

**CITY OF KEWANEE, ILLINOIS**  
**BASIC FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED APRIL 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
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**CITY OF KEWANEE, ILLINOIS  
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**CITY OF KEWANEE, ILLINOIS  
CITY OFFICIALS  
APRIL 30, 2021**

<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	Tyrone Baker	4/30/2025
Council Member	Steve Faber	4/30/2025
<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, 2021, 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.

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

**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, 2021, 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, 2021, 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.

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

**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 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.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the City of Kewanee, Illinois's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Kewanee, Illinois's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Kewanee, Illinois's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Peoria, Illinois  
December 17, 2021

**CITY OF KEWANEE, ILLINOIS**  
**STATEMENT OF ACTIVITIES AND NET POSITION – CASH BASIS**  
**AS OF AND FOR THE YEAR ENDED APRIL 30, 2021**

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>FUNCTIONS/PROGRAMS</b>						
Governmental Activities:						
General Government	\$ 1,685,341	\$ 385,163	\$ -	\$ (1,300,178)	\$ -	\$ (1,300,178)
Public Safety	6,854,171	833,065	38,666	(5,982,440)	-	(5,982,440)
Public Works and Transportation	1,470,917	3,370	-	(1,467,547)	-	(1,467,547)
Culture and Recreation	82,199	6,940	-	(75,259)	-	(75,259)
Development	218,565	-	-	(218,565)	-	(218,565)
Debt Service:						
Principal Retirement	1,367,735	-	-	(1,367,735)	-	(1,367,735)
Interest	300,788	-	-	(300,788)	-	(300,788)
Total Governmental Activities	11,979,716	1,228,538	38,666	(10,712,512)	-	(10,712,512)
Business-Type Activities:						
Sanitation	1,141,107	1,235,545	-	-	94,438	94,438
Water	1,958,390	2,254,699	-	-	296,309	296,309
Sewer	2,112,490	1,612,932	-	-	(499,558)	(499,558)
Cemetery	287,283	109,973	-	-	(177,310)	(177,310)
Total Business-Type Activities	5,499,270	5,213,149	-	-	(286,121)	(286,121)
Total	\$ 17,478,986	\$ 6,441,687	\$ 38,666	(10,712,512)	(286,121)	(10,998,633)
<b>GENERAL RECEIPTS AND OTHER FINANCING SOURCES (USES)</b>						
Property and Other City Tax Levied for:						
General Purposes				3,352,083	-	3,352,083
Debt Service				303,151	-	303,151
Sales and Local Option Sales Tax				3,351,395	-	3,351,395
State Income Tax				1,480,655	-	1,480,655
Motor Fuel Tax				884,152	-	884,152
Replacement Tax				367,948	-	367,948
Interest Income				91,499	27,430	118,929
Miscellaneous				1,089,315	93,102	1,182,417
Proceeds from Bond Sale				298,920	-	298,920
Transfers In				1,176,998	-	1,176,998
Transfers Out				-	(1,176,998)	(1,176,998)
Total General Receipts and Other Financing Sources (Uses)				12,396,116	(1,056,466)	11,339,650
<b>CHANGE IN CASH BASIS NET POSITION</b>				1,683,604	(1,342,587)	341,017
Cash Basis Net Position - April 30, 2020				11,835,397	4,715,229	16,550,626
<b>CASH BASIS NET POSITION - APRIL 30, 2021</b>				\$ 13,519,001	\$ 3,372,642	\$ 16,891,643
<b>ASSETS</b>						
Cash and Cash Equivalents				\$ 13,519,001	\$ 3,372,642	\$ 16,891,643
<b>NET POSITION</b>						
Restricted - Nonexpendable				\$ -	\$ 1,076,925	\$ 1,076,925
Restricted - Expendable				2,372,296	280,557	2,652,853
Unrestricted				11,146,705	2,015,160	13,161,865
Total Cash Basis Net Position				\$ 13,519,001	\$ 3,372,642	\$ 16,891,643

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, 2021**

	Capital Projects				Total Governmental Fund Types
	General Fund	Acquisition Fund	NHR Sales Tax Infrastructure Improvement Fund	Nonmajor Governmental Funds	
<b>RECEIPTS</b>					
Taxes	\$ 768,282	\$ -	\$ -	\$ 2,886,952	\$ 3,655,234
Licenses and Permits	385,163	-	-	-	385,163
Intergovernmental Receipts	4,598,480	-	640,184	884,152	6,122,816
Charges for Services	749,464	-	-	18,335	767,799
Interest Income	71,929	-	768	17,953	90,650
Fines and Forfeits	75,576	-	-	-	75,576
Other Receipts	756,439	2,878	-	137,878	897,195
Total Receipts	<u>7,405,333</u>	<u>2,878</u>	<u>640,952</u>	<u>3,945,270</u>	<u>11,994,433</u>
<b>DISBURSEMENTS</b>					
General Government	533,619	-	-	1,138,258	1,671,877
Public Safety	5,276,800	-	-	1,440,046	6,716,846
Public Works and Transportation	681,357	148,663	107,158	524,396	1,461,574
Culture and Recreation	82,199	-	-	-	82,199
Development	111,523	-	-	107,042	218,565
Debt Service:					
Principal Retirement	17,500	-	265,000	1,085,235	1,367,735
Interest and Fiscal Charges	6,188	-	136,824	157,776	300,788
Total Disbursements	<u>6,709,186</u>	<u>148,663</u>	<u>508,982</u>	<u>4,452,753</u>	<u>11,819,584</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	696,147	(145,785)	131,970	(507,483)	174,849
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	382,761	842,500	-	893,803	2,119,064
Transfers Out	(350,281)	(500,000)	(64,773)	(27,012)	(942,066)
Proceeds from Bond Sale	-	-	-	298,920	298,920
Total Other Financing Sources (Uses)	<u>32,480</u>	<u>342,500</u>	<u>(64,773)</u>	<u>1,165,711</u>	<u>1,475,918</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	728,627	196,715	67,197	658,228	1,650,767
Cash Balances - April 30, 2020	6,395,180	1,945,734	3,302	3,310,411	11,654,627
<b>CASH BALANCES - APRIL 30, 2021</b>	<u>\$ 7,123,807</u>	<u>\$ 2,142,449</u>	<u>\$ 70,499</u>	<u>\$ 3,968,639</u>	<u>\$ 13,305,394</u>
<b>CASH BASIS FUND BALANCES</b>					
Restricted	\$ -	\$ -	\$ 66,429	\$ 2,305,867	\$ 2,372,296
Assigned	-	2,142,449	4,070	1,662,772	3,809,291
Unassigned	7,123,807	-	-	-	7,123,807
Total Cash Basis Fund Balances	<u>\$ 7,123,807</u>	<u>\$ 2,142,449</u>	<u>\$ 70,499</u>	<u>\$ 3,968,639</u>	<u>\$ 13,305,394</u>

