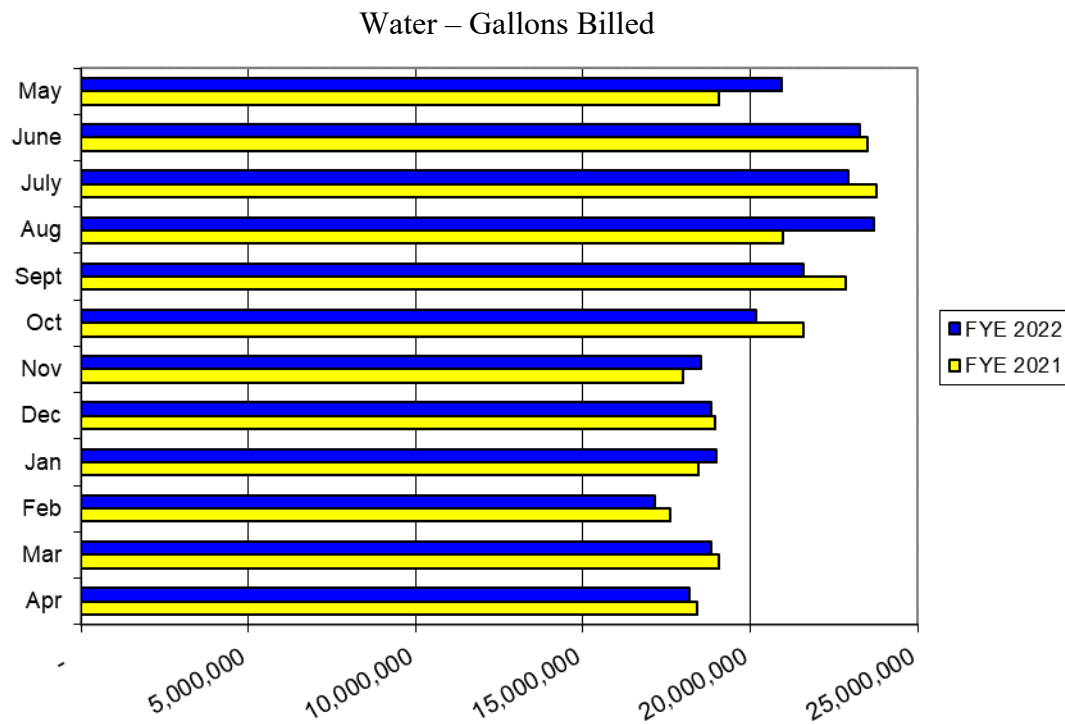
Electric charges for services decreased 2.32% from the prior year, with a 2.12% increase in the consumption of kilowatt hours (excluding demand).



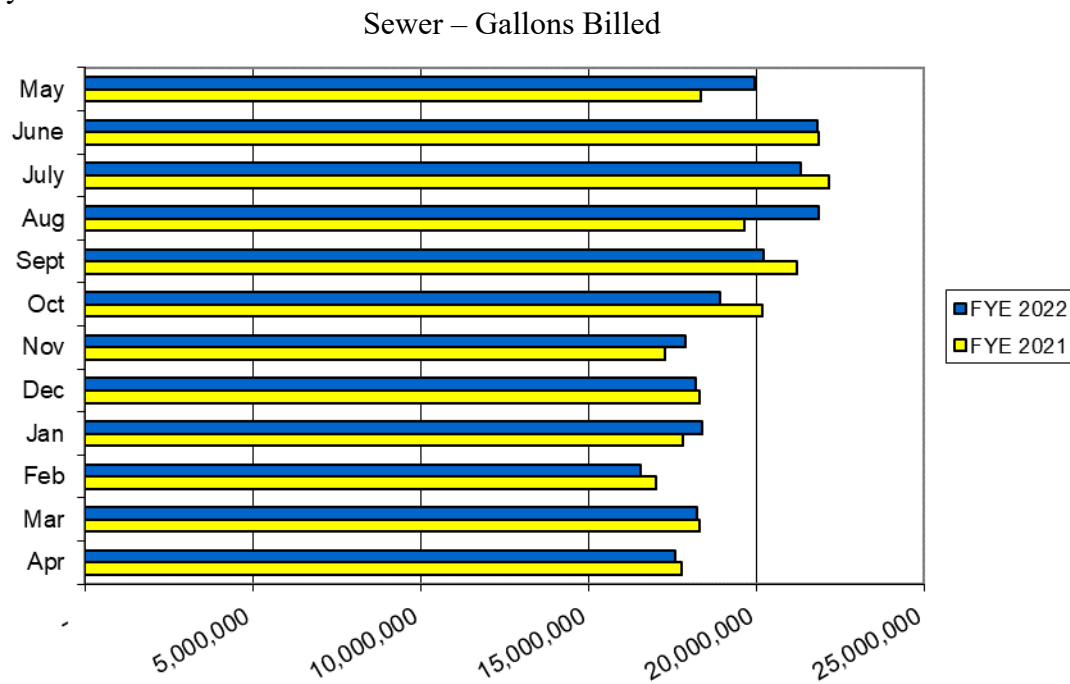
Gas charges for services increased 25.60% from the prior year, with a 4.01% decrease in the consumption of cubic feet of natural gas.



Water charges for services increased 2.60% from the prior year with a 0.37% increase in gallons billed.

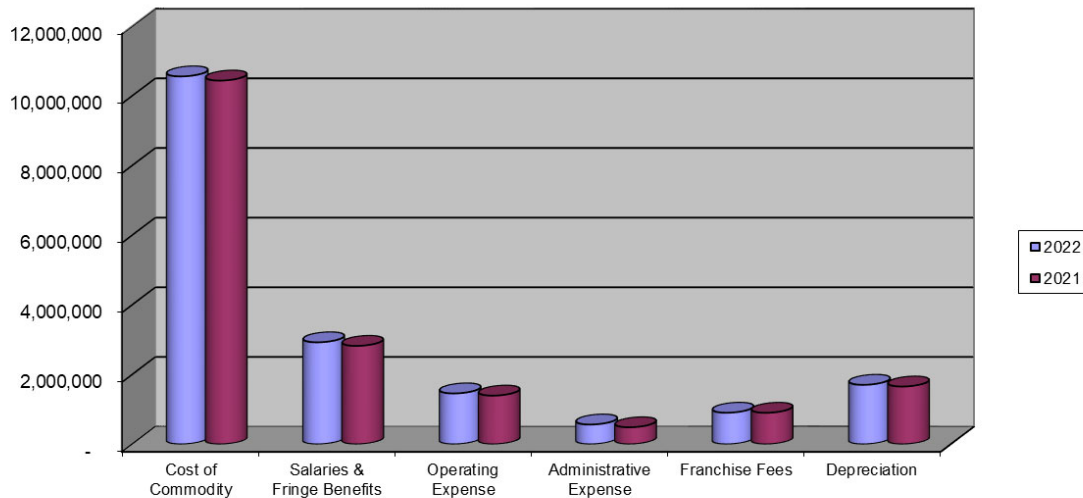


Sewer charges for services increased from the prior year, 2.03%. Since sewer is based on gallons of water consumed, there was also an increase in consumption of 0.47% from the prior year.



Proprietary Funds Expenses

The operating expenses of the proprietary funds for the fiscal year ended April 30, 2022 were \$18,120,509 up 2.35% from last year. Overall, the cost of electric, gas, and water purchased from an outside party increased from last year by \$120,092. Salaries and fringe benefits increased \$102,766, operating expenses increased \$63,379, and administrative expenses increased \$79,543 from the prior year. Franchise fees also increased \$1,899 from the prior year. Finally, depreciation expense increased \$48,747.



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, 2022, amounts to \$62,610,742 (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 lighting improvements at a cost of \$19,500.
- Computer equipment at a cost of \$3,428 and meeting room chairs at a cost of \$5,985 in administrative offices.
- Simulation equipment at a cost of \$4,290, body cameras at a cost of \$19,008, rifles at a cost of \$21,642, license plate reader camera at a cost of \$4,603, copier at a cost of \$3,603, and three new police vehicles with equipment at a cost of \$97,832 were purchased in the Police department.
- Trailer at a cost of \$28,658, racks for salt spreaders at a cost of \$6,302, and other equipment at a cost of \$2,011 were purchased by the street department.
- Street improvements include Natalie Estates, Quail Ridge, Country Club Hills, and Legacy street and curb and gutter additions that were contributed capital by developers at a cost of \$967,936.

- Construction in progress includes costs incurred for Moore Street improvements, Morrison Avenue improvements, Veterans Drive improvements, and Rogers Street extension.

Proprietary Funds:

- Equipment was purchased for use in the various utility departments at a total cost of \$106,473.
- Land was purchased at a cost of \$76,230 for a water tower site.
- A Ford 1 ton truck was purchased at a cost of \$60,416.
- Water meters at a cost of \$67,419 were taken out of capitalized equipment.
- A water line extension from Vandebrook to Waterloo High School was completed at a cost of \$437,758.
- A 16" water line was installed for a connection to the future water tower at a cost of \$89,944.
- A SCADA system was installed at the sewer treatment plant at a cost of \$98,208.
- Manhole re-lining was completed at a cost of \$33,689
- Sewer line replacements were completed at a cost of \$166,163.
- A SCADA system was installed at the power plant at a cost of \$93,608.
- A roof was replaced at the power plant at a cost of \$15,721.
- The power plant turbine #12 retro-fit was completed at a cost of \$589,838.
- An easement machine with trailer and a wire reel trailer with tugger were purchased at a cost of \$123,740 and \$39,905 respectively.
- The purchase of electric meters, transformers, and poles accounted for \$128,587 invested into the electrical system of the City of Waterloo.
- An electric line was re-located along North Moore Street at a cost of \$10,015.
- Gas meters at a cost of \$7,625 were capitalized.
- A gas line was re-located along North Moore Street at a cost of \$90,821.
- Construction in progress includes costs incurred for water treatment plant facility plan and design and sewer line extension engineering.

Long-Term Debt

The City of Waterloo has no bonded debt or loans outstanding as of April 30, 2022.

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, 2022

<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	\$ 11,703,689	\$ 3,678,531	\$ 15,382,220
Investments	975,183	17,529,523	18,504,706
Taxes Receivable	1,205,155	-	1,205,155
Accounts Receivable, Net	284,408	2,526,880	2,811,288
Inventories	-	405,030	405,030
Prepays	113,163	123,205	236,368
Real Estate Taxes Receivable, Net	1,495,877	-	1,495,877
Total Current Assets	<u>15,777,475</u>	<u>24,263,169</u>	<u>40,040,644</u>
NON-CURRENT ASSETS:			
Net Pension Asset	-	2,235,584	2,235,584
Capital Assets:			
Land and Construction in Progress	2,567,040	4,833,437	7,400,477
Other Capital Assets, Net of Accumulated Depreciation	13,556,189	39,418,492	52,974,681
Total Non-Current Assets	<u>16,123,229</u>	<u>46,487,513</u>	<u>62,610,742</u>
Total Assets	<u>31,900,704</u>	<u>70,750,682</u>	<u>102,651,386</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions	2,590,254	595,053	3,185,307
Related Other Post-Employment Benefits	112,546	50,709	163,255
Total Deferred Outflows of Resources	<u>2,702,800</u>	<u>645,762</u>	<u>3,348,562</u>
<u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>			
CURRENT LIABILITIES:			
Accounts Payable	526,551	911,007	1,437,558
Wages and Benefits Payable	48,756	48,827	97,583
Consumer Deposits	-	249,346	249,346
Total Current Liabilities	<u>575,307</u>	<u>1,209,180</u>	<u>1,784,487</u>
NON-CURRENT LIABILITIES:			
Other Post-Employment Benefit Obligation	815,910	367,618	1,183,528
Compensated Absences	442,994	666,070	1,109,064
Net Pension Liability	3,845,728	-	3,845,728
Total Non-Current Liabilities	<u>5,104,632</u>	<u>1,033,688</u>	<u>6,138,320</u>
Total Liabilities	<u>5,679,939</u>	<u>2,242,868</u>	<u>7,922,807</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions	1,732,635	2,306,118	4,038,753
Related to Other Post Employment Benefits	283,383	127,681	411,064
Unavailable Revenue - Property Taxes	1,495,877	-	1,495,877
Deferred Grant Revenue	-	719,752	719,752
Total Deferred Inflows of Resources	<u>3,511,895</u>	<u>3,153,551</u>	<u>6,665,446</u>
<u>NET POSITION</u>			
NET POSITION:			
Net Investment in Capital Assets	16,123,229	44,251,929	60,375,158
Restricted Net Position	3,010,863	-	3,010,863
Unrestricted Net Position	<u>6,277,578</u>	<u>21,748,096</u>	<u>28,025,674</u>
Total Net Position	<u>\$ 25,411,670</u>	<u>\$ 66,000,025</u>	<u>\$ 91,411,695</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2022

FUNCTION/PROGRAMS:	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING	CAPITAL	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
			GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS			
General Government	\$ 1,183,108	\$ 904,014	\$ 49,237	\$ -	\$ (229,857)	\$ -	\$ (229,857)
Public Safety	3,728,847	35,727	-	-	(3,693,120)	-	(3,693,120)
Highways and Streets	3,216,649	-	-	967,936	(2,248,713)	-	(2,248,713)
Sanitation	864,185	880,033	-	-	15,848	-	15,848
Health	100	-	-	-	(100)	-	(100)
Culture and Recreation	844,214	-	-	-	(844,214)	-	(844,214)
Total Governmental Activities	9,837,103	1,819,774	49,237	967,936	(7,000,156)	-	(7,000,156)
BUSINESS-TYPE ACTIVITIES:							
Electric Fund	10,974,695	11,878,689	-	-	-	903,994	903,994
Gas Fund	3,248,583	3,275,552	-	-	-	26,969	26,969
Water Fund	2,174,239	2,573,001	-	-	-	398,762	398,762
Sewer Fund	1,722,992	2,053,270	-	-	-	330,278	330,278
Total Business-Type Activities	18,120,509	19,780,512	-	-	-	1,660,003	1,660,003
Totals	\$ 27,957,612	\$ 21,600,286	\$ 49,237	\$ 967,936	(7,000,156)	1,660,003	(5,340,153)
GENERAL REVENUES:							
Taxes - Real Estate					1,460,798	-	1,460,798
Intergovernmental					6,308,923	-	6,308,923
Utility Taxes					727,044	-	727,044
Licenses and Permits					281,736	-	281,736
Miscellaneous					247,182	-	247,182
Interest Income					17,242	22,453	39,695
Investment Income (Loss)					(22,484)	(746,419)	(768,903)
Total General Revenues					9,020,441	(723,966)	8,296,475
Change in Net Position					2,020,285	936,037	2,956,322
Net Position, Beginning of Year					23,391,385	65,063,988	88,455,373
Net Position, End of Year					\$ 25,411,670	\$ 66,000,025	\$ 91,411,695

