

**CITY OF KEWANEE, ILLINOIS**  
**BASIC FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED APRIL 30, 2020**



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CONSULTING

**CITY OF KEWANEE, ILLINOIS  
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YEAR ENDED APRIL 30, 2020**

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**CITY OF KEWANEE, ILLINOIS  
CITY OFFICIALS  
APRIL 30, 2020**

<u>Official Title</u>	<u>Official</u>	<u>Term Expiration Date of Elected Officials</u>
<b>Elected Officials:</b>		
Mayor	Gary Moore	4/30/2023
Council Member	Mike Komnick	4/30/2023
Council Member	Chris Colomer	4/30/2023
Council Member	Mike Yaklich	4/30/2021
Council Member	Steve Faber	4/30/2021
 <b>Administration:</b>		
City Manager	Gary Bradley	
City Clerk	Rabecka Jones	
City Attorney	Justin Raver	
City Treasurer	Ray Jacobs	
 <b>Departments:</b>		
Police	Chief Nicholas Welgat	
Fire	Chief Kevin Shook	
Community Development	Keith Edwards	
Fleet Maintenance	Victor Kluever	
Public Works Operations Manager	Kevin Newton	
City Engineer	Vacant	
Finance and Administrative Services	Randi Haley	



## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor, City Council, and City Manager  
City of Kewanee, Illinois  
Kewanee, Illinois

### **Report on the Financial Statements**

We have audited the accompanying cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kewanee, Illinois (the City), as of and for the year ended April 30, 2020, and the related notes to the 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 the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' 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. 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 auditors' 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 unmodified and qualified audit opinions.

**Summary of Opinions**

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
General Fund	Unmodified
Acquisition Fund	Unmodified
NHR Sales Tax Infrastructure Improvement Fund	Unmodified
Sanitation Fund	Unmodified
Water Fund	Unmodified
Sewer Fund	Unmodified
Cemetery Fund	Unmodified
Aggregate Remaining Fund Information	Qualified

**Basis for Qualified Opinion on Aggregate Remaining Fund Information**

The financial statements referred to above do not include financial data for the City’s legally separate fiduciary (pension trust) funds. Accounting principles generally accepted in the United States of America require financial data for those fiduciary funds to be reported with the financial data of the City’s primary government, thus increasing the aggregate remaining fund information’s assets, net position, revenues, and expenses. The amount by which this departure would affect the assets, net position, revenues, and expenses of the aggregate remaining fund information has not been determined.

**Qualified Opinion**

In our opinion, except for the matter described in the *Basis for Qualified Opinion on Aggregate Remaining Fund Information* paragraph, the financial statements referred to above present fairly, in all material respects, the cash basis financial position of the aggregate remaining fund information of the City, as of April 30, 2020, and the changes in cash basis financial position thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

**Unmodified Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, and each major fund of the City, as of April 30, 2020, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

**Other Matters**

*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 schedules of cash transactions, the schedules of cash transactions – budget to actual, and the consolidated year-end

The Honorable Mayor, City Council, and City Manager  
City of Kewanee, Illinois

financial report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of cash transactions and the consolidated year-end financial report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. 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, except for the effect on the supplementary information of the omitted fiduciary (pension trust) funds as described in the *Basis for Qualified Opinion on Aggregate Remaining Fund Information* paragraph, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedules of cash transactions – budget to actual have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



**CliftonLarsonAllen LLP**

Peoria, Illinois  
February 16, 2021

**CITY OF KEWANEE, ILLINOIS**  
**STATEMENT OF ACTIVITIES AND NET POSITION – CASH BASIS**  
**AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

FUNCTIONS/PROGRAMS	Program Receipts			Net Receipts (Disbursements) and Changes in Cash Basis Net Position		
	Disbursements	Charges for	Operating	Governmental Activities	Business-Type Activities	Total
		Services	Grants			
<b>Governmental Activities:</b>						
General Government	\$ 1,463,874	\$ 386,886	\$ -	\$ (1,076,988)	\$ -	\$ (1,076,988)
Public Safety	6,526,100	734,975	27,999	(5,763,126)	-	(5,763,126)
Public Works and Transportation	1,834,384	3,345	-	(1,831,039)	-	(1,831,039)
Culture and Recreation	79,651	10,888	-	(68,763)	-	(68,763)
Development	377,117	-	-	(377,117)	-	(377,117)
<b>Debt Service:</b>						
Principal Retirement	1,355,564	-	-	(1,355,564)	-	(1,355,564)
Interest	316,711	-	-	(316,711)	-	(316,711)
Total Governmental Activities	11,953,401	1,136,094	27,999	(10,789,308)	-	(10,789,308)
<b>Business-Type Activities:</b>						
Sanitation	1,194,320	1,248,145	-	-	53,825	53,825
Water	1,658,211	2,224,651	-	-	566,440	566,440
Sewer	1,647,674	1,594,705	-	-	(52,969)	(52,969)
Cemetery	291,911	65,050	-	-	(226,861)	(226,861)
Total Business-Type Activities	4,792,116	5,132,551	-	-	340,435	340,435
Total	\$ 16,745,517	\$ 6,268,645	\$ 27,999	(10,789,308)	340,435	(10,448,873)
<b>GENERAL RECEIPTS AND OTHER FINANCING SOURCES (USES)</b>						
<b>Property and Other City Tax Levied for:</b>						
General Purposes				3,272,682	-	3,272,682
Debt Service				303,563	-	303,563
Sales and Local Option Sales Tax				3,130,697	-	3,130,697
State Income Tax				1,399,892	-	1,399,892
Motor Fuel Tax				467,033	-	467,033
Replacement Tax				390,240	-	390,240
Interest Income				220,126	50,698	270,824
Miscellaneous				483,590	100,839	584,429
Proceeds from Bond Sale				299,245	-	299,245
Transfers In				611,299	-	611,299
Transfers Out				-	(611,299)	(611,299)
Total General Receipts and Other Financing Sources (Uses)				10,578,367	(459,762)	10,118,605
<b>CHANGE IN CASH BASIS NET POSITION</b>						
				(210,941)	(119,327)	(330,268)
Cash Basis Net Position - April 30, 2019				12,046,338	4,834,556	16,880,894
<b>CASH BASIS NET POSITION - APRIL 30, 2020</b>				\$ 11,835,397	\$ 4,715,229	\$ 16,550,626
<b>ASSETS</b>						
Cash and Cash Equivalents				\$ 11,835,397	\$ 4,715,229	\$ 16,550,626
<b>NET POSITION</b>						
Restricted - Nonexpendable				\$ -	\$ 1,076,925	\$ 1,076,925
Restricted - Expendable				1,778,785	1,270,435	3,049,220
Unrestricted				10,056,612	2,367,869	12,424,481
Total Cash Basis Net Position				\$ 11,835,397	\$ 4,715,229	\$ 16,550,626

See accompanying Notes to Basic Financial Statements.

**CITY OF KEWANEE, ILLINOIS**  
**STATEMENT OF CASH TRANSACTIONS**  
**GOVERNMENTAL FUND TYPES**  
**AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

