

Financial Statements

April 30, 2024



CITY OF WATERLOO, ILLINOIS

FINANCIAL STATEMENTS

YEAR ENDED APRIL 30, 2024

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, 2024, 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, 2024, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City 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 – A27 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 Other Supplemental Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying combining and individual nonmajor fund financial statements, schedules of expenditures, schedule of investments, and schedules of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

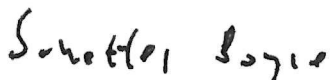
Additional Information

Management is responsible for the additional information included in the annual report. The additional 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 additional 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 additional information and consider whether a material inconsistency exists between the additional information and the basic financial statements, or the additional information otherwise to be materially misstated. If based on the work performed, we conclude that an uncorrected material misstatement of the additional information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024, on our consideration of the City of Waterloo, Illinois's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Waterloo, Illinois's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Waterloo, Illinois's internal control over financial reporting and compliance.



Scheffel Boyle
Columbia, Illinois
December 20, 2024

FINANCIAL SECTION

CITY OF WATERLOO

Management's Discussion and Analysis April 30, 2024

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, 2024 by \$98,085,216. Net assets invested in capital assets (net of depreciation and related debt) account for 68% of this amount, with a value of \$67,135,312. Other restricted assets account for 3% or \$2,931,515. 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 \$4,186,843. Governmental activities resulted in an increase in net position of \$418,876 with receipts in excess of expenditures. Net position from business-type activities increased \$3,767,967 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 liability of \$276,136 for IMRF, and liability of \$5,307,213 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 \$1,158,154 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 \$1,002,069 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. A final payment of \$288,919.54 was paid during the fiscal year and this project is completed.
- 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. \$453,361 is payable on this project at fiscal year end 4/30/24.
- The City of Waterloo entered into a joint agreement for federal participation between IDOT and the City of Waterloo on the Moore Street Phase VII project. Contract awarded for the project at a cost of \$1,197,127.77 with the federal portion being \$450,000.00 and the balance to be paid by the City of Waterloo General Fund. \$337,901.94 is payable on this project at fiscal year-end 4/30/24.
- The City of Waterloo received \$1,439,503.43 in prior fiscal years as part of the American Rescue Plan Act (ARPA) from the Coronavirus Local Fiscal Recovery Fund. ARPA funds were expended during the fiscal year towards the construction of the Water Treatment Plant project.
- The City of Waterloo received final approval for loan funds from the Illinois Environmental Protection Agency in the amount of \$33,929,910.07 at a 0.93% interest rate with a term of 30 years for the water treatment plant, wells, and water tower projects. \$1,250,000.00 of the loan amount will be forgiven by the State of Illinois.
- The City of Waterloo entered into a contract with Caldwell Tanks, Inc. on June 15, 2023 for construction of a 500,000 gallon elevated composite water storage tank. The original contract awarded was at a cost of \$3,859,000.00; with change orders of (\$54,661.73) making the total project cost \$3,804,338.27. At fiscal year end 4/30/24, \$2,514,649.34 has been expended.
- The City of Waterloo entered into a contract with Haier Plumbing & Heating, Inc. on June 15, 2023 for construction and installation of three well sites, raw water transmission main, and finished water transmission main as related to the Water Treatment Plant project. The original contract awarded was at a cost of \$11,310,660.26; with change orders of (\$333,900.34) making the total project cost \$10,976,759.92. At fiscal year end 4/30/24, \$5,981,590.91 has been expended.

- The City of Waterloo entered into a contract with Korte & Luitjohan Contractors, Inc. on June 15, 2023 for construction of a Water Treatment Plant. The original contract awarded was at a cost of \$15,988,500.00; with change orders of \$56,872.50 making the total project cost \$16,045,372.50. At fiscal year end 4/30/24. \$7,077,859.12 has been expended.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,921,990, or 73% of total general fund expenditures.
- The City of Waterloo is under the Property Tax Extension Limitation Law (PTELL), which limits the amount of property taxes that the County Clerk can extend for non-home rule governments. The City's increase in the amount of taxes over the prior year is limited to 5%, or the Consumer Price Index (CPI), whichever is less. New property is excluded from this calculation.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on taxes

for funding. All changes in net assets are reported using the accrual basis of accounting, similar to the method used by most private-sector companies. The accrual basis of accounting requires that revenues be reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of the cash flow. Items such as uncollected taxes and charges for services, unpaid vendor invoices for items received before April 30, 2024, earned but unused sick or vacation leave, and pension obligations will be included in the statement of activities as revenue and expense, even though the cash associated with these items will not be received or distributed until after April 30, 2024.

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 \$98,085,216 at April 30, 2024. 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current and Other Assets	\$16,161,279	\$15,908,019	\$27,418,714	\$26,758,341	\$ 43,579,993	\$ 42,666,360
Non-Current Assets	<u>18,237,125</u>	<u>18,004,790</u>	<u>64,289,270</u>	<u>43,895,653</u>	<u>82,526,395</u>	<u>61,900,443</u>
Total Assets	<u>\$34,398,404</u>	<u>\$33,912,809</u>	<u>\$91,707,984</u>	<u>\$70,653,994</u>	<u>\$126,106,388</u>	<u>\$104,566,803</u>
Deferred Outflows of Resources	<u>\$ 3,014,164</u>	<u>\$ 3,810,806</u>	<u>\$ 2,146,351</u>	<u>\$ 2,946,956</u>	<u>\$ 5,160,515</u>	<u>\$ 6,757,762</u>
Long-term Liabilities	\$ 6,710,303	\$ 7,092,572	\$16,569,167	\$ 1,950,086	\$ 23,279,470	\$ 9,042,658
Other Liabilities	<u>313,745</u>	<u>599,876</u>	<u>5,045,200</u>	<u>1,322,452</u>	<u>5,358,945</u>	<u>1,922,328</u>
Total Liabilities	<u>\$7,024,048</u>	<u>\$7,692,448</u>	<u>\$21,614,367</u>	<u>\$ 3,272,538</u>	<u>\$ 28,638,415</u>	<u>\$ 10,964,986</u>
Deferred Inflows of Resources	<u>\$3,205,812</u>	<u>\$3,267,335</u>	<u>\$ 1,337,460</u>	<u>\$ 3,193,871</u>	<u>\$ 4,543,272</u>	<u>\$ 6,461,206</u>
Net Position:						
Invested in Capital Assets, net of related debt	18,237,125	18,004,790	48,898,187	43,895,653	67,135,312	61,900,443
Restricted	2,931,515	2,684,301	-	-	2,931,515	2,684,301
Unrestricted	<u>6,014,068</u>	<u>6,074,741</u>	<u>22,004,321</u>	<u>23,238,888</u>	<u>28,018,389</u>	<u>29,313,629</u>
Total Net Position	<u>\$27,182,708</u>	<u>\$26,763,832</u>	<u>\$70,902,508</u>	<u>\$67,134,541</u>	<u>\$ 98,085,216</u>	<u>\$ 93,898,373</u>

The City of Waterloo's total assets are \$126,106,388 as of April 30, 2024. Of this amount, \$82,526,395 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, \$36,965,092 is accounted for in cash, cash equivalents, and pooled investments, \$5,973,560 in accounts, taxes, and other receivable, and \$641,341 in miscellaneous assets.

Deferred outflows of resources at April 30, 2024 is \$5,160,515 as a result of the inclusion of obligations related to pensions and other post employment benefits.

As of April 30, 2024, the City had outstanding liabilities of \$28,638,415 consisting of \$4,983,374 in accounts payable, \$1,294,886 in accrued liabilities, \$227,569 in deposits payable to customers, \$1,158,154 in other post employment benefit obligation, \$5,583,349 in net pension liability, and \$15,391,083 drawn down on an EPA loan.

Deferred inflows of resources at April 30, 2024 is \$4,543,272 with \$2,276,429 related to pensions, \$528,116 related to other post employment benefits, \$1,712,050 in unavailable property tax revenue, and \$26,677 deferred grant revenue.

The largest portion of the City's net position (68.4 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 (3.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (28.6 percent) may be used to meet the City's ongoing obligations to its citizens and creditors for all activities.

At April 30, 2024, 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Program Revenues:						
Charges for services	\$ 2,039,329	\$ 1,915,317	\$21,460,697	\$20,617,328	\$23,500,026	\$22,532,645
Operating grants and contributions	29,280	38,407	-	-	29,280	38,407
Capital grants and contributions	-	458,251	1,439,504	-	1,439,504	458,251
General Revenues:						
Property taxes	1,692,582	1,538,910	-	-	1,692,582	1,538,910
Intergovernmental revenues	6,683,167	6,396,749	-	-	6,683,167	6,396,749
Utility taxes	769,027	764,748	-	-	769,027	764,748
Other	<u>1,132,334</u>	<u>877,260</u>	<u>629,120</u>	<u>227,794</u>	<u>1,761,454</u>	<u>1,105,054</u>
Total Revenues	<u>12,345,719</u>	<u>11,989,642</u>	<u>23,529,321</u>	<u>20,845,122</u>	<u>35,875,040</u>	<u>32,834,764</u>
Expenses:						
General government	1,478,138	1,424,338	-	-	1,478,138	1,424,338
Public safety	4,622,156	4,075,982	-	-	4,622,156	4,075,982
Highways and streets	3,621,718	3,264,189	-	-	3,621,718	3,264,189
Sanitation	976,686	897,322	-	-	976,686	897,322
Health	-	50	-	-	-	50
Culture and recreation	1,228,145	975,599	-	-	1,228,145	975,599
Small Business Grant Expenditures	-	-	-	-	-	-
Electric fund	-	-	11,365,297	11,519,694	11,365,297	11,519,694
Gas fund	-	-	3,465,316	3,796,782	3,465,316	3,796,782
Water fund	-	-	3,073,401	2,544,048	3,073,401	2,544,048
Sewer fund	-	-	<u>1,857,340</u>	<u>1,850,082</u>	<u>1,857,340</u>	<u>1,850,082</u>
Total Expenses	<u>11,926,843</u>	<u>10,637,480</u>	<u>19,761,354</u>	<u>19,710,606</u>	<u>31,688,197</u>	<u>30,348,086</u>
Transfer of Funds	-	-	-	-	-	-
Increase (decrease) in net assets	418,876	1,352,162	3,767,967	1,134,516	4,186,843	2,486,678
Net position– beginning	<u>26,763,832</u>	<u>25,411,670</u>	<u>67,134,541</u>	<u>66,000,025</u>	<u>93,898,373</u>	<u>91,411,695</u>
Net position – ending	<u>\$27,182,708</u>	<u>\$26,763,832</u>	<u>\$70,902,508</u>	<u>\$67,134,541</u>	<u>\$98,085,216</u>	<u>\$93,898,373</u>

Total revenues for the City of Waterloo were \$35,875,040 for the year ended April 30, 2024. Governmental activities provided \$12,345,719 (34.4 percent), while \$23,529,321 (65.6 percent) of business-type activities revenue was provided by charges for services, connection fees, and other operating revenue.

Financial Analysis of the City's Funds

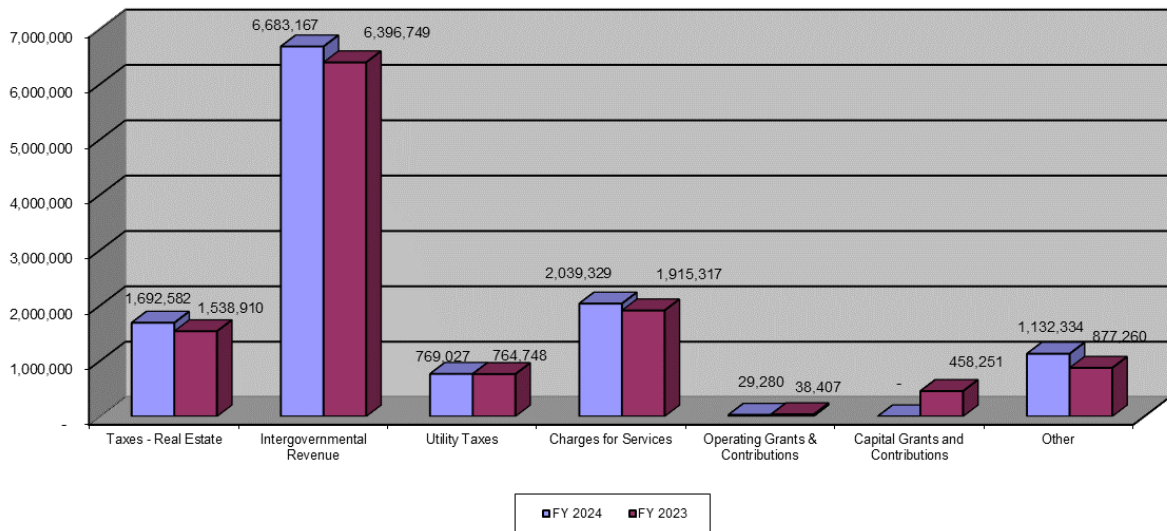
As noted earlier, the City of Waterloo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a financial analysis of the City's governmental and proprietary funds.

Governmental Funds Revenue and Expense Analysis

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

Revenues Classified by Source Governmental Funds

Revenues by Source	April 30, 2024		April 30, 2023		Increases/Decreases	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Taxes – Real Estate	\$ 1,692,582	13.71%	\$ 1,538,910	12.84%	\$ 153,672	9.99%
Intergovernmental Revenue	6,683,167	54.13	6,396,749	53.35	286,418	4.48
Utility Taxes	769,027	6.23	764,748	6.38	4,279	0.56
Charges for Services	2,039,329	16.52	1,915,317	15.97	124,012	6.47
Operating Grants and Contributions	29,280	0.24	38,407	0.32	(9,127)	(23.76)
Capital Grants and Contributions	-	-	458,251	3.82	(458,251)	(100.00)
Other	1,132,334	9.17	877,260	7.32	255,074	29.08
Total Revenues	12,345,719	100.00%	11,989,642	100.00%	356,077	2.97%



- Real estate taxes** - This consists of real estate tax receipts received in 2024 for corporate, road and bridge, IMRF & FICA, police pension, band, and library purposes for the 2022 tax year. The 2023 real estate tax rate was .50866%, down from the 2022 real estate tax rate of .52990%. 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 4.48% 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 \$3,288,807, an increase of 10.14% from the previous year.
 - A Business District was formed in January 2008 and \$106,469 was collected in the Business District Tax Fund, an increase of 2.81% from the previous year.
 - State income taxes were \$2,248,169, an increase of 4.57% from the previous year.
 - Video gaming began in January 2013 in which the City received \$277,161 from video gaming, an increase of 5.66% from the previous year.
 - Cannabis use tax began in January 2020 in which the City received \$17,427 from cannabis use tax during the fiscal year; an increase of 2.70%.
 - Motor fuel taxes and state replacement taxes were \$745,134, a decrease of 15.12% from the previous year.

- **Utility taxes** – Up overall 0.56% from the previous year. This consists of a municipal electric tax \$304,203 (1.30% decrease), which is a step-rate based on 1kilowatt hour usage, a 5% municipal tax on gas and water usage \$307,846 (4.94% increase), and other utility tax revenue \$156,978 (3.79% 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 6.47% from the previous year. This consists of charges for refuse collection \$994,317 (8.75% increase), a utility franchise charge from the business-type activities \$1,002,069 (3.90% increase), and court fines \$42,943 (17.57% increase).

- **Operating grants and contributions** – This consists of grants received from the State of Illinois. During Fiscal Year 4/30/24, the City received \$13,036 from Illinois Department of Transportation for Highway Safety reimbursement and the Library received a grant of \$16,244. There were no asset seizures during the fiscal year through the police department.

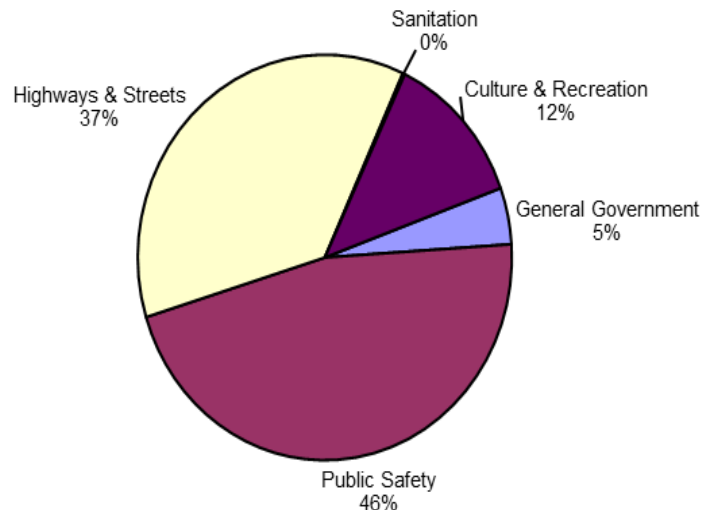
- **Capital grants and contributions** – This consists of contributed assets or street improvements (infrastructure), which is not normally reported as revenues, however, in the statement of activities, the cost of these assets are reported as program revenue. There were no capital grants and contributions recognized in the current year.

- **Other** – Up overall 29.08% from the previous year. This consists of licenses and permits \$240,546 (9.10% decrease), which includes building and other permits, inspection fees, liquor licenses, and franchise license fees. The remaining is interest income and investment income of \$597,942 (6.48% increase) and miscellaneous income \$293,846 (17.60% 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, 2024



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.

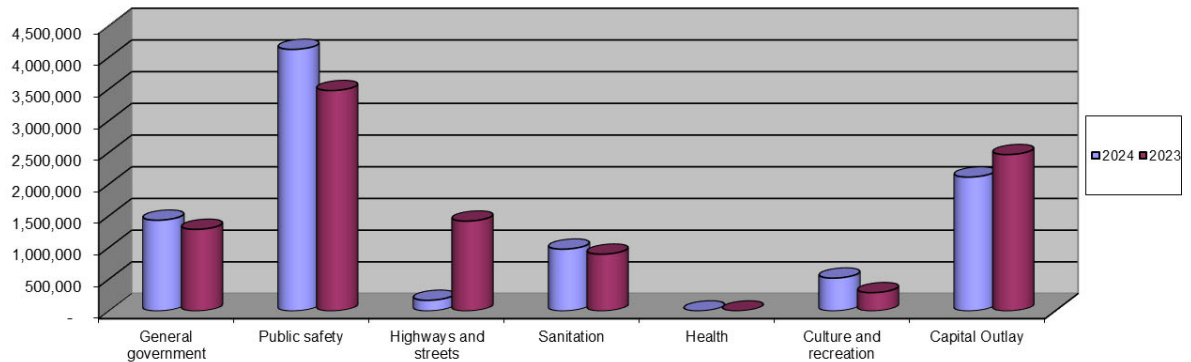
- **General government** consists of the general and financial administration of the City of Waterloo. Departmental expenses in general government include legal, city clerk, legislation, zoning, annexation, finance, and building.
- **Public safety** departmental expenses include police, police commission, 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.
- **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.