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, 2021**

	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	\$ -	\$ 1,631	\$ -	\$ -	\$ -	\$ 1,631	\$ -	\$ 1,631
Charges for Services	1,221,574	2,197,300	1,586,887	109,973	-	5,115,734	2,069,236	7,184,970
Interest Income	-	4,790	452	21,934	-	27,176	1,103	28,279
Fines and Forfeits	13,971	55,768	26,045	-	-	95,784	-	95,784
Other Receipts	-	1,052	13,020	21,644	-	35,716	249,506	285,222
Total Receipts	<u>1,235,545</u>	<u>2,260,541</u>	<u>1,626,404</u>	<u>153,551</u>	<u>-</u>	<u>5,276,041</u>	<u>2,319,845</u>	<u>7,595,886</u>
<b>DISBURSEMENTS</b>								
Personnel	429,421	738,067	254,611	215,920	-	1,638,019	2,059,042	3,697,061
Contractual	632,422	533,130	853,404	22,849	-	2,041,805	114,207	2,156,012
Commodities	37,604	100,449	70,779	17,681	-	226,513	93,189	319,702
Capital Expenditures	23,936	554,319	805,610	26,374	-	1,410,239	1,723	1,411,962
Other Disbursements	7,795	10,444	124,305	463	-	143,007	894	143,901
Total Disbursements	<u>1,131,178</u>	<u>1,936,409</u>	<u>2,108,709</u>	<u>283,287</u>	<u>-</u>	<u>5,459,583</u>	<u>2,269,055</u>	<u>7,728,638</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	104,367	324,132	(482,305)	(129,736)	-	(183,542)	50,790	(132,752)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	500,000	200,000	161,151	-	861,151	-	861,151
Transfers Out	(143,915)	(1,314,804)	(540,700)	(35,811)	-	(2,035,230)	(2,919)	(2,038,149)
Total Other Financing Sources (Uses)	<u>(143,915)</u>	<u>(814,804)</u>	<u>(340,700)</u>	<u>125,340</u>	<u>-</u>	<u>(1,174,079)</u>	<u>(2,919)</u>	<u>(1,176,998)</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>	(39,548)	(490,672)	(823,005)	(4,396)	-	(1,357,621)	47,871	(1,309,750)
Cash Balances - April 30, 2020	<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 BALANCES - APRIL 30, 2021</b>	<u>\$ 283,769</u>	<u>\$ 1,021,090</u>	<u>\$ 830,996</u>	<u>\$ 1,172,065</u>	<u>\$ 25,606</u>	<u>\$ 3,333,526</u>	<u>\$ 252,723</u>	<u>\$ 3,586,249</u>
<b>CASH BASIS NET POSITION</b>								
Restricted - Nonexpendable	\$ -	\$ -	\$ -	\$ 1,076,925	\$ -	\$ 1,076,925	\$ -	\$ 1,076,925
Restricted - Expendable	-	-	254,951	-	25,606	280,557	-	280,557
Unrestricted	<u>283,769</u>	<u>1,021,090</u>	<u>576,045</u>	<u>95,140</u>	<u>-</u>	<u>1,976,044</u>	<u>252,723</u>	<u>2,228,767</u>
Total Cash Basis Net Position	<u>\$ 283,769</u>	<u>\$ 1,021,090</u>	<u>\$ 830,996</u>	<u>\$ 1,172,065</u>	<u>\$ 25,606</u>	<u>\$ 3,333,526</u>	<u>\$ 252,723</u>	<u>\$ 3,586,249</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

**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, 2021**

**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, 2021**

**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, 2021**

**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 2021.

**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. The minimum fund balance for the Water Fund is 25% of audited expenditures. The minimum fund balance for the Sewer Fund is 25% of audit expenditures. As of April 30, 2021, the City met the minimum fund balance requirements for the General, Water, and Sewer funds.

**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, 2021**

**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>\$ 103,973,085</u>
Total Operating Budget	<u>\$ 20,142,494</u>
Total Expenditures - Budgetary Basis	<u>\$ 19,548,222</u>

**NOTE 3 DEPOSITS AND INVESTMENTS**

**Deposits**

As of April 30, 2021, the carrying amount of the City's deposits was \$16,891,643 and the bank balance was \$17,075,790 as shown in the following schedule:

	Total Deposits
Carrying Amount of Deposits	<u>\$ 16,891,643</u>
Bank Balance	<u>\$ 17,075,790</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	\$ 10,884,600
Collateralized with Securities Held by the Pledging Financial Institution's Trust Department Agent	4,571,792
Uncollateralized	1,619,398
Total Bank Balance	<u>\$ 17,075,790</u>

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

**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, 2021, total outstanding loans were approximately \$949,000. During the fiscal year, the City issued \$62,800 in new loans and collected principal payments of approximately \$71,000. As of April 30, 2021, 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, 2021.

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 \$2,005,000 at April 30, 2021. 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, 2021. 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, 2021 was \$58,483.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

**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, none of which was outstanding at April 30, 2021. 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 direct placement 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 \$196,329 at April 30, 2021. The loan requires semi-annual payments of \$10,005 and bears interest at a fixed rate of 1.25%.

