

CITY OF OTTAWA, ILLINOIS

INDEPENDENT AUDITORS' REPORT

ANNUAL FINANCIAL REPORT

APRIL 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the City Mayor
and Board of Trustees
City of Ottawa, Illinois

Qualified Opinion

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 Ottawa, Illinois, (the City) as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise City of Ottawa, Illinois' basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, except for the effects of the matters described in the "Basis for Qualified Opinions" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ottawa, Illinois, as of April 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinions

The City has omitted the Ottawa Visitors Center Fund, which is a component unit of the City of Ottawa. Inclusion of such component unit is required by accounting principles generally accepted in the United States of America.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Ottawa, Illinois and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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.

Other Information

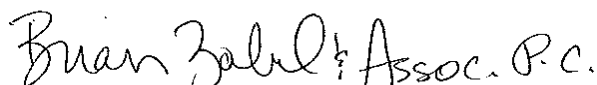
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, and supplemental data, are presented for purposes of additional analysis and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

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The supplemental data 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2022, on our consideration of the City of Ottawa, Illinois' internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Ottawa, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Ottawa, Illinois' internal control over financial reporting and compliance.


BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
December 31, 2022

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

The following discussion and analysis is intended as a review of significant factors affecting the financial condition and results of financial activities of the City of Ottawa for the fiscal year ending April 30, 2022. The discussion should be read in conjunction with the City's basic financial statements which are presented herein and begin on page 4.

USING THIS REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4 – 6) provide information about the activities of the City as a whole and present an overall view of the City's finances. Fund financial statements start on page 7. For governmental activities, these statements tell how these services were financed in the short-term as well as what funds remain for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole
The Statement of Net Position and the Statement of Activities

Our analysis of the City as a whole begins on page MD&A 1. These statements are intended to clearly represent the current status of the City's finances and the change in assets from the prior fiscal year ended April 30, 2021 to the current fiscal year ended April 30, 2022. The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities. These statements include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. One can consider the City's net position – the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources – as one way to measure the City's financial health. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating. However, one should also consider both financial and non-financial factors such as changes in the City's equalized assessed valuation (EAV) and the condition of the City's infrastructure to assess the overall health of the City. The City's general management practices particularly relating the budgetary process, management of its debt burden and consequent impact to future budgets, ability to manage through various economic cycles, its pension funding ratios and postemployment benefit liabilities, ability to attract new business, and diversification of employment sectors are all factors one might reasonably consider when assessing the City's financial health, some of which are in the City's direct control, and some which are not.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities.

- Governmental activities – Most of the City's basic services are reported here, including the police, fire and ambulance, general administration, streets and parks. Real estate and other taxes, franchise fees, fines and state and federal grants finance most of these activities.
- Business-type activities – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and wastewater treatment systems are reported here. In prior audits, wastewater treatment was referred to as sewer, or the sewerage treatment function.

Reporting the City's Most Significant Funds
Fund Financial Statements

Our analysis of the City's major funds begins on page MD&A 10. The fund financial statements begin on page 7 and provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The City's two kinds of funds – governmental and proprietary – use different accounting approaches.

- Governmental funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.
- Proprietary funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's waterworks and wastewater fund is included in the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

The City as Trustee – Reporting the City's Fiduciary Responsibilities

The City is the trustee, or *fiduciary*, for its employees' pension plans. It is also responsible for other assets that because of a trust arrangement can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 18 and 19. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

	Net Position (\$000s)					
	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 29,707	\$ 24,793	\$ 11,295	\$ 3,416	\$ 41,002	\$ 28,209
Capital assets, net	62,474	52,917	46,168	43,364	108,642	96,281
Total assets	92,181	77,710	57,463	46,780	149,644	124,490
Deferred outflows of resources	38,096	42,703	-	-	38,096	42,703
Total assets and deferred outflows of resources	<u>\$ 130,277</u>	<u>\$ 120,413</u>	<u>\$ 57,463</u>	<u>\$ 46,780</u>	<u>\$ 187,740</u>	<u>\$ 167,193</u>
Long-term liabilities	\$ 87,393	\$ 115,968	\$ 21,613	\$ 14,012	\$ 109,006	\$ 129,980
Other liabilities	1,231	1,119	1,818	-	3,049	1,119
Total liabilities	88,624	117,087	23,431	14,012	112,055	131,099
Deferred inflows of resources	62,451	29,780	-	-	62,451	29,780
Total liabilities and deferred inflows of resources	<u>151,075</u>	<u>146,867</u>	<u>23,431</u>	<u>14,012</u>	<u>174,506</u>	<u>160,879</u>
Net position:						
Invested in capital assets, net of related debt	51,246	49,899	23,121	29,537	74,367	79,436
Restricted	12,942	11,578	-	-	12,942	11,578
Unrestricted	(84,987)	(87,931)	10,911	3,231	(74,076)	(84,700)
Total net position	<u>\$ (20,799)</u>	<u>\$ (26,454)</u>	<u>\$ 34,032</u>	<u>\$ 32,768</u>	<u>\$ 13,233</u>	<u>\$ 6,314</u>
Beginning net position	\$ (26,454)	\$ (26,679)	\$ 32,768	\$ 30,541	\$ 6,314	\$ 3,862
Increase (Decrease) in net position	5,655	225	1,264	2,227	6,919	2,452
Ending net position	<u>\$ (20,799)</u>	<u>\$ (26,454)</u>	<u>\$ 34,032</u>	<u>\$ 32,768</u>	<u>\$ 13,233</u>	<u>\$ 6,314</u>

For more detailed information see the Statement of Net Position on pages 4-5.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

The City's financial statements for fiscal year ended April 30, 2022 continued to incorporate the three major changes to the City's financial statement reporting which were first incorporated for the fiscal year ended April 30, 2020, so year to year reporting methodology is more consistent comparing fiscal years ending April 30, 2020, 2021, and 2022, than to previous years. The changes noted that were incorporated in fiscal year ending April 30, 2020 are detailed in the following. First were independent actuarial reports for both the Ottawa Police Pension Fund and the Ottawa Firefighters' Pension Fund that are compliant with Governmental Accounting Standards Board (GASB) statements 67 and 68. The City utilizes actuarial valuation reports prepared by the Illinois Department of Insurance (DOI) to fund both the Police and Firefighter pensions. The DOI valuations utilize the "Projected Unit Credit" costing method to establish plan liabilities. The GASB 67/68 compliant liability costing methodology is the "Entry Age Normal" method. While both methods potentially determine an underfunded liability, the amount of the underfunded liability can be significantly different depending upon which method is utilized.

The State of Illinois statutory language requires an application of the Projected Unit Credit method, and the City has provided funding based upon this statutory methodology; however this method is not GASB compliant. An Entry Age Normal method front loads the employer's pension liability by recognizing a portion of the pension benefits earned in the future, specifically the pension benefit that will be earned by a worker continuing to accrue additional pension benefits for work performed after the valuation date. The Projected Unit Credit method, while actuarially estimating the benefit of potential future wage increases, does not factor in liabilities for future work credit. The Entry Age Normal costing method therefore reports a higher accrued liability at any point in time, and therefore a lower funding ratio. At the actual point of retirement, each method will calculate a similar liability. The City has reported within the notes to the financials the funding levels of each of its pensions. Consequent to the GASB compliant pension actuarial reports for fiscal year ending April 30, 2021, the financial reports recorded and recognized a \$66.9 million net pension liability. For fiscal year ending April 30, 2022 the net pension liability for the three City supported funds is \$35.4 million. The City continues to fund its pension obligations at the actuarial recommended levels. Of the three funds, contrasting fiscal year ending April 30, 2022 to fiscal year ending April 30, 2021, the net pension liability for IMRF decreased by \$2.9 million, the Police Pension net liability decreased by \$9.1 million, and the Firefighter's Pension net pension liability decreased by \$19.5 million.

In the financials for fiscal year ending April 30, 2022, was an independently prepared actuarial report for the City's postretirement health plan which is in conformance with GASB statements 74 and 75 for Other Post-Employment Benefits (OPEB). The City's total OPEB liability is an unfunded obligation, with payments made as expenses are incurred. There is no separate trust dedicated exclusively to the payment of OPEB benefits, but rather, the City plans for the obligation in its normal budgeting and appropriation process and pays the expenses as billed and incurred. City retirees pay 25% of the cost of their health insurance, until Medicare eligible, as well as that of all eligible dependents, with the City covering the remainder of the cost. The City pays 100% of the cost of Medicare supplement coverage for all Medicare eligible retirees and spouses.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

The GASB 74/75 compliant report reflects a net OPEB liability of \$46.3 million for fiscal year ended April 30, 2021 which was recognized and incorporated in the financial statements. For fiscal year ended April 30, 2022, the net OPEB liability is \$41.2 million.

In the City's Statement of Net Position was the recognition of both deferred outflows of resources as well as deferred inflows of resources. These factors recognize the consumption of assets in the current period that are applicable to a future period, in the case of deferred outflows. Similarly, deferred inflows of resources recognize the acquisition of assets that are applicable to a future reporting period. For fiscal year ending April 30, 2021, the effect of these two additions to the statement of net position, \$42.7 million in deferred outflows and \$18.7 million in deferred inflows, was a net position increase of \$24 million. For fiscal year ending April 30, 2022, there were \$38.1 million of deferred outflows and \$50.7 million of deferred inflows, resulting in a net position decrease of \$12.6 million from the inclusion of deferred outflows and inflows.

Overall, including the reporting modifications noted above the City's net position increased to \$13.2 million as of April 30, 2022 from \$6.3 million as of April 30, 2021, an increase of \$6.3 million. The following tables reflect the costs of the City's largest programs. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

	Change in Net Position (\$000s)					
	Governmental Activities		Business-type Activities		Governmental	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 3,984	\$ 4,277	\$ 8,244	\$ 7,997	\$ 12,228	\$ 12,274
Operating Grants and Contrib	111	866	276	289	387	1,155
Capital Grants and Contrib	2,346	1,850	-	-	2,346	1,850
General Revenues						
Taxes	22,353	21,072	-	-	22,353	21,072
Intergovernmental	6,831	5,281	-	-	6,831	5,281
Interest	29	30	27	32	56	62
Miscellaneous	1,030	1,222	-	-	1,030	1,222
Total Revenues	36,684	34,598	8,547	8,318	45,231	42,916
Expenses						
General Government	9,482	7,748	-	-	9,482	7,748
Public Safety	7,578	12,479	-	-	7,578	12,479
Public Works, Cultural, Parks, and Recreation	6,162	4,715	-	-	6,162	4,715
Community/Economic Develop.	7,036	9,610	-	-	7,036	9,610
Water and Wastewater Treatment	-	-	7,167	6,027	7,167	6,027
Swimming Pool	-	-	110	5	110	5
Canal Rental and Purchase	-	-	-	-	-	-
Events	-	-	5	11	5	11
Interest Expense	6,053	121	-	-	6,053	121
Total Expenses	36,311	34,673	7,282	6,043	43,593	40,716
Other Financing Sources (Uses)	5,282	299	-	(47)	5,282	252
Change in Net Position	5,655	224	1,265	2,228	6,920	2,452
Net Position: May 1	(26,454)	(26,678)	32,767	30,541	6,313	3,863
Net Position: April 30	\$ (20,799)	\$ (26,454)	\$ 34,032	\$ 32,767	\$ 13,233	\$ 6,315

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

Governmental Activities

Program revenues for governmental services in the fiscal year ended April 30, 2022 were decreased from those for the prior year. Comparing fiscal year ended April 30, 2022 to fiscal year ended April 30, 2021, overall charges for services decreased by 6.9%, to \$4.0 million from \$4.3 million in the prior year. Operating grants and contributions decreased by 87.1%, \$111 thousand fiscal year ending April 30, 2022, contrasted to \$866 thousand in fiscal year ending April 30, 2021. Capital grants and contributions increased by 21%, \$2.3 million in fiscal year ending April 30, 2022 and \$1.9 million in fiscal year ending April 30, 2021.

Operationally, the *total* cost of all governmental activities for the fiscal year ended April 30, 2022 was \$36.3 million. In fiscal year ended April 30, 2021, in contrast, it was \$34.7 million.

The City of Ottawa operates the North Central Area Transit (NCAT), a public transportation bus service, as an accommodation to its citizens and other passengers. This special revenue category is included in the general category of Public Works, Cultural, and Recreation. The service operates at a profit.

Health insurance claims increased from the prior year, by \$1.4 million. While employees pay 20% of the cost of the plan, the City is self-insured, and the 20% employee contribution is based upon an expectation of expense which at times will not conform to actual results and claim experience.

The health plan direct and variable expenses, net of employee contributions and stop loss reimbursements, was \$4.0 million for the period ending April 30, 2022, as compared to \$2.7 million for the period ending April 30, 2021, \$3.2 million for the period ending April 30, 2020, \$3.2 million for the period ending April 30, 2019, \$2.8 million for the period ending April 30, 2018, and \$2.5 million for the period ending April 30, 2017. The City's self-insured health plan utilizes a third-party for administrative services, and direct re-insurance placement to protect against unusually high individual or aggregate claims. Therefore, the City incurs fixed costs which include stop-loss premiums and administrative fees, as well as variable costs, the claims expense, which is the most significant element of the overall expense. The self-insured program is intended to allow the City to reduce its expenses in years in which claims are less than expected or customary. The City has the cash flow capacity to effectively manage the fluctuations in claim expense from year to year, and the re-insurance protection from excessive outflows in any particular plan year, thereby retaining the financial benefit when claim expenses are favorable. The City has also attempted to control this expense and align the interests of the City and its employees through direct employee contributions, which for the respective periods as noted above was 20% of the conventionally equivalent medical rate, or premium equivalent for employee coverage as well as employee plus dependent coverage. Retirees pay 25% of the premium for retiree coverage while still on the City's self-insured plan. As retirees are eligible they are transitioned to a Medicare supplement plan, for which the City covers 100% of the cost of coverage.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

The City maintains defined benefit pension plans for regular employees, funding three separate plans. The total sources of funding for each are City contributions, direct participant contributions, and investment performance. The plan year valuations for the Police and Firefighters' pension are as of April 30 of each year, and for the Illinois Municipal Retirement Fund (IMRF), December 31 of each year. As noted earlier, the funding methodology for the Police and Firefighter Pensions utilized by the City is based upon the Projected Unit Credit method which is actuarially determined and statutorily relevant for required contribution levels. The actuarial information included in the financials for fiscal year ended April 30, 2022 and April 30, 2021 utilizes the Entry Age Normal liability costing method. The Entry Age Normal method results in a liability that is in excess of that determined by the Projected Unit Credit method. The City endeavors to fund each of its pensions at the actuarial recommended amount. In some circumstances that recommended data has been unavailable at the time of the annual levy process.

The funding ratio of Police and Firefighters pension funds utilizing the Projected Unit Credit method of calculating liabilities are as follows: the Police Pension Fund as of April 30, 2022 was 63.3% funded, as of April 30, 2021 59% funded, and as of April 30, 2020 59% funded; the Firefighter's Pension Fund had a funding level of 38% as of April 30, 2021 and 37% as of April 30, 2020. The City of Ottawa consistently contributes at the actuarially suggested amounts and both the police and firefighters contribute at their statutorily determined percentage of pensionable compensation. The actuarial reports for the fiscal year ending April 30, 2022 and April 30, 2020, and included in these financials utilizing the Entry Age Normal liability calculation determines the funding level for the Police Pension for fiscal year end April 30, 2022 to be 58.17%, as contrasted to the Projected Unit Credit method at 63.3%, and as of April 30, 2021 to be 50.2%, as contrasted to the Projected Unit Credit method at 59%; for the Firefighters' Pension for the fiscal year end April 30, 2022 the Entry Age Normal calculation of net funding level is 45.85%. As of April 30, 2021 to the Entry Age Normal net funding level was 30.77% as contrasted to 38% by the Projected Unit Credit method.

40 Illinois Compiled Statutes (ILCS) 5/3-125(a)(2) requires municipalities to achieve 90% funding of the total actuarial liabilities of Police pensions, and similarly 40 ILCS 5/4-118(a)(2) for Fire pensions by the end of the municipal fiscal year 2040. In 2017 actuarial assumptions were modified by the Illinois Department of Insurance that reduced the interest rate utilized in the actuarial calculation as well as adjusting the mortality tables and assumptions regarding service-related deaths. Consequently, this has had an effect on the level of projected underfunding of the pensions which is being amortized over time to reach compliance with the mandated funding levels required.

IMRF, which covers employees other than those covered by the Police and Firefighter Pensions, utilizes an entry age normal methodology for calculation of plan liabilities. IMRF's measurement date is as of December 31 of each year. The most recent data available, as of December 31, 2021 determines a net funding position of 116.28%, compared to December 31, 2020 at 104.67%. The City has contributed at or above the actuarially determined contribution level in each of the years noted above.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

Effective in fiscal year 2016 the Governmental Accounting Standards Board (GASB) promulgated a new reporting format for pension funds to be compliant with generally accepted accounting principles (GAAP). The required disclosure now provides for a range of liabilities calculated using a single discount rate as well as a rate both 1% lower and 1% greater than the single standard rate to provide a sensitivity analysis for rate changes. The resulting range of net liability levels projected by this methodology for the IMRF as of December 31, 2021 is negative net liability or net asset level of \$1.3 million to negative net liability or net asset level of \$4 million, with a single discount rate negative net liability or net asset level at \$6.3 million. As of December 31, 2020, this range for IMRF was \$1.6 million to negative net liability or net asset level of \$1.1 million, with a single discount rate net liability level at \$3.3 million. For the Firefighters' Pension as of April 30, 2022, the range is a net liability of \$25.5 million to \$16.3 million, with \$20.4 million at the current rate. As of April 30, 2021, the Firefighters' Pension has a net liability of \$50.5 million to \$31.8 million, with \$40 million at the current rate. The Police Pension net liability as of April 30, 2022 ranged from \$26.5 million to \$13 million, with \$19 million at the current rate. As of April 30, 2021 the Police Pension ranged from \$39.5 million to \$19.2 million, with \$28 million at the current rate.

Note that the current discount rate utilized in the three pension calculations noted above, is different for each. For IMRF the current discount rate utilized is 7.25%, for the Police Pension 6.46%, and for the Firefighters' Pension 7.00%. A lower current rate results in a greater expected liability.

General Revenues to support governmental activities, which includes taxes, intergovernmental transfers (excluding City inter-fund transfers), and investment income, increased by 9% for the fiscal year ending April 30, 2022, as compared to an increase of 8% for the fiscal year ending April 30, 2021. Total general revenues to support governmental activities (excluding City inter-fund transfers) were \$30.2 million, compared to \$27.6 million and \$25.4 million for the periods ending April 30, 2021 and April 30, 2020, respectively.

Property taxes and Sales and Use taxes are the largest sources of general revenue for the City, in combination accounting for 65.8% of total general revenues from governmental activities (exclusive of City inter-fund transfers) for the fiscal year ended April 30, 2022, 68.9% of total general revenues from governmental activities (exclusive of City inter-fund transfers) for the fiscal year ended April 30, 2021 and 69.8% for the fiscal year ended April 30, 2020. Overall, property tax revenues decreased by \$30 thousand, or 0.2% in the fiscal year ending April 30, 2022, increased by \$579 thousand, or 5.2% in the fiscal year ending April 30, 2021, and increased by \$159 thousand or 1.5% in fiscal year ending April 30, 2020.

The City's equalized assessed valuation (EAV) of the property subject to the City's annual tax levy, which is more fully discussed hereafter, increased for the seventh straight year after previous declines. Property taxes decreased by \$30 thousand in fiscal year ended April 30, 2022 compared to the prior year. Sales and Use taxes increased by \$902 thousand, to \$8.4 million, or 12.1%, after increasing by \$711 thousand, 10.5%, to \$7.4 million for the fiscal year ended April 30, 2021.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

Property tax receipts include general corporate revenues, as well as revenues allocable to various Tax Increment Financing District (TIF) funds, and other governmental funds. Property taxes are attributable to both new development as well as existing properties. The property tax extension directly attributable to the local property tax extension and levy increased by 5.98% for the levy year 2021. The overall levy rate for 2021 applied to each \$100 of assessed valuation, however, increased 2.87%, or 6.7 cents. The amount extended in 2020 increased by 2.84%, however, the overall levy rate for 2020 applied to each \$100 of assessed valuation increased 0.61%, or 1.4 cents. The disparity between the rate of extension increase and rate of levy rate increase is the result of an increased equalized assessed valuation (EAV) base. In prior year over year comparison, the amount extended increased 7.84% in 2019, and the levy rate by 10.4 cents. The EAV, which is the basis upon which property taxes are levied, increased in levy year 2021 for taxes to be paid in fiscal year ending April 30, 2022. The total increase in the 2021 EAV was \$9.6 million, compared to the 2020 EAV which was \$6.9 million greater than the year before. This represents the eighth consecutive annual increase, following four prior years of declining EAV which preceded.

Newly developed and incorporated properties helped to mitigate the consequences to the changes to the values of existing properties and lessen the tax burden on existing property owners. The various amounts levied for the employee pensions including Social Security have consumed a significant amount of the property tax levy, representing 47.0% of taxes levied in 2022, 46.1% of taxes levied in 2021, 48.5% of taxes levied in 2020. In fiscal year 2022 the levy for non-pension funds in aggregate increased by \$164 thousand to a total of \$4.1 million. In fiscal year 2021 the levy for non-pension funds in aggregate increased by \$202 thousand to a total of \$3.9 million. In fiscal year 2020 the levy for non-pension funds in aggregate increased by \$135 thousand to a total of \$3.4 million. The prior year non-pension aggregates were: \$3.4 million (2019), and \$3.4 million (2018). The City responsibly fulfills its obligations pursuant to actuarial assessments received in the amounts necessary to appropriately fund its pensions both as to normal costs and amortizing current shortfalls, affording to the covered employees the benefits to which they are entitled, while prudently managing other expenses and levy requests to properly control the impact to local taxpayers.

Sales and Use taxes, which are a general indication of the overall vitality of retail operations within the taxing limits of the City increased by \$902 thousand, to \$8.4 million, or 12.1% after increased by \$711 thousand, to \$7.5 million, or 10.5% for fiscal year 2021, and increasing by \$305 thousand for fiscal year 2020. In prior years the changes were: an increase of \$321 thousand for fiscal year 2019, an increase of \$192 thousand for fiscal year 2018 following a decline of \$33 thousand in 2017 and an increase of \$69 thousand in 2016. This represents a 4.7% increase in 2020, 5.2% increase for 2019, a 0.5% decrease for 2018, a .5% decrease for 2017, and a 1.2% increase for the fiscal year ended 2016.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

Business-Type Activities (Primarily Water and Wastewater Treatment)

Program revenues from business-type activities increased by \$234 thousand, with total revenues of \$8.5 million for fiscal year ended April 30, 2022, as compared to an increase of \$746 thousand, with total revenues of \$8.4 million in the fiscal year ended April 30, 2021.

