



CITY OF ROCK FALLS, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2021



SIKICH.COM

CITY OF ROCK FALLS, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	4-5
Statement of Activities	6-7
Fund Financial Statements	
Governmental Funds	
Balance Sheet	8
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	9
Statement of Revenues, Expenditures and Changes in Fund Balances	10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	11
Proprietary Funds	
Statement of Net Position	12-13
Statement of Revenues, Expenses and Changes in Net Position	14-15
Statement of Cash Flows	16-19
Fiduciary Funds	
Statement of Net Position	20
Statement of Changes in Net Position	21
Notes to Financial Statements	22-76

CITY OF ROCK FALLS, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Budgetary Basis	
General Fund	77
Schedule of Changes in the Employers Total OPEB Liability and Related Ratios	
Other Postemployment Benefit Plan	78
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	79
Police Pension Fund	80
Firefighters’ Pension Fund	81
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios	
Illinois Municipal Retirement Fund	82-83
Police Pension Fund	84-85
Firefighters’ Pension Fund	86-87
Schedule of Investment Returns	
Police Pension Fund	88
Firefighters’ Pension Fund	89
Notes to Required Supplementary Information	90

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

General Fund	
Schedule of Detailed Revenues - Budget and Actual	91-92
Schedule of Detailed Expenditures - Budget and Actual	93-97

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	98-100
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	101-103

CITY OF ROCK FALLS, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND
 FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Tourism Fund	104
Industrial Development Fund	105
Motor Fuel Tax Fund.....	106
Illinois Municipal Retirement Fund	107
Downtown Redevelopment Fund	108
DUI Fund.....	109
Drug Fund.....	110
Tobacco Grant Fund	111
Building Code Demolition Fund	112
Workers' Compensation Fund.....	113
Safe Passage Fund	114

MAJOR ENTERPRISE FUNDS

Fiber Optic Broadband Subfunds	
Combining Statement of Net Position	115-116
Combining Statement of Revenues, Expenses and Changes in Net Position	117
Combining Statement of Cash Flows	118-119

INTERNAL SERVICE FUNDS

Combining Statement of Net Position.....	120
Combining Statement of Revenues, Expenses and Changes in Net Position	121
Combining Statement of Cash Flows.....	122

FIDUCIARY FUNDS

Pension Trust Funds	
Combining Statement of Plan Net Position.....	123
Combining Statement of Changes in Plan Net Position.....	124

CITY OF ROCK FALLS, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

SUPPLEMENTAL INFORMATION

Schedule of Capital Assets	
Municipal Water Fund	125
Municipal Electric Fund.....	126
Municipal Sanitary Sewerage Fund	127
Fiber Optic Broadband Fund.....	128
Schedule of Long-Term Debt	
Debt Certificates, Series 2012.....	129
Debt Certificates, Series 2020.....	130
General Obligation Bonds, Series 2016 (Alternate Revenue Source)	131
Schedule of General Obligation Bonds and Loans Payable Outstanding	
Utility Funds	132-141

STATISTICAL SECTION

Schedule of Assessed Valuations, Rates, Extensions and Collections	142-144
Operating Statistics	
Municipal Water Fund	145
Municipal Electric Fund.....	146
Municipal Sanitary Sewerage Fund	147

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Rock Falls, Illinois

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the basic 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 Rock Falls, Illinois, as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, supplemental information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and supplemental information are fairly stated in all material respects in relation to the basic financial statements as a whole.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2021, on our consideration of the City'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'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 the City's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
October 28, 2021

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 5,572,866	\$ 18,994,738	\$ 24,567,604
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	2,156,173	-	2,156,173
Accounts	58,100	967,067	1,025,167
Unbilled	21,789	862,672	884,461
Other	45,695	2,006	47,701
Inventory	-	1,092,278	1,092,278
Due from other governments	761,922	-	761,922
Internal balances	168,071	(168,071)	-
Land held for resale	3,314,849	-	3,314,849
Net pension asset	280,657	662,215	942,872
Capital assets			
Not depreciated	552,797	2,117,374	2,670,171
Depreciated (net of accumulated depreciation)	8,069,849	54,110,040	62,179,889
 Total assets	 21,002,768	 78,640,319	 99,643,087
DEFERRED OUTFLOWS OF RESOURCES			
Asset retirement obligation	-	29,403	29,403
Pension items - OPEB	284,652	27,123	311,775
Pension items - IMRF	132,692	313,089	445,781
Pension items - Police Pension	991,766	-	991,766
Pension items - Firefighters' Pension	364,526	-	364,526
 Total deferred outflows of resources	 1,773,636	 369,615	 2,143,251
 Total assets and deferred outflows of resources	 22,776,404	 79,009,934	 101,786,338

(This statement is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2021

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 192,300	\$ 773,834	\$ 966,134
Accrued payroll	84,196	82,538	166,734
Accrued interest payable	15,420	39,181	54,601
Refundable customer deposits	-	235,132	235,132
Unearned revenue	107,471	-	107,471
Net pension liability - Police Pension	8,530,877	-	8,530,877
Net pension liability - Firefighters' Pension	4,385,004	-	4,385,004
Long-term liabilities			
Due within one year	382,377	1,956,394	2,338,771
Due in more than one year	6,867,487	20,333,621	27,201,108
	<hr/>	<hr/>	<hr/>
Total liabilities	20,565,132	23,420,700	43,985,832
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	2,156,173	-	2,156,173
OPEB items	65,062	6,199	71,261
Pension items - IMRF	501,612	1,184,035	1,685,647
Pension items - Police Pension	655,105	-	655,105
Pension items - Firefighters' Pension	1,207,407	-	1,207,407
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	4,585,359	1,190,234	5,775,593
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	25,150,491	24,610,934	49,761,425
NET POSITION			
Net investment in capital assets	6,109,097	34,936,047	41,045,144
Restricted for			
Maintenance of streets	1,068,758	-	1,068,758
Tourism	712,185	-	712,185
Economic development	63,984	-	63,984
Public safety	74,824	-	74,824
Retirement	442,767	-	442,767
Workers' compensation	195,910	-	195,910
Unrestricted (deficit)	(11,041,612)	19,462,953	8,421,341
	<hr/>	<hr/>	<hr/>
TOTAL NET POSITION (DEFICIT)	\$ (2,374,087)	\$ 54,399,000	\$ 52,024,913

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 1,487,243	\$ 926,793	\$ 348,924	\$ 49,120
Public safety	5,688,434	430,368	123,062	-
Street and highways	934,732	23,826	348,384	305,333
Public property division	583,344	-	-	-
Development	474,595	-	2,466	-
Interest	153,721	-	-	-
Total governmental activities	9,322,069	1,380,987	822,836	354,453
Business-Type Activities				
Water	1,321,994	1,673,020	24,773	-
Electric	10,239,027	12,437,438	70,371	-
Sewer	2,623,116	3,412,016	27,578	-
Garbage	528,790	662,560	219	-
Fiber optic broadband	1,051,214	484,280	-	-
Total business-type activities	15,764,141	18,669,314	122,941	-
TOTAL PRIMARY GOVERNMENT	\$ 25,086,210	\$ 20,050,301	\$ 945,777	\$ 354,453

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (162,406)	\$ -	\$ (162,406)
	(5,135,004)	-	(5,135,004)
	(257,189)	-	(257,189)
	(583,344)	-	(583,344)
	(472,129)	-	(472,129)
	(153,721)	-	(153,721)
	<u>(6,763,793)</u>	<u>-</u>	<u>(6,763,793)</u>
	-	375,799	375,799
	-	2,268,782	2,268,782
	-	816,478	816,478
	-	133,989	133,989
	-	(566,934)	(566,934)
	<u>-</u>	<u>3,028,114</u>	<u>3,028,114</u>
	<u>(6,763,793)</u>	<u>3,028,114</u>	<u>(3,735,679)</u>
General Revenues			
Taxes			
Property	1,991,931	-	1,991,931
Replacement	72,178	-	72,178
Sales and use	2,464,720	-	2,464,720
Telecommunications	121,830	-	121,830
Hotel/motel	185,005	-	185,005
Video gaming	190,046	-	190,046
Cannabis	7,574	-	7,574
Utility	148,498	-	148,498
Shared income tax	1,062,229	-	1,062,229
Investment income	16,539	80,018	96,557
Miscellaneous	259,642	137,664	397,306
Gain on sale of asset	-	33,000	33,000
Transfers in (out)	357,835	(357,835)	-
Total	<u>6,878,027</u>	<u>(107,153)</u>	<u>6,770,874</u>
CHANGE IN NET POSITION	114,234	2,920,961	3,035,195
NET POSITION (DEFICIT), MAY 1	<u>(2,488,321)</u>	<u>51,478,039</u>	<u>48,989,718</u>
NET POSITION (DEFICIT), APRIL 30	<u>\$ (2,374,087)</u>	<u>\$ 54,399,000</u>	<u>\$ 52,024,913</u>

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2021

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	\$ 1,966,149	\$ 3,043,358	\$ 5,009,507
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	1,616,460	539,713	2,156,173
Accounts	29,772	28,328	58,100
Unbilled	21,789	-	21,789
Other	45,495	-	45,495
Due from other governments	731,396	30,526	761,922
Advance to other funds	580,019	-	580,019
TOTAL ASSETS	\$ 4,991,080	\$ 3,641,925	\$ 8,633,005
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 141,839	\$ 43,415	\$ 185,254
Accrued payroll	77,482	6,714	84,196
Advances from other funds	411,948	-	411,948
Unearned revenue	105,930	1,541	107,471
Total liabilities	737,199	51,670	788,869
DEFERRED INFLOWS OF RESOURCES			
Unavailable grant revenue	-	-	-
Unavailable property taxes	1,616,460	539,713	2,156,173
Total deferred inflows of resources	1,616,460	539,713	2,156,173
Total liabilities and deferred inflows of resources	2,353,659	591,383	2,945,042
FUND BALANCES			
Nonspendable - advances to other funds	580,019	-	580,019
Restricted for maintenance of streets	-	1,068,758	1,068,758
Restricted for tourism	-	712,185	712,185
Restricted for economic development	-	63,984	63,984
Restricted for public safety	-	74,824	74,824
Restricted for retirement	-	442,767	442,767
Restricted for worker's compensation	-	195,910	195,910
Unrestricted			
Assigned for economic development	-	492,158	492,158
Assigned for subsequent years budget	1,398,656	-	1,398,656
Unassigned (deficit)	658,746	(44)	658,702
Total fund balances	2,637,421	3,050,542	5,687,963
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 4,991,080	\$ 3,641,925	\$ 8,633,005

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2021

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 5,687,963
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds, net of accumulated depreciation of \$12,341,486	8,622,646
Land purchased for resale in the governmental funds is not a financial resource and, therefore, is not reported in the funds	3,314,849
Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position	
IMRF	(368,920)
OPEB	219,590
Police Pension	336,661
Firefighters' Pension	(842,881)
Net pension liabilities are not financial resources and, therefore, are not reported in the fund financial statements	
IMRF - net pension asset	280,657
Police Pension	(8,530,877)
Firefighters' Pension	(4,385,004)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	(1,665,000)
Debt certificates	(2,512,000)
Capital leases	(646,633)
Accrued interest payable	(15,420)
Unamortized bond premium	(116,917)
Compensated absences payable	(437,041)
Total other postemployment benefit liability	(1,872,273)
The net position of the internal service fund are included in the governmental activities in the statement of net position	<u>556,513</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (2,374,087)</u>

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2021

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 5,333,751	\$ 749,752	\$ 6,083,503
Licenses and permits	124,129	-	124,129
Intergovernmental	528,829	717,924	1,246,753
Charges for services	917,846	-	917,846
Fines and fees	366,364	19,486	385,850
Investment income	6,553	9,986	16,539
Reimbursements	160,814	2,053	162,867
Miscellaneous	164,619	81,382	246,001
Total revenues	7,602,905	1,580,583	9,183,488
EXPENDITURES			
Current			
General government	1,260,677	136,716	1,397,393
Public safety	4,789,655	49,411	4,839,066
Street and highways	731,206	282,569	1,013,775
Public property division	202,156	-	202,156
Development	-	474,595	474,595
Capital outlay	883,015	32,678	915,693
Debt service			
Principal	2,571,631	90,000	2,661,631
Interest and fiscal charges	104,046	58,205	162,251
Total expenditures	10,542,386	1,124,174	11,666,560
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,939,481)	456,409	(2,483,072)
OTHER FINANCING SOURCES (USES)			
Transfers in	615,752	106,747	722,499
Transfers (out)	-	(364,664)	(364,664)
Issuance of refunding debt certificates	2,427,000	-	2,427,000
Issuance of capital lease	528,439	-	528,439
Total other financing sources (uses)	3,571,191	(257,917)	3,313,274
NET CHANGE IN FUND BALANCES	631,710	198,492	830,202
FUND BALANCES, MAY 1	2,005,711	2,852,050	4,857,761
FUND BALANCES, APRIL 30	\$ 2,637,421	\$ 3,050,542	\$ 5,687,963

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

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

For the Year Ended April 30, 2021

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 830,202
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	1,114,896
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(830,263)
Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds	(105,020)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows of resources is not a source or use of a financial resource	170,450
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of financial resources	(536,807)
The change in the Firefighters' Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(132,084)
The change in the total other postemployment benefit liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(109,421)
Some expenses in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Change in compensated absences	(18,354)
The increase in interest payable is reported as a increase of expense on the statement of activities	736
The amortizations of premiums is reported as interest expense on the statement of activities	7,794
The proceeds from issuance of capital leases are recorded as an other financing source in the governmental funds but as a liability in the statement of activities	(528,439)
The issuance of long-term debt is reported as an other financing source in the governmental funds but as an increase in principal outstanding in the statement of activities Debt certificates	(2,427,000)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal on the government-wide financial statements	2,661,631
The addition in net position of certain activities of internal service funds is included in governmental funds	<u>15,913</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 114,234</u>

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2021

	Business-Type Activities					Total	Governmental
	Municipal Water	Municipal Electric	Municipal Sanitary Sewerage	Municipal Garbage	Fiber Optic Broadband		Internal Service
CURRENT ASSETS							
Cash and investments	\$ 1,860,243	\$ 11,400,417	\$ 5,010,099	\$ 723,979	\$ -	\$ 18,994,738	\$ 563,359
Receivables							
Accounts	102,916	607,651	212,343	43,757	400	967,067	-
Unbilled	87,125	563,495	176,952	34,513	587	862,672	-
Accrued interest	-	-	-	-	-	-	200
Other	-	-	-	-	2,006	2,006	-
Inventory	55,756	1,036,522	-	-	-	1,092,278	-
Total current assets	2,106,040	13,608,085	5,399,394	802,249	2,993	21,918,761	563,559
NONCURRENT ASSETS							
Advance to other funds	30,000	1,649,148	1,277,200	10,000	-	2,966,348	-
Net pension asset	129,979	335,003	136,905	914	59,414	662,215	-
Total noncurrent assets	159,979	1,984,151	1,414,105	10,914	59,414	3,628,563	-
CAPITAL ASSETS							
Nondepreciable	947,874	-	1,169,500	-	-	2,117,374	-
Depreciable	12,113,806	46,034,462	44,735,957	-	3,515,036	106,399,261	-
Accumulated depreciation	(7,606,396)	(27,963,085)	(16,191,871)	-	(527,869)	(52,289,221)	-
Net capital assets	5,455,284	18,071,377	29,713,586	-	2,987,167	56,227,414	-
Total assets	7,721,303	33,663,613	36,527,085	813,163	3,049,574	81,774,738	563,559
DEFERRED OUTFLOWS OF RESOURCES							
Asset retirement obligation	29,403	-	-	-	-	29,403	-
OPEB items	5,324	14,334	5,607	37	1,821	27,123	-
Pension items - IMRF	61,452	158,385	64,728	433	28,091	313,089	-
Total deferred outflows of resources	96,179	172,719	70,335	470	29,912	369,615	-
Total assets and deferred outflows of resources	7,817,482	33,836,332	36,597,420	813,633	3,079,486	82,144,353	563,559

	Business-Type Activities					Total	Governmental
	Municipal Water	Municipal Electric	Municipal Sanitary Sewerage	Municipal Garbage	Fiber Optic Broadband		Internal Service
CURRENT LIABILITIES							
Accounts payable	\$ 80,668	\$ 475,178	\$ 157,185	\$ 47,183	\$ 13,620	\$ 773,834	\$ 7,046
Accrued payroll	14,691	48,606	16,855	95	2,291	82,538	-
Accrued interest payable	5,068	22,198	5,462	-	6,453	39,181	-
Compensated absences, current	1,473	23,989	6,427	27	762	32,678	-
Total other postemployment benefit liability, current	1,282	3,305	1,350	9	586	6,532	-
Capital lease, current	-	123,861	-	-	-	123,861	-
Loan payable, current	142,831	-	1,004,073	-	-	1,146,904	-
Bonds payable, current	57,506	310,403	83,510	-	195,000	646,419	-
Total current liabilities	303,519	1,007,540	1,274,862	47,314	218,712	2,851,947	7,046
LONG-TERM LIABILITIES							
Refundable customer deposits	37,859	103,961	86,959	6,353	-	235,132	-
Advance from other funds	-	-	-	-	3,134,419	3,134,419	-
Compensated absences, noncurrent	8,345	135,940	36,419	155	4,320	185,179	-
Total other postemployment benefit liability, noncurrent	33,734	87,005	35,531	237	15,420	171,927	-
Asset retirement obligation	30,000	-	-	-	-	30,000	-
Capital lease, noncurrent	-	130,051	-	-	-	130,051	-
Loan payable, noncurrent	203,383	-	10,044,275	-	-	10,247,658	-
Bonds payable, noncurrent	870,075	5,835,650	788,081	-	2,075,000	9,568,806	-
Total long-term liabilities	1,183,396	6,292,607	10,991,265	6,745	5,229,159	23,703,172	-
Total liabilities	1,486,915	7,300,147	12,266,127	54,059	5,447,871	26,555,119	7,046
DEFERRED INFLOWS OF RESOURCES							
OPEB items	1,217	3,135	1,282	9	556	6,199	-
Pension items - IMRF	232,374	599,052	244,756	1,635	106,218	1,184,035	-
Total deferred inflows of resources	233,591	602,187	246,038	1,644	106,774	1,190,234	-
Total liabilities and deferred inflows of resources	1,720,506	7,902,334	12,512,165	55,703	5,554,645	27,745,353	7,046
NET POSITION (DEFICIT)							
Net investment in capital assets	4,280,444	12,023,556	17,914,880	-	717,167	34,936,047	-
Unrestricted (deficit)	1,816,532	13,910,442	6,170,375	757,930	(3,192,326)	19,462,953	556,513
TOTAL NET POSITION (DEFICIT)	\$ 6,096,976	\$ 25,933,998	\$ 24,085,255	\$ 757,930	\$ (2,475,159)	\$ 54,399,000	\$ 556,513