A direct placement 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 \$402,143 at April 30, 2021. The loan requires semi-annual payments of \$18,595 and bears interest at a fixed rate of 2.295%.

Firetruck Loan – A direct placement 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, 2021. 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.

The City's outstanding loan from direct placement related to the purchase of a fire truck of \$262,500 contains a provision that in the event of default, outstanding amounts become immediately due if the City is unable to make payment.

During the year ended April 30, 2021, the City issued general obligation bonds for the purpose of funding various capital projects.. Total bonds issued were \$298,920, all of which was outstanding at April 30, 2021. The bonds require a one-time principal payment of \$298,920 with a one-time interest payment at a rate of 1.00%.



**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

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

A summary of the debt activity during the fiscal year ended April 30, 2021 is as follows:

	Balance April 30, 2020	Issued	Retired	Balance April 30, 2021
<b>Revenue Bonds:</b>				
General Obligation NHRST Bonds 2012	\$ 2,095,000	\$ -	\$ 265,000	\$ 1,830,000
Mill Creek Station TIF Bonds 2012 - Tax-Exempt	326,502	-	43,000	283,502
Mill Creek Station TIF Bonds 2012 - Taxable	64,993	-	8,500	56,493
East and 11th Street TIF Bonds 2009	157,734	-	19,611	138,123
General Obligation Waterworks and Sewerage Refunding Bonds 2013	2,495,000	-	490,000	2,005,000
General Obligation Alternative Bonds 2015	3,070,000	-	180,000	2,890,000
General Obligation Bonds Series 2019	299,245	-	299,245	-
General Obligation Bonds Series 2020	-	298,920	-	298,920
<b>Direct Placement Loans:</b>				
Illinois Environmental Protection Agency Water Revolving Fund:				
Water Revolving Fund - L17422800	214,080	-	18,013	196,067
Water Revolving Fund - L17481700	429,630	-	26,866	402,764
Firetruck Loan	279,820	-	17,500	262,320
Total Outstanding Debt	<u>\$ 9,432,004</u>	<u>\$ 298,920</u>	<u>\$ 1,367,735</u>	<u>\$ 8,363,189</u>

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

<u>Year Ending April 30,</u>	Revenue Loans		Direct Placement Loans		Total
	Principal	Interest	Principal	Interest	
2022	\$ 1,330,248	\$ 237,981	\$ 63,232	\$ 17,269	\$ 1,648,730
2023	1,056,727	208,498	64,102	16,013	1,345,340
2024	1,087,134	178,514	64,990	14,739	1,345,377
2025	1,057,544	145,829	65,894	13,446	1,282,713
2026	607,971	113,279	66,819	12,134	800,203
2027 - 2031	1,627,414	301,504	348,636	40,329	2,317,883
2032 - 2036	735,000	54,590	187,478	8,981	986,049
Total	<u>\$ 7,502,038</u>	<u>\$ 1,240,195</u>	<u>\$ 861,151</u>	<u>\$ 122,911</u>	<u>\$ 9,726,295</u>

The City's debt limit is 8.625% of the Total City Equalized Value or approximately \$7,811,000 as of April 30, 2021. Of the total debt listed above, approximately \$741,000 is applicable to the debt limit statute. Remaining debt capacity is approximately \$7,070,000.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

**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, 2021 was approximately \$1,328,000.

**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 2020 and 2019 was 11.84% and 8.90%, 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, 2021, the City contributed \$259,546. Contributions for years ended April 30, 2020 and 2019 were \$231,240 and \$230,670, respectively.

The required contribution for 2020 was determined as part of the December 31, 2018 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2018, 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, 2021**

**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, 2021, 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, 2021, 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, \$13 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, 2021 totaled \$27,327.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

**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, 2021 were for the 2019 assessment paid in 2020.

**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, 2021, there was one series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$399,500.

**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, 2021 was \$502,327.

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, 2021 was \$183,584.

The City also has an agreement with Lakeshore Recycling System to transfer solid waste from the transfer station to the landfill. The contract expires December 31, 2023 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, 2021 was \$64,891.

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, 2021**

**NOTE 13 COMMITMENTS (CONTINUED)**

The City has a contract with G&L Tank Sandblasting and Coating LLC for the North Water Tower coating project. No expenses were incurred during the year ended April 30, 2021.

The City has a contract with Performance Piping, Inc. for materials and labor related to the 2020 Cured-in-Place Pipelining Sewer Program. Total expense for the year ended April 30, 2021 was \$506,180.

The City has a contract for information technology services with Access Systems. The agreement requires monthly payments of \$4,509 and expires on December 10, 2023.

The City has a contract with Porter Brothers Asphalt & Sealing Inc for the 2021 resurfacing and sealcoat project. No expenses were incurred during the year ended April 30, 2021.

Future payments required on the above contracts as of April 30, 2021 are as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2022	\$ 2,335,484
2023	1,134,586
2024	759,461
Total	<u>\$ 4,229,531</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 \$595,000 of deposits with this institution.

**NOTE 15 INTERFUND TRANSFERS**

The following table summarizes the net interfund transfers for the year ended April 30, 2021:

	<u>Transfers To</u>	<u>Transfers From</u>
General Fund	\$ 382,761	\$ 350,281
Acquisition Fund	842,500	500,000
NHR Sales Tax Infrastructure Improvement Fund	-	64,773
Nonmajor Governmental Funds	893,803	27,012
Sanitation Fund	-	143,915
Water Fund	500,000	1,314,804
Sewer Fund	200,000	540,700
Cemetery Fund	161,151	35,811
Central Maintenance Fund	-	2,919
Total	<u>\$ 2,980,215</u>	<u>\$ 2,980,215</u>

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

**NOTE 15 INTERFUND TRANSFERS (CONTINUED)**

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.

**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, 2021, the percent funded was 39.6% and 54.0% for the Firefighters' Pension Fund and Police Pension Fund, respectively.