	Capital Projects				Total Governmental Fund Types
	General Fund	Acquisition Fund	NHR Sales Tax Infrastructure Improvement Fund	Nonmajor Governmental Funds	
<b>RECEIPTS</b>					
Taxes	\$ 825,926	\$ -	\$ -	\$ 2,750,319	\$ 3,576,245
Licenses and Permits	386,886	-	-	-	386,886
Intergovernmental Receipts	4,327,826	-	621,002	467,033	5,415,861
Charges for Services	601,472	-	-	26,365	627,837
Interest Income	179,640	-	3,247	34,107	216,994
Fines and Forfeits	121,371	-	-	-	121,371
Other Receipts	257,088	-	-	46,032	303,120
Total Receipts	6,700,209	-	624,249	3,323,856	10,648,314
<b>DISBURSEMENTS</b>					
General Government	429,749	-	-	1,024,813	1,454,562
Public Safety	5,125,957	-	-	1,277,464	6,403,421
Public Works and Transportation	613,116	144,668	540,107	520,972	1,818,863
Culture and Recreation	79,651	-	-	-	79,651
Development	142,862	-	-	234,255	377,117
Debt Service:					
Principal Retirement	27,500	-	260,000	1,068,064	1,355,564
Interest and Fiscal Charges	6,575	-	147,249	162,887	316,711
Total Disbursements	6,425,410	144,668	947,356	4,288,455	11,805,889
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	274,799	(144,668)	(323,107)	(964,599)	(1,157,575)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	229,080	220,500	-	822,721	1,272,301
Transfers Out	(576,936)	-	(57,200)	(26,866)	(661,002)
Proceeds from Bond Sale	-	-	-	299,245	299,245
Total Other Financing Sources (Uses)	(347,856)	220,500	(57,200)	1,095,100	910,544
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	(73,057)	75,832	(380,307)	130,501	(247,031)
Cash Balances - April 30, 2019	6,468,237	1,869,902	383,609	3,179,910	11,901,658
<b>CASH BALANCES - APRIL 30, 2020</b>	\$ 6,395,180	\$ 1,945,734	\$ 3,302	\$ 3,310,411	\$ 11,654,627
<b>CASH BASIS FUND BALANCES</b>					
Restricted	\$ -	\$ -	\$ -	\$ 1,778,785	\$ 1,778,785
Assigned	-	1,945,734	3,302	1,531,626	3,480,662
Unassigned	6,395,180	-	-	-	6,395,180
Total Cash Basis Fund Balances	\$ 6,395,180	\$ 1,945,734	\$ 3,302	\$ 3,310,411	\$ 11,654,627

See accompanying Notes to Basic Financial Statements.



**CITY OF KEWANEE, ILLINOIS**  
**STATEMENT OF CASH TRANSACTIONS**  
**PROPRIETARY FUND TYPES**  
**AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

	Enterprise				Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds	Total Proprietary Fund Types
	Sanitation Fund	Water Fund	Sewer Fund	Cemetery Fund				
<b>RECEIPTS</b>								
Licenses and Permits	\$ -	\$ 1,672	\$ -	\$ -	\$ -	\$ 1,672	\$ -	\$ 1,672
Charges for Services	1,231,262	2,162,076	1,567,524	65,050	-	5,025,912	1,652,278	6,678,190
Interest Income	-	27,613	2,927	19,222	-	49,762	4,068	53,830
Fines and Forfeits	16,883	60,903	27,181	-	-	104,967	-	104,967
Other Receipts	946	514	25,354	19,829	-	46,643	234,666	281,309
Total Receipts	<u>1,249,091</u>	<u>2,252,778</u>	<u>1,622,986</u>	<u>104,101</u>	<u>-</u>	<u>5,228,956</u>	<u>1,891,012</u>	<u>7,119,968</u>
<b>DISBURSEMENTS</b>								
Personnel	463,049	653,337	209,491	248,595	-	1,574,472	1,656,663	3,231,135
Contractual	652,448	579,200	1,009,451	14,448	-	2,255,547	105,219	2,360,766
Commodities	35,564	211,841	111,831	16,095	-	375,331	82,550	457,881
Capital Expenditures	26,116	190,297	300,921	6,944	-	524,278	1,855	526,133
Other Disbursements	361	5,766	9,328	134	-	15,589	402	15,991
Total Disbursements	<u>1,177,538</u>	<u>1,640,441</u>	<u>1,641,022</u>	<u>286,216</u>	<u>-</u>	<u>4,745,217</u>	<u>1,846,689</u>	<u>6,591,906</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	71,553	612,337	(18,036)	(182,115)	-	483,739	44,323	528,062
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	13,716	17,942	996,420	231,734	-	1,259,812	-	1,259,812
Transfers Out	(77,179)	(1,733,669)	(47,130)	(13,133)	-	(1,871,111)	-	(1,871,111)
Total Other Financing Sources (Uses)	<u>(63,463)</u>	<u>(1,715,727)</u>	<u>949,290</u>	<u>218,601</u>	<u>-</u>	<u>(611,299)</u>	<u>-</u>	<u>(611,299)</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>	8,090	(1,103,390)	931,254	36,486	-	(127,560)	44,323	(83,237)
Cash Balances - April 30, 2019	<u>315,227</u>	<u>2,615,152</u>	<u>722,747</u>	<u>1,139,975</u>	<u>25,606</u>	<u>4,818,707</u>	<u>160,529</u>	<u>4,979,236</u>
<b>CASH BALANCES - APRIL 30, 2020</b>	<u>\$ 323,317</u>	<u>\$ 1,511,762</u>	<u>\$ 1,654,001</u>	<u>\$ 1,176,461</u>	<u>\$ 25,606</u>	<u>\$ 4,691,147</u>	<u>\$ 204,852</u>	<u>\$ 4,895,999</u>
<b>CASH BASIS NET POSITION</b>								
Restricted - Nonexpendable	\$ -	\$ -	\$ -	\$ 1,076,925	\$ -	\$ 1,076,925	\$ -	\$ 1,076,925
Restricted - Expendable	-	402,120	842,709	-	25,606	1,270,435	-	1,270,435
Unrestricted	<u>323,317</u>	<u>1,109,642</u>	<u>811,292</u>	<u>99,536</u>	<u>-</u>	<u>2,343,787</u>	<u>204,852</u>	<u>2,548,639</u>
Total Cash Basis Net Position	<u>\$ 323,317</u>	<u>\$ 1,511,762</u>	<u>\$ 1,654,001</u>	<u>\$ 1,176,461</u>	<u>\$ 25,606</u>	<u>\$ 4,691,147</u>	<u>\$ 204,852</u>	<u>\$ 4,895,999</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

City of Kewanee, Illinois (the City) was originally incorporated in 1855 and reincorporated as a city under general law in 1872. The City is a nonhome rule unit of local government and operates under a council-manager form of government. The City provides numerous services to citizens including law enforcement, fire protection, water and sewer utility services, sanitation, recycling, and landscape waste service.

**Reporting Entity**

For financial reporting purposes, the City has included all funds, organizations, agencies, boards, commissions, and authorities. The City has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the City.

Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. The Cemetery Board of Managers is a governing board appointed by the Mayor and City Council. The Cemetery Board is authorized and empowered to receive and hold assets in perpetual trust. The income shall be applied to the upkeep of the City cemeteries. This activity is reported within the Cemetery Fund (enterprise fund) of the City.

**Government-Wide and Fund Financial Statements**

The government-wide financial statement reports information on all of the activities of the City. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as a separate column in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Basis of Presentation**

The City maintains its financial statements on the cash basis of accounting. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Revenues are recognized when they are received rather than earned, and expenses when paid rather than incurred. Capital assets are expensed as purchased. Accordingly, the financial statements do not present the financial position and results of operations of the funds in accordance with accounting principles generally accepted in the United States of America.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)**

When a disbursement in governmental funds can be paid using either restricted or unrestricted resources, the City's policy is to first apply the disbursement toward restricted fund balance and then to less restrictive classifications – committed, assigned and then unassigned fund balances.

In the governmental fund financial statements, cash basis fund balances are classified as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified the state and federal grants as being restricted because their use is restricted by granting agencies. The City has also considered various taxes as being restricted because their use is restricted by state laws and regulations.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the City's management through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)**

The City reports the following major governmental funds:

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

The Acquisition Fund (capital projects fund) accounts for the acquisition of property for City purposes.

The NHR Sales Tax Infrastructure Improvement Fund (capital projects fund) accounts for the additional 1/2% of sales tax implemented effective January 1, 2010 to be used for property tax relief or infrastructure improvements.

Proprietary funds distinguish between operating revenues and expenses from nonoperating items. Operating revenues, such as utility user charges, services and permits, and other charges result from exchange transactions associated with the principal activity of the City. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as interest income, result from nonexchange transactions or ancillary activities. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and capital expenditures. All other expenses not meeting this definition, such as interest expense, are reported as nonoperating expenses.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The City reports the following major enterprise funds:

The Sanitation Fund accounts for sanitation services provided to residents of the City.

The Water Fund accounts for water services provided to residents of the City.

The Sewer Fund accounts for sewer services provided to residents of the City.

The Cemetery Fund accounts for cemetery plot and maintenance services provided to residents of the City.