For fiscal year ended April 30, 2022, the business-type activities overall operated at a profit of \$1.2 million compared to the fiscal year ended April 30, 2021 which also operated at a profit of \$2.2 million. The City's municipal swimming pool operated at a deficit of \$82 thousand in 2022 after operating at a deficit of \$5 thousand in 2021, and a deficit of \$85 thousand in 2020. The City's Events Fund operated at a deficit of \$1 thousand in fiscal year 2022, following a deficit of \$9 thousand in fiscal year 2021, and a deficit of \$23 thousand in fiscal year 2020. The overall net assets attributable to business-type activities increased by \$10.6 million for the period ended April 30, 2022, increased by \$936 thousand for the period ended April 30, 2021, and increased by \$1.2 million for the period ended April 30, 2020.

THE CITY'S FUNDS

The following schedule presents a summary of general, special revenue, capital project, debt service, and permanent fund revenues and expenditures for the fiscal year ending April 30, 2022 as compared with the fiscal year ending April 30, 2021.

	(\$000s)			
	2022		2021	
	Amount	% of Total	Amount	% of Total
Revenues:				
Taxes	\$ 27,361	74.59%	\$ 24,394	66.50%
Intergovernmental	1,822	4.97%	1,959	5.34%
Charges for Services and Fees	1,913	5.21%	2,048	5.58%
Fines & Forfeitures	347	0.95%	317	0.86%
Licenses & Permits	522	1.42%	738	2.01%
Investment Income	29	0.08%	30	0.08%
Miscellaneous	4,690	12.78%	5,107	13.92%
Total Revenues	<u>\$ 36,684</u>	<u>100.00%</u>	<u>\$ 34,593</u>	<u>94.30%</u>
Expenditures:				
General Government	\$ 7,956	21.19%	\$ 7,347	22.94%
Public Safety	8,361	22.27%	8,019	25.04%
Public Works, Cultural, Parks, and Recreation	5,667	15.09%	3,998	12.48%
Community/Economic Develop.	14,037	37.39%	9,029	28.19%
Debt Service	732	1.95%	726	2.27%
Capital Outlay	791	2.11%	2,906	9.07%
Total Expenditures	<u>\$ 37,544</u>	<u>100.00%</u>	<u>\$ 32,025</u>	<u>100.00%</u>

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

Revenues from taxes increased by \$3.0 million for the period ending April 30, 2022 and represented 74.6% of the total revenues for governmental funds as compared to a \$1.4 million increase for the period ending April 30, 2021, representing 71.0% of total revenues. Revenues exclusive of taxes and intergovernmental receipts were approximately \$7.5 million for the period ending April 30, 2022 and were \$8.2 million for the period ended April 30, 2021. Revenue from intergovernmental sources decreased in 2022 to \$1.8 million. Revenue from intergovernmental sources in the fiscal year ended April 30, 2021 was \$1.9 million, following fiscal year ended April 30, 2020 at \$1.7 million. Licenses and Permits declined in fiscal year ended April 30, 2022 to \$522 thousand, compared to \$738 thousand in fiscal year ended April 30, 2021. Fines and forfeitures increased to \$347 thousand from \$317 thousand for the period ended April 30, 2021.

Expenditures for governmental funds in total increased to \$37.5 million for the fiscal year ended April 30, 2022, from \$32.0 million for the fiscal year ending April 30, 2021. Total governmental fund balances, in aggregate, increased by \$4.5 million for fiscal year ended April 30, 2022 preceded by an increase of \$2.9 million in the fiscal year ended April 30, 2021. They increased by \$109 thousand in the fiscal year ending April 30, 2020. The General Fund balance, in contrast, increased by \$2.0 million in fiscal year ended April 30, 2022 which was preceded by an increase of \$1.6 million in fiscal year 2021.

The General Fund balance at the end of the fiscal year April 30, 2022 was \$4.5 million, compared to April 30, 2021 at \$2.5 million and April 30, 2020 at \$921 thousand. The General Fund is the City's main operating account. This General Fund ending balance represents approximately 80 days of average General Fund expenditures for the fiscal year ended April 30, 2022, compared to 49 days of average General Fund expenditures for the fiscal year ended April 30, 2021, and 18 days for the fiscal year ended April 30, 2020.

General Fund Budgetary Highlights

The City Council passed a budget based upon expectations of revenues and expenses. Current year resources available for appropriation to the general fund were \$2.5 million more than was budgeted. Actual revenues were \$4.5 million more than budgeted, and expenses were \$3.0 million more than budgeted, resulting in a surplus of \$1.8 million.

The most significant diversion from both budgeted revenue and expense was a grant, in conjunction with an intergovernmental agreement with Ottawa Township High School District #140. The City secured a grant of \$1.1 million to assist in the elevation of the levee flood wall protecting both the high school and the East Side residents of the City, elevating a necessary portion of the levee to the same elevation as the remainder, thereby securing the public and facility safety of both the school and East Side properties. The grant amount, successfully received for the project since completed, passed through both the revenue and expense side of the balance sheet, and was not included in the budget at the time of its adoption.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

Actual revenues collected were 124.9% of the amount budgeted. Overall taxes received were 118.03% of the amount budgeted. Replacement taxes received were 175.2% of the budgeted amount, utility taxes 129.7 % of the amount budgeted, state income taxes 144.8% of the amount budgeted, and video game taxes 136.3% of the amount budgeted. Additionally, telecommunication taxes received were 90.8% of the amount budgeted. These areas in the aggregate primarily are the elements of the divergence of budgeted versus actual tax revenue. Other, more significant revenue differences were group insurance payments of 106.2% of the amount budgeted, with contribution from the water and wastewater funds for health insurance expense. Ambulance fees were \$665 thousand more, 173.0%, of the amount budgeted, while non-emergency transfer revenue was \$230 thousand less than the amount budgeted.

Overall expenditures were 116.7% of the amount budgeted. Noteworthy variances from budgeted amounts were equipment and claims of \$1.3 million more, 315%, police department \$536 thousand more, 113%, primarily from compensation, public works repairs and maintenance \$660 thousand more, 151%, and community development \$164 thousand less, 87%, primarily salary expense.

Approximately \$187 thousand was transferred from the General Fund to other City funds. The fund balance in the General fund increased as of April 30, 2022 by \$2.0 million, to \$4.5 million after increasing as of April 30, 2022 by \$1.6 million, to \$2.5 million, after decreasing as of April 30, 2020 by \$552 thousand, to \$921 thousand, and increasing in fiscal year ended April 30, 2019 by \$543 thousand to a fiscal year ending balance of \$1.5 million. The General Fund is the main operating fund utilized to conduct the City's business. Additionally, the General Fund is the most significant accounting mechanism to record the City's activities, including all activity other than that which is required or appropriate to be recorded in other, specially identified, funds. To the extent that expenditures exceed revenues, it is necessary to utilize the City's reserves. The City's other governmental funds, exclusive of the General Fund, and including the various TIF funds, had balances in the aggregate of \$12.7 million as of April 30, 2022, \$10.4 million as of April 30, 2021, and \$9.1 million as of April 30, 2020. Overall, the City's governmental funds in the aggregate increased by \$4.5 million to a total of \$17.2 million for the period ending April 30, 2022. The property taxes collected and allocated to the various Tax Increment Financing Districts (TIFs) are primarily generated from new development that would likely not have occurred but for the creation of the TIF districts and the utilization of this mechanism as an economic development tool.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION

As of April 30, 2022 the City reports a net position in governmental funds and activities of negative \$20.8 million, as compared to April 30, 2021 at which point the City reported a net position in governmental funds and activities of negative \$26.5 million, and as contrasted to a negative \$26.7 million as of April 30, 2020. The significant change from fiscal year ending April 30, 2019 and for the years ending April 30, 2022, April 30, 2021 and April 30, 2020 is, as noted earlier, primarily the result of the inclusion of long-term liabilities which are not due and payable in the current reporting period, specifically, for fiscal year ending April 30, 2022, \$80.6 million of net liability for the three City pensions, IMRF, Police, and Firefighter as actuarially determined by the entry age normal method of recording liabilities, plus the aggregate OPEB for post-retirement health insurance benefits which are not funded through a separate trust arrangement, but rather paid as expenses are incurred and charged. Additionally, partially offsetting these liabilities is a negative recognition of deferred outflows in excess of deferred inflows in the aggregate amount of \$12.6 million also relating to the pensions and post-retirement benefits.

As noted earlier, the total fund balances of all governmental funds was \$17.2 million as of April 30, 2022, and as contrasted to \$12.9 million as of April 30, 2021. Capital assets for governmental activities, which are not financial resources, were \$51.3 million net of depreciation as of April 30, 2022 and \$51.8 million as of April 30, 2021.

Including proprietary type funds and activities along with governmental funds, the City has a net position of \$13.2 million as of April 30, 2022, which was \$6.3 million as of April 30, 2021, and as contrasted to \$3.9 million as of April 30, 2020. Again, the significant change is in the governmental funds and activities with the recognition of current and future liabilities from the various benefit plans. The total assets net of deferred outflows of resources, as of April 30, 2022 for proprietary and business fund types was \$34.0 million, as of April 30, 2021 for proprietary and business fund types was \$32.8 million, compared to \$45.8 million as of April 30, 2020. Capital assets only, net of depreciation, in the proprietary and business type funds and activities was \$46.2 million as of April 30, 2022, \$43.4 million as of April 30, 2021, and \$42.7 million net of depreciation as of April 30, 2020. Capital asset investments include land, buildings, improvements, machinery, equipment, and general infrastructure, and more specifically including, but not limited to, roads, bridges, water and wastewater treatment facilities, administration, storage, police, and fire station buildings, water and wastewater treatment lines, parks, and streets, police, fire, and emergency medical care vehicles and equipment.

This year's major additions included:

- Street and byway resurfacing, construction, repair, and improvements
- Machinery and equipment upgrades
- Water and wastewater treatment upgrades, extensions, and repairs
- Continued combined wastewater and storm water separation progress
- Annexation of properties and delivery of City services along the Route 71 corridor
- General infrastructure improvements

More detailed information about the City's capital assets is presented in Note 3 to the financial statements.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

DEBT

At April 30, 2022, the City has \$29.9 million in long-term debt from bonds and notes outstanding. As of April 30, 2022, the City had \$29.9 million in bonds and notes outstanding, as of April 30, 2021, \$15.5 million, and \$17.3 million as of April 30, 2020. Principal payments were paid as scheduled. The City serviced its debt as scheduled for the fiscal year ended April 30, 2022 but did not refinance any of the debt either in the current fiscal year or prior fiscal year ending April 30, 2020. In fiscal year ended April 30, 2020, the City incurred additional debt of \$3.7 million for infrastructure upgrades and repairs in the Water and Wastewater division. The City is limited by statute to indebtedness of no more than 8.625% of the most recently available value of the taxable property within its boundaries. As of April 30, 2021, the City had an additional \$19.7 million of capacity remaining in its legal debt margin. More detailed information about the City's debt is presented in Note 5 to the financial statements.

The City secured bond ratings for the Series 2021A and 2021B debt issuances. The City was rated by Standard and Poor's "AA" (Stable Outlook) – BAM Inured and Moody's issued the bonds an underlying credit rating of "A3". The City's outstanding general obligation debt is below the state-imposed limit.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal year 2021-2022 budget, tax rates and fees that will be charged for the business-type activities. The City has experienced more recent increases in the assessed valuation of properties subject to taxation after a period of stable valuations. The City Council has endeavored to minimize necessary increases in tax rates while prudently managing the City's human and capital resources, and to fulfill the obligations to maintain an effective, efficiently operating, municipal enterprise providing public safety services through its police, fire, and emergency medical professionals, as well as maintaining, supporting, and improving when possible, its essential infrastructure. Emphasis has been focused on mitigating the fiscal burdens to local taxpayers by securing payment for services for those directly utilizing them, as appropriate, aggressively seeking and acting upon full and matching grant opportunities and exploring alternative revenue sources in the effort to reduce reliance on local property tax revenue. In some circumstances priorities are affected by grant opportunities that are available from which the City can benefit. Financing rates are reviewed to take advantage of opportunities when present to better leverage the City's resources and limit servicing costs, while contractually ensuring that flexibility remains at the City's option for future opportunities to be realized. The City Council has attempted to responsibly manage the City's affairs, while providing a consistent, professional level of service, recognizing that the City's infrastructure is continually needful of repair and maintenance to ensure that it is effective and of benefit both to current residents and businesses. Further the City has committed to a proactive effort to encourage economic development and attract business enterprises to the community as evidenced by its development and expansion of the Ottawa Industrial Park, its extensive use of Tax Increment Financing Districts (TIFs), and utilization of enterprise zone incentives. These efforts benefit and provide opportunities for existing taxpayers, while providing and developing a vibrant and attractive community for new, prospective, taxpayers.

CITY OF OTTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending April 30, 2022

These indications were taken into account when adopting the General Fund budget for 2023. Amounts available for appropriation in the General Fund budget, including fund reserves, are \$24.3 million for fiscal year ending April 30, 2023. Amounts available in previous years were \$20.7 million for fiscal year ending April 30, 2022, \$18.1 million for fiscal year ending April 30, 2021, \$19.0 million for fiscal year ending April 30, 2020, \$18.6 million for fiscal year ending April 30, 2019, \$17.3 million for fiscal year ending April 30, 2018, and \$17.2 million for fiscal year 2017. General budgeted expenses were similar to fiscal year 2021, with controlled general wage increases relating to longevity and negotiated collective bargaining agreements. Of the three collective bargaining units, the Firefighters contract and the AFSCME contract each are negotiated to expire as of April 30, 2024, with status quo continuing pending the settlement of subsequent successor agreements. The other bargaining units, the Police Benevolent Labor Committee has a contract expiring April 30, 2025, again with status quo continuing pending the settlement of a successor agreement. Appointed personnel are generally subject to annual contracts expiring at the end of each fiscal year.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact Shelly Munks, City Clerk, at 301 West Madison Street, Ottawa, Illinois 61350, 815-433-0161 extension 117.

BASIC FINANCIAL STATEMENTS

CITY OF OTTAWA, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2022

	Governmental Activities	Proprietary Fund Type	Total
ASSETS			
Current Assets			
Cash and investments	\$ 13,602,603	\$ 10,749,560	\$ 24,352,163
Receivables			
Accounts	-	1,188,015	1,188,015
Property taxes	11,768,444	-	11,768,444
Motor fuel tax	64,130	-	64,130
Hotel/Motel tax	62,723	-	62,723
Grants	995,125	-	995,125
Notes	4,517	-	4,517
Other	2,131,350	-	2,131,350
Due from (to) other funds	642,088	(642,088)	-
Prepaid expense	434,891	-	434,891
Other current assets	-	-	-
Total current assets	<u>29,705,871</u>	<u>11,295,487</u>	<u>41,001,358</u>
Noncurrent assets			
Notes receivable	136,588	-	136,588
Net Pension Asset	4,041,043	-	4,041,043
Capital assets			
Construction in progress	581,757	3,272,516	3,854,273
Land	14,212,706	407,740	14,620,446
Buildings and improvements	19,342,682	-	19,342,682
Infrastructure	42,893,863	-	42,893,863
Machinery and equipment	12,307,962	78,224,440	90,532,402
Less: Accumulated depreciation	<u>(31,042,315)</u>	<u>(35,736,358)</u>	<u>(66,778,673)</u>
Total noncurrent assets	<u>62,474,286</u>	<u>46,168,338</u>	<u>108,642,624</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows, IMRF	1,117,374	-	1,117,374
Deferred outflows, Fire Pension	12,032,093	-	12,032,093
Deferred outflows, Police Pension	15,912,165	-	15,912,165
Deferred outflows, OPEB	<u>9,034,043</u>	<u>-</u>	<u>9,034,043</u>
Total Deferred Outflows of Resources	<u>38,095,675</u>	<u>-</u>	<u>38,095,675</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 130,275,832</u></u>	<u><u>\$ 57,463,825</u></u>	<u><u>\$ 187,739,657</u></u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2022

	Governmental Activities	Proprietary Fund Type	Total
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 778,020	\$ 173,722	\$ 951,742
Accrued salaries	64,109	10,147	74,256
Accrued interest payable	115,728	200,618	316,346
Compensated absences	-	-	-
Current portion of capital lease	30,229	33,193	63,422
Current portion of long-term debt	243,299	1,401,126	1,644,425
Noncurrent Liabilities			
Net pension liability	39,454,078	-	39,454,078
Net OPEB liability	41,162,071	-	41,162,071
Capital lease	107,824	-	107,824
Loans payable	72,524	2,802,815	2,875,339
Debt certificates payable	-	1,000,000	1,000,000
Bond premiums	761,601	1,684,721	2,446,322
Bonds payable	5,835,000	16,125,000	21,960,000
Total Liabilities	88,624,483	23,431,342	112,055,825
DEFERRED INFLOWS OF RESOURCES			
Unearned property taxes	11,768,444	-	11,768,444
Unearned revenue	4,809	-	4,809
Deferred inflows, IMRF	4,201,900	-	4,201,900
Deferred inflows, Fire Pension	21,296,920	-	21,296,920
Deferred inflows, Police Pension	16,147,979	-	16,147,979
Deferred inflows, OPEB	9,030,467	-	9,030,467
Total deferred inflows of resources	62,450,519	-	62,450,519
Total liabilities and deferred inflow of resc	151,075,002	23,431,342	174,506,344
NET POSITION			
Net investment in capital assets	51,246,178	23,121,483	74,367,661
Restricted	12,942,141	-	12,942,141
Unrestricted	(84,987,489)	10,911,000	(74,076,489)
Total Net Position	(20,799,170)	34,032,483	13,233,313
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 130,275,832	\$ 57,463,825	\$ 187,739,657

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

STATEMENT OF ACTIVITIES

April 30, 2022

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT							
Governmental Activities							
General government	\$ 9,482,281	\$ 1,914,170	\$ 25,000	\$ -	\$ (7,543,111)	\$ -	\$ (7,543,111)
Public safety	7,578,234	1,905,120	150	-	(5,672,964)	-	(5,672,964)
Public works, Cultural, Parks, Recreation	6,161,980	29,973	85,547	2,346,330	(3,700,130)	-	(3,700,130)
Community/Economic development	7,035,269	134,944	-	-	(6,900,325)	-	(6,900,325)
Interest expense	6,053,157	-	-	-	(6,053,157)	-	(6,053,157)
Total governmental activities	36,310,921	3,984,207	110,697	2,346,330	(29,869,687)	-	(29,869,687)
Business-Type Activities							
Water and sewer	7,167,266	8,212,305	275,746	-	-	1,320,785	1,320,785
Swimming pool	110,156	28,468	-	-	-	(81,688)	(81,688)
Canal rental and purchase	-	-	-	-	-	-	-
Events	5,003	3,528	-	-	-	(1,475)	(1,475)
Total business-type activities	7,282,425	8,244,301	275,746	-	-	1,237,622	1,237,622
TOTAL PRIMARY GOVERNMENT	\$ 43,593,346	\$ 12,228,508	\$ 386,443	\$ 2,346,330	(29,869,687)	1,237,622	(28,632,065)
		General Revenues					
		Property Tax			11,524,921	-	11,524,921
		Sales and Use Tax			8,368,442	-	8,368,442
		Utility and telecommunications tax			1,873,145	-	1,873,145
		Hotel/Motel tax			586,166	-	586,166
		Intergovernmental			6,830,621	-	6,830,621
		Interest			29,361	27,166	56,527
		Miscellaneous			1,030,376	-	1,030,376
		Total general revenues			30,243,032	27,166	30,270,198
		OTHER FINANCING SOURCES (USES)			5,281,601	-	5,281,601
		CHANGE IN NET POSITION			5,654,946	1,264,788	6,919,734
		NET POSITION, MAY 1			(26,454,116)	32,767,695	6,313,579
		NET POSITION, APRIL 30			<u>\$ (20,799,170)</u>	<u>\$ 34,032,483</u>	<u>\$ 13,233,313</u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS**GOVERNMENTAL FUNDS****BALANCE SHEET**

April 30, 2022

	<u>General Fund</u>	<u>North TIF Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
ASSETS				
Cash	\$ 3,983,132	\$ 414,393	\$ 8,163,525	\$ 12,561,050
Investments	98,302	-	1,308,247	1,406,549
Property Taxes Receivable	2,028,321	2,803,590	6,936,533	11,768,444
Other Receivables:				
Notes	-	-	141,105	141,105
Motor Fuel Tax	-	-	64,130	64,130
Hotel/Motel Tax	-	-	62,723	62,723
Grants	-	-	995,125	995,125
Other	2,126,541	-	4,809	2,131,350
Prepaid Expense	-	-	434,891	434,891
Due from Other Funds	18,626	-	1,636,985	1,655,611
Other Assets	-	-	-	-
TOTAL ASSETS	<u><u>\$ 8,254,922</u></u>	<u><u>\$ 3,217,983</u></u>	<u><u>\$ 19,748,073</u></u>	<u><u>\$ 31,220,978</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ -	\$ 364,996	\$ 364,996
Accounts Payable	660,370	-	117,650	778,020
Accrued Salaries	57,998	-	6,111	64,109
Due to Other Funds	978,993	-	34,530	1,013,523
Total Liabilities	<u>1,697,361</u>	<u>-</u>	<u>523,287</u>	<u>2,220,648</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	2,028,321	2,803,590	6,936,533	11,768,444
Unavailable Revenues	-	-	4,809	4,809
Total Deferred Inflows of Resources	<u>2,028,321</u>	<u>2,803,590</u>	<u>6,941,342</u>	<u>11,773,253</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,725,682</u>	<u>2,803,590</u>	<u>7,464,629</u>	<u>13,993,901</u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS**GOVERNMENTAL FUNDS****BALANCE SHEET**

April 30, 2022

	<u>General Fund</u>	<u>North TIF Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
FUND BALANCES				
Nonspendable	98,302	-	466,217	564,519
Restricted				
HSA	-	-	-	-
Special Revenues	-	-	8,265,775	8,265,775
Debt Service	-	-	336,538	336,538
Capital Projects	-	414,393	3,360,916	3,775,309
Unrestricted				
Assigned	-	-	76,234	76,234
Unassigned	4,430,938	-	(222,236)	4,208,702
Total Fund Balances	<u>4,529,240</u>	<u>414,393</u>	<u>12,283,444</u>	<u>17,227,077</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 8,254,922</u></u>	<u><u>\$ 3,217,983</u></u>	<u><u>\$ 19,748,073</u></u>	<u><u>\$ 31,220,978</u></u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