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	Business-Type Activities		
	Municipal Water	Municipal Electric	Municipal Sanitary Sewerage
OPERATING REVENUES			
Billed services	\$ 1,668,410	\$ 11,967,009	\$ 3,315,221
Utility taxes	-	207,683	-
Penalties collected	-	-	17,892
Connection fees	-	44,953	500
Other fees	4,610	217,793	78,403
Fiber lease	-	-	-
Total operating revenues	1,673,020	12,437,438	3,412,016
OPERATING EXPENSES			
Personnel			
Salaries	327,671	1,225,746	430,137
Payroll taxes	26,499	90,200	31,571
Payroll benefits	32,656	73,497	29,005
Total personnel	386,826	1,389,443	490,713
Utility expense	90,510	5,180,720	279,095
Commodities	321,292	1,054,356	649,727
Contractual services	12,292	199,177	19,722
Miscellaneous	98,627	753,683	61,632
Depreciation and amortization	370,226	1,424,008	1,059,043
Total operating expenses	1,279,773	10,001,387	2,559,932
OPERATING INCOME (LOSS)	393,247	2,436,051	852,084
NON-OPERATING REVENUES (EXPENSES)			
Investment income	6,984	47,056	25,235
Reimbursements	14,030	27,632	13,163
Intergovernmental	24,773	70,371	27,578
Other miscellaneous revenue	-	-	-
Loss on defeasance of debt	-	-	-
Interest and fiscal charges	(42,221)	(237,640)	(63,184)
Gain on sale on asset	-	33,000	-
Total non-operating revenues (expenses)	3,566	(59,581)	2,792
NET INCOME (LOSS) BEFORE TRANSFERS	396,813	2,376,470	854,876
TRANSFERS			
Transfers in	-	2,000	-
Transfers (out)	(55,775)	(169,101)	(55,775)
Total transfers in (out)	(55,775)	(167,101)	(55,775)
CHANGE IN NET POSITION	341,038	2,209,369	799,101
NET POSITION (DEFICIT), MAY 1	5,755,938	23,724,629	23,286,154
NET POSITION (DEFICIT), APRIL 30	\$ 6,096,976	\$ 25,933,998	\$ 24,085,255

Business-Type Activities			Governmental
Municipal	Fiber Optic	Total	Internal
Garbage	Broadband		Service
\$ 662,263	\$ 66,850	\$ 17,679,753	\$ 1,306,317
-	-	207,683	-
-	-	17,892	-
-	-	45,453	-
297	-	301,103	-
-	417,430	417,430	-
662,560	484,280	18,669,314	1,306,317
2,621	88,733	2,074,908	-
187	(20,459)	127,998	-
88	21,237	156,483	1,237,398
2,896	89,511	2,359,389	1,237,398
-	-	5,550,325	-
517,331	132,310	2,675,016	-
2,502	57,842	291,535	55,755
6,061	-	920,003	-
-	224,020	3,077,297	-
528,790	503,683	14,873,565	1,293,153
133,770	(19,403)	3,795,749	13,164
743	-	80,018	2,109
67	4,202	59,094	-
219	-	122,941	-
-	78,570	78,570	640
-	(429,491)	(429,491)	-
-	(118,040)	(461,085)	-
-	-	33,000	-
1,029	(464,759)	(516,953)	2,749
134,799	(484,162)	3,278,796	15,913
-	-	2,000	-
(77,184)	(2,000)	(359,835)	-
(77,184)	(2,000)	(357,835)	-
57,615	(486,162)	2,920,961	15,913
700,315	(1,988,997)	51,478,039	540,600
\$ 757,930	\$ (2,475,159)	\$ 54,399,000	\$ 556,513

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	Business-Type Activities		
	Municipal Water	Municipal Electric	Municipal Sanitary Sewerage
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,665,325	\$ 11,709,844	\$ 3,394,074
Receipts from interfund services transactions	10,669	686,585	8,607
Payments for interfund services transactions	(188,416)	(269,332)	(341,914)
Payments to suppliers	(307,245)	(7,181,196)	(588,757)
Payments to employees	(501,585)	(1,572,553)	(575,533)
Net cash from operating activities	678,748	3,373,348	1,896,477
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Repayment of loans made to other funds	-	50,004	-
Receipt of loans from other funds	-	-	-
Payment of loans to other funds	-	(1,277,199)	(1,277,150)
Transfers in	-	2,000	-
Transfers (out)	(55,775)	(169,101)	(55,775)
Receipt of intergovernmental revenue	24,773	70,371	27,578
Receipt of other miscellaneous revenue	14,327	27,218	13,163
Net cash from noncapital financing activities	(16,675)	(1,296,707)	(1,292,184)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital assets purchased	(491,252)	(3,111,133)	(997,259)
Issuance of long-term debt	-	-	79,803
Principal payments on long-term debt	(195,137)	(402,964)	(692,736)
Interest payments on long-term debt	(42,884)	(233,994)	(66,894)
Net cash from capital and related financing activities	(729,273)	(3,748,091)	(1,677,086)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on investments	7,293	54,233	26,956
Net cash from investing activities	7,293	54,233	26,956
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(59,907)	(1,617,217)	(1,045,837)
CASH AND CASH EQUIVALENTS, MAY 1	1,920,150	13,017,634	6,055,936
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 1,860,243	\$ 11,400,417	\$ 5,010,099

Business-Type Activities			Governmental
Municipal	Fiber Optic		Activities
Garbage	Broadband	Total	Internal
			Service
\$ 658,151	\$ 499,507	\$ 17,926,901	\$ -
-	-	705,861	1,306,317
(438)	-	(800,100)	-
(519,907)	(185,106)	(8,782,211)	(1,286,107)
(3,448)	(140,212)	(2,793,331)	-
134,358	174,189	6,257,120	20,210
-	-	50,004	-
-	2,527,363	2,527,363	-
-	-	(2,554,349)	-
-	-	2,000	-
(77,184)	(2,000)	(359,835)	-
219	-	122,941	-
67	82,772	137,547	640
(76,898)	2,608,135	(74,329)	640
-	(209,225)	(4,808,869)	-
-	-	79,803	-
-	(2,295,000)	(3,585,837)	-
-	(569,824)	(913,596)	-
-	(3,074,049)	(9,228,499)	-
743	-	89,225	2,109
743	-	89,225	2,109
58,203	(291,725)	(2,956,483)	22,959
665,776	291,725	21,951,221	540,400
\$ 723,979	\$ -	\$ 18,994,738	\$ 563,359

(This statement is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	Business-Type Activities		
	Municipal Water	Municipal Electric	Municipal Sanitary Sewerage
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 393,247	\$ 2,436,051	\$ 852,084
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation and amortization	370,226	1,424,008	1,059,043
Changes in assets and liabilities			
Accounts receivable	8,699	(25,362)	11,286
Inventory	(8,434)	(35,472)	-
Deferred outflows - pension items - IMRF	(19,437)	(50,097)	(20,475)
Deferred outflows - OPEB	(3,332)	(8,587)	(3,509)
Accounts payable	35,494	(227,120)	79,505
Accrued payroll	940	10,924	1,024
Refundable customer deposits	(5,725)	(15,647)	(20,621)
Compensated absences	(33,317)	18,295	930
Net pension liability	(152,509)	(393,069)	(160,635)
Total other postemployment benefit liability	(338)	(873)	(357)
Deferred inflows - pension items - IMRF	93,072	239,879	98,031
Deferred inflows - OPEB	162	418	171
NET CASH FROM OPERATING ACTIVITIES	\$ 678,748	\$ 3,373,348	\$ 1,896,477
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	\$ 1,860,243	\$ 11,400,417	\$ 5,010,099
Restricted cash and investment	-	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 1,860,243	\$ 11,400,417	\$ 5,010,099
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Cost of capital assets included in accounts payable	\$ -	\$ -	\$ 21,751
TOTAL NONCASH TRANSACTIONS	\$ -	\$ -	\$ 21,751

Business-Type Activities			Governmental
Municipal	Fiber Optic		Activities
Garbage	Broadband	Total	Internal
			Service
\$ 133,770	\$ (19,403)	\$ 3,795,749	\$ 13,164
-	224,020	3,077,297	-
(3,711)	15,227	6,139	-
-	-	(43,906)	-
(137)	(8,885)	(99,031)	-
(23)	(910)	(16,361)	-
5,549	5,046	(101,526)	7,046
(14)	628	13,502	-
(698)	-	(42,691)	-
43	(14,283)	(28,332)	-
(1,073)	(69,712)	(776,998)	-
(3)	(155)	(1,726)	-
655	42,543	474,180	-
-	73	824	-
<u>\$ 134,358</u>	<u>\$ 174,189</u>	<u>\$ 6,257,120</u>	<u>\$ 20,210</u>
\$ 723,979	\$ -	\$ 18,994,738	\$ 563,359
-	#REF!	#REF!	-
<u>\$ 723,979</u>	<u>#REF!</u>	<u>#REF!</u>	<u>\$ 563,359</u>
\$ -	\$ -	\$ 21,751	\$ -
\$ -	\$ -	\$ 21,751	\$ -

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS**

April 30, 2021

ASSETS	
Cash and short-term investments	\$ 399,146
Investments	
U.S. agency obligations	205,584
U.S. Treasuries	5,153,238
Common stock	1,559,695
Mutual funds	6,605,278
Corporate bonds	3,437,279
Municipal bonds	131,690
Mortgage pools	56,451
Receivables	
Accrued interest	55,095
Contributions	6,238
Prepaid expenses	2,721
	<hr/>
Total assets	17,612,415
	<hr/>
LIABILITIES	
Accounts payable	5,531
	<hr/>
Total liabilities	5,531
	<hr/>
NET POSITION RESTRICTED FOR PENSIONS	\$ 17,606,884
	<hr/> <hr/>

See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS**

For the Year Ended April 30, 2021

ADDITIONS

Contributions

Employer contributions	\$ 1,065,998
Employee contributions	<u>232,810</u>

Total contributions	<u>1,298,808</u>
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Investment income

Net appreciation in fair value of investments	2,312,303
Interest	<u>462,795</u>

Total investment income	2,775,098
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Less investment expense	<u>(40,337)</u>
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Net investment income	<u>2,734,761</u>
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Total additions	<u>4,033,569</u>
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DEDUCTIONS

Benefits and refunds	1,443,814
Administrative expenses	<u>68,921</u>

Total deductions	<u>1,512,735</u>
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NET INCREASE	2,520,834
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**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>15,086,050</u>
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April 30	<u><u>\$ 17,606,884</u></u>
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See accompanying notes to financial statements.

CITY OF ROCK FALLS, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Rock Falls, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

a. Reporting Entity

The City is a municipal corporation governed by an elected council under the mayor/council form of government. The City is considered to be a primary government as defined by GASB Statement No. 14, *The Financial Reporting Entity, as Amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units*, and GASB Statement No 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statement No. 14 and 34*, since its council is separately elected and fiscally independent. In accordance with these pronouncements, the basic financial statements include all funds for which the City is financially accountable.

Pension Trust Funds

The City's financial statements include the Police Pension Fund and the Firefighters' Pension Fund as fiduciary component units reported as pension trust funds. The City's sworn police and firefighter employees participate in these pension trust funds which function for the benefit of those employees and are governed by a five-member Pension Board of Trustees. Two members appointed by the Mayor, one elected pension beneficiary and two elected police officers constitute the Pension Boards. The City and the pension plan participants are obligated to fund all pension plan costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of the contribution levels. Accordingly, the pension trust funds are fiscally dependent on the City. Separate financial statements are not available for the pension trust funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

The City uses funds to report on its financial position and changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

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

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds restricted, committed or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the City not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The City utilizes pension trust funds which are generally used to account for assets that the City holds in a fiduciary capacity.

c. Government-Wide and Fund 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 City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for governmental funds, 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.

The City reports the following major governmental fund:

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

The City reports the following major proprietary funds:

The Municipal Water Fund accounts for the costs related to operations associated with water service. Funding is provided by user fees. Management has elected to report this as a major fund.

The Municipal Electric Fund accounts for the costs related to operations associated with electric service. Funding is provided by user fees.

The Municipal Sanitary Sewer Fund accounts for the costs related to operations associated with sewer service. Funding is provided by user fees.

The Municipal Garbage Fund accounts for the costs related to operations associated with garbage service. Funding is provided by user fees. Management has elected to report this as a major fund.

The Fiber Optic Broadband Fund accounts for the costs related to operations associated with fiber infrastructure. Funding is provided by user fees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Additionally, the City reports the following proprietary fund type:

Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost reimbursement basis. These are reported as part of the governmental activities on the government-wide financial statements as they provide services to the City's governmental funds/activities. The City reports two internal service funds: The Health Insurance Fund and the GIS IT Fund.

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due, unless due the first day of the following fiscal year.

Property taxes, sales taxes and telecommunication taxes owed to the state at year end, utility taxes, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet the availability criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the City before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability or deferred inflows of resource for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City's proprietary funds consider cash and cash equivalents to include cash on hand, demand deposits, cash with fiscal agent, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Property Taxes

Property taxes for 2020 are levied in December 2020 and attach as an enforceable lien on the property on January 1, 2020. Tax bills are prepared by the County and issued on or about May 1, 2021 and August 1, 2021, and are due and collectible on or about June 1, 2021 and September 1, 2021. The County collects the taxes and remits them periodically to the City. Those 2020 taxes are intended to finance the 2022 fiscal year and are not considered available or earned for current operations and, therefore, are reported as deferred/unavailable revenue. The 2021 tax levy has not been recorded as a receivable at April 30, 2021, as the tax attached as a lien on property as of January 1, 2021; however, the tax will not be levied until December 2021 and, accordingly, is not measurable at April 30, 2021.

g. Inventory

Inventory is valued at average cost on a first-in/first-out (FIFO) method.

h. Restricted Assets

Certain cash and investments in the Fiber Optic Broadband Fund is restricted in accordance with the ordinances authorizing the issuance of the alternate revenue source bonds.

i. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are accounted for using the consumption method.

j. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, storm water and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of \$2,500 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets (Continued)

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings, infrastructure and improvements	20-50
Vehicles and other equipment	5-20

k. Compensated Absences

City employees are granted sick leave and vacation days. Vacation days vary by employee and accumulation of vacation days is ordinarily not allowed. However, vacation days are earned in the year prior to their eligibility for use. Upon termination of employment, city employees are paid for any earned, unused vacation days and any accumulated unused sick leave at the rate of two days pay for each ten accumulated unused sick days. The employees receive ten sick days per calendar year. Police employees are allowed to accumulate a maximum of 1,200 hours of sick leave. Upon retirement, the City agrees to provide continued health insurance coverage on behalf of the retired employee equal to the cash value of the accumulated unused sick leave then held by the employee. Firefighter employees are allowed to accumulate a maximum of 1,680 hours of sick leave. Upon retirement, the City agrees to provide continued health insurance coverage on behalf of the retired employee equal to the cash value of the accumulated unused sick leave then held by the employee.

Vested or accumulated vacation related to employees that have retired or terminated at year end but have not yet been paid is reported as an expenditure and a fund liability of the governmental fund that will pay it.

Vested and accumulated vacation of governmental activities and proprietary funds is recorded as an expense and liability as the benefits accrue to employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

m. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

n. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as any gains/losses on refunding are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Deferred Outflows/Inflows of Resources

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

p. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The City Council has the authority to assign fund balance. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned funds and then unassigned funds.

The City has a policy to maintain a minimum unassigned fund balance in the General Fund equal to 45 days of General Fund operating expenditures as determined from year-to-year based upon the fiscal year budget approved by the City Council.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the City's net position is restricted as a result of enabling legislation adopted by the City Council. Net investment in capital assets, represents the City's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

r. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effect Dates of Certain Authoritative Guidance*, the City has delayed the implementation of GASB Statement No. 87, *Leases*, to April 30, 2023.

2. CASH AND INVESTMENTS

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

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." The deposits and investments of the pension trust funds are held separately from those of other funds. The investments are governed by three separate investment policies: one policy for the City adopted by the City Council and one policy each for the Police Pension Fund and the Firefighters' Pension Fund approved by their respective boards.

The City's investment policy authorizes the City to make deposits in the commercial banks and savings and loan institutions and to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements and The Illinois Funds.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

2. CASH AND INVESTMENTS (Continued)

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are safety (preservation of capital and protection of investment principal), liquidity and yield.

City Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, the City’s deposits may not be returned to it. The City’s investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance, evidenced by a written collateral agreement with the collateral held by an independent third party safekeeping agent of the City in the City’s name.

City Investments

The City categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. There are no investments subject to fair value measurement since all of the City’s investments are in non-negotiable certificates of deposit.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. The City’s investment policy limits investments to a two-year maturity.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The City’s investment policy does not address 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 will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the City’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed with the underlying investments held by a third party custodian and held in the City’s name.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

City Investments (Continued)

Concentration of the credit risk is the risk that the City has a high percentage of their investments invested in one investment. The City's investment policy requires diversification of investments to avoid unreasonable risk by limiting deposits in one institution to 50% of the City's deposits unless fully collateralized.

