



CITY OF DIXON, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2021

The background of the lower half of the cover features a complex, abstract geometric pattern. It consists of numerous overlapping, semi-transparent triangles and polygons in various shades of gray and teal, creating a sense of depth and architectural structure. In the bottom right corner, there is a solid orange rectangular box containing the text 'SIKICH.COM' in white, bold, sans-serif font.

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Dixon, Illinois

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Dixon, Illinois, as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

The City adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, which established standards for measuring and recognizing liabilities, deferred outflows of resources, and expenses for asset retirement obligations; and modified certain disclosures in the notes to financial statements. Our opinion is not modified with respect to these matters.

As part of our audit of the 2021 financial statements, we also audited the adjustments described in Note 11 that were applied to restate the 2020 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2020 financial statements of the City other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2020 financial statements as a whole.

Other Matters

Required Supplementary Information

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

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, supplemental information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and supplemental information are fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of assessed valuations, rates, extensions and collections listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 1, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
December 1, 2021

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF DIXON, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2021

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Dixon Public Library
ASSETS				
Cash	\$ 18,094,620	\$ 4,742,472	\$ 22,837,092	\$ 400,510
Investments	-	1,823,415	1,823,415	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	4,266,900	-	4,266,900	576,364
Accounts	621,795	791,776	1,413,571	287
Accrued interest	2,457	1,875	4,332	-
Other	313,019	-	313,019	-
Inventory	11,968	169,234	181,202	-
Due from other governments	1,333,300	-	1,333,300	-
Internal balances	2,262,064	(2,262,064)	-	-
Prepaid items	40,675	15,234	55,909	51
Net pension asset	1,676,471	1,320,192	2,996,663	271,948
Capital assets				
Not depreciated	7,352,790	3,328,279	10,681,069	90,000
Depreciated (net of accumulated depreciation)	29,985,846	20,977,439	50,963,285	1,114,530
Total assets	65,961,905	30,907,852	96,869,757	2,453,690
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligation	-	69,300	69,300	-
Pension items - OPEB	1,419,749	961,982	2,381,731	21,873
Pension items - IMRF	267,237	210,445	477,682	43,350
Pension items - Police Pension	3,020,164	-	3,020,164	-
Pension items - Firefighters' Pension	1,283,818	-	1,283,818	-
Total deferred outflows of resources	5,990,968	1,241,727	7,232,695	65,223
Total assets and deferred outflows of resources	71,952,873	32,149,579	104,102,452	2,518,913

(This statement is continued on the following page.)

CITY OF DIXON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Dixon Public Library
LIABILITIES				
Accounts payable	\$ 234,293	\$ 236,224	\$ 470,517	\$ 937
Accrued payroll	727	4,038	4,765	2,437
Accrued interest payable	-	21,179	21,179	-
Refundable customer deposits	4,996	448,726	453,722	-
Unearned revenue	77,653	-	77,653	-
Net pension liability - Police Pension	15,081,259	-	15,081,259	-
Net pension liability - Firefighters' Pension	7,942,678	-	7,942,678	-
Long-term liabilities				
Due within one year	592,671	2,123,845	2,716,516	19,657
Due in more than one year	3,939,336	8,772,137	12,711,473	60,690
Total liabilities	27,873,613	11,606,149	39,479,762	83,721
DEFERRED INFLOWS OF RESOURCES				
Deferred property taxes	4,266,900	-	4,266,900	576,364
OPEB items	695,379	471,169	1,166,548	10,713
Pension items - IMRF	1,133,148	892,334	2,025,482	183,813
Pension items - Police Pension	1,986,990	-	1,986,990	-
Pension items - Firefighters' Pension	1,928,702	-	1,928,702	-
Total deferred inflows of resources	10,011,119	1,363,503	11,374,622	770,890
Total liabilities and deferred inflows of resources	37,884,732	12,969,652	50,854,384	854,611
NET POSITION				
Net investment in capital assets	37,338,636	16,310,252	53,648,888	1,204,530
Restricted for				
Restricted for highways and streets	1,343,812	-	1,343,812	-
Restricted for retirement	2,165,163	-	2,165,163	-
Restricted for public safety	1,454,415	-	1,454,415	-
Restricted for culture and creation	39,416	-	39,416	459,772
Restricted for airport	166,927	-	166,927	-
Unrestricted (deficit)	(8,440,228)	2,869,675	(5,570,553)	-
TOTAL NET POSITION	\$ 34,068,141	\$ 19,179,927	\$ 53,248,068	\$ 1,664,302

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 5,422,444	\$ 1,088,064	\$ 100,557	\$ 1,121,306
Public safety	7,438,045	1,397,110	-	-
Highways and streets	2,598,212	-	1,081,739	-
Traffic development	47,775	-	-	-
Culture and recreation	231,178	-	-	-
Airport	192,022	41,327	-	93,375
Cemetery	13,643	108,786	-	-
Total governmental activities	15,943,319	2,635,287	1,182,296	1,214,681
Business-Type Activities				
Sewerage	2,817,782	3,563,736	20,130	-
Water department	2,786,132	3,077,961	30,323	-
Total business-type activities	5,603,914	6,641,697	50,453	-
TOTAL PRIMARY GOVERNMENT	\$ 21,547,233	\$ 9,276,984	\$ 1,232,749	\$ 1,214,681
COMPONENT UNIT				
Dixon Public Library	\$ 619,456	\$ 10,848	\$ 61,068	\$ -

Net (Expense) Revenue and Change in Net Position				
Primary Government			Component Unit	
Governmental Activities	Business-Type Activities	Total	Dixon Public Library	
\$ (3,112,517)	\$ -	\$ (3,112,517)	\$ -	
(6,040,935)	-	(6,040,935)	-	
(1,516,473)	-	(1,516,473)	-	
(47,775)	-	(47,775)	-	
(231,178)	-	(231,178)	-	
(57,320)	-	(57,320)	-	
95,143	-	95,143	-	
(10,911,055)	-	(10,911,055)	-	
-	766,084	766,084	-	
-	322,152	322,152	-	
-	1,088,236	1,088,236	-	
(10,911,055)	1,088,236	(9,822,819)	-	
-	-	-	(547,540)	
General Revenues				
Taxes				
Property	4,502,893	-	4,502,893	564,709
Replacement	630,216	-	630,216	52,765
Sales and use	4,988,146	-	4,988,146	-
Telecommunications	39,026	-	39,026	-
Hotel/motel	58,620	-	58,620	-
Video gaming	268,782	-	268,782	-
Foreign fire	33,559	-	33,559	-
Utility	646,456	-	646,456	-
Shared income tax	1,803,589	-	1,803,589	-
Investment income	145,414	39,142	184,556	1,564
Miscellaneous	273,543	-	273,543	1,940
Gain (loss) on sale of capital assets	29,094	-	29,094	-
Total	13,419,338	39,142	13,458,480	620,978
CHANGE IN NET POSITION	2,508,283	1,127,378	3,635,661	73,438
NET POSITION, MAY 1	32,807,486	18,052,549	50,860,035	-
Prior period adjustment	(1,247,628)	-	(1,247,628)	1,590,864
NET POSITION, MAY 1, AS RESTATED	31,559,858	18,052,549	49,612,407	1,590,864
NET POSITION, APRIL 30	\$ 34,068,141	\$ 19,179,927	\$ 53,248,068	\$ 1,664,302

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2021

	General	Downtown Redevelopment Project	Riverfront Project
ASSETS			
Cash and investments	\$ 5,411,913	\$ -	\$ 184
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	3,742,777	195,885	328,238
Accounts	58,129	-	-
Accrued interest	-	-	-
Other	313,019	-	-
Due from other governments	1,030,955	-	-
Advances to other funds	2,266,175	-	-
Prepaid expense	35,136	-	-
Inventory	11,968	-	-
TOTAL ASSETS	\$ 12,870,072	\$ 195,885	\$ 328,422
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 37,302	\$ -	\$ -
Accrued payroll	-	-	-
Advances from other funds	-	1,878,263	1,222,983
Unearned revenue	52,653	-	-
Customer deposits	-	-	-
Total liabilities	89,955	1,878,263	1,222,983
DEFERRED INFLOWS OF RESOURCES			
Unavailable grant revenue	-	-	-
Unavailable property taxes	3,742,777	195,885	328,238
Total deferred inflows of resources	3,742,777	195,885	328,238
Total liabilities and deferred inflows of resources	3,832,732	2,074,148	1,551,221
FUND BALANCES			
Nonspendable			
Prepaid expense	35,136	-	-
Advances to other funds	2,266,175	-	-
Inventory	11,968	-	-
Restricted for highways and streets	-	-	-
Restricted for retirement	-	-	-
Restricted for public safety	-	-	-
Restricted for culture and creation	-	-	-
Restricted for airport	-	-	-
Unrestricted			
Assigned for working cash	-	-	-
Assigned for subsequent years budget	-	-	-
Assigned for capital projects	-	-	-
Unassigned (deficit)	6,724,061	(1,878,263)	(1,222,799)
Total fund balances (deficit)	9,037,340	(1,878,263)	(1,222,799)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 12,870,072	\$ 195,885	\$ 328,422

Infrastructure	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 173,397	\$ 7,162,388	\$ 5,091,477	\$ 17,839,359
-	-	-	4,266,900
50,911	-	512,755	621,795
-	1,308	1,149	2,457
-	-	-	313,019
250,516	-	51,829	1,333,300
-	3,101,246	-	5,367,421
-	-	5,539	40,675
-	-	-	11,968
<u>\$ 474,824</u>	<u>\$ 10,264,942</u>	<u>\$ 5,662,749</u>	<u>\$ 29,796,894</u>

\$ 78,658	\$ 75,998	\$ 42,335	\$ 234,293
-	-	727	727
-	-	4,111	3,105,357
-	-	25,000	77,653
-	-	4,996	4,996
<u>78,658</u>	<u>75,998</u>	<u>77,169</u>	<u>3,423,026</u>

-	-	-	-
50,911	-	-	4,317,811
<u>50,911</u>	<u>-</u>	<u>-</u>	<u>4,317,811</u>
<u>129,569</u>	<u>75,998</u>	<u>77,169</u>	<u>7,740,837</u>

-	-	5,539	40,675
-	-	-	2,266,175
-	-	-	11,968
345,255	-	998,557	1,343,812
-	-	2,165,163	2,165,163
-	-	1,454,415	1,454,415
-	-	39,416	39,416
-	-	166,927	166,927
-	-	766,674	766,674
-	-	-	-
-	10,188,944	-	10,188,944
-	-	(11,111)	3,611,888
<u>345,255</u>	<u>10,188,944</u>	<u>5,585,580</u>	<u>22,056,057</u>

<u>\$ 474,824</u>	<u>\$ 10,264,942</u>	<u>\$ 5,662,749</u>	<u>\$ 29,796,894</u>
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See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

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

April 30, 2021

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 22,056,057
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds, net of accumulated depreciation of \$33,989,694	37,338,636
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Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds	50,911
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Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position

IMRF	(865,911)
OPEB	724,370
Police Pension	1,033,174
Firefighters' Pension	(644,884)

Net pension assets and (liabilities) are not financial resources and, therefore, are not reported in the fund financial statements

IMRF	1,676,471
Police Pension	(15,081,259)
Firefighters' Pension	(7,942,678)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds

Compensated absences payable	(463,113)
Total other postemployment benefit liability	(4,068,894)

The net position of the internal service fund are included in the governmental activities in the statement of net position

255,261

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 34,068,141
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See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	General	Downtown Redevelopment Project	Riverfront Project
REVENUES			
Taxes	\$ 4,044,510	\$ 185,259	\$ 273,124
Licenses and permits	393,421	-	-
Intergovernmental	8,407,825	-	-
Charges for services	316,941	-	-
Fines and fees	194,406	-	-
Rental income	-	-	-
Donations	100,557	-	-
Landfill revenue	388,060	-	-
Investment income	36,569	57	84
Miscellaneous	303,085	-	-
Total revenues	14,185,374	185,316	273,208
EXPENDITURES			
Current			
General government	4,870,866	36,852	109,002
Public safety	5,015,732	-	-
Highways and streets	1,078,092	-	-
Traffic development	47,775	-	-
Culture and recreation	28,422	-	-
Airport operations	-	-	-
Capital outlay	-	-	-
Total expenditures	11,040,887	36,852	109,002
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,144,487	148,464	164,206
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	(1,275,000)	-	-
Proceeds from sale of asset	-	-	-
Total other financing sources (uses)	(1,275,000)	-	-
NET CHANGE IN FUND BALANCES	1,869,487	148,464	164,206
FUND BALANCES (DEFICIT), MAY 1	7,046,472	(2,026,727)	(1,380,850)
Prior period adjustment	121,381	-	(6,155)
FUND BALANCES (DEFICIT), MAY 1, AS RESTATED	7,167,853	(2,026,727)	(1,387,005)
FUND BALANCES (DEFICIT), APRIL 30	\$ 9,037,340	\$ (1,878,263)	\$ (1,222,799)