Internal service funds are used to account for health insurance coverage and maintenance services provided to other departments based on actual cost.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**CITY OF KEWANEE, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
APRIL 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

The State of Illinois requires municipalities of less than 500,000 inhabitants to pass an ordinance within the first quarter of each fiscal year to appropriate sums of money deemed necessary to defray all necessary expenses and liabilities of the municipality. This ordinance, setting forth the appropriations budget, is adopted on the cash basis of accounting for all funds.

Statutory compliance with the appropriations budget is at the total expenditure level. State law provides authority for the City Council, by a two-thirds vote of all members of the body, to make transfers within any department of the City; however, any revisions that alter total appropriations are prohibited. All annual appropriations lapse at fiscal year-end.

An annual operating budget is also adopted, by resolution of the City Council, on the cash basis of accounting for all funds from the sum appropriated. The budget includes amounts of funds and categories of receipts and expenditures.

The City amends the budget through City Council action upon review of receipts and expenditures at mid-year and recommendation by the City Manager. The budget was not amended during fiscal year 2020.

**Use of Estimates**

The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts of assets and fund equities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. Actual results could differ from those estimates.

**Minimum Fund Balance Requirements**

Effective June 14, 2010, the City established minimum fund balance levels for the General, Water, Sewer, and Health Insurance Reserve Funds. The minimum fund balance for the General Fund is 30% of the audited expenditures for the General Fund, plus 10% of the audited expenditures for the Water Fund, plus 10% of the audited expenditures for the Sewer Fund, as averaged over the prior three fiscal years. As of April 30, 2020, the City met the minimum fund balance requirements for the General Fund.

**Program Revenues**

Program revenues for the City are primarily charges for services. These charges are primarily service charges such as sanitation fees, water usage fees, sewer usage fees, and fees related to the cemetery.

**CITY OF KEWANEE, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
APRIL 30, 2020**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Statutory Budget Compliance**

As explained in Note 1, the City adopts an annual appropriations budget, which is the legally binding budget. The City also adopts an operating budget by fund. The budgets are approved by the City Council and controlled by the City Manager.

Statutory compliance is demonstrated as follows:

Total Annual Appropriation	<u>\$ 95,631,422</u>
Total Operating Budget	<u>\$ 18,349,855</u>
Total Expenditures - Budgetary Basis	<u>\$ 18,397,795</u>

**NOTE 3 DEPOSITS AND INVESTMENTS**

**Deposits**

As of April 30, 2020, the carrying amount of the City's deposits was \$16,550,628 and the bank balance was \$16,747,195 as shown in the following schedule:

	Total Deposits
Carrying Amount of Deposits	<u>\$ 16,550,628</u>
Bank Balance	<u>\$ 16,747,195</u>

The City considers all cash accounts and all certificates of deposit, regardless of their maturity date, to be cash and cash equivalents.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Information regarding the City's bank balances is as follows:

	Total Bank Balances
Amount Covered by FDIC or through State Pooled Collateral	\$ 11,355,449
Collateralized with Securities Held by the Pledging Financial Institution's Trust Department Agent	4,850,823
Uncollateralized	<u>540,923</u>
Total Bank Balance	<u>\$ 16,747,195</u>

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 4 REVOLVING LOAN FUND**

The City maintains a revolving loan fund for economic development purposes. The program was initially funded by the state of Illinois. As of April 30, 2020, total outstanding loans were approximately \$758,000. During the fiscal year, the City made no new loans and collected principal payments of approximately \$38,000. As of April 30, 2020, there was approximately \$683,000 of loans in default.

**NOTE 5 BONDS AND LOANS PAYABLE**

Revenue Bonds – The City issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. There were seven revenue bonds outstanding at April 30, 2020.

The East and 11th Street TIF bonds were issued in 2004 at \$420,000 at a fixed interest rate of 4.00%. These bonds were refinanced in 2009 at \$302,779, requiring semi-annual payments of varying amounts, and bear a fixed interest rate of 2.00%. During the refinancing, \$83,721 of principal was reduced. The General Obligation NHRST bonds were issued in 2012 at \$3,755,000 and were for various municipal facilities and infrastructural improvements. These bonds require semi-annual payments of varying amounts and bear a variable interest rate of 2.00% to a high of 4.00%. The two bonds for the Mill Creek Station TIF were issued together in 2003 and include an \$800,000 tax-exempt portion and a \$175,000 taxable portion. They were both refinanced in 2012 at \$613,000 and \$122,000, respectively, and require semi-annual payments of varying amounts. They both bear a fixed interest rate of 1.75%.

During the year ended April 30, 2013, the City issued revenue bonds in order to consolidate and refinance three loans originally issued by the IEPA Water Revolving Fund for the acquisition, construction, and installation of waterworks and sewerage facilities, improvements and costs. Total bonds issued were \$5,935,000 of which the City had a balance outstanding of \$2,495,000 at April 30, 2020. The bonds require annual payments of principal ranging from \$470,000 to \$680,000 and semi-annual payments of interest at rates ranging from 2.00% to 2.70%.

During the year ended April 30, 2016, the City issued revenue bonds for the purpose of financing the acquisition, construction, installation, and rehabilitation of City infrastructure, including, but not limited to, various water and sewer system facilities and paying for costs related thereto. Total bonds issued were \$3,640,000 of which the City had a balance outstanding of \$3,070,000 at April 30, 2020. The bonds require annual payments of principal ranging from \$60,000 to \$270,000 and semi-annual payments of interest at rates ranging from 2.00% to 4.00%. These bonds were issued at a premium of \$76,479 which will be amortized over the life of the bond, 17 years. The balance of the premium at April 30, 2020 was \$58,483.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 5 BONDS AND LOANS PAYABLE (CONTINUED)**

During the year ended April 30, 2020, the City issued revenue bonds for the purpose of refunding certain outstanding obligations of the City and for the payment of expenses incident thereto. Total bonds issued were \$299,245, all of which was outstanding at April 30, 2020. The bonds require a one-time principal payment of \$299,245 with a one-time interest payment at a rate of 1.40%.

Illinois Environmental Protection Agency Water Revolving Fund – A loan was obtained during fiscal year 2012 for various water main replacement projects. Total project costs were \$468,236, of which \$128,997 was forgiven, and the City had a balance outstanding of \$214,080 at April 30, 2020. The loan requires semi-annual payments of \$10,005 and bears interest at a fixed rate of 1.25%.

A loan was obtained during fiscal year 2013 for the acquisition, construction, installation, improvement, and extension of waterworks and sewerage facilities. Total project costs were \$807,003, of which \$225,000 was forgiven, and the City had a balance outstanding of \$429,630 at April 30, 2020. The loan requires semi-annual payments of \$18,595 and bears interest at a fixed rate of 2.295%.

Firetruck Loan – A loan was obtained during fiscal year 2016 for the purchase of a new fire truck. The balance of the loan was \$279,820 at April 30, 2020. The loan requires annual principal payments of \$17,500 and bears interest at a fixed rate of 2.21%.

The City expenses its bonds payments when the cash is disbursed rather than carrying the principal amount on the statement of net position and applying the principal payment to that balance, which is the treatment required under accounting principles generally accepted in the United States of America.



**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 5 BONDS AND LOANS PAYABLE (CONTINUED)**

A summary of the debt activity during the fiscal year ended April 30, 2020 is as follows:

	Balance <u>April 30, 2019</u>	Issued	Retired	Balance <u>April 30, 2020</u>
Revenue Bonds:				
General Obligation NHRST Bonds 2012	\$ 2,355,000	\$ -	\$ 260,000	\$ 2,095,000
Mill Creek Station TIF Bonds 2012 - Tax-Exempt	369,502	-	43,000	326,502
Mill Creek Station TIF Bonds 2012 - Taxable	73,493	-	8,500	64,993
East and 11th Street TIF Bonds 2009	177,043	-	19,309	157,734
General Obligation Waterworks and Sewerage Refunding Bonds 2013	2,975,000	-	480,000	2,495,000
General Obligation Alternative Bonds 2015	3,245,000	-	175,000	3,070,000
General Obligation Bonds Series 2018	298,570	-	298,570	-
General Obligation Bonds Series 2019	-	299,245	-	299,245
Illinois Environmental Protection Agency Water Revolving Fund:				
Water Revolving Fund - L17422800	230,899	-	16,819	214,080
Water Revolving Fund - L17481700	456,496	-	26,866	429,630
Firetruck Loan	297,320	-	17,500	279,820
Ambulance Loan	10,000	-	10,000	-
Total Outstanding Debt	<u>\$ 10,488,323</u>	<u>\$ 299,245</u>	<u>\$ 1,355,564</u>	<u>\$ 9,432,004</u>