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at April 30, 2021:

GOVERNMENTAL ACTIVITIES

General Fund

Telecommunications tax	\$ 30,364
Use tax	89,061
Sales tax	312,723
Video gaming tax	38,990
Non-home rule sales tax	225,613
Fines	4,075
Fire protection	<u>30,570</u>

Total General Fund 731,396

Nonmajor Governmental Funds

Motor fuel tax	<u>30,526</u>
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Total Nonmajor Governmental Funds 30,526

TOTAL GOVERNMENTAL ACTIVITIES \$ 761,922

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2021 was as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
GOVERNMENTAL ACTIVITIES					
Capital assets not being depreciated					
Land	\$ 521,699	\$ -	\$ -	\$ -	\$ 521,699
Construction in progress	-	31,098	-	-	31,098
Total capital assets not being depreciated	521,699	31,098	-	-	552,797
Capital assets being depreciated					
Land improvements	2,913,972	1,564	-	-	2,915,536
Buildings	2,531,288	-	-	-	2,531,288
Equipment	4,498,191	879,547	103,817	-	5,273,921
Infrastructure	10,214,349	202,687	-	-	10,417,036
Total capital assets being depreciated	20,157,800	1,083,798	103,817	-	21,137,781
Less accumulated depreciation for					
Land improvements	662,383	175,514	-	-	837,897
Buildings	1,898,253	72,612	-	-	1,970,865
Equipment	3,978,860	200,949	103,817	-	4,075,992
Infrastructure	5,801,990	381,188	-	-	6,183,178
Total accumulated depreciation	12,341,486	830,263	103,817	-	13,067,932
Total capital assets being depreciated, net	7,816,314	253,535	-	-	8,069,849
GOVERNMENTAL ACTIVITIES					
CAPITAL ASSETS, NET					
	\$ 8,338,013	\$ 284,633	\$ -	\$ -	\$ 8,622,646

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 175,514
Public safety	72,612
Streets and highways	200,949
Public property division	381,188
TOTAL DEPRECIATION EXPENSE -	
GOVERNMENTAL ACTIVITIES	<u>\$ 830,263</u>

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
BUSINESS-TYPE ACTIVITIES					
Capital assets not being depreciated					
Land	\$ 790,161	\$ -	\$ -	\$ -	\$ 790,161
Construction in progress	1,726,963	514,794	-	(914,544)	1,327,213
Total capital assets not being depreciated	2,517,124	514,794	-	(914,544)	2,117,374
Capital assets being depreciated					
Buildings and infrastructure	77,898,173	817,099	-	914,544	79,629,816
Improvements other than buildings	18,338,821	2,110,581	-	-	20,449,402
Equipment	6,260,744	352,577	293,278	-	6,320,043
Total capital assets being depreciated	102,497,738	3,280,257	293,278	914,544	106,399,261
Less accumulated depreciation for					
Buildings and infrastructure	35,630,657	2,349,396	-	-	37,980,053
Improvements other than buildings	9,271,708	396,396	-	-	9,668,104
Equipment	4,602,837	331,505	293,278	-	4,641,064
Total accumulated depreciation	49,505,202	3,077,297	293,278	-	52,289,221
Total capital assets being depreciated, net	52,992,536	202,960	-	914,544	54,110,040
BUSINESS-TYPE ACTIVITIES					
CAPITAL ASSETS, NET	\$ 55,509,660	\$ 717,754	\$ -	\$ -	\$ 56,227,414

Depreciation expense was charged to the business-type activities as follows:

BUSINESS-TYPE ACTIVITIES	
Municipal water	\$ 370,226
Municipal electric	1,424,008
Municipal sanitary sewerage	1,059,043
Municipal broadband	224,020
TOTAL DEPRECIATION EXPENSE -	
BUSINESS-TYPE ACTIVITIES	\$ 3,077,297

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

a. Long-Term Debt - Governmental Funds

Long-term liability activity for the year ended April 30, 2021 was as follows:

	May 1	Additions	Reductions/ Refundings	April 30	Current Portion
GOVERNMENTAL ACTIVITIES					
General obligation alternate revenue source bonds**	\$ 1,755,000	\$ -	\$ 90,000	\$ 1,665,000	\$ 90,000
Bond premium	124,711	-	7,794	116,917	7,794
Debt certificates*	2,540,000	2,427,000	2,455,000	2,512,000	30,000
Capital leases*	234,825	528,439	116,631	646,633	120,499
Compensated absences*	418,687	81,157	62,803	437,041	65,556
Net pension liability - Police	8,867,257	-	336,380	8,530,877	-
Net pension liability - Fire	5,716,401	-	1,331,397	4,385,004	-
Total other postemployment benefit liability*	1,585,297	286,976	-	1,872,273	68,528
TOTAL GOVERNMENTAL ACTIVITIES	\$ 21,242,178	\$ 3,323,572	\$ 4,400,005	\$ 20,165,745	\$ 382,377

*These liabilities are primarily retired by the General Fund.

**These liabilities are retired by the Downtown Redevelopment Fund.

Long-term liabilities payable from governmental activities at April 30, 2021 comprise the following:

	Total	Current Portion
General Obligation Alternate Revenue Source Bonds \$1,925,000 - General Obligation Refunding Bonds, Series 2016 (alternative revenue sources); due in annual installments of \$85,000 to \$145,000 starting October 1, 2018 through October 1, 2035; interest at 2% to 4%, payable semiannually in April and October.	\$ 1,665,000	\$ 90,000
Debt Certificates \$280,000 Debt Certificates, Series 2012; due in annual installments of \$22,000 to \$30,000 through November 1, 2023; interest at 3.50% to 3.75% payable semiannually in May and November.	85,000	30,000

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

a. Long-Term Debt - Governmental Funds (Continued)

	Total	Current Portion
Debt Certificates (direct placement)		
\$2,427,000 Refunding Debt Certificates, Series 2020; due March 16, 2028; interest at 2.25% payable semiannually in March and September.	\$ 2,427,000	\$ -
Capital Leases (direct placement)		
\$234,825 capital lease for a Schwarze A9 Street Sweeper; due in annual installments of \$37,962 through September 2026; interest at 3.19%.	204,355	31,442
\$399,500 capital lease for a Pierce Enforcer Pumper Fire Apparatus with Equipment; due in annual installments of \$57,272 through December 2027; interest at 3.15%.	354,812	46,095
\$128,939 capital lease for a 3 Police Interceptor Vehicles; due in annual installments of \$46,102 through October 2022; interest at 3.59%.	87,466	42,962
Bond premium	116,917	7,794
Compensated absences	437,041	65,556
Net pension liability - Police Pension	8,530,877	-
Net pension liability - Firefighters' Pension	4,385,004	-
Total other postemployment benefit liability	1,872,273	68,528
TOTAL	\$ 20,165,745	\$ 382,377

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Debt Service to Maturity

The annual requirements to amortize all debt outstanding as of April 30, 2021, are as follows:

Fiscal Year Ending April 30,	Governmental Activities			
	General Obligation Debt		Debt Certificates	
	Principal	Interest	Principal	Interest
2022	\$ 90,000	\$ 56,400	\$ 30,000	\$ 57,345
2023	90,000	54,600	30,000	56,296
2024	95,000	52,750	25,000	55,246
2025	95,000	50,850	-	54,308
2026	95,000	48,950	-	54,308
2027-2031	545,000	187,100	2,427,000	111,758
2032-2036	655,000	67,900	-	-
TOTAL	\$ 1,665,000	\$ 518,550	\$ 2,512,000	\$ 389,261

c. Direct Certificates (Direct Placement)

On October 22, 2020, the City issued \$2,427,000 of General Obligation Refunding Debt Certificates, Series 2020 with an interest rate of 2.25%. These debt certificates were issued to refinance the outstanding \$2,427,000 2016 Debt Certificates which were due March 2022. This refunding increased debt service payments by \$353,206 over the next seven years. The City recognized an economic loss (difference between the present value of the debt service payments of the refunded and refunding debt) of \$295,611.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Capital Leases (Direct Placement)

The City has capital lease obligations with a total annual payments ranging from \$37,962 to \$57,272 at an interest rate of 3.15% to 3.59%. Future minimum lease payments under the capital lease at April 30, 2021 are as follows:

Fiscal Year Ending April 30,	
2022	\$ 141,337
2023	141,336
2024	95,235
2025	95,234
2026	95,235
2027-2028	<u>152,505</u>
Subtotal	720,882
Less amount representing interest	<u>74,249</u>
TOTAL	<u>\$ 646,633</u>

The cost of such equipment acquired through the capital lease was \$1,031,325 with an accumulated depreciation of \$104,165 at April 30, 2021.

e. Pledged Revenue Debt

The City has outstanding bonds with remaining pledges of revenue outstanding. The schedule of pledged revenue is detailed below:

Debt Issue	Pledge Source	Pledge Remaining	Commitment End Date	Pledged Revenue	Principal and Interest Paid	Percent of Pledged Revenue
2016 GO Alternate Revenue Source	TIF Property Taxes	\$ 2,183,550	October 1, 2035	\$ 343,096	\$ 148,200	43%

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

f. Long-Term Debt - Business-Type Activities

Long-term liability activity for business-type activities for the year ended April 30, 2021 was as follows:

	May 1	Additions	Reductions	April 30	Current Portion
BUSINESS-TYPE ACTIVITIES					
General obligation alternate revenue source bonds	\$ 12,635,000	\$ -	\$ 2,715,000	\$ 9,920,000	\$ 625,000
Bond premium	330,103	-	34,878	295,225	21,419
Capital lease (direct placement)	371,875	-	117,963	253,912	123,861
IEPA revolving loans	12,067,632	79,803	752,873	11,394,562	1,146,904
Total other postemployment benefit liability	180,122	-	1,725	178,397	6,532
Compensated absences	242,819	11,461	36,423	217,857	32,678
Asset retirement obligation	30,000	-	-	30,000	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 25,857,551	\$ 91,264	\$ 3,658,862	\$ 22,289,953	\$ 1,956,394

Long-term liabilities payable from business-type activities at April 30, 2021 comprise the following:

	Total	Current Portion
General Obligation Alternate Revenue Source Bonds \$2,645,000 - General Obligation Refunding Bonds, Series 2017B (alternative revenue sources); due in annual installments of \$30,000 to \$260,000 starting October 1, 2024 through October 1, 2031; interest at 3.25% to 4.00%, payable semiannually in April and October.	\$ 2,270,000	\$ 195,000
\$6,475,000 - General Obligation Bonds, Series 2018A (electric system alternative revenue sources); due in annual installments of \$275,000 to \$510,000 starting October 1, 2019 through October 1, 2035; interest at 3% to 4%, payable semiannually in April and October.	5,915,000	295,000

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

f. Long-Term Debt - Business-Type Activities (Continued)

	Total	Current Portion
General Obligation Alternate Revenue Source Bonds (Continued)		
\$1,000,000 - General Obligation Refunding Bonds, Series 2018B (waterworks system alternative revenue sources); due in annual installments of \$50,000 to \$85,000 starting October 1, 2019 through October 1, 2033; interest at 3% to 4%, payable semiannually in April and October.	\$ 895,000	\$ 55,000
\$995,000 - General Obligation Refunding Bonds, Series 2018C (sewerage system alternative revenue sources); due in annual installments of \$75,000 to \$110,000 starting October 1, 2019 through October 1, 2029; interest at 3% to 4%, payable semiannually in April and October.	840,000	80,000
IEPA Loans		
\$1,621,986 Illinois Environmental Protection Agency (IEPA) loan payable - water; due in semiannual installments of \$53,749, including interest at 2.905% through April 4, 2022.	105,201	105,201
\$20,000,000 IEPA wastewater treatment works loan payable; due in semiannual installments of \$394,615, no interest through May 1, 2031.	8,076,923	769,231
\$5,481,335 IEPA wastewater treatment facility and watermain/lift station loan of which \$4,334,740 is required to be repaid; due in semiannual installments of \$105,806, including interest at 1.25% through March 19, 2032.	2,168,485	185,083
\$654,443 IEPA lift station and sewer rehabilitation loan payable of which \$490,832 is required to be repaid; due in semiannual installments of \$13,610 including interest of 1.25% through November 19, 2031.	278,928	23,807

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

f. Long-Term Debt - Business-Type Activities (Continued)

	Total	Current Portion
IEPA Loans (Continued)		
\$536,590 IEPA drinking water loan payable of which \$379,942 is required to be repaid; due in semiannual installments of \$21,319 including interest of 1.86% through November 19, 2026.	\$ 240,716	\$ 37,630
\$938,938 IEPA wastewater treatment works loan payable of which \$759,624 is required to be repaid; due in semiannual installments of \$15,567 including interest of 1% through September 5, 2039.	524,309	25,952
Capital Leases (direct placement)		
\$508,432 capital lease for 2 2020 Altec Diggers; due in annual installments of \$136,557 through March 2023, including interest at 5%.	253,912	123,861
Compensated absences	217,857	32,678
Asset retirement obligation	30,000	-
Bond premium	295,225	21,419
Total other postemployment benefit liability	178,397	6,532
TOTAL	\$ 22,289,953	\$ 1,956,394

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

f. Long-Term Debt - Business-Type Activities (Continued)

Fiscal Year Ending April 30,	Business-Type Activities			
	GO Alternate Revenue Source Bonds		Illinois IEPA Loans	
	Principal	Interest	Principal	Interest
2022	\$ 625,000	\$ 361,880	\$ 1,146,904	\$ 41,427
2023	650,000	340,320	1,046,002	35,833
2024	670,000	317,570	1,049,647	32,189
2025	695,000	292,808	1,053,341	28,495
2026	720,000	265,955	1,057,085	24,750
2027-2031	3,925,000	897,378	5,167,190	71,434
2032-2036	2,635,000	258,900	767,504	11,614
2037-2040	-	-	106,889	2,147
TOTAL	\$ 9,920,000	\$ 2,734,811	\$ 11,394,562	\$ 247,889

General Obligation Alternate Revenue Source Bonds

On December 3, 2020, the City deposited \$2,554,399 of cash on hand for the purchase government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the General Obligation Bonds (Alternate Revenue Source), Series 2017A. As a result, the revenue bonds are considered to be defeased and the liability for those bonds has been removed from the statement of net position. The City has recognized an accounting loss on defeasance of debt of \$429,491 which is the difference between the carrying value of the debt and the amount transferred to extinguish the debt.

Asset Retirement Obligation

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon its water wells at the end of its estimated useful life in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated useful life of the water wells is 100 years.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

g. Capital Leases (Direct Placement)

The City has a capital lease obligation, with a total annual payment of \$136,557, with an interest rate of 5%. Future minimum lease payments under the capital lease at April 30, 2021 are as follows:

Year Ending April 30,	
2022	\$ 136,557
2023	<u>136,557</u>
Subtotal	273,114
Less amount representing interest	<u>19,202</u>
TOTAL	<u>\$ 253,912</u>

The cost of such equipment acquired through capital lease was \$508,432 with an accumulated depreciation of \$90,791 at April 30, 2021.

h. Pledged Revenue Debt

The City has outstanding bonds with remaining pledges of revenue outstanding. The schedule of pledged revenue is detailed below:

Debt Issue	Pledge Source	Pledge Remaining	Commitment End Date	Pledged Revenue	Principal and Interest Paid	Percent of Pledged Revenue
Illinois EPA Loan - Drinking Water	Water Revenues	\$ 107,199	April 4, 2022	\$ 1,668,410	\$ 107,499	6%
Illinois EPA Loan - Drinking Water	Water Revenues	255,829	November 19, 2026	1,668,410	42,638	3%
Illinois EPA Loan - Treatment Plant	Sanitary Sewer Revenues	8,076,923	May 1, 2031	3,315,721	384,615	12%
Illinois EPA Loan - Treatment Plant	Sanitary Sewer Revenues	2,327,742	March 19, 2032	3,315,721	211,613	6%

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

h. Pledged Revenue Debt (Continued)

Debt Issue	Pledge Source	Pledge Remaining	Commitment End Date	Pledged Revenue	Principal and Interest Paid	Percent of Pledged Revenue
Illinois EPA Loan - Lift Station Rehabilitation	Sanitary Sewer Revenues	\$ 299,413	November 19, 2031	\$ 3,315,721	\$ 27,219	1%
Illinois EPA Loan - Wastewater Treatment Works	Sanitary Sewer Revenues	575,980	September 5, 2039	3,315,721	26,726	1%
2017B GO Alternate Revenue Source	Broadband System Revenues	2,183,550	October 1, 2031	66,850	269,720	403%
2018A GO Alternate Revenue Source	Electric System Revenues	7,803,200	October 1, 2035	12,011,961	520,400	4%
2018B GO Alternate Revenue Source	Water Revenues	1,144,700	October 1, 2033	1,668,410	89,925	5%
2018C GO Alternate Revenue Source	Sanitary Sewer Revenues	996,000	October 1, 2029	3,315,721	112,300	3%

6. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained at www.imrf.org. The Police Pension Plan and Firefighters' Pension Plan do not issue separate reports.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2020 (the measurement date), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	55
Inactive employees entitled to but not yet receiving benefits	31
Active employees	<u>46</u>
 TOTAL	 <u><u>132</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended April 30, 2021 was 8.79%.

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

For nondisabled 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.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the 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 IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 17,526,236	\$ 17,362,807	\$ 163,429
Changes for the period			
Service cost	295,057	-	295,057
Interest	1,250,342	-	1,250,342
Difference between expected and actual experience	415,668	-	415,668
Changes in assumptions	(156,703)	-	(156,703)
Employer contributions	-	289,613	(289,613)
Employee contributions	-	137,626	(137,626)
Net investment income	-	2,469,634	(2,469,634)
Benefit payments and refunds	(855,343)	(855,343)	-
Other	-	13,792	(13,792)
Net changes	949,021	2,055,322	(1,106,301)
BALANCES AT DECEMBER 31, 2020	\$ 18,475,257	\$ 19,418,129	\$ (942,872)

Changes in assumptions related to the inflation rate, salary increases and mortality rates were made in 2020.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset) (Continued)

Net pension liability (asset) was reported as follows in the statement of net position:

Governmental activities	\$ (280,657)
Business-type activities (proprietary funds)	<u>(662,215)</u>
TOTAL NET PENSION LIABILITY (ASSET)	<u>\$ (942,872)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2021, the City recognized pension expense of \$(12,962).

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflow of Resources</u>
Difference between expected and actual experience	\$ 287,098	\$ 38,476	\$ 248,622
Changes in assumption	73,317	139,650	(66,333)
Net difference between projected and actual earnings on pension plan investments	-	1,507,521	(1,507,521)
Contributions after measurement date	<u>85,366</u>	<u>-</u>	<u>85,366</u>
TOTAL	<u>\$ 445,781</u>	<u>\$ 1,685,647</u>	<u>\$(1,239,866)</u>

Net deferred outflows of resources was reported as follows in the statement of net position:

Governmental activities	\$ (368,920)
Business-type activities (proprietary funds)	<u>(870,946)</u>
NET DEFERRED OUTFLOWS OF RESOURCES	<u>\$ (1,239,866)</u>

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

\$85,366 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended April 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2022	\$ (394,373)
2023	(98,643)
2024	(587,047)
2025	<u>(245,169)</u>
TOTAL	<u>\$ (1,325,232)</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 1,302,153	\$ (942,872)	\$ (2,743,472)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the board are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At April 30, 2021, the measurement date, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	21
Inactive plan members entitled to benefits but not yet receiving them	4
Current employees	<u>21</u>
 TOTAL	 <u><u>46</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% 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 and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2021, the City's contribution was 42.09% of covered payroll. The City's policy is to fund 100% of the actuarially determined contribution.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts.