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
APRIL 30, 2022

ASSETS	OTHER GOVERNMENTAL			
	GENERAL	LIBRARY	FUNDS	TOTAL
Cash and Cash Equivalents	\$ 8,960,928	\$ 846,930	\$ 1,895,831	\$ 11,703,689
Investments	975,183	-	-	975,183
Taxes Receivable	1,168,666	-	36,489	1,205,155
Accounts Receivable, Net	284,408	-	-	284,408
Due from Other Funds	13,750	-	-	13,750
Prepays	113,163	-	-	113,163
Real Estate Taxes Receivable, Net	972,277	500,656	22,944	1,495,877
Total Assets	\$ 12,488,375	\$ 1,347,586	\$ 1,955,264	\$ 15,791,225
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>				
LIABILITIES:				
Accounts Payable	\$ 511,319	\$ 7,641	\$ 7,591	\$ 526,551
Due to Other Funds	-	-	13,750	13,750
Wage and Benefits Payable	48,756	-	-	48,756
Total Liabilities	560,075	7,641	21,341	589,057
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Property Taxes	972,277	500,656	22,944	1,495,877
Total Deferred Inflows of Resources	972,277	500,656	22,944	1,495,877
FUND BALANCE:				
Nonspendable:				
Prepays	113,163	-	-	113,163
Restricted for:				
Hotel/Motel Tax	147,432	-	-	147,432
Culture and Recreation	-	839,289	34,181	873,470
Motor Fuel Tax	-	-	1,876,798	1,876,798
Committed for:				
IMRF Pension Plan	453,135	-	-	453,135
Capital Improvements	1,449,439	-	-	1,449,439
Unassigned:				
General Fund	8,792,854	-	-	8,792,854
Total Fund Balance	10,956,023	839,289	1,910,979	13,706,291
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 12,488,375	\$ 1,347,586	\$ 1,955,264	\$ 15,791,225

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, 2022

Total fund balance - total governmental funds	\$ 13,706,291
Capital assets of \$45,583,028 net of accumulated depreciation of \$29,459,799, are not financial resources and, therefore are not reported in the funds	16,123,229
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)	(986,747)
Compensated absences	(442,994)
Net pension liability (net of deferred outflows and inflows of resources)	<u>(2,988,109)</u>
Net position of governmental activities	<u>\$ 25,411,670</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, 2022

	GENERAL	LIBRARY	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:				
Taxes - Real Estate	\$ 948,528	\$ 485,479	\$ 26,791	\$ 1,460,798
Intergovernmental	5,529,615	80,821	698,487	6,308,923
Utility Taxes	727,044	-	-	727,044
Charges for Services	1,784,047	-	-	1,784,047
Licenses and Permits	281,736	-	-	281,736
Fines	35,727	-	-	35,727
Grants	19,039	30,198	-	49,237
Miscellaneous	211,113	33,069	3,000	247,182
Interest	14,096	844	2,302	17,242
Investment Income (Loss)	(22,484)	-	-	(22,484)
Total Revenues	<u>9,528,461</u>	<u>630,411</u>	<u>730,580</u>	<u>10,889,452</u>
EXPENDITURES:				
General Government	1,183,800	-	-	1,183,800
Public Safety	3,354,601	-	-	3,354,601
Highways and Streets	1,813,972	-	266,262	2,080,234
Sanitation	864,185	-	-	864,185
Health	100	-	-	100
Culture and Recreation	318,332	442,348	22,522	783,202
Capital Outlay	391,689	19,500	-	411,189
Total Expenditures	<u>7,926,679</u>	<u>461,848</u>	<u>288,784</u>	<u>8,677,311</u>
Excess of Revenues	1,601,782	168,563	441,796	2,212,141
Other Financing Sources (Uses)				
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,601,782	168,563	441,796	2,212,141
Fund Balance, Beginning of Year	<u>9,354,241</u>	<u>670,726</u>	<u>1,469,183</u>	<u>11,494,150</u>
Fund Balance, End of Year	<u>\$ 10,956,023</u>	<u>\$ 839,289</u>	<u>\$ 1,910,979</u>	<u>\$ 13,706,291</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, 2022

Net change in fund balance - total governmental funds	\$ 2,212,141
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 \$1,529,975 exceeded capital outlay \$411,188 in the current period.	(1,118,787)
Capital contributions to infrastructure are not reported is not a current resource and is not included in the net change in fund balance	967,936
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.	(46,173)
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.	(22,885)
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>28,053</u>
Change in net position of governmental activities	<u>\$ 2,020,285</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
APRIL 30, 2022

<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>	
CURRENT ASSETS:						
Cash and Cash Equivalents	\$ 1,311,952	\$ 861,139	\$ 863,846	\$ 605,000	\$ 36,594	\$ 3,678,531
Investments	11,276,810	4,009,265	886,778	1,042,915	313,755	17,529,523
Accounts Receivable, Net	1,362,356	513,542	376,784	274,198	-	2,526,880
Inventories	300,000	29,000	48,830	27,200	-	405,030
Prepays	83,607	10,727	9,198	19,673	-	123,205
Total Current Assets	<u>14,334,725</u>	<u>5,423,673</u>	<u>2,185,436</u>	<u>1,968,986</u>	<u>350,349</u>	<u>24,263,169</u>
NON-CURRENT ASSETS:						
Net Pension Asset	1,050,009	494,565	306,279	384,731	-	2,235,584
Capital Assets, Net	19,261,924	4,866,955	8,497,556	11,625,494	-	44,251,929
Total Non-Current Assets	<u>20,311,933</u>	<u>5,361,520</u>	<u>8,803,835</u>	<u>12,010,225</u>	<u>-</u>	<u>46,487,513</u>
Total Assets	<u>34,646,658</u>	<u>10,785,193</u>	<u>10,989,271</u>	<u>13,979,211</u>	<u>350,349</u>	<u>70,750,682</u>
DEFERRED OUTFLOWS OF RESOURCES:						
Related to Pensions	280,901	131,181	81,157	101,814	-	595,053
Related to Other Post Employment Benefits	23,942	16,437	3,979	6,351	-	50,709
Total Deferred Outflows of Resources	<u>304,843</u>	<u>147,618</u>	<u>85,136</u>	<u>108,165</u>	<u>-</u>	<u>645,762</u>
LIABILITIES						
CURRENT LIABILITIES:						
Accounts Payable	570,451	168,469	127,333	44,754	-	911,007
Wages and Benefits Payable	22,691	11,299	6,051	8,786	-	48,827
Consumer Deposits	44,771	-	-	-	204,575	249,346
Total Current Liabilities	<u>637,913</u>	<u>179,768</u>	<u>133,384</u>	<u>53,540</u>	<u>204,575</u>	<u>1,209,180</u>
NON-CURRENT LIABILITIES:						
Other Post-Employment Benefit Obligation	173,569	119,159	28,846	46,044	-	367,618
Compensated Absences	221,355	162,418	113,676	168,621	-	666,070
Total Non-Current Liabilities	<u>394,924</u>	<u>281,577</u>	<u>142,522</u>	<u>214,665</u>	<u>-</u>	<u>1,033,688</u>
Total Liabilities	<u>1,032,837</u>	<u>461,345</u>	<u>275,906</u>	<u>268,205</u>	<u>204,575</u>	<u>2,242,868</u>
DEFERRED INFLOWS OF RESOURCES:						
Related to Pensions	1,083,137	510,169	315,942	396,870	-	2,306,118
Related to Other Post Employment Benefits	60,284	41,386	10,019	15,992	-	127,681
Deferred Grant Revenue	-	-	719,752	-	-	719,752
	<u>1,143,421</u>	<u>551,555</u>	<u>1,045,713</u>	<u>412,862</u>	<u>-</u>	<u>3,153,551</u>
NET POSITION						
NET POSITION:						
Net Investment in Capital Assets	19,261,924	4,866,955	8,497,556	11,625,494	-	44,251,929
Unrestricted Net Position	13,513,319	5,052,956	1,255,232	1,780,815	145,774	21,748,096
Total Net Position	<u>\$ 32,775,243</u>	<u>\$ 9,919,911</u>	<u>\$ 9,752,788</u>	<u>\$ 13,406,309</u>	<u>\$ 145,774</u>	<u>\$ 66,000,025</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, 2022

	ENTERPRISE FUNDS					
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	TOTAL
OPERATING REVENUES:						
Charges for Services	\$ 10,945,816	\$ 3,112,487	\$ 2,492,972	\$ 1,831,577	\$ -	\$ 18,382,852
Connection Fees	86,240	52,615	67,005	208,581	-	414,441
IMEA Credits	687,898	-	-	-	-	687,898
Subdivision Reinvestments	142,705	99,211	-	-	-	241,916
Total Operating Revenues	<u>11,862,659</u>	<u>3,264,313</u>	<u>2,559,977</u>	<u>2,040,158</u>	<u>-</u>	<u>19,727,107</u>
OPERATING EXPENSES:						
Cost of Sales	7,862,288	1,933,739	1,246,520	-	-	11,042,547
Distribution	1,364,702	660,153	305,577	-	-	2,330,432
Treatment	-	-	-	668,193	-	668,193
Collection	-	-	-	192,748	-	192,748
Administration	936,863	447,318	370,581	426,835	-	2,181,597
Depreciation	<u>810,842</u>	<u>207,373</u>	<u>251,561</u>	<u>435,216</u>	<u>-</u>	<u>1,704,992</u>
Total Operating Expenses	<u>10,974,695</u>	<u>3,248,583</u>	<u>2,174,239</u>	<u>1,722,992</u>	<u>-</u>	<u>18,120,509</u>
Operating Income	<u>887,964</u>	<u>15,730</u>	<u>385,738</u>	<u>317,166</u>	<u>-</u>	<u>1,606,598</u>
NON-OPERATING REVENUES (EXPENSES):						
Interest Income	11,123	5,057	2,910	3,089	274	22,453
Investment Income (Loss)	(455,719)	(186,398)	(41,228)	(48,487)	(14,587)	(746,419)
Other Income	<u>16,030</u>	<u>11,239</u>	<u>13,024</u>	<u>13,112</u>	<u>-</u>	<u>53,405</u>
Total Non-Operating Revenues (Expenses)	<u>(428,566)</u>	<u>(170,102)</u>	<u>(25,294)</u>	<u>(32,286)</u>	<u>(14,313)</u>	<u>(670,561)</u>
Income (Loss) Before Transfers	459,398	(154,372)	360,444	284,880	(14,313)	936,037
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	459,398	(154,372)	360,444	284,880	(14,313)	936,037
Total Net Position, Beginning 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>
Total Net Position, End of Year	<u>\$ 32,775,243</u>	<u>\$ 9,919,911</u>	<u>\$ 9,752,788</u>	<u>\$ 13,406,309</u>	<u>\$ 145,774</u>	<u>\$ 66,000,025</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2022

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash Received from Customers	\$ 11,837,466	\$ 3,128,267	\$ 2,531,936	\$ 2,027,774	\$ 99,775	\$ 19,625,218
Cash Paid Out to Customers	313	-	-	-	(106,875)	(106,562)
Cash Payments to Suppliers for Goods and Services	(9,231,205)	(2,959,580)	(1,650,819)	(824,965)	-	(14,666,569)
Cash Payments to Employees and Professional Contractors for Services	(1,270,771)	(636,876)	(346,848)	(525,729)	-	(2,780,224)
Net Cash Flows Provided (Used) by Operating Activities	<u>1,335,803</u>	<u>(468,189)</u>	<u>534,269</u>	<u>677,080</u>	<u>(7,100)</u>	<u>2,071,863</u>
CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES:						
Transfer of Funds - Grant Proceeds	350,000	-	719,752	(350,000)	-	719,752
Other Income	<u>16,030</u>	<u>11,239</u>	<u>13,024</u>	<u>13,112</u>	<u>-</u>	<u>53,405</u>
Net Cash Flows Provided by Non-Capital Related Financing Activities	<u>366,030</u>	<u>11,239</u>	<u>732,776</u>	<u>(336,888)</u>	<u>-</u>	<u>773,157</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition and Construction of Capital Assets	<u>(928,196)</u>	<u>(180,493)</u>	<u>(760,641)</u>	<u>(206,400)</u>	<u>-</u>	<u>(2,075,730)</u>
Net Cash Flows (Used) by Capital and Related Financing Activities	<u>(928,196)</u>	<u>(180,493)</u>	<u>(760,641)</u>	<u>(206,400)</u>	<u>-</u>	<u>(2,075,730)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Sale/(Purchase) of Investments	(1,044,280)	186,398	41,228	48,487	14,587	(753,580)
Investment Income (Loss)	<u>(444,596)</u>	<u>(181,341)</u>	<u>(38,318)</u>	<u>(45,398)</u>	<u>(14,313)</u>	<u>(723,966)</u>
Net Cash Flows Provided (Used) by Investing Activities	<u>(1,488,876)</u>	<u>5,057</u>	<u>2,910</u>	<u>3,089</u>	<u>274</u>	<u>(1,477,546)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(715,239)	(632,386)	509,314	136,881	(6,826)	(708,256)
Cash and Cash Equivalents at May 1, 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>
Cash and Cash Equivalents at April 30, 2022	<u>\$ 1,311,952</u>	<u>\$ 861,139</u>	<u>\$ 863,846</u>	<u>\$ 605,000</u>	<u>\$ 36,594</u>	<u>\$ 3,678,531</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2022