Annual debt service requirements to maturity for bonds and loans payable are as follows:

<u>Year Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,366,878	\$ 286,019	\$ 1,652,897
2022	1,094,560	252,593	1,347,153
2023	1,120,829	224,510	1,345,339
2024	1,152,124	193,253	1,345,377
2025	1,123,438	159,275	1,282,713
2026-2030	2,008,833	368,403	2,377,236
2031-2035	1,529,742	161,255	1,690,997
2036-2037	35,600	1,160	36,760
Total	<u>\$ 9,432,004</u>	<u>\$ 1,646,468</u>	<u>\$ 11,078,472</u>

The City's debt limit is 8.625% of the Total City Equalized Value or approximately \$7,992,000 as of April 30, 2020. Of the total debt listed above, approximately \$829,000 is applicable to the debt limit statute. Remaining debt capacity is approximately \$7,163,000.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 6 COMPENSATED ABSENCES**

City employees are paid for vacation and compensated time by prescribed formulas based on employment contracts. The liability for compensated absences as of April 30, 2020 was approximately \$1,446,000.

**NOTE 7 PENSION AND RETIREMENT BENEFITS**

Illinois Municipal Retirement Fund

*Plan Description.* The City's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The City plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and other information. That report may be obtained online at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, the City regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City annual required contribution rate for calendar years 2019 and 2018 was 8.90% and 11.18%, respectively. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Contributions Made.* For the year ended April 30, 2020, the City contributed \$231,240. Contributions for years ended April 30, 2019 and 2018 were \$230,670 and \$234,805, respectively.

The required contribution for 2019 was determined as part of the December 31, 2017 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2017, included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.50% per year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan as allowed by Internal Revenue Code Section 457. The plan allows City employees to defer a portion of their current salary until future years. The employee becomes eligible to withdraw funds upon termination, retirement, death, or unforeseeable emergency, and each employee's account will be immediately 100% vested.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 7 PENSION AND RETIREMENT BENEFITS (CONTINUED)**

Deferred Compensation Plan (Continued)

The plan, all amounts deferred under the plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights, are held in trust for the exclusive benefit of participants and their beneficiaries.

The City is responsible for due care in managing the investments and the participant or beneficiary assumes the risk of loss from decreases in the value of plan assets. As of April 30, 2020, plan assets consisted of stocks, bonds, mutual funds, and a life insurance policy.

**NOTE 8 PUBLIC ENTITY RISK POOL**

The City is a member of the Municipal (Self) Insurance Cooperative Agency (MICA). MICA is a cooperative agency voluntarily established by contracting Illinois Municipalities and other Illinois units of government pursuant to Article VII, Section 10, of the 1970 Constitution of the State of Illinois and 5 ILCS 220/6 of the Illinois Compiled Statutes for the purpose of seeking the prevention or lessening of casualty losses to member governmental properties and injuries to persons or property. As of April 30, 2020, MICA consisted of 20 Illinois governmental entities, including City of Kewanee, Illinois.

MICA provides coverage to its members with the following limits: \$500 million on property claims, \$15 million on general liability claims, and \$1 million on cyber liability. MICA provides coverage on workers' compensation claims on amounts in excess of \$650,000. MICA purchases commercial insurance for coverage in excess of the self-insured reserve (SIR) limits. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Claim payments in excess of the per-occurrence retention limit and corridor deductible, if applicable, or total loss aggregates are recovered from reinsurers.

**NOTE 9 HEALTH BENEFITS**

The City has established a Health Insurance Fund for insuring benefits provided to City employees and covered dependents. This is included in the Internal Service Fund types. Health benefits are self-insured up to an annual amount of \$65,000 per individual covered, and for the City as a whole, and an unlimited aggregate annual amount. Coverage from a private insurance company is maintained for losses in excess of these amounts. All claims handling procedures are performed by an independent claims administrator.

**NOTE 10 STATE UNEMPLOYMENT TAX**

The City is on the reimbursement method for state of Illinois unemployment taxes. Claims for unemployment are paid by the State as incurred and reimbursed by the City. Claims paid for the year ending April 30, 2020 totaled \$27,496.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 11 PROPERTY TAXES**

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy is divided into two billings: the first billing is an estimate of the current year's levy based on the prior year's taxes; the second billing reflects adjustments to the current year's actual levy. The first billing is mailed in May of each year and consists of two installments due by June and September, with penalties and interest charged on late payments. Property taxes received during the year ended April 30, 2020 were for the 2018 assessment paid in 2019.

**NOTE 12 CONDUIT DEBT**

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City, the State, and any political subdivisions thereof are not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of April 30, 2020, there was one series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$440,500.

**NOTE 13 COMMITMENTS**

The City has extended an agreement with Bock Inc. to operate its Wastewater Treatment Plant, excess flow lagoon and pumping station, and all lift stations. The agreement requires monthly payments and expires April 30, 2024. Total expense for the year ending April 30, 2020 was \$493,154.

In addition, the City has extended an agreement with the same company to operate its Reverse Osmosis Water Plants. The agreement requires monthly payments and expires April 30, 2024. Total expense for the year ending April 30, 2020 was \$179,963.

The City also has an agreement with Knox County Landfill to transfer solid waste from the transfer station to the landfill. The contract expires December 31, 2020 and requires monthly payments that are based on tonnage hauled at a specified rate identified in the contract. Total expense for the year ending April 30, 2020 was \$536,716.

The City has a contract for legal services with the City Attorney. The agreement requires monthly payments of \$6,250 and expires on September 22, 2023.

The City has TIF agreements in place for Kewanee School District and Wethersfield School District. Both agreements require annual payments of \$12,000 and expire on April 30, 2022.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 13 COMMITMENTS (CONTINUED)**

Future payments required on the above contracts as of April 30, 2020 are as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2021	\$ 1,202,330
2022	799,516
2023	745,036
2024	728,561
Total	<u>\$ 3,475,443</u>

**NOTE 14 RELATED PARTIES**

The Cemetery Board of Managers Fund is a component unit of the City. A Cemetery board member is the president of People's National Bank. As of year-end, the City had approximately \$571,000 of deposits with this institution.

**NOTE 15 INTERFUND TRANSFERS**

The following table summarizes the net interfund transfers for the year ended April 30, 2020:

	<u>Transfers To</u>	<u>Transfers From</u>
General Fund	\$ 229,080	\$ 576,936
Acquisition Fund	220,500	-
NHR Sales Tax Infrastructure Improvement Fund	-	57,200
Nonmajor Governmental Funds	822,721	26,866
Sanitation Fund	13,716	77,179
Water Fund	17,942	1,733,669
Sewer Fund	996,420	47,130
Cemetery Fund	231,734	13,133
Total	<u>\$ 2,532,113</u>	<u>\$ 2,532,113</u>

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to disburse the resources. Transfers are also made between various funds to make debt service payments. During fiscal year 2020, the City transferred \$990,000 from the Water Fund to the Sewer Fund as disbursements related to water projects were less than originally expected and disbursements related to sewer projects were more than originally expected.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 16 PENSION TRUST FUNDS**

Fire and Police personnel are covered by the City of Kewanee Firefighters' Pension Fund and Police Pension Fund, which are defined benefit single-employer pension plans. Although these funds are single-employer pension plans, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois State Statutes and may be amended only by the Illinois legislature. Complete financial statements of the Firefighters' Pension Trust Fund and the Police Pension Trust Fund, which issued separate financial statements, can be obtained from their respective administrative offices by contacting the City.

**Plan Description**

The following is a summary of the City of Kewanee Firefighters' Pension Fund and Police Pension Fund as provided for in Illinois State Statutes:

The City of Kewanee Firefighters' Pension Fund and Police Pension Fund provide retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive monthly retirement benefits of one-half the monthly salary attached to the rank held in the fire or police service at the date of retirement. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service and one-twelfth of 1% of such monthly service for each additional month over 30 years of service to a maximum of 75% of such monthly salary.