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Corporate Bonds	5.5%	4.36%
Domestic Equity	33.75%	12.32%
International Developed	11.25%	3.28%
Fixed Income	49.50%	6.47%

The long-term expected real rates of return are net of a 3.45% factor for inflation. ILCS limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Concentrations

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

Investment Rate of Return

For the fiscal year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 18.68%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 2,080,405	\$ 239,665	\$ 1,627,677	\$ 213,063	\$ -
Corporate bonds	2,377,869	150,631	2,145,888	81,350	-
Municipal bonds	131,690	-	82,268	49,422	-
Mortgage pools	28,211	-	2,616	10,100	15,495
TOTAL	\$ 4,618,175	\$ 390,296	\$ 3,858,449	\$ 353,935	\$ 15,495

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

The Fund has the following recurring fair value measurements as of April 30, 2021: The common stock and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. Treasury obligations, corporate bonds, mortgage pools and municipal bonds are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Fund's investment policy does not address credit risk. The Fund's investment in corporate bonds are rated at BBB+ to AA+, municipal bonds at AA- and U.S. Treasuries at AAA by Standard and Poor's.

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 Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2020	\$ 16,458,410	\$ 7,591,153	\$ 8,867,257
Changes for the period			
Service cost	437,133	-	437,133
Interest	1,081,031	-	1,081,031
Benefit changes	-	-	-
Difference between expected and actual experience	375,195	-	375,195
Changes in assumptions	(97,999)	-	(97,999)
Employer contributions	-	600,304	(600,304)
Employee contributions	-	155,222	(155,222)
Net investment income	-	1,376,214	(1,376,214)
Benefit payments and refunds	(818,108)	(818,108)	-
Administrative expense	(36,618)	(36,618)	-
Net changes	940,634	1,277,014	(336,380)
BALANCES AT APRIL 30, 2021	\$ 17,399,044	\$ 8,868,167	\$ 8,530,877

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2021 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2021
Actuarial cost method	Entry-age normal
Salary increases	4.50%
Interest rate	6.75%, net of investment expenses
Cost of living adjustments	2.50%
Asset valuation method	Market

Mortality rates were based on the RP-2014 Mortality with Blue Collar Adjustment projected fully generationally from 2013 with scale MP2020.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2021, the City recognized pension expense of \$1,137,111.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 605,322	\$ 86,195
Changes in assumptions	386,444	116,587
Net difference between projected and actual earnings on pension plan investments	-	452,323
	<hr/>	<hr/>
TOTAL	\$ 991,766	\$ 655,105

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2022	\$ 190,335
2023	137,997
2024	4,350
2025	(84,141)
2026	63,218
Thereafter	24,902
	<hr/>
TOTAL	\$ 336,661

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.75% 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 (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 11,006,873	\$ 8,530,877	\$ 6,520,767

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

At April 30, 2021, the measurement date, the Firefighters' Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	17
Inactive plan members entitled to benefits but not yet receiving them	1
Current employees	<u>13</u>
TOTAL	<u><u>31</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to ½ of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2021, the City's contribution was 58.39% of covered payroll. The City's policy is to fund 100% of the actuarially determined contribution.

Investment Policy

Permitted Deposits and Investments - Statutes and the Firefighter's Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Corporate Bonds	5.50%	4.36%
Domestic Equity	33.75%	12.32%
International Developed	11.25%	3.28%
Fixed Income	49.50%	6.47%

The long-term expected real rates of return are net of a 3.45% factor for inflation. ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

Investment Concentrations

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

Investment Rate of Return

For the year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 18.03%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 3,072,833	\$ 226,336	\$ 2,782,578	\$ 63,919	\$ -
U.S. agency securities	205,584	91,450	114,134	-	-
Corporate bonds	1,059,410	155,717	822,344	81,349	-
Mortgage pools	28,240	-	2,280	-	25,960
TOTAL	\$ 4,366,067	\$ 473,503	\$ 3,721,336	\$ 145,268	\$ 25,960

The Fund has the following recurring fair value measurements as of April 30, 2021: the common stock and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, U.S. Treasury obligations, mortgage pools and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Fund's investment policy allows investment in corporate bonds rated as investment grade by one of the two largest rating services at the time of purchase. The Fund's investment in agency securities are rated at AA+ by Standard and Poor's. The Fund's investment in corporate bonds are rated at BBB+ to A+ by Standard and Poor's.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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 Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund's investment policy requires investments to be held by a third party custodian in a custodian trust account designated by the Treasurer or authorized depository. All individual security transactions are required to be conducted on a delivery versus payment (DVP) basis.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2020	\$ 13,211,298	\$ 7,494,897	\$ 5,716,401
Changes for the period			
Service cost	387,953	-	387,953
Interest	772,342	-	772,342
Benefit changes	-	-	-
Difference between expected and actual experience	(511,836)	-	(511,836)
Changes in assumptions	(78,027)	-	(78,027)
Employer contributions	-	465,694	(465,694)
Employee contributions	-	77,588	(77,588)
Net investment income	-	1,358,547	(1,358,547)
Benefit payments and refunds	(625,706)	(625,706)	-
Administrative expense	(32,303)	(32,303)	-
Net changes	(87,577)	1,243,820	(1,331,397)
BALANCES AT APRIL 30, 2021	\$ 13,123,721	\$ 8,738,717	\$ 4,385,004

Changes in assumptions related to salary made in 2021.

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2021 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2021
Actuarial cost method	Entry-age normal
Salary increases	3.25%
Interest rate	6.00%
Cost of living adjustments	2.50%
Asset valuation method	Market

Mortality rates were based on the RP-2014 with Blue Collar Adjustment projected from 2013 fully generationally with scale MP2020.

Discount Rate

The discount rate used to measure the total pension liability was 6%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund'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 ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2021, the City recognized pension expense of \$597,778.

At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the Firefighters' Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 58,249	\$ 491,629
Assumption changes	306,277	119,620
Net difference between projected and actual earnings on pension plan investments	-	596,158
TOTAL	\$ 364,526	\$ 1,207,407

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Firefighters' Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2022	\$ (46,731)
2023	(202,950)
2024	(219,533)
2025	(289,409)
2026	(84,258)
Thereafter	<u>-</u>
TOTAL	<u>\$ (842,881)</u>

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6% 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%) or 1 percentage point higher (7%) than the current rate:

	1% Decrease (5%)	Current Discount Rate (6%)	1% Increase (7%)
Net pension liability	\$ 6,300,024	\$ 4,385,004	\$ 2,833,788

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

b. Pension Segment Information

Plan Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash	\$ 202,260	\$ 196,886	\$ 399,146
Investments			
U.S. agency obligations	-	205,584	205,584
U.S. Treasuries	2,080,405	3,072,833	5,153,238
Common stock	680,822	878,873	1,559,695
Mutual funds	3,334,223	3,271,055	6,605,278
Corporate bonds	2,377,869	1,059,410	3,437,279
Municipal bonds	131,690	-	131,690
Mortgage pools	28,211	28,240	56,451
Accrued interest receivable	29,770	25,325	55,095
Accrued contributions receivable	3,119	3,119	6,238
Prepaid items	2,721	-	2,721
	<hr/>		
Total assets	8,871,090	8,741,325	17,612,415
<hr/>			
LIABILITIES			
Accounts payable	2,923	2,608	5,531
	<hr/>		
Total liabilities	2,923	2,608	5,531
<hr/>			
NET POSITION RESTRICTED FOR PENSIONS			
	\$ 8,868,167	\$ 8,738,717	\$ 17,606,884

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. DEFINED BENEFIT PENSION PLANS (Continued)

b. Pension Segment Information (Continued)

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer contributions	\$ 600,304	\$ 465,694	\$ 1,065,998
Employee contributions	155,222	77,588	232,810
Total contributions	<u>755,526</u>	<u>543,282</u>	<u>1,298,808</u>
Investment income			
Net depreciation in fair value investments	1,083,886	1,228,417	2,312,303
Interest	311,437	151,358	462,795
Total investment income	<u>1,395,323</u>	<u>1,379,775</u>	<u>2,775,098</u>
Less investment expense	<u>(19,109)</u>	<u>(21,228)</u>	<u>(40,337)</u>
Net investment income	<u>1,376,214</u>	<u>1,358,547</u>	<u>2,734,761</u>
Total additions	<u>2,131,740</u>	<u>1,901,829</u>	<u>4,033,569</u>
DEDUCTIONS			
Benefits and refunds	818,108	625,706	1,443,814
Other	36,618	32,303	68,921
Total deductions	<u>854,726</u>	<u>658,009</u>	<u>1,512,735</u>
NET INCREASE	1,277,014	1,243,820	2,520,834
NET POSITION RESTRICTED FOR PENSIONS			
May 1	<u>7,591,153</u>	<u>7,494,897</u>	<u>15,086,050</u>
April 30	<u>\$ 8,868,167</u>	<u>\$ 8,738,717</u>	<u>\$ 17,606,884</u>

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters.

Intergovernmental Personnel Benefit Cooperative

The City participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities.

IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers, a Benefit Administrator and a Treasurer. The City does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

Municipal Insurance Cooperative Agency

The City participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. MICA provides \$9,800,000 of coverage after a \$5,000 deductible. The City's payments to MICA are displayed on the financial statements as expenditures/expenses in appropriate funds.

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are three officers, a Risk Manager and a Treasurer. The City does not exercise any control over activities of MICA beyond its representation on the Board of Directors. MICA functions solely as an administrative agent for each member.

8. CONTRACTS, COMMITMENTS AND CONTINGENCIES

a. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. CONTRACTS, COMMITMENTS AND CONTINGENCIES (Continued)

b. Grants

Amounts received and receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

9. INDIVIDUAL FUND DISCLOSURES

a. Advances To/From Other Funds

	Advance From	Advance To
General Fund	\$ 411,948	\$ 580,019
Municipal Water Fund	-	30,000
Municipal Electric Fund	-	1,649,148
Municipal Sewer Fund	-	1,277,200
Municipal Garbage	-	10,000
Fiber Optic Broadband	3,134,419	-
TOTAL	\$ 3,546,367	\$ 3,546,367

The purposes of significant advances to/from other funds are as follows:

\$49,964 was advanced from the Municipal Electric Fund to the General Fund to fund the East 2nd Street Road along the riverfront. Repayment is not expected within one year.

\$42,500 was advanced from the Municipal Electric Fund to the General Fund to fund the costs to hire a new City Administrator. Repayment is not expected within one year.

\$30,000 was advanced from the Municipal Water Fund to the General Fund to fund cash flow shortages. Repayment is not expected within one year.

\$10,000 was advanced from the Municipal Garbage Fund to the General Fund to fund cash flow shortages in this fund. Repayment is not expected within one year.

\$279,484 was advanced from the Municipal Electric Fund to the General Fund to fund the purchase of the Hallman property. Repayment is not expected within one year.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INDIVIDUAL FUND DISCLOSURES (Continued)

a. Advances To/From Other Funds (Continued)

\$580,019 was advanced from the General Fund to the Fiber Optic Broadband Fund to fund cash flow shortages. Repayment is not expected within one year.

\$2,554,400 was advanced from the Electric Fund and Sewer Fund to the Fiber Optic Broadband Fund to fund the defeasance of the 2017A bonds. Repayment is not expected within one year.

b. Interfund Transfers

	Transfer In	Transfer Out
General Fund	\$ 615,752	\$ -
Nonmajor Governmental Funds	106,747	364,664
Municipal Water Fund	-	55,775
Municipal Electric Fund	2,000	169,101
Municipal Sewer Fund	-	55,775
Municipal Garbage Fund	-	77,184
Fiber Optic Broadband Fund	-	2,000
TOTAL	\$ 724,499	\$ 724,499

The purposes of significant transfers are as follows:

\$257,924 was transferred from Nonmajor Governmental funds to the General Fund to pay for the worker's compensation and general liability insurance premium.

\$106,747 was transferred from the Tourism Fund (Nonmajor Governmental) to the Downtown Redevelopment (Nonmajor Governmental) to transfer expense into proper fund.

Other significant transfers were used to move revenues collected in special revenue, enterprise and internal service funds to fund the General Fund for expenditures.

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

The City provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. account for the plan.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Plan Description (Continued)

The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The activity of the plan is reported in the City's proprietary fund and business-type activities columns in the government-wide financial statements at April 30, 2021.

b. Benefits Provided

The City provides postemployment health care benefits to its retirees. 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 IMRF.

The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. For certain disabled employees who qualify under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for retirees and their dependents for their lifetime.

The City must contribute the amount beyond fund member payments necessary to fund the actuarial liability for OPEB. The City may change inactive fund member payment requirements through its collective bargaining agreements and employee compensation plans.

c. Membership

At April 30, 2021, the measurement date, membership consisted of:

Retirees and beneficiaries currently receiving benefits	12
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	82
TOTAL	94
Participating employers	1

d. Total OPEB Liability

The City's total OPEB liability of \$2,050,670 was based upon an actuarial valuation performed as of April 30, 2021.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2021, as determined by an actuarial valuation as of that date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	N/A
Salary increases	3.50%
Discount rate	2.12%
Healthcare cost trend rates	7.25% Initial 4.50% Ultimate

The discount rate was based on the Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2020	<u>\$ 1,765,519</u>
Changes for the period	
Service cost	97,468
Interest	50,284
Differences between expected and actual experience	(24,809)
Changes in assumptions	237,268
Benefit payments	<u>(75,060)</u>
Net changes	<u>285,151</u>
BALANCES AT APRIL 30, 2021	<u>\$ 2,050,670</u>

Changes in assumptions related to the discount rate were made in 2021.

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability (Continued)

Total OPEB liability was reported as follows in the statement of net position:

Governmental activities	\$ 1,872,273
Business-type activities	<u>178,397</u>
TOTAL OPEB LIABILITY	<u>\$ 2,050,670</u>

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the City calculated using the discount rate of 2.12% as well as what the City total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current rate:

	1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB liability	\$ 2,263,239	\$ 2,050,670	\$ 1,862,624

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 7.25% to 4.50% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6.25% to 3.50%) or 1 percentage point higher (8.25% to 5.50%) than the current rate:

	1% Decrease (6.25% to 3.50%)	Current Healthcare Rate (7.25% to 4.50%)	1% Increase (8.25% to 5.50%)
Total OPEB liability	\$ 1,805,691	\$ 2,050,670	\$ 2,354,620

CITY OF ROCK FALLS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

For the year ended April 30, 2021, the City recognized OPEB expense of \$166,508. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 63,609
Changes in assumptions	311,775	7,652
TOTAL	\$ 311,775	\$ 71,261

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

<u>Year Ending April 30,</u>	
2022	\$ 18,756
2023	18,756
2024	18,756
2025	18,756
2026	18,756
Thereafter	146,734
TOTAL	\$ 240,514

Net deferred inflows of resources was reported as follows in the statement of net position:

Governmental activities	\$ 219,590
Business-type activities	20,924
NET DEFERRED INFLOWS OF RESOURCES	\$ 240,514

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes	\$ 4,520,690	\$ 5,333,751	\$ 813,061
Licenses and permits	115,000	124,129	9,129
Intergovernmental	180,976	528,829	347,853
Fines and fees	424,250	366,364	(57,886)
Charges for services	864,186	917,846	53,660
Investment income	4,000	6,553	2,553
Reimbursements	170,749	160,814	(9,935)
Miscellaneous	47,500	164,619	117,119
Total revenues	6,327,351	7,602,905	1,275,554
EXPENDITURES			
Current			
General government	1,261,243	1,260,677	(566)
Public safety	4,808,439	4,789,655	(18,784)
Street and highways	2,105,102	731,206	(1,373,896)
Public property division	100,705	202,156	101,451
Capital outlay	111,476	883,015	771,539
Debt service			
Principal	156,744	2,571,631	2,414,887
Interest and fiscal charges	80,866	104,046	23,180
Total expenditures	8,624,575	10,542,386	1,917,811
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,297,224)	(2,939,481)	(642,257)
OTHER FINANCING SOURCES (USES)			
Transfers in	601,737	615,752	14,015
Issuance of refunding debt certificates	-	2,427,000	2,427,000
Issuance of capital lease	-	528,439	528,439
Total other financing sources (uses)	601,737	3,571,191	2,969,454
NET CHANGE IN FUND BALANCE	\$ (1,695,487)	631,710	\$ 2,327,197
FUND BALANCES, MAY 1		2,005,711	
FUND BALANCES, APRIL 30		\$ 2,637,421	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Three Fiscal Years

MEASUREMENT DATE APRIL 30,	2019	2020	2021
TOTAL OPEB LIABILITY			
Service cost	\$ 74,615	\$ 82,152	\$ 97,468
Interest	61,094	60,016	50,284
Differences between expected and actual experience	(51,717)	(37,691)	(24,809)
Changes of assumptions	(9,746)	107,143	237,268
Benefit payments, including refunds of member contributions	(55,141)	(59,277)	(75,060)
Net change in total OPEB liability	19,105	152,343	285,151
Total OPEB liability - beginning	1,594,071	1,613,176	1,765,519
TOTAL OPEB LIABILITY - ENDING	\$ 1,613,176	\$ 1,765,519	\$ 2,050,670
Covered payroll	\$ 4,408,277	\$ 4,562,567	\$ 5,061,499
Employer's total OPEB liability as a percentage of covered payroll	36.59%	38.70%	40.52%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

2019: There were changes in assumptions related to the discount rate, mortality assumptions and withdrawal, disability and retirement rates. 2020: There were changes in assumptions related to the discount rate. 2021: There were changes in assumptions related to the discount rate.