Infrastructure		Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds	
\$	927,270	\$ -	\$ 1,115,298	\$ 6,545,461	
	-	-	-	393,421	
	-	-	264,318	8,672,143	
	-	-	1,185,813	1,502,754	
	-	-	16,891	211,297	
	-	-	41,327	41,327	
	-	-	-	100,557	
	-	-	-	388,060	
	3,082	42,236	62,858	144,886	
	-	55,817	10,681	369,583	
930,352		98,053	2,697,186	18,369,489	
	-	105,447	37,395	5,159,562	
	-	-	579,247	5,594,979	
	-	-	40,510	1,118,602	
	-	-	-	47,775	
	-	-	198,728	227,150	
	-	-	112,600	112,600	
	2,740,151	353,149	903,724	3,997,024	
2,740,151		458,596	1,872,204	16,257,692	
(1,809,799)		(360,543)	824,982	2,111,797	
	700,000	450,000	199,491	1,349,491	
	-	(74,491)	-	(1,349,491)	
	-	18,844	10,250	29,094	
700,000		394,353	209,741	29,094	
(1,109,799)		33,810	1,034,723	2,140,891	
1,391,039		10,155,134	4,550,857	19,735,925	
64,015		-	-	179,241	
1,455,054		10,155,134	4,550,857	19,915,166	
\$	345,255	\$ 10,188,944	\$ 5,585,580	\$ 22,056,057	

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,140,891
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Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,812,506
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(2,455,935)
Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds	50,911
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows of resources is not a source or use of a financial resource	380,576
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of financial resources	(670,918)
The change in the Firefighters' Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(523,565)
The change in the total other postemployment benefit liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(253,901)
Some expenses in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Change in compensated absences	25,610
The addition in net position of certain activities of internal service funds is included in governmental funds	<u>2,108</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,508,283</u></u>

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2021

	Business-Type Activities			Governmental Activities
	Sewerage Fund	Water Department Fund	Total	Internal Service
CURRENT ASSETS				
Cash and investments	\$ 3,308,617	\$ 1,433,855	\$ 4,742,472	\$ 255,261
Investments	988,026	835,389	1,823,415	-
Receivables				
Accounts	431,634	360,142	791,776	-
Accrued interest	1,502	373	1,875	-
Inventory	-	169,234	169,234	-
Prepaid items	6,216	9,018	15,234	-
Total current assets	4,735,995	2,808,011	7,544,006	255,261
NONCURRENT ASSETS				
Net pension asset	508,923	811,269	1,320,192	-
CAPITAL ASSETS				
Nondepreciable	379,656	2,948,623	3,328,279	-
Depreciable	35,370,747	28,200,236	63,570,983	-
Accumulated depreciation	(29,296,105)	(13,297,439)	(42,593,544)	-
Net capital assets	6,454,298	17,851,420	24,305,718	-
Total assets	11,699,216	21,470,700	33,169,916	255,261
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligation	-	69,300	69,300	-
OPEB items	370,836	591,146	961,982	-
Pension items - IMRF	81,125	129,320	210,445	-
Total deferred outflows of resources	451,961	789,766	1,241,727	-
Total assets and deferred outflows of resources	12,151,177	22,260,466	34,411,643	255,261

(This statement is continued on the following page.)

CITY OF DIXON, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2021

	Business-Type Activities			Governmental Activities
	Water			Internal Service
	Sewerage Fund	Department Fund	Total	
CURRENT LIABILITIES				
Accounts payable	\$ 179,715	\$ 56,509	\$ 236,224	\$ -
Accrued payroll	1,664	2,374	4,038	-
Accrued interest payable	9,851	11,328	21,179	-
Compensated absences, current	22,502	51,050	73,552	-
Total other postemployment benefit liability, current	53,944	33,840	87,784	-
Loan payable, current	1,172,219	790,290	1,962,509	-
Total current liabilities	1,439,895	945,391	2,385,286	-
LONG-TERM LIABILITIES				
Refundable customer deposits	-	448,726	448,726	-
Advance from other funds	1,131,032	1,131,032	2,262,064	-
Total other postemployment benefit liability, noncurrent	1,008,842	1,660,338	2,669,180	-
Asset retirement obligation	-	70,000	70,000	-
Loan payable, noncurrent	-	6,032,957	6,032,957	-
Total long-term liabilities	2,139,874	9,343,053	11,482,927	-
Total liabilities	3,579,769	10,288,444	13,868,213	-
DEFERRED INFLOWS OF RESOURCES				
OPEB items	181,632	289,537	471,169	-
Pension items - IMRF	343,987	548,347	892,334	-
Total deferred inflows of resources	525,619	837,884	1,363,503	-
Total liabilities and deferred inflows of resources	4,105,388	11,126,328	15,231,716	-
NET POSITION				
Net investment in capital assets	5,282,079	11,028,173	16,310,252	-
Unrestricted	2,763,710	105,965	2,869,675	255,261
TOTAL NET POSITION	\$ 8,045,789	\$ 11,134,138	\$ 19,179,927	\$ 255,261

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	Business-Type Activities			Governmental Activities
	Sewerage Fund	Water Department Fund	Total	Internal Service
OPERATING REVENUES				
User fees	\$ 3,545,390	\$ 3,046,313	\$ 6,591,703	\$ -
Penalties collected	18,346	14,041	32,387	-
Labor and merchandise	-	5,348	5,348	-
Other fees	-	12,259	12,259	1,580
Total operating revenues	3,563,736	3,077,961	6,641,697	1,580
OPERATING EXPENSES				
Salaries	521,064	806,916	1,327,980	-
Employee benefits	8,696	(145,446)	(136,750)	-
Maintenance of site and buildings	167,877	276,708	444,585	-
Supplies and services	110,331	185,548	295,879	-
Electricity	254,859	259,106	513,965	-
Fuel, gas and oil	25,922	31,750	57,672	-
Professional service and fees	131,794	147,027	278,821	-
Insurance	131,820	184,440	316,260	-
Clothing allowance	1,800	3,150	4,950	-
Bad debt expense	102	1,254	1,356	-
Dues and subscriptions	18,053	1,121	19,174	-
Travel and education expense	60	3,825	3,885	-
Depreciation	1,392,463	902,780	2,295,243	-
Total operating expenses	2,764,841	2,658,179	5,423,020	-
OPERATING INCOME	798,895	419,782	1,218,677	1,580
NON-OPERATING REVENUES (EXPENSES)				
Investment income	21,309	17,833	39,142	528
Intergovernmental - grants	20,130	30,323	50,453	-
Interest and fiscal charges	(52,941)	(127,953)	(180,894)	-
Total non-operating revenues (expenses)	(11,502)	(79,797)	(91,299)	528
CHANGE IN NET POSITION	787,393	339,985	1,127,378	2,108
NET POSITION, MAY 1	7,258,396	10,794,153	18,052,549	253,153
NET POSITION, APRIL 30	\$ 8,045,789	\$ 11,134,138	\$ 19,179,927	\$ 255,261

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended April 30, 2021

	Business-Type Activities			Governmental Activities
	Sewerage Fund	Water Department Fund	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 3,672,601	\$ 3,127,185	\$ 6,799,786	\$ 1,580
Payments to suppliers	(575,075)	(1,065,637)	(1,640,712)	-
Payments to employees	(608,497)	(942,764)	(1,551,261)	-
Net cash from operating activities	2,489,029	1,118,784	3,607,813	1,580
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Repayment of loans from other funds	(135,153)	(1,335,153)	(1,470,306)	-
Receipt of other intergovernmental grant	20,130	30,323	50,453	-
Net cash from noncapital financing activities	(115,023)	(1,304,830)	(1,419,853)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	(440,786)	(442,338)	(883,124)	-
Principal payments on long-term debt	(1,143,059)	(776,929)	(1,919,988)	-
Interest payments on long-term debt	(64,155)	(129,260)	(193,415)	-
Net cash from capital and related financing activities	(1,648,000)	(1,348,527)	(2,996,527)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on investments	23,097	13,058	36,155	528
Proceeds from sale of investments	169,075	-	169,075	-
Net cash from investing activities	192,172	13,058	205,230	528
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	918,178	(1,521,515)	(603,337)	2,108
CASH AND CASH EQUIVALENTS, MAY 1	2,390,439	2,955,370	5,345,809	253,153
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 3,308,617	\$ 1,433,855	\$ 4,742,472	\$ 255,261

(This statement is continued on the following page.)

CITY OF DIXON, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	Business-Type Activities			Governmental Activities
	Sewerage Fund	Water Department Fund	Total	Internal Service
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 798,895	\$ 419,782	\$ 1,218,677	\$ 1,580
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation and amortization	1,392,463	902,780	2,295,243	-
Changes in assets and liabilities				
Accounts receivable	108,865	39,372	148,237	-
Other receivables	-	43	43	-
Prepaid items	(1,793)	(2,139)	(3,932)	-
Inventory	-	2,992	2,992	-
Accounts payable	269,336	27,439	296,775	-
Accrued payroll	(15,408)	(25,880)	(41,288)	-
Other payables	-	9,809	9,809	-
Compensated absences	676	2,516	3,192	-
Pension items - IMRF	(115,531)	(184,167)	(299,698)	-
Pension items - OPEB	51,526	(73,763)	(22,237)	-
NET CASH FROM OPERATING ACTIVITIES	\$ 2,489,029	\$ 1,118,784	\$ 3,607,813	\$ 1,580
CASH AND CASH EQUIVALENTS				
Cash and cash equivalents	\$ 3,308,617	\$ 1,433,855	\$ 4,742,472	\$ 255,261
TOTAL CASH AND CASH EQUIVALENTS	\$ 3,308,617	\$ 1,433,855	\$ 4,742,472	\$ 255,261
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Cost of capital assets included in accounts payable	\$ 132,446	\$ 14,797	\$ 147,243	\$ -
TOTAL NONCASH TRANSACTIONS	\$ 132,446	\$ 14,797	\$ 147,243	\$ -

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS**

April 30, 2021

	Pension Trust Fund	Custodial Funds	Total
<hr/>			
ASSETS			
Cash and short-term investments	\$ 956,476	\$ 1,273,154	\$ 2,229,630
Investments			
U.S. Treasuries	3,683,089	-	3,683,089
Common stock	1,236,835	-	1,236,835
Mutual funds	21,673,945	-	21,673,945
Corporate bonds	3,900,103	-	3,900,103
Mortgage pools	898,317	-	898,317
Receivables			
Accounts	-	2,168	2,168
Accrued interest	43,717	883	44,600
Prepaid expenses	26,904	-	26,904
	<hr/>		
Total assets	32,419,386	1,276,205	33,695,591
	<hr/>		
LIABILITIES			
Accounts payable	4,418	100,878	105,296
	<hr/>		
Total liabilities	4,418	100,878	105,296
	<hr/>		
NET POSITION			
Restricted for pensions	32,414,968	-	32,414,968
Restricted for individuals, organizations and other governments	-	1,175,327	1,175,327
	<hr/>		
TOTAL NET POSITION	\$ 32,414,968	\$ 1,175,327	\$ 33,590,295
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See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	Pension Trust Fund	Custodial Funds	Total
ADDITIONS			
Contributions			
Employer contributions	\$ 1,743,308	\$ -	\$ 1,743,308
Employee contributions	355,995	-	355,995
Other contributions	-	10,756	10,756
Total contributions	2,099,303	10,756	2,110,059
Investment income			
Net appreciation in fair value of investments	6,395,419	-	6,395,419
Interest	688,819	21,878	710,697
Total investment income	7,084,238	21,878	7,106,116
Less investment expense	(144,006)	-	(144,006)
Net investment income	6,940,232	21,878	6,962,110
Charges for services	-	8,875	8,875
Total additions	9,039,535	41,509	9,081,044
DEDUCTIONS			
Benefits and refunds	2,497,291	-	2,497,291
Administrative expenses	49,512	-	49,512
Miscellaneous	-	40,049	40,049
Total deductions	2,546,803	40,049	2,586,852
CHANGE IN NET POSITION	6,492,732	1,460	6,494,192
NET POSITION, MAY 1	25,922,236	1,173,867	27,096,103
NET POSITION, APRIL 30	\$ 32,414,968	\$ 1,175,327	\$ 33,590,295

See accompanying notes to financial statements.

CITY OF DIXON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The City is a municipal corporation governed by an elected council under the mayor/council form of government. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government. A blended component unit, although legally separate, is, in substance, part of the City's operations and so data from this unit is combined with the data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column on the government-wide financial statements to emphasize it is legally separate from the City.

Pension Trust Funds

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Discretely Presented Component Unit

The Dixon Public Library

The Dixon Public Library (the Library) operates and maintains the City's public library facilities. The Library's Board of Trustees is appointed by the Mayor with the consent of the City Council. The Library may not issue bonded debt, and its annual budget and property tax levy requests are subject to the City Council's approval. Separate financial statements for the Library are not available.

b. Fund Accounting

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

The City reports the following major governmental fund:

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

Downtown Redevelopment Fund accounts for the revenues and expenditures associated with downtown redevelopment. Financing is provided by property taxes.

Riverfront Project Fund accounts for the revenues and expenditures associated with riverfront project. Financing is provided by property taxes.

Infrastructure Fund accounts for special sales taxes that are collected for the purpose of financing capital projects.

Capital Projects Fund accounts for the acquisition and construction of major capital projects.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major proprietary funds:

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

The Water Department Fund accounts for the costs related to operations associated with water service. Funding is provided by user fees.

In addition, the City reports an internal service fund to account for the cost of certain benefits provided to employees.

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

e. Cash and Investments

Cash and Cash Equivalents

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

Investments

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Property Taxes

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

g. Inventory

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

i. Prepaid Items/Expenses

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

j. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, storm water and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of \$20,000 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 acquisition value at the date of donation.

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

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	25
Machinery and equipment	10
Furniture and fixtures	10
Computer equipment	5
Vehicles	5
Streets and sidewalks	20
Bridges	50
Wastewater Treatment Plant	20
Sewer extensions/Storm sewers	20
Water System	10-30

k. Compensated Absences

City employees are granted sick leave and vacation days. Non-union personnel accrue unused vacation time when earned by the employee. Each employee is allowed to carryover five days to the subsequent fiscal year. Union personnel are prohibited from carrying over unused vacation time.