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

April 30, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 17,227,076
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Amounts reported for governmental activities in the statement
activities are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	58,296,655
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Long-term liabilities are not due and payable in the current period and, therefore,
are not reported in the governmental funds

Compensated absences payable	-
Net pension liability - IMRF	4,041,043
Net pension liability - Fire Pension	(20,452,163)
Net pension liability - Police Pension	(19,001,915)
Total OPEB Liability	(41,162,071)
Bonds payable	(6,010,000)
Loans payable	(140,822)
Capital lease payable	(138,053)
Bond premiums	(761,601)
Accrued interest Payable	(115,728)

Deferred outflows (inflows) of resources related to the pensions not
reported in the governmental funds

Deferred items - IMRF	(3,084,526)
Deferred items - Fire Pension	(9,264,827)
Deferred items - Police Pension	(235,814)
Deferred items - OPEB	3,576

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (20,799,170)</u></u>
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See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

GOVERNMENTAL FUNDS

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

April 30, 2022

	<u>General Fund</u>	<u>North TIF Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
REVENUES				
Property Taxes	\$ 2,405,598	\$ 2,711,776	\$ 6,407,547	\$ 11,524,921
Replacement Taxes	571,534	-	78,834	650,368
Utility Taxes	1,584,814	-	-	1,584,814
Sales Taxes	8,368,442	-	-	8,368,442
State Income Taxes	2,988,179	-	-	2,988,179
Gambling Taxes	14,267	-	-	14,267
Video Game Taxes	577,175	-	-	577,175
Telecommunications Tax	288,331	-	-	288,331
Motor Fuel Tax	-	-	749,333	749,333
Cannabis Use Tax	-	-	29,471	29,471
Interest Income	6,081	4,123	19,157	29,361
Intergovernmental Revenue	1,772,862	-	-	1,772,862
Charges for Services	190,197	-	-	190,197
Foreign Fire Insurance Tax	-	-	48,966	48,966
Hotel/Motel Tax	-	-	586,166	586,166
Grants	-	-	2,346,330	2,346,330
Fines, Fees, and Reimbursements	158,301	-	188,823	347,124
911 Emergency Service Surcharge	-	-	133,787	133,787
Licenses and Permits	469,066	-	52,842	521,908
Ambulance Fees	1,575,842	-	-	1,575,842
Ambulance Transfer Revenue	111	-	-	111
Drug and Task Force Revenue	-	-	13,173	13,173
Donations	-	-	110,697	110,697
Group Insurance Payments	1,084,064	-	-	1,084,064
Growth Impact Fees	-	-	-	-
Rent	2,501	-	115,500	118,001
Other Revenues	445,437	7,665	577,274	1,030,376
Total Revenues	<u>22,502,802</u>	<u>2,723,564</u>	<u>11,457,900</u>	<u>36,684,266</u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

GOVERNMENTAL FUNDS

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

April 30, 2022

	<u>General Fund</u>	<u>North TIF Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
TOTAL REVENUES	22,502,802	2,723,564	11,457,900	36,684,266
EXPENDITURES				
Current				
General Government	5,967,195	-	1,988,951	7,956,146
Public Safety	8,149,180	-	211,734	8,360,914
Public Works, Cultural, Parks, and Recreation	4,449,259	-	1,218,038	5,667,297
Community and Economic Development	1,111,921	2,726,326	10,198,580	14,036,827
Debt Service	199,034	-	457,656	656,690
Capital Outlay	787,295	-	4,056	791,351
Total Expenditures	<u>20,663,884</u>	<u>2,726,326</u>	<u>14,079,015</u>	<u>37,469,225</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	<u>1,838,918</u>	<u>(2,762)</u>	<u>(2,621,115)</u>	<u>(784,959)</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	187,248	(544,000)	356,752	-
Debt Certificates Proceeds	<u>-</u>	<u>-</u>	<u>5,281,601</u>	<u>5,281,601</u>
Total Other Financing Sources (Uses)	<u>187,248</u>	<u>(544,000)</u>	<u>5,638,353</u>	<u>5,281,601</u>
CHANGE IN FUND BALANCES	2,026,166	(546,762)	3,017,238	4,496,642
FUND BALANCE, MAY 1	<u>2,503,074</u>	<u>961,155</u>	<u>9,266,205</u>	<u>12,730,434</u>
FUND BALANCE, APRIL 30	<u>\$ 4,529,240</u>	<u>\$ 414,393</u>	<u>\$ 12,283,443</u>	<u>\$ 17,227,076</u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

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

April 30, 2022

	Governmental Activities
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 4,496,642
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense	
Capital outlay	8,661,215
Depreciation expense	(2,133,145)
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in deferred items - IMRF	(1,794,831)
Change in deferred items - Fire Pension	(18,140,875)
Change in deferred items - Police Pension	(9,779,867)
Change in deferred items - OPEB	(6,916,338)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
(Increase) Decrease in compensated absences payable	-
(Increase) Decrease in net pension liability - IMRF	2,909,941
(Increase) Decrease in net pension liability - Fire Pension	19,545,426
(Increase) Decrease in net pension liability - Police Pension	9,072,755
(Increase) Decrease in net pension liability - OPEB	5,130,490
(Issuance) Retirement of debt and capital lease	(5,324,442)
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(72,025)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ 5,654,946

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

April 30, 2022

	Water and Wastewater System Fund	Nonmajor Enterprise Funds	Total
ASSETS			
Current Assets			
Cash	\$ 10,732,197	\$ 11,920	\$ 10,744,117
Investments	5,443	-	5,443
Accounts Receivable	1,188,015	-	1,188,015
Prepaid Expense	-	-	-
Due From Other Funds	994,897	-	994,897
Total Current Assets	12,920,552	11,920	12,932,472
Noncurrent Assets			
Capital Assets, net of Acc. Depreciation	42,559,702	336,120	42,895,822
Construction in Progress	3,272,516	-	3,272,516
Total Noncurrent Assets	45,832,218	336,120	46,168,338
TOTAL ASSETS	<u>\$ 58,752,770</u>	<u>\$ 348,040</u>	<u>\$ 59,100,810</u>
LIABILITIES AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 173,722	\$ -	173,722
Accrued Salaries	10,147	-	10,147
Interest Payable	200,618	-	200,618
Current Portion of Long-Term Debt	1,401,126	-	1,401,126
Due to Other Funds	1,636,985	-	1,636,985
Total Current Liabilities	3,422,598	-	3,422,598
Noncurrent Liabilities			
EPA Loans Payable	2,801,265	-	2,801,265
Debt Certificates	1,000,000	-	1,000,000
General Obligation Bonds	16,125,000	-	16,125,000
Bond Premiums	1,684,721	-	1,684,721
Vactor Truck Loan	1,550	-	1,550
Capital Lease	33,193	-	33,193
Total Noncurrent Liabilities	21,645,729	-	21,645,729
Total Liabilities	<u>25,068,327</u>	<u>-</u>	<u>25,068,327</u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

April 30, 2022

	<u>Water and Wastewater System Fund</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>
LIABILITIES AND NET POSITION (Continued)			
NET POSITION			
Net Investment in Capital Assets	22,785,363	336,120	23,121,483
Restricted	-	-	-
Unrestricted	<u>10,899,080</u>	<u>11,920</u>	<u>10,911,000</u>
Total Net Position	<u>33,684,443</u>	<u>348,040</u>	<u>34,032,483</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 58,752,770</u></u>	<u><u>\$ 348,040</u></u>	<u><u>\$ 59,100,810</u></u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended April 30, 2022

	Water and Wastewater System Fund	Nonmajor Enterprise Funds	Total
OPERATING REVENUES			
Charges for Services	\$ 8,212,305	\$ -	\$ 8,212,305
Gate Receipts and Concessions	-	26,582	26,582
Rents	-	1,886	1,886
Events Revenue	-	3,528	3,528
Grants and Other Operating Revenues	275,746	-	275,746
Total Operating Revenues	8,488,051	31,996	8,520,047
OPERATING EXPENSES			
Payroll Benefits	1,562,247	66,318	1,628,565
Plant and Operations	2,800,985	42,331	2,843,316
Administration and Other	86,895	6,510	93,405
Capital Outlay	-	-	-
Depreciation	1,942,195	-	1,942,195
Total Operating Expenses	6,392,322	115,159	6,507,481
OPERATING INCOME	2,095,729	(83,163)	2,012,566
NONOPERATING REVENUES (EXPENSES)			
Interest Income	27,104	62	27,166
Debt Service			-
Interest and Fiscal Charges	(774,944)	-	(774,944)
Other Revenue (Expense)	-	-	-
Total Nonoperating Revenues (Expenses)	(747,840)	62	(747,778)
OTHER FINANCING SOURCES			
Operating Transfer (To) From	-	-	-
Total Other Financing Sources (Uses)	-	-	-
CHANGES IN NET POSITION	1,347,889	(83,101)	1,264,788
NET POSITION (DEFICIT), MAY 1	32,336,554	431,141	32,767,695
NET POSITION (DEFICIT), APRIL 30	\$ 33,684,443	\$ 348,040	\$ 34,032,483

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2022

	Water and Wastewater System Fund	Nonmajor Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 8,323,735	\$ 31,996	\$ 8,355,731
Payments to Suppliers	(2,831,059)	(48,841)	(2,879,900)
Payments to Employees	(1,559,712)	(66,318)	(1,626,030)
Other Receipts	275,746	-	275,746
Net Cash from Operating Activities	4,208,710	(83,163)	4,125,547
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfer (To) From Other Funds	-	-	-
Net Cash from Noncapital and Related Financing Activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds/Payments on Interfund Loans	7,604	-	7,604
Proceeds/Payments on Long-term Debt	9,219,949	-	9,219,949
Purchase of Capital Assets	(4,746,521)	-	(4,746,521)
Interest and Fiscal Charges Paid	(635,311)	-	(635,311)
Net Cash from Capital and Related Financing Activities	3,845,721	-	3,845,721
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	27,104	62	27,166
Net Cash from Investing Activities	27,104	62	27,166
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,081,535	(83,101)	7,998,434
CASH AND CASH EQUIVALENTS, MAY 1	2,656,105	95,021	2,751,126
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 10,737,640</u>	<u>\$ 11,920</u>	<u>\$ 10,749,560</u>
CONSISTING OF:			
Cash	\$ 10,732,197	\$ 11,920	\$ 10,744,117
Investments	5,443	-	5,443
Cash and Cash Equivalents	<u>\$ 10,737,640</u>	<u>\$ 11,920</u>	<u>\$ 10,749,560</u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2022

	Water and Wastewater System Fund	Nonmajor Enterprise Funds	Total
RECONCILIATION OR OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income	\$ 2,095,729	\$ (83,163)	\$ 2,012,566
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities:			
Depreciation	1,942,195	-	1,942,195
Changes in Net Assets			
Receivables	111,430	-	111,430
Customer Prepaids	-	-	-
Accounts Payable	56,821	-	56,821
Accrued Salaries	2,535	-	2,535
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 4,208,710</u>	<u>\$ (83,163)</u>	<u>\$ 4,125,547</u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
April 30, 2022

	<u>2022</u>
ASSETS	
Cash and Equivalents	\$ 5,306,316
Investments, at Fair Value	
Fixed Income	550,000
Pooled Investment Accounts	37,879,082
Employer Receivable - Property Taxes	-
Accrued Interest	-
Due from Municipality	<u>5,056</u>
TOTAL ASSETS	<u><u>\$ 43,740,454</u></u>
LIABILITIES	
Accounts Payable	<u>\$ 2,992</u>
Total Liabilities	<u>2,992</u>
NET POSITION	
Net Position Held In Trust for Pension Benefits	<u>43,737,462</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 43,740,454</u></u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
April 30, 2022

	<u>2022</u>
ADDITIONS	
Contributions:	
Employer contributions	
Property Tax	\$ 3,275,901
Employee contributions	<u>497,830</u>
Total Contributions	<u>3,773,731</u>
Investment Income	
Interest Income and Dividends	1,459,064
Realized and Unrealized Gains/Losses	(3,504,463)
Less: Investment Expense	<u>(97,171)</u>
Net Investment Income	<u>(2,142,570)</u>
Other Additions	
Refunds and Reimbursements	<u>-</u>
TOTAL ADDITIONS	<u>1,631,161</u>
DEDUCTIONS	
Pension Benefits and Refunds	3,902,845
Administrative Expenses	<u>72,078</u>
TOTAL DEDUCTIONS	<u>3,974,923</u>
CHANGE IN NET POSITION	(2,343,762)
NET POSITION - MAY 1, 2021	<u>46,081,224</u>
NET POSITION - APRIL 30, 2022	<u><u>\$ 43,737,462</u></u>

See accompanying notes to financial statements.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Ottawa, Illinois (the City) was incorporated in 1853. The city operates as a non-home rule municipality governed under the commission form of government consisting of a Mayor and four Commissioners. The City provides services to the community which includes: police, fire, water and wastewater utility, community development, street maintenance, transportation planning, and general services. The following significant accounting policies apply to the City and its component unit, the Ottawa Visitors Center.

a. Reporting Entity

The City follows accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board (GASB). The financial reporting entity consists of the primary government, as well as its component unit, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
2. Fiscal dependency on the primary government and there is a potential to provide specific financial benefits or to impose specific financial burdens.

The accompanying financial statements present the City of Ottawa, Illinois (the primary government), but omit its component unit. The financial data of the component unit is required to be included in the City's reporting entity because of the significance of its operational or financial relationship with the City. However, the City has decided to omit the component unit from the financial statements.

Blended Component Unit

A blended component unit is a legally separate entity from the City but is so intertwined with the City that it is, in substance, the same as the City.

The Ottawa Visitors Center was created May 1, 1998 to promote tourism in Ottawa. The City is represented on the Board of Directors by a Council Member or its representative. The City funds the Center with a provision of Hotel/Motel Tax Funds. Without this funding, the Center would not exist. The Ottawa Visitors Center was reported in previous years as a Special Revenue Fund. The Ottawa Visitors Center is not included in the City of Ottawa's financial statements, although required by generally accepted accounting principles.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Discretely Presented Component Unit

A discretely presented component unit is an entity that is legally separate from the City, but for which the City is financially accountable, or whose relationship with the City is such that exclusion would cause the City's basic financial statements to be misleading or incomplete. The City has no discretely presented component units.

b. Basis of Presentation

Government-Wide Financial Statements - The government-wide statement of net position and statement of activities report the overall financial activity of the City, excluding fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities of the City. Interfund services provided and used are not eliminated on these statements. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

Fund Financial Statements - The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category, governmental, proprietary, and fiduciary, are presented. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses include all expenses directly related to providing enterprise fund services. Incidental expenses are reported as non-operating expenses.

The City reports the following major governmental funds:

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

The North Tax Increment Financing District is funded by a property tax restricted for the transactions related to redevelopment projects along Interstate 80.

The City reports the following major proprietary funds:

The Waste and Wastewater System Fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

Additionally, the City reports the following fiduciary funds:

The Police and Firefighters' Pension Funds account for the accumulation of retirement and disability benefits for police and firefighters' pension plans.

The City reports the following nonmajor governmental funds:

The Special Revenue Funds are used to account for revenues received from specific sources which are required by law or regulation to be accounted for in separate funds.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus and Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the City receives value without directly giving equal value in exchange, include property tax revenue, grants, and other contributions. On an accrual basis, revenues from property taxes are recognized in the period for which the levy is intended to finance, which is the year after the taxes are levied. For example, the 2020 levy is recognized as revenue for the fiscal year ended April 30, 2022. Revenue from grants and other contributions are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales tax, utility taxes, motor fuel taxes, hotel/motel tax, food and beverage tax, E-911 surcharge, franchise taxes, ambulance fee, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus and Basis of Accounting

The City reports unavailable/unearned and deferred revenue on its financial statements. Unavailable/unearned and deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unavailable/unearned and deferred revenues also arise when the 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 inflow is removed from the financial statements and revenue is recognized.

d. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

e. 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.

f. Receivables

Receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines, and ambulance fees. Business-type activities report utilities and interest earnings as their major receivables.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

h. Prepaid Items/Expenses

Certain payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses using the consumption method in both government-wide and fund financial statements.

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, drainage systems, 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 of more than \$10,000 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 estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. 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. Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25-50
Improvements	10-50
Machinery and equipment	3-20
Utility System	25-50
Infrastructure	25-50

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences

The City's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is not recorded as long-term debt in the government-wide statements. In the fund financial statements, no compensated absence liability is reported. This is not in accordance with generally accepted accounting principles.

k. Bond Premiums, Discounts, and Issuance Costs

In the government-wide and proprietary fund financial statements, bond premiums, and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types 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 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 debt service expenditures.

l. Fund Balance/Net Position

Governmental funds equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance is reported 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. 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 authority to assign fund balance can be expressed by the governing body or by an official or body to which the governing body delegates. Any residual fund balance of the General Fund and any deficits in other funds, if any, are reported as unassigned.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balance/Net Position (Continued)

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 and then unassigned funds.

As noted in GASB Statement No. 54, fund balance policies in the General Fund are reported as unassigned but disclosed in the notes.

In the government-wide and proprietary fund financial statements, restricted net position is legally restricted by outside parties for a specific purpose. 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. Unrestricted net position consists of net position that does not meet the definition of restricted or invested in capital assets, net of related debt.

m. Property Taxes

Property taxes are levied each year on all taxable real property located in the City. The City must file its tax levy ordinance the end of December of each year. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year. Property taxes are collected by the County Treasurer of LaSalle County, Illinois, who remit to the City its share of the collection. Taxes levied for calendar year 2020 were due, payable, and collected in two installments in July and September 2021.

Revenue for property taxes is recognized in the governmental funds in the year for which the taxes are intended to finance and the funds are available. Accordingly, the City recognized revenue during the fiscal year ended April 30, 2022 for collections from the calendar year 2020 levy if it was received by year end. Property taxes levied for calendar year 2021, which will be collected in fiscal year 2022 are recorded as receivables and unavailable revenue.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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/expenditures) 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.

o. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditure/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds, except the fiduciary fund. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." The deposit and investments of the fiduciary fund are held separately from those of other funds.

The City and pension fund categorize 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 deposits and invests in investments allowed by State Statutes. The Statutes authorize the City to make deposits in commercial banks, savings and loan institutions, and make investments in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain other investments as allowed by Illinois Compiled Statutes.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

2. DEPOSITS AND INVESTMENTS (Continued)

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 fair 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.

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, in order of priority, legality, safety of principal, liquidity, yield and public trust.

a. City Deposits

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 will not maintain funds in any financial institution that is not a member of the FDIC system. In addition, City funds will not be maintained in any institution not willing or capable of posting required collateral or purchasing private insurance for funds in excess of FDIC insurable limits.

b. City Investments

The following table presents the investments and maturities of the City's debt securities as of April 30, 2022:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
Negotiable CD's	\$ 88,748	\$ 88,748	\$ -	\$ -	\$ -
TOTAL	\$ 88,748	\$ 88,748	\$ -	\$ -	\$ -

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

2. DEPOSITS AND INVESTMENTS (Continued)

b. City Investments (Continued)

The City has the following recurring fair value measurements as of April 30, 2022: Negotiable CDs are valued using quoted matrix pricing models (Level 2 input).

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 City limits its exposure to interest rate risk by diversifying its investment portfolio to minimize risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. Commercial paper shall not exceed 10% of the investment portfolio.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The City limits its exposure to credit risk by primarily investing in external investment pools. Illinois Funds are rated AAA.

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 investment that are in possession of an outside party. The City's investment policy does not address custodial credit risk for investments. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the City has a high percentage of its investments invested in one type of investment. The City's investment policy requires diversification of investment to avoid unreasonable risk by limiting commercial paper to the 10% or less and at no time will the City's investments exceed 65% of a financial institution's capital and surplus.

c. Fiduciary Fund Deposits and Investments

Permitted Deposits and Investments – Statutes and the Fund's 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 or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the highest classifications by at least two standard rating services, investment grade corporate bonds and 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.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

2. DEPOSITS AND INVESTMENTS (Continued)

c. Fiduciary Fund Investments (Continued)

Police Pension Fund 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.

Police Pension Fund Investments

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Pooled Investments	25,049,727	25,049,727	-	-	-
Total	\$ 25,049,727	\$ 25,049,727	\$ -	\$ -	\$ -

The Fund has the following recurring fair value measurements as of April 30, 2022. The mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The US Government Treasury and agencies and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs). The Fund has no investments that are valued based on underlying investments (Level 3 inputs).

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Fund's procedures provide that to the extent practicable investments are matched with anticipated cash flows.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund's investing activities are managed under the custody of the Fund President. Investing is performed in accordance with investment policies adopted by the Board of Trustees, complying with the Pension Code of Illinois. Government Agency Bonds are rated Aaa, Corporate Bonds are rated A1 – Aa3, and Mortgage-Backed Securities are not rated.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

2. DEPOSITS AND INVESTMENTS (Continued)

c. Fiduciary Fund Investments (Continued)

Firefighters' Pension Fund 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.

Firefighters' Pension Fund Investments

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Pooled Investments	12,829,355	12,829,355	-	-	-
Total	\$ 12,829,355	\$ 12,829,355	\$ -	\$ -	\$ -

The Fund has the following recurring fair value measurements as of April 30, 2022. The mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The mortgage-backed securities and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs). The Fund has no investments that are valued based on underlying investments (Level 3 inputs).