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Six Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 291,340	\$ 291,216	\$ 266,688	\$ 237,819	\$ 226,475	\$ 262,623
Contributions in relation to the actuarially determined contribution	291,340	291,216	266,688	237,819	226,475	262,623
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,654,803	\$ 2,736,280	\$ 2,739,117	\$ 2,748,739	\$ 2,888,096	\$ 2,989,353
Contributions as a percentage of covered payroll	10.97%	10.64%	9.74%	8.65%	7.84%	8.79%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years until the remaining period reaches ten years (then ten-year rolling period); the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and price inflation of 2.50%.

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 267,066	\$ 272,414	\$ 348,352	\$ 477,809	\$ 511,820	\$ 598,140	\$ 693,508
Contributions in relation to the actuarially determined contribution	308,239	290,412	353,782	487,114	462,953	523,580	600,304
CONTRIBUTION DEFICIENCY (Excess)	\$ (41,173)	\$ (17,998)	\$ (5,430)	\$ (9,305)	\$ 48,867	\$ 74,560	\$ 93,204
Covered payroll	\$ 1,102,613	\$ 1,064,782	\$ 1,104,186	\$ 1,189,107	\$ 1,275,696	\$ 1,501,786	\$ 1,426,306
Contributions as a percentage of covered payroll	27.96%	27.27%	32.04%	40.96%	36.29%	34.86%	42.09%

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 20 years; the asset valuation method was 5 year smoothed; and the significant actuarial assumptions were an investment rate of return of 6.75% annually, projected salary increase assumption of 4.50% annually and postretirement benefit increases of 2.50% compounded annually.

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 95,127	\$ 128,854	\$ 273,915	\$ 379,803	\$ 393,984	\$ 489,058	\$ 550,304
Contributions in relation to the actuarially determined contribution	114,533	138,388	280,059	268,245	465,846	416,296	465,694
CONTRIBUTION DEFICIENCY (Excess)	\$ (19,406)	\$ (9,534)	\$ (6,144)	\$ 111,558	\$ (71,862)	\$ 72,762	\$ 84,610
Covered payroll	\$ 762,207	\$ 752,088	\$ 765,539	\$ 810,351	\$ 823,260	\$ 853,361	\$ 797,504
Contributions as a percentage of covered payroll	15.03%	18.40%	36.58%	33.10%	56.59%	48.78%	58.39%

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 20 years; the asset valuation method was 5 year smoothed and the significant actuarial assumptions were an investment rate of return of 6% annually, projected salary increase assumption of 3.25% annually and postretirement benefit increases of 2.50% compounded annually.

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020
TOTAL PENSION LIABILITY						
Service cost	\$ 279,863	\$ 279,969	\$ 294,864	\$ 265,810	\$ 278,949	\$ 295,057
Interest	1,136,096	1,156,943	1,180,963	1,178,669	1,208,962	1,250,342
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(350,021)	(310,072)	(122,986)	(88,953)	(44,789)	415,668
Changes of assumptions	19,649	(20,106)	(518,345)	479,955	-	(156,703)
Benefit payments, including refunds of member contributions	(787,185)	(787,019)	(841,981)	(859,112)	(905,499)	(855,343)
Net change in total pension liability	298,402	319,715	(7,485)	976,369	537,623	949,021
Total pension liability - beginning	15,401,612	15,700,014	16,019,729	16,012,244	16,988,613	17,526,236
TOTAL PENSION LIABILITY - ENDING	\$ 15,700,014	\$ 16,019,729	\$ 16,012,244	\$ 16,988,613	\$ 17,526,236	\$ 18,475,257
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 279,323	\$ 297,091	\$ 264,612	\$ 263,245	\$ 199,793	\$ 289,613
Contributions - member	115,831	120,442	121,630	183,755	127,710	137,626
Net investment income	71,834	987,473	2,604,966	(930,092)	2,878,880	2,469,634
Benefit payments, including refunds of member contributions	(787,185)	(787,019)	(841,981)	(859,112)	(905,499)	(855,343)
Other (net transfer)	7,758	(181,091)	(342,393)	51,791	(141,716)	13,792
Net change in plan fiduciary net position	(312,439)	436,896	1,806,834	(1,290,413)	2,159,168	2,055,322
Plan fiduciary net position - beginning	14,562,761	14,250,322	14,687,218	16,494,052	15,203,639	17,362,807
PLAN FIDUCIARY NET POSITION - ENDING	\$ 14,250,322	\$ 14,687,218	\$ 16,494,052	\$ 15,203,639	\$ 17,362,807	\$ 19,418,129
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 1,449,692	\$ 1,332,511	\$ (481,808)	\$ 1,784,974	\$ 163,429	\$ (942,872)

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020
Plan fiduciary net position as a percentage of the total pension liability	90.77%	91.68%	103.01%	89.49%	99.07%	105.10%
Covered payroll	\$ 2,560,252	\$ 2,676,502	\$ 2,702,890	\$ 2,756,491	\$ 2,837,977	\$ 3,058,370
Employer's net pension liability (asset) as a percentage of covered payroll	56.62%	49.79%	(17.83%)	64.76%	5.76%	(30.83%)
Changes of assumptions						
2017 - Inflation, salary increases, retirement age and mortality rate						
2018 - Discount rate						
2020 - Inflation, salary increases and mortality rate						

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
TOTAL PENSION LIABILITY							
Service cost	\$ 216,465	\$ 274,906	\$ 317,509	\$ 324,172	\$ 325,973	\$ 380,337	\$ 437,133
Interest	769,429	872,412	880,069	923,645	1,009,612	1,022,084	1,081,031
Changes of benefit terms	-	-	-	-	-	30,852	-
Differences between expected and actual experience	369,331	(207,901)	160,355	139,752	(166,876)	316,061	375,195
Changes of assumptions	700,021	723,408	-	618,890	352,790	(48,274)	(97,999)
Benefit payments, including refunds of member contributions	(557,596)	(744,632)	(634,475)	(756,029)	(738,614)	(769,698)	(818,108)
Other	-	(33,159)	(39,547)	(48,872)	(29,978)	(31,858)	(36,618)
Net change in total pension liability	1,497,650	885,034	683,911	1,201,558	752,907	899,504	940,634
Total pension liability - beginning	10,537,846	12,035,496	12,920,530	13,604,441	14,805,999	15,558,906	16,458,410
TOTAL PENSION LIABILITY - ENDING	\$ 12,035,496	\$ 12,920,530	\$ 13,604,441	\$ 14,805,999	\$ 15,558,906	\$ 16,458,410	\$ 17,399,044
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 308,239	\$ 292,074	\$ 353,782	\$ 487,114	\$ 462,953	\$ 523,580	\$ 600,304
Contributions - member	104,929	111,587	107,338	118,679	118,253	209,997	155,222
Net investment income	381,236	(52,930)	440,037	336,052	446,933	179,269	1,376,214
Benefit payments, including refunds of member contributions	(557,595)	(744,632)	(634,475)	(756,030)	(738,615)	(769,698)	(818,108)
Administrative expense	(34,233)	(20,016)	(21,877)	(30,512)	(29,977)	(31,858)	(36,618)
Net change in plan fiduciary net position	202,576	(413,917)	244,805	155,303	259,547	111,290	1,277,014
Plan fiduciary net position - beginning	7,234,125	7,234,125	6,820,208	7,065,013	7,220,316	7,479,863	7,591,153
PLAN FIDUCIARY NET POSITION - ENDING	\$ 7,234,124	\$ 6,820,208	\$ 7,065,013	\$ 7,220,316	\$ 7,479,863	\$ 7,591,153	\$ 8,868,167
EMPLOYER'S NET PENSION LIABILITY	\$ 4,801,372	\$ 6,100,322	\$ 6,539,428	\$ 7,585,683	\$ 8,079,043	\$ 8,867,257	\$ 8,530,877

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Plan fiduciary net position as a percentage of the total pension liability	60.11%	52.79%	51.93%	48.77%	48.07%	46.12%	50.97%
Covered payroll	\$ 1,102,613	\$ 1,064,782	\$ 1,104,186	\$ 1,189,107	\$ 1,275,696	\$ 1,501,786	\$ 1,426,306
Employer's net pension liability as a percentage of covered payroll	435.45%	572.92%	592.24%	637.93%	633.30%	590.45%	598.11%

2015 - There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to future interest rates, mortality rates, disability rates, turnover rates and retirement rates.

2016 - There was a change with respect to actuarial assumptions from the prior year with respect to the discount rate.

2018 - There was a change with respect to actuarial assumptions from the prior year with respect to mortality rates.

2019 - There was a change with respect to actuarial assumptions from the prior year with respect to the discount rate and projected salary increases.

2020 - There was a change with respect to actuarial assumptions from the prior year with respect to mortality rates and retirement age.

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
TOTAL PENSION LIABILITY							
Service cost	\$ 167,256	\$ 291,703	\$ 333,605	\$ 319,389	\$ 362,061	\$ 340,589	\$ 387,953
Interest	434,427	554,370	604,643	626,860	703,413	746,768	772,342
Changes of benefit terms	-	-	-	-	-	16,883	-
Differences between expected and actual experience	74,024	504,859	(21,802)	208,429	(148,811)	33,414	(511,836)
Changes of assumptions	1,781,627	-	-	684,577	409,288	(85,223)	(78,027)
Benefit payments, including refunds of member contributions	(426,303)	(452,555)	(482,662)	(515,017)	(537,351)	(572,808)	(625,706)
Administrative expense	-	(42,515)	(47,634)	(36,267)	(46,810)	(24,728)	(32,303)
Net change in total pension liability	2,031,031	855,862	386,150	1,287,971	741,790	454,895	(87,577)
Total pension liability - beginning	7,453,599	9,484,630	10,340,492	10,726,642	12,014,613	12,756,403	13,211,298
TOTAL PENSION LIABILITY - ENDING	\$ 9,484,630	\$ 10,340,492	\$ 10,726,642	\$ 12,014,613	\$ 12,756,403	\$ 13,211,298	\$ 13,123,721
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 114,533	\$ 138,388	\$ 280,059	\$ 268,245	\$ 465,846	\$ 416,296	\$ 465,694
Contributions - member	71,025	70,592	71,527	75,968	77,496	79,219	77,588
Net investment income	371,945	(9,699)	470,151	386,831	435,718	191,879	1,358,547
Benefit payments, including refunds of member contributions	(426,303)	(452,555)	(482,662)	(515,017)	(537,351)	(572,808)	(625,706)
Administrative expense	(17,739)	(42,515)	(28,103)	(16,841)	(26,988)	(24,728)	(32,303)
Net change in plan fiduciary net position	113,461	(295,789)	310,972	199,186	414,721	89,858	1,243,820
Plan fiduciary net position - beginning	6,662,488	6,775,949	6,480,160	6,791,132	6,990,318	7,405,039	7,494,897
PLAN FIDUCIARY NET POSITION - ENDING	\$ 6,775,949	\$ 6,480,160	\$ 6,791,132	\$ 6,990,318	\$ 7,405,039	\$ 7,494,897	\$ 8,738,717
EMPLOYER'S NET PENSION LIABILITY	\$ 2,708,681	\$ 3,860,332	\$ 3,935,510	\$ 5,024,295	\$ 5,351,364	\$ 5,716,401	\$ 4,385,004

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Plan fiduciary net position as a percentage of the total pension liability	71.44%	62.67%	63.31%	58.18%	58.05%	56.73%	66.59%
Covered payroll	\$ 762,207	\$ 752,088	\$ 765,539	\$ 810,351	\$ 823,260	\$ 853,361	\$ 797,504
Employer's net pension liability as a percentage of covered payroll	355.37%	513.28%	514.08%	620.01%	650.02%	669.87%	549.84%

2015 - There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to future interest rates, mortality rates, disability rates, turnover rates and retirement rates.

2018 - There was a change with respect to actuarial assumptions from the prior year with respect to mortality rates.

2019 - There was a change with respect to actuarial assumptions from the prior year with respect to projected salary increases.

2020 - There was a change with respect to actuarial assumptions from the prior year with respect to mortality rates and retirement age.

2021 - There was a change with respect to actuarial assumptions from the prior year with respect to projected salary increases.

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019*	2020	2021
Annual money-weighted rate of return, net of investment expense	5.75%	(1.06%)	4.87%	1.76%	2.59%	2.71%	18.68%

*This information is for the period September 30, 2018 through April 30, 2019 due to a change in investment advisor during the fiscal year.

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	5.64%	(0.04%)	7.27%	5.61%	6.25%	2.56%	18.03%

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

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2021

1. BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual budgets are adopted for the General, Special Revenue and Enterprise Funds, except for the Foreign Fire Insurance Fund. The appropriation ordinance represents the legal spending limits for the City. The budget is used to control those limits. The appropriation ordinance was passed on July 7, 2020. All annual appropriations lapse at fiscal year end. There was also a supplemental appropriation ordinance for the current fiscal year passed on April 21, 2021.

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

The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted by the City to obtain taxpayer comments.

Subsequently, the budget is legally enacted through passage of an ordinance.

The legal level of budgetary control is at the fund level. The City Council can transfer budgeted amounts between line items; however, any revision altering both revenues and budgeted expenditures for any fund must be approved by a two-thirds council action.

Budgetary authority lapses at year end.

2. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following fund over expended appropriations in fiscal year 2021:

Fund	Appropriations	Expenditures	Excess
General	\$ 8,624,575	\$ 10,542,386	\$ (1,917,811)
Downtown Redevelopment	171,270	257,357	(86,087)
Workers' Compensation	-	4,336	(4,336)

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Property taxes			
General	\$ 185,951	\$ 186,147	\$ 196
Police protection	55,785	55,890	105
Fire protection	55,785	55,890	105
Audit	-	25,044	25,044
Police pension	587,884	588,450	566
Fire pension	-	453,841	453,841
Road and bridge	57,000	61,922	4,922
Total property taxes	942,405	1,427,184	484,779
State income/use/photo tax	972,930	1,062,229	89,299
Non-home rule sales tax	800,000	844,722	44,722
State sales tax	1,100,000	1,195,595	95,595
State use tax	328,943	424,403	95,460
Personal property replacement tax	-	33,500	33,500
Video gaming	250,000	190,046	(59,954)
Cannabis use tax	7,412	7,574	162
Utility	119,000	148,498	29,498
Total taxes	4,520,690	5,333,751	813,061
License and permits			
Liquor	75,000	88,600	13,600
Other	40,000	35,529	(4,471)
Total license and permits	115,000	124,129	9,129
Intergovernmental			
Police grant	2,500	204	(2,296)
Grant funds	-	446,385	446,385
School resource officer reimbursement	81,144	55,840	(25,304)
Acting Chief reimbursement	97,332	26,400	(70,932)
Total intergovernmental	180,976	528,829	347,853

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Fines and fees			
Circuit court	\$ 86,750	\$ 65,370	\$ (21,380)
Bail and warrant fees	12,000	20,384	8,384
Building permits	30,000	34,540	4,540
Nicor franchise fee	15,500	-	(15,500)
Telecommunication maintenance	150,000	121,830	(28,170)
Cablevision	130,000	124,240	(5,760)
Total fines and fees	<u>424,250</u>	<u>366,364</u>	<u>(57,886)</u>
Charges for services			
Street excavation/sidewalk repair	19,000	23,826	4,826
Rent	70,786	137,321	66,535
Capital cost recovery	490,000	455,508	(34,492)
Wireless tower rental	10,000	13,007	3,007
Administrative fees	16,900	12,243	(4,657)
Fire protection	257,500	275,941	18,441
Total charges for services	<u>864,186</u>	<u>917,846</u>	<u>53,660</u>
Investment income	<u>4,000</u>	<u>6,553</u>	<u>2,553</u>
Reimbursements	<u>170,749</u>	<u>160,814</u>	<u>(9,935)</u>
Miscellaneous	<u>47,500</u>	<u>164,619</u>	<u>117,119</u>
TOTAL REVENUES	<u><u>\$ 6,327,351</u></u>	<u><u>\$ 7,602,905</u></u>	<u><u>\$ 1,275,554</u></u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT			
Legislative expense			
Elected officials salaries	\$ 48,000	\$ 43,500	\$ (4,500)
Mayor's expenses	2,000	1,539	(461)
Codification or ordinances	6,000	4,430	(1,570)
Dues and subscriptions	1,500	1,029	(471)
GIS/IT technician expense	1,492	1,607	115
Meetings and seminars	2,500	565	(1,935)
Telephone	1,000	660	(340)
Consultants fee	-	7,500	7,500
Office expenses	1,500	1,213	(287)
Miscellaneous	3,700	9,017	5,317
Contingency	57,563	-	(57,563)
Total legislative expense	125,255	71,060	(54,195)
City Clerk			
Salaries	151,540	153,181	1,641
Insurance expense	29,848	33,185	3,337
Dues and subscriptions	1,500	1,060	(440)
Office expense	17,840	28,864	11,024
Meetings and seminars	600	-	(600)
Telephone	1,415	1,882	467
IT expense	1,790	1,790	-
Miscellaneous charges	1,000	258	(742)
Contingency	20,554	-	(20,554)
Total City Clerk	226,087	220,220	(5,867)
City Administrator			
Salaries	93,681	94,006	325
Health insurance	21,956	20,685	(1,271)
Telephone	1,054	1,766	712
IT expense	1,194	1,194	-
Meetings and seminars	1,000	-	(1,000)
Vehicle allowance	1,200	1,800	600
Miscellaneous	250	690	440
Office supplies	1,500	996	(504)
Contingency	12,184	-	(12,184)
Total City Administrator	134,019	121,137	(12,882)
Planning Commission			
Printing/publishing ordinances	100	-	(100)
Dues and subscriptions	275	136	(139)
Postage and office supplies	750	252	(498)
Legal expenses	2,500	1,788	(712)
Meetings and seminars	450	-	(450)
Miscellaneous	50	-	(50)
Contingency	413	-	(413)
Total Planning Commission	4,538	2,176	(2,362)