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

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

**Contributions Made**

For the year ended April 30, 2021, the City contributed \$731,613 (police) and \$708,433 (firefighter).

The total pension liability for the plans as of April 30, 2021 was determined as part of an actuarial valuation performed on April 30, 2021 for the Firefighters' Pension Fund and on April 30, 2020 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, 2021:

Employee Benefits	\$ 74,491
Public Safety	26,749
Public Works and Transportation	845,751
Development	1,338,920
Cemetery	1,096,881
Capital Projects	346,986
Total	<u>\$ 3,729,778</u>

The governmental fund balances were assigned for the following purposes at April 30, 2021:

Employee Benefits	\$ 62,610
Public Works and Transportation	17,026
Development	380,069
Debt Service	1,197,456
Cemetery	1,411
Capital Projects	2,150,220
Audit	499
Total	<u>\$ 3,809,291</u>

**CITY OF KEWANEE, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2021**

**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	\$ 13,305,394
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A portion of the assets of the internal service funds is included in governmental activities in the statement of net position.	213,607
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Net Position of Governmental Activities	\$ 13,519,001
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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	\$ 3,333,526
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A portion of the assets of the internal service funds is included in business-type activities in the statement of net position.	39,116
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Net Position of Business-Type Activities	\$ 3,372,642
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**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	\$ 1,650,767
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A portion of the change in net position of the internal service funds is reported with governmental activities.	32,837
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Change in Net Position of Governmental Activities	\$ 1,683,604
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**CITY OF KEWANEE, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
APRIL 30, 2021**

**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	\$ (1,357,621)
A portion of the change in net position of the internal service funds is reported with business-type activities.	<u>15,034</u>
Change in Net Position of Business-Type Activities	<u><u>\$ (1,342,587)</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 2021 for this plan.

**NOTE 21 SUBSEQUENT EVENTS**

**General Obligation Bonds Issuance**

On November 23, 2021, the City issued \$298,820 of taxable general obligation bonds with an interest rate of 0.80% and a maturity date of October 15, 2022.

**Contracts Subsequent to Year-End**

On July 12, 2021, the City approved a bid for the purchase of an ambulance from North Central Emergency vehicles at a total cost of \$235,643.

On May 11, 2021, the City entered into a \$130,147 contract with Laverdiere Construction Inc. for the 2021 sidewalk replacement program.

On October 15, 2021, the City entered into a \$224,332 contract with Artesian of Pioneer, Inc. for aerator replacement at the water treatment plant.

On June 10, 2021, the City entered into a \$148,000 contract with Britton Electronics and Automation, Inc. to upgrade the grounding system at the wastewater treatment plant.

On June 1, 2021, the City entered into a \$90,900 contract with Henry County Humane Society for the operation of the animal control facility.

On November 19, 2021, the City entered into a \$168,000 contract with Dooley Bros. Plumbing and Heating, Inc. for a storm pump station valve replacement project.

**CITY OF KEWANEE, ILLINOIS  
COMBINING SCHEDULE OF CASH TRANSACTIONS  
ALL FUND TYPES  
AS OF AND FOR THE YEAR ENDED APRIL 30, 2021**

	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	\$ 768,282	\$ 2,583,801	\$ 303,151	\$ -	\$ 3,655,234	\$ -	\$ -	\$ -	\$ 3,655,234
Licenses and Permits	385,163	-	-	-	385,163	1,631	-	1,631	386,794
Intergovernmental Receipts	4,598,480	884,152	-	640,184	6,122,816	-	-	-	6,122,816
Charges for Services	749,464	18,335	-	-	767,799	5,115,734	2,069,236	7,184,970	7,952,769
Interest Income	71,929	16,262	1,691	768	90,650	27,176	1,103	28,279	118,929
Fines and Forfeits	75,576	-	-	-	75,576	95,784	-	95,784	171,360
Other Receipts	756,439	134,526	-	6,230	897,195	35,716	249,506	285,222	1,182,417
Total Receipts	7,405,333	3,637,076	304,842	647,182	11,994,433	5,276,041	2,319,845	7,595,886	19,590,319
<b>DISBURSEMENTS</b>									
General Government	533,619	1,079,292	-	58,966	1,671,877	-	-	-	1,671,877
Public Safety	5,276,800	1,440,046	-	-	6,716,846	-	-	-	6,716,846
Public Works and Transportation	681,357	524,396	-	255,821	1,461,574	-	-	-	1,461,574
Culture and Recreation	82,199	-	-	-	82,199	-	-	-	82,199
Development	111,523	107,042	-	-	218,565	-	-	-	218,565
Personal	-	-	-	-	-	1,638,019	2,059,042	3,697,061	3,697,061
Contractual	-	-	-	-	-	2,041,805	114,207	2,156,012	2,156,012
Commodities	-	-	-	-	-	226,513	93,189	319,702	319,702
Capital Expenditures	-	-	-	-	-	1,410,239	1,723	1,411,962	1,411,962
Other Disbursements	-	-	-	-	-	143,007	894	143,901	143,901
Debt Service:									
Principal Retirement	17,500	71,111	1,014,124	265,000	1,367,735	-	-	-	1,367,735
Interest and Fiscal Charges	6,188	9,764	148,012	136,824	300,788	-	-	-	300,788
Total Disbursements	6,709,186	3,231,651	1,162,136	716,611	11,819,584	5,459,583	2,269,055	7,728,638	19,548,222
<b>CHANGE IN CASH BALANCES</b>	696,147	405,425	(857,294)	(69,429)	174,849	(183,542)	50,790	(132,752)	42,097
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	382,761	242,603	603,200	890,500	2,119,064	861,151	-	861,151	2,980,215
Transfers Out	(350,281)	(27,012)	-	(564,773)	(942,066)	(2,035,230)	(2,919)	(2,038,149)	(2,980,215)
Proceeds from Bond Sale	-	-	298,920	-	298,920	-	-	-	298,920
Total Other Financing Sources (Uses)	32,480	215,591	902,120	325,727	1,475,918	(1,174,079)	(2,919)	(1,176,998)	298,920
<b>EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING USES</b>	728,627	621,016	44,826	256,298	1,650,767	(1,357,621)	47,871	(1,309,750)	341,017
Cash Balances - April 30, 2020	6,395,180	2,146,466	1,152,630	1,960,351	11,654,627	4,691,147	204,852	4,895,999	16,550,626
<b>CASH BALANCES - APRIL 30, 2021</b>	<u>\$ 7,123,807</u>	<u>\$ 2,767,482</u>	<u>\$ 1,197,456</u>	<u>\$ 2,216,649</u>	<u>\$ 13,305,394</u>	<u>\$ 3,333,526</u>	<u>\$ 252,723</u>	<u>\$ 3,586,249</u>	<u>\$ 16,891,643</u>
<b>CASH BASIS FUND BALANCES/NET POSITION</b>									
Restricted - Nonexpendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,076,925	\$ -	\$ 1,076,925	\$ 1,076,925
Restricted - Expendable	-	2,305,867	-	66,429	2,372,296	280,557	-	280,557	2,652,853
Assigned	-	461,615	1,197,456	2,150,220	3,809,291	-	-	-	3,809,291
Unrestricted	-	-	-	-	-	1,976,044	252,723	2,228,767	2,228,767
Unassigned	7,123,807	-	-	-	7,123,807	-	-	-	7,123,807
Total Cash Basis Fund Balances/Net Position	<u>\$ 7,123,807</u>	<u>\$ 2,767,482</u>	<u>\$ 1,197,456</u>	<u>\$ 2,216,649</u>	<u>\$ 13,305,394</u>	<u>\$ 3,333,526</u>	<u>\$ 252,723</u>	<u>\$ 3,586,249</u>	<u>\$ 16,891,643</u>