Vested or accumulated vacation and sick leave that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation and sick leave of proprietary funds at both levels and governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

l. Interfund Transactions

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Interfund Transactions (Continued)

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

m. Interfund Receivables/Payables

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

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

n. Long-Term Obligations

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Deferred Outflows/Inflows of Resources

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

p. Fund Balance/Net Position

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Use of Estimates

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

r. Postponement of Implementation of Certain Authoritative Guidance

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

2. CASH AND INVESTMENTS

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

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

The City is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments insured by the Federal Deposit Insurance Corporation (FDIC), obligations or securities guaranteed by the United States of America, direct obligations of any bank as defined by the Illinois Banking Act, certain money market mutual funds and Illinois Funds (a money market fund created by the State legislature under the control of the State Treasurer that maintains a \$1 share value).

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not

2. CASH AND INVESTMENTS (Continued)

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 City's policy to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to conform with legal requirements, seek reasonable income, preserve capital, maintain liquidity, and in general, avoid speculative instruments.

City Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the City's deposits may not be returned to it. The City's does not have an investment policy that addresses custodial credit risk for deposits.

City Investments

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

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City does not have an investment policy that addresses interest rate risk.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The City does not have an investment policy that addresses credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City does not have an investment policy that addresses custodial credit risk for investments.

Concentration of the credit risk is the risk that the City has a high percentage of their investments invested in one investment. The City does not have an investment policy that addresses concentration of credit risk.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS

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

	Beginning Balances, as Restated	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 2,646,875	\$ -	\$ 15,431	\$ 2,631,444
Construction in progress	2,445,165	3,294,716	1,018,535	4,721,346
Total capital assets not being depreciated	5,092,040	3,294,716	1,033,966	7,352,790
Capital assets being depreciated				
Buildings	11,148,160	60,865	-	11,209,025
Equipment	7,126,748	61,526	210,553	6,977,721
Infrastructure	44,359,429	1,429,365	-	45,788,794
Total capital assets being depreciated	62,634,337	1,551,756	210,553	63,975,540
Less accumulated depreciation for				
Buildings	4,974,200	273,988	-	5,248,188
Equipment	5,067,558	517,181	210,553	5,374,186
Infrastructure	21,702,554	1,664,766	-	23,367,320
Total accumulated depreciation	31,744,312	2,455,935	210,553	33,989,694
Total capital assets being depreciated, net	30,890,025	(904,179)	-	29,985,846
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 35,982,065	\$ 2,390,537	\$ 1,033,966	\$ 37,338,636

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 414,392
Public safety	488,781
Highways and streets	1,455,669
Culture and recreation	4,028
Airport	79,422
Cemetery	13,643
TOTAL DEPRECIATION EXPENSE -	
GOVERNMENTAL ACTIVITIES	\$ 2,455,935

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 309,339	\$ -	\$ -	\$ 309,339
Construction in progress	2,979,934	379,339	340,333	3,018,940
Total capital assets not being depreciated	3,289,273	379,339	340,333	3,328,279
Capital assets being depreciated				
Buildings	21,562,575	-	-	21,562,575
Equipment	1,802,592	229,220	20,067	2,011,745
Infrastructure	39,529,008	467,655	-	39,996,663
Total capital assets being depreciated	62,894,175	696,875	20,067	63,570,983
Less accumulated depreciation for				
Buildings	15,963,176	1,003,212	-	16,966,388
Equipment	1,250,218	145,295	20,067	1,375,446
Infrastructure	23,104,974	1,146,736	-	24,251,710
Total accumulated depreciation	40,318,368	2,295,243	20,067	42,593,544
Total capital assets being depreciated, net	22,575,807	(1,598,368)	-	20,977,439
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 25,865,080</u>	<u>\$ (1,219,029)</u>	<u>\$ 340,333</u>	<u>\$ 24,305,718</u>

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

BUSINESS-TYPE ACTIVITIES	
Sewer	\$ 1,392,463
Water department	902,780
TOTAL DEPRECIATION EXPENSE -	
BUSINESS-TYPE ACTIVITIES	<u>\$ 2,295,243</u>

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT

a. Long-Term Debt - Governmental Funds

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

	May 1, as Restated	Additions	Reductions/ Refundings	April 30	Current Portion
GOVERNMENTAL ACTIVITIES					
Compensated absences*	\$ 488,723	\$ 463,113	\$ 488,723	\$ 463,113	\$ 463,113
Net pension liability - Police*	18,276,843	-	3,195,584	15,081,259	-
Net pension liability - Fire*	9,257,720	-	1,315,042	7,942,678	-
Total other postemployment benefit liability*	4,622,630	-	553,736	4,068,894	129,558
TOTAL GOVERNMENTAL ACTIVITIES	\$ 32,645,916	\$ 463,113	\$ 5,553,085	\$ 27,555,944	\$ 592,671

*These liabilities are primarily retired by the General Fund.

b. Long-Term Debt - Business-Type Activities

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

	May 1, as Restated	Additions	Reductions	April 30	Current Portion
BUSINESS-TYPE ACTIVITIES					
IEPA revolving loans	\$ 9,915,454	\$ -	\$ 1,919,988	\$ 7,995,466	\$ 1,962,509
Total other postemployment benefit liability	3,422,732	-	665,768	2,756,964	87,784
Compensated absences	70,360	73,552	70,360	73,552	73,552
Asset retirement obligation	70,000	-	-	70,000	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 13,478,546	\$ 73,552	\$ 2,656,116	\$ 10,895,982	\$ 2,123,845

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

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

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

	Total	Current Portion
IEPA Loans		
\$18,442,077 Illinois Environmental Protection Agency (IEPA) loan payable; due in semiannual installments of \$597,276, including interest at 2.535% through December 31, 2021.	\$ 1,172,219	\$ 1,172,219
\$3,053,663 IEPA loan payable; due in semiannual installments of \$99,407, including interest at 2.500% through December 15, 2026.	1,015,730	174,506
\$5,281,052 IEPA loan payable; due in semiannual installments of \$172,668, including interest at 2.500% through September 17, 2028.	2,348,386	288,419
\$4,134,201 IEPA loan payable of which \$3,100,650 is required to be repaid; due in semiannual installments of \$82,904, with no interest, through December 31, 2030.	1,658,095	165,809
\$4,186,405 IEPA loan payable of which \$3,167,912 is required to be repaid; due in semiannual installments of \$91,782 including interest of 1.25% through September 9, 2031.	1,801,036	161,556
Compensated absences	73,552	73,552
Asset retirement obligation	70,000	-
Total other postemployment benefit liability	2,756,964	87,784
TOTAL	\$ 10,895,982	\$ 2,123,845

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

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

Fiscal Year Ending April 30,	Illinois IEPA Loans	
	Principal	Interest
2022	\$ 1,962,509	\$ 125,570
2023	803,961	89,566
2024	817,950	75,576
2025	832,266	61,261
2026	846,916	46,611
2027-2031	2,640,653	68,968
2032	91,211	570
TOTAL	\$ 7,995,466	\$ 468,122

Asset Retirement Obligation

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

5. DEFINED BENEFIT PENSION PLANS

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

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

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

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

Plan Membership

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

Inactive employees or their beneficiaries currently receiving benefits	71
Inactive employees entitled to but not yet receiving benefits	25
Active employees	<u>52</u>
TOTAL	<u><u>148</u></u>

The membership above includes both the City and Library.

Benefits Provided

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

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended April 30, 2021 was 5.95%.

Actuarial Assumptions

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

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

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability (asset) was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset) - City

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 19,145,798	\$ 20,206,748	\$ (1,060,950)
Changes for the period			
Service cost	281,479	-	281,479
Interest	1,354,613	-	1,354,613
Difference between expected and actual experience	36,480	-	36,480
Changes in assumptions	(178,909)	-	(178,909)
Employer contributions	-	167,788	(167,788)
Employee contributions	-	126,686	(126,686)
Net investment income	-	3,016,060	(3,016,060)
Benefit payments and refunds	(1,204,431)	(1,204,431)	-
Other	-	118,842	(118,842)
Net changes	289,232	2,224,945	(1,935,713)
BALANCES AT DECEMBER 31, 2020	\$ 19,435,030	\$ 22,431,693	\$ (2,996,663)

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset) - Library

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 1,737,490	\$ 1,833,771	\$ (96,281)
Changes for the period			
Service cost	25,544	-	25,544
Interest	122,932	-	122,932
Difference between expected and actual experience	3,311	-	3,311
Changes in assumptions	(16,236)	-	(16,236)
Employer contributions	-	15,227	(15,227)
Employee contributions	-	11,497	(11,497)
Net investment income	-	273,709	(273,709)
Benefit payments and refunds	(109,303)	(109,303)	-
Other	-	10,785	(10,785)
Net changes	26,248	201,915	(175,667)
BALANCES AT DECEMBER 31, 2020	\$ 1,763,738	\$ 2,035,686	\$ (271,948)

There were changes in assumptions from the prior year in inflation rates, salary increases, and mortality assumptions.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2021, the City recognized pension expense of \$(269,334). At December 31, 2020, 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	Net Deferred Outflow of Resources
Difference between expected and actual experience	\$ 305,373	\$ -	\$ 305,373
Changes in assumption	112,353	134,403	(22,050)
Net difference between projected and actual earnings on pension plan investments	-	1,891,079	(1,891,079)
Contributions after measurement date	59,956	-	59,956
TOTAL	\$ 477,682	\$ 2,025,482	\$ (1,547,800)

\$59,956 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended April 30, 2022.

For the year ended April 30, 2021, the Library recognized pension expense of \$(45,818). At December 31, 2020, the Library 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	Net Deferred Outflow of Resources
Difference between expected and actual experience	\$ 27,713	\$ -	\$ 27,713
Changes in assumption	10,196	12,197	(2,001)
Net difference between projected and actual earnings on pension plan investments	-	171,616	(171,616)
Contributions after measurement date	5,441	-	5,441
TOTAL	\$ 43,350	\$ 183,813	\$ (140,463)

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

\$5,441 reported as deferred outflows of resources related to pensions resulting from the Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended April 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Fiscal Year Ending April 30,</u>	<u>City</u>	<u>Library</u>	<u>Total</u>
2022	\$ (368,043)	\$ (33,400)	\$ (401,443)
2023	(139,582)	(12,667)	(152,249)
2024	(783,473)	(71,101)	(854,574)
2025	(316,657)	(28,737)	(345,394)
TOTAL	<u><u>\$ (1,607,755)</u></u>	<u><u>\$ (145,905)</u></u>	<u><u>\$ (1,753,660)</u></u>

Discount Rate Sensitivity

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

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net pension liability (asset)			
City	\$ (830,475)	\$ (2,996,663)	\$ (4,736,324)
Library	(75,366)	(271,948)	(429,823)
Total	<u><u>\$ (905,841)</u></u>	<u><u>\$ (3,268,611)</u></u>	<u><u>\$ (5,166,147)</u></u>

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

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

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

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

Plan Membership

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

Inactive plan members currently receiving benefits	33
Inactive plan members entitled to benefits but not yet receiving them	5
Current employees	<u>29</u>
TOTAL	<u><u>67</u></u>

Benefits Provided

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

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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

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

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2021, the City's contribution was 48.30% of covered payroll.

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

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

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

Asset Class	Target	Long-Term Expected Real Rate of Return
US Cash	3%	1.65%
US Fixed Income	32%	0.91%
US Large Cap Equity	9%	5.70%
US Mid Cap Equity	4%	6.20%
US Small Cap Equity	4%	6.30%
International Developed Markets Equity	11%	8.20%
Emerging Markets Equity	7.5%	9.19%
Real Estate	10%	6.62%
US Corp High Yield	5.5%	3.62%
MLP's	4%	8.60%
Hedge Funds	10%	4.87%

ILCS limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Concentrations

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

Investment Rate of Return

For the fiscal year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 25.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

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

Interest Rate Risk

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 2,067,827	\$ -	\$ 1,348,009	\$ 276,385	\$ 443,433
Corporate bonds	2,249,922	-	561,672	1,167,497	520,753
Mortgage pools	528,933	-	-	14,657	514,276
TOTAL	\$ 4,846,682	\$ -	\$ 1,909,681	\$ 1,458,539	\$ 1,478,462

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

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

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

Credit Risk

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

Custodial Credit Risk

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

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2020	\$ 32,982,311	\$ 14,705,468	\$ 18,276,843
Changes for the period			
Service cost	597,583	-	597,583
Interest	2,013,952	-	2,013,952
Benefit changes	-	-	-
Difference between expected and actual experience	266,596	-	266,596
Changes in assumptions	(1,042,040)	-	(1,042,040)
Employer contributions	-	1,073,106	(1,073,106)
Employee contributions	-	224,524	(224,524)
Contributions - other	-	3,975	(3,975)
Net investment income	-	3,760,636	(3,760,636)
Benefit payments and refunds	(1,394,138)	(1,394,138)	-
Administrative expense	-	(30,566)	30,566
Net changes	441,953	3,637,537	(3,195,584)
BALANCES AT APRIL 30, 2021	\$ 33,424,264	\$ 18,343,005	\$ 15,081,259

There was changes of assumptions during the current year related to the discount rate and marital assumption for retiree and disabled members.

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2020 using the following actuarial methods and assumptions.

Actuarial valuation date	May 1, 2020
Actuarial cost method	Entry-age normal
Salary increases	3.50% to 9.46%
Interest rate	6.75%
Cost of living adjustments	2.25%
Asset valuation method	Market

Mortality rates were based on the Pub-2010 adjusted for plan status, demographics, and Illinois Public Pension Data.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected not 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 of 6.75% was blended with the index rate of 2.27% for tax exempt general obligation municipal bonds rated AA or better at April 30, 2021 to arrive at a discount rate of 6.39% used to determine the total pension liability.