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)			
Building inspector			
Salary	\$ 168,549	\$ 172,584	\$ 4,035
Insurance expense	81,673	79,035	(2,638)
Vehicle, gas, oil and maintenance	2,000	4,214	2,214
Dues and subscriptions	1,400	225	(1,175)
Postage and office supplies	-	287	287
Telephone expense	1,600	1,841	241
IT expense	1,193	1,193	-
Office expense	5,000	8,195	3,195
Meetings and seminars	1,500	-	(1,500)
Legal expense	2,000	68	(1,932)
Homestead program expenses	-	371	371
Emergency code enforcement	250	-	(250)
Miscellaneous	500	6,997	6,497
Contingency	26,567	-	(26,567)
Total building inspector	<u>292,232</u>	<u>275,010</u>	<u>(17,222)</u>
Code hearing			
Software	3,600	3,600	-
MSI commission	7,500	5,533	(1,967)
Legal expenses	500	1,253	753
Professional expense	9,000	7,956	(1,044)
Office supplies	2,500	618	(1,882)
Miscellaneous	1,000	189	(811)
Contingency	2,410	-	(2,410)
Total code hearing	<u>26,510</u>	<u>19,149</u>	<u>(7,361)</u>
Other expenses			
Legal and professional	68,560	54,244	(14,316)
Auditing	22,000	22,875	875
Union drainage tax	5,000	10,000	5,000
Insurance (general liability)	276,194	257,924	(18,270)
Insurance (employee)	74,848	80,362	5,514
Chamber general office expense	6,000	6,000	-
DSBS grant expenses	-	120,520	120,520
Total other expenses	<u>452,602</u>	<u>551,925</u>	<u>99,323</u>
Total general government	<u>1,261,243</u>	<u>1,260,677</u>	<u>(566)</u>
PUBLIC SAFETY			
Police department			
Salaries	1,640,457	1,678,346	37,889
Health insurance	275,283	346,919	71,636
ICMA contribution	6,687	6,595	(92)
Pension contribution	587,884	604,324	16,440
Commissioners secretary	600	600	-
Commissioner expense	3,188	1,148	(2,040)
Uniform allowance	15,000	12,790	(2,210)
Postage	4,500	2,540	(1,960)
Printing	1,000	102	(898)

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Police department (Continued)			
Photographic expense	\$ 500	\$ -	\$ (500)
Legal and professional expense	3,000	3,758	758
Repairs and maintenance	4,000	1,187	(2,813)
Telephone	12,396	7,889	(4,507)
Service contracts	46,296	44,107	(2,189)
Dues	4,220	3,677	(543)
Investigation	4,500	2,395	(2,105)
Training	9,000	6,010	(2,990)
Police supplies	1,000	283	(717)
Janitor supplies	1,000	806	(194)
Animal control	6,000	5,991	(9)
Radio expense	4,000	3,816	(184.0)
Electric expense	11,240	12,001	761
Physicals	260	-	(260)
Safety	2,000	704	(1,296)
Towing	800	865	65
Gas and oil	30,000	29,053	(947)
Vehicle operations and maintenance	15,000	13,970	(1,030)
Maintenance (building)	7,500	3,418	(4,082)
Heating gas	1,500	1,528	28
Community policing	200	-	(200)
Consolidated dispatch	360,000	271,034	(88,966)
Miscellaneous	28,947	24,251	(4,696)
Contingency	314,444	-	(314,444)
Total police department	3,402,402	3,090,107	(312,295)
Fire department			
Salaries	949,527	908,550	(40,977)
Health insurance	204,124	209,655	5,531
ICMA contributions	2,615	5,992	3,377
Pension contribution	-	471,467	471,467
Fire investigation	50	-	(50)
Dues and subscriptions	4,080	3,243	(837)
Postage and office supplies	1,140	(1,944)	(3,084)
Maintenance (building)	5,000	10,056	5,056
Maintenance (equipment)	11,000	16,618	5,618
ESDA equipment	530	-	(530)
Maintenance (vehicles)	25,000	5,376	(19,624)
Commissioner's secretary	600	600	-
Commissioner expense	3,188	1,148	(2,040)
Telephone	5,855	5,219	(636)
IT expense	1,343	1,831	488
Meetings and seminars	2,500	2,594	94
Legal expense	2,500	73	(2,427)
Uniform allowance	4,000	2,361	(1,639)
Electric	7,650	12,001	4,351
Heating	3,000	4,584	1,584
Physicals	500	275	(225)
Supplies (equipment)	19,190	19,909	719
Radio expense	1,500	1,470	(30)
Safety expense	100	10	(90)

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Fire department (Continued)			
Operating supplies	\$ 1,500	\$ 1,595	\$ 95
Janitorial supplies	1,000	974	(26)
Gas and oil	10,000	6,324	(3,676)
Miscellaneous	2,250	9,567	7,317
Contingency	136,295	-	(136,295)
 Total fire department	 1,406,037	 1,699,548	 293,511
 Total public safety	 4,808,439	 4,789,655	 (18,784)
PUBLIC WORKS			
Streets and highways			
Salaries	329,258	342,546	13,288
Health insurance	86,017	83,833	(2,184)
Maintenance (building)	3,000	1,112	(1,888)
Maintenance (streets)	10,000	5,444	(4,556)
Maintenance (snow removal)	500	56	(444)
Maintenance (service vehicles)	20,000	20,058	58
Information technology	597	597	-
Radio expense	250	-	(250)
Alarm expense	2,000	2,564	564
Vehicle gas and oil	13,500	15,350	1,850
Small tools and supplies	1,000	603	(397)
Telephone	5,300	8,174	2,874
Vehicle operation and maintenance	20,000	20,099	99
Tree and stump removal	7,500	3,250	(4,250)
Sign material	7,000	1,742	(5,258)
Legal expenses	250	-	(250)
Uniform allowance	1,100	1,289	189
Janitor supplies	5,000	5,481	481
Physicals	375	-	(375)
Postage and office supplies	500	220	(280)
Engineering	10,000	83,400	73,400
Barricade expose	500	-	(500)
Paint and painting supplies	10,000	2,224	(7,776)
Heating gas expense	4,500	6,045	1,545
Sales tax project - infrastructure	1,350,000	110,323	(1,239,677)
Safety expense	2,500	2,916	416
Miscellaneous	9,985	13,880	3,895
Contingency	204,470	-	(204,470)
 Total streets and highways	 2,105,102	 731,206	 (1,373,896)
Public property division			
New equipment	200	-	(200)
Maintenance (equipment)	1,000	1,303	303
Maintenance (grounds)	1,000	409	(591)
Maintenance (building)	10,000	7,886	(2,114)
Limestone building expenses	10,000	46,531	36,531
Schmitt property expenses	-	6,250	6,250
Hallman property expenses	-	6,736	6,736

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC WORKS (Continued)			
Public property division (Continued)			
City park maintenance	\$ -	\$ 12,225	\$ 12,225
Janitor supplies	1,000	1,242	242
Miscellaneous	59,950	109,566	49,616
Heating and air conditioning repairs	3,000	-	(3,000)
Equipment - gas and oil	200	-	(200)
Fire alarm service expense	4,000	7,819	3,819
Heating gas expense	1,200	2,189	989
Contingency	9,155	-	(9,155)
Total public property division	<u>100,705</u>	<u>202,156</u>	<u>101,451</u>
CAPITAL OUTLAY			
Public works			
Sidewalk repairs	50,000	85,152	35,152
New equipment	5,000	7,863	2,863
Police department			
New cars	46,102	128,939	82,837
New equipment	10,374	10,011	(363)
Fire department			
New truck	-	651,050	651,050
Total capital outlay	<u>111,476</u>	<u>883,015</u>	<u>771,539</u>
DEBT SERVICE			
Principal	156,744	2,571,631	2,414,887
Interest	80,866	104,046	23,180
Total debt service	<u>237,610</u>	<u>2,675,677</u>	<u>2,438,067</u>
TOTAL EXPENDITURES	<u>\$ 8,624,575</u>	<u>\$ 10,542,386</u>	<u>\$ 1,917,811</u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF ROCK FALLS, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2021

	Special Revenue		
	Tourism	Industrial Development	Motor Fuel Fuel Tax
ASSETS			
Cash and investments	\$ 688,870	\$ 58,613	\$ 1,077,992
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	-	-	-
Accounts	27,520	-	-
Due from other governments	-	-	30,526
TOTAL ASSETS	\$ 716,390	\$ 58,613	\$ 1,108,518
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 3,130	\$ -	\$ 39,760
Accrued payroll	1,075	-	-
Unearned revenue	-	-	-
Total liabilities	4,205	-	39,760
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	4,205	-	39,760
FUND BALANCES			
Restricted for maintenance of streets	-	-	1,068,758
Restricted for tourism	712,185	-	-
Restricted for economic development	-	58,613	-
Restricted for public safety	-	-	-
Restricted for retirement	-	-	-
Restricted for workers' compensation	-	-	-
Unrestricted			
Assigned for economic development	-	-	-
Unassigned (deficit)	-	-	-
Total fund balances (deficit)	712,185	58,613	1,068,758
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 716,390	\$ 58,613	\$ 1,108,518

Special Revenue						
IMRF	Downtown Redevelopment	DUI	Drug	Tobacco Grant	Building Code Demolition	
\$ 448,406	\$ 492,242	\$ 10,563	\$ 32,155	\$ 1,852	\$ 5,457	
176,077	179,355	-	-	-	-	
-	-	750	58	-	-	
-	-	-	-	-	-	
<u>\$ 624,483</u>	<u>\$ 671,597</u>	<u>\$ 11,313</u>	<u>\$ 32,213</u>	<u>\$ 1,852</u>	<u>\$ 5,457</u>	
\$ -	\$ 84	\$ -	\$ -	\$ 355	\$ 86	
5,639	-	-	-	-	-	
-	-	-	-	1,541	-	
5,639	84	-	-	1,896	86	
176,077	179,355	-	-	-	-	
176,077	179,355	-	-	-	-	
181,716	179,439	-	-	1,896	86	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	5,371	
-	-	11,313	32,213	-	-	
442,767	-	-	-	-	-	
-	-	-	-	-	-	
-	492,158	-	-	-	-	
-	-	-	-	(44)	-	
442,767	492,158	11,313	32,213	(44)	5,371	
<u>\$ 624,483</u>	<u>\$ 671,597</u>	<u>\$ 11,313</u>	<u>\$ 32,213</u>	<u>\$ 1,852</u>	<u>\$ 5,457</u>	

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2021

	Special Revenue			
	Foreign Fire Insurance	Workers' Compensation	Safe Passage	Total
ASSETS				
Cash and investments	\$ 26,353	\$ 195,910	\$ 4,945	\$ 3,043,358
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	-	184,281	-	539,713
Accounts	-	-	-	28,328
Due from other governments	-	-	-	30,526
TOTAL ASSETS	\$ 26,353	\$ 380,191	\$ 4,945	\$ 3,641,925
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 43,415
Accrued payroll	-	-	-	6,714
Unearned revenue	-	-	-	1,541
Total liabilities	-	-	-	51,670
DEFERRED INFLOWS OF RESOURCES				
Unavailable property taxes	-	184,281	-	539,713
Total deferred inflows of resources	-	184,281	-	539,713
Total liabilities and deferred inflows of resources	-	184,281	-	591,383
FUND BALANCES				
Restricted for maintenance of streets	-	-	-	1,068,758
Restricted for tourism	-	-	-	712,185
Restricted for economic development	-	-	-	63,984
Restricted for public safety	26,353	-	4,945	74,824
Restricted for retirement	-	-	-	442,767
Restricted for workers' compensation	-	195,910	-	195,910
Unrestricted (deficit)				
Assigned for economic development	-	-	-	492,158
Unassigned (deficit)	-	-	-	(44)
Total fund balances (deficit)	26,353	195,910	4,945	3,050,542
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 26,353	\$ 380,191	\$ 4,945	\$ 3,641,925

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2021

	Special Revenue		
	Tourism	Industrial Development	Motor Fuel Tax
REVENUES			
Taxes	\$ 185,005	\$ -	\$ -
Intergovernmental	2,466	-	637,094
Fines and fees	-	-	-
Investment income	5,743	88	1,817
Reimbursements	2,053	-	-
Miscellaneous	61,045	550	-
Total revenues	256,312	638	638,911
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Streets and highways	-	-	211,200
Development	365,553	(110)	-
Capital outlay	32,678	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	398,231	(110)	211,200
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(141,919)	748	427,711
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	(106,747)	-	-
Total other financing sources (uses)	(106,747)	-	-
NET CHANGE IN FUND BALANCES	(248,666)	748	427,711
FUND BALANCES (DEFICIT), MAY 1	960,851	57,865	641,047
FUND BALANCES (DEFICIT), APRIL 30	\$ 712,185	\$ 58,613	\$ 1,068,758

Special Revenue						
IMRF	Downtown Redevelopment	DUI	Drug	Tobacco Grant	Building Code Demolition	
\$ 176,223	\$ 158,091	\$ -	\$ -	\$ -	\$ -	
38,679	-	-	-	1,037	16,623	
-	-	4,791	14,695	-	-	
1,189	713	-	-	-	74	
-	-	-	-	-	-	
-	3,750	-	-	-	10,499	
216,091	162,554	4,791	14,695	1,037	27,196	
107,053	-	-	-	1,037	24,290	
-	-	9,240	31,326	-	-	
71,369	-	-	-	-	-	
-	109,152	-	-	-	-	
-	-	-	-	-	-	
-	90,000	-	-	-	-	
-	58,205	-	-	-	-	
178,422	257,357	9,240	31,326	1,037	24,290	
37,669	(94,803)	(4,449)	(16,631)	-	2,906	
-	106,747	-	-	-	-	
-	-	-	-	-	-	
-	106,747	-	-	-	-	
37,669	11,944	(4,449)	(16,631)	-	2,906	
405,098	480,214	15,762	48,844	(44)	2,465	
\$ 442,767	\$ 492,158	\$ 11,313	\$ 32,213	\$ (44)	\$ 5,371	

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2021

	Special Revenue			Total
	Foreign Fire Insurance	Workers' Compensation	Safe Passage	
REVENUES				
Taxes	\$ -	\$ 230,433	\$ -	\$ 749,752
Intergovernmental	22,025	-	-	717,924
Fines and fees	-	-	-	19,486
Investment income	54	308	-	9,986
Reimbursements	-	-	-	2,053
Miscellaneous	-	-	5,538	81,382
Total revenues	22,079	230,741	5,538	1,580,583
EXPENDITURES				
Current				
General government	-	4,336	-	136,716
Public safety	7,082	-	1,763	49,411
Streets and highways	-	-	-	282,569
Development	-	-	-	474,595
Capital outlay	-	-	-	32,678
Debt service				
Principal	-	-	-	90,000
Interest and fiscal charges	-	-	-	58,205
Total expenditures	7,082	4,336	1,763	1,124,174
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14,997	226,405	3,775	456,409
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	106,747
Transfers (out)	-	(257,917)	-	(364,664)
Total other financing sources (uses)	-	(257,917)	-	(257,917)
NET CHANGE IN FUND BALANCES	14,997	(31,512)	3,775	198,492
FUND BALANCES (DEFICIT), MAY 1	11,356	227,422	1,170	2,852,050
FUND BALANCES (DEFICIT), APRIL 30	\$ 26,353	\$ 195,910	\$ 4,945	\$ 3,050,542

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TOURISM FUND**

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Hotel/motel taxes	\$ 230,000	\$ 185,005	\$ (44,995)
Investment income	10,000	5,743	(4,257)
Intergovernmental	-	2,466	2,466
Reimbursements	2,523	2,053	(470)
Miscellaneous	19,300	61,045	41,745
	<hr/>		
Total revenues	261,823	256,312	(5,511)
	<hr/>		
EXPENDITURES			
Current			
Development			
Salaries	96,644	69,943	(26,701)
Other services	332,124	258,098	(74,026)
Miscellaneous	26,360	37,512	11,152
Contingency	45,515	-	(45,515)
Capital outlay	-	32,678	32,678
	<hr/>		
Total expenditures	500,643	398,231	(102,412)
	<hr/>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(238,820)	(141,919)	96,901
	<hr/>		
OTHER FINANCING SOURCES (USES)			
Transfer (out)	-	(106,747)	(106,747)
	<hr/>		
Total other financing sources (uses)	-	(106,747)	(106,747)
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ (238,820)	(248,666)	\$ (9,846)
	<hr/>		
FUND BALANCE, MAY 1		960,851	
		<hr/>	
FUND BALANCE, APRIL 30		\$ 712,185	
		<hr/>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INDUSTRIAL DEVELOPMENT FUND**

For the Year Ended April 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Investment income	\$ 20	\$ 88	\$ 68
Miscellaneous	850	550	(300)
	<hr/>	<hr/>	<hr/>
Total revenues	870	638	(232)
EXPENDITURES			
Current			
Development			
Commodities	100	-	(100)
Other services	100	-	(100)
Miscellaneous	5,500	(110)	(5,610)
Contingency	620	-	(620)
	<hr/>	<hr/>	<hr/>
Total expenditures	6,320	(110)	(6,430)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(5,450)	748	6,198
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(500)	-	500
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(500)	-	500
NET CHANGE IN FUND BALANCE	<hr/> <u>\$ (5,950)</u>	748	<u>\$ 6,698</u>
FUND BALANCE, MAY 1		<hr/> 57,865	
FUND BALANCE, APRIL 30		<hr/> <u>\$ 58,613</u>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Intergovernmental			
Motor fuel tax allotments	\$ 233,846	\$ 331,761	\$ 97,915
Rebuild Illinois grant	\$ -	305,333	305,333
Investment income	8,000	1,817	(6,183)
	<hr/>	<hr/>	<hr/>
Total revenues	241,846	638,911	397,065
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
Streets and highways			
Contractual services	50,000	87,368	37,368
Maintenance	183,846	123,832	(60,014)
Contingency	8,000	-	(8,000)
	<hr/>	<hr/>	<hr/>
Total expenditures	241,846	211,200	(30,646)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	427,711	<u>\$ 427,711</u>
FUND BALANCE, MAY 1		<hr/>	
		641,047	
FUND BALANCE, APRIL 30		<u>\$ 1,068,758</u>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND**

For the Year Ended April 30, 2021

	<u>Original and</u>		<u>Variance</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
REVENUES			
Taxes			
Property taxes	\$ 175,987	\$ 176,223	\$ 236
Replacement taxes	20,000	38,679	18,679
Investment income	100	1,189	1,089
	<hr/>	<hr/>	<hr/>
Total revenues	196,087	216,091	20,004
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
General government			
IMRF contributions	108,592	107,053	(1,539)
Streets and highways			
IMRF contributions	72,395	71,369	(1,026)
Contingency	18,099	-	(18,099)
	<hr/>	<hr/>	<hr/>
Total expenditures	199,086	178,422	(20,664)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (2,999)</u>	37,669	<u>\$ 40,668</u>
FUND BALANCE, MAY 1		<hr/>	
		405,098	
FUND BALANCE, APRIL 30		<u><u>\$ 442,767</u></u>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN REDEVELOPMENT FUND**