**CITY OF KEWANEE, ILLINOIS  
 COMBINING SCHEDULE OF CASH TRANSACTIONS  
 NONMAJOR GOVERNMENTAL FUNDS  
 AS OF AND FOR THE YEAR ENDED APRIL 30, 2021**

	Total Nonmajor Governmental Funds	Audit Fund	Liability Insurance Fund	Motor Fuel Tax Fund	Municipal Retirement Fund	Social Security Fund
<b>RECEIPTS</b>						
Taxes	\$ 2,886,952	\$ 10,015	\$ 209,070	\$ -	\$ 224,004	\$ 214,078
Intergovernmental Receipts	884,152	-	-	884,152	-	-
Charges for Services	18,335	-	-	-	-	-
Interest Income	17,953	3	43	1,679	47	43
Other Receipts	137,878	-	53,456	-	8,588	-
Total Receipts	<u>3,945,270</u>	<u>10,018</u>	<u>262,569</u>	<u>885,831</u>	<u>232,639</u>	<u>214,121</u>
<b>DISBURSEMENTS</b>						
General Government	1,138,258	53,520	491,992	-	259,546	222,907
Public Safety	1,440,046	-	-	-	-	-
Public Works and Transportation	524,396	-	-	442,631	-	-
Development	107,042	-	-	-	-	-
Debt Service:						
Principal Retirement	1,085,235	-	-	-	-	-
Interest and Fiscal Charges	157,776	-	-	-	-	-
Total Disbursements	<u>4,452,753</u>	<u>53,520</u>	<u>491,992</u>	<u>442,631</u>	<u>259,546</u>	<u>222,907</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	(507,483)	(43,502)	(229,423)	443,200	(26,907)	(8,786)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	893,803	18,750	213,000	7,573	-	180
Transfers Out	(27,012)	-	-	-	(232)	-
Proceeds from Bond Sale	298,920	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,165,711</u>	<u>18,750</u>	<u>213,000</u>	<u>7,573</u>	<u>(232)</u>	<u>180</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	658,228	(24,752)	(16,423)	450,773	(27,139)	(8,606)
Cash Balances - April 30, 2020	<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 BALANCES - APRIL 30, 2021</b>	<u>\$ 3,968,639</u>	<u>\$ 499</u>	<u>\$ 14,793</u>	<u>\$ 862,777</u>	<u>\$ 35,752</u>	<u>\$ 49,133</u>
<b>CASH BASIS FUND BALANCES</b>						
Restricted	\$ 2,305,867	\$ -	\$ -	\$ 845,751	\$ 19,351	\$ 40,699
Assigned	1,662,772	499	14,793	17,026	16,401	8,434
Total Cash Basis Fund Balances	<u>\$ 3,968,639</u>	<u>\$ 499</u>	<u>\$ 14,793</u>	<u>\$ 862,777</u>	<u>\$ 35,752</u>	<u>\$ 49,133</u>

**CITY OF KEWANEE, ILLINOIS  
COMBINING SCHEDULE OF CASH TRANSACTIONS  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED APRIL 30, 2021**

	Unemployment Insurance Fund	CDAP Housing Fund	TIF Development Fund	IEPA Water Loan Fund	Revolving Loan Fund	2015 Bond Fund
<b>RECEIPTS</b>						
Taxes	\$ 33,909	\$ -	\$ 456,638	\$ -	\$ -	\$ 303,151
Intergovernmental Receipts	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Interest Income	6	4	3,519	-	10,607	1,691
Other Receipts	-	-	3	-	72,479	-
Total Receipts	<u>33,915</u>	<u>4</u>	<u>460,160</u>	<u>-</u>	<u>83,086</u>	<u>304,842</u>
<b>DISBURSEMENTS</b>						
General Government	27,327	-	24,000	-	-	-
Public Safety	-	-	-	-	-	-
Public Works and Transportation	-	-	81,765	-	-	-
Development	-	-	44,242	-	62,800	-
Debt Service:						
Principal Retirement	-	-	71,111	44,879	-	479,245
Interest and Fiscal Charges	-	-	9,764	12,321	-	75,988
Total Disbursements	<u>27,327</u>	<u>-</u>	<u>230,882</u>	<u>57,200</u>	<u>62,800</u>	<u>555,233</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	6,588	4	229,278	(57,200)	20,286	(250,391)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	3,100	57,200	-	-
Transfers Out	-	-	-	-	-	-
Proceeds from Bond Sale	-	-	-	-	-	298,920
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,100</u>	<u>57,200</u>	<u>-</u>	<u>298,920</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	6,588	4	232,378	-	20,286	48,529
Cash Balances - April 30, 2020	<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 BALANCES - APRIL 30, 2021</b>	<u>\$ 37,423</u>	<u>\$ 3,017</u>	<u>\$ 1,024,218</u>	<u>\$ 23,287</u>	<u>\$ 691,754</u>	<u>\$ 412,704</u>
<b>CASH BASIS FUND BALANCES</b>						
Restricted	\$ 14,441	\$ 2,962	\$ 923,742	\$ -	\$ 412,216	\$ -
Assigned	<u>22,982</u>	<u>55</u>	<u>100,476</u>	<u>23,287</u>	<u>279,538</u>	<u>412,704</u>
Total Cash Basis Fund Balances	<u>\$ 37,423</u>	<u>\$ 3,017</u>	<u>\$ 1,024,218</u>	<u>\$ 23,287</u>	<u>\$ 691,754</u>	<u>\$ 412,704</u>