Employees with at least 10 (firefighter) or 8 (police) years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter or policeman who retired with 20 or more years of service after January 1, 1978 (firefighter) or January 1, 1977 (police), shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

**Funding Policy**

Covered employees are required to contribute 9.455% (firefighter) or 9.910% (police) of their salary to the Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. City of Kewanee, Illinois is required to contribute the remaining amounts (not less than 9.25%) necessary to finance the Plan as actuarially determined by an enrolled actuary. By the year 2040, the contributions must accumulate to the point where any past service cost for the Funds are 90% funded. At April 30, 2020, the percent funded was 39.6% and 54.0% for the Firefighters' Pension Fund and Police Pension Fund, respectively.

**Contributions Made**

For the year ended April 30, 2020, the City contributed \$685,766 (police) and \$591,698 (firefighter).

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 16 PENSION TRUST FUNDS (CONTINUED)**

**Contributions Made (Continued)**

The total pension liability for the plans as of April 30, 2020 was determined as part of an actuarial valuation performed on April 30, 2020 for the Firefighters' Pension Fund and on April 30, 2019 for the Police Pension Fund. The contribution rate for normal cost is determined using the entry age normal actuarial funding method. The system used a level dollar amount method to amortize the unfunded liability over a 30-year period which commenced in 2011.

**NOTE 17 NET POSITION/FUND BALANCE**

The net position/fund balance was restricted for the following purposes at April 30, 2020:

Employee Benefits	\$ 112,512
Public Safety	30,415
Public Works and Transportation	404,230
Development	1,175,964
Debt Service	2,029
Cemetery	1,105,326
Capital Projects	1,270,435
Audit	25,234
Total	<u><u>\$ 4,126,145</u></u>

The governmental fund balances were assigned for the following purposes at April 30, 2020:

Employee Benefits	\$ 70,169
Public Works and Transportation	7,774
Development	290,357
Debt Service	1,150,601
Cemetery	1,393
Capital Projects	1,960,351
Audit	17
Total	<u><u>\$ 3,480,662</u></u>

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 18 EXPLANATION OF DIFFERENCES BETWEEN FUND STATEMENTS AND STATEMENT OF NET POSITION**

Below is an explanation of differences between the Statement of Cash Transactions – Governmental Fund Types and the Statement of Activities and Net Position – Cash Basis:

Total Fund Balance of Governmental Funds	\$ 11,654,627
A portion of the assets of the internal service funds is included in governmental activities in the statement of net position.	<u>180,770</u>
Net Position of Governmental Activities	<u><u>\$ 11,835,397</u></u>

Below is an explanation of differences between the Statement of Cash Transactions – Proprietary Fund Types and the Statement of Activities and Net Position – Cash Basis:

Net Position of Enterprise Funds	\$ 4,691,147
A portion of the assets of the internal service funds is included in business-type activities in the statement of net position.	<u>24,082</u>
Net Position of Business-Type Activities	<u><u>\$ 4,715,229</u></u>

**NOTE 19 EXPLANATION OF DIFFERENCES BETWEEN FUND STATEMENTS AND STATEMENT OF ACTIVITIES**

Below is an explanation of differences between the Statement of Cash Transactions – Governmental Fund Types and the Statement of Activities and Net Position – Cash Basis:

Change in Fund Balance of Governmental Funds	\$ (247,031)
A portion of the change in net position of the internal service funds is reported with governmental activities.	<u>36,090</u>
Change in Net Position of Governmental Activities	<u><u>\$ (210,941)</u></u>



**CITY OF KEWANEE, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
APRIL 30, 2020**

**NOTE 19 EXPLANATION OF DIFFERENCES BETWEEN FUND STATEMENTS AND STATEMENT OF ACTIVITIES (CONTINUED)**

Below is an explanation of differences between the Statement of Cash Transactions – Proprietary Fund Types and the Statement of Activities and Net Position – Cash Basis:

Change in Net Position of Enterprise Funds	\$ (127,560)
A portion of the change in net position of the internal service funds is reported with business-type activities.	<u>8,233</u>
Change in Net Position of Business-Type Activities	<u><u>\$ (119,327)</u></u>

**NOTE 20 POSTEMPLOYMENT HEALTH PLAN**

In July 2016, the City adopted a resolution for providing a plan for postemployment health benefits for the 8 eligible firefighters hired prior to May 1, 2010. Under this plan, the employee’s accumulated sick leave will be placed in a postemployment health benefit plan, along with a \$20,000 contribution per employee. Employees can then use their proceeds to make premium payments or to pay for other health care related costs after their employment with the City has ended. The City paid -\$0- during fiscal year 2020 for this plan.

**NOTE 21 SUBSEQUENT EVENTS**

**General Obligation Bonds Issuance**

On November 23, 2020, the City issued \$298,920 of general obligation bonds with an interest rate of 1.00% and a maturity date of October 15, 2021.

**Contracts Subsequent to Year-End**

On May 8, 2020, the City entered into a \$500,161 contract with Performance Pipelining, Inc. for materials and labor related to the 2020 Cured-in-Place Pipelining Sewer Program. After subsequent change orders, the new contract total is \$596,905.

On May 12, 2020, the City entered into a \$271,000 contract with L.C. United Painting, Inc. for coating of the South Water Tower.

On December 18, 2020, the City entered into a \$585,100 contract with G&L Tank Sandblasting and Coating, LLC for coating of the North Water Tower.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2020**

**NOTE 22 UNCERTAINTIES**

During the fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year-end, the COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the City, COVID-19 may impact various parts of its 2021 operations and financial results. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

**CITY OF KEWANEE, ILLINOIS**  
**COMBINING SCHEDULE OF CASH TRANSACTIONS**  
**ALL FUND TYPES**  
**AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

	Governmental Fund Types				Proprietary Fund Types			City-Wide Total	
	General	Special Revenue	Debt Service	Capital Projects	Total	Enterprise	Internal Service		Total
<b>RECEIPTS</b>									
Taxes	\$ 825,926	\$ 2,446,756	\$ 303,563	\$ -	\$ 3,576,245	\$ -	\$ -	\$ -	\$ 3,576,245
Licenses and Permits	386,886	-	-	-	386,886	1,672	-	1,672	388,558
Intergovernmental Receipts	4,327,826	467,033	-	621,002	5,415,861	-	-	-	5,415,861
Charges for Services	601,472	26,365	-	-	627,837	5,025,912	1,652,278	6,678,190	7,306,027
Interest Income	179,640	29,866	4,241	3,247	216,994	49,762	4,068	53,830	270,824
Fines and Forfeits	121,371	-	-	-	121,371	104,967	-	104,967	226,338
Other Receipts	257,088	45,568	-	464	303,120	46,643	234,666	281,309	584,429
Total Receipts	6,700,209	3,015,588	307,804	624,713	10,648,314	5,228,956	1,891,012	7,119,968	17,768,282
<b>DISBURSEMENTS</b>									
General Government	429,749	968,134	-	56,679	1,454,562	-	-	-	1,454,562
Public Safety	5,125,957	1,277,464	-	-	6,403,421	-	-	-	6,403,421
Public Works and Transportation	613,116	462,888	58,084	684,775	1,818,863	-	-	-	1,818,863
Culture and Recreation	79,651	-	-	-	79,651	-	-	-	79,651
Development	142,862	234,255	-	-	377,117	-	-	-	377,117
Personal	-	-	-	-	-	1,574,472	1,656,663	3,231,135	3,231,135
Contractual	-	-	-	-	-	2,255,547	105,219	2,360,766	2,360,766
Commodities	-	-	-	-	-	375,331	82,550	457,881	457,881
Capital Expenditures	-	-	-	-	-	524,278	1,855	526,133	526,133
Other Disbursements	-	-	-	-	-	15,589	402	15,991	15,991
Debt Service:									
Principal Retirement	27,500	70,809	997,255	260,000	1,355,564	-	-	-	1,355,564
Interest and Fiscal Charges	6,575	10,944	151,943	147,249	316,711	-	-	-	316,711
Total Disbursements	6,425,410	3,024,494	1,207,282	1,148,703	11,805,889	4,745,217	1,846,689	6,591,906	18,397,795
<b>CHANGE IN CASH BALANCES</b>	274,799	(8,906)	(899,478)	(523,990)	(1,157,575)	483,739	44,323	528,062	(629,513)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	229,080	154,747	603,200	285,274	1,272,301	1,259,812	-	1,259,812	2,532,113
Transfers Out	(576,936)	(26,866)	-	(57,200)	(661,002)	(1,871,111)	-	(1,871,111)	(2,532,113)
Proceeds from Bond Sale	-	-	299,245	-	299,245	-	-	-	299,245
Total Other Financing Sources (Uses)	(347,856)	127,881	902,445	228,074	910,544	(611,299)	-	(611,299)	299,245
<b>EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING USES</b>	(73,057)	118,975	2,967	(295,916)	(247,031)	(127,560)	44,323	(83,237)	(330,268)
Cash Balances - April 30, 2019	6,468,237	2,027,491	1,149,663	2,256,267	11,901,658	4,818,707	160,529	4,979,236	16,880,894
<b>CASH BALANCES - APRIL 30, 2020</b>	<u>\$ 6,395,180</u>	<u>\$ 2,146,466</u>	<u>\$ 1,152,630</u>	<u>\$ 1,960,351</u>	<u>\$ 11,654,627</u>	<u>\$ 4,691,147</u>	<u>\$ 204,852</u>	<u>\$ 4,895,999</u>	<u>\$ 16,550,626</u>
<b>CASH BASIS FUND BALANCES/NET POSITION</b>									
Restricted - Nonexpendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,076,925	\$ -	\$ 1,076,925	\$ 1,076,925
Restricted - Expendable	-	1,776,756	2,029	-	1,778,785	1,270,435	-	1,270,435	3,049,220
Assigned	-	369,710	1,150,601	1,960,351	3,480,662	-	-	-	3,480,662
Unrestricted	-	-	-	-	-	2,343,787	204,852	2,548,639	2,548,639
Unassigned	6,395,180	-	-	-	6,395,180	-	-	-	6,395,180
Total Cash Basis Fund Balances/Net Position	<u>\$ 6,395,180</u>	<u>\$ 2,146,466</u>	<u>\$ 1,152,630</u>	<u>\$ 1,960,351</u>	<u>\$ 11,654,627</u>	<u>\$ 4,691,147</u>	<u>\$ 204,852</u>	<u>\$ 4,895,999</u>	<u>\$ 16,550,626</u>