For the Year Ended April 30, 2021

	<u>Original and</u>		<u>Variance</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
REVENUES			
Taxes			
Property taxes	\$ 140,000	\$ 158,091	\$ 18,091
Investment income	-	713	713
Miscellaneous	3,000	3,750	750
	<hr/>	<hr/>	<hr/>
Total revenues	143,000	162,554	19,554
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
Development			
Commodities	3,000	106,268	103,268
Contractual services	2,500	1,268	(1,232)
Miscellaneous	2,000	1,616	(384)
Contingency	15,570	-	(15,570)
Debt service			
Principal	90,000	90,000	-
Interest	58,200	58,205	5
	<hr/>	<hr/>	<hr/>
Total expenditures	171,270	257,357	86,087
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(28,270)	(94,803)	(66,533)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfer in	-	106,747	106,747
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	106,747	106,747
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (28,270)</u>	11,944	<u>\$ 40,214</u>
FUND BALANCE, MAY 1		<hr/>	480,214
FUND BALANCE, APRIL 30		<u>\$ 492,158</u>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DUI FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Fines and fees	\$ 4,560	\$ 4,560	\$ 4,791	\$ 231
Total revenues	<u>4,560</u>	<u>4,560</u>	<u>4,791</u>	<u>231</u>
EXPENDITURES				
Current				
Public safety				
Other services	6,500	12,500	9,240	(3,260)
Contingency	650	650	-	(650)
Total expenditures	<u>7,150</u>	<u>13,150</u>	<u>9,240</u>	<u>(3,910)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,590)</u>	<u>\$ (8,590)</u>	<u>(4,449)</u>	<u>\$ 4,141</u>
FUND BALANCE, MAY 1			<u>15,762</u>	
FUND BALANCE, APRIL 30			<u>\$ 11,313</u>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DRUG FUND**

For the Year Ended April 30, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
	<u>Budget</u>	<u>Budget</u>		<u>Over (Under)</u>
REVENUES				
Fines and fees	\$ 28,800	\$ 28,800	\$ 14,695	\$ (14,105)
Total revenues	<u>28,800</u>	<u>28,800</u>	<u>14,695</u>	<u>(14,105)</u>
EXPENDITURES				
Current				
Public safety				
Other services	10,000	31,000	31,326	326
Contingency	1,000	1,000	-	(1,000)
Total expenditures	<u>11,000</u>	<u>32,000</u>	<u>31,326</u>	<u>(674)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 17,800</u>	<u>\$ (3,200)</u>	(16,631)	<u>\$ (13,431)</u>
FUND BALANCE, MAY 1			<u>48,844</u>	
FUND BALANCE, APRIL 30			<u>\$ 32,213</u>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TOBACCO GRANT FUND**

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental	\$ 1,540	\$ 1,037	\$ (503)
Total revenues	<u>1,540</u>	<u>1,037</u>	<u>(503)</u>
EXPENDITURES			
Current			
General government	1,386	1,037	(349)
Contingency	154	-	(154)
Total expenditures	<u>1,540</u>	<u>1,037</u>	<u>(503)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE (DEFICIT), MAY 1		<u>(44)</u>	
FUND BALANCE (DEFICIT), APRIL 30		<u>\$ (44)</u>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUILDING CODE DEMOLITION FUND**

For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental	\$ -	\$ 16,623	\$ 16,623
Investment income	20	74	54
Miscellaneous income	35,730	10,499	(25,231)
	<hr/>	<hr/>	<hr/>
Total revenues	35,750	27,196	(8,554)
EXPENDITURES			
Current			
General government			
Contractual services	21,500	20,032	(1,468)
Other services	11,000	4,258	(6,742)
Contingency	3,250	-	(3,250)
	<hr/>	<hr/>	<hr/>
Total expenditures	35,750	24,290	(11,460)
NET CHANGE IN FUND BALANCE	\$ -	2,906	\$ 2,906
	<hr/>	<hr/>	
FUND BALANCE, MAY 1		2,465	
		<hr/>	
FUND BALANCE, APRIL 30		\$ 5,371	
		<hr/>	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WORKERS' COMPENSATION FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 230,162	\$ 230,162	\$ 230,433	\$ 271
Investment income	100	100	308	208
Total revenues	230,262	230,262	230,741	479
EXPENDITURES				
Current				
General government				
Contractual services	-	-	4,336	4,336
Total expenditures	-	-	4,336	4,336
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	230,262	230,262	226,405	(3,857)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(230,000)	(264,000)	(257,917)	6,083
Total other financing sources (uses)	(230,000)	(264,000)	(257,917)	6,083
NET CHANGE IN FUND BALANCE	\$ 262	\$ (33,738)	(31,512)	\$ 2,226
FUND BALANCE, MAY 1			227,422	
FUND BALANCE, APRIL 30			\$ 195,910	

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SAFE PASSAGE FUND**

For the Year Ended April 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Miscellaneous	\$ 4,500	\$ 5,538	\$ 1,038
Total revenues	<u>4,500</u>	<u>5,538</u>	<u>1,038</u>
EXPENDITURES			
Current			
Public safety			
Miscellaneous	<u>4,500</u>	<u>1,763</u>	<u>(2,737)</u>
Total expenditures	<u>4,500</u>	<u>1,763</u>	<u>(2,737)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>3,775</u>	<u>\$ 3,775</u>
FUND BALANCE, MAY 1		<u>1,170</u>	
FUND BALANCE, APRIL 30		<u>\$ 4,945</u>	

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

CITY OF ROCK FALLS, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
FIBER OPTIC BROADBAND SUBFUNDS**

April 30, 2021

	Taxable Fiber Optic Broadband	Non-Taxable Fiber Optic Broadband	Eliminations	Total
CURRENT ASSETS				
Restricted cash	\$ 269,341	\$ (269,341)	\$ -	\$ -
Receivables				
Accounts	400	-	-	400
Unbilled	587	-	-	587
Other	2,006	-	-	2,006
	<hr/>	<hr/>	<hr/>	<hr/>
Total current assets	272,334	(269,341)	-	2,993
NONCURRENT ASSETS				
Net pension asset	59,414	-	-	59,414
CAPITAL ASSETS				
Depreciable	-	3,515,036	-	3,515,036
Accumulated depreciation	-	(527,869)	-	(527,869)
	<hr/>	<hr/>	<hr/>	<hr/>
Net capital assets	-	2,987,167	-	2,987,167
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	331,748	2,717,826	-	3,049,574
DEFERRED OUTFLOWS OF RESOURCES				
OPEB items	1,821	-	-	1,821
Pension items - IMRF	28,091	-	-	28,091
	<hr/>	<hr/>	<hr/>	<hr/>
Total deferred outflows of resources	29,912	-	-	29,912
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets and deferred outflows of resources	361,660	2,717,826	-	3,079,486

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF NET POSITION (Continued)
FIBER OPTIC BROADBAND SUBFUNDS

April 30, 2021

	Taxable Fiber Optic Broadband	Non-Taxable Fiber Optic Broadband	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable	\$ -	\$ 13,620	\$ -	\$ 13,620
Accrued payroll	2,291	-	-	2,291
Accrued interest payable	6,453	-	-	6,453
Compensated absences, current	762	-	-	762
Total other postemployment benefit liability, current	586	-	-	586
Bonds payable, current	195,000	-	-	195,000
Total current liabilities	205,092	13,620	-	218,712
LONG-TERM LIABILITIES				
Advance from other funds	-	3,134,419	-	3,134,419
Compensated absences, noncurrent	4,320	-	-	4,320
Total other postemployment benefit liability, noncurrent	15,420	-	-	15,420
Bonds payable, noncurrent	2,075,000	-	-	2,075,000
Total long-term liabilities	2,094,740	3,134,419	-	5,229,159
Total liabilities	2,299,832	3,148,039	-	5,447,871
DEFERRED INFLOWS OF RESOURCES				
OPEB items	556	-	-	556
Pension items - IMRF	106,218	-	-	106,218
Total deferred inflows of resources	106,774	-	-	106,774
Total liabilities and deferred inflows of resources	2,406,606	3,148,039	-	5,554,645
NET POSITION				
Net investment in capital assets (deficit)	(2,270,000)	2,987,167	-	717,167
Unrestricted (deficit)	225,054	(3,417,380)	-	(3,192,326)
TOTAL NET POSITION (DEFICIT)	\$ (2,044,946)	\$ (430,213)	\$ -	\$ (2,475,159)

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FIBER OPTIC BROADBAND SUBFUNDS

For the Year Ended April 30, 2021

	Taxable Fiber Optic Broadband	Non-Taxable Fiber Optic Broadband	Eliminations	Total
OPERATING REVENUES				
Charges for services	\$ 66,850	\$ -	\$ -	\$ 66,850
Fiber lease	417,430	-	-	417,430
Total operating revenues	484,280	-	-	484,280
OPERATING EXPENSES				
Personnel				
Salaries	88,733	-	-	88,733
Payroll taxes	(20,459)	-	-	(20,459)
Payroll benefits	21,237	-	-	21,237
Total personnel	89,511	-	-	89,511
Commodities	132,310	-	-	132,310
Contractual services	57,842	-	-	57,842
Depreciation and amortization	-	224,020	-	224,020
Total operating expenses	279,663	224,020	-	503,683
OPERATING INCOME (LOSS)	204,617	(224,020)	-	(19,403)
NON-OPERATING REVENUES (EXPENSES)				
Reimbursements	4,202	-	-	4,202
Other miscellaneous revenue	78,570	-	-	78,570
Loss on defeasance of debt	-	(429,491)	-	(429,491)
Interest and fiscal charges	(79,340)	(38,700)	-	(118,040)
Total non-operating revenues (expenses)	3,432	(468,191)	-	(464,759)
NET INCOME (LOSS) BEFORE TRANSFERS	208,049	(692,211)	-	(484,162)
TRANSFERS				
Transfers (out)	(2,000)	-	-	(2,000)
Total transfers	(2,000)	-	-	(2,000)
CHANGE IN NET POSITION	206,049	(692,211)	-	(486,162)
NET POSITION (DEFICIT), MAY 1	(2,250,995)	261,998	-	(1,988,997)
NET POSITION (DEFICIT), APRIL 30	\$ (2,044,946)	\$ (430,213)	\$ -	\$ (2,475,159)

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
FIBER OPTIC BROADBAND SUBFUNDS**

For the Year Ended April 30, 2021

	Taxable Fiber Optic Broadband	Non-Taxable Fiber Optic Broadband	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 499,507	\$ -	\$ -	\$ 499,507
Payments to suppliers	(190,725)	5,619	-	(185,106)
Payments to employees	(140,212)	-	-	(140,212)
Net cash from operating activities	168,570	5,619	-	174,189
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipt of loan from other funds	-	2,527,363	-	2,527,363
Transfers (out)	(2,000)	-	-	(2,000)
Receipt of other miscellaneous revenue	82,772	-	-	82,772
Net cash from noncapital financing activities	80,772	2,527,363	-	2,608,135
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	-	(209,225)	-	(209,225)
Fiber lease payments received	-	-	-	-
Principal payments on long-term debt	(190,000)	(2,105,000)	-	(2,295,000)
Interest payments on long-term debt	(81,726)	(488,098)	-	(569,824)
Net cash from capital and related financing activities	(271,726)	(2,802,323)	-	(3,074,049)
CASH FLOWS FROM INVESTING ACTIVITIES				
None	-	-	-	-
Net cash from investing activities	-	-	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(22,384)	(269,341)	-	(291,725)
CASH AND CASH EQUIVALENTS, MAY 1	291,725	-	-	291,725
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 269,341	\$ (269,341)	\$ -	\$ -

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)
FIBER OPTIC BROADBAND SUBFUNDS

For the Year Ended April 30, 2021

	Taxable Fiber Optic Broadband	Non-Taxable Fiber Optic Broadband	Eliminations	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 204,617	\$ (224,020)	\$ -	\$ (19,403)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization	-	224,020	-	224,020
Changes in assets and liabilities				
Accounts receivable	15,227	-	-	15,227
Deferred outflows - pension items - IMRF	(8,885)	-	-	(8,885)
Deferred outflows - pension items - OPEB	(910)	-	-	(910)
Accounts payable	(573)	5,619	-	5,046
Accrued payroll	628	-	-	628
Compensated absences	(14,283)	-	-	(14,283)
Net pension liability	(69,712)	-	-	(69,712)
Total other postemployment benefit liability	(155)	-	-	(155)
Deferred inflows - pension items - IMRF	42,543	-	-	42,543
Deferred inflows - OPEB	73	-	-	73
NET CASH FROM OPERATING ACTIVITIES	\$ 168,570	\$ 5,619	\$ -	\$ 174,189
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Cost of capital assets included in accounts payable	\$ -	\$ 8,299	\$ -	\$ 8,299

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

CITY OF ROCK FALLS, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

April 30, 2021

	Health Insurance	GIS IT	Total
CURRENT ASSETS			
Cash and investments	\$ 321,103	\$ 242,256	\$ 563,359
Receivables			
Accrued interest	200	-	200
Total current assets	321,303	242,256	563,559
Total assets	321,303	242,256	563,559
CURRENT LIABILITIES			
Accounts payable	-	7,046	7,046
Total liabilities	-	7,046	7,046
NET POSITION			
Unrestricted	321,303	235,210	556,513
TOTAL NET POSITION	\$ 321,303	\$ 235,210	\$ 556,513

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2021

	Health Insurance	GIS IT	Total
OPERATING REVENUES			
Charges for services			
Contributions	\$ 1,230,712	\$ 75,605	\$ 1,306,317
Total operating revenues	<u>1,230,712</u>	<u>75,605</u>	<u>1,306,317</u>
OPERATING EXPENSES			
Administration			
Personnel			
Employee benefits	1,237,398	-	1,237,398
Contractual services	-	55,755	55,755
Total operating expenses	<u>1,237,398</u>	<u>55,755</u>	<u>1,293,153</u>
OPERATING INCOME	<u>(6,686)</u>	<u>19,850</u>	<u>13,164</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	1,756	353	2,109
Miscellaneous income	640	-	640
Total non-operating revenues (expenses)	<u>2,396</u>	<u>353</u>	<u>2,749</u>
CHANGE IN NET POSITION	(4,290)	20,203	15,913
NET POSITION, MAY 1	<u>325,593</u>	<u>215,007</u>	<u>540,600</u>
NET POSITION, APRIL 30	<u>\$ 321,303</u>	<u>\$ 235,210</u>	<u>\$ 556,513</u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2021

	Health Insurance	GIS IT	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund service transactions	\$ 1,230,712	\$ 75,605	\$ 1,306,317
Payments to suppliers	(1,237,398)	(48,709)	(1,286,107)
Net cash from operating activities	(6,686)	26,896	20,210
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Receipt of miscellaneous revenue	640	-	640
Net cash from noncapital financing activities	640	-	640
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
None	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on investments	1,756	353	2,109
Net cash from investing activities	1,756	353	2,109
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,290)	27,249	22,959
CASH AND CASH EQUIVALENTS, MAY 1	325,393	215,007	540,400
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 321,103	\$ 242,256	\$ 563,359
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (6,686)	\$ 19,850	\$ 13,164
Adjustments to reconcile operating income to net cash from operating activities			
Changes in assets and liabilities			
Accounts payable	-	7,046	7,046
NET CASH FROM OPERATING ACTIVITIES	\$ (6,686)	\$ 26,896	\$ 20,210
CASH AND INVESTMENTS			
Cash and cash equivalents	\$ 321,103	\$ 242,256	\$ 563,359
TOTAL CASH AND INVESTMENTS	\$ 321,103	\$ 242,256	\$ 563,359

(See independent auditor's report.)

FIDUCIARY FUNDS

CITY OF ROCK FALLS, ILLINOIS

**COMBINING STATEMENT OF PLAN NET POSITION
PENSION TRUST FUNDS**

April 30, 2021

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and short-term investments	\$ 202,260	\$ 196,886	\$ 399,146
Investments			
U.S. agency obligations	-	205,584	205,584
U.S. Treasury obligations	2,080,405	3,072,833	5,153,238
Common stock	680,822	878,873	1,559,695
Mutual funds	3,334,223	3,271,055	6,605,278
Corporate bonds	2,377,869	1,059,410	3,437,279
Municipal bonds	131,690	-	131,690
Mortgage pools	28,211	28,240	56,451
Receivables			
Accrued interest	29,770	25,325	55,095
Contributions	3,119	3,119	6,238
Prepaid items	2,721	-	2,721
 Total assets	 8,871,090	 8,741,325	 17,612,415
LIABILITIES			
Accounts payable	2,923	2,608	5,531
 Total liabilities	 2,923	 2,608	 5,531
 NET POSITION RESTRICTED FOR PENSIONS	 \$ 8,868,167	 \$ 8,738,717	 \$ 17,606,884

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUNDS**

For the Year Ended April 30, 2021

	<u>Pension Trust</u>		<u>Total</u>
	<u>Police Pension</u>	<u>Firefighters' Pension</u>	
ADDITIONS			
Contributions			
Employer contributions	\$ 600,304	\$ 465,694	\$ 1,065,998
Employee contributions	155,222	77,588	232,810
Total contributions	<u>755,526</u>	<u>543,282</u>	<u>1,298,808</u>
Investment income			
Net appreciation in fair value of investments	1,083,886	1,228,417	2,312,303
Interest	311,437	151,358	462,795
Total investment income	<u>1,395,323</u>	<u>1,379,775</u>	<u>2,775,098</u>
Less investment expense	<u>(19,109)</u>	<u>(21,228)</u>	<u>(40,337)</u>
Net investment income	<u>1,376,214</u>	<u>1,358,547</u>	<u>2,734,761</u>
Total additions	<u>2,131,740</u>	<u>1,901,829</u>	<u>4,033,569</u>
DEDUCTIONS			
Benefits and refunds	818,108	625,706	1,443,814
Administrative expenses	36,618	32,303	68,921
Total deductions	<u>854,726</u>	<u>658,009</u>	<u>1,512,735</u>
NET INCREASE	1,277,014	1,243,820	2,520,834
NET POSITION RESTRICTED FOR PENSIONS			
May 1	<u>7,591,153</u>	<u>7,494,897</u>	<u>15,086,050</u>
April 30	<u>\$ 8,868,167</u>	<u>\$ 8,738,717</u>	<u>\$ 17,606,884</u>

(See independent auditor's report.)