The General Fund is the chief operating fund of the City. On April 30, 2024, unreserved fund balance of the General Fund was \$7,921,990. Total assets in the General Fund amounted to \$10,089,703, accounting for 62.38% of total governmental fund assets.

CITY OF WATERLOO’S GENERAL FUND

	2024	2023	Variance
REVENUES:			
Taxes – Real Estate	\$1,119,328	\$1,010,919	\$ 108,409
Intergovernmental	6,085,014	5,723,126	361,888
Utility Taxes	130,191	136,107	(5,916)
Charges for services	1,996,386	1,878,792	117,594
Licenses and permits	240,546	264,640	(24,094)
Fines	42,943	36,525	6,418
Grants	13,036	22,163	(9,127)
Miscellaneous	236,412	183,463	52,949
Interest	446,757	289,385	157,372
TOTAL REVENUES	10,310,613	9,545,120	765,493
EXPENDITURES:			
General government	1,433,087	1,289,024	144,063
Public safety	4,128,151	3,478,540	649,611
Highways and streets	1,695,023	1,419,077	275,946
Sanitation	976,686	897,322	79,364
Health	-	50	(50)
Culture and recreation	519,868	289,989	229,879
Capital Outlay	2,113,269	2,468,670	(355,401)
TOTAL EXPENDITURES	10,866,084	9,842,672	1,023,412
EXCESS OF REVENUES OVER EXPENDITURES	(555,471)	(297,552)	(257,919)
OTHER FINANCING SOURCES (USES):			
Transfers	-	-	-
NET CHANGE IN FUND BALANCES	\$ (555,471)	\$ (297,552)	\$ (257,919)

City of Waterloo General Fund Expenditures



General Fund Budgetary Highlights

The General Fund budget is approximately 12.4 million dollars. Differences between the original budget and the final budget were \$555,140. The difference includes an increase in revenue appropriations of \$703,650 and an increase in expense appropriations of \$148,510. During the year, some revenue and expenditures were less than budgetary estimates.

Overruns exceeding \$5,000 are summarized below:

- Additional \$47,792 was expended on land in the Legislative department.
- Additional \$10,099 was expended in tourism in the Finance department.
- Additional \$10,270 was expended in building repairs in the Building department.
- Additional \$12,392 was expended in professional services in the Zoning/Building Inspector department.
- Additional \$9,483 was expended in regular salaries and an additional \$62,435 was expended in PEDAs salaries in the Police department.
- Additional \$61,468 was expended in over-time salaries in the Police department.
- Additional \$8,123 was expended in sick leave and \$21,588 in vacation leave in the Police department.
- Additional \$37,219 was expended in equipment-vehicle in the Police department.
- Additional \$10,784 was expended in information systems in the Police department.
- Additional \$10,098 was expended in community relations coordinator salaries in the Social Services department.
- Additional \$37,748 was expended in downtown enhancement in the Social Services department.
- Additional \$19,964 was expended in equipment repairs in the Street department.

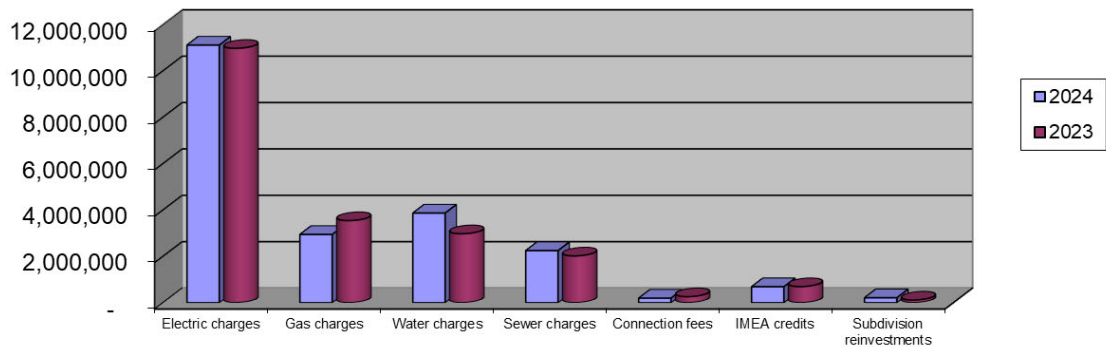
These overruns were offset by unused appropriations for alderman salaries of \$11,862, professional services of \$7,590, training of \$13,935, sales tax rebate of \$12,598, and miscellaneous of \$6,474 in the legislative department; unused appropriations for sick

leave of \$24,479, vacation leave of \$21,165, health insurance of \$16,000, and health insurance reimbursement of \$5,480 in the finance department; unused appropriations of \$5,589 for equipment rental and service and \$8,400 in utilities in the building department; unused appropriations of \$88,410 of legal services; and unused appropriations of \$6,022 for deputy city clerk in the records department. Unused appropriations in the police department include \$42,130 of holiday pay, \$49,459 of health insurance, \$7,412 of training, \$16,336 of insurance and bonds, and \$19,224 of vehicle fuel and lube. Unused appropriations in the social services department include \$6,986 for refuse and \$7,496 of community relations. Unused appropriations in the street department include \$47,658 in regular salaries, \$6,263 for part-time salaries, \$22,961 of health insurance, \$6,298 of health insurance reimbursement, \$6,085 in FICA, and \$6,751 in IMRF. Other unused appropriations in the street department include \$6,053 in training, \$12,113 in insurance and bonds, \$24,808 in street maintenance and repairs, \$5,421 in street signs, \$6,576 in construction materials, \$5,407 in department supplies, \$21,351 in equipment, \$80,593 in equipment-vehicle, \$10,124 in street improvements, \$82,444 in storm drains and \$1,392,462 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 expended in the fiscal year include Rogers Street Extension, ADA ramps, and HH Road/Rt 3/ Country Club Lane pedestrian crossing project.

Proprietary Funds Revenue/Expense Analysis

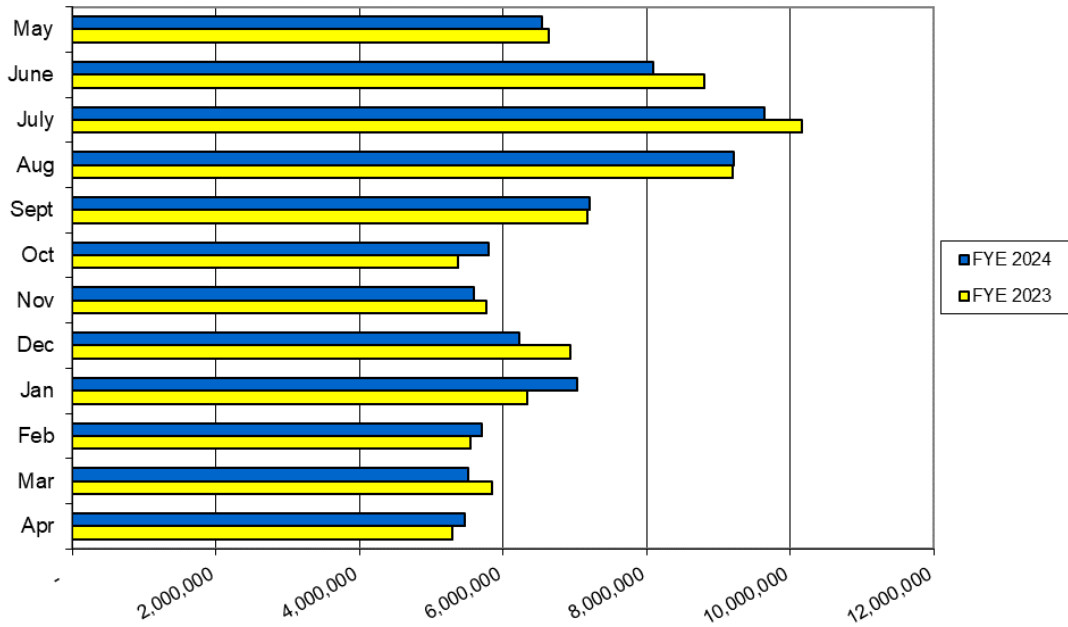
Proprietary Funds Revenue

The business-type activities (electric, gas, water, and sewer fund) operating revenues for year ended April 30, 2024 were \$21,272,271, up 3.47% from last year. Charges for services were \$20,169,930, a 3.46% increase from last year. Connection fees were 23.70% less than what was received in the previous year. IMEA credits, which the City receives from IMEA for the Gas Turbine engines at the Power Plant, were slightly less than the previous year. Subdivision reinvestments received for utilities installed in their respective developments were \$214,836 compared to \$114,006 received in the previous year.



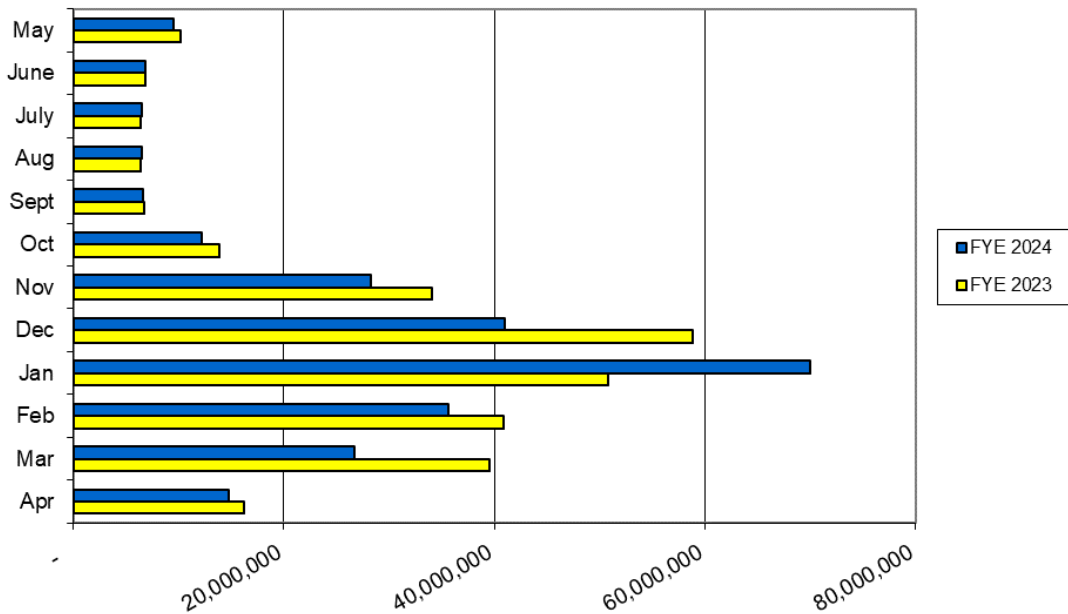
Electric charges for services increased 1.30% from the prior year, with a 1.26% decrease in the consumption of kilowatt hours (excluding demand).

Electric – Kilowatt Hours Billed (Excludes Demand)



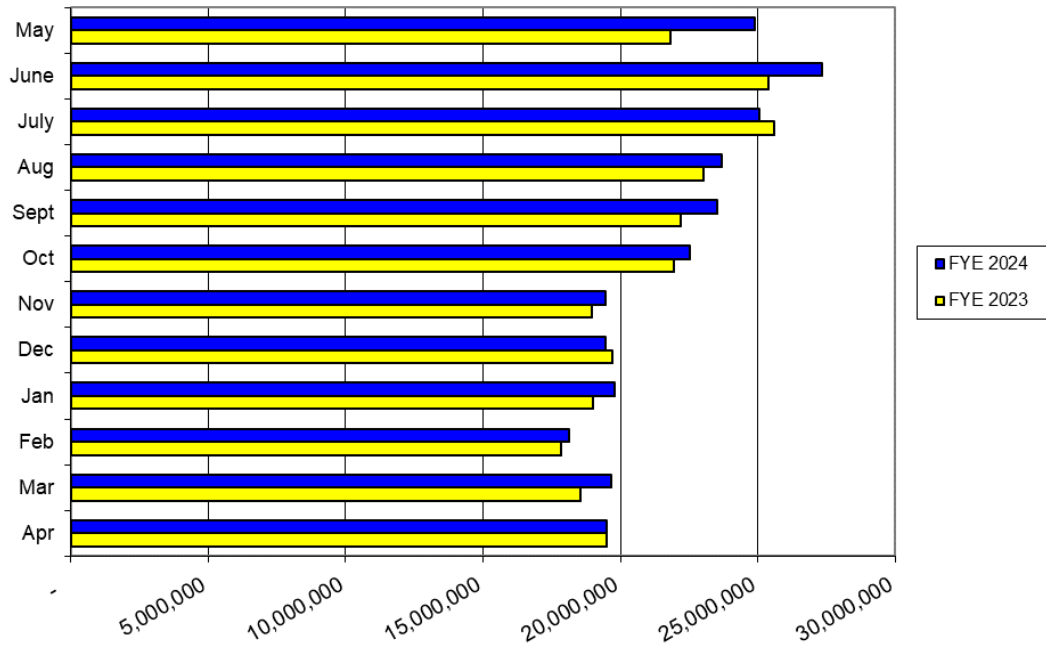
Gas charges for services decreased 16.80% from the prior year, with a 9.07% decrease in the consumption of cubic feet of natural gas.

Gas – Cubic Feet Billed



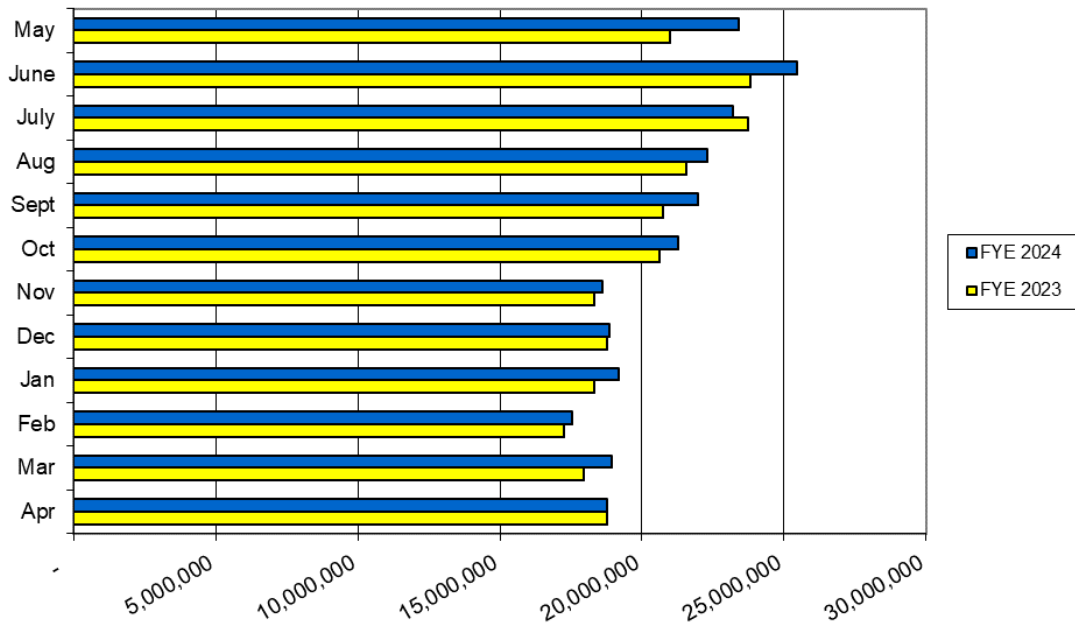
Water charges for services increased 30.08% from the prior year with a 3.77% increase in gallons billed.

Water – Gallons Billed



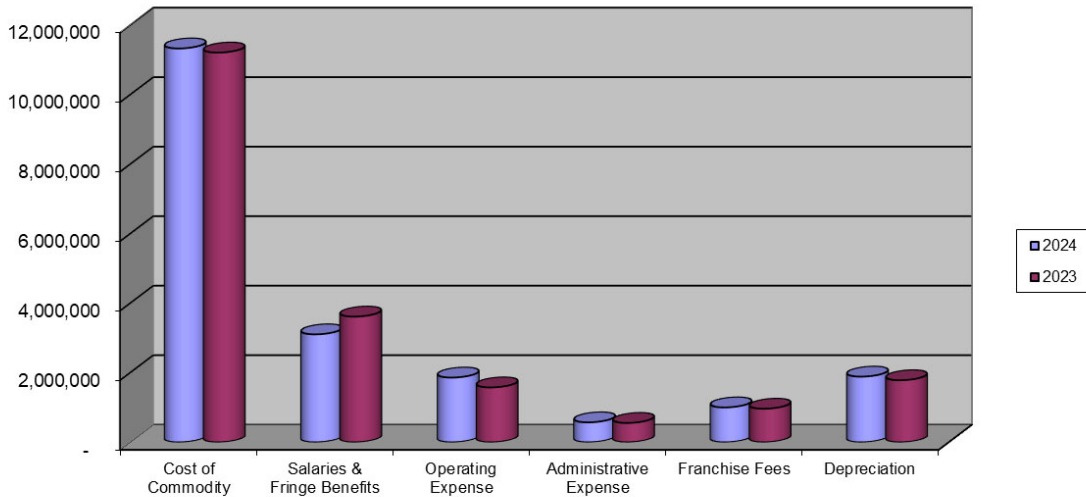
Sewer charges for services increased from the prior year, 11.54%. Since sewer is based on gallons of water consumed, there was also an increase in consumption of 3.57% from the prior year.

Sewer – Gallons Billed



Proprietary Funds Expenses

The operating expenses of the proprietary funds for the fiscal year ended April 30, 2024 were \$19,761,354 up 0.26% from last year. Overall, the cost of electric, gas, and water purchased from an outside party increased from last year by \$118,255. Salaries and fringe benefits decreased \$510,301, operating expenses increased \$283,214, and administrative expenses increased \$17,817 from the prior year. Franchise fees also increased \$37,582 from the prior year. Finally, depreciation expense increased \$104,181.