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
Operating Income	\$ 887,964	\$ 15,730	\$ 385,738	\$ 317,166	\$ -	\$ 1,606,598
Adjustment to Reconcile Operating Income to						
Net Cash Provided by Operating Activities:						
Depreciation	810,842	207,373	251,561	435,216	-	1,704,992
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(21,343)	(136,046)	(28,041)	(12,384)	-	(197,814)
(Increase) Decrease in Prepaid Insurance	(6,726)	902	649	(258)	-	(5,433)
(Increase) Decrease in Net Pension Asset	(735,807)	(330,265)	(211,012)	(265,796)	-	(1,542,880)
(Increase) Decrease in Deferred Outflow of Resources	164,645	97,734	54,368	64,926	-	381,673
Increase (Decrease) in Accounts Payable	(137)	(433,432)	(4,543)	14,674	-	(423,438)
Increase (Decrease) in Wages and Benefits Payable	397	1,234	61	751	-	2,443
Increase (Decrease) in Other Post-Employment Benefit Obligation	(9,186)	(8,073)	(968)	(248)	-	(18,475)
Increase (Decrease) in Compensated Absences	(29,167)	25,959	16,269	31,853	-	44,914
Increase (Decrease) in Deferred Inflow of Resources	277,858	90,695	70,187	91,180	-	529,920
Increase (Decrease) in Consumer Deposits	(3,537)	-	-	-	(7,100)	(10,637)
Total Adjustments	447,839	(483,919)	148,531	359,914	(7,100)	465,265
Net Cash Provided by Operating Activities	<u>\$ 1,335,803</u>	<u>\$ (468,189)</u>	<u>\$ 534,269</u>	<u>\$ 677,080</u>	<u>\$ (7,100)</u>	<u>\$ 2,071,863</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUND
POLICE PENSION PLAN
APRIL 30, 2022

	<u>EMPLOYEE RETIREMENT PLAN</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 565,188
RECEIVABLES:	
Employer	679,703
Interest	<u>31,963</u>
Total Receivables	711,666
Investments	<u>6,743,952</u>
Total Assets	<u>8,020,806</u>
<u>LIABILITIES</u>	
Accounts Payable	<u>700</u>
Total Liabilities	<u>700</u>
<u>NET POSITION</u>	
Held in Trust for Pension Benefits	<u>\$ 8,020,106</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, 2022

	<u>EMPLOYEE RETIREMENT PLAN</u>
ADDITIONS:	
Contributions:	
Employer	\$ 654,000
Plan Members	142,837
Total Contributions	<u>796,837</u>
Investment Income:	
Interest	121,098
Dividend	95,444
Gain on Investments	40,090
Unrealized Appreciation (Depreciation)	<u>(695,008)</u>
Total Investment Income	<u>(438,376)</u>
 Total Additions	 <u>358,461</u>
DEDUCTIONS:	
Retirement Benefits	461,185
Portability	28,327
Administrative Expense	<u>39,248</u>
Total Deductions	<u>528,760</u>
 Change in Net Position	 (170,299)
Net Position, Beginning of Year	<u>8,190,405</u>
 Net Position, End of Year	 <u>\$ 8,020,106</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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, 2022.

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022.

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, 2022

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, 2022

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, 2022

NOTE 2. DEPOSITS AND INVESTMENTS

Deposits

The City's deposits with local banks consist of the following at April 30, 2022:

	<u>CARRYING AMOUNT</u>	<u>BANK VALUE</u>
Governmental Activities:		
Cash and Cash Equivalents	\$ 11,703,689	\$ 12,031,152
Business-Type Activities:		
Cash and Cash Equivalents	3,678,531	4,277,044
Fiduciary Fund (Police Pension):		
Cash and Cash Equivalents	565,188	565,188
	<u>\$ 15,947,408</u>	<u>\$ 16,873,384</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, 2022, \$1,630,415 was covered by federal depository insurance, \$15,242,969 was covered by collateralized securities held by third-party institutions in the City's name, and \$0 was uncollateralized.

Investments

The City's investments consist of the following at April 30, 2022:

	<u>FAIR VALUE</u>	<u>COST</u>
Governmental Activities:		
IMET 1-3 Year Fund	\$ 975,183	\$ 1,000,000
Business-type Activities:		
IMET 1-3 Year Fund	17,529,523	15,550,000
Sub-Total (Carried Forward)	<u>18,504,706</u>	<u>16,550,000</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (CONT'D)

	<u>FAIR VALUE</u>	<u>COST</u>
Sub-Total (Brought Forward)	\$ 18,504,706	\$ 16,550,000
Fiduciary Fund (Police Pension):		
Equity Mutual Funds	3,032,909	2,213,488
Corporate Bonds	1,501,749	1,654,948
U.S. Treasury Notes	807,119	845,997
U.S. Treasury Bonds	762,702	866,884
Federal Farm Credit Banks	107,448	111,327
Federal Home Loan Bank	60,743	63,155
Federal National Mortgage Association	10,021	9,905
Foreign Bonds, Notes and Debentures	142,245	154,285
Equity Exchange Traded Funds	166,649	144,402
Certificates of Deposit	<u>152,367</u>	<u>158,766</u>
	<u>6,743,952</u>	<u>6,223,157</u>
	<u>\$ 25,248,658</u>	<u>\$ 22,773,157</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, 2022

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, 2022:

	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, 2022.

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 \$7,309,140 (which includes cash and cash equivalents) at April 30, 2022. The Plan's investment in a single issuer of 5 percent or more at April 30, 2022 consists of the following equity mutual funds: Vanguard High Dividend Yield Index = 6.22% and Vanguard Russell 1000 Index = 14.91%.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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, 2022:

	SEGMENTED TIME DISTRIBUTION INVESTMENT MATURITIES IN YEARS				
	FAIR VALUE	ON DEMAND			
		OR <1	1-5	6-10	>10
Business-Type Activities:					
IMET 1-3 Year Fund	\$ 17,529,523	\$ 17,529,523	\$ -	\$ -	\$ -
Fiduciary Fund (Police Pension):					
Equity Mutual Funds	3,032,909	3,032,909	-	-	-
Corporate Bonds	1,501,749	115,347	583,375	256,535	546,492
U.S. Treasury Notes	807,119	-	617,263	189,856	-
U.S. Treasury Bonds	762,702	76,333	95,885	79,909	510,575
Federal Farm Credit Banks	107,448	-	59,117	19,880	28,451
Federal Home Loan Bank	60,743	25,041	20,243	15,459	-
Federal National Mortgage Assoc.	10,021	10,021	-	-	-
Foreign Bonds, Notes & Debenture	142,245	-	54,847	76,947	10,451
Equity Exchange Traded Funds	166,649	166,649	-	-	-
Certificates of Deposit	152,367	91,237	61,130	-	-
	<u>6,743,952</u>	<u>3,517,537</u>	<u>1,491,860</u>	<u>638,586</u>	<u>1,095,969</u>
	<u>\$ 24,273,475</u>	<u>\$ 21,047,060</u>	<u>\$ 1,491,860</u>	<u>\$ 638,586</u>	<u>\$ 1,095,969</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, 2022:

	FAIR VALUE	REDEMPTION FREQUENCY	REDEMPTION NOTICE PERIOD
Governmental Activities:			
IMET 1-3 Year Fund	\$ 975,183	Daily	5 Days
Business-Type Activities:			
IMET 1-3 Year Fund	<u>17,529,523</u>	Daily	5 Days
	<u>\$ 18,504,706</u>		

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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, 2022:

	FAIR VALUE	LEVEL 1	LEVEL 2	LEVEL 3
FIDUCIARY FUND (Police Pension):				
Equity Mutual Funds	\$ 3,032,909	\$ 3,032,909	\$ -	\$ -
Corporate Bonds	1,501,749	1,501,749	-	-
U.S. Treasury Notes	807,119	807,119	-	-
U.S. Treasury Bonds	762,702	762,702	-	-
Federal Farm Credit Banks	107,448	107,448	-	-
Federal Home Loan Bank	60,743	60,743	-	-
Federal National Mortgage Association	10,021	10,021	-	-
Foreign Bonds, Notes & Debentures	142,245	142,245	-	-
Equity Exchange Traded Funds	166,649	166,649	-	-
Certificates of Deposit	152,367	152,367	-	-
	<u>\$ 6,743,952</u>	<u>\$ 6,743,952</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, 2022

NOTE 4. RECEIVABLES

Accounts receivable at April 30, 2022 consists of the following:

Garbage	\$ 140,945
Telecommunications Taxes	22,294
Video Gaming	42,030
Local Utility Taxes	79,139
Utility Bills	<u>2,526,880</u>
	<u>\$ 2,811,288</u>

There is no allowance for doubtful accounts as management expects utility deposits of \$204,575 sufficient to cover any uncollectible accounts receivable.

Taxes receivable of \$1,205,155 is comprised of sales, income, motor fuel tax and other intergovernmental revenue.

Real estate taxes are collected one year in arrears. Although levied in 2021 real estate taxes are collected subsequent to June 30, 2022. 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	\$ 1,499,627
Less Allowance for Uncollectible Accounts	<u>(3,750)</u>
Net Real Estate Taxes Receivable	<u>\$ 1,495,877</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
Governmental Activities			
Balance at May 1, 2021	\$ 1,030,586	\$ 1,342,127	\$ 2,372,713
Increase	-	834,882	834,882
Decrease	-	<u>640,556</u>	<u>640,556</u>
Balance at April 30, 2022	<u>\$ 1,030,586</u>	<u>\$ 1,536,453</u>	<u>\$ 2,567,039</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

NOTE 5. CAPITAL ASSETS (CONT'D)

	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
Balance at May 1, 2021	\$ 5,637,936	\$ 29,528,751	\$ 6,664,504	\$ 41,831,191
Increases	19,500	967,936	197,362	1,184,798
Decreases	-	-	-	-
Balance at April 30, 2022	<u>5,657,436</u>	<u>30,496,687</u>	<u>6,861,866</u>	<u>43,015,989</u>
Accumulated Depreciation				
Balance at May 1, 2021	2,881,996	19,466,440	5,581,388	27,929,824
Increases	136,222	1,095,068	298,685	1,529,975
Decreases	-	-	-	-
Balance at April 30, 2022	<u>3,018,218</u>	<u>20,561,508</u>	<u>5,880,073</u>	<u>29,459,799</u>
Governmental Activities, Net	<u>\$ 2,639,218</u>	<u>\$ 9,935,179</u>	<u>\$ 981,793</u>	<u>\$ 13,556,190</u>
CAPITAL ASSETS, NOT DEPRECIATED				
Business-Type Activities	CONSTRUCTION			TOTAL
	LAND	IN PROGRESS		
Balance at May 1, 2021	\$ 3,318,037	\$ 1,464,764		\$ 4,782,801
Increases	76,230	860,088		936,318
Decreases	-	885,682		885,682
Balance at April 30, 2022	<u>\$ 3,394,267</u>	<u>\$ 1,439,170</u>		<u>\$ 4,833,437</u>
CAPITAL ASSETS, DEPRECIATED				
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
Balance at May 1, 2021	\$ 1,519,811	\$ 61,656,188	\$ 9,537,383	\$ 72,713,382
Increases	15,722	1,546,815	466,695	2,029,232
Decreases	-	-	4,138	4,138
Balance at April 30, 2022 (Carried Forward)	<u>\$ 1,535,533</u>	<u>\$ 63,203,003</u>	<u>\$ 9,999,940</u>	<u>\$ 74,738,476</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

NOTE 5. CAPITAL ASSETS (CONT'D)

	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND EQUIPMENT			TOTAL
	BUILDINGS	INFRASTRUCTURE		
Balance at April 30, 2022 (Brought Forward)	\$ 1,535,533	\$ 63,203,003	\$ 9,999,940	\$ 74,738,476
Accumulated Depreciation				
Balance at May 1, 2021	509,943	27,562,605	5,542,444	33,614,992
Increases	38,192	1,327,051	339,749	1,704,992
Decreases	-	-	-	-
Balance at April 30, 2022	548,135	28,889,656	5,882,193	35,319,984
Net Business-Type Capital Assets Depreciated	\$ 987,398	\$ 34,313,347	\$ 4,117,747	\$ 39,418,492
Governmental Activities:				
General Government			\$ 85,071	
Public Safety			144,447	
Highway and Streets			1,240,313	
Culture and Recreation			60,144	
			<u>\$ 1,529,975</u>	
Business-Type Activities:				
Electric Fund			\$ 810,842	
Gas Fund			207,373	
Water Fund			251,561	
Sewer Fund			435,216	
			<u>\$ 1,704,992</u>	

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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, 2022:

Governmental Activities

	BALANCE MAY 1, 2021	INCREASE	DECREASE	BALANCE APRIL 30, 2022
Compensated Absences	\$ 420,109	\$ 22,885	\$ -	\$ 442,994
Net Pension Liability	3,580,707	265,021	-	3,845,728
Total Governmental Long-Term Liabilities	<u>4,000,816</u>	<u>287,906</u>	<u>-</u>	<u>4,288,722</u>

Business-Type Activities

Compensated Absences	621,156	44,914	-	666,070
Net Pension Liability (asset)	<u>(692,704)</u>	<u>-</u>	<u>1,542,880</u>	<u>(2,235,584)</u>
Total Business Long-Term Liability	<u>\$ (71,548)</u>	<u>\$ 44,914</u>	<u>\$ 1,542,880</u>	<u>\$ (1,569,514)</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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

B. Legal Debt Margin

At April 30, 2022, the legal debt margin of the City was as follows:

Assessed Valuation - 2021	<u>\$ 321,225,264</u>
Legal Debt Margin	<u>8.625%</u>
Debt Margin	\$ 27,705,679
Debt Outstanding	<u>-</u>
Legal Debt Margin	<u>\$ 27,705,679</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.