**CITY OF KEWANEE, ILLINOIS  
COMBINING SCHEDULE OF CASH TRANSACTIONS  
NONMAJOR GOVERNMENTAL FUNDS  
AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

	Total Nonmajor Governmental Funds	Audit Fund	Liability Insurance Fund	Motor Fuel Tax Fund	Municipal Retirement Fund	Social Security Fund
<b>RECEIPTS</b>						
Taxes	\$ 2,750,319	\$ 34,764	\$ 225,384	\$ -	\$ 223,368	\$ 228,407
Intergovernmental Receipts	467,033	-	-	467,033	-	-
Charges for Services	26,365	-	-	-	-	-
Interest Income	34,107	7	47	2,552	47	49
Other Receipts	46,032	-	8,572	-	-	-
Total Receipts	<u>3,323,856</u>	<u>34,771</u>	<u>234,003</u>	<u>469,585</u>	<u>223,415</u>	<u>228,456</u>
<b>DISBURSEMENTS</b>						
General Government	1,024,813	19,425	448,145	-	231,240	217,827
Public Safety	1,277,464	-	-	-	-	-
Public Works and Transportation	520,972	-	-	367,515	-	-
Development	234,255	-	-	-	-	-
Debt Service:						
Principal Retirement	1,068,064	-	-	-	-	-
Interest and Fiscal Charges	162,887	-	-	-	-	-
Total Disbursements	<u>4,288,455</u>	<u>19,425</u>	<u>448,145</u>	<u>367,515</u>	<u>231,240</u>	<u>217,827</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	(964,599)	15,346	(214,142)	102,070	(7,825)	10,629
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	822,721	-	116,500	-	7,438	7,974
Transfers Out	(26,866)	-	-	-	-	-
Proceeds from Bond Sale	299,245	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,095,100</u>	<u>-</u>	<u>116,500</u>	<u>-</u>	<u>7,438</u>	<u>7,974</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	130,501	15,346	(97,642)	102,070	(387)	18,603
Cash Balances - April 30, 2019	<u>3,179,910</u>	<u>9,905</u>	<u>128,858</u>	<u>309,934</u>	<u>63,278</u>	<u>39,136</u>
<b>CASH BALANCES - APRIL 30, 2020</b>	<u>\$ 3,310,411</u>	<u>\$ 25,251</u>	<u>\$ 31,216</u>	<u>\$ 412,004</u>	<u>\$ 62,891</u>	<u>\$ 57,739</u>
<b>CASH BASIS FUND BALANCES</b>						
Restricted	\$ 1,778,785	\$ 25,234	\$ -	\$ 404,230	\$ 55,125	\$ 49,528
Assigned	1,531,626	17	31,216	7,774	7,766	8,211
Total Cash Basis Fund Balances	<u>\$ 3,310,411</u>	<u>\$ 25,251</u>	<u>\$ 31,216</u>	<u>\$ 412,004</u>	<u>\$ 62,891</u>	<u>\$ 57,739</u>

**CITY OF KEWANEE, ILLINOIS  
 COMBINING SCHEDULE OF CASH TRANSACTIONS  
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
 AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

	Unemployment Insurance Fund	CDAP Housing Fund	TIF Development Fund	IEPA Water Loan Fund	Revolving Loan Fund	2015 Bond Fund
<b>RECEIPTS</b>						
Taxes	\$ 32,834	\$ -	\$ 429,301	\$ -	\$ -	\$ 303,563
Intergovernmental Receipts	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Interest Income	8	9	10,257	-	16,604	4,241
Other Receipts	-	-	-	-	36,996	-
Total Receipts	<u>32,842</u>	<u>9</u>	<u>439,558</u>	<u>-</u>	<u>53,600</u>	<u>307,804</u>
<b>DISBURSEMENTS</b>						
General Government	27,496	-	24,001	-	-	-
Public Safety	-	-	-	-	-	-
Public Works and Transportation	-	-	95,373	-	-	58,084
Development	-	-	34,255	-	200,000	-
Debt Service:						
Principal Retirement	-	-	70,809	43,685	-	473,570
Interest and Fiscal Charges	-	-	10,944	13,515	-	69,125
Total Disbursements	<u>27,496</u>	<u>-</u>	<u>235,382</u>	<u>57,200</u>	<u>200,000</u>	<u>600,779</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	5,346	9	204,176	(57,200)	(146,400)	(292,975)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	12,950	-	3,100	57,200	-	-
Transfers Out	-	-	(6,960)	-	-	-
Proceeds from Bond Sale	-	-	-	-	-	299,245
Total Other Financing Sources (Uses)	<u>12,950</u>	<u>-</u>	<u>(3,860)</u>	<u>57,200</u>	<u>-</u>	<u>299,245</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	18,296	9	200,316	-	(146,400)	6,270
Cash Balances - April 30, 2019	<u>12,539</u>	<u>3,004</u>	<u>591,524</u>	<u>23,287</u>	<u>817,868</u>	<u>357,905</u>
<b>CASH BALANCES - APRIL 30, 2020</b>	<u>\$ 30,835</u>	<u>\$ 3,013</u>	<u>\$ 791,840</u>	<u>\$ 23,287</u>	<u>\$ 671,468</u>	<u>\$ 364,175</u>
<b>CASH BASIS FUND BALANCES</b>						
Restricted	\$ 7,859	\$ 2,962	\$ 697,986	\$ -	\$ 475,016	\$ 2,029
Assigned	<u>22,976</u>	<u>51</u>	<u>93,854</u>	<u>23,287</u>	<u>196,452</u>	<u>362,146</u>
Total Cash Basis Fund Balances	<u>\$ 30,835</u>	<u>\$ 3,013</u>	<u>\$ 791,840</u>	<u>\$ 23,287</u>	<u>\$ 671,468</u>	<u>\$ 364,175</u>

**CITY OF KEWANEE, ILLINOIS  
COMBINING SCHEDULE OF CASH TRANSACTIONS  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