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, 2024, amounts to \$82,526,395 (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:

- Land located at 500-506 Mill Street was obtained at a cost of \$47,792.
- Office equipment at a cost of \$7,784 and two AED’s at a cost of \$2,770 was charged to finance in administrative offices.
- Computer equipment at a cost of \$2,484, body cameras at a cost of \$40,967, car cameras at a cost of \$8,400, tasers at a cost of \$3,508, AED’s at a cost of \$14,852, guns at a cost of \$4,031, radios at a cost of \$13,858, and three new police vehicles with equipment at a cost of \$197,662 were purchased in the Police department.
- Equipment purchased in the Street department includes a loader at a cost of \$171,013, backhoe breaker at a cost of \$17,371, mini-breaker at a cost of \$9,300, skid spreader at a cost of \$5,990, chip spreader at a cost of \$9,500, and computer equipment at a cost of \$1,333. A truck was also purchased at a cost of \$58,893.

- Street improvements completed by the City include Moore Street, and asphalt overlaid streets in the downtown area and Parkwood subdivision at a cost of \$1,517,549.
- Construction in progress includes costs incurred for Rogers Street extension.

Proprietary Funds:

- Equipment was purchased for use in the various utility departments at a total cost of \$182,374.
- A Chevrolet truck was purchased for the water department at a cost of \$73,294.
- Water meters at a cost of \$67,950 were capitalized.
- Water mains were installed in Remlok and Rear Oak at a total cost of \$45,226
- Manhole relining was completed at a cost of \$17,980.
- Sewer line replacements were completed at a cost of \$229,000.
- Building improvements of shelving were installed at a cost of \$18,361 in the Electric department.
- The purchase of electric meters, transformers and poles accounted for \$709,740 invested into the electrical system of the City of Waterloo.
- Electric line upgrades were completed on Debra Lane and Roosevelt Drive at a total cost of \$58,500.
- Circuit Breakers were purchased at a cost of \$56,454 in the electric department.
- A Chevrolet truck was purchased for the underground department at a cost of \$73,445.
- Building improvements of an epoxy floor was completed at a cost of \$14,288.
- Gas meters at a cost of \$146,076 were capitalized.
- Construction in progress includes costs incurred for wells, water treatment plant facility and water tower construction, sewer line extension engineering and engineering on turbine engine.

Long-Term Debt

The City of Waterloo has an EPA loan approved for the construction of the wells, transmission lines, water treatment facility and water tower for a total of \$33,929,910. As of April 30, 2024, \$15,391,083 has been drawn down on the loan.

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, 2024

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 10,398,751	\$ 2,477,745	\$ 12,876,496
Investments	2,351,772	21,736,824	24,088,596
Taxes Receivable	1,271,637	-	1,271,637
Accounts Receivable, Net	315,058	2,674,815	2,989,873
Inventories	-	405,030	405,030
Prepays	112,011	124,300	236,311
Real Estate Taxes Receivable, Net	1,712,050	-	1,712,050
Total Current Assets	16,161,279	27,418,714	43,579,993
NON-CURRENT ASSETS:			
Capital Assets:			
Land and Construction in Progress	1,118,196	25,723,170	26,841,366
Other Capital Assets, Net of Accumulated Depreciation	17,118,929	38,566,100	55,685,029
Total Non-Current Assets	18,237,125	64,289,270	82,526,395
Total Assets	34,398,404	91,707,984	126,106,388
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions	2,910,466	2,100,198	5,010,664
Related Other Post-Employment Benefits	103,698	46,153	149,851
	3,014,164	2,146,351	5,160,515
<u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>			
CURRENT LIABILITIES:			
Accounts Payable	236,588	4,746,786	4,983,374
Wages and Benefits Payable	77,157	70,845	148,002
Consumer Deposits	-	227,569	227,569
Total Current Liabilities	313,745	5,045,200	5,358,945
NON-CURRENT LIABILITIES:			
Other Post-Employment Benefit Obligation	801,450	356,704	1,158,154
Compensated Absences	512,448	634,436	1,146,884
Net Pension Liability	5,396,405	186,944	5,583,349
E.P.A. Loan, Non-Current	-	15,391,083	15,391,083
Total Non-Current Liabilities	6,710,303	16,569,167	23,279,470
Total Liabilities	7,024,048	21,614,367	28,638,415
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions	1,101,625	1,174,804	2,276,429
Related to Other Post Employment Benefits	365,460	162,656	528,116
Unavailable Revenue - Property Taxes	1,712,050	-	1,712,050
Deferred Grant Revenue	26,677	-	26,677
Total Deferred Inflows of Resources	3,205,812	1,337,460	4,543,272
<u>NET POSITION</u>			
NET POSITION:			
Net Investment in Capital Assets	18,237,125	48,898,187	67,135,312
Restricted Net Position	2,931,515	-	2,931,515
Unrestricted Net Position	6,014,068	22,004,321	28,018,389
Total Net Position	\$ 27,182,708	\$ 70,902,508	\$ 98,085,216

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2024

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
FUNCTION/PROGRAMS:							
General Government	\$ 1,478,138	\$ 1,002,069	\$ 29,280	\$ -	\$ (446,789)	\$ -	\$ (446,789)
Public Safety	4,622,156	42,943	-	-	(4,579,213)	-	(4,579,213)
Highways and Streets	3,621,718	-	-	-	(3,621,718)	-	(3,621,718)
Sanitation	976,686	994,317	-	-	17,631	-	17,631
Health	-	-	-	-	-	-	-
Culture and Recreation	1,228,145	-	-	-	(1,228,145)	-	(1,228,145)
Total Governmental Activities	11,926,843	2,039,329	29,280	-	(9,858,234)	-	(9,858,234)
BUSINESS-TYPE ACTIVITIES:							
Electric Fund	11,365,297	12,145,070	-	-	-	779,773	779,773
Gas Fund	3,465,316	3,048,788	-	-	-	(416,528)	(416,528)
Water Fund	3,073,401	3,917,754	-	1,439,504	-	2,283,857	2,283,857
Sewer Fund	1,857,340	2,349,085	-	-	-	491,745	491,745
Total Business-Type Activities	19,761,354	21,460,697	-	1,439,504	-	3,138,847	3,138,847
Totals	\$ 31,688,197	\$ 23,500,026	\$ 29,280	\$ 1,439,504	(9,858,234)	3,138,847	(6,719,387)
GENERAL REVENUES:							
Taxes - Real Estate					1,692,582	-	1,692,582
Intergovernmental					6,683,167	-	6,683,167
Utility Taxes					769,027	-	769,027
Licenses and Permits					240,546	-	240,546
Miscellaneous					293,846	-	293,846
Interest Income					533,073	26,562	559,635
Investment Income					64,869	602,558	667,427
Total General Revenues					10,277,110	629,120	10,906,230
Change in Net Position					418,876	3,767,967	4,186,843
Net Position, Beginning of Year					26,763,832	67,134,541	93,898,373
Net Position, End of Year					\$ 27,182,708	\$ 70,902,508	\$ 98,085,216

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
APRIL 30, 2024

<u>ASSETS</u>	GENERAL	LIBRARY	OTHER GOVERNMENTAL FUNDS	TOTAL
Cash and Cash Equivalents	\$ 7,755,480	\$ 1,004,651	\$ 1,638,620	\$ 10,398,751
Investments	2,351,772	-	-	2,351,772
Taxes Receivable	1,232,028	-	39,609	1,271,637
Accounts Receivable, Net	315,058	-	-	315,058
Due from Other Funds	14,104	-	-	14,104
Prepays	112,011	-	-	112,011
Real Estate Taxes Receivable, Net	<u>1,109,401</u>	<u>572,693</u>	<u>29,956</u>	<u>1,712,050</u>
 Total Assets	 <u>\$ 12,889,854</u>	 <u>\$ 1,577,344</u>	 <u>\$ 1,708,185</u>	 <u>\$ 16,175,383</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>				
LIABILITIES:				
Accounts Payable	\$ 222,940	\$ 12,994	\$ 654	\$ 236,588
Due to Other Funds	-	-	14,104	14,104
Wage and Benefits Payable	<u>77,157</u>	<u>-</u>	<u>-</u>	<u>77,157</u>
 Total Liabilities	 <u>300,097</u>	 <u>12,994</u>	 <u>14,758</u>	 <u>327,849</u>
DEFERRED INFLOWS OF RESOURCES:				
Deferred Grant Revenue	26,677	-	-	26,677
Unavailable Revenue - Property Taxes	<u>1,109,401</u>	<u>572,693</u>	<u>29,956</u>	<u>1,712,050</u>
 Total Deferred Inflows of Resources	 <u>1,136,078</u>	 <u>572,693</u>	 <u>29,956</u>	 <u>1,738,727</u>
FUND BALANCE:				
Nonspendable:				
Prepays	112,011	-	-	112,011
Restricted for:				
Hotel/Motel Tax	164,376	-	-	164,376
Culture and Recreation	-	991,657	38,024	1,029,681
Motor Fuel Tax	-	-	1,625,447	1,625,447
Committed for:				
IMRF Pension Plan	455,184	-	-	455,184
Capital Improvements	2,800,118	-	-	2,800,118
Unassigned:				
General Fund	<u>7,921,990</u>	<u>-</u>	<u>-</u>	<u>7,921,990</u>
 Total Fund Balance	 <u>11,453,679</u>	 <u>991,657</u>	 <u>1,663,471</u>	 <u>14,108,807</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balance	 <u>\$ 12,889,854</u>	 <u>\$ 1,577,344</u>	 <u>\$ 1,708,185</u>	 <u>\$ 16,175,383</u>

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, 2024

Total fund balance - total governmental funds	\$ 14,108,807
Capital assets of \$51,360,751 net of accumulated depreciation of \$33,123,626, are not financial resources and, therefore are not reported in the funds	18,237,125
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 and inflows of resources)	(1,063,212)
Compensated absences	(512,448)
Net pension liability (net of deferred outflows and inflows of resources)	<u>(3,587,564)</u>
Net position of governmental activities	<u>\$ 27,182,708</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, 2024

	GENERAL	LIBRARY	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:				
Taxes - Real Estate	\$ 1,119,328	\$ 539,007	\$ 34,247	\$ 1,692,582
Intergovernmental	6,085,014	76,926	521,227	6,683,167
Utility Taxes	769,027	-	-	769,027
Charges for Services	1,996,386	-	-	1,996,386
Licenses and Permits	240,546	-	-	240,546
Fines	42,943	-	-	42,943
Grants	13,036	16,244	-	29,280
Miscellaneous	236,412	52,934	4,500	293,846
Interest	450,289	2,035	80,749	533,073
Investment Income	64,869	-	-	64,869
Total Revenues	<u>11,017,850</u>	<u>687,146</u>	<u>640,723</u>	<u>12,345,719</u>
EXPENDITURES:				
Current				
General Government	1,433,495	-	-	1,433,495
Public Safety	4,128,151	-	-	4,128,151
Highways and Streets	1,695,023	-	436,107	2,131,130
Sanitation	976,686	-	-	976,686
Culture and Recreation	519,868	609,463	32,610	1,161,941
Capital Outlay	2,113,269	-	-	2,113,269
Total Expenditures	<u>10,866,492</u>	<u>609,463</u>	<u>468,717</u>	<u>11,944,672</u>
Net Change in Fund Balance	151,358	77,683	172,006	401,047
Fund Balance, Beginning of Year	<u>11,302,321</u>	<u>913,974</u>	<u>1,491,465</u>	<u>13,707,760</u>
Fund Balance, End of Year	<u>\$ 11,453,679</u>	<u>\$ 991,657</u>	<u>\$ 1,663,471</u>	<u>\$ 14,108,807</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, 2024

Net change in fund balance - total governmental funds	\$ 401,047
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 capital outlay \$2,113,270 exceeded depreciation \$1,880,935 in the current period.	232,335
Capital contributions to infrastructure are not reported is not a current resource and is not included in the net change in fund balance	-
Changes in other postemployment benefit obligations and related deferrals reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds.	(51,660)
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.	(43,576)
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>(119,270)</u>
Change in net position of governmental activities	<u>\$ 418,876</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
APRIL 30, 2024

<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	\$ 955,697	\$ 521,725	\$ 457,298	\$ 513,777	\$ 29,248	\$ 2,477,745
Investments	13,558,655	3,784,217	1,862,525	2,203,996	327,431	21,736,824
Accounts Receivable, Net	1,409,695	408,914	539,881	316,325	-	2,674,815
Inventories	300,000	29,000	48,830	27,200	-	405,030
Prepays	93,798	9,196	6,575	14,731	-	124,300
Total Current Assets	<u>16,317,845</u>	<u>4,753,052</u>	<u>2,915,109</u>	<u>3,076,029</u>	<u>356,679</u>	<u>27,418,714</u>
NON-CURRENT ASSETS:						
Capital Assets, Net	18,984,519	4,920,273	29,043,517	11,340,961	-	64,289,270
Total Non-Current Assets	<u>18,984,519</u>	<u>4,920,273</u>	<u>29,043,517</u>	<u>11,340,961</u>	<u>-</u>	<u>64,289,270</u>
Total Assets	<u>35,302,364</u>	<u>9,673,325</u>	<u>31,958,626</u>	<u>14,416,990</u>	<u>356,679</u>	<u>91,707,984</u>
DEFERRED OUTFLOWS OF RESOURCES:						
Related to Pensions	954,972	537,734	269,147	338,345	-	2,100,198
Related to Other Post Employment Benefits	25,099	10,660	5,685	4,709	-	46,153
Total Deferred Outflows of Resources	<u>980,071</u>	<u>548,394</u>	<u>274,832</u>	<u>343,054</u>	<u>-</u>	<u>2,146,351</u>
<u>LIABILITIES</u>						
CURRENT LIABILITIES:						
Accounts Payable	697,080	74,417	3,935,574	39,715	-	4,746,786
Wages and Benefits Payable	31,210	17,861	9,011	12,763	-	70,845
Consumer Deposits	30,969	-	-	-	196,600	227,569
Total Current Liabilities	<u>759,259</u>	<u>92,278</u>	<u>3,944,585</u>	<u>52,478</u>	<u>196,600</u>	<u>5,045,200</u>
NON-CURRENT LIABILITIES:						
Net Pension Liability	85,050	47,771	24,024	30,099	-	186,944
Other Post-Employment Benefit Obligation	193,985	82,389	43,939	36,391	-	356,704
Compensated Absences	216,919	159,439	99,514	158,564	-	634,436
E.P.A. Loan, Non-Current	-	-	15,391,083	-	-	15,391,083
Total Non-Current Liabilities	<u>495,954</u>	<u>289,599</u>	<u>15,558,560</u>	<u>225,054</u>	<u>-</u>	<u>16,569,167</u>
Total Liabilities	<u>1,255,213</u>	<u>381,877</u>	<u>19,503,145</u>	<u>277,532</u>	<u>196,600</u>	<u>21,614,367</u>
DEFERRED INFLOWS OF RESOURCES:						
Related to Pensions	534,475	300,208	150,972	189,149	-	1,174,804
Related to Other Post Employment Benefits	88,457	37,569	20,036	16,594	-	162,656
Total Deferred Inflows of Resources	<u>622,932</u>	<u>337,777</u>	<u>171,008</u>	<u>205,743</u>	<u>-</u>	<u>1,337,460</u>
<u>NET POSITION</u>						
NET POSITION:						
Net Investment in Capital Assets	18,984,519	4,920,273	13,652,434	11,340,961	-	48,898,187
Unrestricted Net Position	15,419,771	4,581,792	(1,093,129)	2,935,808	160,079	22,004,321
Total Net Position	<u>\$ 34,404,290</u>	<u>\$ 9,502,065</u>	<u>\$ 12,559,305</u>	<u>\$ 14,276,769</u>	<u>\$ 160,079</u>	<u>\$ 70,902,508</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, 2024

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
OPERATING REVENUES:						
Charges for Services	\$ 11,111,622	\$ 2,944,418	\$ 3,865,919	\$ 2,247,971	\$ -	\$ 20,169,930
Connection Fees	41,364	32,168	33,727	89,452	-	196,711
IMEA Credits	690,794	-	-	-	-	690,794
Subdivision Reinvestments	167,269	47,567	-	-	-	214,836
Total Operating Revenues	<u>12,011,049</u>	<u>3,024,153</u>	<u>3,899,646</u>	<u>2,337,423</u>	<u>-</u>	<u>21,272,271</u>
OPERATING EXPENSES:						
Cost of Sales	8,046,708	1,831,334	1,889,919	-	-	11,767,961
Distribution	1,517,557	869,483	465,803	-	-	2,852,843
Treatment	-	-	-	682,846	-	682,846
Collection	-	-	-	238,818	-	238,818
Administration	935,651	489,866	451,028	454,052	-	2,330,597
Depreciation	865,381	274,633	266,651	481,624	-	1,888,289
Total Operating Expenses	<u>11,365,297</u>	<u>3,465,316</u>	<u>3,073,401</u>	<u>1,857,340</u>	<u>-</u>	<u>19,761,354</u>
Operating Income	<u>645,752</u>	<u>(441,163)</u>	<u>826,245</u>	<u>480,083</u>	<u>-</u>	<u>1,510,917</u>
NON-OPERATING REVENUES (EXPENSES):						
Interest Income	6,961	3,396	9,972	5,951	282	26,562
Investment Income	400,806	128,804	14,302	48,581	10,065	602,558
Federal Grant - ARPA	-	-	1,439,504	-	-	1,439,504
Other Income	134,021	24,635	18,108	11,662	-	188,426
Total Non-Operating Revenues (Expenses)	<u>541,788</u>	<u>156,835</u>	<u>1,481,886</u>	<u>66,194</u>	<u>10,347</u>	<u>2,257,050</u>
Increase in Net Position	1,187,540	(284,328)	2,308,131	546,277	10,347	3,767,967
Total Net Position, Beginning of Year	<u>33,216,750</u>	<u>9,786,393</u>	<u>10,251,174</u>	<u>13,730,492</u>	<u>149,732</u>	<u>67,134,541</u>
Total Net Position, End of Year	<u>\$ 34,404,290</u>	<u>\$ 9,502,065</u>	<u>\$ 12,559,305</u>	<u>\$ 14,276,769</u>	<u>\$ 160,079</u>	<u>\$ 70,902,508</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2024