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, 2022

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, 2021, the following employees were covered by the Plan:

Active	46
Inactive employees or beneficiaries currently receiving benefits	69
Inactive employees entitled to but not yet receiving benefits	10
Total	<u>125</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 2021 was 9.97 percent. For the fiscal year ended April 30, 2022, the City contributed \$319,791 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, 2021, 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, 2021, actuarial valuation was determined using the following actuarial methods and assumption, applied to all periods included in the measurement:

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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

Actuarial Cost Method	Entry Age Normal
Assets Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) 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.
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Other Information:

Notes	There were no benefit changes during the year.
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The long term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates or return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2021:

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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

ASSET CLASS	PORTFOLIO TARGET PERCENTAGE	LONG-TERM EXPECTED REAL RATE OF RETURN
Equities	39.00 %	1.90 %
International Equities	15.00	3.15
Fixed Income	25.00	(0.60)
Real Estate	10.00	3.30
Alternatives	10.00	
Private Entity		5.50
Hedge Funds		N/A
Commodities		1.70
Cash Equivalents	<u>1.00</u>	(0.90)
	<u>100.00 %</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, 2022

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, 2021, were as follows:

	TOTAL PENSION LIABILITY	PLAN FIDUCIARY NET POSITION	NET PENSION LIABILITY (ASSET)
Balance, December 31, 2020	<u>\$ 20,393,020</u>	<u>\$ 21,379,217</u>	<u>\$ (986,197)</u>
Changes for the Year:			
Service Cost	319,418	-	319,418
Interest	1,453,867	-	1,453,867
Difference Between Expected and Actual Experience	224,173	-	224,173
Changes in Assumptions	-	-	-
Contributions-Employees	-	154,918	(154,918)
Contributions-Employer	-	343,229	(343,229)
Net Investment Income	-	3,591,720	(3,591,720)
Benefit Payments Including Refunds of Employee Contributions	(998,792)	(998,792)	-
Other (Net Transfer)	-	59,496	(59,496)
Net Changes	<u>998,666</u>	<u>3,150,571</u>	<u>(2,151,905)</u>
Balance, December 31, 2021	<u>\$ 21,391,686</u>	<u>\$ 24,529,788</u>	<u>\$ (3,138,102)</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	%	\$ (642,217)
Current discount rate	7.25		(3,138,102)
1% increase	8.25		(5,138,177)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources. For the year ended April 30, 2022, the City recognized pension income of \$606,516. At April 30, 2022, 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, 2022

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

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference Between Expected and Actual Experience	\$ 298,723	\$ -
Changes in Assumption	-	76,679
Net Difference Between Projected and Actual Earnings on Plan Investments	434,226	3,160,431
Contributions After Measurement Date	<u>101,433</u>	<u>-</u>
Total	<u>\$ 834,382</u>	<u>\$ 3,237,110</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>	
2022	\$ (397,388)
2023	(962,969)
2024	(630,829)
2025	(411,542)
2026	-
Thereafter	-
Total	<u>\$ (2,402,728)</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, 2022

NOTE 8. POLICE PENSION PLAN (CONT'D)

Plan membership at April 30, 2022, 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><u>30</u></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, 2022

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, 2022, the City contributed, \$654,000 which was 45.37% 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, 2022 the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was -5.67 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, 2022

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, 2022, were:

Total Pension Liability	\$ 12,768,353
Plan Fiduciary Net Position	(8,020,107)
City's Net Pension Liability	<u>\$ 4,748,246</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.81%
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Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of April 30, 2022, 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, 2022

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	<u>\$ 6,794,883</u>	<u>\$ 4,748,246</u>	<u>\$ 3,104,224</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources . For the year ended April 30, 2022, the City recognized pension expense of \$895,709. At April 30, 2022, 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	\$ 1,139,990	\$ 801,642
Changes of assumptions	681,252	-
Difference Between Projected and Actual Investment	529,683	-
Total	<u>\$ 2,350,925</u>	<u>\$ 801,642</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,	
2023	\$ 400,194
2024	382,699
2025	332,312
2026	394,953
2027	163,550
Thereafter	(124,425)
Total	<u>\$ 1,549,283</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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, 2022, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Inactive	
Participants Entitled to But Not Yet Receiving Benefits	5
Active Participants	59
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, 2022, calculated in accordance with GASB Statement No. 75 were as follows:

Total OPEB Liability	\$ 1,183,528
Plan Fiduciary Net Position	-
Net OPEB Liability	<u>\$ 1,183,528</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, 2022, using the following actuarial assumptions:

Salary Increases	3.50%
Investment Rate of Return	N/A
Municipal Bond Index Rate	3.42%
(Unfunded Plan)	

Mortality RP2014 base rates projected using scale MP2020.

Healthcare Inflation 7.25%, grading down .25% per year until 4.5% is reached.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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, 2021	\$ 1,233,253	\$ -	\$ 1,233,253
Changes for the year:			
Service cost	109,727	-	109,727
Interest cost	25,630	-	25,630
Differences Between Expected & Actual Experience	-	-	-
Assumption changes	(136,516)	-	(136,516)
Contributions - Employer	-	48,566	48,566
Benefit payments	(48,566)	(48,566)	(97,132)
Net Changes	(49,725)	-	(49,725)
Balance April 30, 2022	\$ 1,183,528	\$ -	\$ 1,183,528

Discount Rate - The discount rate used to measure the total OPEB liability was 3.42%. 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 3.42%, 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	2.42%	\$ 1,286,921
Current discount rate	3.42%	1,183,528
1% increase	4.42%	1,087,824

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%	\$ 1,045,523
Current discount rate	7.25%	1,183,528
1% increase	8.25%	1,345,861

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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, 2022 the City recognized OPEB expense of \$110,661. At April 30, 2022, 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>\$ 163,255</u>	<u>\$ (411,064)</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>	
2023	\$ (24,696)
2024	(24,696)
2025	(24,696)
2026	(24,696)
2027	(24,696)
Thereafter	<u>(124,329)</u>
	<u>\$ (247,809)</u>

NOTE 10. PROPERTY TAXES

The City's 2020 property tax levy was passed by the City on November 16, 2020. Property taxes attach as an enforceable lien on property as of January 1. Taxes were payable in two (2) installments on September 24, 2021 and November 5, 2021. Major tax payments were received by the City funds by April 30, 2022 for taxes payable in 2021.

The City's 2021 property tax levy was passed by the Board on November 15, 2021.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

NOTE 11. COMMITMENTS AND CONTINGENCIES

A. Water Treatment Facility

The City is planning to construct a 3.25 million gallon water treatment facility and 500,000 gallon elevated storage tank.

Land for the Water Treatment Facility and elevated storage tank has been acquired at a total investment of \$522,727.

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, 2022, \$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, 2022, \$1,064,903 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, 2022

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, 2022 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 \$347,466 in gross utility revenue from Wal-Mart in the Proprietary fund.

Included in charges for services within governmental revenue is \$904,014 in administrative fees received from the Proprietary funds (Electric, Gas, Water and Sewer).

NOTE 14. INTERFUND TRANSFERS/LOANS

The Motor Fuel Tax fund owed the General Fund \$13,750 at April 30, 2022.

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, 2022:

<u>FUND</u>	<u>DEPARTMENT</u>	<u>OBJECT CATEGORY</u>	<u>EXCEEDING APPROPRIATIONS</u>
General Fund	Legislative	Training	\$ 1,703
General Fund	Zoning/Building Inspector	Planning Commission	210
General Fund	Zoning/Building Inspector	Zoning Board	410
General Fund	Zoning/Building Inspector	Health Insurance Reimbursement	1,992
General Fund	Zoning/Building Inspector	Unemployment Insurance	26
General Fund	Zoning/Building Inspector	Vehicle Fuel and Lube	42
General Fund	Records	Vacation Leave	78
General Fund	Police	Vacation Leave	5,264
General Fund	Police	Health Insurance Reimbursement	14,086
General Fund	Police	Unemployment Insurance	259
General Fund	Emergency Management Agency	Equipment -New	1,006
General Fund	Social Services	Vacation Leave	419
General Fund	Streets and Alleys	Unemployment Insurance	46
General Fund	Streets and Alleys	Street Maintenance and Repair	2,572
General Fund	Streets and Alleys	Safety Materials	1,090

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

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2022

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. On July 18, 2022, the City was notified by Sprint/T-Mobile regarding the termination of the Agreement effective October 31, 2022.

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

5/1/22 - 4/30/23	\$ 22,089
5/1/23 - 4/30/24	24,850
5/1/24 - 4/30/25	24,850
5/1/25 - 4/30/26	24,850
5/1/26 - 4/30/27	24,850

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, 2022.

NOTE 17. SUBSEQUENT EVENTS

Management has evaluated the effect of subsequent events on the financial statements, through January 27, 2023. From this evaluation, there were no subsequent events that were determined to meet the criteria for disclosure.

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,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
TOTAL PENSION LIABILITY:										
Service Cost	\$ 319,418	\$ 349,839	\$ 328,098	\$ 316,253	\$ 341,104	\$ 349,687	\$ 323,114			
Interest on the Total Pension Liability	1,453,867	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	224,173	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	(998,792)	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)			
Net Change in Total Pension Liability	998,666	877,892	977,813	1,632,230	277,020	311,752	1,015,357			
Total Pension Liability - Beginning	20,393,020	19,515,128	18,537,315	16,905,085	16,628,065	16,316,313	15,300,956			
Total Pension Liability - Ending (a)	21,391,686	20,393,020	19,515,128	18,537,315	16,905,085	16,628,065	16,316,313			
PLAN FIDUCIARY NET POSITION:										
Employer Contributions	343,229	336,993	254,673	328,734	340,217	360,379	468,089			
Employee Contributions	154,918	146,944	140,962	137,227	135,605	133,474	131,980			
Pension Plan Net Investment Income	3,591,720	2,650,312	3,030,965	(882,965)	2,625,678	994,458	71,203			
Benefit Payments and Refunds	(998,792)	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)			
Other	59,496	193,774	94,995	358,953	(194,275)	(131,549)	16,808			
Net Change in Plan Fiduciary Net Position	3,150,571	2,387,830	2,682,922	(851,397)	2,215,949	674,000	(29,333)			
Plan Fiduciary Net Position - Beginning	21,379,217	18,991,387	16,308,465	17,159,862	14,943,913	14,269,913	14,299,246			
Plan Fiduciary Net Position - Ending (b)	\$ 24,529,788	\$ 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)	\$ (3,138,102)	\$ (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	114.67%	104.84%	97.32%	87.98%	101.51%	89.87%	87.46%			
Covered Valuation Payroll	\$ 3,442,623	\$ 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	-91.15%	-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, 2022

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%
2021	343,230	343,229	1	3,442,623	9.97%

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 2021 CONTRIBUTION RATE*
APRIL 30, 2022

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the calendar 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): 22-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 17 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years and one employer was 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, 2019 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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Discount Rate	0.00%	0.00%	0.00%	0.00%	0.00%					
Service Cost	\$ 109,727	\$ 96,935	\$ 83,870	\$ 78,330	\$ -					
Interest Cost	25,630	39,675	46,023	44,905	-					
Plan Amendments	-	-	(20,350)	-	-					
Actuarial Losses/(Gains)	-	(354,823)	-	-	-					
Assumption Changes	(136,516)	110,673	92,135	17,522	-					
Benefit Payments	(48,566)	(45,283)	(59,880)	(55,189)	-					
Net Change in Total OPEB Liability	(49,725)	(152,823)	141,798	85,568	-					
Total OPEB Liability - Beginning	1,233,253	1,386,076	1,244,278	1,158,710	-					
Total OPEB Liability - Ending (a)	\$ 1,183,528	\$ 1,233,253	\$ 1,386,076	\$ 1,244,278	\$ -					

Plan Fiduciary Net Position

Employer Contributions	\$ 48,566	\$ 45,283	\$ 59,880	\$ 55,189	\$ -					
Employee Contributions	-	-	-	-	-					
Net Investment Income	-	-	-	-	-					
Benefit Payments	(48,566)	(45,283)	(59,880)	(55,189)	-					
Administrative Expenses	-	-	-	-	-					
Net Change in Plan Fiduciary Net Position	-	-	-	-	-					
Plan Fiduciary Net Position - Beginning	-	-	-	-	-					
Plan Fiduciary Net Position - Ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -					
Net OPEB Liability/(Asset) -Ending (a)-(b)	\$ 1,183,528	\$ 1,233,253	\$ 1,386,076	\$ 1,244,278	\$ -					
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%	0.00%	0.00%	0.00%						
Covered Valuation Payroll	\$ 4,359,957	\$ 4,212,520	\$ 4,162,934	\$ 4,022,159	\$ -					
Net OPEB Liability as a Percentage of Covered Valuation Payroll	27.15%	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%
2022	48,566	48,566	-	4,359,957	1.11%

POST RETIREMENT BENEFITS

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 border="1"> <thead> <tr> <th><u>Age</u></th><th><u>Probability of Termination</u></th></tr> </thead> <tbody> <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> </tbody> </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 2022 TOTAL OPEB LIABILITY
POST RETIREMENT BENEFITS

Methods and Assumptions Used to Determine the 2022 Total OPEB Liability Continued:

Monthly Health Plan Premium Costs (Blended)	<u>Coverage</u>	<u>Medical</u>	<u>Dental & 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, 2022