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Fund's procedures provide that to the extent practicable investments are matched with anticipated cash flows.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund's investing activities are managed under the custody of the Fund President. Investing is performed in accordance with investment policies adopted by the Board of Trustees, complying with the Pension Code of Illinois. Government Agency Bonds are rated Aaa, Corporate Bonds are rated A1 – Aa3, and Mortgage-Backed Securities are not rated.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

3. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2022 was as follows:

	Balances May 1	Additions	Disposals	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 14,197,206	\$ 15,500	\$ -	\$ 14,212,706
Construction in Progress	850,164	155,202	(423,608)	581,758
Total capital assets not being depreciated	<u>15,047,370</u>	<u>170,702</u>	<u>(423,608)</u>	<u>14,794,464</u>
Capital assets being depreciated				
Buildings	7,272,848	106,104	-	7,378,952
Improvements	8,831,262	3,132,468	-	11,963,730
Machinery and Equipment	11,608,207	699,755	-	12,307,962
Infrastructure	37,918,068	4,975,794	-	42,893,862
Total capital assets being depreciated	<u>65,630,385</u>	<u>8,914,121</u>	<u>-</u>	<u>74,544,506</u>
Less accumulated depreciation for				
Buildings (25-50)	3,746,743	144,439	-	3,891,182
Improvements (10-50)	3,499,552	538,639	-	4,038,191
Machinery and Equipment (3-20)	9,990,107	617,979	-	10,608,086
Infrastructure (25-50)	11,672,768	832,088	-	12,504,856
Total accumulated depreciation	<u>28,909,170</u>	<u>2,133,145</u>	<u>-</u>	<u>31,042,315</u>
Net capital assets being depreciated				
Buildings	3,526,105	(38,335)	-	3,487,770
Improvements	5,331,710	2,593,829	-	7,925,539
Machinery and Equipment	1,618,100	81,776	-	1,699,876
Infrastructure	26,245,300	4,143,706	-	30,389,006
Total capital assets being depreciated, net	<u>36,721,215</u>	<u>6,780,976</u>	<u>-</u>	<u>43,502,191</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 51,768,585</u>	<u>\$ 6,951,678</u>	<u>\$ (423,608)</u>	<u>\$ 58,296,655</u>

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

GOVERNMENTAL ACTIVITIES	
General government	64,046
Public safety	326,470
Public works, cultural, parks, recreation	864,630
Community/Economic development	877,999
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 2,133,145</u>

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

3. CAPITAL ASSETS (Continued)

	Balances May 1	Additions	Disposals	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 407,740	\$ -	\$ -	\$ 407,740
Construction in Progress	339,897	2,932,619	-	3,272,516
Total capital assets not being depreciated	<u>747,637</u>	<u>2,932,619</u>	<u>-</u>	<u>3,680,256</u>
Capital assets being depreciated				
Machinery and Equipment	76,410,538	1,813,902	-	78,224,440
Total capital assets being depreciated	<u>76,410,538</u>	<u>1,813,902</u>	<u>-</u>	<u>78,224,440</u>
Less accumulated depreciation for				
Machinery and Equipment (3-20)	33,794,183	1,942,175	-	35,736,358
Total accumulated depreciation	<u>33,794,183</u>	<u>1,942,175</u>	<u>-</u>	<u>35,736,358</u>
Net capital assets being depreciated				
Machinery and Equipment	42,616,355	(128,273)	-	42,488,082
Total capital assets being depreciated, net	<u>42,616,355</u>	<u>(128,273)</u>	<u>-</u>	<u>42,488,082</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 43,363,992</u>	<u>\$ 2,804,346</u>	<u>\$ -</u>	<u>\$ 46,168,338</u>

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

BUSINESS-TYPE ACTIVITIES	
Water and sewer	1,942,175
Swimming pool	-
Canal rental and purchase	-
Events	-
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	<u>\$ 1,942,175</u>

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

4. RECEIVABLES

a. Installment Loans

The notes receivable as of April 30, 2022 are as follows:

<u>Loan</u>	<u>Term</u>	<u>Due</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Due Within One Year</u>
Note Receivable	15 year	08/2025	3.00%	\$ 16,660	\$ 4,536

5. LONG-TERM DEBT

The following is a summary of changes in long-term debt of the City for the fiscal year ended April 30, 2022:

	<u>Fund Debt Retired By</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances April 30</u>	<u>Current Portion</u>
Governmental Activities						
GO Bonds Series 2009	Debt Service	\$ 1,655,000	\$ -	\$ (165,000)	\$ 1,490,000	\$ 175,000
Installment Note	General	31,522	-	(31,522)	-	-
Installment Note	General	65,233	-	(32,236)	32,997	32,997
Installment Note	General	-	142,500	(34,675)	107,825	35,301
GO Bonds Series 2021A	TIF District 8	-	4,520,000	-	4,520,000	-
		<u>\$ 1,751,755</u>	<u>\$ 4,662,500</u>	<u>\$ (263,433)</u>	<u>\$ 6,150,822</u>	<u>\$ 243,298</u>
Business-type Activities						
Debt Certificate Series 2012B	Water/Wastewater	\$ 1,250,000	\$ -	\$ (125,000)	\$ 1,125,000	\$ 125,000
Debt Certificate Series 2013	Water/Wastewater	788,000	-	(389,000)	399,000	399,000
GO Bonds Series 2017	Water/Wastewater	4,595,000	-	(95,000)	4,500,000	105,000
GO Bonds Series 2020 Alt Rev	Water/Wastewater	3,480,000	-	(220,000)	3,260,000	225,000
GO Bonds Series 2021B	Water/Wastewater	-	8,860,000	-	8,860,000	165,000
IEPA Loan	Water/Wastewater	452,857	-	(77,803)	375,054	79,760
IEPA Loan	Water/Wastewater	3,095,611	-	(294,820)	2,800,791	294,820
Installment Loan	Water/Wastewater	83,531	-	(83,531)	-	-
Installment Loan	Water/Wastewater	16,237	-	(7,142)	9,095	7,546
		<u>\$ 13,761,236</u>	<u>\$ 8,860,000</u>	<u>\$ (1,292,296)</u>	<u>\$ 21,328,940</u>	<u>\$ 1,401,126</u>

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

5. LONG-TERM DEBT (continued)

a. Governmental Activities Long-term Debt

Long-term debt at April 30, 2022 consists of the following:

Governmental Activities

	Amount Outstanding
GO Bonds	
\$2,485,000 taxable general obligation (alternate revenue source) Series 2009 Recovery Zone Economic bonds dated January 15, 2010, 4.69% to 6.75%, due through December, 2028	\$ 1,490,000
\$4,520,000 general obligation bonds, Series 2021A dated June 10, 2021, 4.00%, due through December, 2041	4,520,000
Installment Notes	
Note for purchase of street sweeper dated September 27, 2017, due 2023	32,997
Note for purchase of forestry truck August 13, 2020, due 2025	107,825
Total Governmental Activities	6,150,822

b. Business-type Activities Long-term Debt

Long-term debt at April 30, 2022 consists of the following:

Business-type Activities

	Amount Outstanding
GO Bonds	
\$2,375,000 taxable general obligation refunding debt certificate (limited tax) Series 2012B bonds dated October 3, 2012, 1.71% to 4.30%, due through December, 2030	\$ 1,125,000
\$3,579,000 taxable general obligation refunding debt certificate (limited tax) Series 2013 bonds dated March 26, 2013, 1.71% to 3.42%, due through December, 2022	399,000
\$4,770,000 general obligation bonds, Series 2017 dated March 14, 2017, 2.58%, due through March, 2030	4,500,000
\$3,700,000 general obligation bonds (ARS), Series 2020 dated March 25, 2020, 1.75%, due through April, 2035	3,260,000
\$8,860,000 general obligation bonds, Series 2021B dated June 10, 2021, 4.00%, due through December, 2037	8,860,000
\$1,361,458 Water and Wastewater System construction loan from Illinois EPA dated 2007, 2.50%, due October, 2026	375,055
\$7,657,790 Water and Wastewater System construction loan from Illinois EPA dated 2012, 0.00%, due July, 2031	2,800,790
Installment Notes	
Note for purchase of Ford F-350 dated May 23, 2018, due 2024	9,095
Total Business-type Activities	21,328,940

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

5. LONG-TERM DEBT (continued)

c. Annual Debt Service Requirements

The annual requirements to amortize the governmental activities are as follows:

Fiscal Year Ending April 30	Governmental Activities	
	Principal	Interest
2023	243,299	278,695
2024	390,938	260,366
2025	411,585	241,743
2026	395,000	221,783
2027	415,000	201,027
2028-2032	1,575,000	694,658
2033-2037	1,305,000	411,000
2038-2042	1,415,000	127,400
TOTALS	\$ 6,150,822	\$ 2,436,672

See Supplemental Data on pages 120-126 for additional detail on annual requirements.

The annual requirements to amortize the business-type activities are as follows:

Fiscal Year Ending April 30	Business-type Activities	
	Principal	Interest
2023	1,236,126	594,359
2024	1,258,136	567,544
2025	1,283,643	543,364
2026	1,300,752	518,406
2027	1,328,593	492,847
2028-2032	6,906,690	2,048,135
2033-2037	7,730,000	749,987
2038-2042	285,000	-
TOTALS	\$ 21,328,940	\$ 5,514,642

See Supplemental Data on pages 120-126 for additional detail on annual requirements.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

5. LONG-TERM DEBT (Continued)

d. Legal Debt Margin

The Village is a non-home municipality

ASSESSED VALUATION - 2021 (LATEST AVAILABLE)	\$ 324,857,162
LEGAL DEBT LIMIT - 8.625% OF ASSESSED VALUATION	28,018,930
AMOUNT OF DEBT APPLICABLE TO DEBT LIMIT (excludes GOARS bonds)	<u>8,366,938</u>
LEGAL DEBT MARGIN	<u><u>\$ 19,651,992</u></u>

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner of for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.")

6. OTHER LONG-TERM OBLIGATIONS

	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
Governmental Activities					
Net Pension Liability					
IMRF	\$ (1,131,102)	\$ -	\$ (2,909,941)	\$ (4,041,043)	\$ -
Fire Pension	39,997,589	-	(19,545,426)	20,452,163	-
Police Pension	<u>28,074,670</u>	<u>-</u>	<u>(9,072,755)</u>	<u>19,001,915</u>	<u>-</u>
Total Net Pension Liability	66,941,157	-	(31,528,122)	35,413,035	-
Net OPEB Liability	46,292,561	-	(5,130,490)	41,162,071	-
Capital Lease	<u>117,332</u>	<u>-</u>	<u>(87,103)</u>	<u>30,229</u>	<u>30,229</u>
	<u><u>\$ 113,351,050</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (36,745,715)</u></u>	<u><u>\$ 76,605,335</u></u>	<u><u>\$ 30,229</u></u>
Business-type Activities					
Capital Lease	<u>65,650</u>	<u>-</u>	<u>(32,457)</u>	<u>33,193</u>	<u>33,193</u>
	<u><u>\$ 65,650</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (32,457)</u></u>	<u><u>\$ 33,193</u></u>	<u><u>\$ 33,193</u></u>

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

6. OTHER LONG-TERM OBLIGATIONS (continued)

On May 23, 2018, the City entered a capital lease agreement with BB Community Leasing Services, Inc for a 2017 Ford F-450 ambulance purchase. The original balance was \$220,682 with required annual payments of \$40,347. The capital lease has an interest rate of 2.966% and a maturity date of December 1, 2023. The remaining balance as of April 30, 2022 is 30,229.

The annual requirements to amortize the capital lease are as follows:

Fiscal Year Ending April 30	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Capital Lease</u>		<u>Capital Lease</u>	
	Principal	Interest	Principal	Interest
2023	30,229	1,915	33,193	1,098
2024	-	-	-	-
2025	-	-	-	-
TOTALS	\$ 30,229	\$ 1,915	\$ 33,193	\$ 1,098

For more information on Net Pension and Net OPEB Liabilities, please reference Notes 8 and 9 on pages 41-59 and Required Supplementary Information.

7. INTERFUND BALANCES AND ACTIVITY

a. Transfers to/from Other Funds

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Operating transfers for the year ended April 30, 2022 were as follows:

<u>Operating Transfers by Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 187,248	\$ -
North TIF Fund	-	544,000
Nonmajor Special Revenue Funds	-	173,135
Nonmajor Debt Service Funds	269,887	-
Nonmajor Capital Project Funds	260,000	-
Nonmajor Enterprise Funds	-	-
TOTAL	\$ 717,135	\$ 717,135

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

7. INTERFUND BALANCES AND ACTIVITY (continued)

b. Balances Due to/from Other Funds

Balances due to/from other funds at April 30, 2022 were as follows:

Receivable Fund	Payable Fund	Amount
Water and Wastewater System	Growth Impact Fee Fund	15,904
General Fund	Flood Buyout	18,626
Enterprise Zone Capital Improvement	Water and Wastewater System	1,636,985
Water and Wastewater System	General Fund	978,993
TOTAL		\$ 2,650,508

c. Deficit Fund Balances

As of April 30, 2022, the following funds had deficit fund balances:

Fund	Deficit
Auditing Fund	\$ 12,733
Garbage Fund	207,595

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit 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 a single-employer pension plan. A separate report is issued for the Police Pension Plan and Firefighters' Pension Plan and may be obtained by writing to the City at 301 W. Madison Street, Ottawa, IL 61350. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by ILCS and can only be amended by the Illinois General Assembly.

The table below is a summary for all pension plans as of and for the year ended April 30, 2022:

	IMRF	Firefighters' Pension	Police Pension	Total
Net Pension Liability	(4,041,043)	20,452,163	19,001,915	35,413,035
Deferred Outflows of Resources	1,117,374	12,032,093	15,912,165	29,061,632
Deferred Inflows of Resources	4,201,900	21,296,920	16,147,979	41,646,799

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Illinois Municipal Retirement Fund (IMRF)

Plan Administration

All employees (other than those covered by the Firefighters' and Police 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, 2021, IMRF membership consisted of:

Retirees and beneficiaries	102
Inactive, non-retired members	35
Active plan members	98
TOTAL	<u>235</u>

Benefits Provided

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

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. The final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 year of IMRF service, divided by 48.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (continued)

Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 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. The final rate of earnings is the highest total earnings during any consecutive 96 months within the last 10 years of IMRF service, divided by 96.

Contributions

As set by statute, the City's RP Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2022 was 7.25% of covered payroll.

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2021
Actuarial cost method	Aggregate Entry Age Normal
Asset valuation method	5-year smoothed market
Assumptions	
Interest rate	7.25%
Salary increases	3.35% to 14.25%
Cost of living adjustments	3.25%
Inflation	2.50%

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (Continued)

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives.

For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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'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 IMRF'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.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ (1,291,586)	\$ (4,041,043)	\$ (6,275,568)

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2021	\$ 24,208,447	\$ 25,339,549	\$ (1,131,102)
Changes for the period			
Service cost	472,206	-	472,206
Interest	1,716,103	-	1,716,103
Difference between expected and actual experience	(19,350)	-	(19,350)
Changes in assumptions	-	-	-
Employer contributions	-	444,191	(444,191)
Employee contributions	-	226,852	(226,852)
Net investment income	-	4,462,729	(4,462,729)
Benefit payments and refunds	(1,548,341)	(1,548,341)	-
Other	-	(54,872)	54,872
Net changes	620,618	3,530,559	(2,909,941)
Balances at December 31, 2021	\$ 24,829,065	\$ 28,870,108	\$ (4,041,043)

Pension Expense and Deferred Inflows/Outflows of Resources

For the fiscal year ended December 31, 2021 the City recognized pension income of \$644,174. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 405,369	\$ 14,166
Changes in assumption	-	71,426
Net difference between projected and actual earnings on pension plan investments	574,041	4,116,308
Contributions after measurement date	137,964	-
TOTAL	\$ 1,117,374	\$ 4,201,900

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (Continued)

\$137,967 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending 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:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows of Resources</u>
2022	\$ (563,218)
2023	(1,246,233)
2024	(881,160)
2025	(531,879)
2026	-
Thereafter	-
TOTAL	<u><u>\$ (3,222,490)</u></u>

b. Firefighters' Pension Plan

Plan Administration

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum 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 Firefighters' Pension Fund as a pension trust fund. The Firefighters' Pension Fund is governed by a board pursuant to Illinois Compiled Statutes (40 ILCS 5/4-1).

Plan Membership

At April 30, 2022, the measurement date, membership consisted of:

Inactive plan members or beneficiaries	
currently receiving benefits	41
Inactive plan members or beneficiaries	
entitled to but not yet receiving benefits	4
Active Plan Members	<u>29</u>
TOTAL	<u><u>74</u></u>

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

b. Firefighters' Pension Plan (Continued)

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ 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. 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 firefighter 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.

Covered employees hired on or after January 1, 2011 (Tier 2), 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 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 the pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such a 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., $\frac{1}{2}\%$ 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 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% of $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

b. Firefighters' Pension Plan (Continued)

Contributions

Covered employees are required 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 contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the fiscal year ended April 30, 2022, the City's contribution was 85.87% of covered payroll.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2022 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2022
Actuarial cost method	Projected Unit Credit
Asset valuation method	5-Year Smoothed Fair Value
Assumptions:	
Interest rate	6.25%
Salary increases	3.50 - 12.50%
Cost of living adjustments	3.50%
Inflation	2.50%

Mortality rates were based on rates developed in the L&A 2020 Mortality Table for Illinois Firefighters. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for Illinois Firefighters.

Discount Rate

The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The rate used was 7.00%.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

b. Firefighters' Pension Plan (Continued)

Discount Rate (continued)

Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The plan's projected net position is expected to cover future benefit payments in full for the current employees.

Projected benefit payments are determined during the actuarial process based on the assumptions. The expected contributions are based on the funding policy of the plan.

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 pension liability of the City calculated using the discount rate of 7.00% 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 (6.00%) or 1 percentage point higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 25,505,569	\$ 20,452,163	\$ 16,302,799

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

b. Firefighters' Pension Plan (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at May 1, 2021	\$ 57,775,165	\$ 17,777,576	\$ 39,997,589
Changes for the period			
Service cost	1,128,846	-	1,128,846
Interest	2,194,305	-	2,194,305
Difference between expected and actual experience	(2,968,791)	-	-
Changes in assumptions	(18,288,640)	-	(18,288,640)
Employer contributions	-	1,992,106	(1,992,106)
Employee contributions	-	215,571	(215,571)
Net investment income	-	(560,601)	560,601
Benefit payments and refunds	(2,073,636)	(2,073,636)	-
Other	-	(35,930)	35,930
Net changes	(20,007,916)	(462,490)	(19,545,426)
Balances at April 30, 2022	\$ 37,767,249	\$ 17,315,086	\$ 20,452,163

Pension Expense and Deferred Inflows/Outflows of Resources

For the year ended April 30, 2022 the City recognized pension expense of \$587,555. At April 30, 2022, The City reported deferred outflows of resources and deferred inflows of resources related to Firefighters' Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 883,429	\$ 3,653,198
Changes in assumption	9,548,989	15,319,704
Net difference between projected and actual earnings on pension plan investments	1,599,675	2,324,018
Contributions after measurement date	-	-
TOTAL	\$ 12,032,093	\$ 21,296,920

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

b. Firefighters' Pension Plan (Continued)

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

Year Ending April 30	Net Deferred Outflows of Resources
2023	\$ (1,441,786)
2024	(1,383,104)
2025	(1,478,504)
2026	(958,417)
2027	(3,450,883)
Thereafter	(552,133)
TOTAL	<u>\$ (9,264,827)</u>

c. Police Pension Plan

Plan Administration

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Police Pension Fund as a pension trust fund. The Police Pension Fund is governed by a board pursuant to Illinois Compiled Statutes (40 ILCS 5/3-1).

Plan Membership

At April 30, 2022, the measurement date, membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	33
Inactive plan members or beneficiaries entitled to but not yet receiving benefits	4
Active Plan Members	<u>36</u>
TOTAL	<u>73</u>

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

c. Police Pension Plan (Continued)

Benefits Provided

The Police Pension Plan provides retirement 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 75.00% of such salary. 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 3.00% of the original pension and 3.00% of 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 creditable service are entitled to receive an annual retirement benefit equal to 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 of 3.00% 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 75.00% 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 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

c. Police Pension Plan (Continued)

Contributions

Covered 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 administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, the ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by 2040. For the year ended April 30, 2022, the City's contribution was 45.67% of covered payroll.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2022 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2022
Actuarial cost method	Projected Unit Credit
Asset valuation method	5-Year Smoothed Fair Value
Assumptions:	
Interest rate	6.50%
Salary increases	3.50 - 11.00%
Cost of living adjustments	3.50%
Inflation	2.50%

Mortality rates were based on rates developed in the L&A 2020 Mortality Table for Illinois Police Officers. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for Illinois Police Officers.

Discount Rate

The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The rate used was 6.46%.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

c. Police Pension Plan (Continued)

Discount Rate (continued)

Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The plan's projected net position is expected to cover future benefit payments in full for the current employees.

Projected benefit payments are determined during the actuarial process based on the assumptions. The expected contributions are based on the funding policy of the plan.

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 pension liability of the City calculated using the discount rate of 6.46% 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 (5.46%) or 1 percentage point higher (7.46%) than the current rate.

	1% Decrease (5.46%)	Current Rate (6.46%)	1% Increase (7.46%)
Net pension liability	\$ 26,536,970	\$ 19,001,915	\$ 12,970,147

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

c. Police Pension Plan (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at May 1, 2021	\$ 56,378,317	\$ 28,303,647	\$ 28,074,670
Changes for the period			
Service cost	1,056,926	-	1,056,926
Interest	2,702,001	-	2,702,001
Difference between expected and actual experience	(589,158)	-	(589,158)
Changes in assumptions	(12,294,587)	-	(12,294,587)
Employer contributions	-	1,283,795	(1,283,795)
Employee contributions	-	282,259	(282,259)
Net investment income	-	(1,581,969)	1,581,969
Benefit payments and refunds	(1,829,208)	(1,829,208)	-
Other	-	(36,148)	36,148
Net changes	(10,954,026)	(1,881,271)	(9,072,755)
Balances at April 30, 2022	\$ 45,424,291	\$ 26,422,376	\$ 19,001,915

Pension Expense and Deferred Inflows/Outflows of Resources

For the year ended April 30, 2022 the City recognized pension expense of \$1,990,907. At April 30, 2022, The City reported deferred outflows of resources and deferred inflows of resources related to Police Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,607,696	\$ 505,943
Changes in assumption	10,781,160	12,173,221
Net difference between projected and actual earnings on pension plan investments	3,523,309	3,468,815
Contributions after measurement date	-	-
TOTAL	\$ 15,912,165	\$ 16,147,979

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

c. Police Pension Plan (Continued)

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

Year Ending April 30	Net Deferred Outflows of Resources
2023	\$ 308,101
2024	240,637
2025	(122,490)
2026	663,583
2027	(227,041)
Thereafter	(1,098,604)
TOTAL	<u>\$ (235,814)</u>

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described in Note 8, 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, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan does not issue a separate report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The activity of the plan is reported in the City's governmental activities.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided

The City provides continued health insurance coverage at the active employee rates to all eligible retirees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance since the retiree does not pay an age adjusted premium. To be eligible for benefits, an employee must qualify for retirement under the City's retirement plan. The benefit levels are the same as those afforded to active employees. Once reaching Medicare age, retirees are covered by a Medicare supplement plan as opposed to the City's active employee health plan. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for the employee and any eligible spouse for their lifetime.

c. Membership

At April 30, 2022, the measurement date, membership consisted of:

Inactive employees or beneficiaries currently receiving benefits	112
Inactive employees or beneficiaries entitled to but not yet receiving benefits	-
Active employees	<u>138</u>
TOTAL	<u><u>250</u></u>

d. Total OPEB Liability

The City's total OPEB liability of \$41,162,071 was measured as of April 30, 2022 and was determined by an actuarial valuation as of April 30, 2022.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2022, as determined by an actuarial valuation as of April 30, 2022 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs (continued)

Actuarial cost method	Entry-age normal
Inflation	Not applicable
Salary Increases	3.00%
Discount Rate	3.21%
Healthcare Cost Trend Rates	6.50% initial trend rate to 5.00% ultimate trend rate

The discount rate used in the determination of the total OPEB liability is based on the municipal bond rate. The municipal bond rate was based on the index rate for 20-year tax exempt general obligation municipal bonds rated AA or better at April 30, 2022.