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash Received from Customers	\$ 11,927,262	\$ 3,102,054	\$ 3,890,254	\$ 2,321,054	\$ 93,625	\$ 21,334,249
Cash Paid Out to Customers	-	-	-	-	(99,950)	(99,950)
Cash Payments to Suppliers for Goods and Services	(9,327,539)	(2,536,506)	1,070,309	(928,761)	-	(11,722,497)
Cash Payments to Employees and Professional Contractors for Services	(1,201,371)	(777,949)	(332,348)	(508,283)	-	(2,819,951)
Net Cash Flows Provided (Used) by Operating Activities	<u>1,398,352</u>	<u>(212,401)</u>	<u>4,628,215</u>	<u>884,010</u>	<u>(6,325)</u>	<u>6,691,851</u>
CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES:						
Proceeds from IEPA Loan	-	-	15,391,083	-	-	15,391,083
Other Income	134,021	24,635	18,108	11,662	-	188,426
Net Cash Flows Provided by Non-Capital Related Financing Activities	<u>134,021</u>	<u>24,635</u>	<u>15,409,191</u>	<u>11,662</u>	<u>-</u>	<u>15,579,509</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition and Construction of Capital Assets	(985,268)	(297,034)	(20,745,453)	(254,151)	-	(22,281,906)
Net Cash Flows (Used) by Capital and Related Financing Activities	<u>(985,268)</u>	<u>(297,034)</u>	<u>(20,745,453)</u>	<u>(254,151)</u>	<u>-</u>	<u>(22,281,906)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Sale/(Purchase) of Investments	(900,806)	271,196	285,699	(648,581)	(10,065)	(1,002,557)
Investment Income (Loss)	407,767	132,200	24,274	54,532	10,347	629,120
Net Cash Flows Provided (Used) by Investing Activities	<u>(493,039)</u>	<u>403,396</u>	<u>309,973</u>	<u>(594,049)</u>	<u>282</u>	<u>(373,437)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	54,066	(81,404)	(398,074)	47,472	(6,043)	(383,983)
Cash and Cash Equivalents at May 1, 2023	<u>901,631</u>	<u>603,129</u>	<u>855,372</u>	<u>466,305</u>	<u>35,291</u>	<u>2,861,728</u>
Cash and Cash Equivalents at April 30, 2024	<u>\$ 955,697</u>	<u>\$ 521,725</u>	<u>\$ 457,298</u>	<u>\$ 513,777</u>	<u>\$ 29,248</u>	<u>\$ 2,477,745</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2024

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
Operating Income	\$ 645,752	\$ (441,163)	\$ 826,245	\$ 480,083	\$ -	\$ 1,510,917
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	865,381	274,633	266,651	481,624	-	1,888,289
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(82,973)	77,901	(9,392)	(16,369)	-	(30,833)
(Increase) Decrease in Prepaid Insurance	(14,197)	344	1,190	1,697	-	(10,966)
(Increase) Decrease in Deferred Outflow of Resources	441,699	110,779	99,673	148,454	-	800,605
Increase (Decrease) in Accounts Payable	141,738	(22,111)	3,592,899	(1,996)	-	3,710,530
Increase (Decrease) in Wages and Benefits Payable	8,482	3,876	2,254	4,433	-	19,045
Increase (Decrease) in Other Post-Employment Benefit Obligation	6,794	4,860	2,057	(9,658)	-	4,053
Increase (Decrease) in Compensated Absences	729	1,053	(2,736)	10,365	-	9,411
Increase (Decrease) in Net Pension Liability	(383,448)	(169,311)	(99,791)	(132,916)	-	(785,466)
Increase (Decrease) in Deferred Inflow of Resources	(231,103)	(53,262)	(50,835)	(81,707)	-	(416,907)
Increase (Decrease) in Consumer Deposits	(502)	-	-	-	(6,325)	(6,827)
 Total Adjustments	<u>752,600</u>	<u>228,762</u>	<u>3,801,970</u>	<u>403,927</u>	<u>(6,325)</u>	<u>5,180,934</u>
 Net Cash Provided by Operating Activities	<u>\$ 1,398,352</u>	<u>\$ (212,401)</u>	<u>\$ 4,628,215</u>	<u>\$ 884,010</u>	<u>\$ (6,325)</u>	<u>\$ 6,691,851</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUND
POLICE PENSION PLAN
APRIL 30, 2024

	<u>EMPLOYEE RETIREMENT PLAN</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 43,560
RECEIVABLES:	
Employer	<u>803,517</u>
Total Receivables	803,517
Investments	<u>8,780,022</u>
Total Assets	<u>9,627,099</u>
<u>LIABILITIES</u>	
Accounts Payable	<u>-</u>
Total Liabilities	<u>-</u>
<u>NET POSITION</u>	
Held in Trust for Pension Benefits	<u>\$ 9,627,099</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, 2024

	<u>EMPLOYEE RETIREMENT PLAN</u>
ADDITIONS:	
Contributions:	
Employer	\$ 775,000
Plan Members	165,220
Total Contributions	<u>940,220</u>
Investment Income:	
Income on pool	51,631
Interest	139
Dividend	-
Gain (Loss) on Investments	684,733
Unrealized Appreciation (Depreciation)	<u>-</u>
Net Investment Income	<u>736,503</u>
Total Additions	<u>1,676,723</u>
DEDUCTIONS:	
Retirement Benefits	503,246
Portability	(30,552)
Administrative Expense	23,092
Total Deductions	<u>495,786</u>
Change in Net Position	1,180,937
Net Position, Beginning of Year	<u>8,446,162</u>
Net Position, End of Year	<u>\$ 9,627,099</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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, 2024.

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, 2024

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, 2024

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, 2024

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, 2024

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, 2024.

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, 2024

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, 2024

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, 2024

NOTE 2. DEPOSITS

Deposits

The City's deposits with local banks consist of the following at April 30, 2024:

	CARRYING AMOUNT	BANK VALUE
Governmental Activities:		
Cash and Cash Equivalents	\$ 10,398,751	\$ 12,744,134
Business-Type Activities:		
Cash and Cash Equivalents	2,477,745	5,742,664
Fiduciary Fund (Police Pension):		
Cash and Cash Equivalents	43,560	43,560
	\$ 12,920,056	\$ 18,530,358

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, 2024, \$1,168,707 was covered by federal depository insurance, \$14,124,873 was covered by collateralized securities held by third-party institutions in the City's name, and \$3,236,778 was uncollateralized. Of the uncollateralized amount, \$3,404,091.06 was a reimbursement from IEPA for contractor payments which were outstanding as of 4/30/24.

NOTE 3. INVESTMENTS

The City categorizes its fair value measurements within the fair values hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

All of the City's investments are based on Level 1 inputs.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

NOTE 3. INVESTMENTS (CONT'D)

The City's investments consist of the following at April 30, 2024:

	<u>FAIR VALUE</u>	<u>COST</u>
Governmental Activities:		
IMET Core Fund	\$ 2,351,772	\$ 2,300,000
Business-type Activities:		
IMET Core Fund	<u>21,736,824</u>	<u>19,500,000</u>
Total	<u>24,088,596</u>	<u>21,800,000</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 Core 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 Core 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 Core Fund provides 5 day liquidity, participants are able to redeem investment shares with 5 business days notice to the IMET Operations desk. The Core 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).

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

NOTE 3. INVESTMENTS (CONT'D)

The Police pension fund investments of \$8,780,022 consists solely of Illinois Police Officers' Pension Investment Fund.

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. The City's investment policy does not address credit risk.

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.

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, 2024.

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.

The Illinois Metropolitan Investment Fund Core Fund 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 Core Fund 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 Core Fund investment.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 20234

NOTE 4. RECEIVABLES

Accounts receivable at April 30, 2024 consists of the following:

Garbage	\$ 155,527
Telecommunications Taxes	20,889
Video Gaming	52,622
Grant Reimbursement	2,377
Local Utility Taxes	83,643
Utility Bills	2,674,815
	<u>\$ 2,989,873</u>

There is no allowance for doubtful accounts as management expects utility deposits of \$196,600 sufficient to cover any uncollectible accounts receivable.

Taxes receivable of \$1,271,637 is comprised of sales, income, motor fuel tax and other intergovernmental revenue.

Real estate taxes are collected one year in arrears. Although levied in 2023 real estate taxes are collected subsequent to June 30, 2024. Accordingly, real estate taxes are reported as deferred revenue because they are not available to liquidate liabilities of the current period nor are they intended to do so.

Real estate taxes receivable are as follows:

Real Estate Taxes Receivable	\$ 1,716,341
Less Allowance for Uncollectible Accounts	<u>(4,291)</u>
Net Real Estate Taxes Receivable	<u>\$ 1,712,050</u>

NOTE 5. CAPITAL ASSETS

Changes in Capital Assets:

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

	<u>CAPITAL ASSETS, NOT DEPRECIATED</u>		
	<u>LAND</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
Governmental Activities			
Balance at May 1, 2023	\$ 1,030,586	\$ 61,606	\$ 1,092,192
Increase	47,792	1,495,747	1,543,539
Decrease	-	<u>1,517,535</u>	<u>1,517,535</u>
Balance at April 30, 2024	<u>\$ 1,078,378</u>	<u>\$ 39,818</u>	<u>\$ 1,118,196</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

NOTE 5. CAPITAL ASSETS (CONT'D)

	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
Balance at May 1, 2023	\$ 5,657,436	\$ 35,023,763	\$ 7,474,090	\$ 48,155,289
Increases	-	1,517,549	569,717	2,087,266
Decreases	-	-	-	-
Balance at April 30, 2024	5,657,436	36,541,312	8,043,807	50,242,555
Accumulated Depreciation				
Balance at May 1, 2023	3,154,683	21,874,550	6,213,458	31,242,691
Increases	136,465	1,356,489	387,981	1,880,935
Decreases	-	-	-	-
Balance at April 30, 2024	3,291,148	23,231,039	6,601,439	33,123,626
Governmental Activities, Net	\$ 2,366,288	\$ 13,310,273	\$ 1,442,368	\$ 17,118,929
	CAPITAL ASSETS, NOT DEPRECIATED			
Business-Type Activities	CONSTRUCTION			TOTAL
	LAND	IN PROGRESS		
Balance at May 1, 2023	\$ 3,394,267	\$ 1,739,685	\$ 5,133,952	
Increases	-	20,818,218	20,818,218	
Decreases	-	229,000	229,000	
Balance at April 30, 2024	\$ 3,394,267	\$ 22,328,903	\$ 25,723,170	
	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
	Balance at May 1, 2023	\$ 1,535,533	\$ 63,537,499	\$ 10,792,761
Increases	32,649	1,116,900	543,139	1,692,688
Decreases	-	-	-	-
Balance at April 30, 2024 (Carried Forward)	\$ 1,568,182	\$ 64,654,399	\$ 11,335,900	\$ 77,558,481

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

NOTE 5. CAPITAL ASSETS (CONT'D)

	CAPITAL ASSETS, DEPRECIATED			
	BUILDINGS	INFRASTRUCTURE	FURNITURE, MACHINERY AND EQUIPMENT	TOTAL
Balance at April 30, 2024 (Brought Forward)	\$ 1,568,182	\$ 64,654,399	\$ 11,335,900	\$ 77,558,481
Accumulated Depreciation				
Balance at May 1, 2023	<u>586,523</u>	<u>30,234,628</u>	<u>6,282,941</u>	<u>37,104,092</u>
Increases	38,797	1,363,114	486,378	1,888,289
Decreases	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at April 30, 2023	<u>625,320</u>	<u>31,597,742</u>	<u>6,769,319</u>	<u>38,992,381</u>
Net Business-Type Capital Assets Depreciated	<u>\$ 942,862</u>	<u>\$ 33,056,657</u>	<u>\$ 4,566,581</u>	<u>\$ 38,566,100</u>
Governmental Activities:				
General Government			\$ 88,194	
Public Safety			180,925	
Highway and Streets			1,549,339	
Culture and Recreation			<u>62,477</u>	
			<u>\$ 1,880,935</u>	
Business-Type Activities:				
Electric Fund			\$ 865,381	
Gas Fund			274,633	
Water Fund			266,651	
Sewer Fund			<u>481,624</u>	
			<u>\$ 1,888,289</u>	

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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, 2024:

Governmental Activities

	BALANCE MAY 1, 2023	INCREASE	DECREASE	BALANCE APRIL 30, 2024
Compensated Absences	\$ 468,872	\$ 43,576	\$ -	\$ 512,448
Net Pension Liability	5,874,485	-	478,080	5,396,405
OPEB Liability	<u>749,215</u>	<u>52,235</u>	<u>-</u>	<u>801,450</u>
Total Governmental Long-Term Liabilities	<u>7,092,572</u>	<u>95,811</u>	<u>478,080</u>	<u>6,710,303</u>

Business-Type Activities

Compensated Absences	625,025	9,411	-	634,436
Net Pension Liability (asset)	972,410	-	785,466	186,944
OPEB Liability	352,651	4,053	-	356,704
EPA Loan	<u>-</u>	<u>15,391,083</u>	<u>-</u>	<u>15,391,083</u>
Total Business Long-Term Liability	<u>\$ 1,950,086</u>	<u>\$ 15,404,547</u>	<u>\$ 785,466</u>	<u>\$ 16,569,167</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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

B. Legal Debt Margin

At April 30, 2024, the legal debt margin of the City was as follows:

Assessed Valuation - 2023	\$ <u>337,423,917</u>
Legal Debt Margin	<u>8.625%</u>
Debt Margin	\$ 29,102,813
Debt Outstanding	<u>-</u>
Legal Debt Margin	<u>\$ 29,102,813</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, 2024

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 hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 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, 2023, the following employees were covered by the Plan:

Active	48
Inactive employees or beneficiaries currently receiving benefits	72
Inactive employees entitled to but not yet receiving benefits	13
Total	133

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 2023 was 5.74 percent. For the fiscal year ended April 30, 2024, the City contributed \$197,141 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, 2023, 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, 2023, 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, 2024

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

ASSET CLASS	PORTFOLIO TARGET PERCENTAGE	LONG-TERM EXPECTED REAL RATE OF RETURN
Equities	34.50 %	5.00 %
International Equities	18.00	6.35
Fixed Income	24.50	4.75
Real Estate	10.50	6.30
Alternatives	11.50	
Private Entity		8.65
Hedge Funds		N/A
Commodities		6.05
Cash Equivalents	1.00	3.80
	100.00 %	

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 3.77%, and the resulting single discount rate is 7.25%.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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, 2023, were as follows:

	TOTAL PENSION LIABILITY	PLAN FIDUCIARY NET POSITION	NET PENSION LIABILITY (ASSET)
Balance, December 31, 2022	\$ 22,170,834	\$ 20,819,138	\$ 1,351,696
Changes for the Year:			
Service Cost	339,357	-	339,357
Interest	1,578,271	-	1,578,271
Difference Between Expected and Actual Experience	199,671	-	199,671
Changes in Assumptions	(16,212)	-	(16,212)
Contributions-Employees	-	215,789	(215,789)
Contributions-Employer	-	169,174	(169,174)
Net Investment Income	-	2,276,792	(2,276,792)
Benefit Payments Including Refunds of Employee Contributions	(1,142,524)	(1,142,524)	-
Other (Net Transfer)	-	514,893	(514,893)
Net Changes	958,563	2,034,124	(1,075,561)
Balance, December 31, 2023	\$ 23,129,397	\$ 22,853,262	\$ 276,135

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	%	\$ 2,911,091
Current discount rate	7.25		276,135
1% increase	8.25		(1,829,347)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources. For the year ended April 30, 2024, the City recognized pension income of \$399,752. At April 30, 2024, 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, 2024

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

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference Between Expected and Actual Experience	\$ 184,749	\$ 22,700
Changes in Assumption	-	11,971
Net Difference Between Projected and Actual Earnings on Plan Investments	2,852,467	1,700,638
Contributions After Measurement Date	65,968	-
 Total	 \$ 3,103,184	 \$ 1,735,309

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

<u>YEAR ENDING</u> <u>DECEMBER 31,</u>		
2024	\$	264,386
2025		422,649
2026		835,081
2027		(155,241)
2028		-
Thereafter		-
Total	\$	1,366,875

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, 2024

NOTE 8. POLICE PENSION PLAN (CONT'D)

Plan membership at April 30, 2024, consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	4
Active Plan Members	18
Total	33

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, 2024

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, 2024, the City contributed, \$775,000 which was 41.15% 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, 2024 the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.17 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, 2024

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, 2024, were:

Total Pension Liability	\$ 14,934,312
Plan Fiduciary Net Position	<u>(9,627,099)</u>
City's Net Pension Liability	<u>\$ 5,307,213</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.46%
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Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of April 30, 2024, 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, 2024

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	\$ 7,641,673	\$ 5,307,213	\$ 3,425,837

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources . For the year ended April 30, 2024, the City recognized pension expense of \$1,109,372. At April 30, 2024, 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	\$ 1,154,156	\$ 541,120
Changes of assumptions	374,802	-
Difference Between Projected and Actual Investment	378,521	-
Total	\$ 1,907,479	\$ 541,120

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

YEAR ENDING APRIL 30,	
2025	\$ 463,827
2026	526,468
2027	295,065
2028	54,439
2029	22,655
Thereafter	3,905
Total	\$ 1,366,359

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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, 2023, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Inactive	
Participants Entitled to But Not Yet Receiving Benefits	5
Active Participants	64
Total	69

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, 2024, calculated in accordance with GASB Statement No. 75 were as follows:

Total OPEB Liability	\$ 1,158,154
Plan Fiduciary Net Position	-
Net OPEB Liability	\$ 1,158,154

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, 2024, using the following actuarial assumptions:

Salary Increases	3.50%
Investment Rate of Return	N/A
Municipal Bond Index Rate (Unfunded Plan)	4.12%

Mortality Pub G base rates projected using scale MP2021.

Healthcare Inflation 6.75%, grading down .25% per year until 5.0% is reached.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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, 2023	\$ 1,101,866	\$ -	\$ 1,101,866
Changes for the year:			
Service cost	87,537	-	87,537
Interest cost	40,851	-	40,851
Differences Between Expected & Actual Experience	-	-	-
Assumption changes	(35,556)	-	(35,556)
Contributions - Employer	-	36,544	36,544
Benefit payments	(36,544)	(36,544)	-
Net Changes	56,288	-	56,288
Balance April 30, 2024	\$ 1,158,154	\$ -	\$ 1,158,154

Discount Rate - The discount rate used to measure the total OPEB liability was 4.12%. Since the plan is unfunded, this is based on the 20-year muni index rate.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability of the plan, calculated using the discount rate of 4.12%, 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	3.12%	\$ 1,262,995
Current discount rate	4.12%	1,158,154
1% increase	5.12%	1,061,404

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	5.75%	\$ 1,021,871
Current discount rate	6.75%	1,158,154
1% increase	7.75%	1,318,095

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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, 2024 the City recognized OPEB expense of \$85,279. At April 30, 2024, 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	\$ 149,851	\$ (528,116)

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>		
2025	\$	(43,109)
2026		(43,109)
2027		(43,109)
2028		(43,827)
2029		(48,728)
Thereafter		(156,383)
	\$	(378,265)

NOTE 10. PROPERTY TAXES

The City's 2022 property tax levy was passed by the City on December 19, 2022. Property taxes attach as an enforceable lien on property as of January 1. Taxes were payable in two (2) installments on November 21, 2023 and December 21, 2023. Major tax payments were received by the City funds by April 30, 2024 for taxes payable in 2023.

