

CITY OF NEWTON, ILLINOIS
TAX INCREMENT FINANCING FUND
REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1417
FOR THE YEAR ENDED APRIL 30, 2018

CITY OF NEWTON, ILLINOIS
TAX INCREMENT FINANCING FUND
YEAR ENDED APRIL 30, 2018

TABLE OF CONTENTS

	<u>Page</u>
Introductory Section:	
Title Page	
Table of Contents	
Financial Section:	
Independent Accountant's Report	1
Independent Auditor's Report on Supplementary Information	2
Basic Financial Statements:	
Balance Sheet – Modified Cash Basis	3
Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis	4



INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor and Members
of the City Council
City of Newton, Illinois

We have examined management of the City of Newton's assertion that the City of Newton, Illinois (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2018. The City of Newton's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, management's assertion that the City of Newton, Illinois complied with the aforementioned requirements during the year ended April 30, 2018 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, City Council, management of the City, and Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Kemper CPA Group LLP
KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

September 10, 2018



INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

To the Honorable Mayor and Members
of the City Council
City of Newton, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Newton, Illinois (the City) as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City and have issued our report thereon dated September 10, 2018, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information (balance sheet and statement of revenues, expenditures, and changes in fund balance for the TIF Fund) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

September 10, 2018

CITY OF NEWTON, ILLINOIS
TAX INCREMENT FINANCING FUND
Balance Sheet - Modified Cash Basis
April 30, 2018

ASSETS

Cash and cash equivalents	\$ 118,025
Notes receivable	52,694
Inventory	108,043
Total assets	<u>\$ 278,762</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Due to other funds	\$ 97,000
Total liabilities	<u>97,000</u>

Fund balance:

Nonspendable	108,043
Restricted	73,719
Total fund balance	<u>181,762</u>
Total liabilities and fund balance	<u>\$ 278,762</u>

See independent auditor's report on supplementary information.

CITY OF NEWTON, ILLINOIS
TAX INCREMENT FINANCING DISTRICT
Statement of Revenues, Expenditures,
and Changes in Fund Balance - Modified Cash Basis
For the Year Ended April 30, 2018

REVENUES

Property taxes	\$ 361,004
Interest and investment earnings	1,156
Miscellaneous	2,499
Total revenues	<u>364,659</u>

EXPENDITURES

Current:	
Community development	168,475
Capital outlay	119,116
Total expenditures	<u>287,591</u>

Excess of revenue over expenditures 77,068

Fund balance - beginning 104,694

Fund balance - ending \$ 181,762

See independent auditor's report on supplementary information.