**CITY OF KEWANEE, ILLINOIS  
COMBINING SCHEDULE OF CASH TRANSACTIONS  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
AS OF AND FOR THE YEAR ENDED APRIL 30, 2021**

	2013 Bond Fund	Capital Maint./ Municipal Building Fund	Firefighters' Pension Fund	Police Pension Fund	Perpetual Care Fund
<b>RECEIPTS</b>					
Taxes	\$ -	\$ -	\$ 706,449	\$ 729,638	\$ -
Intergovernmental Receipts	-	-	-	-	-
Charges for Services	-	-	-	-	18,335
Interest Income	-	-	144	149	18
Other Receipts	-	3,352	-	-	-
Total Receipts	<u>-</u>	<u>3,352</u>	<u>706,593</u>	<u>729,787</u>	<u>18,353</u>
<b>DISBURSEMENTS</b>					
General Government	-	58,966	-	-	-
Public Safety	-	-	708,433	731,613	-
Public Works and Transportation	-	-	-	-	-
Development	-	-	-	-	-
Debt Service:					
Principal Retirement	490,000	-	-	-	-
Interest and Fiscal Charges	59,703	-	-	-	-
Total Disbursements	<u>549,703</u>	<u>58,966</u>	<u>708,433</u>	<u>731,613</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	(549,703)	(55,614)	(1,840)	(1,826)	18,353
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	546,000	48,000	-	-	-
Transfers Out	-	-	-	-	(26,780)
Proceeds from Bond Sale	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>546,000</u>	<u>48,000</u>	<u>-</u>	<u>-</u>	<u>(26,780)</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCES</b>	(3,703)	(7,614)	(1,840)	(1,826)	(8,427)
Cash Balances - April 30, 2020	<u>765,168</u>	<u>11,315</u>	<u>14,810</u>	<u>15,605</u>	<u>29,794</u>
<b>CASH BALANCES - APRIL 30, 2021</b>	<u>\$ 761,465</u>	<u>\$ 3,701</u>	<u>\$ 12,970</u>	<u>\$ 13,779</u>	<u>\$ 21,367</u>
<b>CASH BASIS FUND BALANCES</b>					
Restricted	\$ -	\$ -	\$ 12,970	\$ 13,779	\$ 19,956
Assigned	761,465	3,701	-	-	1,411
Total Cash Basis Fund Balances	<u>\$ 761,465</u>	<u>\$ 3,701</u>	<u>\$ 12,970</u>	<u>\$ 13,779</u>	<u>\$ 21,367</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, 2021**

	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	\$ -	\$ 2,069,236	\$ 342,935	\$ 1,726,301
Interest Income	-	1,103	-	1,103
Other Receipts	-	249,506	-	249,506
Total Receipts	-	2,319,845	342,935	1,976,910
<b>DISBURSEMENTS</b>				
Personnel	-	2,059,042	115,963	1,943,079
Contractual	-	114,207	95,157	19,050
Commodities	-	93,189	93,189	-
Capital Expenditures	-	1,723	1,723	-
Other Disbursements	-	894	-	894
Total Disbursements	-	2,269,055	306,032	1,963,023
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>	-	50,790	36,903	13,887
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(2,919)	(2,919)	-
<b>CHANGE IN CASH BASIS NET POSITION</b>	-	47,871	33,984	13,887
Cash Balances - April 30, 2020	25,606	204,852	(30,426)	235,278
<b>CASH BALANCES - APRIL 30, 2021</b>	<u>\$ 25,606</u>	<u>\$ 252,723</u>	<u>\$ 3,558</u>	<u>\$ 249,165</u>
<b>CASH BASIS NET POSITION</b>				
Restricted - Expendable	\$ 25,606	\$ -	\$ -	\$ -
Unrestricted	-	252,723	3,558	249,165
Total Cash Basis Net Position	<u>\$ 25,606</u>	<u>\$ 252,723</u>	<u>\$ 3,558</u>	<u>\$ 249,165</u>