IMRF Participants:

Mortality rates were based on the Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment. These rates are improved generationally using MP-2016 Improvement Rates.

Firefighters' Pension Plan Participants:

Mortality rates were based on the L&A Assumption Study for Firefighters 2022. These rates are experience weighted with the raw rates as developed in the PubS-2010(A) Study, with Blue Collar Adjustment. These rates are improved generationally using MP-2020 Improvement Rates.

Police Pension Plan Participants:

Mortality rates were based on the L&A Assumption Study for Police 2020. These rates are experience weighted with the raw rates as developed in the PubS-2010(A) Study, with Blue Collar Adjustment. These rates are improved generationally using MP-2020 Improvement Rates.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at May 1, 2021	<u>\$ 46,292,561</u>
Changes for the period	
Service cost	1,553,731
Interest	1,034,527
Difference between expected and actual experience	-
Changes in assumptions	(6,281,352)
Employer contributions	(1,437,396)
Employee contributions	-
Net investment income	-
Benefit payments and refunds	-
Other	<u>-</u>
Net changes	<u>(5,130,490)</u>
Balances at April 30, 2022	<u><u>\$ 41,162,071</u></u>

Changes in assumptions reflect a change in the discount rate from 2.27% for the reporting period ending April 30, 2021 to 3.21% for the reporting period ending April 30, 2022.

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 3.21% 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 (2.21%) or 1 percentage point higher (4.21%) than the current rate:

	1% Decrease (2.21%)	Current Rate (3.21%)	1% Increase (4.21%)
Total OPEB Liability	<u>\$ 47,894,503</u>	<u>\$ 41,162,071</u>	<u>\$ 35,815,696</u>

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the Healthcare Trend Rate that varies, as well as what the City's total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (varies)	Current Rate (varies)	1% Increase (varies)
Total OPEB Liability	\$ 34,725,121	\$ 41,162,071	\$ 49,528,623

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

For the year ended April 30, 2022 the City recognized OPEB expense of \$3,223,244. At April 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,743,606	\$ -
Changes in assumption	7,290,437	9,030,467
Net difference between projected and actual earnings on postretirement plan investments	-	-
Contributions after measurement date	-	-
TOTAL	\$ 9,034,043	\$ 9,030,467

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

Year Ending April 30	Net Deferred Outflows of Resources
2023	\$ 634,986
2024	\$ 634,986
2025	\$ 634,986
2026	\$ 571,586
2027	(237,147)
Thereafter	(2,235,821)
TOTAL	\$ 3,576

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

10. 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; employee health; natural disasters; and injuries to the City's employees. The City maintains commercial insurance coverage for losses relating to liability (law, public officials, general and auto liability) and workers' compensation. The City is self-insured for employee health insurance. The City is insured with commercial insurers for stop-loss (\$80,000 per claimant, unless otherwise contractually stated) and aggregate loss claims (\$3,179,447 in the aggregate).

Management believes such coverage is sufficient to preclude an significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reduction in insurance coverage from the previous year.

11. CONTIGENTS LIABILITIES

a. Grants

Amounts received or 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.

b. Litigation

There are several pending lawsuits in which the City is involved. Legal counsel of the City estimates that the potential claims against the City not covered by insurance resulting from such litigation would not materially affect future financial statements of the City.

c. Commitments

The City has ongoing capital projects in varying stages of completion which have not yet been approved for draw by the engineer and architect.

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date of the Auditors' Report, the date the City's financial statements for the year ended April 30, 2022 were available to be issued. There were no items of significance.

CITY OF OTTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

12. SUBSEQUENT EVENTS (Continued)

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and financial position of the Village could be materially adversely affected. The extent to which the coronavirus (or any other disease or epidemic) impacts business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

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

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
REVENUES		
Property Taxes	\$ 2,422,336	\$ 2,405,598
Replacement Taxes	346,900	571,534
Utility Taxes	1,221,881	1,584,814
Sales Taxes	7,424,055	8,368,442
State Income Taxes	2,064,349	2,988,179
Gambling Taxes	11,396	14,267
Video Game Taxes	423,604	577,175
Telecommunications Tax	317,445	288,331
Motor Fuel Tax	-	-
Interest Income	3,366	6,081
Intergovernmental Revenue	763,800	1,772,862
Charges for Services	205,128	190,197
Foreign Fire Insurance Tax	-	-
Hotel/Motel Tax	-	-
Grants	-	-
Fines, Fees, and Reimbursements	118,098	158,301
Licenses and Permits	447,335	469,066
Ambulance Fees	910,713	1,575,842
Ambulance Transfer Revenue	230,207	111
Donations	-	-
Group Insurance Payments	1,021,000	1,084,064
Rent	2,050	2,501
Other Revenues	86,111	445,437
Total Revenues	18,019,774	22,502,802
EXPENDITURES		
General Government	4,631,646	5,967,195
Public Safety	7,618,503	8,149,180
Public Works, Cultural, Parks, and Recreation	3,519,123	4,449,259
Community and Economic Development	1,275,855	1,111,921
Debt Service	198,318	199,034
Capital Outlay	464,793	787,295
Total Expenditures	17,708,238	20,663,884

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

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

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	311,536	1,838,918
OTHER FINANCING SOURCES (USES)		
Operating Transfer (To) From	-	187,248
Debt Certificates Proceeds	-	-
Total Other Financing Sources (Uses)	-	187,248
NET CHANGE IN FUND BALANCE	\$ 311,536	2,026,166
FUND BALANCE, MAY 1		2,503,074
FUND BALANCE, APRIL 30		\$ 4,529,240

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

SPECIAL REVENUE - NORTH TIF FUND

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

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
REVENUES		
Property taxes	\$ 2,782,729	\$ 2,711,776
Interest Income	6,000	4,123
Other Revenues	-	7,665
Total Revenues	2,788,729	2,723,564
EXPENDITURES		
Community and Economic Development	2,816,956	2,726,326
Capital Outlay	-	-
Total Expenditures	2,816,956	2,726,326
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(28,227)	(2,762)
OTHER FINANCING SOURCES (USES)		
Operating Transfer (To) From	-	(544,000)
Total Other Financing Sources (Uses)	-	(544,000)
NET CHANGE IN FUND BALANCE	\$ (28,227)	(546,762)
FUND BALANCE, MAY 1		961,155
FUND BALANCE, APRIL 30		\$ 414,393

(See independent auditors' report.)

CITY OF OTTAWA, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2021*

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 443,885	\$ 453,594	\$ 351,511	\$ 473,551	\$ 552,845	\$ 627,844	\$ 566,502
Contributions in relation to the actuarially determined contribution	444,191	455,668	368,253	473,551	590,956	627,886	573,080
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (306)</u>	<u>\$ (2,074)</u>	<u>\$ (16,742)</u>	<u>\$ -</u>	<u>\$ (38,111)</u>	<u>\$ (42)</u>	<u>\$ (6,578)</u>
Covered-employee payroll	\$ 5,038,421	\$ 4,805,021	\$ 4,415,971	\$ 4,231,915	\$ 4,011,938	\$ 3,761,798	\$ 3,722,091
Contributions as a percentage of covered-employee payroll	8.82%	9.48%	8.34%	11.19%	14.73%	16.69%	15.40%

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 percentage of pay, closed and the amortization period was 24 years; the asset valuation method was 5-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 postretirement benefit increases of 2.50% compounded annually.

*IMRF's measurement date is December 31, 2021; therefore information above is presented for the calendar year ended December 31, 2021.

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

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

December 31, 2021*

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service cost	\$ 472,206	\$ 439,763	\$ 444,198	\$ 429,563	\$ 412,489	\$ 429,109	\$ 360,292
Interest	1,716,103	1,636,858	1,565,273	1,537,142	1,528,662	1,478,758	1,380,174
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(19,350)	700,914	465,200	(87,606)	117,582	1,254	699,495
Changes of assumptions	-	(151,986)	-	566,530	(674,306)	(45,380)	45,167
Benefit payments, including refunds of member contributions	(1,548,341)	(1,549,150)	(1,420,997)	(1,295,396)	(1,264,414)	(1,221,098)	(1,083,627)
Net change in total pension liability	620,618	1,076,399	1,053,674	1,150,233	120,013	642,643	1,401,501
Total Pension Liability - Beginning	24,208,447	23,132,048	22,078,374	20,928,141	20,808,128	20,165,485	18,763,984
Total Pension Liability - Ending	<u>\$ 24,829,065</u>	<u>\$ 24,208,447</u>	<u>\$ 23,132,048</u>	<u>\$ 22,078,374</u>	<u>\$ 20,928,141</u>	<u>\$ 20,808,128</u>	<u>\$ 20,165,485</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 444,191	\$ 455,668	\$ 368,253	\$ 473,551	\$ 590,956	\$ 627,886	\$ 573,080
Contributions - member	226,852	220,072	213,962	190,436	181,849	169,281	174,557
Net investment income	4,462,729	3,347,329	3,772,332	(1,304,726)	3,445,269	1,185,138	87,000
Benefit payments, including refunds of member contributions	(1,548,341)	(1,549,150)	(1,420,997)	(1,295,396)	(1,264,414)	(1,221,098)	(1,083,627)
Other	(54,872)	170,281	299,263	419,822	(532,679)	256,467	221,183
Net change in plan fiduciary net position	3,530,559	2,644,200	3,232,813	(1,516,313)	2,420,981	1,017,674	(27,807)
Plan Fiduciary Net Position - Beginning	25,339,549	22,695,349	19,462,536	20,978,849	18,557,868	17,540,194	17,568,001
Plan Fiduciary Net Position - Ending	<u>\$ 28,870,108</u>	<u>\$ 25,339,549</u>	<u>\$ 22,695,349</u>	<u>\$ 19,462,536</u>	<u>\$ 20,978,849</u>	<u>\$ 18,557,868</u>	<u>\$ 17,540,194</u>
Employer's Net Pension Liability (Asset)	<u>\$ (4,041,043)</u>	<u>\$ (1,131,102)</u>	<u>\$ 436,699</u>	<u>\$ 2,615,838</u>	<u>\$ (50,708)</u>	<u>\$ 2,250,260</u>	<u>\$ 2,625,291</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	116.28%	104.67%	98.11%	88.15%	100.24%	89.19%	86.98%
Covered-employee payroll	\$ 5,038,442	\$ 4,805,021	\$ 4,415,971	\$ 4,231,915	\$ 4,011,938	\$ 3,761,798	\$ 3,722,091
Employer's net pension liability as a percentage of covered-employee payroll	-80.20%	-23.54%	9.89%	61.81%	-1.26%	59.82%	70.53%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

*IMRF's measurement date is December 31, 2021; therefore information above is presented for the calendar year ended December 31, 2021.

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND
Year Ended April 30, 2022

Fiscal Year April 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency	Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
2015	\$ 849,859	\$ 989,970	\$ (140,111)	\$ 1,817,526	54.47%
2016	891,210	969,642	(78,432)	1,953,599	49.63%
2017	1,009,595	1,056,852	(47,257)	2,016,700	52.41%
2018	1,114,348	1,067,106	47,242	2,261,158	47.19%
2019	1,359,146	1,287,837	71,309	2,070,140	62.21%
2020	1,644,649	1,644,975	(326)	2,169,453	75.82%
2021	1,744,521	1,624,289	120,232	2,192,804	74.07%
2022	1,858,881	1,992,106	(133,225)	2,319,857	85.87%

NOTES TO SCHEDULE OF CONTRIBUTIONS

from the May 1, 2021 Actuarial Valuation completed by the Illinois Department of Insurance for the December 2021 tax levy. The methods and assumptions shown below are based on the same actuarial valuation. For more detail on the age-based and service-based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Amortization Target	90% Funded over 20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation (CPI-U)	2.50%
Payroll Increases	3.50%
Individual Pay Increases	3.50% - 12.50%
Investment Rate of Return	6.25%
Mortality Rates	RP-2014 Healthy Annuitant with Blue Collar Adjustment
Retirement Rates	Illinois Department of Insurance Actuarial Experience Study dated 10/5/17
Termination Rates	Illinois Department of Insurance Actuarial Experience Study dated 10/5/17
Disability Rates	Illinois Department of Insurance Actuarial Experience Study dated 10/5/17

This is a 10-year schedule - however, the information is not required to be presented retroactively. Information will be added to this schedule until 10 years of information is available.

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS - FIREFIGHTERS' PENSION FUND

Year Ended April 30, 2022

	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 1,128,846	\$ 794,575	\$ 676,238	\$ 646,010
Interest	2,194,305	2,435,064	2,318,152	1,934,404
Changes of accounting methodology	-	-	-	8,566,472
Changes in benefit terms	-	-	186,912	-
Differences between expected and actual experience	(2,968,791)	836,654	591,010	(2,826,646)
Changes of assumptions	(18,288,640)	10,473,604	3,558,173	1,588,835
Benefit payments, including refunds of member contributions	(2,073,636)	(2,045,396)	(2,020,713)	(1,777,280)
Net change in total pension liability	(20,007,916)	12,494,501	5,309,772	8,131,795
Total Pension Liability - Beginning	57,775,165	45,280,664	39,970,892	31,839,097
Total Pension Liability - Ending	<u>\$ 37,767,249</u>	<u>\$ 57,775,165</u>	<u>\$ 45,280,664</u>	<u>\$ 39,970,892</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,992,106	\$ 1,624,289	\$ 1,644,975	\$ 1,287,837
Contributions - member	215,571	202,936	205,122	195,732
Contributions - other	-	-	4,440	-
Changes of accounting methodology	-	-	-	(1,004,104)
Net investment income	(560,601)	4,606,999	185,194	1,137,436
Benefit payments, including refunds of member contributions	(2,073,636)	(2,045,396)	(2,020,713)	(1,777,280)
Administrative expense	(35,930)	(46,753)	(48,520)	(51,091)
Net change in plan fiduciary net position	(462,490)	4,342,075	(29,502)	(211,470)
Plan Fiduciary Net Position - Beginning	17,777,576	13,435,501	13,465,003	13,676,473
Plan Fiduciary Net Position - Ending	<u>\$ 17,315,086</u>	<u>\$ 17,777,576</u>	<u>\$ 13,435,501</u>	<u>\$ 13,465,003</u>
Employer's Net Pension Liability (Asset)	<u>\$ 20,452,163</u>	<u>\$ 39,997,589</u>	<u>\$ 31,845,163</u>	<u>\$ 26,505,889</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	45.85%	30.77%	29.67%	33.69%
Covered-employee payroll	2,319,857	2,192,804	2,169,453	2,070,140
Employer's net pension liability as a percentage of covered-employee payroll	881.61%	1824.04%	1467.89%	1280.39%

This is a 10-year schedule - however, the information is not required to be presented retroactively. Information will be added to this schedule until 10 years of information is available.

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND
Year Ended April 30, 2022

Fiscal Year April 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency	Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
2015	\$ 605,277	\$ 694,633	\$ (89,356)	\$ 2,480,643	28.00%
2016	705,401	690,595	14,806	2,573,280	26.84%
2017	793,932	875,464	(81,532)	2,542,435	34.43%
2018	855,960	876,462	(20,502)	2,628,641	33.34%
2019	1,018,862	972,150	46,712	2,688,734	36.16%
2020	1,133,623	1,175,421	(41,798)	2,928,473	40.14%
2021	1,288,645	1,346,712	(58,067)	2,966,076	45.40%
2022	1,476,717	1,283,795	192,922	2,811,047	45.67%

NOTES TO SCHEDULE OF CONTRIBUTIONS

The actuarially determined contribution shown for the current year is the statutory minimum requirement from the May 1, 2021 Actuarial Valuation completed by the Illinois Department of Insurance for the December 2021 tax levy. The methods and assumptions shown below are based on the same actuarial valuation. For more detail on the age-based and service-based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Amortization Target	90% Funded Over 20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation (CPI-U)	2.50%
Payroll Increases	3.50%
Individual Pay Increases	3.50% - 11.00%
Investment Rate of Return	6.50%
Mortality Rates	RP-2014 Healthy Annuitant with Blue Collar Adjustment
Retirement Rates	Illinois Department of Insurance Actuarial Experience Study dated 10/5/17
Termination Rates	Illinois Department of Insurance Actuarial Experience Study dated 10/5/17
Disability Rates	Illinois Department of Insurance Actuarial Experience Study dated 10/5/17

This is a 10-year schedule - however, the information is not required to be presented retroactively. Information will be added to this schedule until 10 years of information is available.

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS - POLICE PENSION FUND

Year Ended April 30, 2022

	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 1,056,926	\$ 730,328	\$ 875,145	\$ 712,549
Interest	2,702,001	2,652,037	2,346,672	1,940,563
Changes of accounting methodology	-	-	-	4,717,939
Changes of benefit terms	-	-	128,978	-
Differences between expected and actual experience	(589,158)	1,789,561	273,452	269,051
Changes of assumptions	(12,294,587)	12,224,782	(2,550,579)	3,988,146
Benefit payments, including refunds of member contributions	(1,829,208)	(1,594,880)	(1,359,845)	(1,240,792)
Net change in total pension liability	(10,954,026)	15,801,828	(286,177)	10,387,456
Total Pension Liability - Beginning	56,378,317	40,576,489	40,862,666	30,475,210
Total Pension Liability - Ending	<u>\$ 45,424,291</u>	<u>\$ 56,378,317</u>	<u>\$ 40,576,489</u>	<u>\$ 40,862,666</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,283,795	\$ 1,346,712	\$ 1,175,421	\$ 972,150
Contributions - member	282,259	278,344	290,212	266,454
Contributions - other	-	-	433	-
Changes of accounting methodology	-	-	-	1,422,546
Net investment income	(1,581,969)	7,155,957	(416,285)	933,245
Benefit payments, including refunds of member contributions	(1,829,208)	(1,594,880)	(1,359,845)	(1,240,792)
Administrative expense	(36,148)	(30,046)	(36,428)	(12,180)
Prior period audit adjustment	-	-	-	(802,953)
Net change in plan fiduciary net position	(1,881,271)	7,156,087	(346,492)	1,538,470
Plan Fiduciary Net Position - Beginning	28,303,647	21,147,560	21,494,052	19,955,582
Plan Fiduciary Net Position - Ending	<u>\$ 26,422,376</u>	<u>\$ 28,303,647</u>	<u>\$ 21,147,560</u>	<u>\$ 21,494,052</u>
Employer's Net Pension Liability (Asset)	<u>\$ 19,001,915</u>	<u>\$ 28,074,670</u>	<u>\$ 19,428,929</u>	<u>\$ 19,368,614</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	58.17%	50.20%	52.12%	52.60%
Covered-employee payroll	2,811,047	2,966,076	2,928,473	2,688,734
Employer's net pension liability as a percentage of covered-employee payroll	675.97%	946.53%	663.45%	720.36%

This is a 10-year schedule - however, the information is not required to be presented retroactively. Information will be added to this schedule until 10 years of information is available.

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB
Year Ended April 30, 2022

Fiscal Year April 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency	Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
2019	\$ -	\$ -	\$ -	\$ 12,362,824	0.00%
2020	\$ -	\$ -	\$ -	\$ 9,850,008	0.00%
2021	\$ -	\$ -	\$ -	\$ 10,145,508	0.00%
2022	\$ -	\$ -	\$ -	\$ 10,449,874	0.00%

NOTES TO SCHEDULE OF CONTRIBUTIONS

There is no Actuarially Determined Contribution or Employer Contribution in relation to the Actuarially Determined Contribution, as there is no Trust that exists for funding the OPEB Liability. However, the City did make contributions from other City resources in the current year in the amount of \$1,437,396.

This is a 10-year schedule - however, the information is not required to be presented retroactively. Information will be added to this schedule until 10 years of information is available.

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS**

Year Ended April 30, 2022

	2022	2021	2020	2019
Total OPEB Liability				
Service cost	\$ 1,553,731	\$ 1,493,356	\$ 903,731	\$ 823,455
Interest	1,034,527	1,188,039	1,281,539	1,256,691
Changes of benefit terms	-	(4,248)	-	-
Differences between expected and actual experience	-	2,281,756	-	-
Changes of assumptions	(6,281,352)	(4,566,955)	11,383,794	971,600
Benefit payments	(1,437,396)	(1,014,379)	(934,287)	(852,424)
Net change in total OPEB liability	(5,130,490)	(622,431)	12,634,777	2,199,322
Total OPEB Liability - Beginning	46,292,561	46,914,992	34,280,215	32,080,893
Total OPEB Liability - Ending	<u>\$ 41,162,071</u>	<u>\$ 46,292,561</u>	<u>\$ 46,914,992</u>	<u>\$ 34,280,215</u>
OPEB Plan Net Position				
Contributions - employer	\$ 1,437,396	\$ 1,014,379	\$ 934,287	\$ 852,424
Contributions - member	-	-	-	-
Contributions - other	-	-	-	-
Net investment income	-	-	-	-
Benefit payments	(1,437,396)	(1,014,379)	(934,287)	(852,424)
Administrative expense	-	-	-	-
Net change in OPEB plan net position	-	-	-	-
OPEB Plan Net Position - Beginning	-	-	-	-
OPEB Plan Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Net OPEB Liability (Asset)	<u>\$ 41,162,071</u>	<u>\$ 46,292,561</u>	<u>\$ 46,914,992</u>	<u>\$ 34,280,215</u>
OPEB Plan net position as a percentage of the total OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	10,449,874	10,145,508	9,850,008	12,362,824
Employer's net OPEB liability as a percentage of covered-employee payroll	393.90%	456.29%	476.29%	277.28%

This is a 10-year schedule - however, the information is not required to be presented retroactively. Information will be added to this schedule until 10 years of information is available.

(See independent auditor's report.)

1. BUDGETS

The Budget Ordinance is prepared in tentative form by the City, reviewed and approved by the City Council, and is made available for public inspection at least ten days prior to final Council action. A public hearing is held on the tentative Budget Ordinance to obtain taxpayer comments.

Prior to August 1, the Budget ordinance is legally enacted through the passage of a Budget ordinance. All actual expenditures contained herein have been compared to the annual operating budget.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for the general, special revenue, debt service funds, capital projects funds, and enterprise funds. All appropriations lapse at year-end.