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

For the year ended April 30, 2021, the City recognized pension expense of \$1,744,021.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 893,908	\$ -
Changes in assumptions	2,126,256	922,432
Net difference between projected and actual earnings on pension plan investments	-	1,064,558
TOTAL	\$ 3,020,164	\$ 1,986,990

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

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

Fiscal Year Ending April 30,	
2022	\$ 391,516
2023	377,845
2024	257,609
2025	(167,790)
2026	134,451
Thereafter	39,543
TOTAL	\$ 1,033,174

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.39% 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 (5.39%) or 1 percentage point higher (7.39%) than the current rate:

	1% Decrease (5.39%)	Current Discount Rate (6.39%)	1% Increase (7.39%)
Net pension liability	\$ 20,575,119	\$ 15,081,259	\$ 10,711,711

Firefighters' Pension Plan

Plan Administration

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

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

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

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

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

Inactive plan members currently receiving benefits	24
Inactive plan members entitled to benefits but not yet receiving them	3
Current employees	<u>17</u>
TOTAL	<u><u>44</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to $\frac{1}{2}$ of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

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

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the year ended April 30, 2021, the City's contribution was 51.75% of covered payroll.

Investment Policy

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

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

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

Asset Class	Target	Long-Term Expected Real Rate of Return
US Cash	3%	1.65%
US Fixed Income	32%	0.91%
US Large Cap Equity	15%	5.70%
US Mid Cap Equity	7.5%	6.20%
US Small Cap Equity	5%	6.30%
International Developed Markets Equity	12.5%	8.20%
Emerging Markets Equity	9.5%	9.19%
Real Estate	10%	6.62%
US Corp High Yield	3%	3.62%
Hedge Funds	2.5%	4.87%

ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

Investment Concentrations

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

Investment Rate of Return

For the year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 28.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions

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

Interest Rate Risk

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,615,262	\$ -	\$ 1,081,723	\$ 253,048	\$ 280,491
Corporate bonds	1,650,181	46,179	629,121	630,660	344,221
Mortgage pools	369,384	-	-	17,534	351,850
TOTAL	\$ 3,634,827	\$ 46,179	\$ 1,710,844	\$ 901,242	\$ 976,562

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

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

Credit Risk

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

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Custodial Credit Risk

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

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2020	\$ 20,474,489	\$ 11,216,769	\$ 9,257,720
Changes for the period			
Service cost	330,333	-	330,333
Interest	1,405,967	-	1,405,967
Benefit changes	-	-	-
Difference between expected and actual experience	471,119	-	471,119
Changes in assumptions	435,887	-	435,887
Employer contributions	-	670,202	(670,202)
Employee contributions	-	127,496	(127,496)
Net investment income	-	3,179,596	(3,179,596)
Benefit payments and refunds	(1,103,153)	(1,103,153)	-
Administrative expense	-	(18,946)	18,946
Net changes	1,540,153	2,855,195	(1,315,042)
BALANCES AT APRIL 30, 2021	\$ 22,014,642	\$ 14,071,964	\$ 7,942,678

There was changes of assumptions during the current year related to the marital assumption for retiree and disabled members.

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2020 using the following actuarial methods and assumptions.

Actuarial valuation date	May 1, 2020
Actuarial cost method	Entry-age normal
Salary increases	3.18% to 5.97%
Interest rate	6.75%
Cost of living adjustments	2.25%
Asset valuation method	Market

Mortality rates were based on the Pub-2010 adjusted for plan status, demographics, and Illinois Public Pension Data.

Discount Rate

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

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

For the year ended April 30, 2021, the City recognized pension expense of \$1,193,767.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 565,945	\$ 1,201
Assumption changes	717,873	656,255
Net difference between projected and actual earnings on pension plan investments	-	1,271,246
TOTAL	<u><u>\$ 1,283,818</u></u>	<u><u>\$ 1,928,702</u></u>

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

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

Fiscal Year Ending April 30,	
2022	\$ (120,573)
2023	(251,905)
2024	(180,184)
2025	(293,951)
2026	172,475
Thereafter	<u>29,254</u>
TOTAL	<u><u>\$ (644,884)</u></u>

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 11,220,219	\$ 7,942,678	\$ 5,295,064

b. Pension Segment Information

Plan Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash	\$ 592,613	\$ 363,863	\$ 956,476
Investments			
U.S. Treasuries	2,067,827	1,615,262	3,683,089
Common stock	1,236,835	-	1,236,835
Mutual funds	11,629,535	10,044,410	21,673,945
Corporate bonds	2,249,922	1,650,181	3,900,103
Mortgage pools	528,933	369,384	898,317
Accrued interest receivable	25,031	18,686	43,717
Prepaid items	15,436	11,468	26,904
Total assets	18,346,132	14,073,254	32,419,386
LIABILITIES			
Accounts payable	3,128	1,290	4,418
Total liabilities	3,128	1,290	4,418
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 18,343,004</u>	<u>\$ 14,071,964</u>	<u>\$ 32,414,968</u>

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLANS (Continued)

b. Pension Segment Information (Continued)

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer contributions	\$ 1,073,106	\$ 670,202	\$ 1,743,308
Employee contributions	228,499	127,496	355,995
Total contributions	1,301,605	797,698	2,099,303
Investment income			
Net depreciation in fair value investments	3,437,083	2,958,336	6,395,419
Interest	406,381	282,438	688,819
Total investment income	3,843,464	3,240,774	7,084,238
Less investment expense	(82,828)	(61,178)	(144,006)
Net investment income	3,760,636	3,179,596	6,940,232
Total additions	5,062,241	3,977,294	9,039,535
DEDUCTIONS			
Benefits and refunds	1,394,138	1,103,153	2,497,291
Administrative expenses	30,566	18,946	49,512
Total deductions	1,424,704	1,122,099	2,546,803
NET INCREASE	3,637,537	2,855,195	6,492,732
NET POSITION RESTRICTED FOR PENSIONS			
May 1	14,705,467	11,216,769	25,922,236
April 30	\$ 18,343,004	\$ 14,071,964	\$ 32,414,968

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The City is insured for property, general liability, workers compensation, and other risks accounted for in the General Fund. In addition, the City purchases third party indemnity insurance for employee health insurance coverage. There were no losses in excess of insurance coverage any of the prior three years.

7. CONTRACTS, COMMITMENTS AND CONTINGENCIES

a. Litigation

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

b. Grants

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

8. INDIVIDUAL FUND DISCLOSURES

a. Advances to/from other funds

	Advance To	Advance From
General Fund	\$ 2,266,175	\$ -
Downtown Redevelopment	-	1,878,263
Riverfront Project	-	1,222,983
Capital Projects	3,101,246	-
Nonmajor Governmental Funds	-	4,111
Municipal Water	-	1,131,032
Municipal Electric	-	1,131,032
TOTAL	\$ 5,367,421	\$ 5,367,421

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

a. Advances to/from other funds (Continued)

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

\$2,262,064 was advanced from the General Fund to the Municipal Water and Municipal Sewer Funds to fund the new meter project. Repayment is not expected within one year.

\$3,101,246 was advanced from the Capital Projects Fund to the Riverfront Project and Downtown Redevelopment Funds to fund cash flow shortages. Repayment is not expected within one year.

b. Interfund Transfers

	Transfer In	Transfer Out
General Fund	\$ -	\$ 1,275,000
Capital Projects	450,000	74,491
Nonmajor Governmental Funds	899,491	-
TOTAL	\$ 1,349,491	\$ 1,349,491

The purposes of significant transfers are as follows:

\$700,000 was transferred from the General Fund to the Infrastructure Fund and to pay for capital projects.

\$450,000 was transferred from the General Fund to the Capital Projects Fund and to pay for capital projects.

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

The City provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. account for the plan. The activity of the plan is reported in the City's governmental activities and business-type activities.

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Plan Description (Continued)

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate report.

b. Benefits Provided

The City provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through IMRF.

The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. For eligible retirees, the City will pay 50% of the cost for single coverage. If family coverage is elected, the City will contribute the equivalence of 50% of single coverage. Retirees pay 100% of the cost of coverage once they reach age 65. For certain disabled employees who qualify under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for retirees and their dependents for their lifetime.

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

c. Membership

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

Retirees and beneficiaries currently receiving benefits	13
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	94
	<hr/>
TOTAL	107
	<hr/>
Participating employers	1
	<hr/> <hr/>

The membership above includes both the City and Library.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Actuarial Assumptions and Other Inputs

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

Actuarial cost method	Entry-age normal
Actuarial value of assets	N/A
Salary increases	2.75%
Discount rate	2.27%
Healthcare cost trend rates	5.50% Initial 5.00% Ultimate

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

e. Changes in the Total OPEB Liability

City	Total OPEB Liability
BALANCES AT MAY 1, 2020	<u>\$ 7,972,149</u>
Changes for the period	
Service cost	128,731
Interest	201,305
Differences between expected and actual experience	(1,164,602)
Changes in assumptions	(94,383)
Benefit payments	<u>(217,342)</u>
Net changes	<u>(1,146,291)</u>
BALANCES AT APRIL 30, 2021	<u><u>\$ 6,825,858</u></u>

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Changes in the Total OPEB Liability (Continued)

Library	Total OPEB Liability
BALANCES AT MAY 1, 2020	\$ 73,213
Changes for the period	
Service cost	1,182
Interest	1,849
Differences between expected and actual experience	(10,695)
Changes in assumptions	(867)
Benefit payments	(1,996)
Net changes	(10,527)
BALANCES AT APRIL 30, 2021	\$ 62,686

There were changes in assumptions related to the discount rate.

f. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the City calculated using the discount rate of 2.27% as well as what the City total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.27%) or 1 percentage point higher (3.27%) than the current rate:

	1% Decrease (1.27%)	Current Discount Rate (2.27%)	1% Increase (3.27%)
City	\$ 8,155,121	\$ 6,825,858	\$ 5,795,525
Library	74,893	62,686	53,224
Total OPEB liability	\$ 8,230,014	\$ 6,888,544	\$ 5,848,749

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 5.50% to 5.00% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.50% to 4.00%) or 1 percentage point higher (6.50% to 6.00%) than the current rate:

	1% Decrease (4.50% to 4.00%)	Current Healthcare Rate (5.50% to 5.00%)	1% Increase (6.50% to 6.00%)
City	\$ 5,647,486	\$ 6,825,858	\$ 8,366,601
Library	51,864	62,686	76,835
Total OPEB liability	<u>\$ 5,699,350</u>	<u>\$ 6,888,544</u>	<u>\$ 8,443,436</u>

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

For the year ended April 30, 2021, the City recognized OPEB expense of \$497,955. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,079,095
Changes in assumptions	<u>2,381,731</u>	<u>87,453</u>
TOTAL	<u>\$ 2,381,731</u>	<u>\$ 1,166,548</u>

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- g. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the year ended April 30, 2021, the Library recognized OPEB expense of \$4,573. At April 30, 2021, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 9,910
Changes in assumptions	21,873	803
TOTAL	\$ 21,873	\$ 10,713

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

Year Ending April 30,	City	Library	Total
2022	\$ 167,918	\$ 1,543	\$ 169,461
2023	167,918	1,543	169,461
2024	167,918	1,543	169,461
2025	167,918	1,543	169,461
2026	167,918	1,543	169,461
Thereafter	375,593	3,445	379,038
TOTAL	\$ 1,215,183	\$ 11,160	\$ 1,226,343

10. COMPONENT UNIT - DIXON PUBLIC LIBRARY

A. Summary of Significant Accounting Policies

The accounting policies of the Library conform to generally accepted accounting principles as applicable to governments. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

10. COMPONENT UNIT - DIXON PUBLIC LIBRARY (Continued)

A. Summary of Significant Accounting Policies (Continued)

1. Fund Accounting

Governmental Funds

The accounts of the Library are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity which a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The General Fund, a governmental fund, is used to account for all activities of the Library's general activities.

2. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred.

The modified accrual basis of accounting is followed by the governmental funds on the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A 60-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

3. Cash and Investments

Investments are stated at cost or amortized cost, which approximates fair value.

10. COMPONENT UNIT - DIXON PUBLIC LIBRARY (Continued)

B. Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds, including the Library's funds and excluding the pension trust fund. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, deposits and investments are separately held by several of the City's funds.

The Library's outstanding cash is invested also in accordance with ILCS, which authorizes the City to make deposits/invest in insured financial institutions, obligations of the U.S. Treasury and U.S. agencies, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations and The Illinois Funds.

It is the policy of the Library 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 Library 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 objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

1. Library 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 Library's deposits may not be returned to it. The Library does not have an investment policy that addresses custodial credit risk.

2. Library Investments

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

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Library does not have an investment policy that addresses interest rate risk.

10. COMPONENT UNIT - DIXON PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

2. Library Investments (Continued)

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment in securities allowed under the investment policy. The Library does not have an investment policy that addresses credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. The Library does not have an investment policy that addresses custodial credit risk for investments.

Concentration of the credit risk is the risk that the Library has a high percentage of their investments invested in one investment. The Library does not have an investment policy that addresses concentration of credit risk.

C. Receivables

Property taxes for the 2020 levy year attach as an enforceable lien on January 1, 2020, on property values assessed as of the same date. Taxes are levied by December of the same year by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2021 and August 1, 2021, and are payable in two installments, on or about June 1, 2020 and September 1, 2020. The County collects such taxes and remits them periodically.