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**ALL FUND TYPES**  
**YEAR ENDED APRIL 30, 2021**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Taxes	\$ 3,801,356	\$ 3,801,356	\$ 3,655,234	\$ (146,122)
Licenses and Permits	417,029	417,029	386,794	(30,235)
Intergovernmental Receipts	5,340,859	5,340,859	6,122,816	781,957
Charges for Services	5,726,122	5,726,122	7,952,769	2,226,647
Interest Income	270,650	270,650	118,929	(151,721)
Fines and Forfeits	217,325	217,325	171,360	(45,965)
Other Receipts	572,581	572,581	1,182,417	609,836
Total Receipts	<u>16,345,922</u>	<u>16,345,922</u>	<u>19,590,319</u>	<u>3,244,397</u>
<b>DISBURSEMENTS</b>				
General Government	1,492,038	1,492,038	1,671,877	179,839
Public Safety	6,346,810	6,346,810	6,716,846	370,036
Public Works and Transportation	2,200,378	2,200,378	1,461,574	(738,804)
Culture and Recreation	96,365	96,365	82,199	(14,166)
Development	825,700	825,700	218,565	(607,135)
Personnel	3,249,430	3,249,430	3,697,061	447,631
Contractual	2,237,008	2,237,008	2,156,012	(80,996)
Commodities	295,725	295,725	319,702	23,977
Capital Expenditures	2,086,180	2,086,180	1,411,962	(674,218)
Other Disbursements	75,516	75,516	143,901	68,385
Debt Service:				
Principal Retirement	1,085,053	1,085,053	1,367,735	282,682
Interest and Fiscal Charges	152,291	152,291	300,788	148,497
Total Disbursements	<u>20,142,494</u>	<u>20,142,494</u>	<u>19,548,222</u>	<u>(594,272)</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(3,796,572)</b>	<b>(3,796,572)</b>	<b>42,097</b>	<b>3,838,669</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,893,689	3,893,689	2,980,215	(913,474)
Transfers Out	(2,493,691)	(2,493,691)	(2,980,215)	(486,524)
Proceeds from Bond Sale	298,500	298,500	298,920	420
Total Other Financing Sources (Uses)	<u>1,698,498</u>	<u>1,698,498</u>	<u>298,920</u>	<u>(1,399,578)</u>
<b>NET CHANGE IN CASH BALANCES</b>	<b><u>\$ (2,098,074)</u></b>	<b><u>\$ (2,098,074)</u></b>	<b>341,017</b>	<b><u>\$ 2,439,091</u></b>
Balances - April 30, 2020			<u>16,550,626</u>	
<b>BALANCES - APRIL 30, 2021</b>			<b><u>\$ 16,891,643</u></b>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED APRIL 30, 2021**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Taxes	\$ 789,896	\$ 789,896	\$ 768,282	\$ (21,614)
Licenses and Permits	415,829	415,829	385,163	(30,666)
Intergovernmental Receipts	4,137,952	4,137,952	4,598,480	460,528
Charges for Services	601,122	601,122	749,464	148,342
Interest Income	170,005	170,005	71,929	(98,076)
Fines and Forfeits	99,825	99,825	75,576	(24,249)
Other Receipts	203,920	203,920	756,439	552,519
Total Receipts	<u>6,418,549</u>	<u>6,418,549</u>	<u>7,405,333</u>	<u>986,784</u>
<b>DISBURSEMENTS</b>				
General Government	458,888	458,888	533,619	74,731
Public Safety	4,738,683	4,738,683	5,276,800	538,117
Public Works and Transportation	657,895	657,895	681,357	23,462
Culture and Recreation	94,865	94,865	82,199	(12,666)
Development	346,205	346,205	111,523	(234,682)
Debt Service:				
Principal Retirement	-	-	17,500	17,500
Interest and Fiscal Charges	-	-	6,188	6,188
Total Disbursements	<u>6,296,536</u>	<u>6,296,536</u>	<u>6,709,186</u>	<u>412,650</u>
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>	122,013	122,013	696,147	574,134
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	87,500	87,500	382,761	295,261
Transfers Out	(621,739)	(621,739)	(350,281)	271,458
Total Other Financing Sources (Uses)	<u>(534,239)</u>	<u>(534,239)</u>	<u>32,480</u>	<u>566,719</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCE</b>	<u>\$ (412,226)</u>	<u>\$ (412,226)</u>	728,627	<u>\$ 1,140,853</u>
Balances - April 30, 2020			<u>6,395,180</u>	
<b>BALANCES - APRIL 30, 2021</b>			<u>\$ 7,123,807</u>	