The City's 2023 property tax levy was passed by the Board on December 18, 2023.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

NOTE 11. COMMITMENTS AND CONTINGENCIES

A. Water Treatment Facility

The City of Waterloo received final approval for loan funds from the Illinois Environmental Protection Agency in the amount of \$33,929,910.07 at a 0.93% interest rate with a term of 30 years for the water treatment plant, wells, and water tower projects. \$1,250,000.00 of the loan amount will be forgiven by the State of Illinois.

The City of Waterloo entered into a contract with Caldwell Tanks, Inc. on June 15, 2023 for construction of a 500,000 gallon elevated composite water storage tank. The original contract awarded was at a cost of \$3,859,000.00; with change orders of (\$54,661.73) making the total project cost \$3,804,338.27. At fiscal year end 4/30/24, \$2,514,649.34 has been expended.

The City of Waterloo entered into a contract with Haier Plumbing & Heating, Inc. on June 15, 2023 for construction and installation of three well sites, raw water transmission main, and finished water transmission main as related to the Water Treatment Plant project. The original contract awarded was at a cost of \$11,310,660.26; with change orders of (\$333,900.34) making the total project cost \$10,976,759.92. At fiscal year end 4/30/24, \$5,981,590.91 has been expended.

The City of Waterloo entered into a contract with Korte & Luitjohan Contractors, Inc. on June 15, 2023 for construction of a Water Treatment Plant. The original contract awarded was at a cost of \$15,988,500.00; with change orders of \$56,872.50 making the total project cost \$16,045,372.50. At fiscal year end 4/30/24, \$7,077,859.12 has been expended.

The City has approved a professional service agreement for designing and bidding a 3.25 million gallon water treatment facility at a cost not to exceed \$1,145,000 and additional design engineering services of \$140,000 per Resolution 23-14 on April 17, 2023. As of April 30, 2023 \$1,285,000 has been expended. The City has approved Resolution 23-14 on April 17, 2023 a professional services agreement for water supply treatment and transmission facilities project - construction phase services at a cost not to exceed \$1,927,105. As of April 30, 2024, \$987,029.05 has been expended.

B. Splash Pad

The City has a gross commitment of \$400,000 to the park district for the community splash pad. As of April 30, 2024, \$200,000 is remaining.

C. 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.

D. 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.

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

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 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, 2024 was \$354,467. 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 \$420,085 in gross utility revenue from Wal-Mart in the Proprietary fund.

Included in charges for services within governmental revenue is \$1,002,069 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 \$14,104 at April 30, 2024.

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, 2024:

FUND	DEPARTMENT	OBJECT CATEGORY	EXCEEDING APPROPRIATIONS
General Fund	Legislative	Printing and Publishing	\$ 716
General Fund	Legislative	Miscellaneous	474
General Fund	Finance	Unemployment Insurance	35
General Fund	Zoning/Building Inspector	Health Insurance Reimbursement	1,233
General Fund	Zoning/Building Inspector	Professional Services	12,392
General Fund	Records	Vacation Leave	212
General Fund	Records	Health Insurance Reimbursement	684
General Fund	Police	Over-Time Salaries	1,468
General Fund	Police	Vacation Leave	1,588
General Fund	Police	Printing and Publishing	14
General Fund	Emergency Management Agency	Equipment -New	4,045

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

CITY OF WATERLOO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2024

NOTE 16. NEW ACCOUNTING PRONOUNCEMENT

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 87) issued May 2020, is effective for the fiscal year ended April 30, 2024. GASB 96 provides guidance on the accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs). This Statement 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and 4) requires the note disclosures regarding a SBITA. This pronouncement has no effect on the financial statements.

NOTE 17. SUBSEQUENT EVENTS

Management has evaluated the effect of subsequent events on the financial statements, through December 20, 2024. Management stated that the City entered into a contract on June 17, 2024 with Solar Turbines, Inc. for \$7,528,006. The contract is for the purchase, delivery and installation of a Solar Turbine PGM70, Taurus Package Generator Set for the Electric Generating Capacity Addition Project.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WATERLOO, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2024

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

Calendar Year Ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY:									
Service Cost	\$ 339,357	\$ 341,760	\$ 319,418	\$ 349,839	\$ 328,098	\$ 316,253	\$ 341,104	\$ 349,687	\$ 323,114
Interest on the Total Pension Liability	1,578,271	1,525,626	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	199,671	(49,344)	224,173	238,621	162,941	350,276	(38,812)	(522,498)	236,500
Assumption Changes	(16,212)	-	-	(163,821)	-	509,057	(567,969)	(40,678)	40,371
Benefit Payments and Refunds	(1,142,524)	(1,038,894)	(998,792)	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)
Net Change in Total Pension Liability	<u>958,563</u>	<u>779,148</u>	<u>998,666</u>	<u>877,892</u>	<u>977,813</u>	<u>1,632,230</u>	<u>277,020</u>	<u>311,752</u>	<u>1,015,357</u>
Total Pension Liability - Beginning	<u>22,170,834</u>	<u>21,391,686</u>	<u>20,393,020</u>	<u>19,515,128</u>	<u>18,537,315</u>	<u>16,905,085</u>	<u>16,628,065</u>	<u>16,316,313</u>	<u>15,300,956</u>
Total Pension Liability - Ending (a)	<u>23,129,397</u>	<u>22,170,834</u>	<u>21,391,686</u>	<u>20,393,020</u>	<u>19,515,128</u>	<u>18,537,315</u>	<u>16,905,085</u>	<u>16,628,065</u>	<u>16,316,313</u>
PLAN FIDUCIARY NET POSITION:									
Employer Contributions	215,789	297,301	343,229	336,993	254,673	328,734	340,217	360,379	468,089
Employee Contributions	169,174	166,302	154,918	146,944	140,962	137,227	135,605	133,474	131,980
Pension Plan Net Investment Income	2,276,792	(3,001,411)	3,591,720	2,650,312	3,030,965	(882,965)	2,625,678	994,458	71,203
Benefit Payments and Refunds	(1,142,524)	(1,038,894)	(998,792)	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)
Other	514,893	(133,948)	59,496	193,774	94,995	358,953	(194,275)	(131,549)	16,808
Net Change in Plan Fiduciary Net Position	<u>2,034,124</u>	<u>(3,710,650)</u>	<u>3,150,571</u>	<u>2,387,830</u>	<u>2,682,922</u>	<u>(851,397)</u>	<u>2,215,949</u>	<u>674,000</u>	<u>(29,333)</u>
Plan Fiduciary Net Position - Beginning	<u>20,819,138</u>	<u>24,529,788</u>	<u>21,379,217</u>	<u>18,991,387</u>	<u>16,308,465</u>	<u>17,159,862</u>	<u>14,943,913</u>	<u>14,269,913</u>	<u>14,299,246</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 22,853,262</u>	<u>\$ 20,819,138</u>	<u>\$ 24,529,788</u>	<u>\$ 21,379,217</u>	<u>\$ 18,991,387</u>	<u>\$ 16,308,465</u>	<u>\$ 17,159,862</u>	<u>\$ 14,943,913</u>	<u>\$ 14,269,913</u>
Net Pension Liability/(Asset) - Ending (a)-(b)	\$ 276,135	\$ 1,351,696	\$ (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	98.81%	93.90%	114.67%	104.84%	97.32%	87.98%	101.51%	89.87%	87.46%
Covered Valuation Payroll	\$ 3,759,408	\$ 3,670,394	\$ 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	7.35%	36.83%	-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, 2024

LAST 10 CALENDAR YEARS

<u>CALENDAR YEAR ENDING DECEMBER 31,</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>
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%
2022	297,302	297,301	1	3,670,394	8.10%
2023	215,790	215,789	1	3,759,408	5.74%

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 2023 CONTRIBUTION RATE*
APRIL 30, 2024

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): 20-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 15 years for most employers (five employers were financed over 16 years; one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years and one employer was financed over 26 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.75% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2021 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,	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Discount Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Service Cost	\$ 87,537	\$ 91,870	\$ 109,727	\$ 96,935	\$ 83,870	\$ 78,330	\$ -
Interest Cost	40,851	39,872	25,630	39,675	46,023	44,905	-
Plan Amendments	-	-	-	-	(20,350)	-	-
Actuarial Losses/(Gains)	-	(214,821)	-	(354,823)	-	-	-
Assumption Changes	(35,556)	36,768	(136,516)	110,673	92,135	17,522	-
Benefit Payments	(36,544)	(35,351)	(48,566)	(45,283)	(59,880)	(55,189)	-
Net Change in Total OPEB Liability	56,288	(81,662)	(49,725)	(152,823)	141,798	85,568	-
Total OPEB Liability - Beginning	1,101,866	1,183,528	1,233,253	1,386,076	1,244,278	1,158,710	-
Total OPEB Liability - Ending (a)	\$ 1,158,154	\$ 1,101,866	\$ 1,183,528	\$ 1,233,253	\$ 1,386,076	\$ 1,244,278	\$ -
Plan Fiduciary Net Position							
Employer Contributions	\$ 36,544	\$ 35,351	\$ 48,566	\$ 45,283	\$ 59,880	\$ 55,189	\$ -
Employee Contributions	-	-	-	-	-	-	-
Net Investment Income	-	-	-	-	-	-	-
Benefit Payments	(36,544)	(35,351)	(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)	\$ 1,158,154	\$ 1,101,866	\$ 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%	0.00%	0.00%	
Covered Valuation Payroll	\$ 5,138,712	\$ 4,964,939	\$ 4,359,957	\$ 4,212,520	\$ 4,162,934	\$ 4,022,159	\$ -
Net OPEB Liability as a Percentage of Covered Valuation Payroll	22.54%	22.19%	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%
2023	35,351	35,351	-	4,964,939	0.71%
2024	36,544	36,544	-	5,138,712	0.71%

CITY OF WATERLOO
NOTES TO THE SCHEDULE OF POST RETIREMENT BENEFITS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE 2024 TOTAL OPEB LIABILITY
POST RETIREMENT BENEFITS

Methods and Assumptions Used to Determine the 2024 Total OPEB Liability:

Funding Method	Entry Age Normal Cost Method - A method under which the actuarial present value of the projected benefits of each active participant is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to the valuation year is called the Normal Cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the Actuarial Accrued Liability.										
Mortality Rates	<p>Pre-Retirement: Males: RP-2014 Healthy Employee Table for males, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Females: RP-2014 Healthy Employee Table for females, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Post-Retirement: Males: RP-2014 Healthy Employee Table for males, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Females: RP-2014 Healthy Employee Table for females, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p>										
Discount Rate	4.12%										
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="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><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 2024 TOTAL OPEB LIABILITY
POST RETIREMENT BENEFITS

Methods and Assumptions Used to Determine the 2024 Total OPEB Liability Continued:

Monthly Health Plan Premium Costs (Blended)	<u>Coverage</u>	<u>Medical</u>	<u>Dental & Vision</u>
	Employee Only	\$ 812.54	\$ 39.02
	Employee Plus Spouse	1,769.23	81.18
	Employee Plus Children	1,603.96	77.52
	Family	2,560.65	129.94

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. 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.
Covered Lives for Claim Cost Development	
Expense Load	Included in retiree per capita costs.

CITY OF WATERLOO
POLICE PENSION FUND
APRIL 30, 2024

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY:										
Service Cost	\$ 409,896	\$ 372,166	\$ 349,992	\$ 347,712	\$ 350,827	\$ 350,827	\$ 329,507	\$ 246,585	\$ 268,414	\$ 282,417
Interest on the Total Pension Liability	915,703	838,806	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	194,376	433,664	(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	(527,024)	(471,628)	(595,937)	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)
Net Change in Total Pension Liability	992,951	1,173,008	703,749	716,098	1,757,596	(292,665)	1,258,353	739,569	96,054	1,812,781
Total Pension Liability - Beginning	13,941,361	12,768,353	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	14,934,312	13,941,361	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	775,000	690,000	654,000	653,000	500,000	538,000	418,000	405,000	441,000	380,000
Employee Contributions	186,622	146,078	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	765,036	82,266	(457,806)	1,101,477	180,516	294,505	236,870	295,773	(44,528)	156,597
Benefit Payments and Refunds	(527,024)	(471,628)	(595,937)	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)
Other	(18,697)	(20,661)	(19,818)	(22,466)	(28,081)	(28,180)	(28,180)	(16,893)	(17,115)	(18,460)
Net Change in Plan Fiduciary Net Position	1,180,937	426,055	(170,298)	1,295,715	302,732	609,148	441,676	524,495	269,088	408,526
Plan Fiduciary Net Position - Beginning	8,446,162	8,020,107	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	\$ 9,627,099	\$ 8,446,162	\$ 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)	\$ 5,307,213	\$ 5,495,199	\$ 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	64.46%	60.58%	62.81%	67.89%	60.75%	68.73%	60.53%	64.24%	63.62%	60.95%
Covered Valuation Payroll	\$ 1,883,169	\$ 1,474,046	\$ 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	281.82%	372.80%	329.43%	278.67%	332.30%	216.98%	309.02%	353.71%	313.73%	308.07%

CITY OF WATERLOO
POLICE PENSION FUND
APRIL 30, 2024

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>
2024	\$ 774,928	\$ 775,000	\$ (72)	\$ 1,883,169	41.15%
2023	684,879	690,000	(5,121)	1,474,046	46.81%
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, 2024