SUPPLEMENTAL INFORMATION

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF CAPITAL ASSETS
MUNICIPAL WATER FUND**

For the Year Ended April 30, 2021

Construction in progress	\$ 947,874
Water plant and system improvements	11,342,279
Equipment	<u>771,527</u>
Total capital assets	13,061,680
Less accumulated depreciation	<u>7,606,396</u>
CAPITAL ASSETS	<u><u>\$ 5,455,284</u></u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF CAPITAL ASSETS
MUNICIPAL ELECTRIC FUND**

For the Year Ended April 30, 2021

LAND AND BUILDINGS

Buildings and substations	\$ 7,137,500
Hydro plant	14,844,044
Fiber build out	686,839
	<hr/>
Total land and buildings	22,668,383

IMPROVEMENTS, OTHER THAN BUILDINGS

South 14th generators	3,302,388
New services/metering	565,234
Underground/conductors/fixtures	8,069,112
Poles, cross arms and fixtures	7,489,697
Route 30 project	19,042
Riverside trailer court project	4,962
GIS mapping	141,022
Generator upgrades	396,186
Centennial Park risers	53,360
Telecomm engineering	109,376
Telecomm legal	2,604
Telecommunications maintenance	6,589
Telecomm project	289,830
	<hr/>
Total improvements, other than buildings	20,449,402

EQUIPMENT

Utility office computer	60,781
Equipment	2,759,977
Computer software	81,077
Computer software - labor	14,842
	<hr/>
Total equipment	2,916,677

Total capital assets 46,034,462

Less accumulated depreciation 27,963,085

CAPITAL ASSETS \$ 18,071,377

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF CAPITAL ASSETS
MUNICIPAL SANITARY SEWERAGE FUND**

For the Year Ended April 30, 2021

Construction in progress	\$ 379,339
Land	790,161
New sewer plant	25,241,917
Disposal plant property and equipment	12,090,919
Sewer extensions	5,511,597
Equipment	<u>1,891,524</u>
Total capital assets	45,905,457
Less accumulated depreciation	<u>16,191,871</u>
CAPITAL ASSETS	<u><u>\$ 29,713,586</u></u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF CAPITAL ASSETS
FIBER OPTIC BROADBAND FUND**

For the Year Ended April 30, 2021

Headend equipment	\$ 651,097
Buildout engineering	610,912
Building improvements	69,412
Tools, equipment and vehicles	75,263
Network restoration	29,198
Network buildout	1,626,322
Customer drop	85,673
Fiberhood buildout	4,621
Customer premise	15,421
GIS fiber module	23,100
IPV4 block purchase	36,045
Pole make ready	3,037
Improvement projects	<u>284,935</u>
 Total capital assets	 3,515,036
 Less accumulated depreciation	 <u>527,869</u>
 CAPITAL ASSETS	 <u><u>\$ 2,987,167</u></u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF LONG-TERM DEBT
DEBT CERTIFICATES, SERIES 2012**

For the Year Ended April 30, 2021

Date of Issue	October 1, 2012
Authorized Issue	\$ 280,000
Interest Rates	3.50%
Interest Dates	November 1 and May 1
Principal Maturity Date	January 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	
April 30,	Due Serially	November 1	Total
	November 1	and May 1	
2022	\$ 30,000	\$ 3,038	\$ 33,038
2023	30,000	1,988	31,988
2024	25,000	938	25,938
	<u>\$ 85,000</u>	<u>\$ 5,964</u>	<u>\$ 90,964</u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF LONG-TERM DEBT
DEBT CERTIFICATES, SERIES 2020**

For the Year Ended April 30, 2021

Date of Issue	October 22, 2020
Authorized Issue	\$ 2,427,000
Interest Rate	2.25%
Interest Dates	March 1 and September 1
Principal Maturity Date	March 22, 2028

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year		Interest	
April 30,	Principal	March 1 and	Total
	March 22	September 1	
2022	\$ -	\$ 54,309	\$ 55,336
2023	-	54,309	55,336
2024	-	54,309	55,336
2025	-	54,309	55,336
2026	-	54,309	55,336
2027	-	54,309	55,336
2028	2,427,000	57,451	55,336
	<u>\$ 2,427,000</u>	<u>\$ 383,305</u>	<u>\$ 387,352</u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF LONG-TERM DEBT
GENERAL OBLIGATION BONDS, SERIES 2016
(ALTERNATE REVENUE SOURCE)**

For the Year Ended April 30, 2021

Date of Issue	September 14, 2016
Authorized Issue	\$ 1,925,000
Interest Rates	2% to 4%
Interest Dates	April 1 and October 1
Principal Maturity Date	October 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year April 30,	Principal Due Serially October 1	Interest April 1 and October 1	Total
2022	\$ 90,000	\$ 56,400	\$ 144,950
2023	90,000	54,600	148,200
2024	95,000	52,750	146,400
2025	95,000	50,850	145,850
2026	95,000	48,950	143,950
After 2026	1,200,000	255,000	1,455,000
	<u>\$ 1,665,000</u>	<u>\$ 518,550</u>	<u>\$ 2,184,350</u>

(See independent auditor's report.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	August 4, 2009
Authorized Issue	\$ 15,000,000
Interest Rates	0%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1 and November 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

**Loans Payable
Illinois EPA - Treatment Plant Loan**

Fiscal Year April 30,	Principal May 1 and November 1	Interest May 1 and November 1	Total
2022	\$ 769,231	\$ -	\$ 769,231
2023	769,231	-	769,231
2024	769,231	-	769,231
2025	769,231	-	769,231
2026	769,231	-	769,231
After 2026	4,230,768	-	4,230,768
	\$ 8,076,923	\$ -	\$ 8,076,923

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	August 10, 2011
Authorized Issue	\$ 4,111,016
Interest Rates	1.25%
Interest Dates	March 19 and September 19
Principal Maturity Date	March 19 and September 19

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

**Loans Payable
Illinois EPA - Treatment Plant Loan**

Fiscal Year April 30,	Principal	Interest	Total
	March 19 and September 19	March 19 and September 19	
2022	\$ 185,083	\$ 26,529	\$ 211,613
2023	187,404	24,209	211,613
2024	189,754	21,859	211,613
2025	192,133	19,479	211,612
2026	194,543	17,070	211,613
After 2026	1,219,568	50,111	1,269,679
	<u>\$ 2,168,485</u>	<u>\$ 159,257</u>	<u>\$ 2,327,743</u>

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	October 3, 2000
Authorized Issue	\$ 1,621,986
Interest Rates	2.905%
Interest Dates	April 4 and October 4
Principal Maturity Date	April 4 and October 4

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Loans Payable			
Illinois EPA - Drinking Water Loan			
Fiscal Year	Principal	Interest	
April 30,	April 4 and	April 4 and	
	October 4	October 4	Total
2022	\$ 105,201	\$ 1,998	\$ 107,498
	\$ 105,201	\$ 1,998	\$ 107,498

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	April 5, 2014
Authorized Issue	\$ 654,443
Interest Rates	1.25%
Interest Dates	May 19 and November 19
Principal Maturity Date	May 19 and November 19

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Loans Payable			
Illinois EPA - Lift Station Rehabilitation Loan			
Fiscal Year	Principal	Interest	
April 30,	May 19 and	May 19 and	
	November 19	November 19	Total
2022	\$ 23,807	\$ 3,412	\$ 27,219
2023	24,105	3,114	27,219
2024	24,408	2,812	27,220
2025	24,714	2,506	27,220
2026	25,024	2,196	27,220
After 2026	156,870	6,446	163,316
	<u>\$ 278,928</u>	<u>\$ 20,486</u>	<u>\$ 299,414</u>

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	November 19, 2016
Authorized Issue	\$ 535,517
Interest Rates	1.86%
Interest Dates	May 19 and November 19
Principal Maturity Date	May 19 and November 19

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

**Loans Payable
Illinois EPA - Drinking Water Loan**

Fiscal Year April 30,	Principal May 19 and November 19	Interest May 19 and November 19	Total
2022	\$ 37,630	\$ 4,305	\$ 41,935
2023	39,049	3,589	42,638
2024	39,779	2,859	42,638
2025	40,522	2,116	42,638
2026	41,279	1,359	42,638
After 2026	42,457	588	43,045
	\$ 240,716	\$ 14,816	\$ 255,532

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	September 29, 2019
Authorized Issue	\$938,938 (\$281,681 forgiven)
Interest Rates	1.00%
Interest Dates	March 5 and September 5
Principal Maturity Date	March 5 and September 5

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Loans Payable Illinois EPA - Sewer				
Fiscal Year	Principal	Interest	Interest	Total
April 30,	March 5 and September 5	March 5 and September 5	September 5	
2022	\$ 25,952	\$ 5,182		\$ 31,134
2023	26,212	4,922		31,134
2024	26,475	4,659		31,134
2025	26,741	4,393		31,134
2026	27,009	4,125		31,134
After 2026	391,920	28,051		419,971
	\$ 524,309	\$ 51,332		\$ 575,641

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	April 27, 2017
Authorized Issue	\$ 2,645,000
Interest Rates	2.15% to 4.00%
Interest Dates	April 1 and October 1
Principal Maturity Date	October 1, 2019 through October 1, 2031

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

**General Obligation Bonds Series 2017B
(Alternate Revenue Source)**

Fiscal Year April 30,	Principal Due Starting October 1, 2019	Interest April 1 and October 1	Total
2022	\$ 195,000	\$ 74,905	\$ 85,978
2023	200,000	69,570	268,989
2024	205,000	63,695	269,720
2025	210,000	57,208	269,905
2026	220,000	50,055	270,055
After 2026	1,240,000	125,478	1,365,478
	\$ 2,270,000	\$ 440,911	\$ 2,530,125

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	August 2, 2018
Authorized Issue	\$ 6,475,000
Interest Rates	3% to 4%
Interest Dates	April 1 and October 1
Principal Maturity Date	October 1, 2019 through October 1, 2035

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

**General Obligation Bonds Series 2018A
(Electric System Alternate Revenue Source)**

Fiscal Year April 30,	Principal Due Starting October 1, 2019	Interest April 1 and October 1	Total
2022	\$ 295,000	\$ 223,800	\$ 85,978
2023	310,000	211,700	268,989
2024	320,000	199,100	269,720
2025	335,000	186,000	269,905
2026	350,000	172,300	522,300
After 2026	4,305,000	895,300	5,200,300
	<u>\$ 5,915,000</u>	<u>\$ 1,888,200</u>	<u>\$ 6,617,192</u>

(This schedule is continued on the following pages.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	August 2, 2018
Authorized Issue	\$ 1,000,000
Interest Rates	3% to 4%
Interest Dates	April 1 and October 1
Principal Maturity Date	October 1, 2019 through October 1, 2033

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

**General Obligation Bonds Series 2018B
(Waterworks System Alternate Revenue Source)**

Fiscal Year April 30,	Principal Due Starting October 1, 2019	Interest April 1 and October 1	Total
2022	\$ 55,000	\$ 33,275	\$ 85,978
2023	55,000	31,625	268,989
2024	60,000	29,900	269,720
2025	60,000	27,800	269,905
2026	60,000	25,400	85,400
After 2026	605,000	101,700	706,700
	<u>\$ 895,000</u>	<u>\$ 249,700</u>	<u>\$ 1,686,692</u>

(This schedule is continued on the following page.)

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF GENERAL OBLIGATION BONDS AND
LOANS PAYABLE OUTSTANDING (Continued)
UTILITY FUNDS**

For the Year Ended April 30, 2021

Date of Issue	August 2, 2018
Authorized Issue	\$ 995,000
Interest Rates	3% to 4%
Interest Dates	April 1 and October 1
Principal Maturity Date	October 1, 2019 through October 1, 2029

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

**General Obligation Bonds Series 2018C
(Alternate Revenue Source)**

Fiscal Year April 30,	Principal Due Starting October 1, 2019	Interest April 1 and October 1	Total
2022	\$ 80,000	\$ 29,900	\$ 268,989
2023	85,000	27,425	269,720
2024	85,000	24,875	269,905
2025	90,000	21,800	111,800
2026	90,000	18,200	108,200
After 2026	410,000	33,800	443,800
	<hr/>	<hr/>	<hr/>
	\$ 840,000	\$ 156,000	\$ 1,472,414

(See independent auditor's report.)

STATISTICAL SECTION

CITY OF ROCK FALLS, ILLINOIS

**SCHEDULE OF ASSESSED VALUATIONS, RATES, EXTENSIONS
AND COLLECTIONS**

Last Six Levy Years
(Unaudited)

	2020 Levy			2019 Levy		
	Equalized Assessed Valuation - \$80,436,970			Equalized Assessed Valuation - \$76,280,312		
	Rate per \$100	Taxes Extended	Collections	Rate per \$100	Taxes Extended	Collections
General	0.2500	\$ 201,092	\$ -	0.2438	\$ 185,971	\$ 186,059
IMRF/Social Security	0.2189	176,077	-	0.2308	176,055	176,140
Road and bridge		63,222	-		62,092	61,922
Police protection	0.0750	60,328	-	0.0732	55,837	55,864
Fire protection	0.0750	60,328	-	0.0732	55,837	55,864
Police Pension	0.8224	661,514	-	0.7707	587,892	588,172
Firefighters' Pension	0.6373	512,625	-	0.5944	453,410	453,627
Audit	-	-	-	0.0328	25,020	25,032
Liability insurance/workers comp	0.2291	184,281	-	0.3018	230,215	230,324
Lease	0.0713	57,352	-	-	-	-
Emergency vehicle	-	-	-	-	-	-
	2.3790	\$ 1,976,819	\$ -	2.3207	\$ 1,832,329	\$ 1,833,004

*Schedule excludes tax increment financing (TIF) collections.

2018 Levy			2017 Levy		
Equalized Assessed Valuation - \$74,742,635			Equalized Assessed Valuation - \$73,358,544		
Rate per \$100	Taxes Extended	Collections	Rate per \$100	Taxes Extended	Collections
0.2500	\$ 186,857	\$ 187,987	0.2500	\$ 183,396	\$ 182,214
0.1868	139,619	140,464	0.2471	181,269	180,101
	61,662	61,948	-	60,521	60,098
0.0506	37,820	38,048	0.0750	55,019	54,665
0.0506	37,820	38,048	0.0750	55,019	54,665
0.6802	508,399	511,473	0.6240	457,757	454,809
0.5376	401,816	404,247	0.4634	339,943	337,754
-	-	-	-	-	-
0.3239	242,091	243,556	0.2836	208,045	206,704
-	-	-	-	-	-
-	-	-	-	-	-
2.0797	\$ 1,616,084	\$ 1,625,771	2.0181	\$ 1,540,969	\$ 1,531,010

CITY OF ROCK FALLS, ILLINOIS

SCHEDULE OF ASSESSED VALUATIONS, RATES, EXTENSIONS
AND COLLECTIONS (Continued)

Last Six Levy Years
(Unaudited)

	2016 Levy			2015 Levy		
	Equalized Assessed Valuation - \$72,276,388			Equalized Assessed Valuation - \$73,051,319		
	Rate per \$100	Taxes Extended	Collections	Rate per \$100	Taxes Extended	Collections
General	0.2500	\$ 180,691	\$ 181,365	0.2500	\$ 182,628	\$ 180,846
IMRF/Social Security	0.2583	186,690	187,386	0.2191	160,056	158,491
Road and bridge	-	59,628	59,765	-	59,391	58,878
Police protection	0.0750	54,207	54,410	0.0750	54,788	54,252
Fire protection	0.0750	54,207	54,410	0.0750	54,788	54,252
Police Pension	0.6611	477,819	479,602	0.4769	348,382	344,976
Firefighters' Pension	0.3595	259,834	260,803	0.3750	273,942	271,264
Audit	-	-	-	0.0206	15,050	14,901
Liability insurance/workers comp	0.2741	198,109	198,847	0.1843	134,634	133,317
Lease	-	-	-	-	-	-
Emergency vehicle	0.0342	24,719	24,811	0.0336	24,545	24,306
	1.9872	\$ 1,495,904	\$ 1,501,399	1.7095	\$ 1,308,204	\$ 1,295,483

*Schedule excludes tax increment financing (TIF) collections.

CITY OF ROCK FALLS, ILLINOIS

**OPERATING STATISTICS
MUNICIPAL WATER FUND**

Last Six Fiscal Years
(Unaudited)

The following is a schedule of gallons of water billed, pumped and meters connected to the system for the past six fiscal years:

Fiscal Year Ending April 30,	Total Gallons (Thousands) Pumped	Total Gallons (Thousands) Billed	Meters Connected
2016	257,344	205,019	4,137
2017	260,393	203,010	4,143
2018	242,536	200,926	4,140
2019	228,314	195,384	4,158
2020	231,804	202,028	4,137
2021	236,445	190,021	4,134

CITY OF ROCK FALLS, ILLINOIS

**OPERATING STATISTICS
MUNICIPAL ELECTRIC FUND**

Last Six Fiscal Years
(Unaudited)

Operating statistics for the last six fiscal years are as follows:

	2020-2021	2019-2020*	2018-2019	2017-2018	2016-2017	2015-2016
Meters in service	5,349	5,281	5,297	5,297	5,350	5,358
Kilowatt hours billed	66,180,324	67,324,475	72,020,830	72,660,413	71,186,871	69,447,832
Kilowatt hours purchased and generated	70,107,195	66,862,245	77,946,543	74,798,855	76,648,319	74,824,870
Percent of loss	5.60%	-0.69%	7.60%	2.86%	7.13%	7.19%

*It was noted there was a meter reading error in 2019-2020 regarding the amount of kilowatt hours purchased from ComEd. This is why it appears that more kilowatt hours were billed than purchased.

CITY OF ROCK FALLS, ILLINOIS
OPERATING STATISTICS
MUNICIPAL SANITARY SEWERAGE FUND

Last Six Fiscal Years
(Unaudited)

The number of customers served by the system for the last six fiscal years are as follows:

	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>
Residential	3,708	3,707	3,690	3,682	3,712	3,781
Commercial/industrial	323	326	363	358	354	350
	<u>4,031</u>	<u>4,033</u>	<u>4,053</u>	<u>4,040</u>	<u>4,066</u>	<u>4,131</u>