**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**ACQUISITION FUND**  
**YEAR ENDED APRIL 30, 2021**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Other Receipts	\$ -	\$ -	\$ 2,878	\$ 2,878
<b>DISBURSEMENTS</b>				
Public Works and Transportation	197,000	197,000	148,663	(48,337)
<b>DEFICIENCY OF RECEIPTS UNDER DISBURSEMENTS</b>	(197,000)	(197,000)	(145,785)	51,215
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	297,500	297,500	842,500	545,000
Transfers Out	(500,000)	(500,000)	(500,000)	-
Total Other Financing Sources (Uses)	(202,500)	(202,500)	342,500	545,000
<b>NET CHANGE IN CASH BASIS FUND BALANCE</b>	<u>\$ (399,500)</u>	<u>\$ (399,500)</u>	196,715	<u>\$ 596,215</u>
Balances - April 30, 2020			<u>1,945,734</u>	
<b>BALANCES - APRIL 30, 2021</b>			<u>\$ 2,142,449</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**NHR SALES TAX INFRASTRUCTURE IMPROVEMENT FUND**  
**YEAR ENDED APRIL 30, 2021**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Intergovernmental Receipts	\$ 647,223	\$ 647,223	\$ 640,184	\$ (7,039)
Interest Income	3,200	3,200	768	(2,432)
Total Receipts	<u>650,423</u>	<u>650,423</u>	<u>640,952</u>	<u>(9,471)</u>
<b>DISBURSEMENTS</b>				
Public Works and Transportation	270,000	270,000	107,158	(162,842)
Debt Service:				
Principal Retirement	265,000	265,000	265,000	-
Interest and Fiscal Charges	136,824	136,824	136,824	-
Total Disbursements	<u>671,824</u>	<u>671,824</u>	<u>508,982</u>	<u>(162,842)</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	(21,401)	(21,401)	131,970	153,371
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(57,200)</u>	<u>(57,200)</u>	<u>(64,773)</u>	<u>(7,573)</u>
<b>NET CHANGE IN CASH BASIS FUND BALANCE</b>	<u>\$ (78,601)</u>	<u>\$ (78,601)</u>	67,197	<u>\$ 145,798</u>
Balances - April 30, 2020			<u>3,302</u>	
<b>BALANCES - APRIL 30, 2021</b>			<u>\$ 70,499</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**SANITATION FUND**  
**YEAR ENDED APRIL 30, 2021**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Charges for Services	\$ 1,238,000	\$ 1,238,000	\$ 1,221,574	\$ (16,426)
Fines and Forfeits	18,000	18,000	13,971	(4,029)
Other Receipts	1,900	1,900	-	(1,900)
Total Receipts	<u>1,257,900</u>	<u>1,257,900</u>	<u>1,235,545</u>	<u>(22,355)</u>
<b>DISBURSEMENTS</b>				
Personnel	482,097	482,097	429,421	(52,676)
Contractual	629,130	629,130	632,422	3,292
Commodities	35,100	35,100	37,604	2,504
Capital Expenditures	51,860	51,860	23,936	(27,924)
Other Disbursements	400	400	7,795	7,395
Total Disbursements	<u>1,198,587</u>	<u>1,198,587</u>	<u>1,131,178</u>	<u>(67,409)</u>
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>				
	59,313	59,313	104,367	45,054
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(205,674)</u>	<u>(205,674)</u>	<u>(143,915)</u>	<u>61,759</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>				
	<u>\$ (146,361)</u>	<u>\$ (146,361)</u>	(39,548)	<u>\$ 106,813</u>
Balances - April 30, 2020			<u>323,317</u>	
<b>BALANCES - APRIL 30, 2021</b>			<u>\$ 283,769</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**WATER FUND**  
**YEAR ENDED APRIL 30, 2021**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Licenses and Permits	\$ 1,200	\$ 1,200	\$ 1,631	\$ 431
Charges for Services	2,200,500	2,200,500	2,197,300	(3,200)
Interest Income	27,550	27,550	4,790	(22,760)
Fines and Forfeits	67,000	67,000	55,768	(11,232)
Other Receipts	17,000	17,000	1,052	(15,948)
Total Receipts	<u>2,313,250</u>	<u>2,313,250</u>	<u>2,260,541</u>	<u>(52,709)</u>
<b>DISBURSEMENTS</b>				
Personnel	702,932	702,932	738,067	35,135
Contractual	620,629	620,629	533,130	(87,499)
Commodities	106,300	106,300	100,449	(5,851)
Capital Expenditures	860,360	860,360	554,319	(306,041)
Other Disbursements	10,500	10,500	10,444	(56)
Total Disbursements	<u>2,300,721</u>	<u>2,300,721</u>	<u>1,936,409</u>	<u>(364,312)</u>
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>				
	12,529	12,529	324,132	311,603
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	500,000	500,000	500,000	-
Transfers Out	<u>(777,382)</u>	<u>(777,382)</u>	<u>(1,314,804)</u>	<u>(537,422)</u>
Total Other Financing Sources (Uses)	<u>(277,382)</u>	<u>(277,382)</u>	<u>(814,804)</u>	<u>(537,422)</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>				
	<u>\$ (264,853)</u>	<u>\$ (264,853)</u>	(490,672)	<u>\$ (225,819)</u>
Balances - April 30, 2020			<u>1,511,762</u>	
<b>BALANCES - APRIL 30, 2021</b>			<u>\$ 1,021,090</u>	

**CITY OF KEWANEE, ILLINOIS**  
**SCHEDULE OF CASH TRANSACTIONS – BUDGET TO ACTUAL**  
**SEWER FUND**  
**YEAR ENDED APRIL 30, 2021**

	Budget		Actual	Over (Under) Budget
	Original	Final		
<b>RECEIPTS</b>				
Charges for Services	\$ 1,605,500	\$ 1,605,500	\$ 1,586,887	\$ (18,613)
Interest Income	2,700	2,700	452	(2,248)
Fines and Forfeits	32,500	32,500	26,045	(6,455)
Other Receipts	26,500	26,500	13,020	(13,480)
Total Receipts	<u>1,667,200</u>	<u>1,667,200</u>	<u>1,626,404</u>	<u>(40,796)</u>
<b>DISBURSEMENTS</b>				
Personnel	272,503	272,503	254,611	(17,892)
Contractual	853,599	853,599	853,404	(195)
Commodities	63,925	63,925	70,779	6,854
Capital Expenditures	1,167,960	1,167,960	805,610	(362,350)
Other Disbursements	63,600	63,600	124,305	60,705
Total Disbursements	<u>2,421,587</u>	<u>2,421,587</u>	<u>2,108,709</u>	<u>(312,878)</u>
<b>DEFICIENCY OF RECEIPTS UNDER DISBURSEMENTS</b>				
	(754,387)	(754,387)	(482,305)	272,082
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	200,000	200,000	200,000	-
Transfers Out	(279,157)	(279,157)	(540,700)	(261,543)
Total Other Financing Sources (Uses)	<u>(79,157)</u>	<u>(79,157)</u>	<u>(340,700)</u>	<u>(261,543)</u>
<b>CHANGE IN CASH BASIS NET POSITION</b>				
	<u>\$ (833,544)</u>	<u>\$ (833,544)</u>	(823,005)	<u>\$ 10,539</u>
Balances - April 30, 2020			<u>1,654,001</u>	
<b>BALANCES - APRIL 30, 2021</b>			<u>\$ 830,996</u>	

**CITY OF KEWANEE, ILLINOIS  
CONSOLIDATED YEAR-END FINANCIAL REPORT  
APRIL 30, 2021**

CSFA Number	Program Name	State	Federal	Other	Total
420-00-2433	Local Coronavirus Urgent Remediation Emergency (or Local CURE) & Economic Support Payments Grant Program	\$ -	\$ 525,938	\$ -	\$ 525,938
494-00-1488	Motor Fuel Tax Program	442,631	-	-	442,631
	Other Grant Programs and Activities	-	17,038	21,628	38,666
	All Other Costs Not Allocated	-	-	16,471,751	16,471,751
	<b>Total</b>	<u>\$ 442,631</u>	<u>\$ 542,976</u>	<u>\$ 16,493,379</u>	<u>\$ 17,478,986</u>