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
TOTAL PENSION LIABILITY:										
Service Cost	\$ 349,992	\$ 347,712	\$ 350,827	\$ 350,827	\$ 329,507	\$ 246,585	\$ 268,414	\$ 282,417		
Interest on the Total Pension Liability	787,581	741,317	631,372	633,007	551,919	505,436	500,155	382,427		
Changes of Benefit Terms	-	-	-	-	-	-	-	-		
Difference Between Expected and Actual Experience	(25,505)	209,748	476,317	(960,117)	669,634	226,932	(465,422)	790,465		
Changes of Assumptions	81,192	-	728,347	-	-	-	-	561,107		
Contributions - Buy Back	106,426									
Changes of Benefit Terms	-	-	27,379							
Benefit Payments	(595,937)	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)		
Net Change in Total Pension Liability	703,749	716,098	1,757,596	(292,665)	1,258,353	739,569	96,054	1,812,781		
Total Pension Liability - Beginning	12,064,604	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	12,768,353	12,064,604	11,348,506	9,590,910	9,883,575	8,625,222	7,885,653	7,789,599		
PLAN FIDUCIARY NET POSITION:										
Employer Contributions	654,000	653,000	500,000	538,000	418,000	405,000	441,000	380,000		
Employee Contributions	142,837	146,383	106,943	121,205	107,693	79,999	96,824	94,024		
Contributions - Buy Back	106,426									
Pension Plan Net Investment Income	(457,806)	1,101,477	180,516	294,505	236,870	295,773	(44,528)	156,597		
Benefit Payments and Refunds	(595,937)	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)		
Other	(19,818)	(22,466)	(28,081)	(28,180)	(28,180)	(16,893)	(17,115)	(18,460)		
Net Change in Plan Fiduciary Net Position	(170,298)	1,295,715	302,732	609,148	441,676	524,495	269,088	408,526		
Plan Fiduciary Net Position - Beginning	8,190,405	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	\$ 8,020,107	\$ 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)	\$ 4,748,246	\$ 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	62.81%	67.89%	60.75%	68.73%	60.53%	64.24%	63.62%	60.95%		
Covered Valuation Payroll	\$ 1,441,342	\$ 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	329.43%	278.67%	332.30%	216.98%	309.02%	353.71%	313.73%	308.07%		

CITY OF WATERLOO
POLICE PENSION FUND
APRIL 30, 2022

MULTIYEAR SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS

<u>FISCAL YEAR ENDING APRIL 30,</u>	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u>	<u>COVERED VALUATION PAYROLL</u>	<u>ACTUAL CONTRIBUTION AS A % OF COVERED VALUATION PAYROLL</u>
2022	\$ 653,386	\$ 654,000	\$ (614)	\$ 1,441,342	45.37%
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, 2022

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%	-5.67%	-	-

CITY OF WATERLOO
POLICE PENSION FUND
APRIL 30, 2022

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, 2022

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUE:				
Property Tax IMRF/FICA	\$ 126,200	\$ 126,200	\$ 126,108	\$ (92)
Property Tax Road and Bridge	50,000	50,000	49,971	(29)
Property Tax Gen. Corporate	118,550	118,550	118,449	(101)
Liquor License	22,000	22,000	23,660	1,660
Franchise License	122,000	122,000	123,384	1,384
Utility Franchise	897,000	925,000	904,014	(20,986)
Infrastructure Fee	172,000	147,750	147,930	180
Fees and Permits	110,000	113,000	123,742	10,742
Inspection Fees	15,000	12,000	10,950	(1,050)
State Income Tax	1,700,000	1,910,000	1,994,274	84,274
State Replacement Tax	63,000	114,500	156,116	41,616
Mobile Home Taxes	5	5	4	(1)
Cops Grant/SRO Officer	77,775	77,775	69,111	(8,664)
Grant	-	4,711	27,706	22,995
Sales Tax	2,460,000	2,825,000	2,816,805	(8,195)
Business District Tax	97,000	107,000	107,335	335
Video Gaming	152,500	235,500	237,574	2,074
Cannabis Use Tax	8,000	17,500	17,143	(357)
Court Fines	40,000	36,000	35,727	(273)
Penalties on Service	8,500	8,500	8,564	64
Refuse Fees	878,600	875,000	871,300	(3,700)
Utility Bill Adjustment	(250)	(250)	(103)	147
Interest Income	20,000	6,500	10,614	4,114
Tower Rental	32,800	34,050	34,050	-
Sundry Income	6,000	6,000	4,446	(1,554)
Donations	31,000	73,500	76,454	2,954
Asset Seizure	-	1,175	1,175	-
Hotel/Motel Tax	13,000	15,000	15,135	135
Miscellaneous	2,000	2,000	2,072	72
Total Revenue	<u>\$ 7,222,680</u>	<u>\$ 7,985,966</u>	<u>\$ 8,113,710</u>	<u>\$ 127,744</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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>		
EXPENDITURES:				
Legislative				
Mayor	\$ 26,500	\$ 26,500	\$ 25,422	\$ 1,078
Aldermen	137,000	132,000	129,478	2,522
FICA	13,000	13,000	11,850	1,150
Professional Services	39,500	42,000	41,406	594
Communications	4,500	4,000	3,323	677
Printing and Publishing	7,000	7,000	5,715	1,285
Membership and Dues	12,000	15,000	14,600	400
Training	14,500	3,000	4,703	(1,703)
Books and Publications	500	650	615	35
Bad Debt Expense	2,000	2,000	932	1,068
Insurance and Bonds	400	525	515	10
Sales Tax Rebate	115,000	105,000	101,692	3,308
Miscellaneous	11,000	11,000	9,826	1,174
Office Supplies	200	-	-	-
Capital Projects	-	-	-	-
Legislative Total Expense	<u>383,100</u>	<u>361,675</u>	<u>350,077</u>	<u>11,598</u>
Finance				
District of Public Works	27,000	27,000	26,340	660
Finance Director	22,500	22,500	21,321	1,179
Clerical	65,000	69,000	67,409	1,591
Human Resource	12,000	12,000	11,180	820
Part-Time Salaries	6,000	2,000	1,367	633
Over-Time Salaries	2,000	2,000	2	1,998
Sick Leave	3,500	4,000	3,755	245
Vacation Leave	11,000	13,000	12,132	868
Treasurer	9,000	9,000	8,234	766
Health Insurance	25,000	25,000	13,606	11,394
Health Insurance Reimbursement	20,000	20,000	12,968	7,032
Unemployment Insurance	250	250	192	58
FICA	13,000	13,000	11,457	1,543
IMRF	14,000	14,000	13,080	920
Bank Charges	1,000	1,000	814	186
Clothing Allowance	3,500	3,500	3,197	303
Sub-Total (Carried Forward)	<u>\$ 234,750</u>	<u>\$ 237,250</u>	<u>\$ 207,054</u>	<u>\$ 30,196</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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)	\$ 234,750	\$ 237,250	\$ 207,054	\$ 30,196
Equipment Rental and Service	2,400	2,400	1,558	842
Professional Services	3,200	3,000	2,276	724
Postage	1,600	1,600	1,106	494
Communications	19,500	19,000	17,656	1,344
Printing and Publishing	1,500	2,000	1,277	723
Membership and Dues	600	600	319	281
Training	4,000	1,000	371	629
Insurance and Bonds	12,000	12,000	11,672	328
Miscellaneous	500	500	80	420
Office Supplies	5,000	5,000	3,306	1,694
Department Supplies	1,600	1,600	1,158	442
Equipment - Office	2,000	2,000	684	1,316
Furniture and Fixtures	2,000	-	-	-
Information Systems	15,000	19,000	13,259	5,741
Tourism	15,000	15,000	12,640	2,360
Finance Total Expenses	<u>320,650</u>	<u>321,950</u>	<u>274,416</u>	<u>47,534</u>
Building				
Building Repairs	20,000	30,000	20,355	9,645
Equipment Rental and Service	30,000	25,000	8,460	16,540
Professional Services	3,500	4,000	3,750	250
Independent Contractor	24,000	23,500	22,889	611
Utilities	65,000	65,000	61,548	3,452
Janitorial Supplies	2,000	2,000	1,357	643
Fuels	1,000	1,000	-	1,000
Equipment	4,000	4,000	942	3,058
Furniture and Fixtures	6,000	6,000	5,985	15
Building Total Expenses	<u>155,500</u>	<u>160,500</u>	<u>125,286</u>	<u>35,214</u>
Legal				
Legal	160,000	130,000	83,385	46,615
Legal Total Expenses	<u>\$ 160,000</u>	<u>\$ 130,000</u>	<u>\$ 83,385</u>	<u>\$ 46,615</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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>	
Zoning/Building Inspector				
Planning Commission	\$ 6,420	\$ 6,420	\$ 6,630	\$ (210)
Zoning Board	6,420	6,420	6,830	(410)
Zoning Officer	78,000	78,000	73,396	4,604
Building Inspector	58,000	35,000	32,769	2,231
Part-Time Salaries	-	-	-	-
Sick Leave	4,000	4,000	2,760	1,240
Vacation Leave	10,000	10,000	6,837	3,163
Health Insurance	48,500	48,500	46,649	1,851
Health Insurance Reimbursement	8,000	8,000	9,992	(1,992)
Unemployment Insurance	200	350	376	(26)
FICA	11,500	10,500	9,717	783
IMRF	14,600	12,500	10,632	1,868
Vehicle Maintenance and Repair	1,500	3,500	2,753	747
Professional Services	40,000	40,000	15,960	24,040
Postage	100	100	100	-
Communications	1,300	1,300	872	428
Printing and Publishing	200	200	-	200
Membership and Dues	200	200	-	200
Training	3,000	1,000	435	565
Books and Publications	500	1,300	1,293	7
Insurance and Bonds	9,000	9,000	6,460	2,540
Miscellaneous	500	500	146	354
Office Supplies	2,000	2,200	2,192	8
Vehicle Fuel and Lube	1,500	1,600	1,642	(42)
Equipment - Office	2,000	2,200	1,939	261
Equipment - Vehicle	30,000	-	-	-
Information Systems	1,500	1,500	1,200	300
Zoning/Building Inspector				
Total Expenses	<u>\$ 338,940</u>	<u>\$ 284,290</u>	<u>\$ 241,580</u>	<u>\$ 42,710</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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>	
Records				
Deputy City Clerk	\$ 57,000	\$ 59,000	\$ 57,497	\$ 1,503
Over-Time Salaries	500	500	447	53
Sick Leave	2,000	2,000	1,033	967
Vacation Leave	6,500	6,500	6,578	(78)
City Clerk	18,500	18,500	17,680	820
Health Insurance	12,500	12,500	12,030	470
Health Insurance Reimbursement	4,600	4,600	2,663	1,937
Unemployment Insurance	100	100	100	-
FICA	6,300	6,300	6,206	94
IMRF	6,200	6,600	6,118	482
Clothing Allowance	600	600	526	74
Equipment Repairs	200	200	-	200
Professional Services	7,000	5,000	3,664	1,336
Postage	100	100	100	-
Printing and Publishing	5,000	5,000	4,699	301
Membership and Dues	100	100	(30)	130
Training	3,500	-	-	-
Books and Publications	100	100	-	100
Insurance and Bonds	400	450	365	85
Recording Fees	1,500	1,500	1,095	405
Miscellaneous	100	100	10	90
Office Supplies	500	500	14	486
Equipment - office	500	-	-	-
Information systems	500	-	-	-
Records Total Expenses	<u>\$ 134,300</u>	<u>\$ 130,250</u>	<u>\$ 120,795</u>	<u>\$ 9,455</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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	\$ 1,360,000	\$ 1,360,000	\$ 1,344,939	\$ 15,061
Part-Time Salaries	22,000	26,500	24,538	1,962
PEDA Salaries	-	2,000	405	1,595
Over-Time Salaries	50,000	50,000	47,501	2,499
Sick Leave	40,000	50,000	41,004	8,996
Vacation Leave	80,000	90,000	95,264	(5,264)
Holiday	100,000	108,000	107,204	796
Health Insurance	328,000	328,000	321,362	6,638
Health Insurance Reimbursement	45,000	40,000	54,086	(14,086)
Unemployment Insurance	1,700	2,000	2,259	(259)
FICA	125,000	127,000	122,462	4,538
IMRF	6,200	6,400	5,921	479
Clothing Allowance	15,000	15,000	14,982	18
Vehicle Maintenance and Repair	20,000	20,000	14,055	5,945
Equipment Rental and Service	3,000	3,000	2,400	600
Postage	500	500	437	63
Communications	220,500	221,000	220,018	982
Printing and Publishing	1,000	1,000	472	528
Membership and Dues	13,500	14,000	11,998	2,002
Training	20,000	20,000	13,159	6,841
Books and Publications	1,000	1,000	150	850
Insurance and Bonds	100,000	104,500	104,243	257
Miscellaneous	3,000	3,000	2,345	655
Office Supplies	5,000	5,000	1,455	3,545
Department Supplies	6,500	6,500	6,411	89
Vehicle Fuel and Lube	36,000	45,000	44,922	78
Ammunition	2,000	3,000	2,770	230
Canine	10,000	20,000	19,658	342
Equipment - Office	3,000	5,500	5,409	91
Equipment - New	31,000	53,500	53,180	320
Equipment - Vehicle	100,000	100,000	97,833	2,167
Information Systems	55,000	55,000	49,192	5,808
Community Relations	3,500	3,500	(882)	4,382
DARE Fund	4,000	4,000	3,754	246
DUI Fund	8,000	5,500	5,484	16
Explorer Program	-	2,000	1,015	985
Police Total Expenses	<u>\$ 2,819,400</u>	<u>\$ 2,901,400</u>	<u>\$ 2,841,405</u>	<u>\$ 59,995</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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	36	64
FICA	500	500	404	96
IMRF	-	-	-	-
Vehicle Maintenance and Repair	-	-	-	-
Postage	100	100	100	-
Communications	300	300	208	92
Training	200	200	-	200
Vehicle Fuel and Lube	-	-	-	-
Equipment - New	-	-	1,006	(1,006)
Emergency Management Agency Total Expenses	<u>7,200</u>	<u>7,200</u>	<u>7,514</u>	<u>(314)</u>
Police Commission				
Legal	1,000	1,000	-	1,000
Officer Candidates Testing	1,000	1,000	100	900
Testing for Officer Hiring	5,000	6,000	5,268	732
Printing and Publishing	200	100	86	14
Membership and Dues	400	500	-	500
Training	2,000	2,000	-	2,000
Office Supplies	100	100	-	100
Police Commission Total Expenses	<u>9,700</u>	<u>10,700</u>	<u>5,454</u>	<u>5,246</u>
Health and Ordinance				
Postage	100	100	100	-
Miscellaneous	1,000	-	-	-
Health and Ordinance Total Expenses	<u>\$ 1,100</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ -</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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>	
Social Services				
Community Relations Coordinator	\$ 57,500	\$ 57,500	\$ 55,391	\$ 2,109
Sick Leave	1,500	1,500	974	526
Vacation Leave	4,000	4,000	4,419	(419)
Health Insurance	28,500	28,500	27,973	527
Health Insurance Reimbursement	3,000	1,500	-	1,500
Unemployment Insurance	100	100	100	-
FICA	4,700	4,700	4,561	139
IMRF	6,500	6,500	5,667	833
Communications	1,000	1,000	739	261
Printing and Publishing	100	100	-	100
Training	1,200	1,000	570	430
Books and Publications	50	50	30	20
Street Lighting	70,000	70,000	69,124	876
Refuse	873,600	873,600	862,132	11,468
Insurance and Bonds	700	1,200	1,118	82
Miscellaneous	150	150	-	150
Office Supplies	3,000	3,000	1,134	1,866
Office Equipment	500	-	-	-
Information Systems	3,500	3,500	3,002	498
Community Relations	27,000	27,000	17,640	9,360
Contribution Sr. Citizens	7,500	7,500	7,500	-
Sister Cities Program	500	500	310	190
Downtown Enhancement	110,000	220,000	186,532	33,468
Social Services Total Expenses	<u>\$ 1,204,600</u>	<u>\$ 1,312,900</u>	<u>\$ 1,248,916</u>	<u>\$ 63,984</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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>	
Streets and Alleys				
Regular Salaries	\$ 345,000	\$ 360,000	\$ 355,143	\$ 4,857
Part-Time Salaries	6,000	6,000	348	5,652
Over-Time Salaries	25,000	25,000	8,466	16,534
Sick Leave	8,000	12,000	10,767	1,233
Vacation Leave	24,000	30,000	27,636	2,364
Interdepartmental Salaries	15,000	15,000	9,553	5,447
Health Insurance	76,000	70,000	67,972	2,028
Health Insurance Reimbursement	12,000	12,000	10,419	1,581
Unemployment Insurance	500	500	546	(46)
FICA	32,000	32,000	30,471	1,529
IMRF	42,000	42,000	38,367	3,633
Clothing Allowance	7,000	7,000	2,355	4,645
Building Repairs	5,000	5,000	3,080	1,920
Equipment Repairs	50,000	70,000	66,377	3,623
Communications	2,000	2,000	1,455	545
Training	2,000	2,000	699	1,301
Utilities	19,000	19,000	17,541	1,459
Insurance and Bonds	52,000	42,000	41,469	531
Miscellaneous	5,500	5,500	4,202	1,298
Street Maintenance and Repair	50,000	50,000	52,572	(2,572)
Street Signs	5,000	5,000	3,075	1,925
Construction Materials	35,000	45,000	39,016	5,984
Department Supplies	10,000	10,000	8,509	1,491
Tools	3,500	5,000	3,813	1,187
Janitorial Supplies	3,000	3,000	2,669	331
Vehicle Fuel and Lube	35,000	35,000	34,174	826
Safety Materials	7,500	10,000	11,090	(1,090)
Land	-	-	-	-
Building Improvements	1,000	10,000	6,302	3,698
Equipment	10,000	10,000	3,631	6,369
Equipment - Office	-	-	-	-
Equipment Leases	10,000	5,000	3,597	1,403
Equipment - Vehicle	25,000	29,500	29,246	254
Street Improvements	150,000	175,000	170,250	4,750
Other Improvements - Storm Drains	35,000	15,000	14,381	619
Capital Projects	4,047,000	1,000,000	900,241	99,759
Streets and Alleys Total Expenses	5,155,000	2,164,500	1,979,432	185,068
Total Expenditures (Carried Forward)	\$ 10,689,490	\$ 7,785,465	\$ 7,278,360	\$ 507,105