Those 2020 taxes are intended to finance the 2022 fiscal year and are not considered available or earned for current operations and, therefore, are reported as deferred/unavailable revenue. The 2021 tax levy has not been recorded as a receivable at April 30, 2021, as the tax attached as a lien on property as of January 1, 2021; however, the tax will not be levied until December 2021 and, accordingly, is not measurable at April 30, 2021.

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. COMPONENT UNIT - DIXON PUBLIC LIBRARY (Continued)

D. Capital Assets

The following is a summary of changes in the Library's capital assets during the fiscal year:

	Balances May 1, as Restated	Additions	Retirements	Balances April 30
Capital assets not being depreciated				
Land	\$ 90,000	\$ -	\$ -	\$ 90,000
Total capital assets not being depreciated	90,000	-	-	90,000
Capital assets being depreciated				
Building and improvements	1,838,796	-	-	1,838,796
Total capital assets being depreciated	1,838,796	-	-	1,838,796
Less accumulated depreciation for				
Building and improvements	649,826	74,440	-	724,266
Total accumulated depreciation	649,826	74,440	-	724,266
Total capital assets being depreciated, net	1,188,970	(74,440)	-	1,114,530
TOTAL CAPITAL ASSETS	\$ 1,278,970	\$ (74,440)	\$ -	\$ 1,204,530

E. Long-Term Debt

Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in liabilities reported in general long-term debt:

	Balances May 1, as Restated	Additions	Retirements	Balances April 30	Current Portion
Compensated absences payable	\$ 15,950	\$ 17,661	\$ 15,950	\$ 17,661	\$ 17,661
Total OPEB liability	73,213	-	10,527	62,686	1,996
TOTAL GENERAL LONG-TERM DEBT	\$ 89,163	\$ 17,661	\$ 26,477	\$ 80,347	\$ 19,657

CITY OF DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. PRIOR PERIOD ADJUSTMENT

The City has restated fund balances/net position as of May 1, 2020, as follows:

	Governmental Activities	General Fund	Riverfront Project Fund	Nonmajor Governmental Funds
FUND BALANCES/NET POSITION, MAY 1, AS PREVIOUSLY REPORTED	\$ 32,807,486	\$ 7,046,472	\$ (1,380,850)	\$ 5,941,896
Record expense in proper period	(6,155)	-	(6,155)	-
Correct revenue recognition on certain state-shared revenues	185,396	121,381	-	64,015
To include internal service fund within governmental activities.	253,153	-	-	-
Change reporting of Library to discretely presented component unit	(1,680,022)	-	-	-
FUND BALANCES/NET POSITION, MAY 1, AS RESTATED	<u>\$ 31,559,858</u>	<u>\$ 7,167,853</u>	<u>\$ (1,387,005)</u>	<u>\$ 6,005,911</u>

The Library has restated fund balances/net position as of May 1, 2020, as follows:

	Governmental Activities
FUND BALANCES/NET POSITION, MAY 1, AS PREVIOUSLY REPORTED	\$ -
Change reporting of Library to discretely presented component unit	<u>1,590,864</u>
FUND BALANCES/NET POSITION, MAY 1, AS RESTATED	<u>\$ 1,590,864</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 2,073,252	\$ 2,073,252	\$ 4,044,510	\$ 1,971,258
Intergovernmental				
Personal property replacement tax	550,000	550,000	722,408	172,408
Income tax and surcharge	1,555,000	1,555,000	1,962,210	407,210
Sales tax	3,534,500	3,534,500	3,574,346	39,846
Utility tax	630,000	630,000	646,456	16,456
Telecommunications tax	45,000	45,000	39,026	(5,974)
Video gaming tax	300,000	300,000	268,782	(31,218)
Grant revenue	1,000	1,000	900,260	899,260
Hotel motel tax	80,000	80,000	58,620	(21,380)
Licenses and permits	345,000	345,000	422,011	77,011
Fines and fees	224,000	224,000	185,156	(38,844)
Donations	-	-	100,557	100,557
Charges for services	295,000	295,000	286,642	(8,358)
Landfill revenue	200,000	200,000	388,060	188,060
Investment income	50,000	50,000	36,569	(13,431)
Miscellaneous	514,200	554,200	208,028	(346,172)
Total cash receipts	10,396,952	10,436,952	13,843,641	3,406,689
Deduct beginning accrued revenues			(1,060,370)	
Add ending accrued revenues			1,402,103	
Total revenues			14,185,374	
EXPENDITURES				
Current				
General government				
City council				
Salaries	49,300	49,300	49,304	4
Auto/phone allowance	1,200	1,200	1,200	-
Legal	219,000	219,000	192,420	(26,580)
Other contractual	5,555	5,555	1,033	(4,522)
Printing and publishing	4,500	4,500	2,841	(1,659)
Dues and subscriptions	2,965	2,965	1,735	(1,230)
Office supplies	500	500	451	(49)
Conferences, meetings and mileage	7,750	7,750	179	(7,571)
Total city council	290,770	290,770	249,163	(41,607)

(This schedule is continued on the following pages.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
General government (Continued)				
Economic development				
Printing/publishing	\$ 1,100	\$ 1,100	\$ 115	\$ (985)
Dues	1,100	1,100	-	(1,100)
Advertising	1,000	1,000	630	(370)
Conference/meeting	3,000	3,000	164	(2,836)
Donation	100,500	100,500	123,537	23,037
Grant match	-	332,313	342,142	9,829
Total economic development	106,700	439,013	466,588	27,575
Fire/police commission				
Contractual expense	8,500	8,500	6,629	(1,871)
Medical	5,500	5,500	1,670	(3,830)
Supplies	3,000	3,000	(366)	(3,366)
Total fire/police commission	17,000	17,000	7,933	(9,067)
Administration				
Full-time salary	431,856	431,856	446,252	14,396
Part-time salary	6,000	6,000	462	(5,538)
Overtime	500	500	18	(482)
Extra duty pay	13,000	13,000	11,207	(1,793)
Medical insurance	57,837	57,837	51,104	(6,733)
Life insurance	431	431	280	(151)
Auto/phone allowance	12,000	12,000	12,000	-
Audit expense	35,000	35,000	34,975	(25)
Contractual expense	43,250	51,550	51,400	(150)
Medical expense	6,000	6,000	3,450	(2,550)
Information technology	-	-	141	141
Postage	3,000	3,000	1,611	(1,389)
Telephone	2,500	2,500	2,518	18
Printing/publishing	1,900	1,900	1,764	(136)
Dues and subscriptions	4,300	4,300	1,865	(2,435)
Advertising	2,000	2,000	-	(2,000)
Fuel and oil	250	250	-	(250)
Small equipment/tools	1,000	1,000	252	(748)
Office supplies	13,000	13,000	6,257	(6,743)
Professional development / training	28,550	13,550	1,954	(11,596)
Tuition reimbursement	1,000	1,000	735	(265)
Total administration	663,374	656,674	628,245	(28,429)

(This schedule is continued on the following pages.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
General government (Continued)				
Information technology				
Full-time salary	\$ 58,481	\$ 58,481	\$ 60,681	\$ 2,200
Part-time salary	1,200	1,200	-	(1,200)
Extra duty pay	1,700	1,700	1,340	(360)
Medical insurance	13,676	13,676	11,445	(2,231)
Life insurance	53	53	34	(19)
Auto/phone allowance	720	720	720	-
Information technology	110,978	110,978	95,791	(15,187)
Telephone	300	300	187	(113)
Dues and subscriptions	550	550	479	(71)
Fuel and oil	150	150	-	(150)
Operating supplies	5,000	5,000	3,154	(1,846)
Small equipment/tools	42,000	42,000	36,549	(5,451)
Professional development/training	1,000	1,000	30	(970)
Total information technology	235,808	235,808	210,410	(25,398)
Municipal				
Medical insurance	101,015	101,015	79,723	(21,292)
Pension contribution	-	-	2,080,145	2,080,145
Unemployment insurance	20,000	20,000	4,918	(15,082)
Workers compensation	141,889	91,889	93,930	2,041
Maintenance and repairs	22,500	22,500	15,842	(6,658)
Other contractual	12,500	12,500	2,390	(10,110)
Property liability insurance	153,583	134,283	101,534	(32,749)
Bond insurance	1,500	1,500	492	(1,008)
Operating supplies	3,500	3,500	2,098	(1,402)
Small equipment/tools	5,000	5,000	4,283	(717)
Natural gas	1,500	1,500	484	(1,016)
Total municipal	462,987	393,687	2,385,839	1,992,152
Building zoning				
Full-time salary	128,235	128,235	133,054	4,819
Extra duty pay	1,900	1,900	1,700	(200)
Medical insurance	18,207	18,207	15,125	(3,082)
Life insurance	151	151	95	(56)
Maintenance and repairs	2,500	4,500	2,737	(1,763)
Engineering	2,000	2,000	1,754	(246)
Contractual	30,000	30,000	14,182	(15,818)
Postage	350	350	418	68
Telephone	1,970	1,970	1,443	(527)

(This schedule is continued on the following pages.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
General government (Continued)				
Building zoning (Continued)				
Printing/publishing	\$ 400	\$ 400	\$ 59	\$ (341)
Dues and subscriptions	400	400	307	(93)
Fuel and oil	2,000	2,000	1,483	(517)
Small equipment/tools	1,000	1,000	77	(923)
Office supplies	1,600	1,600	1,823	223
Professional development/training	6,000	4,000	160	(3,840)
Lease payment	450	450	114	(336)
Total building zoning	197,163	197,163	174,531	(22,632)
Public property				
Full-time salary	72,137	72,137	75,072	2,935
Part-time salary	32,000	24,500	22,864	(1,636)
Overtime	7,000	7,000	4,177	(2,823)
Extra duty pay	1,200	1,200	600	(600)
Medical insurance	13,037	13,037	10,590	(2,447)
Life insurance	76	76	50	(26)
Clothing allowance	150	225	225	-
Maintenance and repairs	22,000	19,000	11,874	(7,126)
Contractual	11,500	11,500	8,774	(2,726)
Medical expense	300	300	281	(19)
Telephone	3,000	3,000	2,189	(811)
Dues and subscriptions	600	600	573	(27)
Fuel and oil	8,000	8,000	3,758	(4,242)
Operating supplies	47,000	26,925	18,158	(8,767)
Small equipment/tools	6,000	9,000	3,932	(5,068)
Office supplies	300	300	41	(259)
Professional development/training	1,000	1,000	-	(1,000)
Natural gas	1,000	1,000	494	(506)
Electricity	1,000	1,000	-	(1,000)
Bad debt expense	1,500	1,500	-	(1,500)
Real estate tax	-	1,205	1,201	(4)
Total public property	228,800	202,505	164,853	(37,652)
Cemetery				
Full-time salary	72,137	72,137	75,072	2,935
Part-time salary	29,000	46,500	43,201	(3,299)
Overtime	10,000	10,000	2,593	(7,407)
Extra duty pay	1,200	1,200	600	(600)
Medical insurance	13,037	13,037	10,369	(2,668)

(This schedule is continued on the following pages.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
General government (Continued)				
Cemetery (Continued)				
Life insurance	\$ 76	\$ 76	\$ 49	\$ (27)
Clothing allowance	150	225	225	-
Maintenance and repairs	8,000	15,000	8,818	(6,182)
Contractual	3,500	3,500	2,100	(1,400)
Telephone	500	500	455	(45)
Dues and subscriptions	700	700	573	(127)
Fuel and oil	8,000	8,000	3,821	(4,179)
Operating supplies	11,500	11,425	9,651	(1,774)
Small equipment/tools	6,000	9,000	3,411	(5,589)
Office supplies	500	500	54	(446)
Professional development/training	1,000	1,000	-	(1,000)
Natural gas	2,000	2,000	2,085	85
Electricity	2,000	2,000	-	(2,000)
Bad debt expense	1,000	1,000	-	(1,000)
Total cemetery	170,300	197,800	163,077	(34,723)
Veterans Park				
Telephone	3,000	3,000	2,914	(86)
Natural gas	2,000	2,000	750	(1,250)
Electricity	2,000	2,000	534	(1,466)
Total Veterans Park	7,000	7,000	4,198	(2,802)
Public safety building				
Full-time salary	32,790	32,790	34,014	1,224
Part-time salary	6,000	6,000	3,130	(2,870)
Overtime	3,500	3,500	142	(3,358)
Extra duty pay	250	250	200	(50)
Medical insurance	19,537	19,537	16,275	(3,262)
Life insurance	76	76	49	(27)
Maintenance and repairs	39,800	47,300	48,119	819
Contractual	3,500	3,500	3,692	192
Operating supplies	10,000	10,000	8,387	(1,613)
Natural gas	14,000	6,500	1,649	(4,851)
Total public safety building	129,453	129,453	115,657	(13,796)