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%	1.15%	4.17%

CITY OF WATERLOO
POLICE PENSION FUND
APRIL 30, 2024

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, 2024

	<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:				
Property Tax IMRF/FICA	\$ 156,000	\$ 156,000	\$ 155,833	\$ (167)
Property Tax Road and Bridge	50,000	50,000	49,959	(41)
Property Tax Gen. Corporate	135,000	135,000	138,536	3,536
Liquor License	25,000	25,000	20,748	(4,252)
Franchise License	120,000	120,000	118,103	(1,897)
Utility Franchise	990,000	1,015,000	1,002,069	(12,931)
Infrastructure Fee	135,000	130,000	131,397	1,397
Fees and Permits	115,000	80,000	84,703	4,703
Inspection Fees	15,000	15,000	16,525	1,525
State Income Tax	2,163,000	2,261,500	2,223,662	(37,838)
State Replacement Tax	143,200	147,900	146,981	(919)
Mobile Home Taxes	5	5	5	-
Cops Grant/SRO Officer Grant	84,500	85,350	85,333	(17)
Grant	9,000	10,000	14,135	4,135
Sales Tax	2,900,000	3,200,000	3,219,742	19,742
Business District Tax	105,000	105,000	104,726	(274)
Video Gaming	250,000	266,500	271,503	5,003
Cannabis Use Tax	19,700	16,300	17,090	790
Court Fines	37,000	39,000	42,943	3,943
Penalties on Service	8,500	10,000	10,102	102
Refuse Fees	981,500	981,500	984,051	2,551
Utility Bill Adjustment	(250)	(250)	(1)	249
Interest Income	200,000	435,000	446,757	11,757
Tower Rental	22,000	25,000	24,850	(150)
Sundry Income	5,000	20,000	21,876	1,876
Donations	40,000	44,000	45,836	1,836
Equitable Sharing Funds Received	-	-	26,677	26,677
Hotel/Motel Tax	15,000	33,000	32,355	(645)
Miscellaneous	500	22,500	24,200	1,700
Total Revenue	<u>\$ 8,724,655</u>	<u>\$ 9,428,305</u>	<u>\$ 9,460,696</u>	<u>\$ 32,391</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	WITH FINAL BUDGET- POSITIVE (NEGATIVE)
EXPENDITURES:				
Legislative				
Mayor	\$ 27,500	\$ 27,500	\$ 26,675	\$ 825
Aldermen	141,500	135,000	129,638	5,362
FICA	14,000	14,000	11,958	2,042
Professional Services	54,500	54,500	46,910	7,590
Communications	2,000	2,300	2,160	140
Printing and Publishing	8,000	9,000	9,716	(716)
Membership and Dues	15,000	15,000	14,650	350
Training	17,500	6,500	3,565	2,935
Books and Publications	800	800	785	15
Bad Debt Expense	2,000	2,000	1,302	698
Insurance and Bonds	600	200	163	37
Sales Tax Rebate	115,000	115,000	102,402	12,598
Miscellaneous	11,000	17,000	17,474	(474)
Office Supplies	100	1,000	804	196
Land	-	50,000	47,792	2,208
Legislative Total Expense	<u>409,500</u>	<u>449,800</u>	<u>415,994</u>	<u>33,806</u>
Finance				
District of Public Works	29,500	30,700	30,340	360
Finance Director	24,000	24,000	22,915	1,085
Clerical	68,500	69,000	66,656	2,344
Human Resource	15,000	15,000	12,293	2,707
Part-Time Salaries	6,700	3,200	3,060	140
Over-Time Salaries	2,000	2,000	627	1,373
Sick Leave	29,000	6,500	4,521	1,979
Vacation Leave	30,000	10,000	8,835	1,165
Treasurer	9,300	9,300	9,254	46
Health Insurance	30,000	30,000	14,000	16,000
Health Insurance Reimbursement	20,000	20,000	14,520	5,480
Unemployment Insurance	250	250	285	(35)
FICA	16,000	16,000	11,828	4,172
IMRF	11,300	9,000	8,038	962
Bank Charges	1,000	2,000	1,452	548
Clothing Allowance	2,000	2,500	-	2,500
Sub-Total (Carried Forward)	<u>\$ 294,550</u>	<u>\$ 249,450</u>	<u>\$ 208,624</u>	<u>\$ 40,826</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	<u>POSITIVE</u> <u>(NEGATIVE)</u>
Sub-Total (Brought Forward)	\$ 294,550	\$ 249,450	\$ 208,624	\$ 40,826
Equipment Rental and Service	2,500	2,500	1,794	706
Professional Services	3,000	3,100	2,850	250
Postage	1,600	1,600	714	886
Communications	18,500	18,500	17,606	894
Printing and Publishing	2,000	2,000	1,560	440
Membership and Dues	600	600	-	600
Training	3,000	1,000	112	888
Insurance and Bonds	12,000	14,000	9,745	4,255
Miscellaneous	500	500	407	93
Office Supplies	5,000	5,000	2,779	2,221
Department Supplies	1,500	1,500	1,283	217
Equipment - Office	5,000	5,000	3,348	1,652
Furniture and Fixtures	2,000	-	-	-
Information Systems	20,000	20,000	18,194	1,806
Tourism	15,000	30,000	25,099	4,901
Finance Total Expenses	<u>386,750</u>	<u>354,750</u>	<u>294,115</u>	<u>60,635</u>
Building				
Building Repairs	115,000	140,000	125,270	14,730
Equipment Rental and Service	25,000	25,000	19,411	5,589
Professional Services	5,000	5,000	4,395	605
Independent Contractor	25,000	25,000	24,034	966
Utilities	65,000	65,000	56,600	8,400
Janitorial Supplies	2,500	2,500	1,874	626
Fuels	1,000	1,000	-	1,000
Equipment	-	3,500	3,273	227
Furniture and Fixtures	-	-	-	-
Building Total Expenses	<u>238,500</u>	<u>267,000</u>	<u>234,857</u>	<u>32,143</u>
Legal				
Legal	175,000	125,000	86,590	38,410
Legal Total Expenses	<u>\$ 175,000</u>	<u>\$ 125,000</u>	<u>\$ 86,590</u>	<u>\$ 38,410</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
Zoning/Building Inspector				
Planning Commission	\$ 9,000	\$ 9,000	\$ 5,100	\$ 3,900
Zoning Board	9,000	9,000	4,150	4,850
Zoning Officer	83,000	85,000	84,082	918
Building Inspector	60,500	61,500	60,496	1,004
Sick Leave	4,500	3,000	1,529	1,471
Vacation Leave	9,000	9,000	7,550	1,450
Health Insurance	60,500	60,500	58,021	2,479
Health Insurance Reimbursement	10,000	10,000	11,233	(1,233)
Unemployment Insurance	350	400	306	94
FICA	13,500	13,500	12,462	1,038
IMRF	10,000	9,000	8,453	547
Vehicle Maintenance and Repair	3,500	3,500	2,184	1,316
Equipment Rental & Service	-	800	800	-
Professional Services	50,000	50,000	62,392	(12,392)
Postage	100	100	50	50
Communications	1,200	1,200	1,139	61
Printing and Publishing	200	200	176	24
Membership and Dues	600	600	568	32
Training	3,000	500	80	420
Books and Publications	500	500	-	500
Insurance and Bonds	7,000	7,000	5,211	1,789
Miscellaneous	500	1,000	654	346
Office Supplies	3,000	3,000	2,414	586
Vehicle Fuel and Lube	4,000	3,000	2,345	655
Equipment - Office	2,000	2,500	2,339	161
Information Systems	2,000	800	-	800
Zoning/Building Inspector				
Total Expenses	<u>\$ 346,950</u>	<u>\$ 344,600</u>	<u>\$ 333,734</u>	<u>\$ 10,866</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	<u>POSITIVE</u> <u>(NEGATIVE)</u>
Records				
Deputy City Clerk	\$ 60,000	\$ 60,000	\$ 53,978	\$ 6,022
Over-Time Salaries	500	500	155	345
Sick Leave	2,500	3,700	3,266	434
Vacation Leave	7,500	8,500	8,712	(212)
City Clerk	21,000	21,000	18,597	2,403
Health Insurance	13,000	13,000	12,292	708
Health Insurance Reimbursement	5,000	5,000	5,684	(684)
Unemployment Insurance	100	150	116	34
FICA	6,700	6,700	6,240	460
IMRF	4,000	4,000	3,637	363
Clothing Allowance	300	300	-	300
Equipment Repairs	200	200	-	200
Equipment Rental & Service	-	400	400	-
Professional Services	5,000	5,000	3,615	1,385
Postage	100	100	50	50
Printing and Publishing	5,000	5,000	4,317	683
Membership and Dues	100	100	30	70
Training	3,000	-	-	-
Books and Publications	100	100	-	100
Insurance and Bonds	500	250	158	92
Recording Fees	1,500	1,500	882	618
Miscellaneous	100	100	30	70
Office Supplies	500	500	256	244
Equipment - office	1,500	1,500	1,395	105
Information systems	500	500	-	500
Records Total Expenses	<u>\$ 138,700</u>	<u>\$ 138,100</u>	<u>\$ 123,810</u>	<u>\$ 14,290</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
Police				
Regular Salaries	\$ 1,650,000	\$ 1,680,000	\$ 1,659,483	\$ 20,517
Part-Time Salaries	29,000	29,000	26,618	2,382
PEDA Salaries	-	62,500	62,435	65
Over-Time Salaries	50,000	110,000	111,468	(1,468)
Sick Leave	60,000	80,000	68,123	11,877
Vacation Leave	100,000	120,000	121,588	(1,588)
Holiday	120,000	100,000	77,870	22,130
Health Insurance	410,000	370,000	360,541	9,459
Health Insurance Reimbursement	60,000	60,000	56,188	3,812
Unemployment Insurance	2,500	3,000	2,773	227
FICA	150,000	160,000	150,482	9,518
IMRF	4,000	4,000	3,531	469
Clothing Allowance	27,000	27,000	25,582	1,418
Vehicle Maintenance and Repair	20,000	20,000	17,613	2,387
Equipment Rental and Service	4,000	5,000	4,789	211
Postage	500	500	220	280
Communications	285,000	285,000	283,165	1,835
Printing and Publishing	1,000	1,000	1,014	(14)
Membership and Dues	14,000	14,000	11,483	2,517
Training	15,000	15,000	7,588	7,412
Books and Publications	500	500	216	284
Insurance and Bonds	121,000	105,000	104,664	336
Miscellaneous	3,000	6,000	5,670	330
Office Supplies	5,000	5,000	2,996	2,004
Department Supplies	6,500	6,500	6,456	44
Vehicle Fuel and Lube	67,500	55,000	48,276	6,724
Ammunition	7,000	7,000	3,372	3,628
Canine	5,000	5,000	2,342	2,658
Equipment - Office	5,000	5,000	3,595	1,405
Equipment - New	85,000	87,000	86,370	630
Equipment - Vehicle	160,500	213,500	197,719	15,781
Information Systems	57,000	74,000	67,784	6,216
Community Relations	3,500	3,500	2,890	610
DARE Fund	4,000	4,000	1,232	2,768
DUI Fund	8,000	8,000	6,952	1,048
Explorer Program	1,500	1,510	1,505	5
Police Total Expenses	<u>\$ 3,542,000</u>	<u>\$ 3,732,510</u>	<u>\$ 3,594,593</u>	<u>\$ 137,917</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
Emergency Management Agency				
ESDA Coordinator	\$ 6,000	\$ 6,000	\$ 5,760	\$ 240
Unemployment Insurance	100	100	49	51
FICA	500	500	441	59
Postage	100	100	50	50
Communications	1,100	1,100	1,012	88
Training	200	200	-	200
Equipment - New	-	-	4,045	(4,045)
Emergency Management Agency				
Total Expenses	<u>8,000</u>	<u>8,000</u>	<u>11,357</u>	<u>(3,357)</u>
Police Commission				
Legal	1,000	5,000	4,116	884
Officer Candidates Testing	1,000	1,000	-	1,000
Testing for Officer Hiring	9,000	9,000	5,869	3,131
Printing and Publishing	200	200	161	39
Training	2,000	2,000	-	2,000
Office Supplies	100	100	70	30
Police Commission Total Expenses	<u>13,300</u>	<u>17,300</u>	<u>10,216</u>	<u>7,084</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
Social Services				
Community Relations Coordinator	\$ 61,000	\$ 72,000	\$ 71,098	\$ 902
Sick Leave	1,500	2,500	2,149	351
Vacation Leave	5,000	7,000	4,471	2,529
Health Insurance	30,000	30,000	29,266	734
Health Insurance Reimbursement	2,000	2,000	-	2,000
Unemployment Insurance	100	150	115	35
FICA	5,100	6,000	5,855	145
IMRF	4,000	4,500	4,275	225
Communications	1,000	1,000	567	433
Printing and Publishing	100	100	-	100
Training	1,500	1,500	1,135	365
Books and Publications	50	50	30	20
Street Lighting	70,000	70,000	69,205	795
Refuse	977,000	977,000	970,014	6,986
Insurance and Bonds	1,400	1,000	981	19
Miscellaneous	150	150	-	150
Office Supplies	3,500	3,500	641	2,859
Office Equipment	1,500	1,500	1,344	156
Information Systems	4,600	4,600	4,594	6
Community Relations	35,000	35,000	27,504	7,496
Contribution Sr. Citizens	7,500	7,500	7,500	-
Sister Cities Program	600	600	440	160
Downtown Enhancement	320,000	430,000	357,748	72,252
Social Services Total Expenses	<u>\$ 1,532,600</u>	<u>\$ 1,657,650</u>	<u>\$ 1,558,932</u>	<u>\$ 98,718</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<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	\$ 490,000	\$ 450,000	\$ 442,342	\$ 7,658
Part-Time Salaries	6,000	6,000	(263)	6,263
Over-Time Salaries	20,000	20,000	16,337	3,663
Sick Leave	12,000	12,000	10,131	1,869
Vacation Leave	35,000	42,000	37,934	4,066
Interdepartmental Salaries	10,000	10,000	6,165	3,835
Health Insurance	110,000	90,000	87,039	2,961
Health Insurance Reimbursement	18,000	15,000	11,702	3,298
Unemployment Insurance	700	800	729	71
FICA	44,000	42,000	37,915	4,085
IMRF	35,000	30,000	28,249	1,751
Clothing Allowance	4,382	4,382	3,687	695
Building Repairs	5,000	5,000	4,898	102
Equipment Repairs	75,000	100,000	94,964	5,036
Communications	3,500	3,500	2,138	1,362
Training	7,500	2,500	1,447	1,053
Utilities	20,000	20,000	17,604	2,396
Insurance and Bonds	56,000	45,000	43,887	1,113
Miscellaneous	10,000	6,000	5,130	870
Street Maintenance and Repair	50,000	50,000	25,192	24,808
Street Signs	7,500	7,500	2,079	5,421
Construction Materials	45,000	45,000	38,424	6,576
Department Supplies	10,000	9,000	4,593	4,407
Tools	5,000	5,000	4,967	33
Janitorial Supplies	3,000	4,000	3,855	145
Vehicle Fuel and Lube	55,000	55,000	51,815	3,185
Safety Materials	10,000	10,000	9,385	615
Building Improvements	1,000	1,000	-	1,000
Equipment	57,500	40,000	36,149	3,851
Equipment - Office	1,500	1,500	1,333	167
Equipment Leases	10,000	10,500	10,460	40
Equipment - Vehicle	320,000	320,000	239,407	80,593
Street Improvements	275,000	275,000	264,876	10,124
Other Improvements - Storm Drains	100,000	20,000	17,556	2,444
Capital Projects	<u>3,530,000</u>	<u>3,530,000</u>	<u>2,137,538</u>	<u>1,392,462</u>
Streets and Alleys Total Expenses	<u>5,442,582</u>	<u>5,287,682</u>	<u>3,699,664</u>	<u>1,588,018</u>
Total Expenditures (Carried Forward)	<u>\$ 12,233,882</u>	<u>\$ 12,382,392</u>	<u>\$ 10,363,862</u>	<u>\$ 2,018,530</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	<u>POSITIVE</u> <u>(NEGATIVE)</u>
Total Expenditures (Brought Forward)	\$ 12,233,882	\$ 12,382,392	\$ 10,363,862	\$ 2,018,530
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (3,509,227)</u>	<u>\$ (2,954,087)</u>	<u>(903,166)</u>	<u>\$ 2,050,921</u>
Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:				
Effect of Unrecorded Assets			74,917	
Effect of Unrecorded Liabilities			<u>272,778</u>	
Excess (Deficiency) of Revenues Over Expenses			(555,471)	
BEGINNING FUND BALANCE			<u>9,209,032</u>	
ENDING FUND BALANCE			<u>\$ 8,653,561</u>	

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - LIBRARY FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
REVENUE:				
City Library Tax	\$ 447,000	\$ 447,000	\$ 446,493	\$ (507)
City Building & Maintenance Tax	59,600	59,600	59,547	(53)
City IMRF/FICA Tax	33,000	33,000	32,967	(33)
State Grant	750	750	-	(750)
License Plate Sticker Fees	-	-	1,688	1,688
Summer Reading Programming Fees	-	-	534	534
State Replacement Tax	30,000	30,000	76,926	46,926
Per Capita Grant	16,244	16,244	16,244	-
Interest	750	750	2,035	1,285
Non-Resident Fees	12,500	12,500	18,780	6,280
Replacement Cards	25	25	-	(25)
Fax Fees	1,200	1,200	1,829	629
Photocopies/Printouts	5,000	5,000	6,758	1,758
Fines Collected	300	300	157	(143)
Lost/Damaged Materials	1,000	1,000	2,346	1,346
Microform Copies	25	25	-	(25)
Miscellaneous Income	500	500	1,146	646
Programming Fees	2,500	2,500	4,571	2,071
Book Sales Receipts	3,600	3,600	159	(3,441)
Col. Morrison Home (interest/donations)	250	250	-	(250)
Refunds/Overcharges	50	50	-	(50)
Gifts/Donations	200	200	14,966	14,766
Total Revenue	614,494	614,494	687,146	72,652
EXPENDITURES:				
Staff Salaries	301,810	301,810	282,985	(18,825)
Adult Print Materials	19,500	19,500	21,151	1,651
Juvenile Print Materials	7,500	7,500	9,701	2,201
Adult Nonprint Materials	7,200	7,200	6,228	(972)
Juvenile Nonprint Materials	2,000	2,000	1,679	(321)
Adult Databases	12,000	12,000	12,917	917
Juvenile Databases	1,750	1,750	1,630	(120)
Sub Total (Carried Forward)	\$ 351,760	\$ 351,760	\$ 336,291	\$ (15,469)

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - LIBRARY FUND
YEAR ENDED APRIL 30, 2024

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Sub Total (Brought Forward)	\$ 351,760	\$ 351,760	\$ 336,291	\$ (15,469)
Genealogy Print Materials	100	100	30	(70)
Genealogy Nonprint Materials	5	5	-	(5)
Genealogy Databases	3,000	3,000	3,237	237
City Utilities-MTL	20,500	20,500	21,202	702
Trash Disposal	800	800	827	27
Telephone	3,600	3,600	3,506	(94)
Postage	600	600	1,206	606
Lost/Damaged Materials	250	250	361	111
Travel Expense/Mileage	-	-	912	912
Continuing Education	1,200	1,200	1,417	217
Miscellaneous Expenses	3,500	3,500	3,948	448
Dues & Fees	750	750	1,749	999
Legal Fees	500	500	320	(180)
Accounting Fees	600	600	502	(98)
Cleaning Services	20,000	20,000	25,749	5,749
Lawn Maintenance	5,695	5,695	5,933	238
HVAC Maintenance & Repair	4,000	4,000	7,753	3,753
MTL General Maintenance & Repair	7,500	7,500	9,537	2,037
Photocopier Service Contracts	2,000	2,000	2,602	602
Computer Service Contracts	11,000	11,000	11,111	111
Security System	350	350	535	185
Elevator Service Contract	3,750	3,750	3,559	(191)
Liability, Umbrella Premium	4,500	4,500	3,597	(903)
Surety Bond	750	750	461	(289)
Workers' Compensation	550	550	354	(196)
Employee Health Insurance	45,900	45,900	28,042	(17,858)
HRA Fees & Reimbursements	15,420	15,420	7,702	(7,718)
Computer Supplies	-	-	414	414
Office Supplies	-	-	1,035	1,035
Library Supplies	9,500	9,500	8,829	(671)
Promotional Materials	500	500	-	(500)
Summer Reading Program	1,200	1,200	1,952	752
Programming Expenses	5,000	5,000	14,300	9,300
Advertising	750	750	787	37
GateNet Online Charges	11,500	11,500	12,592	1,092
Sub Total (Carried Forward)	537,030	537,030	522,352	(14,678)

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - LIBRARY FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
Sub Total (Brought Forward)	\$ 537,030	\$ 537,030	\$ 522,352	\$ (14,678)
Internet	850	850	792	(58)
OCLO Selective User	500	500	232	(268)
Furnishings	2,500	2,500	24,224	21,724
Library Equipment	1,000	1,000	812	(188)
Computer Equipment	1,000	1,000	66	(934)
Parking Lot	2,400	2,400	2,400	-
Capital Improvements	20,500	20,500	-	(20,500)
Col. M - Utilities	3,500	3,500	4,649	1,149
Col. M - General Maintenance & Repair	2,000	2,000	1,587	(413)
Col. M - Furnishing & Equipment	2,000	2,000	-	(2,000)
Website/Social Media Expense	750	750	1,399	649
Hotspot Services	750	750	720	(30)
Cyber Liability Premium	500	500	-	(500)
Outreach Services	750	750	1,552	802
Architectural Fees	1,200	1,200	-	(1,200)
Book Binding	5	5	-	(5)
Miscellaneous Costs - Grant	-	-	16,248	16,248
Sub Total (Carried Forward)	<u>577,235</u>	<u>577,235</u>	<u>577,033</u>	<u>(202)</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - LIBRARY FUND
YEAR ENDED APRIL 30, 2024

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Sub Total (Brought Forward)	\$ 577,235	\$ 577,235	\$ 577,033	\$ (202)
Payroll Taxes	23,012	23,012	21,648	(1,364)
Illinois State Unemployment Tax	1,444	1,444	1,215	(229)
IMRF	12,803	12,803	12,999	196
Other	-	-	(3,432)	(3,432)
Total Expenditures	614,494	614,494	609,463	(5,031)
Excess of Revenues Over Expenditures	-	-	77,683	77,683
OTHER FINANCING (USES):				
Transfers (Out)	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	77,683	\$ 77,683
Excess (Deficiency) of Revenues Over Expenses			77,683	
BEGINNING FUND BALANCE			913,974	
ENDING FUND BALANCE			\$ 991,657	

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - UTILITY TAX FUND
YEAR ENDED APRIL 30, 2024

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS (BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUE:				
City Utility Tax	\$ 350,000	\$ 315,000	\$ 308,302	\$ (6,698)
Other Utility Tax	28,000	28,000	25,376	(2,624)
Electric Municipal Tax	315,000	302,000	304,141	2,141
Utility Bill Adjustment	(2,000)	(2,000)	(48)	1,952
Interest Income	4,000	3,500	3,533	33
Investment Income	10,000	70,000	64,869	(5,131)
Total Revenue	<u>705,000</u>	<u>716,500</u>	<u>706,173</u>	<u>(10,327)</u>
EXPENDITURES:				
Bad Debt Expense	2,000	2,000	409	1,591
Customer Refunds	200	600	469	131
Total Expenditures	<u>2,200</u>	<u>2,600</u>	<u>878</u>	<u>1,722</u>
Excess of Revenues Over Expenditures	702,800	713,900	705,295	(8,605)
OTHER FINANCING (USES):				
Transfers (Out)	-	-	-	-
Net Change in Fund Balance	<u>\$ 702,800</u>	<u>\$ 713,900</u>	<u>705,295</u>	<u>\$ (8,605)</u>
Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:				
Effect of Unrecorded Assets			1,064	
Effect of Unrecorded Liabilities			<u>470</u>	
Excess (Deficiency) of Revenues Over Expenses			706,829	
BEGINNING FUND BALANCE			<u>2,093,289</u>	
ENDING FUND BALANCE			<u>\$ 2,800,118</u>	

CITY OF WATERLOO, ILLINOIS
NOTES TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED APRIL 30, 2024

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 (2023), 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, 2024 on April 17, 2023 and it was amended on April 15, 2024.