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

- a. A proposed operating budget is submitted to the City Council for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted by the City to obtain taxpayer comments.
- c. Subsequently, the budget is used to develop the annual appropriation ordinance, which is the City's legal budgetary document. The appropriation ordinance is enacted through passage of a City ordinance.
- d. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue and debt service funds.
- e. Budgetary appropriations lapse at year-end.
- f. Transfers between line items, departments and funds may be made by administrative action, however, amounts to be transferred between funds would require City Council approval. The level of legal control is the individual fund budget in total.
- g. Budgeted amounts are as originally adopted on April 15, 2020, with the exceptions of City Council approved transfers which were not material in relation to the budgets taken as a whole.

In the General Fund, expenditures (\$20,663,884) exceeded budgeted amounts (\$1,708,238) for the year ended April 30, 2022.

MAJOR GOVERNMENTAL FUNDS

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
TAXES		
Property Taxes	\$ 2,422,336	\$ 2,405,598
Replacement Taxes	346,900	571,534
Utility Taxes	1,221,881	1,584,814
Sales Taxes	7,424,055	8,368,442
State Income Taxes	2,064,349	2,988,179
Gambling Taxes	11,396	14,267
Video Game Taxes	423,604	577,175
Telecommunications Tax	317,445	288,331
Total Taxes	14,231,966	16,798,340
INTERGOVERNMENTAL		
Highway Maintenance	53,600	28,810
Traffic Light Reimbursement	70,000	46,041
Police and Fire Training	7,500	12,737
Marseilles Reimbursement	127,200	141,656
WFPD Reimbursements	126,000	126,000
Naplate Reimbursements	10,000	-
School Reimbursements	101,500	101,500
Other Grants	268,000	1,316,118
Total Intergovernmental	763,800	1,772,862
CHARGES FOR SERVICES:		
Parking Meter Fees	-	-
Registrar Fees	15,000	16,358
Yard Waste Fees	190,128	173,839
Total Charges for Services	205,128	190,197
FINES AND EXPENSE REIMBURSEMENTS		
Adjudication Fines	15,996	24,590
Circuit Clerk Fines	98,490	111,357
Parking Fines	3,612	20,854
Liquor Fines	-	1,500
NCAT Reimbursements	-	-
Total Fines and Expense Reimbursements	118,098	158,301

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
LICENSES AND PERMITS		
Miscellaneous License	90	3,735
Peddlers License	360	-
Liquor License	73,900	79,600
Sign Filing Fee	862	1,093
TV Franchise Fee	192,975	196,713
Sidewalk Café License Permit	250	275
Electrical License	69,750	80,252
Business License	3,200	2,500
Raffle License	200	255
Contractor License	27,700	33,950
Electrical Test Fee	4,950	13,850
Dog Release Fees	400	25
Plumbing Permit	30	80
Rezoning Filing Fee	2,850	3,150
Building Permit	50,117	32,438
Swimming Pool Permit	925	950
Wrecking Permit	2,040	1,925
Electrical Permit	10,140	10,700
Plat Design Review Fee Permit	1,296	1,900
Home Occupation Business Permit	-	100
Fence Permit	5,300	5,575
Total Licenses and Permits	447,335	469,066
MISCELLANEOUS		
Police Other	2,500	2,130
Character Counts	-	-
Sex Offender Registration Fees	1,324	(709)
Police Vehicle Replacement Fees	1,585	452
Failure to Appear Warrant Fees	910	1,820
Group Insurance Payments	1,021,000	1,084,064
Telephone Franchise	18,311	18,311
Special Duty Officers	-	11,977
Tree Removal	-	-
Recoup Liens	3,725	9,293
Tree Program Donations	-	-

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
MISCELLANEOUS (Continued)		
Rents	2,050	2,501
Reddick Mansion Utilities	-	-
Museum Reimbursement	2,756	1,746
Ambulance Fees	910,713	1,575,842
Ambulance Transfer Revenue	230,207	111
Donations	-	-
Other	55,000	400,417
Total Miscellaneous	2,250,081	3,107,955
INTEREST INCOME	3,366	6,081
TOTAL REVENUES	\$ 18,019,774	\$ 22,502,802

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
GENERAL GOVERNMENT		
Department of Mayor		
Salaries - Elected Official	\$ 65,500	\$ 65,553
Salaries - Clerical	65,300	95,731
Salaries - Part-time	17,000	20,077
Clothing Allowance	-	-
Dues, Education, Seminars	-	-
Office Supplies	1,500	1,122
Operating Supplies	500	6
Telephone and Pager Expense	480	480
Gasoline and Fuel	-	-
Contractual Computer Services	-	-
Miscellaneous	2,000	1,359
	<hr/>	<hr/>
Total Department of Mayor	152,280	184,328
	<hr/>	<hr/>
Department of Liquor Commissioner		
Salaries - Elected Official	5,500	5,500
Salaries - Clerical	400	400
	<hr/>	<hr/>
Total Department of Liquor Commissioner	5,900	5,900
	<hr/>	<hr/>
Department of Fire and Police Commission		
Dues, Education, Seminars	1,000	375
Publishing	2,000	2,012
Professional/Contractual Services	5,000	6,316
Miscellaneous	-	-
	<hr/>	<hr/>
Total Department of Fire and Police Commission	8,000	8,703
	<hr/>	<hr/>
Department of Civil Service Commission		
Publishing	2,500	2,603
Professional/Contractual Services	2,000	3,829
Miscellaneous	-	-
	<hr/>	<hr/>
Total Department of Civil Service Commission	4,500	6,432
	<hr/>	<hr/>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
GENERAL GOVERNMENT (Continued)		
Department of General Administration		
Salaries - General Administrative	79,650	86,234
Salaries - Clerical	112,980	124,114
Clothing Reimbursement	-	-
Dues, Education, Seminars	2,000	1,043
Health Insurance and Claims	3,820,100	5,097,192
Office Supplies	12,000	14,266
Operating Supplies	5,000	807
Repairs and Maintenance	9,200	9,051
Recording and Fees	-	-
Telephone and Internet Expense	15,000	16,141
Postage	8,500	6,693
Publishing	7,500	9,030
Bank Fees	2,400	1,814
Local Match - NCAT	8,400	8,400
Professional/Contractual Services	84,236	105,081
Allocations/River Rescue Squad	2,000	2,000
Subsidy/NCAT	-	-
Subsidy/Taxicab	24,000	21,722
Legal Fees	240,000	221,014
Miscellaneous	10,000	20,094
	<hr/>	<hr/>
Total Department of General Administration	4,442,966	5,744,696
	<hr/>	<hr/>
Department of Accounts and Finance Commissioner		
Salaries - Elected Official	15,000	15,000
Dues, Education, Seminars	2,000	1,586
Telephone and Pager Expense	480	480
Miscellaneous	520	70
	<hr/>	<hr/>
Total Department of Accounts and Finance Commissioner	18,000	17,136
	<hr/>	<hr/>
TOTAL GENERAL GOVERNMENT	4,631,646	5,967,195
	<hr/>	<hr/>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>
PUBLIC SAFETY		
Police Department		
Salaries - Administrative	431,225	504,293
Salaries - Clerical	925,000	942,948
Salaries - Other Employees	2,450,000	2,715,779
Salaries - Overtime	145,000	265,862
Salaries - Special Duty	-	-
Clothing Reimbursement	5,100	4,500
Dues, Education, Seminars	24,000	33,990
Office Supplies	10,000	2,644
Operating Supplies	40,000	44,402
Repairs and Maintenance	3,000	3,563
Repairs and Maintenance - Equipment	20,000	18,024
Telephone and Internet Expense	20,000	14,802
Postage	500	1,105
Gasoline and Fuel	55,000	80,580
Professional/Contractual Services	60,000	95,035
Contractual/Animal Control	1,500	400
Grant Expense/Peer Jury/Tobacco Grant	8,000	8,938
Character Counts	-	-
Sex Offender Fees Expense	-	-
D.A.R.E.	6,000	3,826
Miscellaneous	1,000	886
	<hr/>	<hr/>
Total Police Department	4,205,325	4,741,577
	<hr/>	<hr/>
Fire Department		
Salaries - Administrative	333,349	328,131
Salaries - Other Employees	2,100,370	2,107,870
Salaries - Overtime	364,760	488,743
Salaries - Special Duty	110,644	519
Clothing Reimbursement	2,250	812
Dues, Education, Seminars	48,228	14,127
Public Education/Prevention	5,000	3,048
Office Supplies	2,900	1,105
Operating Supplies	11,500	9,600
Repairs and Maintenance	1,500	425
Repairs and Maintenance - Equipment	12,000	11,976

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>
PUBLIC SAFETY (Continued)		
Fire Department (Continued)		
Repairs and Maintenance - Vehicles	90,000	106,073
Telephone and Internet Expense	17,350	14,856
Postage	300	211
Gasoline and Fuel	30,000	31,045
Ambulance Expenses	49,750	45,477
Ambulance Billing/Refund	120,000	118,336
Professional/Contractual Services	94,777	109,059
Miscellaneous	<u>500</u>	<u>505</u>
Total Fire Department	<u>3,395,178</u>	<u>3,391,918</u>
Department of Public Health and Safety Commissioner		
Salaries - Elected Official	15,000	15,000
Dues, Education, Seminars	2,000	75
Telephone and Pager Expense	480	480
Miscellaneous	<u>520</u>	<u>130</u>
Total Department of Public Health and Safety Commissioner	<u>18,000</u>	<u>15,685</u>
TOTAL PUBLIC SAFETY	<u>7,618,503</u>	<u>8,149,180</u>
PUBLIC WORKS, CULTURAL, PARKS, AND RECREATION		
Department of Commissioner of Public Improvements		
Salaries - Elected Official	15,000	15,000
Dues, Education, Seminars	2,000	75
Telephone and Pager Expense	480	480
Miscellaneous	<u>520</u>	<u>135</u>
Total Department of Commissioner of Public Improvements	<u>18,000</u>	<u>15,690</u>
Department of Commissioner of Public Property		
Salaries - Elected Official	15,000	15,000
Dues, Education, Seminars	2,000	75
Telephone and Pager Expense	480	480
Miscellaneous	<u>520</u>	<u>65</u>
Total Department of Commissioner of Public Property	<u>18,000</u>	<u>15,620</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
PUBLIC WORKS, CULTURAL, PARKS, AND RECREATION		
Department of Public Works		
Salaries - Administrative	77,250	86,201
Salaries - Other Employees	983,373	1,104,949
Salaries - Part-time	100,000	127,973
Salaries - Overtime	35,000	57,363
Dues, Education, Seminars	10,000	1,501
Office Supplies	1,500	383
Operating Supplies	350,000	292,859
Parks Advisory/Flowers	25,000	9,535
Tree Board/Trees	5,500	533
Repairs and Maintenance	1,285,000	1,944,883
Repairs and Maintenance - Equipment	25,000	27,915
Repairs and Maintenance - Vehicles	80,500	43,823
Telephone and Internet Expense	5,000	10,385
Gasoline and Fuel	50,000	64,760
Utilities	155,000	154,629
Professional/Contractual Services	127,500	252,460
Contractual Repairs/Building/Streets	20,000	8,729
Contractual Repairs/Building/Peck Park	-	-
Contractual Repairs/Building/Police	66,700	94,307
Contractual Repairs/Building/Fire	27,300	40,788
Contractual Repairs/Building/City Hall	10,000	21,029
Contractual Repairs/Building/Other	7,500	12,393
Contractual Repairs/Building/IVCC	11,000	19,660
Contractual Repairs/Building/Mansion	-	-
Department of Public Works		
Contractual Repairs/Building/Peltier	5,000	46,425
Contractual Repairs/Building/NCAT	10,000	2,968
Miscellaneous	10,000	(8,502)
 Total Department of Public Works	 3,483,123	 4,417,949
 TOTAL PUBLIC WORKS, CULTURAL, PARKS AND RECREATION	 3,519,123	 4,449,259

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>
COMMUNITY AND ECONOMIC DEVELOPMENT		
Community Development Department		
Salaries - Clerical	64,143	68,025
Salaries - Professional	333,218	368,047
Salaries - Other Employees	157,677	158,713
Salaries - Part-times	54,467	56,232
Meal Allowance	1,500	123
Clothing Reimbursement	-	-
Dues, Education, Seminars	5,000	3,630
Office Supplies	4,000	1,489
Operating Supplies	8,000	380
Repairs and Maintenance	42,000	51,796
Telephone and Internet Expense	4,000	4,060
Postage	200	-
Gasoline and Fuel	4,000	1,122
Publishing	1,500	1,841
Professional/Contractual Services	481,000	259,600
Contractual/Tree Removal Program	112,150	112,220
Sales Tax Incentive - Walsh Toyota & Rentals	-	-
Grant Payment - OTHS Levee	-	-
Miscellaneous	<u>3,000</u>	<u>24,643</u>
 Total Community Development Department	 <u>1,275,855</u>	 <u>1,111,921</u>
 TOTAL COMMUNITY AND ECONOMIC DEVELOPMENT	 1,275,855	 1,111,921
 DEBT SERVICE		
Principal	189,502	185,536
Interest	<u>8,816</u>	<u>13,498</u>
 TOTAL DEBT SERVICE	 <u>198,318</u>	 <u>199,034</u>
 CAPITAL OUTLAY		
Equipment	380,043	427,426
Construction in Progress	45,000	338,355
Construction in Progress/Boat Docks	6,000	1,715
Construction in Progress/Dayton Bluffs	25,000	23,254

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
CAPITAL OUTLAY (Continued)		
Construction in Progress/Riverwalk	3,250	-
Construction in Progress/Allen Park	5,500	(3,455)
Construction in Progress/Washington Park	-	-
TOTAL CAPITAL OUTLAY	464,793	787,295
TOTAL EXPENDITURES	\$ 17,708,238	\$ 20,663,884

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF OTTAWA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR FUNDS

For the Year Ended April 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Funds
ASSETS				
Cash	\$ 5,888,891	\$ 336,538	\$ 1,938,096	\$ 8,163,525
Investments	1,308,247	-	-	1,308,247
Property Taxes Receivable	6,936,533	-	-	6,936,533
Other Receivables:				
Notes	141,105	-	-	141,105
Motor Fuel Tax	64,130	-	-	64,130
Hotel/Motel Tax	62,723	-	-	62,723
Grants	995,125	-	-	995,125
Other	-	-	4,809	4,809
Prepaid Expense	434,891	-	-	434,891
Due from Other Funds	-	-	1,636,985	1,636,985
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 15,831,645	\$ 336,538	\$ 3,579,890	\$ 19,748,073
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ 182,361	\$ -	\$ 182,635	\$ 364,996
Accounts Payable	109,555	-	8,095	117,650
Accrued Salaries	6,111	-	-	6,111
Due to Other Funds	15,904	-	18,626	34,530
Total Liabilities	313,931	-	209,356	523,287
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	6,936,533	-	-	6,936,533
Unavailable Revenue	-	-	4,809	4,809
Total Deferred Inflows of Resources	6,936,533	-	4,809	6,941,342
FUND BALANCES				
Nonspendable	461,408	-	4,809	466,217
Restricted				
Special Revenues	8,265,775	-	-	8,265,775
Debt Service	-	336,538	-	336,538
Capital Projects	-	-	3,360,916	3,360,916
Unrestricted				
Assigned	76,234			76,234
Unassigned	(222,236)	-	-	(222,236)
Total Fund Balances	8,581,181	336,538	3,365,725	12,283,444
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 15,831,645	\$ 336,538	\$ 3,579,890	\$ 19,748,073

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR FUNDS

For the Year Ended April 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Funds
REVENUES				
Property Taxes	\$ 6,407,547	\$ -	\$ -	\$ 6,407,547
Replacement Taxes	78,834	-	-	78,834
Motor Fuel Tax	749,333	-	-	749,333
Cannabis Use Tax	29,471	-	-	29,471
Interest Income	15,809	408	2,940	19,157
Foreign Fire Insurance Tax	48,966	-	-	48,966
Hotel/Motel Tax	586,166	-	-	586,166
Grants	2,346,330	-	-	2,346,330
Fines, Fees, and Reimbursements	188,823	-	-	188,823
911 Emergency Service Surcharge	133,787	-	-	133,787
Permits	-	-	52,842	52,842
Drug and Task Force Revenue	13,173	-	-	13,173
Donations	85,697	-	25,000	110,697
Growth Impact Fees	-	-	-	-
Rent	-	-	115,500	115,500
Other Revenues	532,765	44,509	-	577,274
Total Revenues	11,216,701	44,917	196,282	11,457,900
EXPENDITURES				
General Government	1,851,056	22,255	115,640	1,988,951
Public Safety	211,734	-	-	211,734
Public Works, Cultural, Parks, and Recreation	1,218,038	-	-	1,218,038
Community and Economic Development	10,198,580	-	-	10,198,580
Debt Service	187,769	269,887	-	457,656
Capital Outlay	3,524	-	532	4,056
Total Expenditures	13,670,701	292,142	116,172	14,079,015
EXCESS OF REVENUES OVER EXPENDITURES	(2,454,000)	(247,225)	80,110	(2,621,115)
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	(173,135)	269,887	260,000	356,752
Bond Proceeds	5,281,601	-	-	5,281,601
Total Other Financing Sources (Uses)	5,108,466	269,887	260,000	5,638,353
NET CHANGE IN FUND BALANCE	2,654,466	22,662	340,110	3,017,238
FUND BALANCE, MAY 1	5,926,715	313,876	3,025,614	9,266,205
FUND BALANCE, APRIL 30	\$ 8,581,181	\$ 336,538	\$ 3,365,724	\$ 12,283,443

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	Crossing Guard Fund	Auditing Fund	Municipal Retirement Fund	Public Liability Insurance Fund
ASSETS				
Cash	\$ 1,982	\$ -	\$ 930,687	\$ 122,812
Investments	-	-	-	-
Property Taxes Receivable	64,971	82,449	826,372	695,292
Other Receivables:				
Notes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	434,891
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 66,953	\$ 82,449	\$ 1,757,059	\$ 1,252,995
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ 8,013	\$ -	\$ -
Accounts Payable	-	4,720	-	-
Accrued Salaries	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	-	12,733	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	64,971	82,449	826,372	695,292
Total Deferred Inflows of Resources	64,971	82,449	826,372	695,292
FUND BALANCES				
Nonspendable	-	-	-	434,891
Restricted	1,982	-	930,687	122,812
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	(12,733)	-	-
Total Fund Balances	1,982	(12,733)	930,687	557,703
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 66,953	\$ 82,449	\$ 1,757,059	\$ 1,252,995

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	Motor Fuel Tax Fund	Foreign Fire Insurance Fund	Playground and Recreation Fund	Industrial Development Commission Fund
ASSETS				
Cash	\$ -	\$ 27,304	\$ 89,008	\$ -
Investments	1,259,317	48,930	-	-
Property Taxes Receivable	-	-	292,371	-
Other Receivables:				
Notes	-	-	-	-
Motor Fuel Tax	64,130	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 1,323,447	\$ 76,234	\$ 381,379	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	500	-
Accrued Salaries	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	-	-	500	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	-	-	292,371	-
Total Deferred Inflows of Resources	-	-	292,371	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	1,323,447	-	88,508	-
Unrestricted				
Assigned	-	76,234	-	-
Unassigned	-	-	-	-
Total Fund Balances	1,323,447	76,234	88,508	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,323,447	\$ 76,234	\$ 381,379	\$ -

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	Ottawa Police Dept. Drug Education Fund	Emergency Telephone System Board Fund	Fire Dept. First Aid Fund	Comm. Develop Revolving Loan Fund
ASSETS				
Cash	\$ 395,600	\$ -	\$ 13,235	\$ 144,863
Investments	-	-	-	-
Property Taxes Receivable	-	-	-	-
Other Receivables:				
Notes	-	-	-	16,660
Motor Fuel Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 395,600	\$ -	\$ 13,235	\$ 161,523
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Accrued Salaries	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	26,517
Restricted	395,600	-	13,235	135,006
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	395,600	-	13,235	161,523
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 395,600	\$ -	\$ 13,235	\$ 161,523

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	Ottawa Police Dept. Fed. Drug Fund	Main St. Loan Fund	Ottawa is Blooming Fund	Ottawa Police Dept Drug Lab Fund
ASSETS				
Cash	\$ 1	\$ 76,810	\$ 34,285	\$ 2,807
Investments	-	-	-	-
Property Taxes Receivable	-	-	-	-
Other Receivables:				
Notes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 1	\$ 76,810	\$ 34,285	\$ 2,807
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Accrued Salaries	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	1	76,810	34,285	2,807
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	1	76,810	34,285	2,807
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1	\$ 76,810	\$ 34,285	\$ 2,807

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	Ottawa Police Dept DUI Fund	Growth Impact Fee Fund	Garbage Fund	Lease Fund
ASSETS				
Cash	\$ 163,114	\$ 646,392	\$ -	\$ 39,015
Investments	-	-	-	-
Property Taxes Receivable	-	-	590,006	-
Other Receivables:				
Notes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 163,114	\$ 646,392	\$ 590,006	\$ 39,015
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ -	\$ 174,348	\$ -
Accounts Payable	13,101	-	33,247	-
Accrued Salaries	-	-	-	-
Due to Other Funds	-	15,904	-	-
Total Liabilities	13,101	15,904	207,595	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	-	-	590,006	-
Total Deferred Inflows of Resources	-	-	590,006	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	150,013	630,488	-	39,015
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	(207,595)	-
Total Fund Balances	150,013	630,488	(207,595)	39,015
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 163,114	\$ 646,392	\$ 590,006	\$ 39,015

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	Street Lighting Fund	NCAT Fund	Public Benefit Fund	Hotel/Motel Tax Fund
ASSETS				
Cash	\$ 36,179	\$ 799,444	\$ 72,543	\$ 363,131
Investments	-	-	-	-
Property Taxes Receivable	162,429	-	-	-
Other Receivables:				
Notes	-	-	-	124,445
Motor Fuel Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	62,723
Grants	-	995,125	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 198,608	\$ 1,794,569	\$ 72,543	\$ 550,299
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	43,909	-	-
Accrued Salaries	-	6,111	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	-	50,020	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	162,429	-	-	-
Total Deferred Inflows of Resources	162,429	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	36,179	1,744,549	72,543	550,299
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	36,179	1,744,549	72,543	550,299
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 198,608	\$ 1,794,569	\$ 72,543	\$ 550,299