(This schedule is continued on the following pages.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
General government (Continued)				
Downtown maintenance				
Full-time salary	\$ 21,195	\$ 15,195	\$ -	\$ (15,195)
Overtime	3,000	3,000	-	(3,000)
Extra duty pay	150	150	-	(150)
Medical insurance	9,769	9,769	-	(9,769)
Life insurance	38	38	-	(38)
Clothing allowance	250	250	-	(250)
Maintenance and repairs	2,000	2,000	579	(1,421)
Contractual	26,600	32,600	30,892	(1,708)
Operating supplies	4,200	4,200	3,311	(889)
Total downtown maintenance	67,202	67,202	34,782	(32,420)
PR and marketing				
Maintenance and repairs	5,000	5,000	-	(5,000)
Contractual	18,500	18,500	-	(18,500)
Dues	1,000	1,000	485	(515)
Donation expense	380,000	380,000	280,000	(100,000)
Total PR and marketing	404,500	404,500	280,485	(124,015)
Total general government	2,981,057	3,238,575	4,885,761	1,647,186
Highways and streets				
Streets				
Full-time salary	458,441	454,941	442,940	(12,001)
Part-time salary	17,000	12,000	10,975	(1,025)
Overtime	30,000	45,000	39,599	(5,401)
Extra duty pay	11,980	11,980	5,685	(6,295)
Medical insurance	78,048	78,048	67,664	(10,384)
Life insurance	680	680	413	(267)
Clothing allowance	2,400	3,150	3,150	-
Maintenance and repairs	50,000	100,000	82,733	(17,267)
Contractual	22,500	7,500	10,000	2,500
Medical expense	1,300	1,300	348	(952)
Information technology	1,500	1,500	1,475	(25)
Telephone	1,010	1,010	563	(447)
Dues and subscriptions	2,000	2,300	2,279	(21)
Fuel and oil	32,000	32,000	38,196	6,196
Operating supplies	167,000	211,250	206,087	(5,163)
Small equipment/tools	5,000	12,500	9,702	(2,798)

(This schedule is continued on the following pages.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
Highways and streets (Continued)				
Streets (Continued)				
Office supplies	\$ 300	\$ 300	\$ 7	\$ (293)
Professional development/training	10,000	2,000	119	(1,881)
Natural gas	2,000	2,000	2,243	243
Electricity	175,000	175,000	160,254	(14,746)
Total streets	1,068,159	1,154,459	1,084,432	(70,027)
Total highways and streets	1,068,159	1,154,459	1,084,432	(70,027)
Public safety				
Fire				
Full-time salary	1,057,713	1,057,713	1,073,480	15,767
Part-time salary	3,000	5,000	4,646	(354)
Overtime	115,000	192,500	192,388	(112)
Extra duty pay	134,252	122,252	116,256	(5,996)
Medical insurance	208,875	208,875	201,130	(7,745)
Life insurance	1,130	1,130	732	(398)
Maintenance and repairs	20,000	20,000	18,741	(1,259)
Contractual	14,000	14,000	11,503	(2,497)
Medical expense	5,000	5,000	2,657	(2,343)
Information technology	1,500	1,500	735	(765)
Postage	500	500	86	(414)
Telephone	3,860	3,860	3,640	(220)
Printing/publishing	450	450	-	(450)
Dues and subscriptions	3,000	3,000	2,560	(440)
Maintenance supplies	2,500	2,500	1,790	(710)
Fuel and oil	7,500	7,500	6,724	(776)
Operating supplies	10,000	10,000	6,932	(3,068)
Uniforms	17,000	17,000	12,949	(4,051)
Small equipment/tools	10,500	10,500	10,955	455
Office supplies	1,000	1,000	670	(330)
Professional development/training	28,500	19,000	18,972	(28)
Tuition reimbursement	6,000	6,000	1,615	(4,385)
Total fire	1,651,280	1,709,280	1,689,161	(20,119)
Police				
Full-time salary	2,287,457	2,286,252	2,227,868	(58,384)
Part-time salary	18,000	18,000	7,186	(10,814)
Overtime	136,000	136,000	120,640	(15,360)

(This schedule is continued on the following pages.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
Public safety (Continued)				
Police (Continued)				
Extra duty pay	\$ 243,357	\$ 243,357	\$ 211,981	\$ (31,376)
Medical insurance	433,129	433,129	344,504	(88,625)
Life insurance	2,533	2,533	1,577	(956)
Clothing allowance	6,000	6,000	4,434	(1,566)
Maintenance and repairs	48,200	48,200	33,182	(15,018)
Contractual	237,760	237,760	211,928	(25,832)
Medical expense	7,600	7,600	1,708	(5,892)
Information technology	30,200	30,200	25,023	(5,177)
Postage	1,250	1,250	1,181	(69)
Telephone	24,000	24,000	22,608	(1,392)
Printing/publishing	1,000	1,000	199	(801)
Dues and subscriptions	2,944	2,944	2,878	(66)
Fuel and oil	50,000	50,000	35,593	(14,407)
Operating supplies	26,600	26,600	12,512	(14,088)
Uniforms	22,000	29,000	27,332	(1,668)
Small equipment/tools	35,100	35,100	35,357	257
Office supplies	5,000	5,000	4,227	(773)
Professional development/training	28,000	21,000	13,110	(7,890)
Tuition reimbursement	4,000	4,000	2,000	(2,000)
Other expense	2,000	2,000	2,030	30
Total police	3,652,130	3,650,925	3,349,058	(301,867)
Total public safety	5,303,410	5,360,205	5,038,219	(321,986)
Traffic development				
Traffic maintenance				
Part-time salary	6,000	6,000	6,000	-
Telephone	800	800	549	(251)
Operating supplies	-	43,000	40,877	(2,123)
Small equipment/tools	45,000	1,000	299	(701)
Professional development/training	1,000	-	-	-
Total traffic maintenance	52,800	50,800	47,725	(3,075)
Total traffic development	52,800	50,800	47,725	(3,075)

(This schedule is continued on the following page.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)				
Current (Continued)				
Culture and recreation				
Performing arts				
Donation expense	\$ 50,000	\$ 50,000	\$ 28,422	\$ (21,578)
Total performing arts	50,000	50,000	28,422	(21,578)
Total culture and recreation	50,000	50,000	28,422	(21,578)
Total cash disbursements	9,455,426	9,854,039	11,084,559	1,230,520
Deduct beginning accrued payroll			(142,154)	
Deduct beginning accrued expenditures			(67,446)	
Deduct ending prepaid expenditures			(35,136)	
Add ending accrued payroll			(5,759)	
Add beginning prepaid expenditures			163,766	
Add ending accrued expenditures			43,057	
Total expenditures			11,040,887	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	941,526	582,913	3,144,487	2,176,169
OTHER FINANCING SOURCES (USES)				
Transfers in	(18,000)	-	-	18,000
Transfers (out)	(920,528)	(920,528)	(1,275,000)	(354,472)
Total other financing sources (uses)	(938,528)	(920,528)	(1,275,000)	(336,472)
NET CHANGE IN FUND BALANCE	\$ 2,998	\$ (337,615)	1,869,487	\$ 1,839,697
FUND BALANCE, MAY 1			7,046,472	
Prior period adjustment			121,381	
FUND BALANCE, MAY 1, AS RESTATED			7,167,853	
FUND BALANCE, APRIL 30			\$ 9,037,340	

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 175,000	\$ 175,000	\$ 185,259	\$ 10,259
Investment income	100	100	57	(43)
Total revenues	175,100	175,100	185,316	10,216
EXPENDITURES				
Current				
General government				
Other expense	145,000	145,000	36,852	(108,148)
Total expenditures	145,000	145,000	36,852	(108,148)
NET CHANGE IN FUND BALANCE	<u>\$ 30,100</u>	<u>\$ 30,100</u>	148,464	<u>\$ 118,364</u>
FUND BALANCE (DEFICIT), MAY 1			<u>(2,026,727)</u>	
FUND BALANCE (DEFICIT), APRIL 30			<u><u>\$ (1,878,263)</u></u>	

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
RIVERFRONT PROJECT FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 250,000	\$ 250,000	\$ 273,124	\$ 23,124
Investment income	100	100	84	(16)
Total revenues	250,100	250,100	273,208	23,108
EXPENDITURES				
Current				
General government				
Other expense	145,000	145,000	109,002	(35,998)
Total expenditures	145,000	145,000	109,002	(35,998)
NET CHANGE IN FUND BALANCE	\$ 105,100	\$ 105,100	164,206	\$ 59,106
FUND BALANCE (DEFICIT), MAY 1			(1,380,850)	
Prior period adjustment			(6,155)	
FUND BALANCE (DEFICIT), MAY 1, AS RESTATED			(1,387,005)	
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (1,222,799)</u>	

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

Last Three Fiscal Years

MEASUREMENT DATE APRIL 30,	2019	2020	2021
TOTAL OPEB LIABILITY			
Service cost	\$ 95,850	\$ 103,156	\$ 129,913
Interest	193,597	191,401	203,154
Differences between expected and actual experience	-	-	(1,175,297)
Changes of assumptions	123,432	2,816,697	(95,250)
Benefit payments, including refunds of member contributions	(248,771)	(230,871)	(219,338)
Net change in total OPEB liability	164,108	2,880,383	(1,156,818)
Total OPEB liability - beginning	5,000,871	5,164,979	8,045,362
TOTAL OPEB LIABILITY - ENDING	\$ 5,164,979	\$ 8,045,362	\$ 6,888,544
Covered payroll	\$ 5,678,373	\$ 6,648,935	\$ 4,562,567
Employer's total OPEB liability as a percentage of covered payroll	90.96%	121.00%	150.98%

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

The table above includes amounts for both the City and Library.

2019: There were changes in assumptions related to the discount rate. 2020: There were changes in assumptions related to the discount rate. 2021: There were changes in assumptions related to the discount rate and expected increases in medical costs assumption.

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

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

Last Six Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 199,340	\$ 182,850	\$ 212,525	\$ 204,087	\$ 108,821	\$ 191,416
Contributions in relation to the actuarially determined contribution	230,964	218,999	232,885	204,088	108,821	191,416
CONTRIBUTION DEFICIENCY (Excess)	\$ (31,624)	\$ (36,149)	\$ (20,360)	\$ (1)	\$ -	\$ -
Covered payroll	\$ 2,975,220	\$ 2,770,457	\$ 2,767,256	\$ 2,936,510	\$ 3,031,218	\$ 3,215,370
Contributions as a percentage of covered payroll	7.76%	7.90%	8.42%	6.95%	3.59%	5.95%

Notes to Required Supplementary Information

The table above includes amounts for both the City and Library.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 494,821	\$ 416,399	\$ 432,436	\$ 532,391	\$ 601,833	\$ 833,033	\$ 831,327	\$ 903,812	\$ 991,169	\$ 1,072,828
Contributions in relation to the actuarially determined contribution	432,424	443,397	476,189	525,350	603,612	812,591	806,549	881,817	965,170	1,073,106
CONTRIBUTION DEFICIENCY (Excess)	\$ 62,397	\$ (26,998)	\$ (43,753)	\$ 7,041	\$ (1,779)	\$ 20,442	\$ 24,778	\$ 21,995	\$ 25,999	\$ (278)
Covered payroll	\$ 1,546,962	\$ 1,681,857	\$ 1,822,623	\$ 1,994,165	\$ 2,048,608	\$ 2,256,530	\$ 1,943,673	\$ 2,011,701	\$ 2,224,777	\$ 2,221,959
Contributions as a percentage of covered payroll	27.95%	26.36%	26.13%	26.34%	29.46%	36.01%	41.50%	43.83%	43.38%	48.30%

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was 5 year smoothed market; and the significant actuarial assumptions were an investment rate of return of 6.75% annually, projected salary increase assumption of 3.50%-9.98% annually and postretirement benefit increases of 3.50% compounded annually.

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 431,447	\$ 338,437	\$ 355,779	\$ 472,264	\$ 458,187	\$ 556,036	\$ 757,371	\$ 835,519	\$ 876,870	\$ 670,041
Contributions in relation to the actuarially determined contribution	348,553	354,399	392,039	406,847	460,600	685,507	871,125	833,880	880,174	670,202
CONTRIBUTION DEFICIENCY (Excess)	\$ 82,894	\$ (15,962)	\$ (36,260)	\$ 65,417	\$ (2,413)	\$ (129,471)	\$ (113,754)	\$ 1,639	\$ (3,304)	\$ (161)
Covered payroll	\$ 883,627	\$ 1,091,163	\$ 1,003,959	\$ 1,198,704	\$ 1,198,672	\$ 1,435,299	\$ 1,197,877	\$ 1,239,803	\$ 1,306,374	\$ 1,295,144
Contributions as a percentage of covered payroll	39.45%	32.48%	39.05%	33.94%	38.43%	47.76%	72.72%	67.26%	67.38%	51.75%

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was 5 year smoothed market; and the significant actuarial assumptions were an investment rate of return of 6.75% annually, projected salary increase assumption of 3.50%-6.54% annually and postretirement benefit increases of 3.50% compounded annually.

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

Last Six Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020
TOTAL PENSION LIABILITY						
Service cost	\$ 308,841	\$ 308,819	\$ 284,642	\$ 268,927	\$ 303,711	\$ 307,023
Interest	1,266,534	1,351,187	1,377,750	1,374,153	1,406,486	1,477,545
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	506,183	(221,534)	28,071	136,653	550,420	39,791
Changes of assumptions	-	-	(573,172)	512,792	-	(195,145)
Benefit payments, including refunds of member contributions	(862,323)	(1,043,351)	(1,101,061)	(1,213,732)	(1,250,563)	(1,313,734)
Net change in total pension liability	1,219,235	395,121	16,230	1,078,793	1,010,054	315,480
Total pension liability - beginning	17,163,855	18,383,090	18,778,211	18,794,441	19,873,234	20,883,288
TOTAL PENSION LIABILITY - ENDING	<u>\$ 18,383,090</u>	<u>\$ 18,778,211</u>	<u>\$ 18,794,441</u>	<u>\$ 19,873,234</u>	<u>\$ 20,883,288</u>	<u>\$ 21,198,768</u>
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 230,964	\$ 218,999	\$ 232,885	\$ 204,088	\$ 108,821	\$ 183,015
Contributions - member	138,345	124,671	122,895	132,143	136,405	138,183
Net investment income	92,818	1,204,046	3,421,226	(1,308,627)	3,715,072	3,289,769
Benefit payments, including refunds of member contributions	(862,323)	(1,043,351)	(1,101,061)	(1,213,732)	(1,250,563)	(1,313,734)
Other (net transfer)	(371,047)	69,701	(414,783)	463,620	179,202	129,627
Net change in plan fiduciary net position	(771,243)	574,066	2,261,162	(1,722,508)	2,888,937	2,426,860
Plan fiduciary net position - beginning	18,810,105	18,038,862	18,612,928	20,874,090	19,151,582	22,040,519
PLAN FIDUCIARY NET POSITION - ENDING	<u>\$ 18,038,862</u>	<u>\$ 18,612,928</u>	<u>\$ 20,874,090</u>	<u>\$ 19,151,582</u>	<u>\$ 22,040,519</u>	<u>\$ 24,467,379</u>
EMPLOYER'S NET PENSION LIABILITY (ASSET)	<u>\$ 344,228</u>	<u>\$ 165,283</u>	<u>\$ (2,079,649)</u>	<u>\$ 721,652</u>	<u>\$ (1,157,231)</u>	<u>\$ (3,268,611)</u>

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020
Plan fiduciary net position as a percentage of the total pension liability	98.13%	99.12%	111.07%	96.37%	105.54%	115.42%
Covered payroll	\$ 2,975,220	\$ 2,770,457	\$ 2,767,256	\$ 2,936,510	\$ 3,031,218	\$ 3,070,720
Employer's net pension liability (asset) as a percentage of covered payroll	11.57%	5.97%	(75.15%)	24.58%	(38.18%)	(106.44%)

The table above includes amounts for both the City and Library.