	2013 Bond Fund	Capital Maint./ Municipal Building Fund	Firefighters' Pension Fund	Police Pension Fund	Perpetual Care Fund
<b>RECEIPTS</b>					
Taxes	\$ -	\$ -	\$ 589,325	\$ 683,373	\$ -
Intergovernmental Receipts	-	-	-	-	-
Charges for Services	-	-	-	-	26,365
Interest Income	-	-	123	143	20
Other Receipts	-	464	-	-	-
Total Receipts	<u>-</u>	<u>464</u>	<u>589,448</u>	<u>683,516</u>	<u>26,385</u>
<b>DISBURSEMENTS</b>					
General Government	-	56,679	-	-	-
Public Safety	-	-	591,698	685,766	-
Public Works and Transportation	-	-	-	-	-
Development	-	-	-	-	-
Debt Service:					
Principal Retirement	480,000	-	-	-	-
Interest and Fiscal Charges	69,303	-	-	-	-
Total Disbursements	<u>549,303</u>	<u>56,679</u>	<u>591,698</u>	<u>685,766</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	(549,303)	(56,215)	(2,250)	(2,250)	26,385
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	546,000	64,774	3,422	3,363	-
Transfers Out	-	-	-	-	(19,906)
Proceeds from Bond Sale	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>546,000</u>	<u>64,774</u>	<u>3,422</u>	<u>3,363</u>	<u>(19,906)</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	(3,303)	8,559	1,172	1,113	6,479
Cash Balances - April 30, 2019	<u>768,471</u>	<u>2,756</u>	<u>13,638</u>	<u>14,492</u>	<u>23,315</u>
<b>CASH BALANCES - APRIL 30, 2020</b>	<u>\$ 765,168</u>	<u>\$ 11,315</u>	<u>\$ 14,810</u>	<u>\$ 15,605</u>	<u>\$ 29,794</u>
<b>CASH BASIS FUND BALANCES</b>					
Restricted	\$ -	\$ -	\$ 14,810	\$ 15,605	\$ 28,401
Assigned	765,168	11,315	-	-	1,393
Total Cash Basis Fund Balances	<u>\$ 765,168</u>	<u>\$ 11,315</u>	<u>\$ 14,810</u>	<u>\$ 15,605</u>	<u>\$ 29,794</u>

**CITY OF KEWANEE, ILLINOIS  
 COMBINING SCHEDULE OF CASH TRANSACTIONS  
 NONMAJOR ENTERPRISE AND INTERNAL SERVICE FUNDS  
 AS OF AND FOR THE YEAR ENDED APRIL 30, 2020**

	Nonmajor	Internal Service Funds		
	Enterprise Fund	Total	Central	Health
	IEPA Water	Internal	Maintenance	Insurance
	Treatment	Service	Fund	Fund
	Fund	Funds		Fund
<b>RECEIPTS</b>				
Charges for Services	\$ -	\$ 1,652,278	\$ 273,383	\$ 1,378,895
Interest Income	-	4,068	-	4,068
Other Receipts	-	234,666	1,389	233,277
Total Receipts	-	1,891,012	274,772	1,616,240
<b>DISBURSEMENTS</b>				
Personnel	-	1,656,663	123,120	1,533,543
Contractual	-	105,219	79,115	26,104
Commodities	-	82,550	82,550	-
Capital Expenditures	-	1,855	1,855	-
Other Disbursements	-	402	402	-
Total Disbursements	-	1,846,689	287,042	1,559,647
<b>CHANGE IN CASH BASIS NET POSITION</b>	-	44,323	(12,270)	56,593
Cash Balances - April 30, 2019	25,606	160,529	(18,156)	178,685
<b>CASH BALANCES - APRIL 30, 2020</b>	<u>\$ 25,606</u>	<u>\$ 204,852</u>	<u>\$ (30,426)</u>	<u>\$ 235,278</u>
<b>CASH BASIS NET POSITION</b>				
Restricted - Expendable	\$ 25,606	\$ -	\$ -	\$ -
Unrestricted	-	204,852	(30,426)	235,278
Total Cash Basis Net Position	<u>\$ 25,606</u>	<u>\$ 204,852</u>	<u>\$ (30,426)</u>	<u>\$ 235,278</u>

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**ALL FUND TYPES**  
**YEAR ENDED APRIL 30, 2020**

	Budget		Actual	Over (Under)
	Original	Final		Budget
<b>RECEIPTS</b>				
Taxes	\$ 3,686,065	\$ 3,686,065	\$ 3,576,245	\$ (109,820)
Licenses and Permits	342,509	342,509	388,558	46,049
Intergovernmental Receipts	4,894,230	4,894,230	5,415,861	521,631
Charges for Services	5,676,254	5,676,254	7,306,027	1,629,773
Interest Income	234,166	234,166	270,824	36,658
Fines and Forfeits	194,650	194,650	226,338	31,688
Other Receipts	392,012	392,012	584,429	192,417
Total Receipts	<u>15,419,886</u>	<u>15,419,886</u>	<u>17,768,282</u>	<u>2,348,396</u>
<b>DISBURSEMENTS</b>				
General Government	1,502,560	1,502,560	1,454,562	(47,998)
Public Safety	6,029,475	6,029,475	6,403,421	373,946
Public Works and Transportation	1,782,815	1,782,815	1,818,863	36,048
Culture and Recreation	93,453	93,453	79,651	(13,802)
Development	427,260	427,260	377,117	(50,143)
Personnel	3,257,373	3,257,373	3,231,135	(26,238)
Contractual	2,191,213	2,191,213	2,360,766	169,553
Commodities	649,225	649,225	457,881	(191,344)
Capital Expenditures	760,820	760,820	526,133	(234,687)
Other Disbursements	10,916	10,916	15,991	5,075
Debt Service:				
Principal Retirement	1,068,168	1,068,168	1,355,564	287,396
Interest and Fiscal Charges	576,577	576,577	316,711	(259,866)
Total Disbursements	<u>18,349,855</u>	<u>18,349,855</u>	<u>18,397,795</u>	<u>47,940</u>
<b>DEFICIENCY OF RECEIPTS</b>				
<b>UNDER DISBURSEMENTS</b>	(2,929,969)	(2,929,969)	(629,513)	2,300,456
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	4,538,844	4,538,844	2,532,113	(2,006,731)
Transfers Out	(3,100,528)	(3,100,528)	(2,532,113)	568,415
Proceeds from Bond Sale	285,743	285,743	299,245	13,502
Total Other Financing Sources (Uses)	<u>1,724,059</u>	<u>1,724,059</u>	<u>299,245</u>	<u>(1,424,814)</u>
<b>NET CHANGE IN CASH BALANCES</b>	<u>\$ (1,205,910)</u>	<u>\$ (1,205,910)</u>	(330,268)	<u>\$ 875,642</u>
Balances - April 30, 2019			<u>16,880,894</u>	
<b>BALANCES - APRIL 30, 2020</b>			<u>\$ 16,550,626</u>	



**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED APRIL 30, 2020**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Taxes	\$ 863,571	\$ 863,571	\$ 825,926	\$ (37,645)
Licenses and Permits	341,309	341,309	386,886	45,577
Intergovernmental Receipts	4,034,331	4,034,331	4,327,826	293,495
Charges for Services	579,754	579,754	601,472	21,718
Interest Income	175,005	175,005	179,640	4,635
Fines and Forfeits	84,650	84,650	121,371	36,721
Other Receipts	97,625	97,625	257,088	159,463
Total Receipts	<u>6,176,245</u>	<u>6,176,245</u>	<u>6,700,209</u>	<u>523,964</u>
<b>DISBURSEMENTS</b>				
General Government	437,560	437,560	429,749	(7,811)
Public Safety	4,582,754	4,582,754	5,125,957	543,203
Public Works and Transportation	695,736	695,736	613,116	(82,620)
Culture and Recreation	91,653	91,653	79,651	(12,002)
Development	337,020	337,020	142,862	(194,158)
Debt Service:				
Principal Retirement	-	-	27,500	27,500
Interest and Fiscal Charges	-	-	6,575	6,575
Total Disbursements	<u>6,144,723</u>	<u>6,144,723</u>	<u>6,425,410</u>	<u>280,687</u>
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>	31,522	31,522	274,799	243,277
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	80,000	80,000	229,080	149,080
Transfers Out	<u>(532,752)</u>	<u>(532,752)</u>	<u>(576,936)</u>	<u>(44,184)</u>
Total Other Financing Sources (Uses)	<u>(452,752)</u>	<u>(452,752)</u>	<u>(347,856)</u>	<u>104,896</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCE</b>	<u>\$ (421,230)</u>	<u>\$ (421,230)</u>	(73,057)	<u>\$ 348,173</u>
Balances - April 30, 2019			<u>6,468,237</u>	
<b>BALANCES - APRIL 30, 2020</b>			<u>\$ 6,395,180</u>	