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	East Tax Increment Financing District Fund	Downtown Tax Increment Financing District Fund	Ottawa Industrial Park Tax Increment Financing District Fund	Canal Tax Increment Financing District Fund
ASSETS				
Cash	\$ 158,261	\$ 208,454	\$ 103,139	\$ 527,451
Investments	-	-	-	-
Property Taxes Receivable	511,038	417,311	163,665	1,922,158
Other Receivables:				
Notes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	<u>\$ 669,299</u>	<u>\$ 625,765</u>	<u>\$ 266,804</u>	<u>\$ 2,449,609</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	3,610	1,050	1,250
Accrued Salaries	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>3,610</u>	<u>1,050</u>	<u>1,250</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	<u>511,038</u>	<u>417,311</u>	<u>163,665</u>	<u>1,922,158</u>
Total Deferred Inflows of Resources	<u>511,038</u>	<u>417,311</u>	<u>163,665</u>	<u>1,922,158</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	158,261	204,844	102,089	526,201
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>158,261</u>	<u>204,844</u>	<u>102,089</u>	<u>526,201</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 669,299</u>	<u>\$ 625,765</u>	<u>\$ 266,804</u>	<u>\$ 2,449,609</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue			
	Dayton Tax Increment Financing District Fund	I-80 Commercial Tax Increment Financing District Fund	Route 71 Tax Increment Financing District Fund	Mural
ASSETS				
Cash	\$ 455,085	\$ 429,300	\$ 21,937	\$ 26,052
Investments	-	-	-	-
Property Taxes Receivable	814,981	362,084	31,406	-
Other Receivables:				
Notes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Prepaid Expense	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	<u>\$ 1,270,066</u>	<u>\$ 791,384</u>	<u>\$ 53,343</u>	<u>\$ 26,052</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 4,050	\$ 2,078	\$ 2,040	\$ -
Accrued Salaries	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>4,050</u>	<u>2,078</u>	<u>2,040</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Property Taxes	<u>814,981</u>	<u>362,084</u>	<u>31,406</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>814,981</u>	<u>362,084</u>	<u>31,406</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	451,035	427,222	21,805	26,052
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	(1,908)	-
Total Fund Balances	<u>451,035</u>	<u>427,222</u>	<u>19,897</u>	<u>26,052</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 1,270,066</u>	<u>\$ 791,384</u>	<u>\$ 53,343</u>	<u>\$ 26,052</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended April 30, 2022

	Special Revenue	Totals
<hr/>		
ASSETS		
Cash		\$ 5,888,891
Investments		1,308,247
Property Taxes Receivable		6,936,533
Other Receivables:		
Notes		141,105
Motor Fuel Tax		64,130
Hotel/Motel Tax		62,723
Grants		995,125
Other		-
Prepaid Expense		434,891
Due from Other Funds		-
Other Assets		-
		<hr/>
TOTAL ASSETS		<u><u>\$ 15,831,645</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Cash Overdraft		\$ 182,361
Accounts Payable		109,555
Accrued Salaries		6,111
Due to Other Funds		15,904
		<hr/>
Total Liabilities		<u>313,931</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Property Taxes		<u>6,936,533</u>
Total Deferred Inflows of Resources		<u>6,936,533</u>
FUND BALANCES		
Nonspendable		461,408
Restricted		8,265,775
Unrestricted		
Assigned		76,234
Unassigned		(222,236)
		<hr/>
Total Fund Balances		<u>8,581,181</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		<u><u>\$ 15,831,645</u></u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	Crossing Guard Fund	Auditing Fund	I.M.R.F. Fund	Public Liability Insurance Fund
REVENUES				
Property Taxes	\$ 62,880	\$ 79,793	\$ 847,229	\$ 673,085
Replacement Taxes	-	-	78,834	-
Motor Fuel Tax	-	-	-	-
Interest Income	42	19	1,746	428
Foreign Fire Insurance Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Fines, Fees, and Reimbursements	-	-	-	-
911 Emergency Service Surcharge	-	-	-	-
Drug and Task Force Revenue	-	-	-	-
Donations	-	-	-	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	62,922	79,812	927,809	673,513
EXPENDITURES				
General Government	-	56,030	866,412	650,531
Public Safety	60,950	-	-	-
Public Works, Cultural, Parks, and Recreation	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	60,950	56,030	866,412	650,531
EXCESS OF REVENUES OVER EXPENDITURES	1,972	23,782	61,397	22,982
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCE	1,972	23,782	61,397	22,982
FUND BALANCE, MAY 1	10	(36,515)	869,289	534,721
FUND BALANCE, APRIL 30	\$ 1,982	\$ (12,733)	\$ 930,686	\$ 557,703

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	Motor Fuel Tax Fund	Foreign Fire Insurance Fund	Playground and Recreation Fund	Industrial Development Commission Fund
REVENUES				
Property Taxes	\$ -	\$ -	\$ 282,955	\$ -
Replacement Taxes	-	-	-	-
Motor Fuel Tax	749,333	-	-	-
Interest Income	1,425	177	253	-
Foreign Fire Insurance Tax	-	48,966	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Fines, Fees, and Reimbursements	-	-	29,973	-
911 Emergency Service Surcharge	-	-	-	-
Drug and Task Force Revenue	-	-	-	-
Donations	-	-	18,285	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	412,295	-	-	-
Total Revenues	1,163,053	49,143	331,466	-
EXPENDITURES				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works, Cultural, Parks, and Recreation	803,128	40,963	271,506	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	803,128	40,963	271,506	-
EXCESS OF REVENUES OVER EXPENDITURES	359,925	8,180	59,960	-
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	-	-	(40,000)	-
Total Other Financing Sources (Uses)	-	-	(40,000)	-
NET CHANGE IN FUND BALANCE	359,925	8,180	19,960	-
FUND BALANCE, MAY 1	963,521	68,054	68,549	-
FUND BALANCE, APRIL 30	\$ 1,323,446	\$ 76,234	\$ 88,509	\$ -

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	Ottawa Police Dept. Drug Education Fund	Emergency Telephone System Board Fund	Fire Dept. First Aid Fund	Comm. Develop Revolving Loan Fund
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Replacement Taxes	-	-	-	-
Cannabis Use Tax	29,471	-	-	-
Interest Income	785	-	12	248
Interest on Loans	-	-	-	578
Foreign Fire Insurance Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Fines, Fees, and Reimbursements	-	-	-	-
911 Emergency Service Surcharge	-	-	-	-
Drug and Task Force Revenue	13,173	-	-	-
Donations	-	-	150	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	43,429	-	162	826
EXPENDITURES				
General Government	-	-	-	-
Public Safety	130,317	-	-	-
Public Works, Cultural, Parks, and Recreation	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	130,317	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	(86,888)	-	162	826
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	(3,950)	-	-	-
Total Other Financing Sources (Uses)	(3,950)	-	-	-
NET CHANGE IN FUND BALANCE	(90,838)	-	162	826
FUND BALANCE, MAY 1	486,438	-	13,073	160,696
FUND BALANCE, APRIL 30	\$ 395,600	\$ -	\$ 13,235	\$ 161,522

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	Ottawa Police Dept. Fed. Drug Fund	Main St. Loan Fund	Ottawa is Blooming Fund	Ottawa Police Dept Drug Lab Fund
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Replacement Taxes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Interest Income	1	134	50	5
Interest on Loans	-	-	-	-
Foreign Fire Insurance Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Fines, Fees, and Reimbursements	-	-	-	-
911 Emergency Service Surcharge	-	-	-	-
Drug and Task Force Revenue	-	-	-	-
Donations	-	-	14,331	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	-	-	745	-
Total Revenues	1	134	15,126	5
EXPENDITURES				
General Government	-	-	5,936	-
Public Safety	7,366	-	-	-
Public Works, Cultural, Parks, and Recreation	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	7,366	-	5,936	-
EXCESS OF REVENUES OVER EXPENDITURES	(7,365)	134	9,190	5
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCE	(7,365)	134	9,190	5
FUND BALANCE, MAY 1	7,366	76,676	25,095	2,802
FUND BALANCE, APRIL 30	\$ 1	\$ 76,810	\$ 34,285	\$ 2,807

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	Ottawa Police Dept DUI Fund	Growth Impact Fee Fund	Garbage Fund	Lease Fund
REVENUES				
Property Taxes	\$ -	\$ -	\$ 498,566	\$ -
Replacement Taxes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Interest Income	266	1,155	-	68
Foreign Fire Insurance Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Fines, Fees, and Reimbursements	23,906	-	-	-
911 Emergency Service Surcharge	-	-	-	-
Drug and Task Force Revenue	-	-	-	-
Donations	-	-	-	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	24,172	1,155	498,566	68
EXPENDITURES				
General Government	-	-	272,147	-
Public Safety	13,101	-	-	-
Public Works, Cultural, Parks, and Recreation	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	3,524	-	-
Total Expenditures	13,101	3,524	272,147	-
EXCESS OF REVENUES OVER EXPENDITURES	11,071	(2,369)	226,419	68
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCE	11,071	(2,369)	226,419	68
FUND BALANCE, MAY 1	138,942	632,857	(434,014)	38,947
FUND BALANCE, APRIL 30	\$ 150,013	\$ 630,488	\$ (207,595)	\$ 39,015

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	Street Lighting Fund	NCAT Fund	Public Benefit Fund	Hotel/Motel Tax Fund
REVENUES				
Property Taxes	\$ 157,197	\$ -	\$ -	\$ -
Replacement Taxes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Interest Income	87	252	126	486
Foreign Fire Insurance Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	586,166
Grants	-	2,346,330	-	-
Fines, Fees, and Reimbursements	-	-	-	-
Fees and Sales of Concessions	-	133,787	-	-
Drug and Task Force Revenue	-	-	-	-
Donations	-	52,931	-	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	-	118,225	-	-
Total Revenues	157,284	2,651,525	126	586,652
EXPENDITURES				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	102,441
Community and Economic Development	79,438	1,998,121	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	79,438	1,998,121	-	102,441
EXCESS OF REVENUES OVER EXPENDITURES	77,846	653,404	126	484,211
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	-	-	-	(258,000)
Total Other Financing Sources (Uses)	-	-	-	(258,000)
NET CHANGE IN FUND BALANCE	77,846	653,404	126	226,211
FUND BALANCE, MAY 1 (Restated)	(41,667)	1,091,145	72,417	324,088
FUND BALANCE, APRIL 30	\$ 36,179	\$ 1,744,549	\$ 72,543	\$ 550,299

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	East Tax Increment Financing District Fund	Downtown Tax Increment Financing District Fund	Ottawa Industrial Park TIF District Fund	Canal Tax Increment Financing District Fund
REVENUES				
Property Taxes	\$ 507,578	\$ 398,473	\$ 159,881	\$ 1,551,389
Replacement Taxes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Interest Income	751	658	1,287	167
Foreign Fire Insurance Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Fines, Fees, and Reimbursements	-	-	-	134,944
911 Emergency Service Surcharge	-	-	-	-
Drug and Task Force Revenue	-	-	-	-
Donations	-	-	-	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	-	1,500	-	-
Total Revenues	508,329	400,631	161,168	1,686,500
EXPENDITURES				
General Government	-	-	-	-
Public Safety	-	-	-	-
Parks and Recreation	-	-	-	-
Community and Economic Development	525,357	241,730	49,986	2,337,501
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	525,357	241,730	49,986	2,337,501
EXCESS OF REVENUES OVER EXPENDITURES	(17,028)	158,901	111,182	(651,001)
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	-	(173,113)	(720,000)	1,772,615
Total Other Financing Sources (Uses)	-	(173,113)	(720,000)	1,772,615
NET CHANGE IN FUND BALANCE	(17,028)	(14,212)	(608,818)	1,121,614
FUND BALANCE, MAY 1	175,289	219,055	710,908	(595,411)
FUND BALANCE, APRIL 30	\$ 158,261	\$ 204,843	\$ 102,090	\$ 526,203

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2022

	Special Revenue			
	Dayton Tax Increment Financing District Fund	I-80 Commercial TIF District Fund	Route 71 Tax Increment Financing District Fund	Mural
REVENUES				
Property Taxes	\$ 804,385	\$ 369,138	\$ 14,998	\$ -
Replacement Taxes	-	-	-	-
Motor Fuel Tax	-	-	-	-
Interest Income	1,059	772	2,747	25
Foreign Fire Insurance Tax	-	-	-	-
Hotel/Motel Tax	-	-	-	-
Grants	-	-	-	-
Fines, Fees, and Reimbursements	-	-	-	-
911 Emergency Service Surcharge	-	-	-	-
Drug and Task Force Revenue	-	-	-	-
Donations	-	-	-	-
Growth Impact Fees	-	-	-	-
Rent	-	-	-	-
Other Revenues	-	-	-	-
Total Revenues	805,444	369,910	17,745	25
EXPENDITURES				
General Government	-	-	-	-
Public Safety	-	-	-	-
Parks, and Recreation	-	-	-	-
Community and Economic Development	375,200	231,982	4,359,265	-
Debt Service	-	-	187,769	-
Capital Outlay	-	-	-	-
Total Expenditures	375,200	231,982	4,547,034	-
EXCESS OF REVENUES OVER EXPENDITURES	430,244	137,928	(4,529,289)	25
OTHER FINANCING SOURCES (USES)				
Operating Transfer (To) From	(164,148)	-	(599,539)	13,000
Bond Proceeds	-	-	5,281,601	-
Total Other Financing Sources (Uses)	(164,148)	-	4,682,062	13,000
NET CHANGE IN FUND BALANCE	266,096	137,928	152,773	13,025
FUND BALANCE, MAY 1	184,939	289,294	(132,876)	13,027
FUND BALANCE, APRIL 30	\$ 451,035	\$ 427,222	\$ 19,897	\$ 26,052

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES****NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended April 30, 2022

	Special Revenue	Total
REVENUES		
Property Taxes		\$ 6,407,547
Replacement Taxes		78,834
Motor Fuel Tax		749,333
Cannabis Use Tax		29,471
Interest Income		15,809
Foreign Fire Insurance Tax		48,966
Hotel/Motel Tax		586,166
Grants		2,346,330
Fines, Fees, and Reimbursements		188,823
911 Emergency Service Surcharge		133,787
Drug and Task Force Revenue		13,173
Donations		85,697
Growth Impact Fees		-
Rent		-
Other Revenues		532,765
Total Revenues		11,216,701
EXPENDITURES		
General Government		1,851,056
Public Safety		211,734
Public Works, Cultural, Parks, and Recreation		1,218,038
Community and Economic Development		10,198,580
Debt Service		187,769
Capital Outlay		3,524
Total Expenditures		13,670,701
EXCESS OF REVENUES OVER EXPENDITURES		(2,454,000)
OTHER FINANCING SOURCES (USES)		
Operating Transfer (To) From		(173,135)
Bond Proceeds		5,281,601
Total Other Financing Sources (Uses)		5,108,466
NET CHANGE IN FUND BALANCE		2,654,466
FUND BALANCE, MAY 1		5,926,715
FUND BALANCE, APRIL 30		\$ 8,581,181

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended April 30, 2022

	Debt Service Funds		
	Series 2007 Debt Certificate Bond and Interest Fund	Series 2009 Recovery Zone Economic Bond and Interest Fund	Series 2012 Debt Certificate Bond and Interest Fund
ASSETS			
Cash	\$ -	\$ 336,534	\$ 4
Property Taxes Receivable	-	-	-
Due from other fund	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 336,534</u>	<u>\$ 4</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Cash Overdraft	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Due to other fund	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable			
Restricted			
Debt Service	-	336,534	4
Unrestricted			
Assigned for Debt Service	-	-	-
Unassigned	-	-	-
Total fund balances	<u>-</u>	<u>336,534</u>	<u>4</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ -</u>	<u>\$ 336,534</u>	<u>\$ 4</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended April 30, 2022

	Debt Service Funds		
	Series 2016 Bond and Interest Fund	Series 2017 Bond and Interest Fund	Total
ASSETS			
Cash	\$ -	\$ -	\$ 336,538
Property Taxes Receivable	-	-	-
Due from other fund	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ 336,538
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Cash Overdraft	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Due to other fund	-	-	-
Total liabilities	-	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	-	-	-
Total Deferred Inflows of Resources	-	-	-
Total Liabilities and Deferred Inflows of Resources	-	-	-
FUND BALANCES			
Nonspendable	-	-	-
Restricted			
Debt Service	-	-	336,538
Unrestricted			
Assigned for Debt Service	-	-	-
Unassigned	-	-	-
Total fund balances	-	-	336,538
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ -	\$ -	\$ 336,538

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR DEBT SERVICE FUNDS

For the Year Ended April 30, 2022

	Debt Service Funds		
	Series 2007 Debt Certificate Bond and Interest Fund	Series 2009 Recovery Zone Economic Bond and Interest Fund	Series 2012 Debt Certificate Bond and Interest Fund
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Interest Income	-	404	4
Rebates	-	-	-
Other Revenues	-	44,509	-
Total Revenues	-	44,913	4
EXPENDITURES			
General Government			
Paying Fees	-	-	-
Reimbursed Expenses	-	22,255	-
Debt Service			
Principal	-	165,000	-
Interest Expense	-	104,887	-
Total Expenditures	-	292,142	-
EXCESS OF REVENUES OVER EXPENDITURES	-	(247,229)	4
OTHER FINANCING SOURCES (USES)			
Operating Transfer (To) From	-	269,887	-
Total Other Financing Sources (Uses)	-	269,887	-
NET CHANGE IN FUND BALANCE	-	22,658	4
FUND BALANCE, MAY 1	-	313,876	-
FUND BALANCE, APRIL 30	\$ -	\$ 336,534	\$ 4

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR DEBT SERVICE FUNDS

For the Year Ended April 30, 2022

	<u>Debt Service Funds</u>		
	<u>Series 2016 Bond and Interest Fund</u>	<u>Series 2017 Bond and Interest Fund</u>	<u>Total</u>
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Interest Income	-	-	408
Rebates	-	-	-
Other Revenues	-	-	44,509
	<hr/>	<hr/>	<hr/>
Total Revenues	-	-	44,917
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
General Government			
Paying Fees	-	-	-
Reimbursed Expenses	-	-	22,255
Debt Service			
Principal	-	-	165,000
Interest Expense	-	-	104,887
	<hr/>	<hr/>	<hr/>
Total Expenditures	-	-	292,142
	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	(247,225)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Operating Transfer (To) From	-	-	269,887
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	-	-	269,887
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	-	-	22,662
	<hr/>	<hr/>	<hr/>
FUND BALANCE, MAY 1	-	-	313,876
	<hr/>	<hr/>	<hr/>
FUND BALANCE, APRIL 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 336,538</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended April 30, 2022

	Capital Projects Funds		
	Enterprise Zone Capital Improvement Fund	Flood Buyout Fund	Canal Rewatering Fund
ASSETS			
Cash	\$ 1,417,509	\$ 39,433	\$ -
Property Taxes Receivable	-	-	-
Other Receivable	-	-	-
Due from Other Fund	1,636,985	-	-
TOTAL ASSETS	<u>\$ 3,054,494</u>	<u>\$ 39,433</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Cash Overdraft	\$ -	\$ -	\$ 182,635
Accounts Payable	8,095	-	-
Due to Other Fund	-	18,626	-
Total Liabilities	<u>8,095</u>	<u>18,626</u>	<u>182,635</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Taxes	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>8,095</u>	<u>18,626</u>	<u>182,635</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted			
Capital Projects	3,046,399	20,807	(182,635)
Unrestricted			
Assigned for Capital Projects	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>3,046,399</u>	<u>20,807</u>	<u>(182,635)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 3,054,494</u>	<u>\$ 39,433</u>	<u>\$ -</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
For the Year Ended April 30, 2022

	Capital Projects Funds		
	Bellevue Ave. Roadway Fund	Series 2016A Debt Cert. Capital Improvement Fund	Total
ASSETS			
Cash	\$ 139,853	\$ 341,301	\$ 1,938,096
Property Taxes Receivable	-	-	-
Other Receivable	4,809	-	4,809
Due from Other Fund	-	-	1,636,985
TOTAL ASSETS	<u>\$ 144,662</u>	<u>\$ 341,301</u>	<u>\$ 3,579,890</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Cash Overdraft	\$ -	\$ -	\$ 182,635
Accounts Payable	-	-	8,095
Due to Other Fund	-	-	18,626
Total Liabilities	<u>-</u>	<u>-</u>	<u>209,356</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	4,809	-	4,809
Total Deferred Inflows of Resources	<u>4,809</u>	<u>-</u>	<u>4,809</u>
Total Liabilities and Deferred Inflows of Resources	<u>4,809</u>	<u>-</u>	<u>214,165</u>
FUND BALANCES			
Nonspendable	4,809	-	4,809
Restricted			
Capital Projects	135,044	341,301	3,360,916
Unrestricted			
Assigned for Capital Projects	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>139,853</u>	<u>341,301</u>	<u>3,365,725</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 144,662</u>	<u>\$ 341,301</u>	<u>\$ 3,579,890</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended April 30, 2022

	Capital Projects Funds		
	Enterprise Zone Capital Improvement Fund	Flood Buyout Fund	Canal Rewatering Fund
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Special Assessments	-	-	-
Permits	52,842	-	-
Interest Income	2,031	69	-
Grants	-	-	-
Rents	115,500	-	-
Donations	-	-	25,000
Other Revenues	-	-	-
Total Revenues	170,373	69	25,000
EXPENDITURES			
General Government			
Contractual Services	113,769	-	1,871
Reimbursed Taxes	-	-	-
Capital Outlay			
Construction	-	-	532
Equipment	-	-	-
Total Expenditures	113,769	-	2,403
EXCESS OF REVENUES OVER EXPENDITURES	56,604	69	22,597
OTHER FINANCING SOURCES (USES)			
Operating Transfer (To) From	260,000	-	-
Total Other Financing Sources (Uses)	260,000	-	-
NET CHANGE IN FUND BALANCE	316,604	69	22,597
FUND BALANCE, MAY 1	2,729,794	20,738	(205,232)
FUND BALANCE, APRIL 30	\$ 3,046,398	\$ 20,807	\$ (182,635)

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended April 30, 2022

	<u>Capital Projects Funds</u>		
	<u>Bellevue Ave. Roadway Fund</u>	Series 2016A Debt Cert. Capital Improvement Fund	<u>Total</u>
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Special Assessments	-	-	-
Permits	-	-	52,842
Interest Income	244	596	2,940
Grants	-	-	-
Rents	-	-	115,500
Donations	-	-	25,000
Other Revenues	-	-	-
Total Revenues	<u>244</u>	<u>596</u>	<u>196,282</u>
EXPENDITURES			
General Government			
Contractual Services	-	-	115,640
Reimbursed Taxes	-	-	-
Capital Outlay			
Construction	-	-	532
Equipment	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>116,172</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>244</u>	<u>596</u>	<u>80,110</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfer (To) From	-	-	260,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>260,000</u>
NET CHANGE IN FUND BALANCE	244	596	340,110
FUND BALANCE, MAY 1	<u>139,609</u>	<u>340,705</u>	<u>3,025,614</u>
FUND BALANCE, APRIL 30	<u><u>\$ 139,853</u></u>	<u><u>\$ 341,301</u></u>	<u><u>\$ 3,365,724</u></u>