Assumption Changes:

2015 - changes in assumptions related to investment rate of return, retirement age and mortality rates.

2016 - changes in assumptions related to retirement age and mortality rates.

2017 - changes in assumptions related to inflation rates, salary rates and mortality rates.

2018 - changes in assumptions related to the investment rate of return

2020 - changes in assumptions related to inflation rates, salary increases and mortality rates.

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

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
TOTAL PENSION LIABILITY							
Service cost	\$ 478,953	\$ 412,856	\$ 486,150	\$ 518,965	\$ 495,807	\$ 564,190	\$ 597,583
Interest	1,394,324	1,573,774	1,637,470	1,677,271	1,740,912	1,854,323	2,013,952
Changes of benefit terms	-	-	-	-	-	110,135	-
Differences between expected and actual experience	289,047	166,862	74,160	49,731	904,453	211,262	266,596
Changes of assumptions	2,215,611	(199,219)	(472,916)	-	1,675,677	1,673,267	(1,042,040)
Benefit payments, including refunds of member contributions	(968,808)	(994,539)	(1,026,703)	(1,243,744)	(1,362,534)	(1,357,738)	(1,394,138)
Net change in total pension liability	3,409,127	959,734	698,161	1,002,223	3,454,315	3,055,439	441,953
Total pension liability - beginning	20,403,312	23,812,439	24,772,173	25,470,334	26,472,557	29,926,872	32,982,311
TOTAL PENSION LIABILITY - ENDING	\$ 23,812,439	\$ 24,772,173	\$ 25,470,334	\$ 26,472,557	\$ 29,926,872	\$ 32,982,311	\$ 33,424,264
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 525,350	\$ 603,612	\$ 812,591	\$ 806,549	\$ 881,817	\$ 965,170	\$ 1,073,106
Contributions - member	212,422	197,842	205,454	207,122	213,083	212,943	224,524
Other contributions	-	-	19,282	-	41,128	-	3,975
Net investment income	679,948	(394,244)	1,129,702	710,623	441,523	(419,837)	3,760,636
Benefit payments, including refunds of member contributions	(968,808)	(994,539)	(1,026,703)	(1,243,745)	(1,362,534)	(1,357,738)	(1,394,138)
Administrative expense	(22,636)	(21,427)	(43,684)	(52,220)	(48,220)	(34,652)	(30,566)
Net change in plan fiduciary net position	426,276	(608,756)	1,096,642	428,329	166,797	(634,114)	3,637,537
Plan fiduciary net position - beginning	13,830,294	14,256,570	13,647,814	14,744,456	15,172,785	15,339,582	14,705,468
PLAN FIDUCIARY NET POSITION - ENDING	\$ 14,256,570	\$ 13,647,814	\$ 14,744,456	\$ 15,172,785	\$ 15,339,582	\$ 14,705,468	\$ 18,343,005
EMPLOYER'S NET PENSION LIABILITY	\$ 9,555,869	\$ 11,124,359	\$ 10,725,878	\$ 11,299,772	\$ 14,587,290	\$ 18,276,843	\$ 15,081,259

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Plan fiduciary net position as a percentage of the total pension liability	59.87%	55.09%	57.89%	57.32%	51.26%	44.59%	54.88%
Covered payroll	\$ 1,994,165	\$ 2,352,152	\$ 2,256,530	\$ 1,943,673	\$ 2,011,701	\$ 2,224,777	\$ 2,221,959
Employer's net pension liability as a percentage of covered payroll	479.19%	472.94%	475.33%	581.36%	725.12%	821.51%	678.74%

2021 - There was changes of assumptions during the current year related to the discount rate and marital assumption for retiree and disabled members.

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

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
TOTAL PENSION LIABILITY							
Service cost	\$ 277,022	\$ 318,494	\$ 322,569	\$ 343,537	\$ 350,116	\$ 317,897	\$ 330,333
Interest	958,772	922,776	1,233,566	1,195,760	1,229,000	1,273,258	1,405,967
Changes of benefit terms	-	-	-	-	-	102,023	-
Differences between expected and actual experience	119,049	886,994	155,238	(3,005)	77,049	87,660	471,119
Changes of assumptions	1,079,603	2,455,088	(1,315,004)	-	(621,628)	387,509	435,887
Benefit payments, including refunds of member contributions	(789,754)	(866,450)	(950,556)	(1,005,429)	(1,044,393)	(1,113,893)	(1,103,153)
Net change in total pension liability	1,644,692	3,716,902	(554,187)	530,863	(9,856)	1,054,454	1,540,153
Total pension liability - beginning	14,091,621	15,736,313	19,453,215	18,899,028	19,429,891	19,420,035	20,474,489
TOTAL PENSION LIABILITY - ENDING	\$ 15,736,313	\$ 19,453,215	\$ 18,899,028	\$ 19,429,891	\$ 19,420,035	\$ 20,474,489	\$ 22,014,642
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 406,847	\$ 460,600	\$ 685,507	\$ 871,124	\$ 833,880	\$ 3,880,174	\$ 670,202
Contributions - member	107,946	127,140	114,570	122,115	120,904	120,023	127,496
Other contributions	-	-	-	-	855	-	-
Net investment income	407,783	(86,140)	440,768	178,563	313,447	(185,584)	3,179,596
Benefit payments, including refunds of member contributions	(787,267)	(866,450)	(950,556)	(1,005,429)	(1,044,393)	(1,113,893)	(1,103,153)
Administrative expense	(17,723)	(19,272)	(20,613)	(20,587)	(20,674)	(20,988)	(18,946)
Net change in plan fiduciary net position	117,586	(384,122)	269,676	145,786	204,019	2,679,732	2,855,195
Plan fiduciary net position - beginning	8,184,092	8,301,678	7,917,556	8,187,232	8,333,018	8,537,037	11,216,769
PLAN FIDUCIARY NET POSITION - ENDING	\$ 8,301,678	\$ 7,917,556	\$ 8,187,232	\$ 8,333,018	\$ 8,537,037	\$ 11,216,769	\$ 14,071,964
EMPLOYER'S NET PENSION LIABILITY	\$ 7,434,635	\$ 11,535,659	\$ 10,711,796	\$ 11,096,873	\$ 10,882,998	\$ 9,257,720	\$ 7,942,678

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Plan fiduciary net position as a percentage of the total pension liability	52.75%	40.70%	43.32%	42.89%	43.96%	54.78%	63.92%
Covered payroll	\$ 1,198,704	\$ 1,198,672	\$ 1,435,299	\$ 1,197,577	\$ 1,239,803	\$ 1,306,374	\$ 1,295,144
Employer's net pension liability as a percentage of covered payroll	620.22%	962.37%	746.31%	926.61%	877.80%	708.66%	613.27%

2021 - There was changes of assumptions during the current year related to the marital assumption for retiree and disabled members.

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

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	5.04%	(2.09%)	8.73%	4.96%	3.04%	(2.90%)	25.41%

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

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	4.97%	(0.14%)	6.39%	2.36%	4.11%	(1.27%)	28.41%

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

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2021

1. BUDGETS

Annual budgets are adopted for all governmental funds using the cash basis of accounting, which is a different basis of accounting other than generally accepted in the United States of America, but is allowed under Illinois Compiled Statutes. Expenditures may not legally exceed budgeted appropriations at the fund level. Budgets were passed for all funds, except for the Foreign Fire Insurance Fund and DUI Fund. There were also several supplemental appropriation ordinances for the current fiscal year.

2. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following fund over expended appropriations in fiscal year 2021:

Fund	Appropriations	Expenditures	Excess
General	\$ 9,854,039	\$ 11,084,559	\$ (1,542,833)

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

MAJOR GOVERNMENTAL FUNDS

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over Under (Under)
REVENUES				
Taxes				
Sales tax	\$ 860,000	\$ 860,000	\$ 749,797	\$ (110,203)
Intergovernmental	2,066,000	2,066,000	-	(2,066,000)
Investment income	10,000	10,000	3,082	(6,918)
Total cash receipts	<u>2,936,000</u>	<u>2,936,000</u>	752,879	<u>(2,183,121)</u>
Deduct beginning accrued revenues			(123,954)	
Add ending accrued revenues			<u>301,427</u>	
Total revenues			<u>930,352</u>	
EXPENDITURES				
Capital outlay	<u>3,766,000</u>	<u>3,766,000</u>	2,693,550	(1,072,450)
Total cash disbursements	<u>3,766,000</u>	<u>3,766,000</u>	2,693,550	<u>(1,072,450)</u>
Deduct beginning accrued expenditures			(32,055)	
Add ending accrued expenditures			<u>78,656</u>	
Total expenditures			<u>2,740,151</u>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>(830,000)</u>	<u>(830,000)</u>	(1,809,799)	(1,110,671)
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>700,000</u>	<u>700,000</u>	700,000	-
Total other financing sources (uses)	<u>700,000</u>	<u>700,000</u>	700,000	-
NET CHANGE IN FUND BALANCE				
	<u>\$ (130,000)</u>	<u>\$ (130,000)</u>	(1,109,799)	<u>\$ (1,110,671)</u>
FUND BALANCE, MAY 1				
			1,391,039	
Prior period adjustment			<u>64,015</u>	
FUND BALANCE, MAY 1, AS RESTATED				
			<u>1,455,054</u>	
FUND BALANCE, APRIL 30				
			<u>\$ 345,255</u>	

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment income	\$ 70,000	\$ 70,000	\$ 45,440	\$ (24,560)
Miscellaneous	-	-	55,817	55,817
Total cash receipts	70,000	70,000	101,257	31,257
Deduct beginning accrued revenues			(4,512)	
Add ending accrued revenues			1,308	
Total revenues			98,053	
EXPENDITURES				
Current				
General government				
Maintenance and repairs	-	-	55,532	55,532
Small equipment and tools	231,700	231,700	49,915	(181,785)
Other	250,000	250,000	-	(250,000)
Capital outlay				
Engineering	-	115,000	47,455	(67,545)
Infrastructure	155,000	155,000	129,965	(25,035)
Building	225,500	225,500	51,631	(173,869)
Equipment	45,000	45,000	39,100	(5,900)
Vehicle	135,000	135,000	33,180	(101,820)
Total cash disbursements	1,042,200	1,157,200	406,778	(750,422)
Deduct beginning accrued expenditures			(24,178)	
Add ending accrued expenditures			75,996	
Total expenditures			458,596	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(972,200)	(1,087,200)	(360,543)	781,679
OTHER FINANCING SOURCES (USES)				
Transfers in	1,650,000	1,650,000	450,000	(1,200,000)
Transfers (out)	(1,000,000)	(1,000,000)	(74,491)	925,509
Proceeds from sale of asset	10,000	10,000	18,844	8,844
Total other financing sources (uses)	660,000	660,000	394,353	(265,647)
NET CHANGE IN FUND BALANCE	\$ (312,200)	\$ (427,200)	33,810	\$ 516,032
FUND BALANCE, MAY 1			10,155,134	
FUND BALANCE, APRIL 30			\$ 10,188,944	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

CITY OF DIXON, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2021

	Special Revenue				
	Illinois Municipal Retirement	Social Security	Motor Fuel Fuel Tax	Performing Arts	Grant
ASSETS					
Cash and investments	\$ 1,096,375	\$ 1,068,172	\$ 946,728	\$ 39,416	\$ -
Receivables (net, where applicable, of allowances for uncollectibles)					
Accounts	-	-	-	-	-
Accrued interest	306	310	-	-	-
Due from other governments	-	-	51,829	-	-
Prepaid items	-	-	-	-	-
TOTAL ASSETS	\$ 1,096,681	\$ 1,068,482	\$ 998,557	\$ 39,416	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 7,000
Accrued payroll	-	-	-	-	-
Advances from other funds	-	-	-	-	4,111
Unearned revenue	-	-	-	-	-
Customer deposits	-	-	-	-	-
Total liabilities	-	-	-	-	11,111
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	-	11,111
FUND BALANCES					
Nonspendable - prepaid items	-	-	-	-	-
Restricted for highways and streets	-	-	998,557	-	-
Restricted for retirement	1,096,681	1,068,482	-	-	-
Restricted for public safety	-	-	-	-	-
Restricted for culture and recreation	-	-	-	39,416	-
Restricted for airport	-	-	-	-	-
Assigned					
Working cash	-	-	-	-	-
Unrestricted					
Unassigned (deficit)	-	-	-	-	(11,111)
Total fund balances (deficit)	1,096,681	1,068,482	998,557	39,416	(11,111)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,096,681	\$ 1,068,482	\$ 998,557	\$ 39,416	\$ -