**CITY OF KEWANEE, ILLINOIS  
SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL  
ACQUISITION FUND  
YEAR ENDED APRIL 30, 2020**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Total Receipts	\$ -	\$ -	\$ -	\$ -
<b>DISBURSEMENTS</b>				
Public Works and Transportation	150,287	150,287	144,668	(5,619)
<b>DEFICIENCY OF RECEIPTS UNDER DISBURSEMENTS</b>	(150,287)	(150,287)	(144,668)	5,619
<b>OTHER FINANCING SOURCES</b>				
Transfers In	735,500	735,500	220,500	(515,000)
<b>NET CHANGE IN CASH BASIS FUND BALANCE</b>	<u>\$ 585,213</u>	<u>\$ 585,213</u>	75,832	<u>\$ (509,381)</u>
Balances - April 30, 2019			<u>1,869,902</u>	
<b>BALANCES - APRIL 30, 2020</b>			<u>\$ 1,945,734</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**NHR SALES TAX INFRASTRUCTURE IMPROVEMENT FUND**  
**YEAR ENDED APRIL 30, 2020**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Intergovernmental Receipts	\$ 644,895	\$ 644,895	\$ 621,002	\$ (23,893)
Interest Income	4,300	4,300	3,247	(1,053)
Total Receipts	<u>649,195</u>	<u>649,195</u>	<u>624,249</u>	<u>(24,946)</u>
<b>DISBURSEMENTS</b>				
Public Works and Transportation	388,143	388,143	540,107	151,964
Debt Service:				
Principal Retirement	260,000	260,000	260,000	-
Interest and Fiscal Charges	147,249	147,249	147,249	-
Total Disbursements	<u>795,392</u>	<u>795,392</u>	<u>947,356</u>	<u>151,964</u>
<b>DEFICIENCY OF RECEIPTS UNDER DISBURSEMENTS</b>	(146,197)	(146,197)	(323,107)	(176,910)
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(57,200)</u>	<u>(57,200)</u>	<u>(57,200)</u>	<u>-</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCE</b>	<u>\$ (203,397)</u>	<u>\$ (203,397)</u>	(380,307)	<u>\$ (176,910)</u>
Balances - April 30, 2019			<u>383,609</u>	
<b>BALANCES - APRIL 30, 2020</b>			<u>\$ 3,302</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**SANITATION FUND**  
**YEAR ENDED APRIL 30, 2020**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Charges for Services	\$ 1,232,500	\$ 1,232,500	\$ 1,231,262	\$ (1,238)
Fines and Forfeits	18,000	18,000	16,883	(1,117)
Other Receipts	1,900	1,900	946	(954)
Total Receipts	<u>1,252,400</u>	<u>1,252,400</u>	<u>1,249,091</u>	<u>(3,309)</u>
<b>DISBURSEMENTS</b>				
Personnel	460,707	460,707	463,049	2,342
Contractual	585,204	585,204	652,448	67,244
Commodities	25,500	25,500	35,564	10,064
Capital Expenditures	38,500	38,500	26,116	(12,384)
Other Disbursements	400	400	361	(39)
Total Disbursements	<u>1,110,311</u>	<u>1,110,311</u>	<u>1,177,538</u>	<u>67,227</u>
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>	142,089	142,089	71,553	(70,536)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	13,716	13,716
Transfers Out	(126,588)	(126,588)	(77,179)	49,409
Total Other Financing Sources (Uses)	<u>(126,588)</u>	<u>(126,588)</u>	<u>(63,463)</u>	<u>63,125</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>	<u>\$ 15,501</u>	<u>\$ 15,501</u>	8,090	<u>\$ (7,411)</u>
Balances - April 30, 2019			<u>315,227</u>	
<b>BALANCES - APRIL 30, 2020</b>			<u>\$ 323,317</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**WATER FUND**  
**YEAR ENDED APRIL 30, 2020**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Licenses and Permits	\$ 1,200	\$ 1,200	\$ 1,672	\$ 472
Charges for Services	2,200,500	2,200,500	2,162,076	(38,424)
Interest Income	20,500	20,500	27,613	7,113
Fines and Forfeits	63,000	63,000	60,903	(2,097)
Other Receipts	15,000	15,000	514	(14,486)
Total Receipts	<u>2,300,200</u>	<u>2,300,200</u>	<u>2,252,778</u>	<u>(47,422)</u>
<b>DISBURSEMENTS</b>				
Personnel	609,562	609,562	653,337	43,775
Contractual	523,417	523,417	579,200	55,783
Commodities	345,275	345,275	211,841	(133,434)
Capital Expenditures	155,500	155,500	190,297	34,797
Other Disbursements	15,500	15,500	5,766	(9,734)
Total Disbursements	<u>1,649,254</u>	<u>1,649,254</u>	<u>1,640,441</u>	<u>(8,813)</u>
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>				
	650,946	650,946	612,337	(38,609)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	17,942	17,942
Transfers Out	<u>(2,277,489)</u>	<u>(2,277,489)</u>	<u>(1,733,669)</u>	<u>543,820</u>
Total Other Financing Sources (Uses)	<u>(2,277,489)</u>	<u>(2,277,489)</u>	<u>(1,715,727)</u>	<u>561,762</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>				
	<u>\$ (1,626,543)</u>	<u>\$ (1,626,543)</u>	(1,103,390)	<u>\$ 523,153</u>
Balances - April 30, 2019			<u>2,615,152</u>	
<b>BALANCES - APRIL 30, 2020</b>			<u>\$ 1,511,762</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**SEWER FUND**  
**YEAR ENDED APRIL 30, 2020**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Charges for Services	\$ 1,600,500	\$ 1,600,500	\$ 1,567,524	\$ (32,976)
Interest Income	2,000	2,000	2,927	927
Fines and Forfeits	29,000	29,000	27,181	(1,819)
Other Receipts	25,500	25,500	25,354	(146)
Total Receipts	<u>1,657,000</u>	<u>1,657,000</u>	<u>1,622,986</u>	<u>(34,014)</u>
<b>DISBURSEMENTS</b>				
Personnel	206,906	206,906	209,491	2,585
Contractual	960,578	960,578	1,009,451	48,873
Commodities	186,525	186,525	111,831	(74,694)
Capital Expenditures	559,320	559,320	300,921	(258,399)
Other Disbursements	3,500	3,500	9,328	5,828
Total Disbursements	<u>1,916,829</u>	<u>1,916,829</u>	<u>1,641,022</u>	<u>(275,807)</u>
<b>DEFICIENCY OF RECEIPTS UNDER DISBURSEMENTS</b>				
	(259,829)	(259,829)	(18,036)	241,793
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	990,000	990,000	996,420	6,420
Transfers Out	(71,875)	(71,875)	(47,130)	24,745
Total Other Financing Sources (Uses)	<u>918,125</u>	<u>918,125</u>	<u>949,290</u>	<u>31,165</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>				
	<u>\$ 658,296</u>	<u>\$ 658,296</u>	931,254	<u>\$ 272,958</u>
Balances - April 30, 2019			<u>722,747</u>	
<b>BALANCES - APRIL 30, 2020</b>			<u>\$ 1,654,001</u>	

**CITY OF KEWANEE, ILLINOIS  
CONSOLIDATED YEAR-END FINANCIAL REPORT  
YEAR ENDED APRIL 30, 2020**

CSFA Number	Program Name	State	Federal	Other	Total
494-00-1488	Motor Fuel Tax Program	\$ 367,515	\$ -	\$ -	\$ 367,515
	Other Grant Programs and Activities	-	-	27,999	27,999
	All Other Costs Not Allocated	-	-	16,350,003	16,350,003
	<b>Total</b>	<u>\$ 367,515</u>	<u>\$ -</u>	<u>\$ 16,378,002</u>	<u>\$ 16,745,517</u>