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

CITY OF OTTAWA, ILLINOIS
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS
For the Year Ended April 30, 2022

	Water and Wastewater System	Swimming Pool	Canal Rental and Purchase	Events	Total
ASSETS					
Current Assets					
Cash	\$ 10,732,197	\$ -	\$ -	\$ 13,050	\$ 10,745,247
Investments	5,443	-	-	-	5,443
Accounts Receivable	1,188,015	-	-	-	1,188,015
Prepaid Expense	-	-	-	-	-
Due From Other Funds	994,897	-	-	-	994,897
Total Current Assets	12,920,552	-	-	13,050	12,933,602
Noncurrent Assets					
Capital Assets, net of Acc. Depreciation	42,559,702	-	336,120	-	42,895,822
Construction in Progress	3,272,516	-	-	-	3,272,516
Total Noncurrent Assets	45,832,218	-	336,120	-	46,168,338
TOTAL ASSETS	\$ 58,752,770	\$ -	\$ 336,120	\$ 13,050	\$ 59,101,940
LIABILITIES AND NET POSITION					
LIABILITIES					
Current Liabilities					
Cash Overdraft	\$ -	\$ 1,130	\$ -	\$ -	1,130
Accounts Payable	173,722	-	-	-	173,722
Accrued Salaries	10,147	-	-	-	10,147
Interest Payable	200,618	-	-	-	200,618
Current Portion of Long-Term Debt	1,401,126	-	-	-	1,401,126
Due to Other Funds	1,636,985	-	-	-	1,636,985
Total Current Liabilities	3,422,598	1,130	-	-	3,423,728
Noncurrent Liabilities					
EPA Loans Payable	2,801,265	-	-	-	2,801,265
Debt Certificates	1,000,000	-	-	-	1,000,000
General Obligation Bonds	16,125,000	-	-	-	16,125,000
Bond Premiums	1,684,721	-	-	-	1,684,721
Truck Loans	1,550	-	-	-	1,550
Capital Lease	33,193	-	-	-	33,193
Total Noncurrent Liabilities	21,645,729	-	-	-	21,645,729
Total Liabilities	25,068,327	1,130	-	-	25,069,457
NET POSITION					
Net Investment in Capital Assets	22,785,363	-	336,120	-	23,121,483
Restricted	-	-	-	-	-
Unrestricted	10,899,080	(1,130)	-	13,050	10,911,000
Total Net Position	33,684,443	(1,130)	336,120	13,050	34,032,483
TOTAL LIABILITIES AND NET POSITION	\$ 58,752,770	\$ -	\$ 336,120	\$ 13,050	\$ 59,101,940

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended April 30, 2022

	Water and Wastewater System	Swimming Pool	Canal Rental and Purchase	Events	Total
OPERATING REVENUES					
Charges for Services	\$ 8,212,305	\$ -	\$ -	\$ -	\$ 8,212,305
Gate Receipts and Concessions	-	26,582	-	-	26,582
Rents	-	1,886	-	-	1,886
Events Revenue	-	-	-	3,528	3,528
Grants and Other Operating Revenues	275,746	-	-	-	275,746
Total Operating Revenues	\$ 8,488,051	\$ 28,468	\$ -	\$ 3,528	8,520,047
OPERATING EXPENSES					
Payroll Benefits	1,562,247	66,318	-	-	1,628,565
Plant and Operations	2,800,985	42,331	-	-	2,843,316
Administration and Other	86,895	1,507	-	5,003	93,405
Capital Outlay	-	-	-	-	-
Depreciation	1,942,195	-	-	-	1,942,195
Total Operating Expenses	6,392,322	110,156	-	5,003	6,507,481
OPERATING INCOME	2,095,729	(81,688)	-	(1,475)	2,012,566
NONOPERATING REVENUES (EXPENSES)					
Interest Income	27,104	39	-	23	27,166
Debt Service					-
Interest and Fiscal Charges	(774,944)	-	-	-	(774,944)
Other Revenue (Expense)	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	(747,840)	39	-	23	(747,778)
OTHER FINANCING SOURCES					
Operating Transfer (To) From	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
NET CHANGE IN NET POSITION	1,347,889	(81,649)	-	(1,452)	1,264,788
NET POSITION, MAY 1	32,336,554	80,519	336,120	14,502	32,767,695
NET POSITION, APRIL 30	\$ 33,684,443	\$ (1,130)	\$ 336,120	\$ 13,050	\$ 34,032,483

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL**

WATER AND WASTEWATER SYSTEM FUND

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for Services		
Water and Sewer Revenue	\$ 8,092,198	\$ 7,934,429
Penalty Revenue	48,000	40,101
Tapping Fees	45,000	15,000
Water Extension Fees	20,000	-
Sewer Extension Fees	7,500	9,426
Bulk Water Revenue	10,000	8,890
New Water Meter Revenue	29,000	13,932
Sewer Connection Fees	77,500	58,610
Leachate Treatment	45,000	38,554
Septic Dumping Fees	100,000	57,644
Laboratory Service Fees	10,500	5,756
Account Activation Fees	14,000	13,447
Utility Tax - Pilkington	-	16,516
Grant - Pilkington	-	-
Bond Proceeds	9,900,000	-
Miscellaneous Revenues	31,350	275,746
	<hr/>	<hr/>
Total Operating Revenues	18,430,048	8,488,051
	<hr/>	<hr/>
OPERATING EXPENSES		
Water Department		
Payroll and Benefits		
Salaries - Administrative	-	11,538
Salaries - Clerical	63,454	64,849
Salaries - Professional	-	-
Salaries - Other Employees	478,086	499,954
Salaries - Part Time	7,200	8,364
Salaries - Overtime	40,000	45,760
Health and Life Insurance	100,000	100,000
	<hr/>	<hr/>
Total Payroll and Benefits	688,740	730,465
	<hr/>	<hr/>

(See independent auditors' report.)

CITY OF OTTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL**

WATER AND WASTEWATER SYSTEM FUND

For the Year Ended April 30, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>
OPERATING EXPENSES (Continued)		
Water Department (Continued)		
Plant and Operations		
Operating Supplies	365,000	481,897
Repairs and Maintenance - Building and Other	800,000	472,440
Repairs and Maintenance - Vehicles	25,000	24,746
Gasoline and Fuel	22,000	27,708
Utilities	350,000	359,130
Professional and Contractual Services	157,500	269,280
Operating Lease	-	-
Equipment	49,000	-
	<u>1,768,500</u>	<u>1,635,201</u>
Total Plant and Operations		
	<u>1,768,500</u>	<u>1,635,201</u>
Administration and Other		
Dues, Education, Seminars	3,500	4,607
Office Supplies	6,000	6,114
Telephone and Internet	7,500	7,662
Postage	25,000	22,220
Publishing	400	-
Miscellaneous	10,964	933
	<u>53,364</u>	<u>41,536</u>
Total Administration and Other		
	<u>53,364</u>	<u>41,536</u>
Total Water Department	<u>2,510,603</u>	<u>2,407,202</u>
Sewer Department		
Payroll and Benefits		
Salaries - Administrative	152,250	96,541
Salaries - Clerical	52,471	52,926
Salaries - Professional	-	-
Salaries - Other Employees	511,328	550,608
Salaries - Part Time	11,500	-
Salaries - Overtime	25,000	31,707
Health and Life Insurance	100,000	100,000
	<u>852,548</u>	<u>831,782</u>
Total Payroll and Benefits		
	<u>852,548</u>	<u>831,782</u>

(See independent auditors' report.)

CITY OF OTTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL**

WATER AND WASTEWATER SYSTEM FUND

For the Year Ended April 30, 2022

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Sewer Department (Continued)		
Plant and Operations		
Operating Supplies	100,000	190,530
Repairs and Maintenance - Building and Other	631,500	369,127
Repairs and Maintenance - Vehicles	17,500	8,127
Gasoline and Fuel	16,500	11,594
Utilities	205,000	134,136
Professional and Contractual Services	556,500	452,270
Operating Lease	-	-
Equipment	75,922	-
	<hr/>	<hr/>
Total Plant and Operations	1,602,922	1,165,784
	<hr/>	<hr/>
Administration and Other		
Dues, Education, Seminars	7,500	1,705
Office Supplies	6,000	185
Telephone and Internet	7,000	7,954
Postage	25,000	18,875
Publishing	800	-
Bond Costs	-	-
Miscellaneous	13,045	16,640
	<hr/>	<hr/>
Total Administration and Other	59,345	45,359
	<hr/>	<hr/>
Total Sewer Department	2,514,815	2,042,925
	<hr/>	<hr/>
Depreciation	-	1,942,195
	<hr/>	<hr/>
Total Operating Expenses	5,025,419	6,392,322
	<hr/>	<hr/>
OPERATING INCOME	13,404,629	2,095,729
	<hr/>	<hr/>
 OPERATING INCOME	 13,404,629	 2,095,729
	<hr/>	<hr/>

(See independent auditors' report.)

CITY OF OTTAWA, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND WASTEWATER SYSTEM FUND
For the Year Ended April 30, 2022

	Original and Final Budget	Actual
NONOPERATING REVENUES (EXPENSES)		
Interest Income	16,000	27,104
Debt Service		
Interest and Fiscal Charges	-	(774,944)
Other Income (Expense)	-	-
Total Nonoperating Revenues (Expenses)	16,000	(747,840)
OPERATING TRANSFERS		
Operating Transfer (To) From	-	-
NET CHANGE IN NET POSITION	\$ 13,420,629	1,347,889
NET POSITION, MAY 1		32,336,554
NET POSITION, APRIL 30		\$ 33,684,443

(See independent auditors' report.)

FIDUCIARY FUNDS

CITY OF OTTAWA, ILLINOIS
COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
April 30, 2022

	Police Pension Fund	Firefighters' Pension Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 823,344	\$ 4,482,972	\$ 5,306,316
Investments, at Fair Value			
Fixed Income	550,000	-	550,000
Pooled Investment Accounts	25,049,727	12,829,355	37,879,082
Employer Receivable - TIF Surplus	-	-	-
Accrued Interest	-	-	-
Prepaid Expenses	530	4,526	5,056
TOTAL ASSETS	<u><u>\$ 26,423,601</u></u>	<u><u>\$ 17,316,853</u></u>	<u><u>\$ 43,740,454</u></u>
LIABILITIES			
Accrued Liabilities	\$ 1,225	\$ 1,767	\$ 2,992
Total Liabilities	<u>1,225</u>	<u>1,767</u>	<u>2,992</u>
NET POSITION			
Net Position Held In Trust for Pension Benefits	<u>26,422,376</u>	<u>17,315,086</u>	<u>43,737,462</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 26,423,601</u></u>	<u><u>\$ 17,316,853</u></u>	<u><u>\$ 43,740,454</u></u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

COMBINING STATEMENT OF CHANGES IN NET POSITION

FIDUCIARY FUNDS

April 30, 2022

	Police Pension Fund	Firefighters' Pension Fund	Total
Additions:			
Contributions:			
Employer Contributions			
Property Tax	\$ 1,283,795	\$ 1,992,106	\$ 3,275,901
Employee Contributions	282,259	215,571	497,830
	<u>1,566,054</u>	<u>2,207,677</u>	<u>3,773,731</u>
Total Contributions			
Investment Income			
Interest and Dividend Income	1,302,024	157,040	1,459,064
Realized and Unrealized Gains/Losses	(2,811,425)	(693,038)	(3,504,463)
Less: Investment Expense	(72,568)	(24,603)	(97,171)
	<u>(1,581,969)</u>	<u>(560,601)</u>	<u>(2,142,570)</u>
Total Investment Income			
Other Additions			
Refunds and Reimbursements	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Refunds and Reimbursements			
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ADDITIONS	<u>(15,915)</u>	<u>1,647,076</u>	<u>1,631,161</u>
Deductions:			
Pension Benefits and Refunds			
Pension Benefits	1,796,299	2,054,325	3,850,624
Refunds	32,909	19,312	52,221
Administrative Expenses	36,148	35,930	72,078
	<u>1,865,356</u>	<u>2,109,567</u>	<u>3,974,923</u>
TOTAL DEDUCTIONS			
	<u>1,865,356</u>	<u>2,109,567</u>	<u>3,974,923</u>
CHANGE IN NET POSITION	(1,881,271)	(462,491)	(2,343,762)
NET POSITION - MAY 1, 2021	<u>28,303,647</u>	<u>17,777,577</u>	<u>46,081,224</u>
NET POSITION - APRIL 30, 2022	<u>\$ 26,422,376</u>	<u>17,315,086</u>	<u>43,737,462</u>

(See independent auditor's report.)

SUPPLEMENTAL DATA

CITY OF OTTAWA, ILLINOIS

DEBT SERVICE FUND

**SCHEDULE OF GENERAL OBLIGATION
RECOVERY ZONE ECONOMIC BONDS, SERIES 2009**

April 30, 2022

GOVERNMENTAL FUNDS

Date of Issue January 15, 2010
Date of Maturity December 1, 2028
Authorized Issue \$2,485,000
Interest Rates 4.69% - 6.75%
Interest Dates June and December

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2023	175,000	95,235	270,235	2022	47,618	2022	47,618
2024	185,000	84,857	269,857	2023	42,429	2023	42,429
2025	200,000	73,683	273,683	2024	36,842	2024	36,842
2026	210,000	61,383	271,383	2025	30,692	2025	30,692
2027	225,000	48,027	273,027	2026	24,014	2026	24,014
2028	240,000	33,245	273,245	2027	16,623	2027	16,623
2029	255,000	17,213	272,213	2028	8,607	2028	8,607
	<u>\$ 1,490,000</u>	<u>\$ 413,643</u>	<u>\$ 1,903,643</u>		<u>\$ 206,822</u>		<u>\$ 206,822</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

WATER AND WASTEWATER SYSTEM FUND

SCHEDULE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012B

April 30, 2022

ENTERPRISE FUNDS

Date of Issue October 3, 2012
 Date of Maturity December 1, 2030
 Authorized Issue \$2,375,000
 Interest Rates 1.71% - 4.30%
 Interest Dates June and December

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2023	125,000	44,175	169,175	2022	22,088	2022	22,088
2024	125,000	39,763	164,763	2023	19,881	2023	19,881
2025	125,000	35,213	160,213	2024	17,606	2024	17,606
2026	125,000	30,538	155,538	2025	15,269	2025	15,269
2027	125,000	25,700	150,700	2026	12,850	2026	12,850
2028	125,000	20,725	145,725	2027	10,363	2027	10,363
2029	125,000	15,700	140,700	2028	7,850	2028	7,850
2030	125,000	10,588	135,588	2029	5,294	2029	5,294
2031	125,000	5,375	130,375	2030	2,688	2030	2,688
	<u>\$ 1,125,000</u>	<u>\$ 227,775</u>	<u>\$ 1,352,775</u>		<u>\$ 113,888</u>		<u>\$ 113,888</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

WATER AND WASTEWATER SYSTEM FUND

SCHEDULE OF GENERAL OBLIGATION DEBT CERTIFICATE, SERIES 2013

April 30, 2022

ENTERPRISE FUNDS

Date of Issue March 26, 2013
Date of Maturity December 1, 2022
Authorized Issue \$3,579,000
Interest Rates 1.71% - 3.42%
Interest Dates June and December

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2023	399,000	13,646	412,646	2022	6,823	2022	6,823
	<u>\$ 399,000</u>	<u>\$ 13,646</u>	<u>\$ 412,646</u>		<u>\$ 6,823</u>		<u>\$ 6,823</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS**DEBT SERVICE FUND****SCHEDULE OF GENERAL OBLIGATION BONDS, SERIES 2017**

April 30, 2022

ENTERPRISE FUNDS

Date of Issue	March 14, 2017
Date of Maturity	March 1, 2030
Authorized Issue	\$4,770,000
Interest Rates	2.58%
Interest Dates	September and March

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Sep 1	Amount	Mar 1	Amount
2023	105,000	116,100	221,100	2022	58,050	2023	58,050
2024	525,000	113,391	638,391	2023	56,696	2024	56,696
2025	545,000	99,846	644,846	2024	49,923	2025	49,923
2026	560,000	85,785	645,785	2025	42,893	2026	42,893
2027	625,000	71,337	696,337	2026	35,669	2027	35,669
2028	690,000	55,212	745,212	2027	27,606	2028	27,606
2029	715,000	37,410	752,410	2028	18,705	2029	18,705
2030	735,000	18,963	753,963	2029	9,482	2030	9,482
	<u>\$ 4,500,000</u>	<u>\$ 598,044</u>	<u>\$ 5,098,044</u>		<u>\$ 299,022</u>		<u>\$ 299,022</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF GENERAL OBLIGATION BONDS (ARS), SERIES 2021

April 30, 2022

ENTERPRISE FUNDS

Date of Issue March 25, 2021
 Date of Maturity April 1, 2035
 Authorized Issue \$3,700,000
 Interest Rates 1.75%
 Interest Dates September and March

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Sep 1	Amount	Mar 1	Amount
2023	225,000	57,050	282,050	2022	28,525	2023	28,525
2024	230,000	53,113	283,113	2023	26,556	2024	26,556
2025	235,000	49,088	284,088	2024	24,544	2025	24,544
2026	235,000	44,975	279,975	2025	22,488	2026	22,488
2027	240,000	40,863	280,863	2026	20,431	2027	20,431
2028	245,000	36,663	281,663	2027	18,331	2028	18,331
2029	250,000	32,375	282,375	2028	16,188	2029	16,188
2030	255,000	28,000	283,000	2029	14,000	2030	14,000
2031	260,000	23,538	283,538	2030	11,769	2031	11,769
2032	265,000	18,988	283,988	2031	9,494	2032	9,494
2033	270,000	14,350	284,350	2032	7,175	2033	7,175
2034	275,000	9,625	284,625	2033	4,813	2034	4,813
2035	275,000	4,813	279,813	2034	2,406	2035	2,406
	<u>\$ 3,260,000</u>	<u>\$ 413,438</u>	<u>\$ 3,673,438</u>		<u>\$ 206,719</u>		<u>\$ 206,719</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF IEPA CONSTRUCTION LOAN

April 30, 2022

ENTERPRISE FUNDS

Date of Issue	2007
Date of Maturity	October 30, 2026
Authorized Issue	\$1,361,458
Interest Rates	2.50%
Payment Dates	September and March

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2023	79,760	8,881	88,641
2024	81,766	6,875	88,641
2025	83,823	4,818	88,641
2026	85,932	2,709	88,641
2027	43,774	547	44,321
	<u>\$ 375,055</u>	<u>\$ 23,829</u>	<u>\$ 398,884</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF IEPA CONSTRUCTION LOAN

April 30, 2022

ENTERPRISE FUNDS

Date of Issue 2012
Date of Maturity July 24, 2031
Authorized Issue \$7,657,790
Interest Rates 0.00%
Payment Dates January and July

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2023	294,820	-	294,820
2024	294,820	-	294,820
2025	294,820	-	294,820
2026	294,820	-	294,820
2027	294,820	-	294,820
2028	294,820	-	294,820
2029	294,820	-	294,820
2030	294,820	-	294,820
2031	294,820	-	294,820
2032	147,411	-	147,411
	<u>\$ 2,800,791</u>	<u>\$ -</u>	<u>\$ 2,800,791</u>

(See independent auditor's report.)

CITY OF OTTAWA, ILLINOIS

Property Tax Assessed Valuations, Rates, Extensions, and Collections April 30, 2022

Tax Levy Year	2021		2020	
Assessed Valuation	LaSalle County 324,857,162		LaSalle County 315,301,655	
	Rate	Amount	Rate	Amount
Tax Extensions				
Corporate	0.25000	\$ 812,143	0.25000	\$ 788,254
Bonds and interest	0.00000	-	0.00000	-
I.M.R.F.	0.13785	447,816	0.14726	464,313
Fire Protection	0.15000	487,286	0.15000	472,952
Firemen Pension	0.56511	1,835,800	0.54166	1,707,863
Police Protection	0.15000	487,286	0.15000	472,952
Police Pension	0.44370	1,441,391	0.40834	1,287,503
Audit	0.02538	82,449	0.02538	80,024
Liability Insurance	0.21403	695,292	0.21409	675,029
Street lighting	0.05000	162,429	0.05000	157,651
Playground	0.09000	292,371	0.09000	283,771
Social Security	0.11653	378,556	0.12222	385,362
School Cross Guard	0.02000	64,971	0.02000	63,060
Garbage	0.18162	590,006	0.15858	500,005
	<u>2.39422</u>	<u>7,777,796</u>	<u>2.32753</u>	<u>7,338,739</u>
Road & Bridge - Ottawa Twp		122,916		117,647
Road & Bridge - S. Ottawa Twp		105,366		100,624
Road & Bridge - Dayton Twp		6,333		6,121
Road & Bridge - Rutland Twp		6,453		7,256
Road & Bridge - Fall River Twp		20		19
Road & Bridge - Wallace Twp		518		495
TIF Ottawa III		417,311		398,446
TIF Ottawa IV		163,665		159,871
TIF Ottawa V Dayton I		814,981		804,332
TIF Ottawa VI Canal		1,922,158		1,562,087
TIF Ottawa Rt 71 VIII		32,285		14,997
TIF Interstate 80 I		2,803,590		2,730,600
TIF Interstate 80 II S Comm		362,084		369,114
TIF Route 6 East I		511,038		507,545
Less: Net TIF Surplus (estimated)		-		-
Total Extension		<u>15,046,514</u>		<u>14,117,893</u>
Tax collections:				
year ended April 30, 2022		\$ -		\$ 14,800,822
Previous years		-		-
		<u>\$ -</u>		<u>\$ 14,800,822</u>
Percent collected		<u>0.0%</u>		<u>104.8%</u>

Property tax rates are per \$100 of assessed valuation. Assessed valuation, rates and extended amounts of property taxes levied have been presented for each of the counties for which the District files a tax levy.

(See independent auditor's report.)



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

To the City of Ottawa
and Board of Trustees
City of Ottawa
Ottawa, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ottawa, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Ottawa's basic financial statements, and have issued our report thereon dated December 31, 2022.

Internal Control over Financial Reporting

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

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

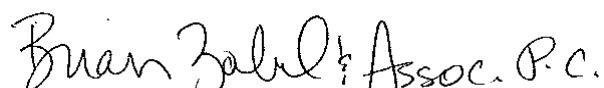
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Brian Zabel & Assoc. P.C.".

BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
December 31, 2022