OTHER SUPPLEMENTAL INFORMATION

CITY OF WATERLOO, ILLINOIS
COMBINING BALANCE SHEET - GENERAL FUND
YEAR ENDED APRIL 30, 2024

<u>ASSETS</u>	<u>GENERAL</u>	<u>UTILITY TAX FUND</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$ 7,390,744	\$ 364,736	\$ 7,755,480
Investments	-	2,351,772	2,351,772
Taxes Receivable	1,232,028	-	1,232,028
Accounts Receivable, Net	231,415	83,643	315,058
Due from Other Funds	14,104	-	14,104
Prepays	112,011	-	112,011
Real Estate Taxes Receivable, Net	<u>1,109,401</u>	<u>-</u>	<u>1,109,401</u>
 Total Assets	 <u>\$ 10,089,703</u>	 <u>\$ 2,800,151</u>	 <u>\$ 12,889,854</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>			
LIABILITIES:			
Accounts Payable	\$ 222,907	\$ 33	\$ 222,940
Wage and Benefits Payable	<u>77,157</u>	<u>-</u>	<u>77,157</u>
 Total Liabilities	 <u>300,064</u>	 <u>33</u>	 <u>300,097</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue - Property Taxes	1,109,401	-	1,109,401
Deferred Grant Revenue	<u>26,677</u>	<u>-</u>	<u>26,677</u>
 Total Deferred Inflows of Resources	 <u>1,136,078</u>	 <u>-</u>	 <u>1,136,078</u>
FUND BALANCE:			
Nonspendable			
Prepays	112,011	-	112,011
Restricted for:			
Hotel/Motel Tax	164,376	-	164,376
Committed for:			
IMRF Pension Plan	455,184	-	455,184
Capital Improvements	-	2,800,118	2,800,118
Unassigned:			
General Fund	<u>7,921,990</u>	<u>-</u>	<u>7,921,990</u>
 Total Fund Balance	 <u>8,653,561</u>	 <u>2,800,118</u>	 <u>11,453,679</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balance	 <u>\$ 10,089,703</u>	 <u>\$ 2,800,151</u>	 <u>\$ 12,889,854</u>

CITY OF WATERLOO, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GENERAL FUND
YEAR ENDED APRIL 30, 2024

	GENERAL	UTILITY TAX FUND	TOTAL
REVENUES:			
Taxes - Real Estate	\$ 1,119,328	\$ -	\$ 1,119,328
Intergovernmental	6,085,014	-	6,085,014
Utility Taxes	130,191	638,836	769,027
Charges for Services	1,996,386	-	1,996,386
Licenses and Permits	240,546	-	240,546
Fines	42,943	-	42,943
Grants	13,036	-	13,036
Miscellaneous	236,412	-	236,412
Interest	446,757	3,532	450,289
Investment Income	-	64,869	64,869
Total Revenues	<u>10,310,613</u>	<u>707,237</u>	<u>11,017,850</u>
EXPENDITURES:			
Current			
General Government	1,433,087	408	1,433,495
Public Safety	4,128,151	-	4,128,151
Highways and Streets	1,695,023	-	1,695,023
Sanitation	976,686	-	976,686
Culture and Recreation	519,868	-	519,868
Capital Outlay	<u>2,113,269</u>	-	<u>2,113,269</u>
Total Expenditures	<u>10,866,084</u>	<u>408</u>	<u>10,866,492</u>
Excess (Deficiency) of Revenues Over Expenditures	(555,471)	706,829	151,358
Other Financing (Uses)			
Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(555,471)	706,829	151,358
Fund Balance, Beginning of Year	<u>9,209,032</u>	<u>2,093,289</u>	<u>11,302,321</u>
Fund Balance, End of Year	<u>\$ 8,653,561</u>	<u>\$ 2,800,118</u>	<u>\$ 11,453,679</u>

CITY OF WATERLOO, ILLINOIS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2024

<u>ASSETS</u>	<u>MOTOR FUEL TAX</u>	<u>MUNICIPAL BAND FUND</u>	<u>TOTAL</u>
Cash in Bank	\$ 1,600,596	\$ 38,024	\$ 1,638,620
Taxes Receivable	39,609	-	39,609
Real Estate Taxes Receivable, Net	<u>-</u>	<u>29,956</u>	<u>29,956</u>
Total Assets	<u>\$ 1,640,205</u>	<u>\$ 67,980</u>	<u>\$ 1,708,185</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
LIABILITIES:			
Accounts Payable	\$ 654	\$ -	\$ 654
Due to Other Funds	<u>14,104</u>	<u>-</u>	<u>14,104</u>
Total Liabilities	<u>14,758</u>	<u>-</u>	<u>14,758</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue - Property Taxes	<u>-</u>	<u>29,956</u>	<u>29,956</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>29,956</u>	<u>29,956</u>
FUND BALANCES:			
Restricted for:			
Culture and Recreation	-	38,024	38,024
Motor Fuel Tax	<u>1,625,447</u>	<u>-</u>	<u>1,625,447</u>
Total Fund Balances	<u>1,625,447</u>	<u>38,024</u>	<u>1,663,471</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,640,205</u>	<u>\$ 67,980</u>	<u>\$ 1,708,185</u>

CITY OF WATERLOO, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2024

	<u>MOTOR FUEL TAX</u>	<u>MUNICIPAL BAND FUND</u>	<u>TOTAL</u>
REVENUES:			
Taxes - Real Estate	\$ -	\$ 34,247	\$ 34,247
Intergovernmental	521,227	-	521,227
Miscellaneous	-	4,500	4,500
Interest	<u>80,749</u>	<u>-</u>	<u>80,749</u>
Total Revenues	<u>601,976</u>	<u>38,747</u>	<u>640,723</u>
EXPENDITURES:			
Highways and Streets	436,107	-	436,107
Culture and Recreation	<u>-</u>	<u>32,610</u>	<u>32,610</u>
Total Expenditures	<u>436,107</u>	<u>32,610</u>	<u>468,717</u>
Excess (Deficiency) of Revenues Over Expenditures	165,869	6,137	172,006
FUND BALANCE - BEGINNING OF YEAR	<u>1,459,578</u>	<u>31,887</u>	<u>1,491,465</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,625,447</u>	<u>\$ 38,024</u>	<u>\$ 1,663,471</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	2024	2023
General Government		
Legal		
Legal Fees	\$ 89,106	\$ 107,303
Total Legal	89,106	107,303
City Clerk		
Salaries - City Clerk	18,597	18,324
Salaries - Deputy City Clerk	54,391	55,439
Salaries - Overtime	154	-
Salaries - Sick Leave	3,266	3,222
Salaries - Vacation Leave	8,712	6,667
FICA	6,240	6,173
IMRF	3,637	4,739
Group Hospital Insurance	12,292	12,426
Health Insurance Reimbursement	5,684	787
Unemployment Tax	115	113
Clothing Allowance	-	263
Postage	50	50
Printing and Publishing	3,816	4,180
Memberships and Dues	30	-
Recording Fees	882	567
Insurance and Bonds	246	268
Office Supplies	256	-
Professional Services	4,454	1,245
Equipment Rental & Service	400	-
Miscellaneous	30	-
Total City Clerk	123,252	114,463
Legislation		
Salaries - Mayor	26,675	24,599
Salaries - Alderman	129,638	126,929
FICA	11,958	11,451
Memberships and Dues	14,650	14,600
Professional Services	46,911	41,329
Office Supplies	804	11
Miscellaneous	17,161	8,456
Insurance and Bonds	317	474
Bad Debts	1,302	711
Books and Publications	10,502	8,013
Training	3,565	2,183
Communications	2,158	2,243
Sales Tax Rebate	102,703	101,351
Total Legislation	368,344	342,350
Sub-Total General Government (Carried Forward)	\$ 580,702	\$ 564,116

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Sub-Total General Government (Brought Forward)	\$ 580,702	\$ 564,116
General Government (Continued)		
Zoning		
Planning Commission	5,100	6,190
Zoning Board	4,150	6,950
Salaries - Zoning Officer	84,832	78,811
Salaries - Building Inspector	61,043	57,506
Salaries - Sick Leave	1,529	4,308
Salaries - Vacation Leave	7,550	6,253
FICA	12,462	12,261
IMRF	8,453	10,709
Group Hospital Insurance	58,021	58,024
Health Insurance Reimbursement	11,233	5,392
Unemployment Tax	306	322
Books & Publications	765	-
Postage	50	50
Printing and Publishing	176	-
Memberships and Dues	568	191
Professional Services	59,755	32,589
Vehicle Maintenance and Repair	3,441	3,402
Training	80	679
Office Supplies	2,414	3,340
Insurance and Bonds	5,777	6,326
Communications	1,139	969
Vehicle Fuel and Lubrications	2,351	3,550
Miscellaneous	57	598
Information Systems	-	490
Total Zoning	<u>331,252</u>	<u>298,910</u>
Sub-Total General Government (Carried Forward)	\$ 911,954	\$ 863,026

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Sub-Total General Government (Brought Forward)	\$ 911,954	\$ 863,026
General Government (Continued)		
Finance		
Salaries - Treasurer	9,254	9,117
Salaries - Director of Public Works	30,609	27,658
Salaries - Finance Director	23,134	22,478
Salaries - Clerical	67,515	62,296
Salaries - Human Resource	12,436	6,921
Salaries - Overtime	627	134
Salaries - Part-Time	3,060	4,524
Salaries - Sick Leave	4,521	3,496
Salaries - Vacation Leave	8,835	11,279
FICA	11,828	11,071
IMRF	8,038	9,704
Group Hospital Insurance	14,000	14,619
Health Insurance Reimbursement	14,520	12,091
Unemployment	285	196
Dues and Memberships	-	334
Insurance and Bonds	10,434	11,278
Communications and Dispatch	17,610	17,450
Equipment Rental and Service	1,794	1,967
Training	112	248
Clothing Allowance	-	1,305
Office Supplies	2,811	2,662
Postage	714	539
Equipment	242	110
Tourism	25,099	9,109
Professional Services	3,149	2,223
Miscellaneous	407	1,235
Printing and Publishing	1,560	1,565
Department Supplies	1,219	1,091
Bank Charges	1,720	948
Information Systems	18,762	18,215
Total Finance	<u>294,295</u>	<u>265,863</u>
Building		
Building Repairs	119,224	14,183
Equipment Rental and Service	19,711	55,060
Professional Services	4,815	5,362
Independent Contractors	24,226	23,354
Utilities	56,486	60,048
Janitorial Supplies	1,873	2,128
Equipment	503	-
Total Building	<u>226,838</u>	<u>160,135</u>
Total General Government	<u>\$ 1,433,087</u>	<u>\$ 1,289,024</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Public Safety		
Police		
Salaries - Regular	\$ 1,735,695	\$ 1,309,914
Salaries - Part-Time	26,944	25,896
Salaries - Overtime	111,468	125,584
Salaries - Sick Leave	68,123	51,499
Salaries - Vacation Leave	121,589	93,067
Salaries - Holiday	77,870	103,105
FICA	150,482	125,380
IMRF	3,531	4,564
Pension	775,000	690,000
Group Hospital Insurance	360,541	339,960
Health Insurance Reimbursement	56,188	41,644
Unemployment Tax	2,773	2,335
Insurance and Bonds	108,887	106,495
Communication and Dispatch	285,514	250,148
Training	7,559	5,702
Equipment Rental and Service	4,793	2,570
Vehicle Maintenance and Repairs	18,346	18,630
Memberships and Dues	11,483	12,123
Community Services Programs	7,772	8,397
Office Supplies	2,892	1,397
Postage	220	200
Ammunition	3,372	4,639
Clothing Allowance	25,788	16,877
Vehicle Fuel and Lubrications	47,927	57,765
Information Systems	66,862	52,269
Department Supplies	7,242	5,093
Canine	2,342	699
Printing and Publishing	1,014	816
Miscellaneous	5,688	2,418
Books and Publications	216	-
DUI Fund	6,953	655
Equipment - New	754	1,722
Equipment - Office	1,111	642
Equipment - Vehicle	56	-
Total Police	<u>4,106,995</u>	<u>3,462,205</u>
Sub-Total Public Safety (Carried Forward)	<u>\$ 4,106,995</u>	<u>\$ 3,462,205</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	2024	2023
Sub-Total Public Safety (Brought Forward)	\$ 4,106,995	\$ 3,462,205
Public Safety (Continued)		
Police Commissioners		
Testing for Officer Hiring	5,613	8,060
Printing and Publishing	-	254
Legal	4,116	-
Office Supplies	70	-
Total Police Commissioners	9,799	8,314
E.S.D.A.		
E.S.D.A. Coordinator	5,760	5,760
FICA	441	441
Communications and Dispatch	1,012	720
Postage	50	50
Unemployment	49	44
Equipment - New	4,045	1,006
Total E.S.D.A.	11,357	8,021
Total Public Safety	\$ 4,128,151	\$ 3,478,540

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Highways and Streets		
Salaries - Regular	\$ 447,518	\$ 425,438
Salaries - Part-Time	241	(270)
Salaries - Overtime	16,337	9,050
Salaries - Sick Leave	10,131	9,164
Salaries - Vacation Leave	37,934	33,667
Salaries - Interdepartmental	6,165	3,722
FICA	37,915	35,561
IMRF	28,249	34,862
Group Hospital Insurance	87,039	83,738
Health Insurance Reimbursement	11,702	9,425
Unemployment Tax	729	723
Equipment Repairs	94,382	91,089
Building Repairs	4,898	6,951
Utilities	17,576	19,540
Insurance and Bonds	49,074	44,868
Communication and Dispatch	2,168	3,559
Training	1,672	1,231
Safety Materials	8,576	7,866
Janitorial Supplies	3,308	3,356
Clothing Allowance	3,687	2,144
Tools	4,967	4,915
Street Maintenance and Repairs	25,192	18,685
Construction Materials	33,431	44,818
Vehicle Fuel and Lubrications	43,190	60,720
Equipment	3,487	3,180
Equipment - Office	-	604
Street Improvements	605,734	314,976
Storm Drains, Meter Repairs	19,317	46,042
Street Lights	69,269	69,136
Street Signs	1,218	7,876
Equipment Leases	10,460	6,823
Miscellaneous	5,280	5,840
Supplies	4,177	9,778
Total Highways and Streets	<u>\$ 1,695,023</u>	<u>\$ 1,419,077</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - GENERAL FUND
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Sanitation		
Solid Waste Collection	\$ 976,686	\$ 897,322
Total Sanitation	<u>976,686</u>	<u>897,322</u>
Health		
Postage	-	50
Total Health	<u>-</u>	<u>50</u>
Cultural and Recreation		
Salaries - Community Relations Coordinator	71,980	56,217
Salaries - Sick Leave	2,149	1,645
Salaries - Vacation Leave	4,471	5,496
FICA	5,855	4,753
IMRF	4,275	4,611
Group Hospital Insurance	29,266	29,267
Unemployment Tax	116	113
Insurance and Bonds	1,040	1,101
Communication and Dispatch	567	664
Training	1,135	1,302
Office Supplies	625	2,925
Equipment	400	-
Books and Publications	30	30
Information Systems	4,594	3,694
Community Relations	27,504	17,576
Contributions - Senior Citizens	7,500	7,500
Downtown Enhancement	357,921	152,785
Sister Cities Programs	440	310
Total Cultural and Recreation	<u>519,868</u>	<u>289,989</u>
Capital Outlay		
General Government	58,345	7,859
Public Safety	285,761	220,416
Highways and Streets	1,769,163	2,240,395
Total Capital Outlay	<u>2,113,269</u>	<u>2,468,670</u>
Total Expenditures - General Fund	<u>\$ 10,866,084</u>	<u>\$ 9,842,672</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