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2022

	<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>		
Total Expenditures (Brought Forward)	\$ 10,689,490	\$ 7,785,465	\$ 7,278,360	\$ 507,105
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,466,810)	\$ 200,501	835,350	\$ 634,849
Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:				
Effect of Unrecorded Assets			849,884	
Effect of Unrecorded Liabilities			(647,267)	
Excess (Deficiency) of Revenues Over Expenses			1,037,967	
BEGINNING FUND BALANCE			8,468,617	
ENDING FUND BALANCE			\$ 9,506,584	

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - LIBRARY FUND
YEAR ENDED APRIL 30, 2022

	<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	\$ 420,750	\$ 420,750	\$ 416,198	\$ (4,552)
City Building & Maintenance Tax	56,100	56,100	55,493	(607)
City IMRF/FICA Tax	13,800	13,800	13,788	(12)
LTC Grant	3,000	3,000	6,000	3,000
Illinois Humanities Grant	-	-	5,000	5,000
Dollar General Literacy Grant	-	-	2,500	2,500
FEMA Covid Grant	-	-	659	659
State Replacement Tax	25,000	25,000	80,821	55,821
Per Capita Grant	14,092	14,092	16,039	1,947
Interest	650	650	844	194
Non-Resident Fees	10,000	10,000	11,543	1,543
Replacement Cards	50	50	35	(15)
Fax Fees	1,500	1,500	1,467	(33)
Photocopies/Printouts	5,000	5,000	3,949	(1,051)
Fines Collected	1,000	1,000	690	(310)
Lost/Damaged Materials	1,000	1,000	1,130	130
Microform Copies	50	50	-	(50)
Miscellaneous Income	800	800	6,602	5,802
Programming Fees	50	50	1,213	1,163
Book Sales Receipts	-	-	2	2
Refunds/Overcharges	50	50	394	344
Gifts/Donations	3,850	3,850	6,044	2,194
	<u>556,742</u>	<u>556,742</u>	<u>630,411</u>	<u>73,669</u>
Total Revenue				
EXPENDITURES:				
Website/Social Media	1,500	1,500	1,050	(450)
Repairs	550	550	4,587	4,037
Staff Salaries	240,598	240,598	202,134	(38,464)
Adult Print Materials	23,500	23,500	20,193	(3,307)
Juvenile Print Materials	7,000	7,000	7,856	856
Adult Nonprint Materials	9,500	9,500	8,079	(1,421)
Juvenile Nonprint Materials	1,000	1,000	2,140	1,140
Adult Databases	12,000	12,000	9,353	(2,647)
Juvenile Databases	2,500	2,500	548	(1,952)
Sub Total (Carried Forward)	\$ 298,148	\$ 298,148	\$ 255,940	\$ (42,208)

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - LIBRARY FUND
YEAR ENDED APRIL 30, 2022

	<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)	\$ 298,148	\$ 298,148	\$ 255,940	\$ (42,208)
Genealogy Print Materials	100	100	136	36
Genealogy Nonprint Materials	50	50	27	(23)
Genealogy Databases	3,100	3,100	3,036	(64)
City Utilities-MTL	21,000	21,000	19,265	(1,735)
Trash Disposal	600	600	595	(5)
Telephone	3,100	3,100	3,577	477
Postage	350	350	529	179
Lost/Damaged Materials	250	250	255	5
Travel Expense/Mileage	-	-	-	-
Continuing Education	4,000	4,000	609	(3,391)
Miscellaneous Expenses	2,000	2,000	3,303	1,303
Dues & Fees	1,000	1,000	636	(364)
Legal Fees	500	500	1,500	1,000
Accounting Fees	550	550	576	26
Cleaning Services	16,500	16,500	16,752	252
Lawn Maintenance	5,238	5,238	5,412	174
HVAC Maintenance & Repair	3,000	3,000	3,816	816
MTL General Maintenance & Repair	6,050	6,050	13,235	7,185
Photocopier Service Contracts	2,500	2,500	1,641	(859)
Computer Service Contracts	10,000	10,000	9,720	(280)
Security System	3,230	3,230	3,275	45
Elevator Service Contract	4,300	4,300	3,468	(832)
Liability, Umbrella Premium	4,000	4,000	4,184	184
Surety Bond	1,000	1,000	551	(449)
Workers' Compensation	1,000	1,000	447	(553)
Employee Health Insurance	35,949	35,949	18,662	(17,287)
HRA Fees & Reimbursements	9,536	9,536	1,125	(8,411)
Computer Supplies	-	-	601	601
Library Supplies	6,000	6,000	5,749	(251)
Promotional Materials	1,000	1,000	-	(1,000)
Summer Reading Program	1,500	1,500	1,193	(307)
Programming Expenses	3,000	3,000	3,697	697
Public Relations	1,500	1,500	622	(878)
Advertising	500	500	342	(158)
GateNet Online Charges	9,000	9,000	8,880	(120)
Sub Total (Carried Forward)	459,551	459,551	393,356	(66,195)

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - LIBRARY FUND
YEAR ENDED APRIL 30, 2022

	<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)	\$ 459,551	\$ 459,551	\$ 393,356	\$ (66,195)
Internet	750	750	752	2
OCLO Selective User	250	250	217	(33)
Furnishings	10,000	10,000	8,258	(1,742)
Office Equipment	2,000	2,000	180	(1,820)
Library Equipment	2,000	2,000	399	(1,601)
Computer Equipment	11,500	11,500	45	(11,455)
Parking Lot	2,400	2,400	2,400	-
Continuing Education - Grant	-	-	271	271
Adult Print - Grant	-	-	142	142
Juvenile Print - Grant	-	-	164	164
Capital Improvements	25,500	25,500	19,500	(6,000)
Computer Equipment - Grant	-	-	303	303
Contractual Services - Grant	-	-	-	-
Col. M - Utilities	3,500	3,500	4,706	1,206
Col. M - General Maintenance & Repair	2,000	2,000	1,282	(718)
Payroll Taxes	19,406	19,406	16,219	(3,187)
IMRF	17,735	17,735	13,862	(3,873)
Other	150	150	(208)	(358)
Total Expenditures	<u>556,742</u>	<u>556,742</u>	<u>461,848</u>	<u>(94,894)</u>
Excess of Revenues				
Over Expenditures	-	-	168,563	168,563
OTHER FINANCING (USES):				
Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>168,563</u>	<u>\$ 168,563</u>
Excess (Deficiency) of Revenues Over Expenses			168,563	
BEGINNING FUND BALANCE			<u>670,726</u>	
ENDING FUND BALANCE			<u>\$ 839,289</u>	

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - UTILITY TAX FUND
YEAR ENDED APRIL 30, 2022

	<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	\$ 207,000	\$ 234,000	\$ 250,443	\$ 16,443
Other Utility Tax	23,000	25,500	26,627	1,127
Electric Municipal Tax	294,000	306,000	306,398	398
Utility Bill Adjustment	(2,000)	(2,000)	303	2,303
Interest Income	3,500	3,200	3,482	282
Investment Income	-	-	(22,485)	(22,485)
Total Revenue	<u>525,500</u>	<u>566,700</u>	<u>564,768</u>	<u>(1,932)</u>
EXPENDITURES:				
Bad Debt Expense	2,000	2,000	527	1,473
Customer Refunds	200	200	20	180
Capital Projects	<u>60,000</u>	<u>550</u>	<u>525</u>	<u>-</u>
Total Expenditures	<u>62,200</u>	<u>2,750</u>	<u>1,072</u>	<u>1,653</u>
Excess of Revenues Over Expenditures	463,300	563,950	563,696	(254)
OTHER FINANCING (USES):				
Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 463,300</u>	<u>\$ 563,950</u>	<u>563,696</u>	<u>\$ (254)</u>
Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:				
Effect of Unrecorded Assets			99	
Effect of Unrecorded Liabilities			<u>20</u>	
Excess (Deficiency) of Revenues Over Expenses			563,815	
BEGINNING FUND BALANCE			<u>885,624</u>	
ENDING FUND BALANCE			<u>\$ 1,449,439</u>	

CITY OF WATERLOO, ILLINOIS
NOTES TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED APRIL 30, 2022

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 (2021), 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, 2022 on April 19, 2021 and it was amended on April 4, 2022.

OTHER SUPPLEMENTAL INFORMATION

CITY OF WATERLOO, ILLINOIS
COMBINING BALANCE SHEET - GENERAL FUND
YEAR ENDED APRIL 30, 2022

<u>ASSETS</u>	<u>GENERAL</u>	<u>UTILITY TAX FUND</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$ 8,565,811	\$ 395,117	\$ 8,960,928
Investments	-	975,183	975,183
Taxes Receivable	1,168,666	-	1,168,666
Accounts Receivable, Net	205,269	79,139	284,408
Due from Other Funds	13,750	-	13,750
Prepays	113,163	-	113,163
Real Estate Taxes Receivable, Net	<u>972,277</u>	<u>-</u>	<u>972,277</u>
Total Assets	<u>\$ 11,038,936</u>	<u>\$ 1,449,439</u>	<u>\$ 12,488,375</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>			
LIABILITIES:			
Accounts Payable	\$ 511,319	\$ -	\$ 511,319
Wage and Benefits Payable	<u>48,756</u>	<u>-</u>	<u>48,756</u>
Total Liabilities	<u>560,075</u>	<u>-</u>	<u>560,075</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue - Property Taxes	<u>972,277</u>	<u>-</u>	<u>972,277</u>
Total Deferred Inflows of Resources	<u>972,277</u>	<u>-</u>	<u>972,277</u>
FUND BALANCE:			
Nonspendable			
Prepays	113,163	-	113,163
Restricted for:			
Hotel/Motel Tax	147,432	-	147,432
Committed for:			
IMRF Pension Plan	453,135	-	453,135
Capital Improvements	-	1,449,439	1,449,439
Unassigned:			
General Fund	<u>8,792,854</u>	<u>-</u>	<u>8,792,854</u>
Total Fund Balance	<u>9,506,584</u>	<u>1,449,439</u>	<u>10,956,023</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 11,038,936</u>	<u>\$ 1,449,439</u>	<u>\$ 12,488,375</u>