Special Revenue					Permanent Fund			
Municipal Airport	Emergency Vehicle	Foreign Fire Insurance	Police Vehicle	Confiscated Property	DUI	Working Cash	Total	
\$ 184,452	\$ 718,555	\$ 87,701	\$ 19,179	\$ 106,782	\$ 57,976	\$ 766,141	\$ 5,091,477	
40,150	472,605	-	-	-	-	-	512,755	
-	-	-	-	-	-	533	1,149	
-	-	-	-	-	-	-	51,829	
5,539	-	-	-	-	-	-	5,539	
\$ 230,141	\$ 1,191,160	\$ 87,701	\$ 19,179	\$ 106,782	\$ 57,976	\$ 766,674	\$ 5,662,749	
\$ 27,679	\$ 7,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,335	
-	727	-	-	-	-	-	727	
-	-	-	-	-	-	-	4,111	
25,000	-	-	-	-	-	-	25,000	
4,996	-	-	-	-	-	-	4,996	
57,675	8,383	-	-	-	-	-	77,169	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
57,675	8,383	-	-	-	-	-	77,169	
5,539	-	-	-	-	-	-	5,539	
-	-	-	-	-	-	-	998,557	
-	-	-	-	-	-	-	2,165,163	
-	1,182,777	87,701	19,179	106,782	57,976	-	1,454,415	
-	-	-	-	-	-	-	39,416	
166,927	-	-	-	-	-	-	166,927	
-	-	-	-	-	-	766,674	766,674	
-	-	-	-	-	-	-	(11,111)	
172,466	1,182,777	87,701	19,179	106,782	57,976	766,674	5,585,580	
\$ 230,141	\$ 1,191,160	\$ 87,701	\$ 19,179	\$ 106,782	\$ 57,976	\$ 766,674	\$ 5,662,749	

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	Special Revenue				
	Illinois Municipal Retirement	Social Security	Motor Fuel Tax	Performing Arts	Grant
REVENUES					
Motor Fuel Tax allotments	\$ -	\$ -	\$ 1,081,739	\$ -	\$ -
Foreign fire insurance tax	-	-	-	-	-
Grants	-	-	-	-	170,135
Charges for services	-	-	-	-	-
Fines and fees	-	-	-	-	-
Rental income	-	-	-	-	-
Investment income	19,652	20,818	390	-	-
Miscellaneous	-	-	-	200	-
Total revenues	19,652	20,818	1,082,129	200	170,135
EXPENDITURES					
Current					
General government					
Personnel services	13,349	24,046	-	-	-
Public safety					
Personnel services	83,432	150,284	-	-	-
Commodities	-	-	-	-	-
Highways and streets					
Personnel services	14,461	26,049	-	-	-
Culture and recreation					
Personnel services	-	-	-	700	-
Commodities	-	-	-	165	-
Contractual services	-	-	-	-	197,863
Airport					
Personnel services	-	-	-	-	-
Commodities	-	-	-	-	-
Contractual services	-	-	-	-	-
Capital outlay	-	-	790,293	-	-
Total expenditures	111,242	200,379	790,293	865	197,863
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(91,590)	(179,561)	291,836	(665)	(27,728)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	74,491
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	74,491
NET CHANGE IN FUND BALANCES	(91,590)	(179,561)	291,836	(665)	46,763
FUND BALANCES (DEFICIT), MAY 1	1,188,271	1,248,043	706,721	40,081	(57,874)
FUND BALANCES (DEFICIT), APRIL 30	\$ 1,096,681	\$ 1,068,482	\$ 998,557	\$ 39,416	\$ (11,111)

		Special Revenue				Permanent Fund		
Municipal Airport	Emergency Vehicle	Foreign Fire Insurance	Police Vehicle	Confiscated Property	DUI	Working Cash	Total	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,081,739	
-	-	33,559	-	-	-	-	33,559	
93,375	808	-	-	-	-	-	264,318	
-	1,185,813	-	-	-	-	-	1,185,813	
-	500	-	310	-	16,081	-	16,891	
41,327	-	-	-	-	-	-	41,327	
3,717	228	11	-	-	-	18,042	62,858	
873	3,785	-	-	5,823	-	-	10,681	
139,292	1,191,134	33,570	310	5,823	16,081	18,042	2,697,186	
-	-	-	-	-	-	-	37,395	
-	273,878	-	-	-	-	-	507,594	
-	44,074	22,179	-	3,850	1,550	-	71,653	
-	-	-	-	-	-	-	40,510	
-	-	-	-	-	-	-	700	
-	-	-	-	-	-	-	165	
-	-	-	-	-	-	-	197,863	
14,846	-	-	-	-	-	-	14,846	
38,536	-	-	-	-	-	-	38,536	
59,218	-	-	-	-	-	-	59,218	
-	113,431	-	-	-	-	-	903,724	
112,600	431,383	22,179	-	3,850	1,550	-	1,872,204	
26,692	759,751	11,391	310	1,973	14,531	18,042	824,982	
125,000	-	-	-	-	-	-	199,491	
-	10,250	-	-	-	-	-	10,250	
125,000	10,250	-	-	-	-	-	209,741	
151,692	770,001	11,391	310	1,973	14,531	18,042	1,034,723	
20,774	412,776	76,310	18,869	104,809	43,445	748,632	4,550,857	
\$ 172,466	\$ 1,182,777	\$ 87,701	\$ 19,179	\$ 106,782	\$ 57,976	\$ 766,674	\$ 5,585,580	

(See independent auditor's report.)

FIDUCIARY FUNDS

CITY OF DIXON, ILLINOIS

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

April 30, 2021

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and short-term investments	\$ 592,613	\$ 363,863	\$ 956,476
Investments			
U.S. Treasury obligations	2,067,827	1,615,262	3,683,089
Common stock	1,236,835	-	1,236,835
Mutual funds	11,629,535	10,044,410	21,673,945
Corporate bonds	2,249,922	1,650,181	3,900,103
Mortgage pools	528,933	369,384	898,317
Receivables			
Accrued interest	25,031	18,686	43,717
Prepaid items	15,436	11,468	26,904
Total assets	18,346,132	14,073,254	32,419,386
LIABILITIES			
Accounts payable	3,128	1,290	4,418
Total liabilities	3,128	1,290	4,418
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 18,343,004</u>	<u>\$ 14,071,964</u>	<u>\$ 32,414,968</u>

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

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

For the Year Ended April 30, 2021

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer contributions	\$ 1,073,106	\$ 670,202	\$ 1,743,308
Employee contributions	228,499	127,496	355,995
Total contributions	1,301,605	797,698	2,099,303
Investment income			
Net appreciation in fair value of investments	3,437,083	2,958,336	6,395,419
Interest	406,381	282,438	688,819
Total investment income	3,843,464	3,240,774	7,084,238
Less investment expense	(82,828)	(61,178)	(144,006)
Net investment income	3,760,636	3,179,596	6,940,232
Total additions	5,062,241	3,977,294	9,039,535
DEDUCTIONS			
Benefits and refunds	1,394,138	1,103,153	2,497,291
Administrative expenses	30,566	18,946	49,512
Total deductions	1,424,704	1,122,099	2,546,803
NET INCREASE	3,637,537	2,855,195	6,492,732
NET POSITION RESTRICTED FOR PENSIONS			
May 1	14,705,467	11,216,769	25,922,236
April 30	\$ 18,343,004	\$ 14,071,964	\$ 32,414,968

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS
CUSTODIAL FUNDS
COMBINING STATEMENT OF NET POSITION

April 30, 2021

	Cemetery Endowment	Local Organizations	Library Trust	Total
ASSETS				
Cash and short-term investments	\$ 756,207	\$ 110,611	\$ 406,336	\$ 1,273,154
Receivables				
Accounts	2,168	-	-	2,168
Accrued interest	626	-	257	883
Total assets	759,001	110,611	406,593	1,276,205
LIABILITIES				
Accounts payable	-	100,878	-	100,878
Total liabilities	-	100,878	-	100,878
NET POSITION				
Restricted for individuals, organizations and other governments	759,001	9,733	406,593	1,175,327
TOTAL NET POSITION	\$ 759,001	\$ 9,733	\$ 406,593	\$ 1,175,327

(See independent auditor's report.)

CITY OF DIXON, ILLINOIS

**CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION**

For the Year Ended April 30, 2021

	Cemetery Endowment	Local Organizations	Library Trust	Total
ADDITIONS				
Investment income	\$ 13,895	\$ 1	\$ 7,982	\$ 21,878
Charges for services	8,875	-	-	8,875
Contributions	-	-	10,756	10,756
Total additions	22,770	1	18,738	41,509
DEDUCTIONS				
Miscellaneous	12,000	2,012	26,037	40,049
Total deductions	12,000	2,012	26,037	40,049
CHANGE IN NET POSITION	10,770	(2,011)	(7,299)	1,460
NET POSITION, MAY 1	748,231	11,744	413,892	1,173,867
NET POSITION, APRIL 30	\$ 759,001	\$ 9,733	\$ 406,593	\$ 1,175,327

(See independent auditor's report.)

SUPPLEMENTAL INFORMATION

CITY OF DIXON, ILLINOIS

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT**

For the Year Ended April 30, 2021

CSFA Number	Program Name	State	Federal	Other	Total
420-00-2433	Local Coronavirus Urgent Remediation (or Local CURE) & Economic Support Payments Grants Program	\$ -	\$ 318,958	\$ -	\$ 318,958
420-75-3298	Downstate Small Business Stabilization Program	-	55,932	-	55,932
494-00-0958	Truck Access Route Program	66,318	-	133,986	200,304
494-00-1002	Safe Routes to School Program	-	50,911	-	50,911
494-10-0343	State and Community Highway Safety/National Priority Safety Program	-	2,363	-	2,363
494-60-0327	Airport Improvement Program	4,425	79,652	4,425	88,502
494-60-2421	Coronavirus Aid, Relief, and Economic Security Act - Airport Program	-	30,000	-	30,000
546-00-2094	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	-	78,737	-	78,737
	Other grant programs and activities	-	732,244	-	732,244
	All other costs not allocated	-	-	19,989,282	19,989,282
TOTALS		<u>\$ 70,743</u>	<u>\$ 1,348,797</u>	<u>\$ 20,127,693</u>	<u>\$ 21,547,233</u>

(See independent auditor's report.)

STATISTICAL SECTION

CITY OF DIXON, ILLINOIS

SCHEDULE OF ASSESSED VALUATIONS, RATES, EXTENSIONS, AND COLLECTIONS

Tax Years 2020, 2019 and 2018

Fund	2020				2019				2018			
	Assessed Valuation	Tax Rate	Tax Extensions	Tax Collections	Assessed Valuation	Tax Rate	Tax Extensions	Tax Collections	Assessed Valuation	Tax Rate	Tax Extensions	Tax Collections
Corporate	\$ 197,966,096	0.3398	\$ 589,754	\$ -	\$ 186,199,931	0.3470	\$ 646,114	\$ 622,438	\$ 184,254,507	0.1864	\$ 343,450	\$ 333,803
Police Protection	197,966,096	0.6000	1,147,754	-	186,199,931	0.6000	1,117,200	1,113,822	184,254,507	0.6000	1,105,527	1,074,478
Fire Protection	94,670,655	0.0000	-	-	91,785,379	0.0000	-	-	91,130,295	0.0000	-	-
Audit	197,966,096	0.0180	34,433	-	186,199,931	0.0183	34,075	33,973	184,254,507	0.0174	32,060	31,159
Road and Bridge	197,966,096	0.0000	70,481	-	186,199,931	0.0000	-	70,125	184,254,507	0.0000	-	70,333
Performing Arts	197,966,096	0.0000	-	-	186,199,931	0.0000	-	-	184,254,507	0.0000	-	-
Library	197,966,096	0.2871	549,200	-	186,199,931	0.2898	539,607	537,975	184,254,507	0.2843	523,836	509,123
Cemetery	197,966,096	0.0250	47,823	-	186,199,931	0.0250	46,550	46,411	184,254,507	0.0250	46,064	44,769
Fire Pension	94,670,655	0.5757	533,848	-	91,785,379	0.5829	535,017	521,286	91,130,295	0.5602	510,512	509,188
Police Pension	197,966,096	0.5575	1,066,455	-	186,199,931	0.4766	887,429	884,745	184,254,507	0.5379	991,105	963,266
Civil Defense	197,966,096	0.0000	-	-	186,199,931	0.0000	-	-	184,254,507	0.0000	-	-
Claim and Judgment Tax	197,966,096	0.1187	227,064	-	186,199,931	0.1682	313,188	312,243	184,254,507	0.2152	396,516	385,378
Library Maintenance	197,966,096	0.0142	27,164	-	186,199,931	0.0144	26,813	26,733	184,254,507	0.0141	25,980	25,252
Public Benefit	197,966,096	0.0500	95,646	-	186,199,931	0.0500	93,100	92,818	184,254,507	0.0500	92,127	89,541
TIF District 1		0.0000	-	-		0.0000	185,500	185,259		0.0000	178,702	178,702
TIF District 3		0.0000	-	-		0.0000	276,814	273,124		0.0000	265,989	260,649
		2.5860	\$ 4,389,622	\$ -		2.5722	\$ 4,701,407	\$ 4,720,952		2.4905	\$ 4,511,868	\$ 4,475,641

(See independent auditor's report.)