Electric Fund	<u>2024</u>	<u>2023</u>
Cost of Sales		
Cost of Power	\$ 7,610,665	\$ 7,504,714
Salaries	220,957	269,054
FICA	15,824	19,525
IMRF	(25,984)	41,681
Group Hospital	54,008	65,304
Health Insurance Reimbursement	11,911	8,521
Unemployment	368	369
Professional Services	4,587	1,253
Communications	2,252	3,791
Safety Materials	2,463	1,624
E.P.A. Permits	2,820	2,820
Utilities	39,385	38,385
Clothing Allowances	5,879	3,564
Department Supplies	2,982	2,880
Tools	1,583	522
Vehicle Fuel and Lubrications	21,938	15,516
Chemicals	8,332	5,625
Training	1,023	1,096
Building Repairs	12,073	17,054
Utility System Maintenance	44,028	150,621
Equipment	163	1,374
Janitorial Supplies	9,451	6,253
Total Cost of Sales	<u>8,046,708</u>	<u>8,161,546</u>
Distribution		
Salaries	786,274	774,057
FICA	57,258	56,632
IMRF	(82,349)	118,791
Group Hospital	120,770	132,260
Health Insurance Reimbursement	7,769	12,714
Other Post Employee Benefit	4,607	42,825
Other - IMRF	14,614	(16,470)
Unemployment	924	902
Building Repairs	4,302	4,675
Machinery Repairs	32,716	35,120
Communications	6,398	7,555
Utilities	23,929	23,835
Clothing Allowances	4,274	2,192
Tools	9,964	12,399
Professional Services	13,862	16,212
Sub-Total (Carried Forward)	<u>\$ 1,005,312</u>	<u>\$ 1,223,699</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Sub-Total Carried Forward	\$ 1,005,312	\$ 1,223,699
Distribution (continued)		
Department Supplies	25,065	26,992
Safety Materials	9,942	7,380
Line Materials	319,006	223,120
Training	11,277	7,894
Miscellaneous	8,455	1,115
Street Light Materials	38,355	50,793
Equipment	5,272	3,576
Janitorial Supplies	271	191
PCB Program	1,343	2,962
Vehicle Fuel and Lubrication	28,030	23,932
Repairs and Maintenance	65,229	5,991
Total Distribution	<u>1,517,557</u>	<u>1,577,645</u>
Administrative		
Salaries	160,573	131,165
FICA	11,870	9,675
IMRF	(14,791)	20,111
Group Hospital	24,771	25,319
Health Insurance Reimbursement	6,268	4,538
Unemployment	320	189
Insurance and Bonds	126,500	123,408
Equipment Rentals	2,194	2,533
Postage	11,195	6,118
Printing and Publishing	1,440	1,565
Professional Services	24,641	35,413
Miscellaneous	3,505	1,514
Office Supplies	2,535	2,615
Information Systems	18,370	18,580
Training	1,224	1,501
Bad Debts	7,724	7,084
Equipment	214	111
Refunds	(500)	-
Administrative - General Fund	547,598	546,795
Total Administrative	<u>935,651</u>	<u>938,234</u>
Depreciation	<u>865,381</u>	<u>842,268</u>
	<u>865,381</u>	<u>842,268</u>
Total Operating Expenses - Electric Fund	<u>\$ 11,365,297</u>	<u>\$ 11,519,693</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Gas Fund		
Cost of Sales		
Gas Purchased	\$ 1,831,334	\$ 2,297,015
Total Cost of Sales	<u>1,831,334</u>	<u>2,297,015</u>
Distribution		
Salaries	552,882	\$ 476,050
FICA	40,120	35,328
IMRF	(54,366)	63,563
Group Hospital Insurance	92,670	80,346
Health Insurance Reimbursement	19,169	7,377
Other Post Employment Benefit	4,622	(39,432)
Other - IMRF	(4,726)	(6,011)
Unemployment	762	717
Repairs	23,960	11,737
Vehicle Fuel	18,699	26,130
Utilities	24,246	15,184
Communications	7,490	7,792
Training	4,587	5,985
Office Supplies	-	225
Chemicals	959	2,793
Line Materials	105,509	70,323
Safety Materials	6,911	4,036
Clothing Allowances	5,323	3,054
Department Supplies	7,088	3,748
Tools	7,359	4,544
Janitorial Supplies	225	168
Other Repairs and Maintenance	-	593
Equipment and Building	5,994	16,593
Total Distribution	<u>\$ 869,483</u>	<u>\$ 790,843</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	2024	2023
Gas Fund (Continued)		
Administration		
Salaries	\$ 160,573	\$ 131,166
FICA	11,869	9,675
IMRF	(14,791)	20,111
Group Hospital Insurance	24,813	25,655
Health Insurance Reimbursement	6,268	4,538
Unemployment	320	188
Insurance and Bonds	35,946	33,656
Equipment Rentals	2,094	2,533
Office Supplies	2,614	2,582
Postage	11,195	6,061
Information Systems	18,370	18,580
Memberships and Dues	3,806	3,740
Miscellaneous	3,014	1,421
Printing and Publishing	1,440	1,565
Professional Services	69,423	39,194
Training	53	229
Bad Debts	1,792	1,133
Equipment	213	111
Administration - General Fund	150,854	178,221
Total Administration	489,866	480,360
Depreciation	274,633	228,565
Total Operating Expenses - Gas Fund	\$ 3,465,316	\$ 3,796,783

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Water Fund		
Cost of Sales		
Water Purchased	\$ 1,889,919	\$ 1,411,934
Total Cost of Sales	<u>1,889,919</u>	<u>1,411,934</u>
Distribution		
Salaries	140,007	182,475
FICA	10,262	13,335
IMRF	(19,988)	27,614
Group Hospital Insurance	30,804	31,186
Health Insurance Reimbursement	4,685	5,287
Other Post Employment Benefit	1,743	21,661
Other - IMRF	(420)	662
Unemployment	247	368
Repairs	15,301	28,100
Communications	5,250	6,691
Utilities	12,478	13,182
Miscellaneous	4,439	4,670
Department Supplies	5,041	2,514
Tools	4,347	1,886
Vehicle Fuel and Lubrications	4,242	4,465
Chemicals	5,530	5,567
Safety Materials	1,864	2,590
Repairs and Maintenance	167,250	64,763
Testing	5,162	7,016
Professional Services	20,885	1,775
Clothing Allowance	3,616	1,188
Training	2,360	3,572
Capital Projects	40,698	12,050
Total Distribution	<u>465,803</u>	<u>442,617</u>
Administration		
Salaries	160,572	131,166
FICA	11,870	9,675
IMRF	(14,791)	20,111
Group Hospital Insurance	24,770	25,319
Health Insurance Reimbursement	6,268	4,538
Unemployment	320	189
Insurance and Bonds	11,053	13,081
Equipment Rentals	2,093	1,773
Office Supplies	2,613	2,551
Postage	11,182	6,061
Memberships and Dues	394	621
Miscellaneous	2,449	1,341
Printing and Publishing	1,440	1,565
Professional Services	10,402	53,453
Customer Refunds	8,165	2,141
Information Systems	18,370	17,757
Bad Debts	1,531	1,705
Equipment	214	111
Administration - General Fund	192,113	140,248
Training	-	190
Total Administration	<u>451,028</u>	<u>433,596</u>
Depreciation and Amortization	<u>266,651</u>	<u>255,901</u>
Total Operating Expenses - Water Fund	<u>\$ 3,073,401</u>	<u>\$ 2,544,048</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	<u>2024</u>	<u>2023</u>
Sewer Fund		
Sewer Treatment Plant		
Salaries	\$ 276,798	\$ 277,564
FICA	19,651	19,954
IMRF	(28,782)	42,723
Group Hospital Insurance	69,926	74,854
Health Insurance Reimbursement	15,647	6,382
Other Post Employment Benefits	(13,897)	6,488
Other - IMRF	4,124	(3,751)
Unemployment	347	388
Building Repairs	2,675	1,426
Machinery Repairs	63,957	42,830
Utilities	219,940	206,915
Communications	11,615	17,902
Department Supplies	1,700	1,745
Safety Materials	844	793
Disposal Fees	3,020	3,860
Chemicals	8,608	4,615
Clothing Allowance	1,800	1,033
Tools	143	655
Miscellaneous	3,445	3,445
Office Supplies	-	383
E.P.A. Permits	17,500	17,500
Equipment	1,619	-
Janitorial Supplies	114	-
Training	2,052	2,007
Total Sewer Treatment Plant	<u>682,846</u>	<u>729,711</u>
 Sewer Collection System		
Equipment Lease	-	2,400
Utilities	75,542	75,752
Equipment Repairs	116,629	113,589
Vehicle Fuels	10,988	11,630
Department Supplies	13,265	6,966
Chemicals	-	239
Tools	(515)	1,209
Safety Materials	1,066	980
Repairs and Maintenance	21,843	18,978
Total Sewer Collection System	<u>\$ 238,818</u>	<u>\$ 231,743</u>

CITY OF WATERLOO, ILLINOIS
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES
YEAR ENDED APRIL 30, 2024
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2023)

	2024	2023
Sewer Fund (Continued)		
Administration		
Salaries	\$ 160,572	\$ 131,166
FICA	11,870	9,675
IMRF	(14,791)	20,111
Group Hospital Insurance	24,770	25,319
Health Insurance Reimbursement	6,268	4,538
Unemployment	320	189
Insurance and Bonds	23,793	27,887
Equipment Rentals	1,794	1,773
Office Supplies	2,416	2,662
Postage	11,182	6,106
Printing and Publishing	1,440	1,565
Miscellaneous	2,449	1,341
Professional Services	85,711	78,676
Customer Refunds	4,749	1,147
Information Systems	18,370	18,169
Bad Debts	1,422	1,434
Equipment	214	111
Administration - General Fund	111,503	99,222
Training	-	163
Total Administration	454,052	431,254
Depreciation	481,624	457,374
Total Operating Expenses - Sewer Fund	\$ 1,857,340	\$ 1,850,082

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF INVESTMENTS
YEAR ENDED APRIL 30, 2024

Governmental Activities	<u>ISSUER</u>	<u>AMOUNT</u>
Capital Improvements Fund		
1 - 3 Year Investment Fund	IMET	\$ 2,351,772
Total Capital Improvements Fund		<u>2,351,772</u>
Total Governmental Activities		<u>2,351,772</u>
 Business-Type Activities		
Water Fund		
1 - 3 Year Investment Fund	IMET	<u>1,862,525</u>
Total Water Fund		<u>1,862,525</u>
Sewer Fund		
1 - 3 Year Investment Fund	IMET	<u>2,203,996</u>
Total Sewer Fund		<u>2,203,996</u>
Electric Fund		
1 - 3 Year Investment Fund	IMET	<u>13,558,655</u>
Total Electric Fund		<u>13,558,655</u>
Gas Fund		
1 - 3 Year Investment Fund	IMET	<u>3,784,217</u>
Total Gas Fund		<u>3,784,217</u>
Utility Deposits		
1-3 Year Investment Fund	IMET	<u>327,431</u>
Total Utility Deposits		<u>327,431</u>
Total Business-Type Activities		<u>\$ 21,736,824</u>

SCHEDULE "17" (CONT'D)

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF INVESTMENTS
YEAR ENDED APRIL 30, 2024

Fiduciary Fund Types	<u>ISSUER</u>	<u>AMOUNT</u>
Police Pension		
Illinois Police Officers' Pension Investment Fund		\$ 8,780,022
Total Police Pension		<u>8,780,022</u>
Total Fiduciary Fund Types		<u>8,780,022</u>
Total Investments		<u>\$ 32,868,618</u>

ADDITIONAL INFORMATION

(UNAUDITED)

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

	TAX YEAR		
	2023	2022	2021
Assessed Valuation	<u>\$ 337,423,917</u>	<u>\$ 302,772,926</u>	<u>\$ 286,166,455</u>
Tax Rates (Per \$100 of Assessed Valuation)			
Corporate	0.02520	0.04459	0.04740
Road and Bridge	0.01482	0.01652	0.01747
Municipal Band	0.00890	0.00991	0.00803
Library	0.14137	0.14764	0.14989
Illinois Municipal Retirement	0.01779	0.01850	0.01747
Social Security	0.05145	0.04393	0.03492
Police Pension	0.22969	0.22790	0.22837
Special Library	0.01885	0.01969	0.01999
Prior Year Adjustment (SB508)	<u>0.00059</u>	<u>0.00122</u>	<u>0.00050</u>
	<u>0.50866</u>	<u>0.52990</u>	<u>0.52404</u>
Taxes Extended			
Corporate	\$ 85,031	\$ 135,006	\$ 135,643
Road and Bridge	50,006	50,018	49,993
Municipal Band	30,031	30,005	22,979
Library	477,016	447,014	428,935
Illinois Municipal Retirement	60,028	56,013	49,993
Social Security	173,604	133,008	99,929
Police Pension	775,029	690,020	653,519
Special library	63,604	59,616	57,205
Prior Year Adjustment (SB508)	<u>1,991</u>	<u>3,694</u>	<u>1,431</u>
	<u>\$ 1,716,340</u>	<u>\$ 1,604,394</u>	<u>\$ 1,499,627</u>
Taxes Collected			
Corporate		\$ 138,536	\$ 136,722
Road and Bridge		49,960	49,874
Municipal Band		29,970	22,925
Library		446,487	427,912
Illinois Municipal Retirement		55,948	49,874
Social Security		132,851	99,707
Police Pension		689,207	651,960
Special Library		<u>59,546</u>	<u>57,069</u>
		<u>\$ 1,602,505</u>	<u>\$ 1,496,043</u>
Percentage of Extension Collected		<u>99.88%</u>	<u>99.76%</u>

CITY OF WATERLOO, ILLINOIS
ADDITIONAL INFORMATION
REGARDING CUSTOMERS AND INSURANCE
YEAR ENDED APRIL 30, 2024

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	4,872	4,666	4,288	5,079	4,482
End of Year	4,920	4,705	4,300	5,107	4,523

NOTE 2. INSURANCE

The following insurance policies are maintained by the City and are in effect as of April 30, 2024.

A. Illinois Municipal League Risk Management Association

Coverage period: December 31, 2023 to December 31, 2024

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

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	\$8,000,000 each occurrence, each covered member, for all applicable coverages
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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, 2024

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, 2024

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, 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/ 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	\$ 51,143,932
Gas Utility Property	1,855,650

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

Coverage Period: December 31, 2023 to December 31, 2024

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

SINGLE AUDIT SECTION

CITY OF WATERLOO
MONROE COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
APRIL 30, 2024

Assistance Listing Number	Program Name	Pass-Through Entity	Contract #	Program Period	Program Award or Amount	Disbursements to Subrecipients	Expenditures
<u>U.S. Department of the Treasury</u>							
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	IL Department of Commerce & Economic Opportunity	IL2755	5/03/21-12/30/24	\$ 1,439,503	-	\$ 1,439,503
Total U.S. Department of the Treasury Direct Federal Financial Assistance					<u>1,439,503</u>	<u>-</u>	<u>1,439,503</u>
<u>U.S. Environmental Protection Agency</u>							
66.468	Capitalization Grants for Drinking Water State Revolving Fund	IL Environmental Protection Agency	L173864	06/14/23-7/15/24	\$ 11,986,992	-	\$ 11,986,992
Total U.S. Environmental Protection Agency					<u>\$ 11,986,992</u>	<u>-</u>	<u>\$ 11,986,992</u>
<u>U.S. Department of the Transportation</u>							
20.600	State and Community Highway Safety	Illinois Department of Transportation	HS230027	10/01/22-9/30/23	\$ 5,057	-	\$ 5,057
20.600	State and Community Highway Safety	Illinois Department of Transportation	HS240114	10/01/23-9/30/24	\$ 7,979	-	\$ 7,979
Total U.S. Department of Transportation					<u>\$ 13,036</u>	<u>-</u>	<u>\$ 13,036</u>
Total Federal Financial Assistance					<u>\$ 13,439,531</u>	<u>\$ -</u>	<u>\$ 13,439,531</u>

CITY OF WATERLOO, ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED APRIL 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Waterloo, Illinois (the City) under programs of the federal government for the year ended April 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

Basis of Accounting

Federal Awards reported on the Schedule are reported on the accrual basis of accounting. The schedule reflects the accrual basis of accounting in which revenues are recognized when earned and expenditures are recognized as incurred.

Federal awards passed through other governmental agencies are included on the Schedule.

NOTE 2. SUBRECIPIENTS

The City did not have any subrecipients during the year ended April 30, 2024.

NOTE 3. NONMONETARY ASSISTANCE

The City did not receive any nonmonetary assistance from federal programs during the year ended April 30, 2024.

NOTE 4. FEDERAL INSURANCE

The City had no federal insurance as it relates to federal programs in effect for the year ended April 30, 2024.

NOTE 5. LOANS AND LOAN GUARANTEES

The City had no outstanding loans related to federal programs as of April 30, 2024. While the Illinois Environmental Protection Agency Loan for the Water Treatment Plant is considered a loan with regards to the overall financial position of the City, Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) provides guidance on subrecipient reporting requirements at the City's level. In determining the amount of federal funds expended to be reported on the SEFA, subrecipients receiving DWSRF loans should include project expenditures incurred under these loans during the audit period as provided in 2 CFR section 200.502(a). These are subawards – not direct federal loans – and, therefore, neither 2 CFR sections 200.502(b) nor (d) apply when calculating the amount of federal funds expended. It also is important to appropriately identify these DWSRF loans as subawards because of the impact on which federal agency is the cognizant or oversight agency. Per these guidelines, the Loan is considered a subaward when reported on the Schedule of Expenditures of Federal Awards.

NOTE 6. INDIRECT COST RATE

The Uniform Guidance requires that all indirect costs be charged through the use of an approved indirect cost rate. When no indirect cost rate has been approved, the Uniform Guidance allows for a one-time election to use a 10% de minimis reimbursement rate. The City has not used the 10% de minimis cost rate as allowed under the Uniform Guidance.



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

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

Mayor and City Council
City of Waterloo, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waterloo, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Waterloo, Illinois' basic financial statements, and have issued our report thereon dated December 20, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Scott Boyle

Columbia, Illinois
December 20, 2024



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Council
City of Waterloo, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Waterloo, Illinois' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Waterloo, Illinois' major federal programs for the year ended April 30, 2024. The City of Waterloo, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Waterloo, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance 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 relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Waterloo, Illinois' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Waterloo, Illinois' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Waterloo, Illinois' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Waterloo, Illinois' internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be

material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Suzanna Boyle

Columbia, Illinois
December 20, 2024

CITY OF WATERLOO, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED APRIL 30, 2024

Section I - Summary of Auditor’s Results

Financial Statements

1. We have audited the financial statements of the City of Waterloo, Illinois as of and for the year ended April 30, 2024, and issued an unmodified opinion on the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information. The City of Waterloo, Illinois' policy is to prepare its financial statements under the accounting principles generally accepted in the United States of America.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City of Waterloo, Illinois were disclosed during the audit.

Federal Awards

4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor’s report on compliance for the major federal award programs for the City of Waterloo, Illinois expresses an unmodified opinion on all major federal programs.
6. There are no audit findings to report in accordance with 2 CFR 200.516(a).
7. The programs tested as major programs included:

Program	CFDA No.
Coronavirus State and Local Fiscal Recovery Funds	21.027
Capitalization Grants for Drinking Water State Revolving Fund	66.468

8. The threshold for distinguishing type A and B programs was \$750,000.
9. The City of Waterloo, Illinois does not qualify as a low-risk auditee.

Findings - Financial Statement Audit

None

Findings and Questioned Costs - Major Federal Award Programs Audit

None

Prior Years Findings and Questioned Costs

None