CITY OF WATERLOO, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GENERAL FUND
YEAR ENDED APRIL 30, 2022

	GENERAL	UTILITY TAX FUND	TOTAL
REVENUES:			
Taxes - Real Estate	\$ 948,528	\$ -	\$ 948,528
Intergovernmental	5,529,615	-	5,529,615
Utility Taxes	143,175	583,869	727,044
Charges for Services	1,784,047	-	1,784,047
Licenses and Permits	281,736	-	281,736
Fines	35,727	-	35,727
Grants	19,039	-	19,039
Miscellaneous	211,113	-	211,113
Interest	10,614	3,482	14,096
Investment Income (Loss)	-	(22,484)	(22,484)
Total Revenues	<u>8,963,594</u>	<u>564,867</u>	<u>9,528,461</u>
EXPENDITURES:			
Current			
General Government	1,182,748	1,052	1,183,800
Public Safety	3,354,601	-	3,354,601
Highways and Streets	1,813,972	-	1,813,972
Sanitation	864,185	-	864,185
Health	100	-	100
Culture and Recreation	318,332	-	318,332
Capital Outlay	391,689	-	391,689
Total Expenditures	<u>7,925,627</u>	<u>1,052</u>	<u>7,926,679</u>
Excess of Revenues Over Expenditures	1,037,967	563,815	1,601,782
Other Financing Sources (Uses)			
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,037,967	563,815	1,601,782
Fund Balance, Beginning of Year	<u>8,468,617</u>	<u>885,624</u>	<u>9,354,241</u>
Fund Balance, End of Year	<u>\$ 9,506,584</u>	<u>\$ 1,449,439</u>	<u>\$ 10,956,023</u>

CITY OF WATERLOO, ILLINOIS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED APRIL 30, 2022

<u>ASSETS</u>	<u>MOTOR FUEL TAX</u>	<u>MUNICIPAL BAND FUND</u>	<u>TOTAL</u>
Cash in Bank	\$ 1,861,650	\$ 34,181	\$ 1,895,831
Taxes Receivable	36,489	-	36,489
Real Estate Taxes Receivable, Net	<u>-</u>	<u>22,944</u>	<u>22,944</u>
Total Assets	<u>\$ 1,898,139</u>	<u>\$ 57,125</u>	<u>\$ 1,955,264</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
LIABILITIES:			
Accounts Payable	\$ 7,591	\$ -	\$ 7,591
Due to Other Funds	<u>13,750</u>	<u>-</u>	<u>13,750</u>
Total Liabilities	<u>21,341</u>	<u>-</u>	<u>21,341</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue - Property Taxes	<u>-</u>	<u>22,944</u>	<u>22,944</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>22,944</u>	<u>22,944</u>
FUND BALANCES:			
Restricted for:			
Culture and Recreation	-	34,181	34,181
Motor Fuel Tax	<u>1,876,798</u>	<u>-</u>	<u>1,876,798</u>
Total Fund Balances	<u>1,876,798</u>	<u>34,181</u>	<u>1,910,979</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,898,139</u>	<u>\$ 57,125</u>	<u>\$ 1,955,264</u>

CITY OF WATERLOO, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2022

	MOTOR FUEL TAX	MUNICIPAL BAND FUND	TOTAL
REVENUES:			
Taxes - Real Estate	\$ -	\$ 26,791	\$ 26,791
Intergovernmental	698,487	-	698,487
Miscellaneous	-	3,000	3,000
Interest	2,302	-	2,302
	<u>700,789</u>	<u>29,791</u>	<u>730,580</u>
Total Revenues			
EXPENDITURES:			
Highways and Streets	266,262	-	266,262
Culture and Recreation	-	22,522	22,522
	<u>266,262</u>	<u>22,522</u>	<u>288,784</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	434,527	7,269	441,796
FUND BALANCE - BEGINNING OF YEAR	<u>1,442,271</u>	<u>26,912</u>	<u>1,469,183</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,876,798</u>	<u>\$ 34,181</u>	<u>\$ 1,910,979</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
General Government		
Legal		
Legal Fees	\$ 77,096	\$ 95,430
Total Legal	<u>77,096</u>	<u>95,430</u>
City Clerk		
Salaries - City Clerk	17,680	16,783
Salaries - Deputy City Clerk	57,642	53,552
Salaries - Overtime	447	-
Salaries - Sick Leave	1,033	1,073
Salaries - Vacation Leave	6,578	5,899
FICA	6,206	5,909
IMRF	6,118	6,434
Group Hospital Insurance	12,030	10,522
Health Insurance Reimbursement	2,663	3,971
Unemployment Tax	100	87
Clothing Allowance	526	215
Postage	100	50
Printing and Publishing	4,911	3,601
Memberships and Dues	(30)	30
Training	-	(40)
Recording Fees	1,095	2,185
Insurance and Bonds	293	181
Office Supplies	14	189
Professional Services	3,664	1,101
Miscellaneous	10	-
Total City Clerk	<u>121,080</u>	<u>111,742</u>
Legislation		
Salaries - Mayor	25,422	24,224
Salaries - Alderman	129,478	122,531
FICA	11,850	11,227
Memberships and Dues	14,600	11,600
Professional Services	41,267	35,182
Office Supplies	-	90
Miscellaneous	9,704	9,527
Insurance and Bonds	395	343
Bad Debts	932	1,673
Books and Publications	6,937	7,145
Training	4,703	-
Communications	3,310	3,469
Sales Tax Rebate	105,542	49,852
Total Legislation	<u>354,140</u>	<u>276,863</u>
Sub-Total General Government (Carried Forward)	<u>\$ 552,316</u>	<u>\$ 484,035</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Sub-Total General Government (Brought Forward)	\$ 552,316	\$ 484,035
General Government (Continued)		
Zoning		
Planning Commission	6,630	2,000
Zoning Board	6,830	2,960
Salaries - Zoning Officer	74,976	73,735
Salaries - Building Inspector	32,461	45,270
Salaries - Sick Leave	2,760	12,630
Salaries - Vacation Leave	6,837	15,807
FICA	9,717	12,090
IMRF	10,632	15,608
Group Hospital Insurance	46,649	49,751
Health Insurance Reimbursement	9,992	4,633
Unemployment Tax	376	208
Books & Publications	1,293	-
Postage	100	50
Printing and Publishing	-	72
Memberships and Dues	-	348
Professional Services	14,502	71,408
Vehicle Maintenance and Repair	2,474	1,404
Training	435	350
Office Supplies	2,185	843
Insurance and Bonds	7,637	7,971
Communications	859	1,077
Vehicle Fuel and Lubrications	1,825	1,015
Miscellaneous	146	-
Information Systems	1,200	1,200
Total Zoning	<u>240,516</u>	<u>320,430</u>
Sub-Total General Government (Carried Forward)	\$ 792,832	\$ 804,465

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	2022	2021
Sub-Total General Government (Brought Forward)	<u>\$ 792,832</u>	<u>\$ 804,465</u>
General Government (Continued)		
Finance		
Salaries - Treasurer	8,234	8,850
Salaries - Director of Public Works	26,362	25,852
Salaries - Finance Director	21,338	21,079
Salaries - Clerical	67,420	61,074
Salaries - Human Resource	11,189	6,270
Salaries - Overtime	2	1,357
Salaries - Part-Time	1,367	4,200
Salaries - Sick Leave	3,755	5,121
Salaries - Vacation Leave	12,132	8,094
FICA	11,457	11,213
IMRF	13,080	13,926
Group Hospital Insurance	13,606	13,411
Health Insurance Reimbursement	12,968	20,649
Unemployment	192	184
Dues and Memberships	319	409
Insurance and Bonds	10,508	10,591
Communications and Dispatch	17,595	18,636
Equipment Rental and Service	1,558	2,158
Training	371	114
Clothing Allowance	3,197	1,287
Office Supplies	3,292	2,753
Postage	1,151	652
Equipment	138	-
Tourism	12,831	7,850
Professional Services	2,276	2,416
Miscellaneous	80	45
Printing and Publishing	1,277	790
Department Supplies	1,182	950
Bank Charges	816	726
Information Systems	12,874	11,747
Total Finance	<u>272,567</u>	<u>262,404</u>
Building		
Building Repairs	19,970	6,573
Equipment Rental and Service	13,291	25,228
Professional Services	3,220	3,390
Independent Contractors	22,889	22,873
Utilities	56,590	63,409
Janitorial Supplies	1,389	1,888
Fuels	-	312
Total Building	<u>117,349</u>	<u>123,673</u>
Total General Government	<u>\$ 1,182,748</u>	<u>\$ 1,190,542</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Public Safety		
Police		
Salaries - Regular	\$ 1,350,792	\$ 1,272,442
Salaries - Part-Time	24,892	9,600
Salaries - Overtime	47,501	26,674
Salaries - Sick Leave	41,004	43,334
Salaries - Vacation Leave	95,264	72,610
Salaries - Holiday	107,204	98,479
FICA	122,462	115,242
IMRF	5,921	6,148
Pension	654,000	653,000
Group Hospital Insurance	321,362	304,701
Health Insurance Reimbursement	54,085	31,068
Unemployment Tax	2,259	1,835
Insurance and Bonds	98,552	99,624
Communication and Dispatch	221,533	203,471
Training	7,460	25,079
Equipment Rental and Service	1,648	3,257
Vehicle Maintenance and Repairs	14,076	16,977
Memberships and Dues	11,998	12,039
Community Services Programs	4,509	2,069
Office Supplies	1,410	3,122
Postage	437	278
Ammunition	2,530	2,199
Clothing Allowance	14,876	16,391
Vehicle Fuel and Lubrications	46,366	32,714
Information Systems	49,431	21,816
Department Supplies	6,393	8,251
Canine	19,731	-
Printing and Publishing	472	781
Miscellaneous	2,552	155
Books and Publications	150	-
DUI Fund	5,484	5,284
Equipment - New	3,158	3,934
Equipment - Office	1,806	-
Total Police	<u>3,341,318</u>	<u>3,092,574</u>
Sub-Total Public Safety (Carried Forward)	<u>\$ 3,341,318</u>	<u>\$ 3,092,574</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Sub-Total Public Safety (Brought Forward)	\$ 3,341,318	\$ 3,092,574
Public Safety (Continued)		
Police Commissioners		
Testing for Officer Hiring	5,683	1,623
Printing and Publishing	86	-
Total Police Commissioners	<u>5,769</u>	<u>1,623</u>
E.S.D.A.		
E.S.D.A. Coordinator	5,760	5,760
FICA	404	441
Communications and Dispatch	208	234
Postage	100	50
Unemployment	36	37
Equipment - New	<u>1,006</u>	<u>398</u>
Total E.S.D.A.	<u>7,514</u>	<u>6,920</u>
Total Public Safety	<u>\$ 3,354,601</u>	<u>\$ 3,101,117</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	2022	2021
Highways and Streets		
Salaries - Regular	\$ 355,743	\$ 315,564
Salaries - Part-Time	420	-
Salaries - Overtime	8,466	13,250
Salaries - Sick Leave	10,767	8,115
Salaries - Vacation Leave	27,636	24,549
Salaries - Interdepartmental	9,553	20,048
FICA	30,471	29,149
IMRF	38,367	40,388
Group Hospital Insurance	67,972	70,912
Health Insurance Reimbursement	10,419	10,977
Unemployment Tax	546	480
Equipment Repairs	66,164	52,604
Building Repairs	3,080	1,390
Utilities	17,595	17,510
Insurance and Bonds	47,099	50,920
Communication and Dispatch	1,450	2,017
Training	712	1,442
Safety Materials	11,090	8,842
Janitorial Supplies	2,669	5,582
Clothing Allowance	2,355	2,829
Tools	3,813	2,987
Street Maintenance and Repairs	51,197	48,621
Construction Materials	38,851	38,954
Vehicle Fuel and Lubrications	36,379	24,343
Equipment	2,986	5,047
Equipment - Vehicle	588	-
Street Improvements	864,579	264,323
Storm Drains, Meter Repairs	14,381	-
Street Lights	69,124	69,125
Street Signs	3,075	9,657
Equipment Leases	3,597	-
Miscellaneous	4,202	4,928
Supplies	8,626	7,414
Total Highways and Streets	<u>\$ 1,813,972</u>	<u>\$ 1,151,967</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Sanitation		
Solid Waste Collection	\$ 864,185	\$ 840,246
Total Sanitation	<u>864,185</u>	<u>840,246</u>
Health		
Postage	<u>100</u>	<u>50</u>
Total Health	<u>100</u>	<u>50</u>
Cultural and Recreation		
Salaries - Community Relations Coordinator	55,436	49,102
Salaries - Sick Leave	974	4,344
Salaries - Vacation Leave	4,419	4,823
FICA	4,561	4,518
IMRF	5,667	6,143
Group Hospital Insurance	27,973	26,519
Unemployment Tax	100	88
Insurance and Bonds	1,056	638
Communication and Dispatch	732	889
Training	570	12
Office Supplies	1,108	874
Books and Publications	30	30
Information Systems	3,002	2,973
Community Relations	17,617	2,920
Contributions - Senior Citizens	7,500	7,500
Downtown Enhancement	187,277	115,935
Sister Cities Programs	<u>310</u>	<u>310</u>
Total Cultural and Recreation	<u>318,332</u>	<u>227,618</u>
Capital Outlay		
General Government	9,413	23,234
Public Safety	150,979	245,676
Highways and Streets	<u>231,297</u>	<u>1,338,019</u>
Total Capital Outlay	<u>391,689</u>	<u>1,606,929</u>
Total Expenditures - General Fund	<u>\$ 7,925,627</u>	<u>\$ 8,118,469</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

Electric Fund	2022	2021
Cost of Sales		
Cost of Power	\$ 7,381,323	\$ 7,649,590
Salaries	263,837	277,976
FICA	19,113	20,583
IMRF	(53,980)	(20,987)
Group Hospital	73,517	68,599
Health Insurance Reimbursement	6,704	6,855
Unemployment	298	346
Communications	1,875	2,390
Safety Materials	916	1,185
E.P.A. Permits	2,820	5,626
Utilities	37,064	40,521
Clothing Allowances	5,190	2,251
Department Supplies	1,251	2,574
Tools	113	991
Vehicle Fuel and Lubrications	43,434	10,710
Chemicals	7,234	5,520
Training	763	1,009
Building Repairs	2,391	3,203
Utility System Maintenance	63,845	99,390
Equipment	870	501
Janitorial Supplies	3,710	4,236
Total Cost of Sales	<u>7,862,288</u>	<u>8,183,069</u>
Distribution		
Salaries	753,343	686,393
FICA	55,017	52,467
IMRF	(124,336)	(63,873)
Group Hospital	127,452	117,985
Health Insurance Reimbursement	16,820	15,012
Other Post Employee Benefit	7,004	1,522
Other - IMRF	(1,789)	8,874
Unemployment	1,109	693
Building Repairs	7,895	1,050
Machinery Repairs	39,212	24,503
Communications	5,511	4,939
Utilities	24,485	22,544
Clothing Allowances	9,995	3,020
Tools	5,117	5,135
Professional Services	<u>15,891</u>	<u>4,062</u>
Sub-Total (Carried Forward)	<u>\$ 942,726</u>	<u>\$ 884,326</u>

SCHEDULE "16" (CONT'D)

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Sub-Total Carried Forward	\$ 942,726	\$ 884,326
Distribution (continued)		
Department Supplies	25,074	23,074
Safety Materials	6,952	5,622
Line Materials	180,703	162,686
Training	4,607	1,703
Miscellaneous	5,404	-
Street Light Materials	163,156	84,117
Equipment	2,173	3,894
Janitorial Supplies	1,523	346
PCB Program	11,629	395
Vehicle Fuel and Lubrication	17,594	12,134
Repairs and Maintenance	3,161	40,850
Total Distribution	<u>1,364,702</u>	<u>1,219,147</u>
Administrative		
Salaries	158,335	142,170
FICA	11,789	10,918
IMRF	(24,625)	(12,045)
Group Hospital	28,125	27,601
Health Insurance Reimbursement	4,253	2,750
Unemployment	187	192
Insurance and Bonds	118,685	110,834
Equipment Rentals	1,558	2,158
Postage	10,021	8,193
Printing and Publishing	1,277	790
Professional Services	50,595	30,219
Miscellaneous	2,040	2,610
Office Supplies	3,108	2,578
Information Systems	13,018	11,984
Training	1,429	99
Bad Debts	14,638	8,857
Equipment	138	-
Refunds	200	325
Administrative - General Fund	<u>542,092</u>	<u>559,202</u>
Total Administrative	<u>936,863</u>	<u>909,435</u>
Depreciation	<u>810,842</u>	<u>781,789</u>
	<u>810,842</u>	<u>781,789</u>
Total Operating Expenses - Electric Fund	<u>\$ 10,974,695</u>	<u>\$ 11,093,440</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Gas Fund		
Cost of Sales		
Gas Purchased	\$ 1,933,739	\$ 1,654,856
Total Cost of Sales	<u>1,933,739</u>	<u>1,654,856</u>
Distribution		
Salaries	458,178	\$ 307,718
FICA	32,979	24,113
IMRF	(70,962)	(38,628)
Group Hospital Insurance	77,320	82,040
Health Insurance Reimbursement	13,715	12,547
Other Post Employment Benefit	2,847	16,879
Other - IMRF	(2,484)	(12,763)
Unemployment	538	364
Repairs	28,728	10,059
Vehicle Fuel	14,339	10,547
Utilities	15,222	15,242
Communications	4,620	5,315
Training	2,353	1,189
Office Supplies	102	380
Chemicals	2,072	1,791
Line Materials	61,648	33,315
Safety Materials	6,094	3,443
Clothing Allowances	5,263	2,071
Department Supplies	2,781	2,978
Tools	2,361	2,160
Janitorial Supplies	-	533
Other Repairs and Maintenance	-	2,167
Equipment and Building	2,439	9,283
Total Distribution	<u>\$ 660,153</u>	<u>\$ 492,743</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
 YEAR ENDED APRIL 30, 2022
 (WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Gas Fund (Continued)		
Administration		
Salaries	\$ 158,335	\$ 142,172
FICA	11,789	10,918
IMRF	(24,625)	(12,045)
Group Hospital Insurance	28,154	27,601
Health Insurance Reimbursement	4,253	2,750
Unemployment	187	192
Insurance and Bonds	35,481	34,961
Equipment Rentals	1,558	2,158
Office Supplies	3,247	2,600
Postage	10,041	8,193
Information Systems	13,018	11,984
Memberships and Dues	4,109	4,740
Miscellaneous	2,026	2,580
Printing and Publishing	1,277	1,134
Professional Services	47,556	37,259
Legal	-	10,350
Training	145	99
Bad Debts	1,757	2,773
Equipment	137	-
Refunds	-	125
Administration - General Fund	<u>148,873</u>	<u>129,624</u>
Total Administration	447,318	420,168
Depreciation	<u>207,373</u>	<u>192,631</u>
Total Operating Expenses - Gas Fund	<u>\$ 3,248,583</u>	<u>\$ 2,760,398</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Water Fund		
Cost of Sales		
Water Purchased	\$ 1,246,520	\$ 1,137,044
Total Cost of Sales	<u>1,246,520</u>	<u>1,137,044</u>
Distribution		
Salaries	182,788	272,558
FICA	13,175	19,966
IMRF	(34,571)	(9,432)
Group Hospital Insurance	29,860	28,590
Health Insurance Reimbursement	6,436	4,091
Other Post Employment Benefit	1,785	(12,320)
Other - IMRF	(457)	(2,703)
Unemployment	217	244
Repairs	14,764	15,175
Communications	4,121	4,815
Utilities	9,996	12,807
Miscellaneous	3,485	4,655
Department Supplies	1,884	1,973
Tools	2,077	2,610
Vehicle Fuel and Lubrications	4,305	3,268
Chemicals	3,553	5,701
Safety Materials	981	646
Repairs and Maintenance	52,374	62,804
Testing	7,213	6,698
Professional Services	72	209
Clothing Allowance	503	1,082
Training	663	964
Capital Projects	353	159,951
Total Distribution	<u>305,577</u>	<u>584,352</u>
Administration		
Salaries	158,335	141,616
FICA	11,770	10,922
IMRF	(24,625)	(12,045)
Group Hospital Insurance	28,126	27,611
Health Insurance Reimbursement	4,253	2,750
Unemployment	185	192
Insurance and Bonds	14,446	14,753
Equipment Rentals	1,558	2,158
Office Supplies	2,963	2,410
Postage	10,041	8,205
Memberships and Dues	372	361
Miscellaneous	1,849	2,580
Printing and Publishing	1,277	790
Professional Services	22,055	18,574
Customer Refunds	403	1,068
Information Systems	13,018	11,983
Bad Debts	1,855	2,053
Equipment	137	-
Administration - General Fund	122,402	122,540
Training	161	99
Total Administration	<u>370,581</u>	<u>358,620</u>
Depreciation and Amortization	<u>251,561</u>	<u>248,949</u>
Total Operating Expenses - Water Fund	<u>\$ 2,174,239</u>	<u>\$ 2,328,965</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Sewer Fund		
Sewer Treatment Plant		
Salaries	\$ 304,385	\$ 231,648
FICA	22,192	17,523
IMRF	(49,734)	(24,637)
Group Hospital Insurance	62,770	49,681
Health Insurance Reimbursement	14,280	4,461
Other Post Employment Benefits	4,289	5,653
Other - IMRF	370	(9,805)
Unemployment	339	279
Building Repairs	363	-
Machinery Repairs	67,022	25,110
Utilities	194,428	206,788
Communications	5,395	5,020
Department Supplies	778	961
Safety Materials	1,049	1,291
Disposal Fees	1,760	4,320
Chemicals	11,213	11,581
Clothing Allowance	4,280	1,034
Tools	470	-
Vehicle Fuels	64	19
Miscellaneous	3,697	3,510
Office Supplies	172	-
E.P.A. Permits	17,500	17,500
Equipment	-	4,320
Janitorial Supplies	(1)	126
Training	1,112	1,009
Total Sewer Treatment Plant	<u>668,193</u>	<u>553,072</u>
Sewer Collection System		
Utilities	71,468	74,498
Equipment Repairs	95,496	60,575
Vehicle Fuels	8,111	5,460
Department Supplies	3,307	2,402
Chemicals	333	-
Tools	71	555
Fuels	1,212	1,232
Safety Materials	1,200	653
Repairs and Maintenance	11,550	7,477
Total Sewer Collection System	<u>\$ 192,748</u>	<u>\$ 152,852</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2022
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2021)

	<u>2022</u>	<u>2021</u>
Sewer Fund (Continued)		
Administration		
Salaries	\$ 158,335	\$ 139,479
FICA	11,828	10,687
IMRF	(24,625)	(12,045)
Group Hospital Insurance	28,126	27,592
Health Insurance Reimbursement	4,253	2,750
Unemployment	190	173
Insurance and Bonds	29,251	30,211
Equipment Rentals	1,558	2,158
Office Supplies	2,840	2,694
Postage	9,996	8,193
Printing and Publishing	1,277	790
Miscellaneous	1,869	2,580
Professional Services	95,613	60,387
Customer Refunds	267	1,917
Information Systems	13,018	11,984
Bad Debts	1,824	2,082
Equipment	137	-
Administration - General Fund	90,647	90,749
Training	431	99
Total Administration	<u>426,835</u>	<u>382,480</u>
Depreciation	<u>435,216</u>	<u>432,876</u>
Total Operating Expenses - Sewer Fund	<u>\$ 1,722,992</u>	<u>\$ 1,521,280</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF INVESTMENTS
YEAR ENDED APRIL 30, 2022

Governmental Activities	ISSUER	AMOUNT
Capital Improvements Fund		
1 - 3 Year Investment Fund	IMET	\$ 975,183
Total Capital Improvements Fund		<u>975,183</u>
Total Governmental Activities		<u>975,183</u>
Business-Type Activities		
Water Fund		
1 - 3 Year Investment Fund	IMET	<u>886,778</u>
Total Water Fund		<u>886,778</u>
Sewer Fund		
1 - 3 Year Investment Fund	IMET	<u>1,042,915</u>
Total Sewer Fund		<u>1,042,915</u>
Electric Fund		
1 - 3 Year Investment Fund	IMET	<u>11,276,810</u>
Total Electric Fund		<u>11,276,810</u>
Gas Fund		
1 - 3 Year Investment Fund	IMET	<u>4,009,265</u>
Total Gas Fund		<u>4,009,265</u>
Utility Deposits		
1-3 Year Investment Fund	IMET	<u>313,755</u>
Total Utility Deposits		<u>313,755</u>
Total Business-Type Activities		<u>\$ 17,529,523</u>

SCHEDULE "17" (CONT'D)

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF INVESTMENTS
YEAR ENDED APRIL 30, 2022

Fiduciary Fund Types	<u>ISSUER</u>	<u>AMOUNT</u>
Police Pension		
Equity Mutual Funds		\$ 3,032,909
Corporate Bonds		1,501,749
U.S. Treasury Notes		807,119
U.S. Treasury Bonds		762,702
ETF- Equity		166,649
Federal Farm Credit Banks		107,448
Federal Home Loan Bank		60,743
Foreign Bonds, Notes and Debentures		142,245
Federal National Mortgage Association		10,021
Certificates of Deposit		<u>152,367</u>
Total Police Pension		<u>6,743,952</u>
 Total Fiduciary Fund Types		 <u>6,743,952</u>
 Total Investments		 <u>\$ 25,248,658</u>

ADDITIONAL INFORMATION
(UNAUDITED)

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

	TAX YEAR		
	2021	2020	2019
Assessed Valuation	<u>\$ 286,166,455</u>	<u>\$ 277,736,267</u>	<u>\$ 274,108,760</u>
Tax Rates (Per \$100 of Assessed Valuation)			
Corporate	0.04740	0.04269	0.09209
Road and Bridge	0.01747	0.01801	0.02026
Municipal Band	0.00803	0.00829	0.00847
Library	0.14989	0.15000	0.14218
Illinois Municipal Retirement	0.01747	0.01639	0.05157
Social Security	0.03492	0.03403	-
Police Pension	0.22837	0.23512	0.18417
Special Library	0.01999	0.02000	0.01898
Prior Year Adjustment (SB508)	<u>0.00050</u>	<u>-</u>	<u>-</u>
	<u>0.52404</u>	<u>0.52453</u>	<u>0.51772</u>
Taxes Extended			
Corporate	\$ 135,643	\$ 118,566	\$ 249,214
Road and Bridge	49,993	50,020	54,828
Municipal Band	22,979	23,024	22,921
Library	428,935	416,604	384,767
Illinois Municipal Retirement	49,993	45,521	139,558
Social Security	99,929	94,514	-
Police Pension	653,519	653,014	498,400
Special library	57,205	55,547	51,364
Prior Year Adjustment (SB508)	<u>1,431</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,499,627</u>	<u>\$ 1,456,810</u>	<u>\$ 1,401,052</u>
Taxes Collected			
Corporate		\$ 118,449	\$ 248,734
Road and Bridge		49,971	54,722
Municipal Band		23,002	22,877
Library		416,192	384,028
Illinois Municipal Retirement		45,476	139,291
Social Security		94,420	-
Police Pension		652,368	497,443
Special Library		<u>55,492</u>	<u>51,266</u>
		<u>\$ 1,455,370</u>	<u>\$ 1,398,361</u>
Percentage of Extension Collected		<u>99.90%</u>	<u>99.81%</u>

CITY OF WATERLOO, ILLINOIS
ADDITIONAL INFORMATION
REGARDING CUSTOMERS AND INSURANCE
YEAR ENDED APRIL 30, 2022

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	4,745	4,543	4,184	4,980	4,379
End of Year	4,805	4,604	4,219	5,025	4,430

NOTE 2. INSURANCE

The following insurance policies are maintained by the City and are in effect as of April 30, 2022.

A. Illinois Municipal League Risk Management Association

Coverage period: December 31, 2021 to December 31, 2022

SELF-INSURED RETENTION FUND AND EXCESS OR REINSURANCE
COVERAGE 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, 2022

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, 2022

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	\$ 23,453,488
Gas Utility Property	1,758,353

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

Coverage Period: December 31, 2021 to December 31, 2022

<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